



CASUALTY ACTUARIAL SOCIETY **ANNUAL REPORT**



Expertise. Insight.
Solutions.

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● CAS's Mission, Vision and Core Values

Mission Statement

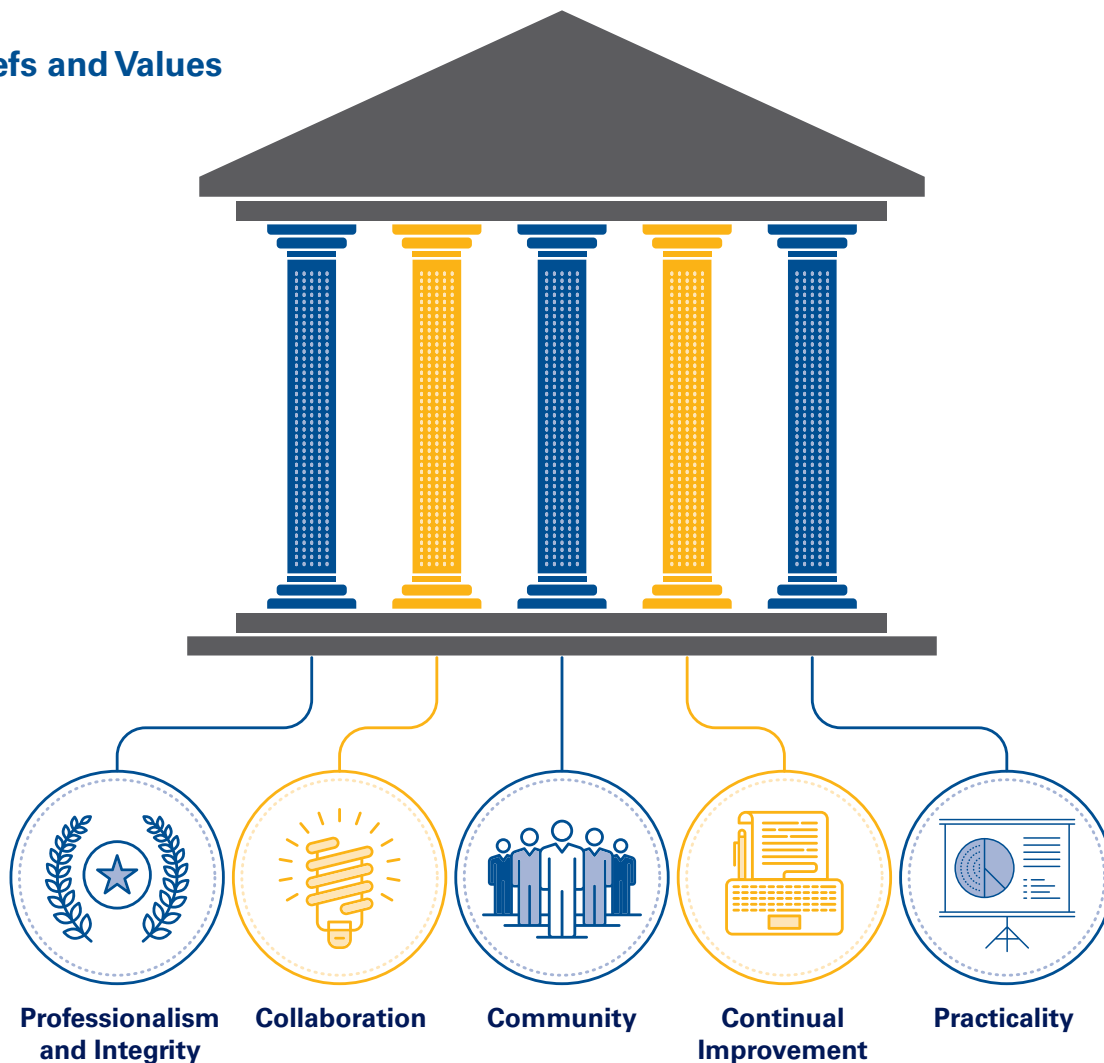
The purposes of the Casualty Actuarial Society are to:

- Advance the body of knowledge of actuarial science applied to general insurance, including property, casualty and similar risk exposures;
- Expand the application of actuarial science to enterprise risk and systemic risks;
- Establish and maintain standards of qualification for membership
- Promote and maintain high standards of conduct and competence;
- Increase the awareness of actuarial science
- Contribute to the well-being of society as a whole.

Vision Statement

Actuaries are recognized for their authoritative advice and valued comment wherever there is financial risk and uncertainty.

