

# California Actuarial Advisory Panel

**Minutes of  
April 23, 2012**

**Locations:  
State Controller's Office  
300 Capitol Mall, 6<sup>th</sup> Floor, Room 635  
Sacramento, CA 95814**

## **1. Call to Order**

Chair Milligan called the meeting to order at 10:32 AM and called the roll.

Present: Sacramento: Rick Reed, Leslie Finertie, John Bartel, Paul Angelo, Alan Milligan, Harold Loeb, Lynn Miller, and Graham Schmidt

SCO Staff: Lindsey Ross, Administrative Assistant  
Shawn Silva, Staff Counsel  
Scott Taylor, Fiscal Analyst

## **2. Approval of Minutes of the March 19, 2012 Meeting**

Ms. Finertie moved and Mr. Bartel seconded to approve the minutes of the March 19, 2012 meeting without amendment. **The motion passed 8-0.**

## **3. Work Plan**

No action was taken.

## **4. Current Legislation**

Mr. Milligan briefed the Panel on the status of the Governor's proposal. He commented they are leaning toward a "stacked hybrid."

## **5. Next Meeting**

The Panel confirmed the next meeting date as June 5, 2012, from 10:30 AM to 3:30 PM and requested that staff schedule the following meeting for July 20, 2012, at 10:30 AM to 3:30 PM.

## **6. Society of Actuaries (SOA) Research Project – Call for Essays**

Mr. Schmidt presented an update on SOA's call for papers. Mr. Angelo offered to present an "Exposure Draft" of the Model Funding Policies to the SOA.

**7. Gain sharing under Article 5.5 of the 1937 CERL (“SRBR” counties) – actuarial and statutory issues.**

Mr. Angelo briefed the Panel about this issue and raised the question of whether or not the CAAP should take a position on this item.

A member of the public, Vince Brown, spoke in support of the Panel addressing this issue.

Mr. Milligan added this item to the Work Plan to read, “Issues associated with Gain Sharing including disclosure, funding, and statutory issues.” Mr. Angelo, Mr. Schmidt, and Ms. Finertie were chosen as the working group for this item.

**8. Developing Pricing and Disclosure Standards For Public Sector Benefit Improvements Working Group Update**

Ms. Finertie presented a draft and the Panel discussed the document.

**Mr. Milligan called for a break in the meeting at 12:00 PM and resumed the meeting at 12:33 PM.**

The Panel continued to discuss.

**9. Defining the Range of Model Funding Policies and Practices Working Group Update**

Mr. Angelo presented his concerns with some of Mr. Schmidt’s proposed changes.

**Mr. Milligan called for a break in the meeting at 2:05 PM and resumed the meeting at 2:11 PM.**

The Panel continued to discuss the document.

**10. Public Comment**

There was no additional public comment.

**11. Adjournment**

Mr. Bartel moved and Ms. Finertie seconded to adjourn the meeting. **The motion passed 8-0, and the Panel adjourned at 2:50 PM.**