KRISTINE M. FITZGERALD, ACAS, MAAA, FCA
CONSULTING ACTUARY

June 30, 2025

VIA EMAIL

Ms. Diane Nakagawa
Director of Finance
County of Hawai'i
25 Aupuni Street
Suite 2103
Hilo, Hawaii 96720

Re: Professional Actuarial Services for Fiscal Year 2025-2026

Dear Ms. Nakagawa:

Actuarial & Technical Solutions, Inc. (Actuarial Solutions) wishes to be considered to provide professional actuarial services to the County of Hawai'i (the "County"). Attached please find our Statement of Qualifications (SOQ) in response to the County's Notice to Providers of Professional Services for fiscal year 2025-2026. Our responses are organized in accordance with said notice.

Should you have any questions or require any further information, please feel free to contact me. We look forward to the possibility of providing actuarial services to the County.

Very truly yours,

Kristine M. Fitzgerald

Kristine M. Fitzgerald, ACAS, MAAA, FCA
Consulting Actuary

kfitzgerald@actuarialsolutions.com Main Office (631) 471-8655

Statement of Qualifications for
Actuarial Consulting Services
to the
County of Hawai'i

June 2025

Submitted by:

ACTUARIAL SOLUTIONS

STATEMENT OF QUALIFICATIONS FOR
ACTUARIAL CONSULTING SERVICES
TO THE
COUNTY OF HAWAI'I

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STATEMENT OF QUALIFICATIONS FOR
ACTUARIAL CONSULTING SERVICES
TO THE
COUNTY OF HAWAI'I

I. TECHNICAL STATEMENT

Actuarial & Technical Solutions, Inc. (Actuarial Solutions) welcomes the opportunity to submit this statement of qualifications (SOQ) to the County of Hawai'i (the "County") pursuant to the requirements set forth in its Notice of Providers of Professional Services for fiscal year 2025-2026.

Actuarial Solutions wishes to be approved to assist the County in the following service category:

- FN.2: Accounting (Actuarial Services)

Actuarial Solutions is an independent property-casualty actuarial consulting firm established in 1990, averaging between 5 and 10 employees over the past five years. Our actuarial engagements are spearheaded by two senior credentialed actuaries with over 50 years of combined experience, an additional credentialed actuary, as well as analysts in varying stages of experience. Our actuaries are actively involved in each project, directing and reviewing the work performed. In addition, all work is peer reviewed to ensure the actuarial integrity of our work product and the satisfaction of our clients.

Contact information:

Actuarial & Technical Solutions, Inc.
1767 Veterans Memorial Highway
Suite 16
Islandia, New York 11749

Contact: Kristine M. Fitzgerald, ACAS, MAAA, FCA
Consulting Actuary
631-471-8655
kfitzgerald@actuarialsolutions.com

Actuarial Solutions performs a wide variety of tasks for both private and public sector self-insureds.

Loss Reserve Studies:

- Projection of liabilities relating to retained loss and associated expenses
- Reflection of time value of money (discounted liabilities)
- Compliance with Governmental Accounting Standards Board Statement Numbers 10 & 30 (GASB10 & GASB30) for public sector self-insureds
- Derivation of loss incurred but not reported (IBNR) based upon total needed versus case reserves

Determination of Funding Level:

- Projection of future cost of retained insurance or deductible layers

- Projection of associated expenses, including allocated loss adjustment expense (ALAE), claims administration fees, taxes, assessments and reinsurance premiums
- Reflection of time value of money

Allocation of Funding Level:

- For group self-insureds, determination of each member's contribution using exposure and an individual entity's loss experience

Other Services:

- Review of excess insurance needs and the cost of excess insurance
- Estimation of cost impact of individual members joining or leaving a self-insured group
- Self-insurance feasibility studies
- Captive feasibility studies
- Expert testimony

We would conduct any and all services in keeping with the Code of Conduct and Actuarial Standards of Practice (as promulgated by the American Academy of Actuaries) as well as in accordance with the laws and regulations of the state of Hawai'i.

II. CONSULTANTS' BIOGRAPHIES

Biographies for each of our credentialed actuaries follow.

Kristine Fitzgerald, ACAS, MAAA, FCA, Senior Consulting Actuary

Kristine is an Associate of the Casualty Actuarial Society, a Member of the American Academy of Actuaries and a Fellow of the Conference of Consulting Actuaries. She graduated from Villanova University with a B.S. degree in Mathematics.

