

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1985 VOL. 37**

MINUTES OF THE REGIONAL MEETING
of the
SOCIETY OF ACTUARIES

HELD AT THE HYATT REGENCY SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA
APRIL 1-2, 1985

The meeting was called to order by President Preston C. Bassett on Monday, April 1, 1985, at 8:30 A.M. The following is a summary of attendance at the meeting.

SUMMARY

Fellows	720
Associates	291
Others.....	<u>115</u>
Total	1,126

President Bassett recognized the following individuals attending this meeting from countries other than the United States and Canada: Wolf S. Becke, West Germany; Philip Cornes, Jamaica; Bernd H. Eckhardt, West Germany; Whyllie R. Lopez, Jamaica; George C. Orros, England; and Les Webb, England.

President Bassett recognized the following Past Presidents attending the meeting: E. Paul Barnhart, Robert J. Myers, and C. Lambert Trowbridge.

President Bassett next recognized the individuals responsible for this multiple track meeting with primary emphasis on health and product development topics: Vice-President Walter S. Rugland; Program Committee Chairperson John E. Tiller, Jr. and members of that committee; and the Section consultants.

President Bassett recognized all of the program participants—both Society members and those who were not members of the Society.

President Bassett acknowledged the recorders at the meeting for their assistance in producing the official *Record* of the meeting's discussions.

President Bassett recognized and welcomed the new Fellows and Associates who were attending their first meeting of the Society since attainment of their present ranks.

President Bassett recognized the authors of papers which appeared in the January 1985 Preprint, *Transactions*, Volume XXXVI; February 1985 Preprint, *Transactions*, Volume XXXVI; and April 1985 Preprint, *Transactions*, Volume XXXVII.

The minutes of the Society meetings held in Philadelphia, Pennsylvania

on April 7–8, 1983, in Chicago, Illinois on April 28–29, 1983, in Vancouver, British Columbia, Canada on May 26–27, 1983, and Hollywood, Florida on October 10–12, 1983, as printed in the *Transactions*, Volume XXXV, pages 931–47, were approved.

President Bassett advised that the Society had received word of the deaths of twelve members since the last annual meeting. Those in attendance at this meeting observed a moment of silence in respect for the memory of these members. Obituaries are printed in this volume of the *Transactions*.

Executive Director John E. O'Connor, Jr. made a few brief announcements.

Bartley L. Munson, President-Elect of the American Academy of Actuaries, reported on recent Academy activities.

President Bassett introduced Donald B. Ardell, Ph.D., Consultant, Planning for Wellness and Publisher, *Ardell Wellness Report*, who gave the keynote presentation on "Improving Employee Performance by Improving Employee Health."

After a brief recess, the meeting reconvened at 10:30 A.M. in three open forums, two panel discussions, and nine workshops.

A "New Associates' Workshop" was also held at 10:30 A.M. under the sponsorship of the Committee on Professional Development.

A luncheon was held at 12:30 P.M. honoring new Fellows attending their first meeting of the Society since attainment of Fellowship. Before the luncheon, brief remarks were presented by President Bassett. Following the luncheon, Frederick K. Kilbourne, Past President of the Casualty Actuarial Society, addressed the audience.

The meeting reconvened at 2:30 P.M. in three open forums, two panel discussions, and eleven workshops.

On Tuesday, April 2, 1985, the meeting reconvened at 8:30 A.M. in four open forums, one panel discussion, and thirteen workshops.

After a brief recess, the meeting reconvened at 11:00 A.M. in two open forums, three panel discussions, and nine workshops.

Following lunch, the meeting reconvened at 2:30 P.M. in one open forum, three panel discussions, one open workshop, and twelve workshops.

General session, open forum, panel discussion, open workshop, and workshop topics and the names of participants for this meeting are printed in the *Record*, Volume XI, Number 1.

RICHARD V. MINCK
Secretary

MINUTES OF THE REGIONAL MEETING
of the
SOCIETY OF ACTUARIES

HELD AT THE CLARION HOTEL
ST. LOUIS, MISSOURI
MAY 23-24, 1985

The meeting was called to order by President Preston C. Bassett on Thursday, May 23, 1985, at 8:30 A.M. The following is a summary of attendance at the meeting.

