

Board of Directors Meeting

The Board of Directors of the Nebraska Actuaries Club met on Friday, June 23, 2006 at 2:00 at Woodmen of the World Life Insurance Company. In attendance were Mark Schreier, Paula Hodges, Bob Jurgensmeier (via phone), Gregg Rueschhoff, Jeanne Daharsh, Warren Luckner and Lance Grigsby.

After introductions were made, the meeting commenced with a review of the finances.

Finances:

Paula Hodges presented a summary of income and expenses for the 2005 – 06-club year. The balance as of 6/23/06 is \$6,860.37. This was a planned decline from the prior year's balance of approximately \$8900. Expenditures were similar to last year, except for \$1,000, which was donated to rebuild math classrooms destroyed by Hurricane Katrina. The February meeting, which was held at Misty's was a large net loss. This was due in part to the rather large (and desired) student turnout.

The board agreed that we should target a \$5,000 minimum floor on the account, and the current balance was considered to be reasonable. This would dictate operating with income matching expenses on a going-forward basis.

Since each meeting operates at a loss, to accomplish this cash flow match, two options were discussed. The first is raising the price of meals to \$25 from \$20. The price of a meal is around \$20, but each meeting offers an open bar. The second option is to raise the price for the meals at which the students attend. The matter was delegated to Paula and Lance.

It was noted that the past president, Linda Whitmire, should audit the books. Paula remarked that she would confirm this and work with Linda.

The treasurer's report was unanimously approved.

Review of 2005 – 06:

- a. Social Security – Bruce Schobel presented. The meeting was described as a home run. The key was that it was a topic that was of interest to all practice areas
- b. Non-traditional actuaries – A good meeting. Should hold one like it every few years. It's good to have a panel of people we all know.
- c. President's meeting – Great student turnout. Always good to match the topic of SOA material (exams / student programs) with this meeting.

2006 – 07 Program:

In the past, we have held two meetings in Omaha, one in Lincoln and held R&R day at various locations.

Given that at least two-thirds of the membership is from Omaha it was unanimously decided to continue with two meetings in Omaha, the president's meeting in Lincoln (due to emphasis on SOA activity and student attendance), and R&R day at a location to be determined. The arrangements committee will determine dates and locations.

Paula noted that Arbor Links has contacted the NAC about hosting the golf outing. It was noted that this would still be equidistant from Omaha and Lincoln. No decision was reached, as the arrangements committee will determine the venue.

Program topics were then discussed. Topics offered for consideration included:

1. National Retirement Policy / PBGC
2. Medicare
3. Standard Valuation Law, Principle Based Reserves
4. Rating Agencies
5. LTC / Healthcare (CDHC)
6. Interstate Compacts
7. Fundamentals of Actuarial Practice Course
8. Exams/ Syllabus / SOA accreditation
9. SOX, NAIC implementation
10. Life Settlements / IOLI
11. International Accounting Standards
12. Hedging / Investments Topics
13. Practical Implications of
 - a. C3 Phase II
 - b. UL secondary guarantees
14. Status of ERM Initiative
15. NE DOI Update
16. Activities of SOA board
17. Terrorism Risk
18. Pandemics / Bird Flu
19. Preferred Mortality
20. Demographics (Immigration and population trends)
21. Current legislative issues (with US Senator or Representatives?)
 - a. Nelson has a healthcare proposal

- b. Massachusetts health legislation
- 22. Global Warming (Climatology)
- 23. Wizard of Odds

Items 22 and 23 were topics recently covered by the Des Moines actuary club. This club has contacted us in the past for setting up a seminar in February. They have traditionally held meetings during the day and in Des Moines to increase participation, but have recently tried offering seminars as a less costly alternative to travel for continuing education.

The board felt that we should communicate with the Des Moines Club and perhaps coordinate meeting topics. With respect to co-sponsoring a seminar, past attempts or similar ventures have failed due to the travel involved.

The top 4 meeting topics for the two Omaha meetings identified were

1. Pandemics – Interesting topic and of major concern to insurers
2. Medicare – Again, a topic that reaches everyone in interest, including recent Part D.

3. NE Department of Insurance Update
 - a. Principle Based Approach –
 - b. Health Premium Deficiency Reserves
 - c. Pension Topics – New types of plans being researched.
 - d. Interstate Compact
4. Congressional Topics

The Lincoln meeting was suggested to be centered on student topics

- ERM initiative
- Status of Exam system (2007 new FSA)
- Again target new SOA president Ed Robbins or AAA president
- Could also consider SOA president –elect

Program and arrangements committees:

Paula and Lance are to begin recruitment process. A meeting of the program/arrangements committee will take place the second week of July.

Waiving of Dues: Will continue waiving of dues policy for retired and unemployed.

Scholarship Committee

Bob Jurgensmeier is rolling off the committee, while Jim Baker is being added. Warren Luckner reported that we've had a good group of students to apply. The NIF increasing the amount to \$2000 and making the scholarship renewable for 1 year is very helpful. Warren thanked the N-A-C for its continued support. It was further noted that we should clear the students through Warren as we have had a situation where a scholarship recipient was not taking Actuarial Science classes.

UNL Actuarial Science Program report:

Warren Luckner reported that things were going well and reiterated that getting students involved in the N-A-C is good to give them exposure to current topics. He also noted that a new course being offered at UNL has been successful and gives UNL students a good look at real life problems. This course is Actuarial Applications, and it has students implementing what they have learned in TAS or MG-ALFA.

Expanding Your Horizons in math and Science:

Paula Hodges said that there were 6 representatives of females in the actuarial professions at the conference.

Life Time Achievement:

Only been presented to one N-A-C member – Burt Jay.

Want to consider new candidates, which meet the awards requirements.

The meeting was adjourned at 3:30.