Kristine has been employed with Actuarial Solutions since 1993 and has over 30 years of actuarial consulting experience in the area of property-casualty insurance. Her experience includes: projection of ultimate loss; analysis of reserve adequacy; Statements of Actuarial Opinion; financial examinations; feasibility studies; rate filing review; ratemaking; reinsurance analyses; risk transfer analysis; prospective funding levels; analysis of individual risk rating plans (including retrospective rating plans, experience rating plans and loss rating plans); dividend analyses; audit assistance; and litigation support. Clients range from small self-insureds to captives, insurance companies, reinsurers, large public-sector clients, auditors and regulators. Such engagements include workers compensation, general liability, auto liability and physical damage, property, professional liability, mortgage guaranty insurance and various excess coverages. Kristine is well-versed in regulatory and statutory requirements applicable to various insurance coverages, including workers compensation in numerous states. She has been recognized by regulators in each state to which she has applied to certify loss reserves, and meets the Qualification Standards of the American Academy of Actuaries for issuing NAIC property/casualty Statements of Actuarial Opinion.

Kristine serves as a primary contact for many of Actuarial Solutions' clients and is the lead actuary or peer reviewer on numerous engagements. Kristine has participated in legal mediations; has presented actuarial concepts and results to various audiences, including client risk managers, auditors, regulators, boards of directors and legislative bodies; and has testified in an administrative hearing and at a jury trial. Kristine has the ability to explain complex actuarial concepts to both technical and non-technical audiences in a clear and understandable manner.

Kristine currently serves on the Casualty Actuarial Society's Syllabus and Examination Committee.

David Raikowski, ACAS, MAAA, FCA, President and Senior Consulting Actuary

Dave is an Associate of the Casualty Actuarial Society, a Member of the American Academy of Actuaries and a Fellow of the Conference of Consulting Actuaries. He graduated from Hofstra University with degrees in Mathematics and Psychology.

Dave has been employed with Actuarial Solutions since 2002 and became owner and President of Actuarial Solutions in 2019. Throughout his career, Dave has provided a diverse range of services to clients including public-sector entities, self-insureds, captives and insurance companies. The clients with which he works range in size as well as the industry in which they operate. He has significant experience with a variety of property/casualty coverages including workers compensation, general liability, auto liability and physical damage, medical professional liability, mortgage guaranty insurance, construction defects and property. Dave has substantial experience with loss reserve analyses, rate filing reviews, captive feasibility studies, risk transfer analyses, pricing and the estimation of premium deficiency reserves. Dave has considerable experience in the area of loss modeling, most notably in the area of pricing, through the use of statistical distributions and simulation techniques. Additionally, he has participated in numerous litigation support engagements.

Dave has been recognized by regulators in each state in which he has applied to certify loss reserves, and meets the Qualification Standards of the American Academy of Actuaries for issuing NAIC property/casualty Statements of Actuarial Opinion. Dave currently serves on the Board of Directors of the Connecticut Captive Insurance Association.

Tiffany H. Sciallo, ACAS, MAAA, Consulting Actuary

Tiffany has been employed with Actuarial Solutions since 2012. Tiffany graduated from Stony Brook University with Bachelor of Science degrees in Applied Mathematics & Statistics and Economics. She is an Associate of the Casualty Actuarial Society and a Member of the American Academy of Actuaries.

Tiffany has experience with a variety of traditional property and casualty coverages including workers compensation, general liability, auto liability, auto physical damage and property. She has been involved with loss reserve analyses, captive feasibility studies and pro forma financial analyses for a wide range of clients, such as self-insureds, captives, insurance companies, public sector entities and risk pools. Tiffany has also participated on numerous financial examinations for various states of domicile. She meets the Qualification Standards of the American Academy of Actuaries for issuing NAIC Property/Casualty Statements of Actuarial Opinion.

III. Client Listing

The following provides a sample of our relevant experience:

Suffolk County, New York (2004 – Present)

Actuarial Solutions annually derives the liabilities associated with Suffolk County's self-insurance program. This program includes the following coverages: workers compensation; general liability/personal injury; commercial auto liability and physical damage; medical malpractice; bus liability (including property); video display terminal and employer practices liability. We also project Suffolk County's annual self-insurance budget for each of the next five prospective calendar years; this includes loss, defense and cost containment expense (DCCE) and other program operating expenses. Additionally, we allocate the budget to departments within Suffolk County.

Consolidated Edison Company of New York, Inc. (Con Ed) (2019-Present)

Actuarial Solutions is retained to provide annual analyses of the self-insured workers compensation liabilities of Con Ed as well as Orange & Rockland Utilities, Inc. for inclusion in their year-end financial statement. A one-year cash flow forecast is also prepared. A separate report is prepared for each entity to meet the requirements of the New York Workers' Compensation Board Actuarial Report Guidance for Individual Workers' Compensation Self-Insured Employers.

Diocese of Rockville Centre (DRVC) (2002 – Present)

Actuarial Solutions provides DRVC with annual projections of ultimate loss in total and separately for numerous business centers (including five hospitals, two nursing homes, all Long Island Roman Catholic churches and charities). These projections lead to the estimation of needed loss and DCCE reserves, including reserves for loss incurred but not reported (IBNR). This information allows the Diocese to allocate its overall costs among individual entities. The following coverages are analyzed: workers compensation, general liability, auto liability, auto physical damage and property damage. Actuarial Solutions also provides the Diocese with a Statement of Actuarial Opinion for the portion of its liabilities insured through its captive.

