Appendix D12 - Actuarial Method and Assumptions

Public Service Defined Benefit Pension Plans Reciprocal Transfer Agreement

Name of Public Authority: British Columbia Municipal Pension Board of Trustees

Registered Pension Plan Name: British Columbia Municipal Pension Plan

1. **Actuarial Method** (describe): projected unit credit

2. **Assumptions**: Effective date: April 1, 2024

a) **Economic Assumptions:**

(1)	Annual Interest Rate:	6.25%
(2)	Annual Real Rate of Return:	4.00%
(3)	Annual Inflation Rate:	2.25%
(4)	Post-retirement Indexing:	2.25%
(5)	Annual YMPE Growth Rate:	3.00%
(6)	Annual Salary Increase:	3.00%
(7)	Increase in *Income Tax Act* maximum:	3.00%

b) **Demographic Assumptions:**

(1)	Mortality Table:	
	a. Pre-retirement	None
	b. Post-retirement	120% male, 106% female of CPM2014Public with CPM-B improvement Unisex: group 1 30% male + 70% female; groups 2 & 5: 90% male + 10% female
(2)	Retirement Age:	
	a. Group 1	60; immediate if over age 60
	b. Groups 2 & 5	55; immediate if over age 55
(3)	Withdrawal Rate:	None
(4)	Disability Rate:	None
(5)	Seniority salary scale:	See table

Salary Scales – Valuation Group 1

Current Age	Salary Scale
15	0.549
16	0.568
17	0.586
18	0.605
19	0.624
20	0.642
21	0.661
22	0.678
23	0.695
24	0.710
25	0.725
26	0.741
27	0.756
28	0.772
29	0.787
30	0.801
31	0.813
32	0.825
33	0.836
34	0.846
35	0.856
36	0.866
37	0.876
38	0.885
39	0.894

Current Age	Salary Scale
40	0.902
41	0.910
42	0.918
43	0.926
44	0.933
45	0.939
46	0.946
47	0.952
48	0.957
49	0.963
50	0.968
51	0.972
52	0.977
53	0.981
54	0.985
55	0.989
56	0.991
57	0.994
58	0.997
59	0.998
60	0.999
61	1.000
62	1.000
63	1.000
64	1.000
65	1.000

Salary Scales – Valuation Groups 2 & 5

Current Age	Salary Scale
15	0.474
16	0.493
17	0.513
18	0.533
19	0.552
20	0.572
21	0.592
22	0.612
23	0.631
24	0.651
25	0.670
26	0.688
27	0.706
28	0.722
29	0.737
30	0.753
31	0.767
32	0.780
33	0.791
34	0.800
35	0.809
36	0.818
37	0.827
38	0.836
39	0.844

Current Age	Salary Scale
40	0.852
41	0.860
42	0.868
43	0.876
44	0.883
45	0.891
46	0.898
47	0.906
48	0.913
49	0.920
50	0.928
51	0.935
52	0.942
53	0.949
54	0.957
55	0.964
56	0.971
57	0.978
58	0.986
59	0.993
60	1.000