

\_\_\_\_\_ moves that the Legislative Commission on Pensions and Retirement (LCPR) approve, under Minn. Stat. § 356.215, Subd. 18, changes in actuarial assumptions, other than the interest rate assumption, to take effect beginning with the actuarial valuations for the fiscal year beginning July 1, 2017, as requested by letter from the executive director for each system or plan, except that the proposed change in the mortality improvement scale for the Public Employees Retirement Association (PERA) General Employees Retirement Plan will take effect only if proposed changes to Minn. Stat. § 356.215, Subd. 9, included in PERA's administrative bill, is enacted. Specifically, the requests for approval of assumption changes are the following:

**Assumptions for Use of the Combined Service Annuity and Coverage By More Than One Retirement System Provisions:**

1. At the request of the executive director of the Minnesota State Retirement System (MSRS), by letter dated December 8, 2016, for the following plans:

- General State Employees Retirement Plan
- Correctional State Employees Retirement Plan
- State Patrol Retirement Plan
- Legislators Retirement Plan

The letter states that the assumption changes were recommended by the plan's actuary, Gabriel Roeder, Smith & Co., based on the report on the experience study dated October 2016 by the LCPR's actuary, Deloitte Consulting LLP (Deloitte), and approved by the MSRS Board of Directors on September 15, 2016.

2. At the request of the executive director of the Public Employees Retirement Association (PERA), by letter dated December 15, 2016, for the following plans:

- General Employees Retirement Plan
- Local Government Correctional Service Retirement Plan
- Public Employees Police and Fire Retirement Plan

The letter states that the assumption changes were approved by the PERA Board of Trustees on October 13, 2016, upon review of the report on the experience study dated October 2016 by Deloitte.

3. At the request of the executive director of the Teachers Retirement Association (TRA), by letter dated November 18, 2016, for TRA. The letter states that the assumption changes were approved by the TRA Board of Trustees on November 16, 2016, upon review of the report on the experience study dated October 2016 by Deloitte.

4. At the request of the executive director of St. Paul Teachers Retirement Fund Association (SPTRFA), by letter dated December 22, 2016, for SPTRFA. The letter states that the assumption changes were recommended by the plan's actuary, Gabriel Roeder, Smith & Co., based on the report on the experience study dated October 2016 by Deloitte, and approved by the SPTRFA Board of Trustees on September 28, 2016.

**Assumptions for Merit and Seniority and Rates of Retirement, Termination, Disability, Mortality**

1. At the request of the executive director of MSRS, by letter dated December 8, 2016, for the following plans:

- Correctional State Employees Retirement Plan
- State Patrol Retirement Plan
- Judges Retirement Plan
- Legislators Retirement Plan

The letter states that the assumption changes were recommended by the plan's actuary, Gabriel Roeder, Smith & Co., after completion of experience studies for each of the plans, except the Legislators Plan, for the period July 1, 2011, to June 30, 2015. The MSRS Board of Directors approved the new assumptions on September 15, 2016. An experience study was not completed for the Legislators Plan, but the actuary recommended that the Board approve the same mortality assumptions as currently in use for MSRS General.

2. At the request of the executive director of PERA, by letter dated December 15, 2016, for the following plans:

- Local Government Correctional Service Retirement Plan
- Public Employees Police and Fire Retirement Plan

The letter states that the assumption changes were recommended by the plan's actuary, Gabriel Roeder, Smith & Co., after completion of experience studies for each of the plans, for the period July 1, 2011, to June 30, 2015. The PERA Board of Trustees approved the new assumptions on October 13, 2016, and December 8, 2016.

**Assumption for Mortality Improvement for PERA General**

At the request of the executive director of PERA, by letter dated December 15, 2016, for PERA General. The letter states that the Board of Trustees, on December 8, 2016, approved updating the "Mortality Improvement Scale" from the current MP-2015 to MP-2016, which is the most recent scale published by the Society of Actuaries.

If the motion is approved, the Commission's approval of the change to MP-2016 for PERA General will take effect only if the proposed amendment to Minn. Stat. § 356.215, Subd. 9, included in the PERA administrative bill, is approved and eventually enacted.