SUMMARY

Fellows	416
Associates	145
Others	<u>53</u>
Total	614

President Bassett recognized the following individuals attending this meeting from a country other than the United States and Canada: Richard P. Burrows, England; William J. Graham, Australia; T. C. Jenkins, Australia; and Trevor J. Matthews, Australia.

President Bassett recognized Robin B. Leckie, Past President, who was attending the meeting.

President Bassett next recognized the individuals responsible for this special topic meeting on "Life Company Financial Reporting": Vice-President Walter S. Rugland; Program Committee Chairperson John E. Tiller, Jr. and members of that committee; and the Section consultants.

President Bassett recognized all of the program participants—both Society members and those who were not members of the Society.

President Bassett acknowledged the recorders at the meeting for their assistance in producing the official *Record* of the meeting's discussions.

President Bassett recognized and welcomed the new Fellows and Associates who were attending their first meeting of the Society since attainment of their present ranks.

President Bassett recognized the authors of papers which appeared in the January 1985 Preprint, *Transactions*, Volume XXXVI; February 1985 Preprint, *Transactions*, Volume XXXVI; and April 1985 Preprint, *Transactions*, Volume XXXVII.

President Bassett advised that the Society had received word of the deaths of seventeen members since the last annual meeting. Those in attendance at

this meeting observed a moment of silence in respect for the memory of these members. Obituaries are printed in this volume of the *Transactions*.

President Bassett read a letter from M. Stanley Hughey, President of the American Academy of Actuaries, reporting on recent Academy activities.

In the absence of the Secretary, the Executive Director presented an oral summary of nonroutine business transacted by the Board of Governors at its meeting on January 15, 1985, and by the Executive Committee at its meeting on March 6, 1985.

Executive Director John E. O'Connor, Jr. made a few brief announcements.

President Bassett introduced Robert D. Shapiro, who served as the moderator of the keynote presentation "Debate on the Role of the Valuation Actuary." Mr. Shapiro introduced the debaters, Robin B. Leckie (pro) and R. Stephen Radcliffe (con), and the commentator, T. C. Jenkins, President, Institute of Actuaries of Australia.

On behalf of the Society of Actuaries, President Bassett accepted a plaque from Pamela Hastings, a representative of the St. Louis Convention and Visitors Commission, welcoming the Society to St. Louis.

After a brief recess, the meeting reconvened at 10:30 A.M. in five panel discussions and five workshops.

A "New Associates' Workshop" was held at 10:30 A.M. under the sponsorship of the Committee on Professional Development.

A luncheon was held at 12:30 P.M. honoring new Fellows attending their first meeting of the Society since attainment of Fellowship. Before the luncheon, brief remarks were presented by President Bassett and President-Elect Robertson. Following the luncheon, James C. H. Anderson, addressed the audience.

The meeting reconvened at 2:30 P.M. in two open forums, three panel discussions, and four workshops.

On Friday, May 24, 1985, the meeting convened at 8:30 A.M. in three open forums, two panel discussions, and three workshops.

After a brief recess, the meeting reconvened at 11:00 A.M. in one open forum, three panel discussions, and five workshops.

Following lunch, the meeting reconvened at 2:30 P.M. in one open forum, four panel discussions, and five workshops.

General session, open forum, panel discussion, and workshop topics and the names of participants for the meeting are printed in the *Record*, Volume XI, Number 2.

RICHARD V. MINCK
Secretary

MINUTES OF THE REGIONAL MEETING
of the
SOCIETY OF ACTUARIES

HELD AT THE HILTON INTERNATIONAL QUEBEC
AND THE AUBERGE DES GOUVERNEURS HOTELS
QUEBEC CITY, QUEBEC, CANADA
JUNE 5-7, 1985

The Society of Actuaries 1985 Spring Meeting was held in conjunction with the Canadian Institute of Actuaries Twentieth Anniversary Meeting. This was the first time the Society and the Institute have cosponsored a meeting.

The Canadian Institute of Actuaries meeting commenced on Wednesday, June 5, 1985, at 9:00 A.M. The Society of Actuaries meeting commenced on Thursday, June 6, 1985, at 8:30 A.M. with a joint day of sessions organized by the Society and Institute, and the Society's meeting concluded on Friday, June 7, 1985. The following is a summary of attendance at the meeting.

