

California Actuarial Advisory Panel

**Minutes of
July 20, 2012**

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

1. Call to Order

Chair Milligan called the meeting to order at 10:30 AM and called the roll.

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

Absent: Paul Angelo

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

2. Approval of Minutes of the June 5, 2012 Meeting

Ms. Finertie moved and Mr. Loeb seconded to approve the minutes of the June 5, 2012 meeting without amendment. **The motion passed 7-0.**

3. Work Plan

The Panel discussed responding to a call for comment by Moody's for a change in its pension evaluation methodology.

No action was taken.

Mr. Angelo joined the meeting at 10:35 AM.

4. Current Legislation

No action was taken.

5. Next Meeting

The Panel confirmed the next meeting date as August 24, 2012, from 9:30 AM to 3:30 PM and requested that staff schedule the following meeting for September 28, 2012, at 9:30 AM to 3:30 PM.

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

The Work Group discussed scheduling a meeting to review the comments to the exposure draft.

7. Society of Actuaries (SOA) Research Project – Call for Essays

The Panel discussed who will attend SOA.

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

Mr. Schmidt reported that the Working Group had nothing to report at the present time.

The Panel requested staff to explore the idea of doing a legislative concept with SCO. Mr. Schmidt will provide background information for this proposal.

9. Possible response to proposed changes to ASOP 6

Mr. Bartel briefed the Panel on the proposed ASOP 6 response. The Panel edited the response letter.

Mr. Milligan called for a break in the meeting at 12:05 PM and resumed the meeting at 12:39 PM.

Mr. Schmidt moved and Ms. Finertie seconded to accept and send out the response as edited. **The motion passed 8-0.**

10. SACRS request to review and comment on the most recent (February 21, 2012) SIEPR report

Mr. Schmidt briefed the Panel. The Panel discussed this item. Mr. Milligan asked Mr. Schmidt to inform SACRS that the Panel will not be responding to this request.

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

Ms. Finertie briefed the Panel, who directed the working group to split the project between 1) pricing and disclosure for an actuarial audience and 2) advice for members and Boards designing possible plan changes.

12. Question from an actuary concerning the applicability of the CAAP's Model Disclosure Elements to GASB 45/OPEB actuarial valuations.

No action was taken.

13. Public Comment

There was no additional public comment.

14. Adjournment

Mr. Angelo moved and Ms. Bartel seconded to adjourn the meeting. **The motion passed 8-0, and the Panel adjourned at 2:26 PM.**