

1.1 ..... moves to amend S.F. No. 2620; H.F. No. 3053, as follows:

1.2 Page 25, delete section 1 and insert:

1.3 "Section 1. Minnesota Statutes 2017 Supplement, section 356.215, subdivision 8, is  
1.4 amended to read:

1.5 Subd. 8. **Interest and salary assumptions.** (a) The actuarial valuation must use the  
1.6 applicable following ~~interest~~ investment return assumption:

1.7 ~~(1) select and ultimate interest rate assumption~~

1.8		<del>ultimate interest rate</del>
1.9	<del>plan</del>	<del>assumption</del>
1.10	<del>teachers retirement plan</del>	<del>8.5%</del>

1.11 ~~The select preretirement interest rate assumption for the period through June 30, 2017,~~  
1.12 ~~is eight percent.~~

1.13 ~~(2) single rate interest rate assumption~~

1.14		<del>interest rate</del>
1.15		<del>investment return</del>
1.16	<del>plan</del>	<del>assumption</del>
1.17	general state employees retirement plan	<del>8 7.5%</del>
1.18	correctional state employees retirement plan	<del>8 7.5</del>
1.19	State Patrol retirement plan	<del>8 7.5</del>
1.20	legislators retirement plan, and for the	0
1.21	constitutional officers calculation of total plan	
1.22	liabilities	
1.23	judges retirement plan	<del>8 7.5</del>
1.24	general public employees retirement plan	<del>8 7.5</del>
1.25	public employees police and fire retirement plan	<del>8 7.5</del>
1.26	local government correctional service retirement	<del>8 7.5</del>
1.27	plan	
1.28	<u>teachers retirement plan</u>	<u>7.5</u>
1.29	St. Paul teachers retirement plan	<del>8 7.5</del>
1.30	Bloomington Fire Department Relief Association	6
1.31	local monthly benefit volunteer firefighter relief	5
1.32	associations	
1.33	monthly benefit retirement plans in the statewide	6
1.34	volunteer firefighter retirement plan	

1.35 ~~(b)(1) If funding stability has been attained,~~ The actuarial valuation for each of the  
1.36 covered retirement plans listed in section 356.415, subdivision 2, and the St. Paul Teachers  
1.37 Retirement Fund Association must ~~use a~~ take into account the postretirement adjustment

2.1 ~~rate actuarial assumption equal to the postretirement adjustment rate or rates applicable to~~  
 2.2 ~~the plan as specified in section 354A.29, subdivision 9 7, or 356.415, subdivision 1,~~  
 2.3 ~~whichever applies.~~

2.4 ~~(2) If funding stability has not been attained, the valuation must use a select postretirement~~  
 2.5 ~~adjustment rate actuarial assumption equal to the postretirement adjustment rate specified~~  
 2.6 ~~in section 354A.29, subdivision 8, or 356.415, subdivision 1a, 1b, 1c, 1d, 1e, or 1f, whichever~~  
 2.7 ~~applies, for a period ending when the approved actuary estimates that the plan will attain~~  
 2.8 ~~the defined funding stability measure, and thereafter an ultimate postretirement adjustment~~  
 2.9 ~~rate actuarial assumption equal to the postretirement adjustment rate under section 354A.29,~~  
 2.10 ~~subdivision 9, or 356.415, subdivision 1, for the applicable period or periods beginning~~  
 2.11 ~~when funding stability is projected to be attained.~~

2.12 (c) The actuarial valuation must use the applicable ~~following single rate future salary~~  
 2.13 ~~increase assumption, the applicable following modified single rate future salary increase~~  
 2.14 ~~assumption, or the applicable following graded rate future salary increase assumption:~~  
 2.15 assumptions found in the appendix to the standards for actuarial work adopted by the  
 2.16 Legislative Commission on Pensions and Retirement pursuant to section 3.85, subdivision  
 2.17 10. The appendix must be updated whenever new assumptiuons have been approved or  
 2.18 deemed approved under subdivision 18.