SUMMARY

Fellows	455
Associates	341
Others.....	<u>59</u>
Total.....	<u>855</u>

The Society meeting convened at 8:30 A.M. in two open forums, three panel discussions, and eleven workshops.

After a brief recess, the meeting reconvened at 10:45 A.M. in two open forums, five panel discussions, and eight workshops.

A joint luncheon was held at 12:30 P.M. for those registered for the sessions on Thursday, June 6, 1985. Before the luncheon, brief remarks were presented by President Moore, Canadian Institute of Actuaries, and President Bassett, Society of Actuaries. President Bassett recognized the following individuals attending this meeting from countries other than the United States and Canada: Richard P. Burrows, England; Paul F. Clayson, Trinidad; John Howard Greenhalgh, England; Richard A. C. Lawrey, England; Peter E. J. Londregan, Australia; Daisy M. McFarlane-Coke, Jamaica; Peter G. Moore, England; Charles Michael O'Brien, England; Alexander D. Shedden, Scotland; and Richard J. Squires, England. Following the luncheon, Charles Michael O'Brien, Past President of the Institute of Actuaries, gave the key-note presentation.

The meeting reconvened at 2:45 P.M. in one open forum, three panel discussions, and nine workshops.

On Friday, June 7, 1985, the meeting reconvened at 8:15 A.M. in a general session with President Bassett presiding.

President Bassett recognized the following Past Presidents attending the meeting: Robin B. Leckie and Julius Vogel.

President Bassett recognized the Canadian Institute of Actuaries new President, Michael Rosenfelder, and new President-Elect, Kenneth T. Clark.

President Bassett next recognized the individuals responsible for this meeting: Vice-President Walter S. Rugland; Program Committee Chairperson John E. Tiller, Jr. and members of that committee; the Section consultants; and the Canadian Institute of Actuaries Program Committee.

President Bassett recognized all of the program participants—both Society and Institute members and those who were not members of the Society or Institute.

President Bassett acknowledged the recorders at the meeting for their assistance in creating the official Society *Record* and Institute *Proceedings* of the meeting's discussions.

President Bassett recognized and welcomed the new Fellows and Associates who were attending their first meeting of the Society since attainment of their present ranks.

President Bassett recognized the authors of papers which appeared in the January 1985 Preprint, *Transactions*, Volume XXXVI; February 1985 Preprint, *Transactions*, Volume XXXVI; and April 1985 Preprint, *Transactions*, Volume XXXVII.

President Bassett advised that the Society had received word of the deaths of seventeen members since the last annual meeting. Those in attendance at this meeting observed a moment of silence in respect for the memory of these members. Obituaries are printed in this volume of the *Transactions*.

In the absence of the Secretary, the Executive Director presented an oral summary of nonroutine business transacted by the Board of Governors at its meeting on January 15, 1985, and the Executive Committee meeting on March 6, 1985.

Executive Director John E. O'Connor, Jr. made a few brief announcements.

President Bassett introduced Peter G. Moore, President of the Institute of Actuaries, who addressed the audience.

After a brief recess, the meeting reconvened at 9:00 A.M. in one open forum, four panel discussions, and eight workshops.

A "New Associates' Workshop" was also held at 9:00 A.M. under the sponsorship of the Committee on Professional Development.

After a brief recess, the meeting reconvened at 11:00 A.M. in one open forum, three panel discussions, and ten workshops.

A luncheon was held at 12:30 P.M. honoring new Fellows attending their first meeting of the Society since attainment of Fellowship. Before the luncheon, brief remarks were presented by President Bassett and President-Elect Robertson. Following the luncheon, Robin B. Leckie, Past President of the Society of Actuaries, addressed the audience.

General session, open forum, panel discussion, and workshop topics and the names of participants for the meeting are printed in the *Record*, Volume XI, Number 3.

