

MINUTES OF THE 1977 FALL MEETING

NOVEMBER 20-22, 1977

BOCA RATON HOTEL AND CLUB, BOCA RATON, FLORIDA

Sunday, November 20, 1977

The Board of Directors Meeting began at 8:30 a.m. in the Madrid Room, with adjournment at 12:15 p.m.

At 11:00 a.m. registration was held in the Cloister Lobby.

The Annual Meeting was called to order at 1:00 p.m. in the Great Hall by President George Morison, followed by a few brief remarks by President Morison. A summary of call papers was then presented by C. K. Khury, Actuarial Director, Prudential Property and Casualty Insurance Company.

Presentations and reviews of papers 1, 2, and 3 of the Concurrent Session A began at 1:45 p.m. in the Granada Room. Charles A. Hachemeister, Actuary, Prudential Reinsurance Company, moderated these three papers entitled:

1. "The Tabular Approach to Claim Reserves and Liabilities," authored by John M. Bragg, President and Chief Executive Officer, Life Insurance Company of Georgia. Reviewed by James T. French, Assistant Vice President and Assistant Actuary, Mutual of Omaha.
2. "A Theory of Loss Development," authored by James A. Kenney, Chief Programmer, Coates and Crawford, Inc. Reviewed by John S. McGuinness, President, John S. McGuinness Associates, Consultants in Actuarial Science and Management.
3. "Statistical Testing of a Nonlife Insurance Runoff Model," authored by Dr. Gregory C. Taylor, Consulting Actuary, E. S. Knight & Co. Due to his absence, Charles A. Hachemeister presented the paper. The review was made by Richard I. Fein, Associate Actuary, Woodward & Fondiller, Division of Martin E. Segal Co.

Presentations and reviews of papers 4, 5, and 6 of the Concurrent Session B were held in the Barcelona Room. Richard H. Snader, Actuary,

United States Fidelity & Guaranty Company, moderated these three papers entitled:

4. "Loss Reserve Adequacy Testing: A Comprehensive, Systematic Approach," authored by James R. Berquist, Consulting Actuary, Milliman & Robertson, Incorporated and Richard E. Sherman, Assistant Actuary, Milliman & Robertson, Incorporated. Reviewed by James A. Faber, Manager, Peat, Marwick, Mitchell and Company.
5. "Loss Reserves: Performance Standards," authored by C. K. Khury, Actuarial Director, Prudential Property and Casualty Insurance Company. Reviewed by E. LeRoy Heer, Assistant Vice President and Actuary, United Services Automobile Association.
6. "Determining Unpaid Claim Liabilities For Health Insurance Coverages," authored by Emil J. Strug, Assistant Vice President and Associate Actuary, Blue Cross of Massachusetts. Reviewed by Earl F. Petz, Actuary, Kemper Insurance Group.

Presentations and reviews of papers 7, 8, 9, and 10 of the Concurrent Session C were held in the Great Hall. M. Stanley Hughey, Executive Vice President, Kemper Insurance Group, moderated these four papers entitled:

7. "Reserves and the Emergence of Surplus," authored by Sidney Benjamin of Bacon and Woodrow. No review was made.
8. "Taking Down Reserves for Retrospective Adjustments," authored by Charles H. Berry, Associate Actuary, Aetna Life & Casualty. Reviewed by John R. Bevan, Vice President and Actuary, Liberty Mutual Insurance Company but was presented by Roy K. Morell.
9. "An Objective Standard for Testing Loss and Loss Expense Reserves," authored by M. Stanley Hughey, Executive Vice President, Kemper Insurance Group.
10. "An Integrated View of Insurance Company Results," authored by Richard G. Woll, Actuary, The Hartford Insurance Group. Reviewed by Marc B. Pearl, Senior Actuarial Associate, Royal-Globe Insurance Companies.

The President's Reception for New Fellows was held at 6:00 p.m. in the Presidential Suite.

A reception and dinner followed at 6:30 p.m. in the Camino Hall.

Monday, November 21, 1977

The Business Session, held in the Great Hall, was called to order at 8:15 a.m. by President Morison.

The Report of the Secretary was then presented by Darrell W. Ehlert. The Report of the Treasurer was given by Walter J. Fitzgibbon.

President Morison then requested the new Associates to rise as he called their names. After a round of applause for the Associates, each new Fellow was asked to step forward and receive his or her diploma. Richard A. Lino's diploma was presented by his father, Richard Lino. Pictures of new Associates and Fellows were taken at the coffee break following the Business Session. List of new Associates and Fellows follows:

NEW FELLOWS

Barrette, Raymond	Gersie, Michael H.
Brubaker, Randall E.	Goddard, Daniel C.
Childs, Diana M.	Hanson, H. Donald
Collins, Douglas J.	Karlinski, Frank J.
Curley, James O.	Lino, Richard A.
Dangelo, Charles H.	McManus, Michael F.
Donaldson, John P.	Moore, Brian C.
Fiebrink, Mark E.	