Core Beliefs and Values

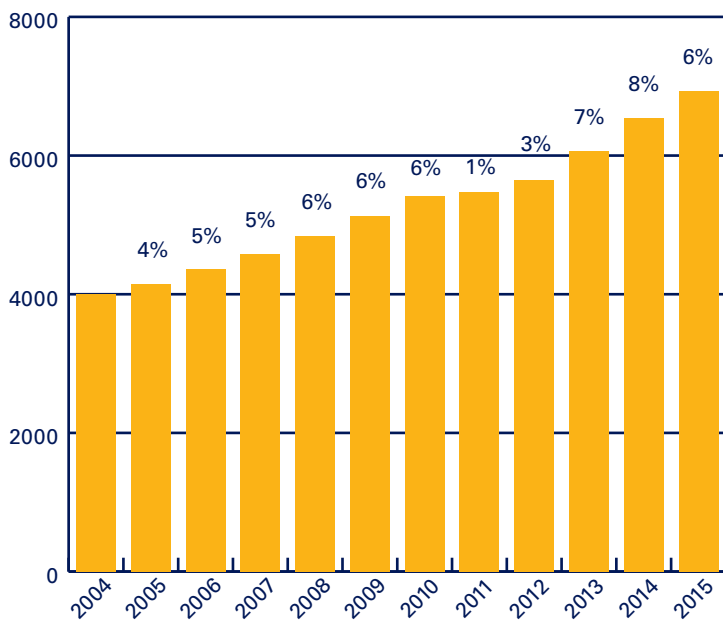


● Membership Demographics

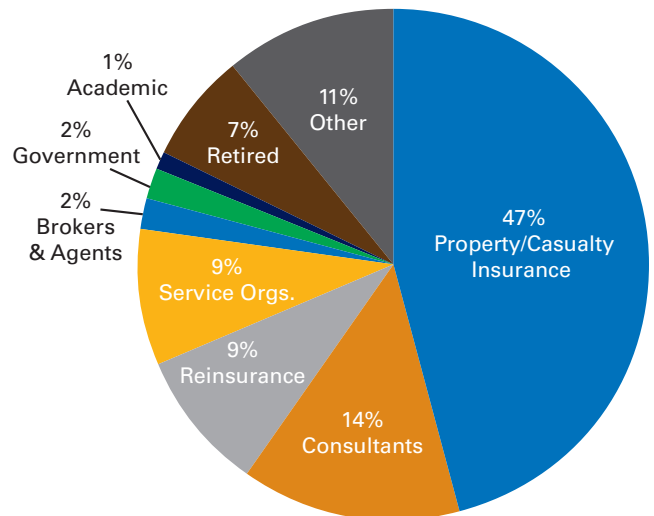
2015 Geographic Membership Distribution

Count of Country		
Country	2014	2015
United States	5,503	5,584
Canada	598	657
Bermuda	120	110
United Kingdom	55	55
China	65	66
Hong Kong	28	32
Switzerland	30	32
Singapore	23	30
Other	110	115
Grand Total	6,532	6,681

CAS Member Growth 2004-2015



CAS Members by Type of Employment

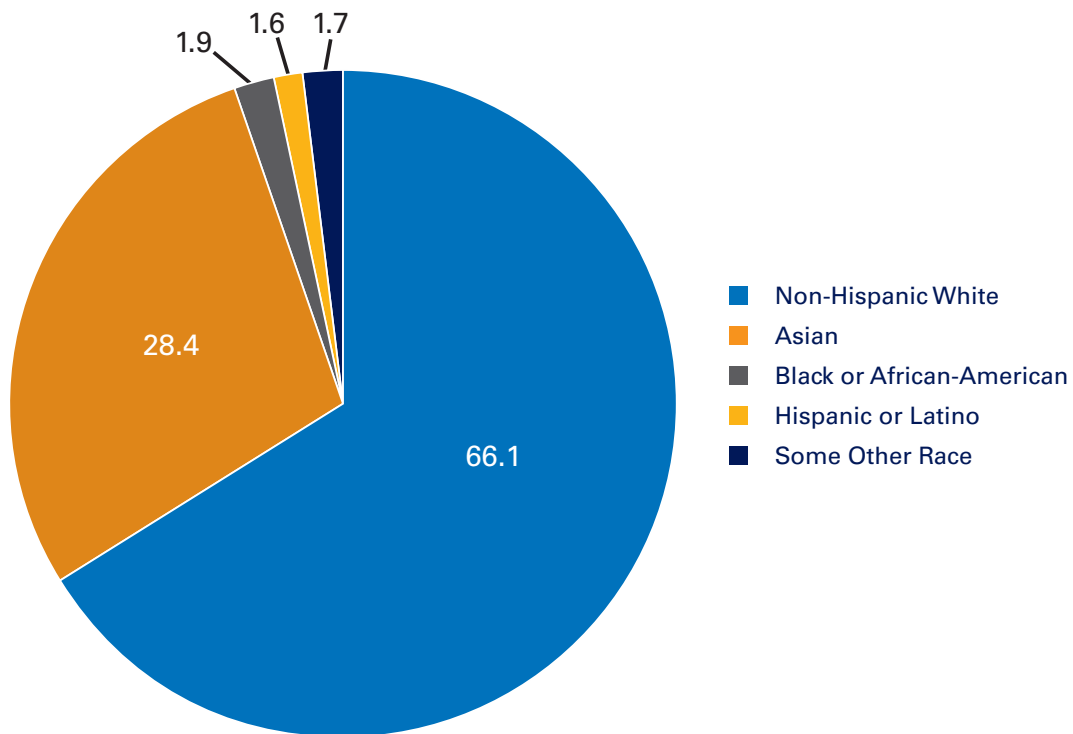


Diversity

In 2015 the CAS Board of Directors adopted the CAS Diversity Strategy, formalizing the CAS's commitment to facilitating the evolution of a multidimensional property and casualty actuarial profession. The goal of the strategy is to increase the membership of under-represented groups in the CAS.

