

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1973 VOL. 25 PT. 1 NO. 72 AB**

MINUTES OF THE REGIONAL MEETING

of the

SOCIETY OF ACTUARIES

**HELD AT THE FAIRMONT HOTEL AND TOWER
SAN FRANCISCO, CALIFORNIA
JUNE 7-8, 1973**

The meeting was called to order by the President, Mr. T. P. Bowles, Jr., on Thursday, June 7, 1973, at 9:00 A.M. The following is a summary of the attendance at the meeting:

SUMMARY

Fellows.....	290
Associates.....	194
Guests.....	39
Total.....	<u>523</u>

The President introduced those who were responsible for the preparation of the program and thanked all of the meeting participants and those who planned the meeting.

The President then recognized and welcomed the new Fellows and Associates who were attending their first meeting of the Society after attaining their present ranks. The President gave special recognition to Mr. Orlo Nichols; Mr. Nichols and his wife are both blind, and President Bowles congratulated Mr. Nichols for attaining Associateship under the handicap of blindness.

The President then recognized Mr. Paul V. Montgomery, F.S.A., 1913. Mr. Montgomery, now eighty-seven years old, is still active as a consulting actuary in Dallas, Texas. Mr. Montgomery had planned to be at the meeting but contracted influenza and was unable to attend. The President introduced Mr. Thomas T. Chamberlain, A.S.A., Mr. Montgomery's partner, and asked Mr. Chamberlain to convey the membership's greetings to Mr. Montgomery.

Vice-President D. R. Gustafson, substituting for the Secretary, presented an oral summary of the major items of business transacted by the Board of Governors at its meeting on April 1, 1973, as set forth in the minutes of the Regional Meeting of the Society held on April 2-3, 1973, recorded on page 242 in this volume of the *Transactions*. Mr. Gustafson then presented an oral summary of the major items of business transacted by the Board of Governors at its meeting on May 23, 1973, as set

forth in the minutes of the Regional Meeting of the Society held on May 24–25, 1973, recorded on pages 248–49 in this volume of the *Transactions*.

The President announced that he and Messrs. E. A. Lew, R. J. Myers, and R. H. Hoskins would represent the Society at a special meeting of the Institute of Actuaries in London on July 1, 1973, in celebration of the one hundred and twenty-fifth anniversary of the founding of the Institute. Other members of the Society attending will be Messrs. M. D. Miller and E. J. Moorhead, representing the American Academy of Actuaries, and Messrs. R. C. Dowsett, S. Eckler, and J. C. Maynard, representing the Canadian Institute of Actuaries. The President displayed the gift of five kachina dolls which will be given by the Society as a gift to the Institute.

The President introduced the authors of papers being presented at the meeting: Mr. E. Paul Barnhart, author of "1971 Experience Modification of the 1964 Commissioners Disability Table"; Mr. Lee H. Kemper, author of "Salary-Scale Retroactivity under Retirement Plans"; Mr. Claude Y. Paquin, author of "An Approach to Group Life Conversion Reserves"; Messrs. Samuel H. Preston, Nathan Keyfitz, and Robert Schoen, coauthors of "Cause-of-Death Life Tables: Application of a New Technique to Worldwide Data"; Mr. Edward Scher, author of "Variable Life Insurance Asset Shares under the New York Life Design"; and Mr. Peter L. J. Ryall, author of "A Ratio of Interest-adjusted Cost Indexes for the Comparison of Dissimilar Life Insurance Contracts."

The President advised that the Society had received word of the deaths of fourteen members since the annual meeting in Bal Harbour, Florida, in October, 1972: James A. Campbell, Lloyd G. Current, M. Irwin Doxsee, James A. Hamilton, Morton Armstrong Laird, Edward E. Scribner, and Larry T. Steele, Fellows; and Evelyn P. S. Allen, David P. Eakins, S. Robert Hellig, Bernard Jouvin, Julian A. S. Lamb, Robert P. White, and Jacques M. Winters, Associates. The members observed a moment of silence in respect for the memory of these members. Obituaries are printed in this volume of the *Transactions*.