NEW ASSOCIATES

Brown, Joseph W.	McConnell, D. Michael
Dahlquist, Ronald A.	Reichle, Kurt A.
Lowe, Stephen P.	Roth, Richard J., Jr.*
McCarter, Michael G.*	Shayer, Natalie

*Not Present

A moments silence was taken for William M. Corcoran, a Fellow of the Society, who died April 13, 1977.

The report of the Nominating Committee was given by Charles C. Hewitt, Jr. The Nominating Slates were as follows:

NOMINATIONS FOR OFFICERS

President-Elect	—	Ruth Salzmann
Vice President	—	W. J. MacGuinnitie
Secretary	—	Darrell W. Ehlert
Treasurer	—	Walter J. Fitzgibbon
Editor	—	David G. Forker
General Chairman		
Education and Examination Com.	—	Jeffrey T. Lange

A motion was made, seconded and carried that the nominations be closed, and the Secretary cast one unanimous ballot for the Nominating Committee Slate of Officers.

NOMINATIONS FOR DIRECTORS

(3 to be elected)

Robert A. Bailey
 David G. Hartman
 C. K. Khury
 Joseph W. Levin
 James F. Richardson
 Michael A. Walters

The election of directors proceeded with Charles F. Cook as Chief Teller and Jerome A. Scheibl, Martin Bondy, and Dale A. Nelson as Tellers.

Those elected were Robert A. Bailey, David G. Hartman, and C. K. Khury.

The proposed change in the By-Laws (VI. Dues) carried.

There were no new papers presented, but there were reviews of the following three papers:

1. "Use of National Experience Indications in Workers' Compensation Insurance Classification Ratemaking," authored by Frank Harwayne, Vice President and Director of Actuarial Research, National Council on Compensation Insurance. Two reviews of

this paper were made—one by James F. Golz, Associate Actuary, Employers Insurance of Wausau and one by Les Dropkin, Vice President and Chief Actuary, Industrial Indemnity Company presented by Daniel C. Goddard.

2. "An Algorithm for Premium Adjustment with Scarce Data," authored by Ronald F. Wisner, Senior Actuarial Analyst, CNA Insurance Companies. Two reviews were made—one by Bruce D. Moore, Consulting Actuary, Tillinghast, Nelson & Warren, Inc. and one by James E. Buck, Jr., Actuarial Department, Prudential Property and Casualty Insurance Company, presented by Frank J. Karlinski.
3. "On the Theory of Increased Limits and Excess of Loss Pricing," authored by Robert S. Miccolis. Two reviews were made—one by James A. Hall, III, Vice President and Actuary, California Casualty Group and one by Sheldon Rosenberg, Assistant Actuary, Insurance Services Office. Mr. Miccolis responded to the reviews.

Lew Roberts presented the Woodward and Fondiller Prize to Robert Miccolis, author of "On the Theory of Increased Limits and Excess of Loss Pricing."

No Dorweiler Prize was given.

The Call Paper Prize Award Committee consisted of members from the Loss Reserve Committee and the Committee on Review of Papers and was chaired by Charles F. Cook. President Morison presented the \$200 prize to James R. Berquist, Consulting Actuary, and Richard E. Sherman, Assistant Actuary, Milliman & Robertson, Incorporated, for their paper entitled "Loss Reserve Adequacy Testing: A Comprehensive Systematic Approach."

John S. Trees, Vice President, Allstate Insurance Company, reported on activities of the All Industry Research Advisory Committee.

David G. Hartman, Vice President and Actuary, Chubb & Son, Inc., reported on the Joint Special Interest Meeting of April 1978 to be held at the New York Hilton. This meeting will be jointly sponsored by the Casualty Actuarial Society and the Society of Actuaries.

The meeting recessed from 10:15 a.m. until 12:30 p.m. during which time the American Academy of Actuaries Annual Meeting was held in the Great Hall.

After a 12:30 p.m. break for lunch, the Concurrent Sessions presented on Sunday, November 20, 1977 were repeated.

At 6:30 p.m. a reception was held in the Camino Hall. Dinner followed at 7:30 p.m.

Tuesday, November 22, 1977

At 8:30 a.m. in the Great Hall, the panel entitled "Reorganization—Yes, No, or Maybe" was moderated by Jerome A. Scheibl, Vice President, Employers Insurance of Wausau. The panel members were: 1) Robert A. Bailey, Actuary, Director of NAIC Data Base, National Association of Insurance Commissioners, and 2) Charles A. Hachemeister, Actuary, Prudential Reinsurance Company.