To create a baseline to measure progress on membership diversity, the Diversity Committee captured current CAS membership demographics.

2015 CAS Membership Demographics



Volunteerism

CAS members value our community and the relationships formed through volunteer activities. In FY 2015, 2,229 out of 6,909 CAS members served as volunteers. That's 32.3% of the membership! Volunteer contributions spanned the entire range of CAS activities, including examinations, research and development, and educational programs.

Top Ten Employers with the Largest Number of Members Volunteering

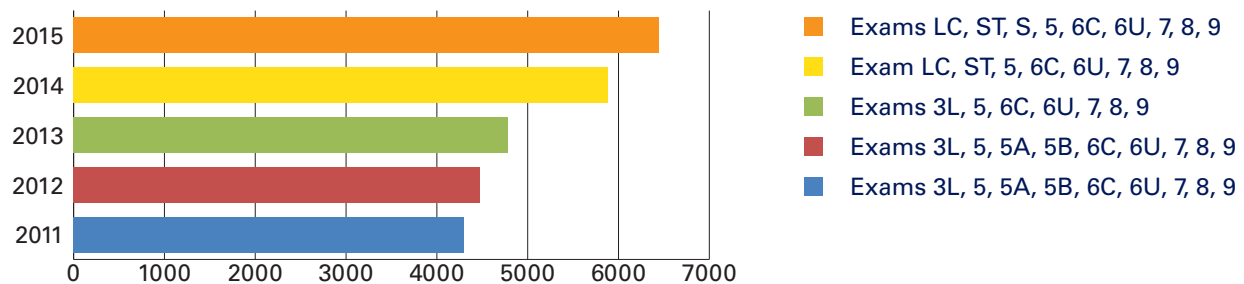


● Admissions and Examination Highlights

CAS Examinations, Spring and Fall 2015

Summary for CAS-specific Exams LC, ST, S, 5, 6C, 6US, 7, 8, and 9	Total
Exams in the U.S. and Canada	5,844
Exams outside of the U.S. and Canada	605
Total	6,449
Total Pass Ratio	45.1%
New Fellows	204
New Associates	301

Total Exam Registrants 2011-2015



*Exams LC, ST, 5, 6C, and 6US are given twice a year. Exam S was given for the first time in fall 2015 but will be offered twice a year.

**Exams 7, 8, and 9 are given once a year.

The CAS Path to Success

In principle and in practice, the CAS is the gold standard for the property and casualty actuarial profession. With 100 years of experience and expertise, the CAS continues to focus on comprehensive exams and education that are uniquely relevant to property and casualty actuaries. Our CAS credentialing program is the program of choice for attracting top candidates and meeting employers' needs.



University Engagement

The CAS's engagement with universities continued to flourish in 2015. CAS Student Central membership increased by 280% to 3,478 members, representing 382 universities, while Academic Central membership increased to 350 members, representing 180 universities.

The Actuarial Perspective Video Series



The CAS produced a series of five videos showing first-hand perspectives on working as an actuary and providing advice for those pursuing the career. Six months after being released, the videos had over 7,000 combined total views.

CAS Student Programs and University Visits



The CAS hosted approximately 125 university students at five different student programs held in conjunction with CAS meetings and seminars.

Participation in University Events



The CAS was represented at more than 100 in-person events for university students across the world, ranging from career fairs and student conferences to presentations at student clubs and university classes.

CAS Student Central Ambassador Program

The CAS Student Central Ambassador Program was piloted at 12 universities in 2015. The program matches a designated student ambassador with a university liaison to enhance the CAS presence on campus.

CAS Student Central Ambassadors



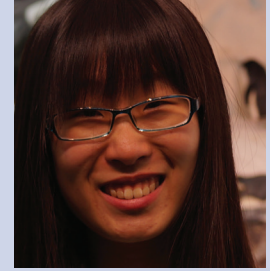
Carson Leiting
University of Nebraska-Lincoln



