

Florida Commission on Hurricane Loss Projection Methodology

June 2, 2011

Meeting Summary¹

1. The Commission welcomed new members Kristin Piltzecker, Industry Actuary from Liberty Mutual, and Bryan Koon, Director of the Division of Emergency Management.
2. The Commission's review of the Applied Research Associates, Inc., HurLoss Version 5.0 model began with a two hour closed session for discussion of trade secrets used in the design and construction of the model.

During the open session, the Commission reviewed the Applied Research Associates HurLoss Version 5.0 model under the General Standards (G1, G2, G3, G4, G5), Meteorological Standards (M1, M2, M3, M4, M5, M6), Vulnerability Standards (V1, V2), Actuarial Standards (A1, A2, A3, A4, A5, A6, A7, A8, A9, A10, A11), Statistical Standards (S1, S2, S3, S4, S5, S6), and Computer Standards (C1, C2, C3, C4, C5, C6, C7). The Commission found the HurLoss Version 5.0 model acceptable under the 2009 Standards.

3. The Commission discussed the request from AIR Worldwide for the Commission to consider that the Atlantic Tropical Cyclone model v12.0.1 as implemented in CLASIC/2 v13 be considered acceptable under the 2009 Standards. AIR stated there were no changes to losses between the CLASIC/2 v12.0.4 software found acceptable by the Commission on November 8, 2010, and the updated software CLASIC/2 v13. The Commission voted to defer action until the June 16, 2011 meeting after comparison of the two versions through regression testing and verification of the loss costs results.
4. The Commission's review of the Risk Management Solutions, Inc., RiskLink 11.0.SP1 model began with a two hour closed session for discussion of trade secrets used in the design and construction of the model.

During the open session, the Commission reviewed the Risk Management Solutions RiskLink 11.0.SP1 model under the General Standards (G1, G2, G3, G4, G5), Meteorological Standards (M1, M2, M3, M4, M5, M6), Vulnerability Standards (V1, V2), Actuarial Standards (A1, A2, A3, A4, A5, A6, A7, A8, A9, A10, A11), Statistical Standards (S1, S2, S3, S4, S5, S6), and Computer Standards (C1, C2, C3, C4, C5, C6, C7). The Commission found the RiskLink 11.0.SP1 model acceptable under the 2009 Standards.

Commission Members Present: Steve Alexander for Terry Butler, Randy Dumm, Howard Eagelfeld, Miles Anderson for Bryan Koon, Lori Medders, Jai Navlakha, Jack Nicholson, Kristin Piltzecker, Scott Wallace, Hugh Willoughby, Floyd Yager

Commission Members Absent: Terry Butler, Bryan Koon

Professional Team Members Present: Jenni Evans, Paul Fishwick, Mark Johnson, Greg McLellan, Marty Simons, Masoud Zadeh

¹ This document is a summary of the official minutes for the Florida Commission on Hurricane Loss Projection Methodology. The official minutes consist of the complete recorded transcript. The content of this Meeting Summary has not been taken from the official transcript and should not be relied upon for any official purpose. The official transcript is available upon request from the Florida Commission on Hurricane Loss Projection Methodology.