

**Comment #41 – 7/31/18 – 11:27 p.m.**

Dear Members of the Actuarial Standards Board:

The Civic Federation is writing in support of proposed revisions to Actuarial Standards of Practice (ASOP) Nos. 4, 27 and 35. The Civic Federation, founded in 1894, is a non-partisan government research organization that works to maximize the quality and cost-effectiveness of government services in the Chicago region and State of Illinois. For many years, the Civic Federation has written about our area's public pension plans and posted our reports on the Federation's website. Our research relies heavily on the actuarial valuations published by our region's retirement systems. As President of the Civic Federation, I served on the Society of Actuaries' Blue Ribbon Panel on Public Pension Plan Funding, which issued its report in February 2014.

The Civic Federation supports the expanded disclosure requirements contained in ASOP Nos. 4, 27 and 35 in order to increase transparency and comparability of public pension plans and improve public understanding of their financial condition. We note in particular that the proposed Investment Risk Defeasement Measure in ASOP No. 4 is in line with the Blue Ribbon Panel Report, which recommended disclosure of plan liability at a risk-free rate to quantify the risk inherent in plans' investment policies. As consumers of actuarial valuations, the Civic Federation would find comments from the actuary on the reasonableness of assumptions a useful supplement to work already being done by the Illinois State Actuary for the State funds and the Chicago Teachers' Pension Fund and would assist the Federation in making recommendations to sponsoring governments about pension-funding policies.

Thank you for the opportunity to comment on the proposed revisions. Please do not hesitate to contact me at 312-201-9044 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Laurence J. Msall". The signature is written in dark ink and is positioned above the typed name and title.

Laurence Msall  
President

**Laurence Msall** | President  
The Civic Federation