



SOCIETY OF ACTUARIES

475 N. Martingale Road
Suite 600
Schaumburg, IL 60173
847.706.3500 tel
847.706.3599 fax
www.soa.org

July 16, 2013

Meredith Williams
Executive Director
National Council on Teacher Retirement
9370 Studio Court, Suite 100E
Elk Grove CA 95758

Dear Mr. Williams:

Earlier this year, the Society of Actuaries (SOA) commissioned a multidisciplinary panel to consider the causes of underfunding in many U.S. public pension plans and to make recommendations as to how governments can more securely fund plans going forward.

The panel was designed to represent broad experience both inside and outside the public sector. We selected 12 individuals with deep insights into and experience in insurance, public pensions, government, economics, and financial markets. We are pleased with the high caliber and deep experience of those individuals who have agreed to serve on the panel.

The panel understands there are diverse views concerning public pension plan funding and is eager to learn from members of the public plan community. Two primary ways it is accomplishing this is through a 27-question survey taken by more than 170 actuaries, plan administrators, plan trustees, public officials, investment advisors, union officials, economists and academics. The panel is also meeting in person with 20 actuaries, trustees, plan administrators, union officials, representatives of public plan organizations, economists and investment advisors so that it is assured to receive a broad range of opinions and insights. We welcome other comments at PensionPanel@soa.org.

The panel has not yet discussed, or reached, any conclusions. The panel is taking a thoughtful and measured approach to its work. The panel is considering all aspects of plan operation that affect funding, including causes of underfunding in plans today, governance, disclosure, and risk management and is not focused on any single issue or approach to the exclusion of others.

The Society of Actuaries has an obligation to its members and the public who put their trust in the work of actuaries, to explore and conduct research in a thoughtful manner on important issues affecting the public and our members. We hope the recommendations of the panel will offer plan trustees, elected officials, the public, and our members ideas and perspectives that will promote better public understanding and assist decision makers who work with these plans.

The SOA is committed to completing this important work in the thoughtful way we have approached it throughout. We welcome the opportunity to discuss these issues further with you and would be happy to arrange a discussion with SOA leaders to hear your perspective, even as the panel continues its important work.

Sincerely,

A handwritten signature in cursive script, appearing to read "T. Manning".

Tonya B. Manning
President

TBM:cmp



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Cathie G. Eitelberg
Senior Vice President/National Public
Sector Market Director
Segal
1920 N Street, N.W., Suite 400
Washington DC 20036-1659

Dear Ms. Eitelberg:

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