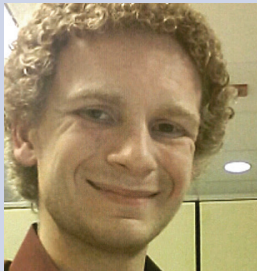
Rob Tavernier
University of Connecticut



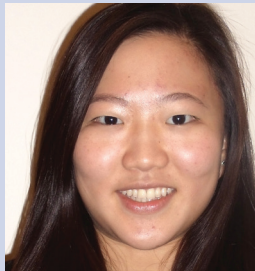
Joseph Malle
University of Michigan



Lu Xiao
University of Texas at Austin



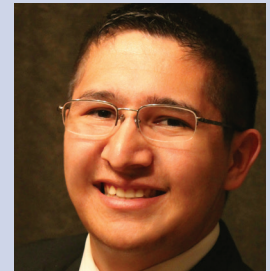
Tim Hoblin
Ball State University



Alice Chi
*University of Illinois
at Urbana-Champaign*



Rachel Neuville
University of Wisconsin-Madison



Anthony Lucero
St. John's University



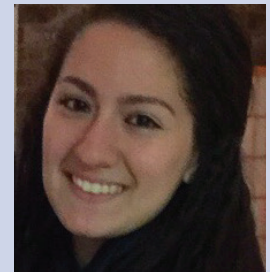
Timothy Ellis
Temple University



Tyler Yancey
Illinois State University



Eunice Zhang
University of Toronto



Michelle Aminov
Ohio State University

CAS Trust Scholarship



In 2015, the CAS Trust Scholarship doubled the number of applicants from the previous year and awarded \$20,000 in scholarships.

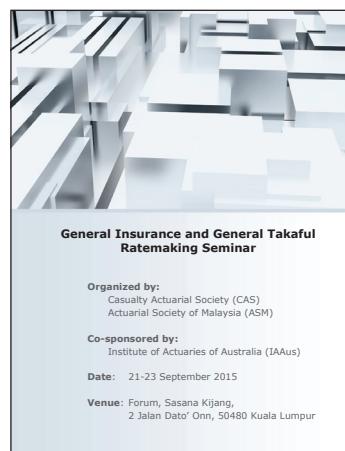
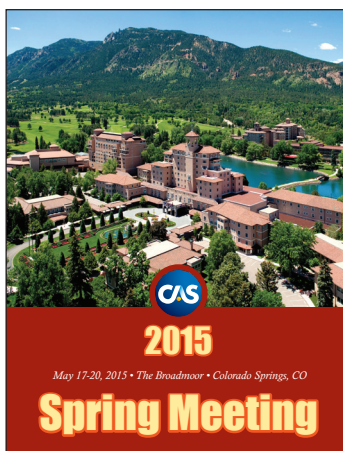
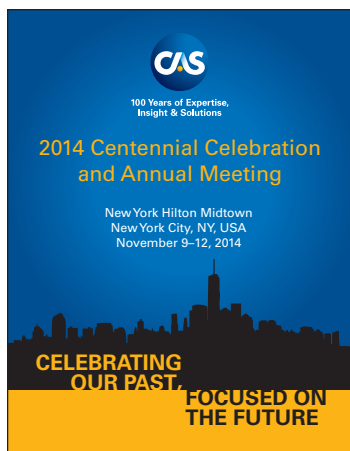
2015 Recipients

- \$10,000
 - Isabel Ji, University of Waterloo
- \$5,000
 - Collin Davidson, Elizabethtown College
 - Catherine Erdelyi, Northeastern University

Continuing Education

Meetings and Seminars

The number and variety of CAS offerings represent an ongoing expansion to respond to member demand for high-quality, affordable continuing education opportunities. A total of 4,858 people attended the six largest CAS meetings and seminars.



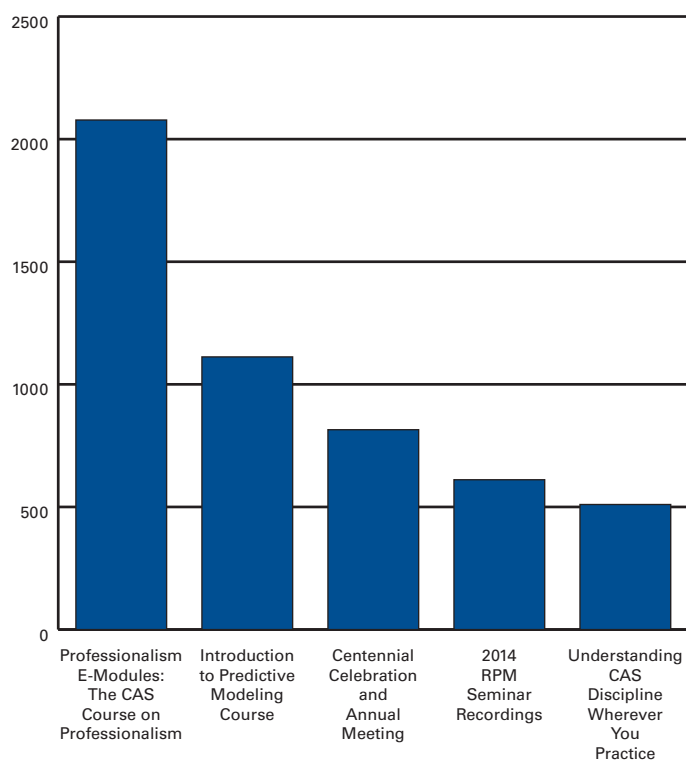
CAS Centennial Celebration and Annual Meeting

The CAS celebrated its first century at the sold-out CAS Centennial Celebration and Annual Meeting, held November 9-12, 2014. The meeting paid tribute to the CAS's integral role in the evolution of the property and casualty insurance industry while looking forward to the future of the actuarial profession with an educational program focused on emerging issues.

