

Approved
May 2, 2007



**Actuary Committee
Regular Meeting
Summary Minutes**

**May 3, 2006
ABAG Conference Room B
101 Eighth Street, Oakland, CA**

Presiding

Larry Anderson

Committee Members Present

Barbara Powell

Julie Carter

Emma Karlen

Bronda Silva

Jurisdiction

Burlingame

Saratoga

Dublin

Milpitas

American

Canyon

ABAG PLAN Staff Present

Marcus Beverly, ABAG Risk Manager

Carol Taylor, ABAG Plan Recording Secretary

REPRESENTATIVES

Seth Cole, Driver Alliant Risk Services

Michael Harrington, Bickmore Risk Services

1. CALL TO ORDER:

Vice Chairman Larry Anderson called the meeting to order at 10:02 a.m.

2. PUBLIC COMMENTS:

There were no public comments.

3. COMMITTEE CHAIR & NEW MEMBER:

Marcus Beverly requested the Committee elect a new Chair and approve a new member, Barbara Powell, Assistant City Manager, Saratoga. Barbara Powell was unanimously approved by Committee as a new Committee member. Emma Karlen was elected as the new Chair which and will serve on the Actuary Committee and the Executive Committee.

/M/Anderson/S/Carter/C/unanimously approved.

4. APPROVAL OF MINUTES, JANUARY 11, 2006:

Minutes were approved as presented. /M/Carter/S/Anderson/C/approved
Barbara Powell – abstained.

5. ACTUARIAL REVIEW OF LIABILITY PROGRAM AS OF JUNE 30, 2006:

Michael Harrington of Bickmore Risk Services presented his firm's analysis of the program's outstanding liabilities and funding for the 2006-07 Program Year. Total expected liabilities are projected at just under \$16 million, with funding of the \$5 million SIR for 06-07 at almost \$4.9 million, and total funding at \$7.8 million, and increase of 6.4%.

After review and discussion the Committee accepted the Bickmore Risk Services report.
/M/Powell/S/Silva/C/unanimously approved.

6. PACIFICA PREMIUM ADJUSTMENT REQUEST:

Marcus presented a report and request from Pacifica to decrease its premium for FY 05-06 based on a ratio method of determining the increase that should be due to lowering their deductible. Mike Harrington also gave explanation to Pacifica's premium request.

After discussion and review Committee approved Pacifica's \$301,842.00 as an appropriate premium for 2005-2006. /M/Anderson/S/Powell/C/unanimously approved

7. EXCESS LIABILITY & PROPERTY FUNDING OPTIONS: INFORMATION

Seth Cole of Driver Alliant Risk Services presented an overview of the insurance market and options for 2006-07.

8. FUNDING RECOMMENDATIONS:

Marcus Beverly, Risk Manager presented recommended funding options to the committee. He also discussed options for funding excess layers of coverage and an update on our progress in achieving funding benchmarks. The report included a recommendation that the members consider self-insuring to \$5 million, purchasing excess insurance to \$10 million, then self-insuring another layer of \$5 million, for a total of \$15 million. The members discussed this approach and agreed to consider recommending based on the outcome of our insurance marketing efforts.

Committee approved funding options as outlined in the report, pending insurance quotes, to be presented to the Board.

/M/Anderson/S/Karlen/C/unanimously approved

9. STRATEGIC PLANNING & WITHDRAWAL POLICY DISCUSSION: INFORMATION

Marcus Beverly presented an overview of funding topics for consideration at the Board's next strategic planning meeting, including funding options for risk management services and administrative premiums. He indicated we would table the withdrawal policy discussion until the Board was ready to re-consider.

10. OTHER BUSINESS:

None

11. ADJOURNMENT:
Meeting Adjourned at 1:15 p.m.

Respectfully Submitted,



Marcus Beverly
Risk Manager & Secretary
ABAG PLAN Corporation

/cj