2.19 ~~(1) single rate future salary increase assumption~~

<del>plan</del>	<del>future salary increase assumption</del>
<del>legislators retirement plan</del>	<del>5%</del>
<del>judges retirement plan</del>	<del>2.75</del>
<del>Bloomington Fire Department Relief Association</del>	<del>4</del>

2.24 ~~(2) age-related future salary increase age-related select and ultimate future salary increase~~  
 2.25 ~~assumption or graded rate future salary increase assumption~~

<del>plan</del>	<del>future salary increase assumption</del>
<del>local government correctional service retirement plan</del>	<del>assumption B</del>
<del>St. Paul teachers retirement plan</del>	<del>assumption A</del>

2.29 ~~For plans other than the St. Paul teachers~~  
 2.30 ~~retirement plan and the local government~~  
 2.31 ~~correctional service retirement plan, the select~~  
 2.32 ~~calculation is: during the designated select~~  
 2.33 ~~period, a designated percentage rate is~~  
 2.34 ~~multiplied by the result of the designated~~

3.1 ~~integer minus T, where T is the number of~~  
 3.2 ~~completed years of service, and is added to~~  
 3.3 ~~the applicable future salary increase~~  
 3.4 ~~assumption. The designated select period is~~  
 3.5 ~~ten years and the designated integer is ten for~~  
 3.6 ~~the local government correctional service~~  
 3.7 ~~retirement plan and 15 for the St. Paul~~  
 3.8 ~~Teachers Retirement Fund Association. The~~  
 3.9 ~~designated percentage rate is 0.2 percent for~~  
 3.10 ~~the St. Paul Teachers Retirement Fund~~  
 3.11 ~~Association.~~

3.12 ~~The ultimate future salary increase assumption is:~~

3.13	age	A	B
3.14	16	5.9%	8.75%
3.15	17	5.9	8.75
3.16	18	5.9	8.75
3.17	19	5.9	8.75
3.18	20	5.9	8.75
3.19	21	5.9	8.5
3.20	22	5.9	8.25
3.21	23	5.85	8
3.22	24	5.8	7.75
3.23	25	5.75	7.5
3.24	26	5.7	7.25
3.25	27	5.65	7
3.26	28	5.6	6.75
3.27	29	5.55	6.5
3.28	30	5.5	6.5
3.29	31	5.45	6.25
3.30	32	5.4	6.25
3.31	33	5.35	6.25
3.32	34	5.3	6
3.33	35	5.25	6
3.34	36	5.2	5.75
3.35	37	5.15	5.75
3.36	38	5.1	5.75
3.37	39	5.05	5.5

4.1	40	5	5.5
4.2	41	4.95	5.5
4.3	42	4.9	5.25
4.4	43	4.85	5
4.5	44	4.8	5
4.6	45	4.75	4.75
4.7	46	4.7	4.75
4.8	47	4.65	4.75
4.9	48	4.6	4.75
4.10	49	4.55	4.75
4.11	50	4.5	4.75
4.12	51	4.45	4.75
4.13	52	4.4	4.75
4.14	53	4.35	4.75
4.15	54	4.3	4.75
4.16	55	4.25	4.5
4.17	56	4.2	4.5
4.18	57	4.15	4.25
4.19	58	4.1	4
4.20	59	4.05	4
4.21	60	4	4
4.22	61	4	4
4.23	62	4	4
4.24	63	4	4
4.25	64	4	4
4.26	65	4	3.75
4.27	66	4	3.75
4.28	67	4	3.75
4.29	68	4	3.75
4.30	69	4	3.75
4.31	70	4	3.75

4.32 ~~(3) service-related ultimate future salary increase assumption~~

4.33 ~~general state employees retirement plan of the Minnesota~~ assumption A  
4.34 ~~State Retirement System~~

4.35 ~~general employees retirement plan of the Public~~ assumption B  
4.36 ~~Employees Retirement Association~~