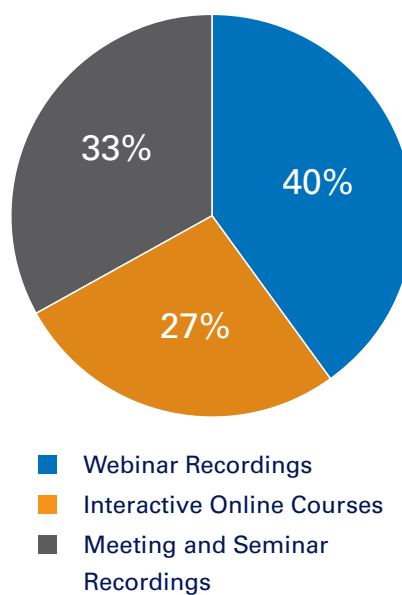


Web and Online Offerings

Top 10 Most Viewed UCAS Items

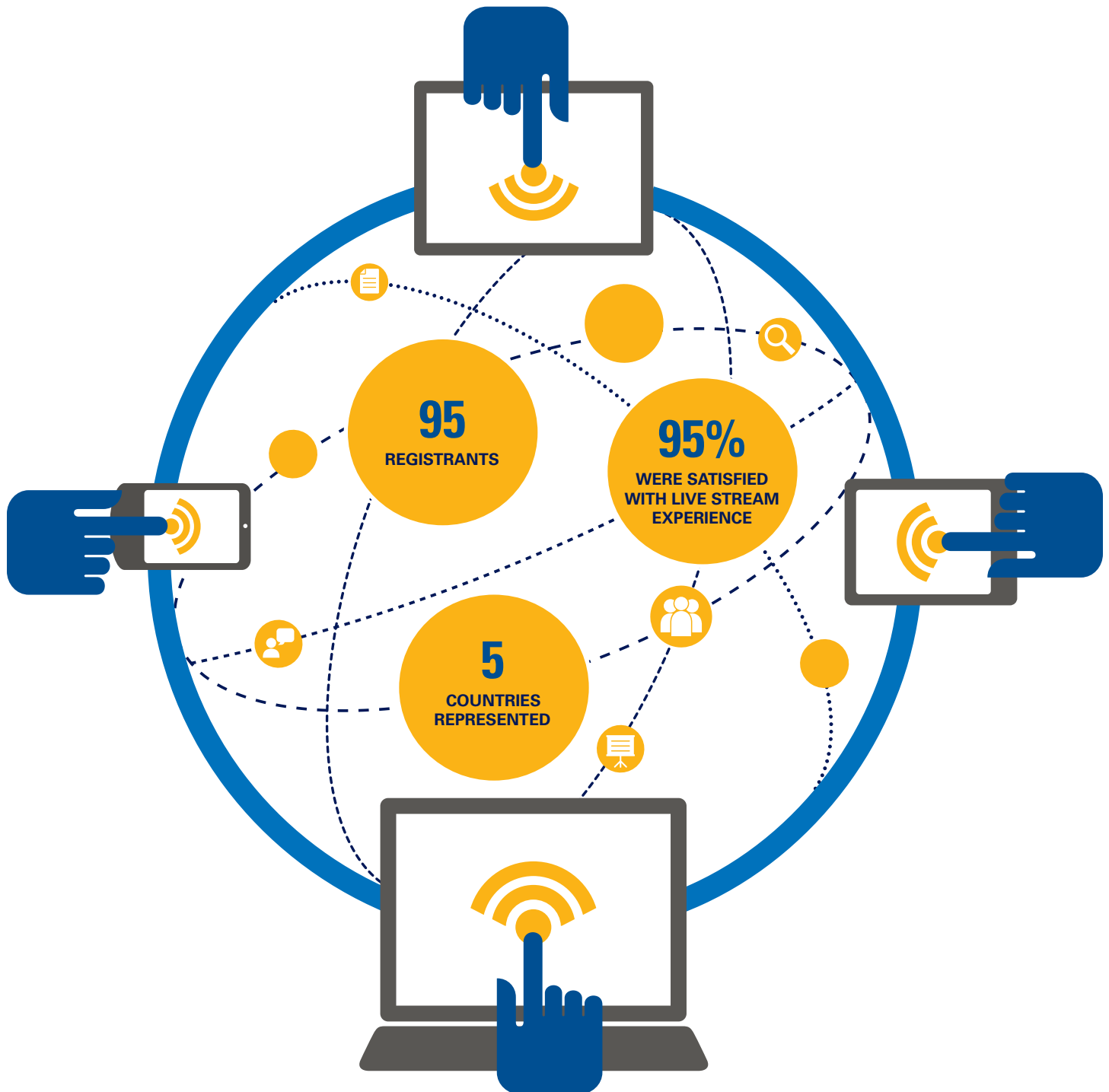


Quantity of UCAS Purchases



Live-Streaming Professional Education

In September 2015, the CAS introduced the format of live streaming to our professional education events, beginning with the Casualty Loss Reserve Seminar (CLRS) in Atlanta. Attendees were able to live stream the keynote address and four concurrent sessions as they happened at the seminar. The pilot was a resounding success!