At 9:30 a.m. the Presidential Address was given.

Following coffee break in the Camino Hall, the second panel entitled "Automobile Classifications—Looking Ahead" was moderated by William S. Gillam, Assistant to the President and Associate Actuary, Insurance Services Office. The panel members were: 1) John A. Gibson, III, Vice President and Actuary, Colonial Penn Insurance Company, 2) Ann E. Kelly, Supervising Actuary, New York State Insurance Department, 3) W. James MacGinnitie, Consulting Actuary, Tillinghast, Nelson & Warren, Inc. and 4) Richard G. Woll, Actuary, The Hartford Insurance Group.

Closing remarks were heard in the Great Hall at 11:45 a.m. The meeting formally adjourned at noon.

In attendance, as indicated by registration records, were 145 Fellows, 118 Associates, 53 Guests, and 123 Spouses. A list of Fellows, Associates and Guests is attached.

FELLOWS

Adler, M.	Barnes, G. R.	Ben-Zvi, P. N.
Angell, C. M.	Barrette, R.	Bergen, R. D.
Bailey, R. A.	Batho, E. R.	Berquist, J. R.
Balcarek, R. J.	Beckman, R. W.	Berry, C. H.
Balko, K. H.	Bennett, N. J.	Bickerstaff, D. R.

FELLOWS (CONT'D.)

Bill, R. A.	Graves, J. S.	McLean, G. E.
Bondy, M.	Grippa, A. J.	McManus, M. F.
Bornhuetter, R. L.	Hachemeister, C. A.	McNamara, D. J.
Boyajian, J. H.	Hall, J. A., III	Miller, P. D.
Brian, R. A.	Hardy, H. R.	Mohl, F. J.
Brouillette, Y. J.	Hartman, D. G.	Moore, B. C.
Brubaker, R. E.	Hartman, G. R.	Moore, P. S.
Carter, E. J.	Harwayne, F.	Morison, G. D.
Childs, D. M.	Haseltine, D. S.	Muetterties, J. H.
Collins, D. J.	Hazam, W. J.	Munro, R. E.
Cook, C. F.	Heer, E. L.	Murray, E. R.
Curley, J. O.	Hewitt, C. C., Jr.	Nelson, D. A.
Curry, A. C.	Hough, P. E.	Newman, S. H.
Dangelo, C. H.	Hughey, M. S.	Oien, R. G.
D'Arcy, S. P.	Hunt, F. J., Jr.	Otteson, P. M.
Davis, G. E.	Inkrott, J. G.	Pagnozzi, R. D.
Dempster, H. V., Jr.	Jaeger, R. M.	Palczynski, R. W.
Donaldson, J. P.	Johe, R. L.	Perkins, W. J.
Drobisch, M. R.	Kates, P. B.	Phillips, H. J.
Ehlert, D. W.	Kaufman, A.	Pollack, R.
Even, C. A., Jr.	Kelly, A. E.	Presley, P. O.
Eyers, R. G.	Khury, C. K.	Retterath, R. C.
Faber, J. A.	Kilbourne, F. W.	Richards, H. R.
Ferguson, R. E.	Kline, D. F.	Richardson, J. F.
Fiebrink, M. E.	Kollar, J. J.	Riddlesworth, W. A.
Fisher, W. H.	Kreuzer, J. H.	Roberts, L. H.
Fitzgibbon, W. J., Jr.	Kuehn, R. T.	Rodermund, M.
Flaherty, D. J.	Lange, J. T.	Rogers, D. J.
Flynn, D. P.	Levin, J. W.	Rosenberg, S.
Fossa, E. F.	Linder, J.	Ryan, K. M.
Fowler, T. W.	Lino, R.	Salzmann, R. E.
Fresch, G. W.	Lino, R. A.	Scheibl, J. A.
Gersie, M. H.	Liscord, P. S.	Sheppard, A. R.
Gillam, W. S.	Lowe, R. F.	Skurnick, D.
Goddard, D. C.	MacGinnitie, W. J.	Smick, J. J.
Golz, J. F.	Makgill, S. S.	Smith, E. R.
Grady, D. J.	McClure, R. D.	Snader, R. H.
Graves, C. H.	McGuinness, J. S.	Spitzer, C. R.

FELLOWS (CONT'D.)

Strug, E. J.	Tverberg, G. E.	Webb, B. L.
Taht, V.	Uthhoff, D. R.	Wieder, J. W., Jr.
Tarbell, L. L., Jr.	Walsh, A. J.	Williams, P. A.
Tatge, R. L.	Walters, M. A.	Winkleman, J. J., Jr.
Trudeau, D. E.	Walters, M. A.	Woll, R. G.
		Wood, J. O.