4.37 ~~Teachers Retirement Association~~ assumption C

4.38 ~~public employees police and fire retirement plan~~ assumption D

5.1	<del>State Patrol retirement plan</del>						assumption E
5.2	<del>correctional state employees retirement plan of the</del>						assumption F
5.3	<del>Minnesota State Retirement System</del>						
5.4	service						
5.5	length	A	B	C	D	E	F
5.6	1	10.25%	11.78%	12%	12.75%	7.75%	5.75%
5.7	2	7.85	8.65	9	10.75	7.25	5.6
5.8	3	6.65	7.21	8	8.75	6.75	5.45
5.9	4	5.95	6.33	7.5	7.75	6.5	5.3
5.10	5	5.45	5.72	7.25	6.25	6.25	5.15
5.11	6	5.05	5.27	7	5.85	6	5
5.12	7	4.75	4.91	6.85	5.55	5.75	4.85
5.13	8	4.45	4.62	6.7	5.35	5.6	4.7
5.14	9	4.25	4.38	6.55	5.15	5.45	4.55
5.15	10	4.15	4.17	6.4	5.05	5.3	4.4
5.16	11	3.95	3.99	6.25	4.95	5.15	4.3
5.17	12	3.85	3.83	6	4.85	5	4.2
5.18	13	3.75	3.69	5.75	4.75	4.85	4.1
5.19	14	3.55	3.57	5.5	4.65	4.7	4
5.20	15	3.45	3.45	5.25	4.55	4.55	3.9
5.21	16	3.35	3.35	5	4.55	4.4	3.8
5.22	17	3.25	3.26	4.75	4.55	4.25	3.7
5.23	18	3.25	3.25	4.5	4.55	4.1	3.6
5.24	19	3.25	3.25	4.25	4.55	3.95	3.5
5.25	20	3.25	3.25	4	4.55	3.8	3.5
5.26	21	3.25	3.25	3.9	4.45	3.75	3.5
5.27	22	3.25	3.25	3.8	4.35	3.75	3.5
5.28	23	3.25	3.25	3.7	4.25	3.75	3.5
5.29	24	3.25	3.25	3.6	4.25	3.75	3.5
5.30	25	3.25	3.25	3.5	4.25	3.75	3.5
5.31	26	3.25	3.25	3.5	4.25	3.75	3.5
5.32	27	3.25	3.25	3.5	4.25	3.75	3.5
5.33	28	3.25	3.25	3.5	4.25	3.75	3.5
5.34	29	3.25	3.25	3.5	4.25	3.75	3.5
5.35	30 or more	3.25	3.25	3.5	4.25	3.75	3.5

5.36 (d) The actuarial valuation must use the applicable following payroll growth assumption  
5.37 for calculating the amortization requirement for the unfunded actuarial accrued liability  
5.38 where the amortization retirement is calculated as a level percentage of an increasing payroll:

6.1	plan	payroll growth assumption
6.2	<del>general state employees retirement plan of the Minnesota</del>	3.5%
6.3	<del>State Retirement System</del>	
6.4	<del>correctional state employees retirement plan</del>	3.5
6.5	<del>State Patrol retirement plan</del>	3.5
6.6	<del>judges retirement plan</del>	2.75
6.7	<del>general employees retirement plan of the Public</del>	3.5
6.8	<del>Employees Retirement Association</del>	
6.9	<del>public employees police and fire retirement plan</del>	3.5
6.10	<del>local government correctional service retirement plan</del>	3.5
6.11	<del>teachers retirement plan</del>	3.75
6.12	<del>St. Paul teachers retirement plan</del>	4

6.13 ~~(e) (d)~~ The assumptions set forth in ~~paragraphs (e) and (d)~~ the appendix to the standards  
6.14 for actuarial work continue to apply, unless a different salary assumption or a different  
6.15 payroll increase assumption:

6.16 (1) has been proposed by the governing board of the applicable retirement plan;

6.17 (2) is accompanied by the concurring recommendation of the actuary retained under  
6.18 section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most  
6.19 recent actuarial valuation report if section 356.214 does not apply; and

6.20 (3) has been approved or deemed approved under subdivision 18."