CAS COLLABORATES WITH OTHERS ON RESEARCH

Joint Risk Management Section Advances ORSA Implementation	CAS IDs Issues Caused by a Low Interest Rate Environment for P&C Insurance Cos.	North American Actuarial Council Explores Regulatory Risk within Insurance Cos.

CAS PUBLISHES RESEARCH ON EMERGING ISSUES FOR P&C INSURANCE

Tighter Medicare Reporting Requirements Could Shift Cost of Insured Losses to P&C Insurers, CAS Reports

CAS Reviews the Marginal Cost of Risk in a Multi-Period Risk Model	Joint Risk Management Section Evaluates Risks in Canada	CAS Compares RBC Reserve Risk Charges: Standard Formula vs. Individual Co. Assessments

CAS RESEARCH PAPER PROGRAMS GENERATE 15 NEW PAPERS ON RESERVING, REINSURANCE AND RATEMAKING

● Marketing and Communications

Celebrating the CAS Centennial Year

The Casualty Actuarial Society celebrated its Centennial at its Annual Meeting on November 9-12, 2014 in New York. This once-in-a-lifetime occasion gave rise to an array of projects designed to showcase the association's rich history. Components of the CAS Centennial Celebration campaign included:



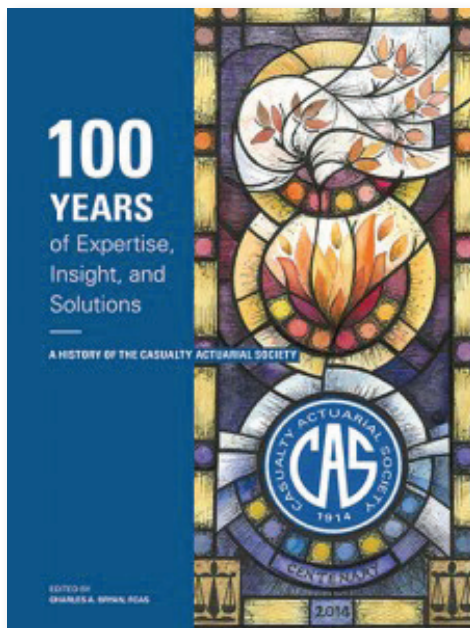
The CAS Wall of Names, a 40'x8' banner listing every person who has ever earned CAS credentials (over 7,300 names).



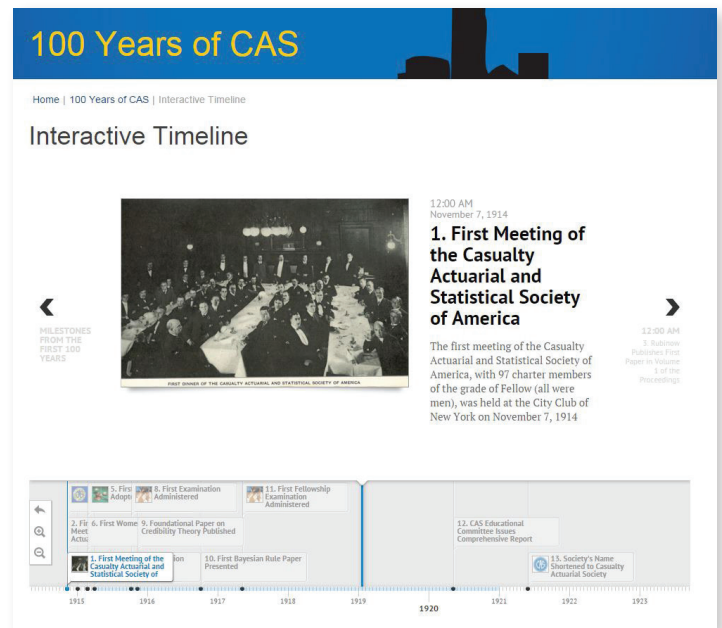
First screened at the 2014 Annual Meeting, the CAS Centennial Video highlights milestones from 100 years of the CAS, including testimonials from the association's oldest living member and other CAS pioneers.



The CAS Centennial Museum, which housed artifacts and exhibits from pivotal moments in CAS history.



Commemorative CAS Centennial History Book, featuring historical photos and personal recollections from CAS members.



An interactive timeline on the CAS Centennial website highlighted the milestones in CAS history.

Employers of CAS Members and Candidates

The CAS established an Employers Advisory Council, comprised of 14 chief actuaries/practice leaders representing a broad cross section of practice areas and geographies in which CAS members are employed. The Council is a resource to the CAS in understanding employers' expectations for their actuarial professionals and assessing our performance in delivering on those expectations.

The CAS leadership also visited seven large employers of casualty actuaries during FY 2015, meeting with company leaders and their actuaries.

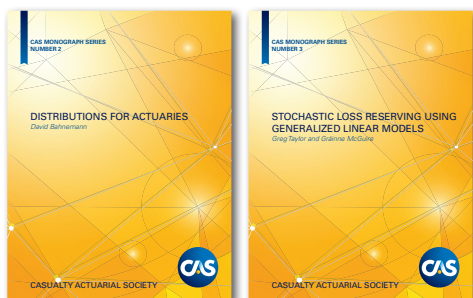
Fostering a Culture of Innovation

The CAS Innovation Council is focused on generating and developing innovative products and services that support the CAS strategic goals. In FY 2015 the Innovation Council hosted four membership webinars as part of the Actuarial Innovator Profile Series to educate members on how innovation is used to expand the actuarial footprint in traditional and emerging practice areas.