The President then introduced Vice-President D. R. Gustafson, who in turn introduced United States Congressman Peter A. Peyser. Mr. Peyser addressed the membership on the subject "Pension Regulation: The Need for Federal Legislation." After his address, Congressman Peyser answered questions from the audience. Following the presentation, the President thanked Congressman Peyser.

After a brief recess, the meeting reconvened at 11:00 A.M. in three concurrent sessions and five workshops. Concurrent Session A, "Financial Planning for Pension Plans," was moderated by Mr. Daniel F. McGinn;

panel members were Messrs. Thomas M. Malloy, A. Guy Shannon, Jr., and Maurice O. Simmons. Concurrent Session B, "Effect of No-Fault Auto Insurance on Health Insurance," was moderated by Mr. Frederick W. Kilbourne; panel members were Messrs. Richard A. Burrows and John J. Gianino and Mr. James J. Meenaghan, F.C.A.S. Concurrent Session C, "Profit Levels for Individual Ordinary Insurance," was moderated by Mr. David R. Carpenter; panel members were Messrs. Myles M. Gray, Donn B. Jones, and Wayne A. Gillis. Workshop 1, "Underwriting—Current Practices," was moderated by Mr. Alexander Marshall, assisted by Mr. Richard A. Leggett. Workshop 2, "Federal Income Taxation of Life Insurance Companies," was moderated by Mr. Alan Richards, assisted by Mr. Sidney T. Kaufmann. Workshop 3, "Electronic Calculators for Actuarial Problem Solving," was moderated by Mr. James M. Mortensen, assisted by Mr. Frederick M. Green. Workshop 4, "Health Claim Reserves and Refund Liabilities," was moderated by Mr. Robert B. Shapland, assisted by Mr. Karl L. Manchester. Workshop 5, "The Interest Assumption for Profit Studies of Nonparticipating Individual Ordinary Insurance," was moderated by Mr. Clint E. Edwards, assisted by Mrs. Daphne D. Bartlett. These sessions adjourned at approximately 12:30 P.M.

The meeting reconvened at 2:15 P.M. in four concurrent sessions and four workshops. Concurrent Session D, "Long-Term Implications of AICPA Audit Guide for Life Insurance Companies," was moderated by Mr. Louis Garfin; panel members were Messrs. Edward J. McAlenny, Jr., Conning & Company; Barton H. Clennon; and A. R. Colles, Vice-President and Chief Accounting Officer, Occidental Life of California. Concurrent Session E, "Legal and Actuarial Aspects of 501(c)(9) Trusts," was moderated by Mr. Chester D. Clark; panel members were Messrs. Richard S. Raskin and George B. Trotta. Concurrent Session F, "Group Ordinary," was moderated by Mr. Ted L. Dunn; panel members were Messrs. Gary D. McDonald and Stephen L. Smith. Concurrent Session G, "Price Disclosure and Cost Comparison," was moderated by Mr. Walter S. Rugland; panel members were Messrs. Paul J. Overberg and Russell R. Jensen. Workshop 6A, "Pensions," was moderated by Mr. Warren D. Orloff, assisted by Mr. William David Smith. Workshop 6B, "Pensions," was moderated by Mr. Alexander T. J. Grieve, assisted by Mr. Alan C. Goddard. Workshop 7, "Regulation of Individual Health Insurance," was moderated by Mrs. Linda B. Emory, assisted by Mr. Paul H. Gilman. Workshop 8, "Actuarial Student Training Program," was moderated by Mr. Jack Hannaford, assisted by Mr. Thomas Sutton. These sessions adjourned at approximately 4:30 P.M.

The meeting reconvened at 4:30 P.M. in a special session, "Career Consultation for Actuaries," moderated by Mr. Clement B. Penrose. This session adjourned at 5:30 P.M.

