

Comment #1 – 7/22/14 – 2:38 p.m.

I have found it very disappointing that actuaries who have no expertise in the area are willing to question the work of those who have dedicated themselves to serving public plans. For many of these plans they have engaged techniques and practices that are far superior to any that were ever used in the private sector.

Publication by the SOA's Blue Ribbon Panel should be more aptly defined as a panel of people most of whom are unfamiliar with the topic looking to learn what they can and define their own agenda.

I believe the ASOPs for pensions hold water without having to differentiate the type of plan by reference. Public plan funding and the challenges they are dealing with are no different than other sectors of financial risk based organization in 1, addressing the devastating impact of the recession and 2, working within the financial resources they are limited by. The key difference is that most public entities are prohibited from walking away from promises made, leaving fewer options than in the private sector.

I think once you define ASOPs by plan type you move from principle based to prescriptive standards which is a mistake.

Kenneth A. Kent, FSA, FCA, MAAA