Publications

Each year the CAS's many publications enlarge the rich trove of actuarial literature.



CAS Monograph Series

The CAS Monograph Series produced the first two in a series of peer-reviewed monographs composed of authoritative works on important topics in casualty actuarial science.



Actuarial Review

Actuarial Review built on its growing reputation as an in-depth actuarial news source, featuring articles on political risk insurance, driverless cars and cybersecurity, while highlighting the achievements of CAS members and committees. *Actuarial Review* was recognized in 2015 with a silver EXCEL award from Association Media & Publishing for "Feature Article in a Magazine." Published in the March/April 2014 issue, the award-winning article, "The Great Trade-Off and the Birth of the CAS," chronicles the events stemming from a tragic industrial accident that led to the development of the property and casualty actuarial profession.

Advancing the Science of Risk
Variance

Variance

The CAS published volume 8, numbers 1 and 2, of its peer-reviewed journal *Variance*, continuing its mission to disseminate practical and theoretical research of interest to casualty actuaries worldwide. The Variance Prize was awarded at the 2015 Annual Meeting to Jessica Leong, Shaun Wang, and Han Chen for their paper "Back-Testing the ODP Bootstrap of the Paid Chain-Ladder Model with Actual Historical Claims Data."

FUTURE CAS FELLOWS

Future Fellows

The quarterly Future Fellows newsletter continues to be a vital resource for those sitting for CAS Exams. CAS Candidates can learn all they need to know about examinations, study methods, career development and continuing education as well new CAS initiatives.



CAS E-Forum

In 2015 the CAS E-Forum showcased CAS-sponsored research as well as other papers produced by CAS Working Parties, committee call paper programs and independent authors.

● CAS Governance— Board of Directors and Executive Council

Executive Council



Bob Miccolis*
President



Steve Lowe*
President-Elect



G. Chris Nyce
Vice President—
Administration



Steven D. Armstrong
Vice President—
Admissions



Jeffrey Courchene
Vice President—
International



Roosevelt Mosley
Vice President—
Marketing &
Communications



Julia Stenberg
Vice President—
Professional
Education



A. David Cumming
Vice President—
Research &
Development



Cynthia R. Ziegler
CAS Executive
Director,
Secretary/Treasurer

*Also a member of the Board of Directors

Board of Directors



Wayne Fisher
Immediate Past President
(Chairs Board in 2015)



Bob Miccolis
President



Steve Lowe
President-Elect



Brad J. Monteriot†
2015



Frank Majorst
2015



Hemant Shaht
2015



Charles A. Bryan
2015



David R. Chernick
2015



Ann Conway
2015



Rick Gorvett
2015



Wesley Griffiths
2016



**Jessica (Weng
Kah) Leong**
2016



Donald F. Mango
2016



Robert F. Wolf
2016



Kendra M. Felisky
2017



Barry A. Franklin
2017



Camille Minogue
2017



Robert J. Walling III
2017

† Appointed

● FY 2015 Financial Highlights

Membership Dues Dollars Allocation

The fiscal year ending September 30, 2015 resulted in an audited net loss of \$148,909 compared to a budgeted net loss of \$376,470.

Income Statement

FUNCTION	REVENUE	EXPENSE	DIFFERENCE
Membership Services	\$3,734,000	\$4,244,708	(\$510,708)
Seminars	2,631,551	2,276,363	355,188
Meetings	3,068,182	3,102,896	(34,714)
Exams	9,806,873 (a)	9,186,983 (a)	619,890
Publications	3,526	31,516	(27,990)
TOTALS FROM OPERATIONS	\$19,244,132	\$18,842,466	\$401,666
Interest, Unrealized Gain/(Loss) and Change in Pension Liability			(550,575)
TOTAL NET INCOME (LOSS)			(\$148,909)