On Friday, June 8, the meeting convened at 9:00 A.M. in three concurrent sessions and six workshops. Concurrent Session H, "Time Series Analysis and Forecasting," was in the form of a symposium chaired by Dr. Paul M. Kahn; other members were Messrs. Charles A. Hackemeister, F.C.A.S., and Donald A. Jones. Concurrent Session I, "Individual Life and Health Underwriting," was moderated by Mr. Charles A. Ormsby; panel members were Messrs. Courtland C. Smith, Richard E. Swager, George W. Chalmers, and Orlo R. Karsten, Jr. Concurrent Session J, "Individual Health Insurance—Problems and Product Trends," was moderated by Mr. Ben J. Helphand; panel members were Messrs. E. Paul Barnhart, Willis W. Burgess, Jr., and James W. Pilgrim. Workshop 9A, "Federal Programs—Impact on Private Pension Plans of Legislative Changes," was moderated by Mr. Peter G. Grant, assisted by Mrs. Mary H. Adams. Workshop 9B, "Federal Programs—Impact on Private Pension Plans of Legislative Changes," was moderated by Mr. Leo F. Pygiel, assisted by Mr. Arthur F. Parry. Workshop 10, "Policy Form Design," was moderated by Mr. Theodore Garrison, assisted by Mr. Lawrence Mitchell. Workshop 11, "Generally Accepted Accounting Principles—Assumptions," was moderated by Mr. Thomas F. Eason, assisted by Mr. John A. Schutz. Workshop 12A, "Generally Accepted Accounting Principles—Technical Problems," was moderated by Mr. Clayton A. Cardinal, assisted by Mr. Theodore S. Rosky. Workshop 12B, "Generally Accepted Accounting Principles—Technical Problems," was moderated by Mr. David A. Stonecipher, assisted by Mr. James D. Lamb. These sessions adjourned at approximately 10:45 A.M.

The meeting reconvened at 11:00 A.M. in three concurrent sessions and five workshops. Concurrent Session K, "Variable Life Insurance," was moderated by Mr. Peter T. LeClair; panel members were Mr. Edward Scher, Mrs. Roberta L. Canfield, and Mr. Bruce E. Nickerson. Concurrent Session L, "Pollution, Population, and the Quality of Life," was moderated by Mr. E. Allen Arnold and included a presentation, "The California Tomorrow Plan," by Mr. John W. Abbott, Executive Secretary and Editor of *California Tomorrow*. Concurrent Session M, "Health Maintenance Organizations," was moderated by Mr. William Cunningham; panel members were Messrs. Robert L. Pawelko; Richard Anderson, Medical Economist, Kaiser Foundation Health Plan; and Alfred L. Buckman. Workshop 13A, "New Activities for the Pension Consulting Actuary," was moderated by Mr. Blackburn H. Hazlehurst, assisted by

Mr. Jon D. Sutcliffe. Workshop 13B, "New Activities for the Pension Consulting Actuary," was moderated by Mr. Paul C. Hart, assisted by Mrs. Diane K. Plank. Workshop 14A, "New Individual Ordinary Products," was moderated by Mr. Ian M. Rolland, assisted by Mr. Robert J. Hemstead. Workshop 14B, "New Individual Ordinary Products," was moderated by Mr. Douglas G. Draeseke, assisted by Mr. Frederick R. Rickers. Workshop 15, "Interim Financial Statements," was moderated by Mr. David W. Buddington, assisted by Mrs. Ma. Rosario S. Rodolfo. These sessions adjourned at approximately 12:30 P.M.

The meeting reconvened at 2:00 P.M. in two teaching sessions. Teaching Session I, "Time Sharing," had as lecturers Mr. Allen J. Rose, Scientific Time Sharing Corporation, and Mr. David R. W. Jamieson. Teaching Session II, "Investment Performance," had as lecturer Mr. Allan Roby. These sessions adjourned at approximately 4:30 P.M.