H&R Block (1993 – Present)

H&R Block operates a captive insurance company, which was initially domiciled in Bermuda and redomesticated to Missouri in 2014. The captive provides workers compensation, general liability, property, errors and omissions tax liability guarantee and cyber coverages to both H&R Block's corporate operations and its franchises. Annually, Actuarial Solutions analyzes the loss reserves for this captive and issues a Statement of Actuarial Opinion to its regulators regarding the adequacy of carried reserves. Actuarial Solutions also provides interim reviews of H&R Block's liabilities, both those insured through its captive and those which are self-insured. Loss forecasts for the prospective fiscal period are annually projected for each program; additional services include dividend analyses and pricing for excess coverage.

Roman Catholic Diocese of Brooklyn (2004 – Present)

Actuarial Solutions provides the Diocese with annual projections of ultimate loss for its self-insured program which includes workers compensation, general liability, auto liability and physical damage, and property coverage. These projections allow for the estimation of needed loss and expense reserves for inclusion in a Statement of Actuarial Opinion which is issued for the portion of the retained coverage placed in the Diocese's captive. Additionally, we annually provide the Diocese with an estimation of the needed funding level for each retained coverage for the prospective year.

Indiana University (2005 – Present)

Actuarial Solutions initially provided Indiana University with a study to determine the feasibility of its proposed captive. The lines of coverage reviewed include general liability, directors' and officers' liability, medical malpractice, auto and property. Since the licensure of the captive, we have provided annual services which include a review of its needed reserve level, Statement of Actuarial Opinion, estimates of premium for the captive and expected loss and ALAE for the self-insurance fund.

Motor Club Insurance Captive, LLC (MCIC) (2017 – Present)

MCIC was originally domiciled in Vermont in 2017 and redomesticated to Hawaii in March of 2022. The Captive assumes coverage through a retrocession agreement with the Interinsurance Exchange of the Automobile Club (IIEAC) associated with automobile (auto) and homeowners (HO) business written by Motor Club Insurance Company. Actuarial Solutions prepares annual reserve projections and issues a Statement of Actuarial Opinion.

Missouri Department of Commerce and Insurance (2013 – Present)

Actuarial Solutions entered into a contract with the Missouri Department of Commerce and Insurance in early 2013 to provide actuarial services related to the review of insurance company product filings and other related matters. In the fall of 2013, we reviewed the proposed 1/1/14 Workers Compensation Residual Market filing on behalf of the Office of the Commissioner of Insurance (OCI). We subsequently reviewed the 7/1/14 and 7/1/15 Workers Compensation Residual Market filings on behalf of the OCI and assisted the OCI in-house actuary with the review of the 7/1/16 Workers Compensation Residual Market filing; we provided testimony at the 2014 rate hearing upon conclusion of our review and preparation of our findings. We have also provided the OCI with in-depth reviews of the National Council on Compensation Insurance's (NCCI) proposed voluntary market advisory loss cost filings effective 1/1/16, 1/1/17, 1/1/20 and 1/1/24; these reviews included analysis of all significant items reflected in the filing, interrogatories for the NCCI, a recommended loss cost change and a full report documenting our review and findings. We were retained in 2021 to prepare a similar review of the Missouri Employer's Mutual Insurance Company proposed February 1, 2021 workers compensation rate filing.

Additionally, we entered into a contract with the Department in early 2016 to provide financial examination services for property/casualty insurance companies. Each review includes completion of all phases of NAIC risk-focused examinations for the reserving component. A Statement of Actuarial Opinion as well as associated supporting narrative and documentation are provided as deliverables, as well as feedback on claims and reserving risks. We have been retained to provide actuarial assistance on over 30 exams for the Department. We were also retained to provide actuarial support concerning a proposed insurance company merger; Kristine Fitzgerald provided testimony at the associated regulatory hearing.

Vermont Department of Financial Regulation (2001 – Present)

Actuarial Solutions has been approved by the Vermont Department of Financial Regulation to assist its financial examiners with actuarial matters relating to financial examinations of captives, including RRGs since 2001. As part of the financial examination process, we have reviewed loss reserve analyses, Statements of Actuarial Opinion and financial statements prepared for captive insurance companies and RRGs domiciled in Vermont. In this capacity, actuarial projections have been reviewed for numerous lines of coverage, including workers compensation, professional liability, various casualty coverages, property, financial lines and mortgage insurance.

Additionally, Actuarial Solutions is also one of the actuarial consulting firms approved by the Department to review feasibility studies submitted for companies wishing to become licensed as a Vermont captive insurance company. Through this work, we have reviewed calculations of prospective loss and premium, as well as needed capital levels and other relevant items, to assess the viability of the potential captives under their proposed business plans.

IV. References

We offer the following individuals as references:

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