RICHARD V. MINCK
Secretary

MINUTES OF THE ANNUAL MEETING
of the
SOCIETY OF ACTUARIES

HELD AT THE NEW ORLEANS HILTON HOTEL
NEW ORLEANS, LOUISIANA
OCTOBER 14-16, 1985

The meeting was called to order by President Preston C. Bassett on Monday, October 14, 1985, at 8:30 A.M. The following is a summary of attendance at the meeting:

SUMMARY

Fellows	1,085
Associates	298
Others.....	<u>151</u>
Total.....	1,534

Portions of the meeting were organized by the American Academy of Actuaries, which celebrated its twentieth anniversary with an annual business session on Wednesday, October 16, 1985.

President Bassett introduced the Color Guard from Loyola University in New Orleans led by Cadet Riehle for presentation of the colors and playing of the United States and Canadian national anthems.

President Bassett recognized the following individuals attending this meeting from countries other than the United States and Canada: Edward J. Bonach, West Germany; Richard P. Burrows, England; Astor Duggan, Jamaica; Michael A. Farrar, Trinidad; Raymond J. Foreman, England; Howard Gracey, England; William J. Graham, Australia; John H. Greenhalgh, England; Catherine D. Lyn, Jamaica; Helge-Ivar Magnussen, Norway; Stephen T. Meldrum, England; Stephen P. Miles, Australia; Cecilia B. Morales, Philippines; Peter Morgan, England; Samuel Phillips, Jamaica; Denise J. Radix, Trinidad; Les Webb, England; Phillip M. Whittaker, Jamaica; W. St. Elmo Whyte, Jamaica; and Hideyuki E. Yoshida, Japan.

President Bassett recognized the following Past Presidents attending the meeting: E. Paul Barnhart, Dwight K. Bartlett III, John M. Bragg, William A. Halvorson, Robert H. Hoskins, Edwin B. Lancaster, Barbara J. Lautzenheiser, Ernest J. Moorhead, Robert J. Myers, and Julius Vogel.

President Bassett recognized 50-year Fellows attending this meeting: Carroll E. Nelson, F.S.A. 1929, and James M. Woolery, F.S.A. 1931.

President Bassett next recognized the individuals responsible for this meeting: Vice-President Walter S. Rugland; Program Committee Chairperson

John E. Tiller, Jr. and members of that committee; the Section consultants; and Bartley L. Munson of the American Academy of Actuaries.

President Bassett recognized all of the program participants—both Society members and Academy members and those who were not members of the Society or Academy.

President Bassett acknowledged the recorders at the meeting for their assistance in producing the official *Record* of the meeting's discussions.

President Bassett recognized and welcomed the new Fellows and Associates who were attending their first meeting of the Society since attainment of their present ranks.

President Bassett recognized authors of papers which appeared in the August 1985 and September 1985 preprints, *Transactions*, Volume XXXVII as follows:

Society of Actuaries' Committee on Pension Principles and Related Research, "Select and Ultimate Financial Assumptions in Pension Plan Valuations: An Analysis of the Issues"

Paul R. Milgrom, "Measuring the Interest Rate Risk"

Spencer Koppel, Francis T. O'Grady, Gary N. See, and Robert B. Shapland, "Reserve Principles for Individual Health Insurance"

Robert J. Myers and Francisco R. Bayo, "United States Life Tables for 1979-81"

Thomas L. Handley, "Developing Premium Rates for a Preferred Provider Organization"

President Bassett recognized the retiring members of the Board of Governors for their service as follows:

Board of Governors:

Allan D. Affleck

Edward H. Friend

Walter L. Grace

Michael B. Hutchison

John O. Montgomery

Vice-Presidents:

James A. Attwood

Anna Maria Rappaport

Penultimate Past President:

Barbara J. Lautzenheiser

President Bassett advised that the Society had received word of the deaths of twenty-five members since the last annual meeting. Those in attendance at this meeting observed a moment of silence in respect for the memory of these members. Obituaries are printed in this volume of the *Transactions*.

John E. O'Connor, Jr., Executive Director, made a few brief announcements.

Barbara J. Lautzenheiser, Chairperson of the Committee on Elections, reported the results of the elections of Officers and Board members as follows:

President-Elect:	Harold G. Ingraham, Jr.
Vice-Presidents:	M. David R. Brown Burton D. Jay Cecil J. Nesbitt A. Haeworth Robertson Walter S. Rugland
Secretary:	Richard V. Minck
Treasurer:	Michael B. McGuinness
Director of Publications:	Anthony T. Spano
Board of Governors:	Robert M. Astley Barnet N. Berin Harry D. Garber David M. Holland Walter N. Miller Donald R. Sondergeld

Following announcement of the election results, incoming President-Elect Ingraham spoke briefly.

