

# Florida Commission on Hurricane Loss Projection Methodology

## January 7, 2019

### Meeting Summary<sup>1</sup>

1. Floyd Yager, Commission Chair, welcomed new Commission member Jeff McCarty, Industry Actuary with State Farm.
2. The Commission discussed the following model submissions received under the standards and acceptability process for 2017.
  - AIR Worldwide Corporation (AIR) – AIR Hurricane Model for the United States, V17.0.0, Touchstone® V6.1.0
  - Applied Research Associates, Inc. (ARA) – HurLoss Florida Model Version 9.0
  - CoreLogic, Inc. – CoreLogic Florida Hurricane Model 2019, Risk Quantification and Engineering
  - Florida International University (FIU) – Florida Public Hurricane Loss Model V6.3
  - Karen Clark & Company (KCC) – KCC US Hurricane Reference Model 2.0, RiskInsight® 4.9 Build 181104:0500
  - Risk Management Solutions, Inc. (RMS) – North Atlantic Hurricane Models, RiskLink® 18.1 (Build 1945)

The Commission identified and discussed deficiencies in the submissions and voted to continue the review process with the Professional Team on-site reviews after correction of the identified deficiencies by January 22, 2019.

3. The Commission discussed the following issues and the inquiry on the impact of legal and claims environment on modeled hurricane loss costs and hurricane probable maximum loss levels that the Professional Team will investigate during the on-site reviews with all modeling organizations and that the modeling organizations will address with the Commission during the meetings to review the models for acceptability.
  - For Standard V-1, Audit item 7, how the county as well as statewide building codes are reflected in the model vulnerability functions.
  - For Standard V-1, Audit item 9, how the building codes are reflected in the model vulnerability functions, including whether current statewide and county building codes are incorporated.
  - Justification if the high-velocity hurricane zone included in the statewide Florida Building Code is not reflected in the model vulnerability functions.

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<sup>1</sup> 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 summary has not been taken from the official transcript and should not be relied upon for any official purpose.

- For Standard M-4, Audit item 8, the science underlying the maximum windspeeds in Form M-2.
- Form A-6, Building Code/Enforcement (Year Built) Sensitivities, in particular for Manufactured Homes.

4. The Commission approved member requests to attend on-site visits.

**Commission Members Present:** Anne Bert, Barry Gilway (by phone), Sha`Ron James (by phone), Bob Lee, Jeff McCarty (by phone), Jai Navlakha (by phone), Steve Paris, Hugh Willoughby (by phone), Floyd Yager (by phone), Miles Anderson for Wes Maul (by phone)

**Commission Members Absent:** Wes Maul, Patty Schriefer

**Professional Team Members Present:** Paul Fishwick (by phone), Tim Hall (by phone), Mark Johnson, Mike Smith (by phone), Masoud Zadeh (by phone)