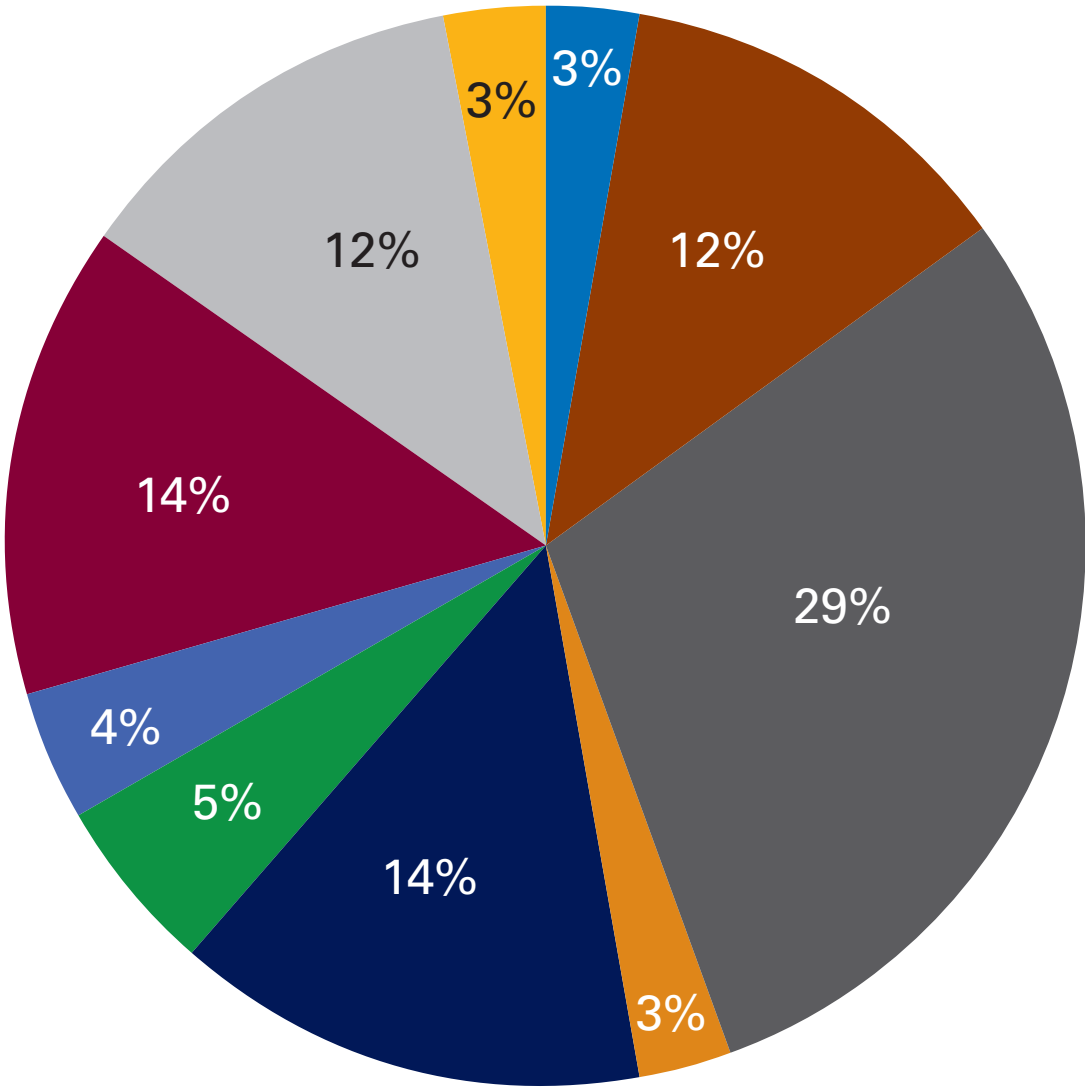
(a) Includes \$6,390,453 of Volunteer Services for income and expense (SFAS 116).

Balance Sheet

ASSETS	9/30/2014	9/30/2015	DIFFERENCE
Cash and Cash Equivalents	\$3,859,014	\$2,039,219	(\$1,819,795)
T-Bill/Notes, Marketable Securities	11,041,211	12,036,483	995,272
Other Assets	385,272	275,302	(109,970)
TOTAL ASSETS	\$15,285,497	\$14,351,004	(\$934,493)
LIABILITIES	9/30/2014	9/30/2015	DIFFERENCE
Exam Fees Deferred	\$1,488,786	\$1,592,744	\$103,958
Seminar and Meeting Fees Deferred	2,095,900	834,550	(1,261,350)
Accounts Payable and Accrued Expenses	830,323	1,031,193	200,870
Accrued Pension	654,770	924,734	269,964
Other Deferred	278,008	178,982	(99,026)
TOTAL LIABILITIES	\$5,347,787	\$4,562,203	(\$785,584)
MEMBERS' EQUITY	\$9,937,711	\$9,788,802	(\$148,909)

For FY 2016, the CAS Board of Directors approved a budget of approximately \$13.1 million. Members' dues are \$560, representing an increase of \$10.

Membership Service Expenses



- ASB/ABCD - 3%
- Communications and Marketing - 12%
- Governance - 29%
- Insurance - 3%
- International Travel/Activities - 14%
- Miscellaneous - 5%
- Professional Fees - 4%
- Publications and Online Services - 14%
- Research 12%
- The Actuarial Foundation Support - 3%

CAS Society Partner's Program

The CAS Society Partner's Program is designed to help firms build and maintain year-round relationships with the influential group of insurance professionals that are CAS members.

In FY 2015, the CAS maintained corporate partnerships with 20 organizations. The FY 2015 revenue generated by sponsors and exhibitors totaled \$336,630 (\$200,030 partner revenue, and \$136,600 non-partner revenue). Additional non-dues revenue was generated by advertising sales and the online CAS Career Center.

Five Centennial Partners, \$20,000 two-year commitment



Four Platinum Partners, \$15,000 annual



Four Gold Partners, \$10,000 annual



Seven Silver Partners, \$5,000 annual