Richard S. Robertson, the current President-Elect, spoke briefly on a Flexible Education System for the Society of Actuaries.

The Secretary presented an oral summary of nonroutine business transacted by the Board of Governors at its May 22, 1985 and October 12-13, 1985 meetings, and by the Executive Committee at its August 26, 1985 meeting.

Barnet N. Berin announced the L. Ronald Hill Memorial Prize winners for 1984 and 1985 as follows: Lawrence N. Bader for his paper "Actuarial Implications of Dedicated Pension Funds," published in the *Transactions*, Volume XXXV, and John D. Stiefel for his paper "The Guaranteed Investment Contract (GIC)," published in the *Transactions*, Volume XXXVI. Mr. Bader and Mr. Stiefel were not present at the meeting to receive their awards.

President Bassett introduced J. P. Bolduc, Senior Vice President, Special Assistant to the Chairman, and a member of the Appropriations Committee at W. R. Grace & Co., who gave the keynote presentation on "Will Our Children Ever Forgive Us?"

After a brief recess, the meeting reconvened at 10:45 A.M. in four panel discussions, two open forums, and nine workshops.

A "New Associates' Workshop" was also held at 10:45 A.M. under the sponsorship of the Committee on Professional Development.

A luncheon was held at 12:30 P.M. honoring new Fellows attending their first meeting of the Society since attainment of Fellowship. Before the luncheon, brief remarks were presented by President Bassett and President-Elect

Robertson. Following the luncheon, Dwight K. Bartlett III, Past President of the Society of Actuaries, addressed the audience.

The meeting reconvened at 2:30 P.M. in five panel discussions, one open forum, and fourteen workshops.

After a brief recess, the meeting reconvened at 4:45 P.M. in a commemoration session on Elizur Wright (1804-1885).

On Tuesday, October 15, the meeting convened at 8:00 A.M. in a Reinsurance Section breakfast meeting and a Health Section breakfast meeting.

After a brief recess, the meeting reconvened at 8:45 A.M. in four panel discussions, two open workshops, and thirteen workshops.

After a brief recess, the meeting reconvened at 11:00 A.M. in five panel discussions, two open forums, and eleven workshops.

A luncheon of the Individual Life Insurance and Annuity Product Development Section was held at 12:45 P.M. Following the luncheon, Ian M. Rolland addressed the audience.

A luncheon of the Nontraditional Marketing Section was held at 12:45 P.M. Following the luncheon, James F. Sullivan addressed the audience.

Following lunch, the meeting reconvened at 2:30 P.M. in four panel discussions, three open workshops, and eleven workshops.

After a brief recess, the meeting reconvened at 4:45 P.M. in a Futurism Section meeting, a Nontraditional Marketing Section meeting, and a Pension Section meeting.

On Wednesday, October 16, the meeting convened at 8:30 A.M. in a general session with President Bassett presiding.

President Bassett announced that the Committee on Papers had selected the paper "The Guaranteed Investment Contract (GIC)" by John D. Stiefel as the best paper published in a preprint released between July 1, 1984, and June 30, 1985. An appropriate plaque and monetary prize will be awarded to the Annual Prize winner at a later date.

Treasurer Michael B. McGuinness summarized the financial report, which is printed in this volume of the *Transactions*.

President Bassett then gave his presidential address, which is printed in this volume of the *Transactions*.

The gavel was passed to President-Elect Robertson. President Robertson called upon Barbara J. Lautzenheiser, who presented an oil portrait of Mr. Bassett to Mr. Bassett on behalf of the Society in appreciation of his services as President.

President Robertson then spoke briefly and adjourned the business session.

A business meeting of the American Academy of Actuaries was held at 9:15 A.M.

After a brief recess, the meeting reconvened at 11:00 A.M. in two panel discussions, two open forums, and thirteen workshops.

General session, panel discussion, open forum, open workshop and workshop topics, and the names of participants for the meeting are printed in the *Record*, Volume XI, Number 4.

RICHARD V. MINCK
Secretary

