

# 2016-2017 SAC Task Force: Meeting 6

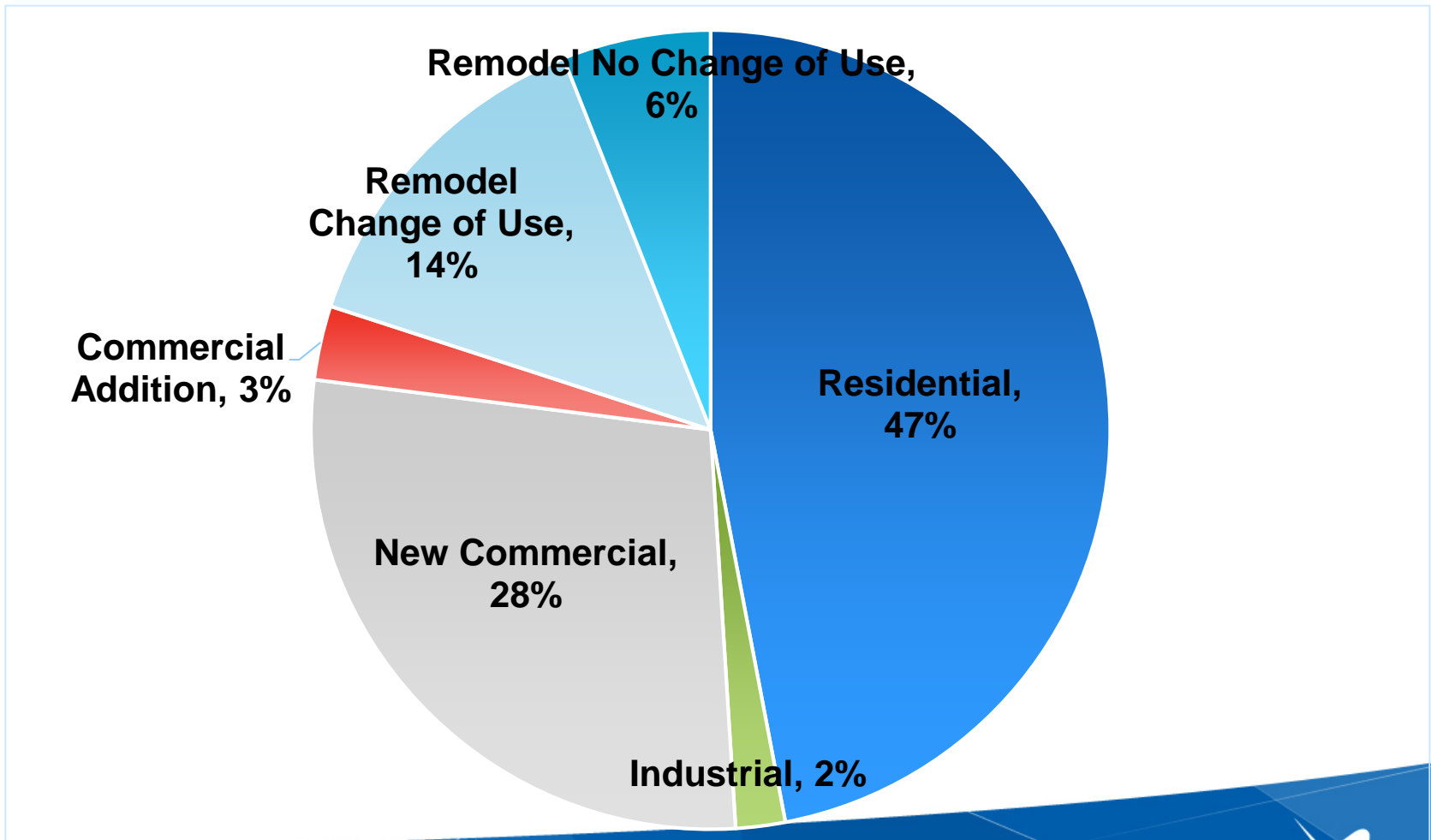
February 21, 2017



# Meeting 6 Overview

- Approve minutes from Meeting 5
- Present data on determination types
- Discuss potential approaches
- Scope of determination analysis
- Any additional credit ideas?
- Next steps?

# Distribution of SAC Activity



# Maximum Potential Rate Impact

*Due to Exclusions of SAC Collections from Remodels  
with No Change in Use:*

2,775\* units x \$2485 / 3 years = \$2.3 million / 18,000  
units = \$127 (potential rate increase)

*\*Number of units from 2013-2015*

# Scope Discussion

- Change criteria to frontload new use?
- Make up loss across entire system or just specific users?
- No change in new versus old outcomes – absorb loss through higher unit trends
- Decide what is considered a new use? (e.g. spec office/warehouse remodels, office remodels, warehouse, schools, etc.)

# Next Steps for Issue 3

- Determination approach
- SAC criteria study of gross square feet
- Reconvene in September with results from SAC study
  - Same task force members
  - Plus subject matter experts as needed

# Credit Ideas

- Determination approach may impact credit calculations
- Other credit ideas?

# Next Steps for Issue 4

- Do we discontinue Non-Conforming Long, Continuous Use?
- Worth changing credit types now if unsure of determination approach?