ASSOCIATES

Anderson, R. C.	Duperreault, B.	Klingman, G. C.
Andler, J. A.	Durkin, J. H.	Kolojay, T. M.
Applequist, V. H.	Eddy, J. H.	Lattanzio, F. J.
Asch, N. E.	Einck, N. R.	Lehman, M. R.
Banfield, C. J.	Eldridge, D. J.	Lowe, S. P.
Bartlett, W. N.	Faga, D. S.	Lunenburg, S. C.
Battaglin, B. H.	Fagan, J.	Marker, J. O.
Bell, L. L.	Fein, R. I.	McHugh, R. J.
Bellinghausen, G. F.	Fisher, R. S.	Meyer, R. E.
Bertles, G. G.	Flack, P. R.	Miccolis, R. S.
Beverage, R. M.	Foley, C. D.	Millman, N. L.
Bishop, E. G.	French, J. T.	Mokros, B. F.
Bovard, R. W.	Giambo, R. A.	Moore, B. D.
Bragg, J. M.	Gleeson, O. M.	Napierski, J. D.
Brahmer, J. O.	Goldberg, S. F.	Neidermyer, J. R.
Brewer, F. L.	Grannan, P. J.	Neis, A. R.
Briere, R. S.	Granoff, G.	Neuhauser, F., Jr.
Brown, J. W., Jr.	Gruber, C.	Nishio, J. A.
Cadorine, A. R.	Gwynn, H. M.	Nolan, J. D.
Cheng, J. S.	Hammer, S. M.	Oakden, D. J.
Cheng, L.	Haner, W. J.	Patrik, G. S.
Chorpita, F. M.	Hanson, H. D.	Patterson, D. M.
Christiansen, S. L.	Head, T. F.	Peacock, W. W.
Conner, J. B.	Ingco, A. M.	Pearl, M. B.
Connor, V. P.	Irvan, R. P.	Petlick, S.
Crowe, P. J.	Jean, R. W.	Pflum, R. J.
Dahlquist, R. A.	Jensen, J. P.	Plunkett, R. C.
Davis, R. D.	Johnston, D. J.	Potok, C. M.
DeGarmo, L. W.	Kenney, J. A.	Pratt, J. J.
Dolan, M. C.	King, K. K.	Quirin, A. J.

ASSOCIATES (CONT'D.)

Reichle, K. A.	Shoop, E. C.	Thorne, J. O.
Riff, M.	Shrum, R. G.	Torgrimsom, D. A.
Roach, R. F.	Singer, P. E.	Trees, J. S.
Roman, S. M.	Skolnick, R. S.	Van Slyke, O. E.
Rudduck, G. A.	Smith, F. A.	Wade, R. C.
Sandler, R. M.	Stergiou, E. J.	Weiner, J. S.
Schneiker, H. C.	Taylor, F. C.	Weller, A. O.
Shayer, N.	Thompson, E. G.	Westerholm, D. C.
Sherman, R. E.	Thompson, P. R.	Young, E. W.
		Young, R. G.

GUESTS

Altschuler, M. C.	*Glaser, L. S., Jr.	McMillen, R. H.
Angle, J. C.	Gorman, L. A.	Miller, R. A., III
Bartlett, D. K., III	Gustafson, D. R.	Odell, W. H.
Belton, E. F.	*Hager, G. A.	Parker, C. M.
Benjamin, S.	Hany, D.	*Peterson, T. M.
Biller, J. E.	*Hatfield, B. D.	*Pope, D. W.
Bowles, T. P., Jr.	Haughey, T. D.	*Posnak, R. L.
Butsic, R. P.	Hill, R. J.	Ryan, J. P.
*Canfield, P. A.	Hogg, J. J.	Saffeir, H. J.
Carlson, D. L.	Jacobus, J. A.	*Smith, D. A.
Carpenter, J. G.	*Johnson, J. E.	*Spangler, J. L.
Casner, T. R.	Kellison, S. G.	*Stenmark, J. A.
Chen, H.	Knox, F. J.	*Subeck, S. I.
Cohen, A. I.	*Kraysler, S. F.	Wilson, R. J.
*Dinstein, M. P.	Lo, R. W.	Winters, R. C.
Dunn, R. P.	Loynes, J.	Wright, R. W.
Edwards, R. E.	Maguire, R. D.	Young, D. W.
Furst, P. A.	McConnell, D. M.	

*Invitational Program

Respectfully submitted,

Darrell W. Ehlert
Secretary