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J. Tao* (tao@cmsu.edu), Department of Mathematics and Computer Scienc, Central Missouri State University, Warrensburg, MO 64093. *Optimal Pension Funding: A Case Study of MOSERS.*

This paper studies the optimal contribution rates in the Missouri State Employees Retirement System (MOSERS): a defined benefit pension plan using a stochastic control model. The objective function is formulated using a performance measure that concerns with both the contribution rate risk and the solvency risk. The real investment rates of return are assumed to be stochastic following a stationary time series model. (Received August 15, 2006)