Miscellaneous Assumptions/Methods

We include the following miscellaneous assumptions and methods in this valuation.

- Minimum and maximum allowable ages are set in the data as follows.

	Non-Annuitants	Annuitants
Minimum Age	16	20
Maximum Age	80	110

- Default entry salaries, usually increased for past service, are assigned for active members with less than two months' service during the valuation year.
- Historical salaries for vested terminated members are not provided in the valuation data. Beginning with the 2008 valuation year, we first look to see if we kept a historical salary for such a member in the prior year's data. If so, we copy the salary to the current year's data. If a member was active in the prior year and terminated in the current year, we copy the prior year's salary to the current year's salary and keep it as historical.

  Additionally, in 2009 we searched our data for actual salaries up to ten years prior for terminated vested members who did not already have historical salaries listed. To estimate salaries for the remaining terminated vested members, we use the following procedure. First, a salary appropriate for the given system/plan and the member's total past service is assigned. These salaries are determined as of a given base year. Second, the salary is divided by the general salary increase assumption for each year the member has been inactive as measured from the base year.
- While DRS reports salaries earned during the year prior to the valuation date, the salaries used in the first year of the valuation process have received an additional merit salary increase. In other words, the valuation software projects salaries to the coming year, beginning the day after the valuation date.
- All systems use a midyear decrement timing assumption.
- Members who receive a disability benefit are not assumed to return to active duty in the future.
- Disability and termination rates are discontinued after members are eligible to retire (with the exception of LEOFF and WSPRS disability rates).
- LEOFF Plan 1 and WSPRS Plan 1 use a slightly increased ratio of survivors selecting annuities over that displayed in the table presented earlier in this section. This assumption estimates the likelihood a qualified survivor will receive an ongoing benefit at the time of the member's death. The valuation software used also applies mortality assumptions to potential survivors, which results in an understatement of that future liability for those plans. To recognize this liability, we use a ratio 4 percent higher for those benefits.
- We assume all survivors of currently retired WSPRS Plan 1 members who opted for the standard survivor benefit at retirement will receive an initial survivor benefit of 50 percent of the member's average final salary.

Preliminary