

CATASTROPHE UPDATE

CLAIMS COMMITTEE MEETING MARCH 9, 2015
BOARD OF GOVERNORS MEETING MARCH 16, 2015

EXECUTIVE SUMMARY

January Tornadoes

As forecasted, January 2016 was an active period for tornadoes and severe weather in Florida. From January 17 through 28, there were nine reported tornadoes and severe weather that caused damage across the state. Even though the weather events did not technically qualify as a Catastrophe it did allow us to exercise portions of our Catastrophe Response Plan. The claims process does not change in the event of increased volume, however, events like the January storms do provide us insight to key components of the plan such as: reporting, claim assignment and management of critical time service standards. This ensures we are operating effectively and efficiently when we do have increased volume and have to scale our operation to meet the needs of the incoming claims. We provide our customers the ability to file claims 24 hours a day 7 days week with immediate assignment to adjusters which allows us to meet the customer needs when there are events such as this.

Most of the damages were minor consisting of roof damages, trees down and damage to fences, sheds and patios. There was one large commercial loss on Siesta Key that damaged three buildings in a condo association. We have inspected the property and are currently working with the contractor to come to an agreed scope and price. Currently the loss is reserved at \$3.21 million.

The following is a brief summary on the activity of claims reported for this event through February 17, 2016.

- 375 claims reported for tornado and weather related damages.
- 356 residential claims and 19 Commercial claims.
- 232 Claims were closed as of the date listed above (62%).
- Average indemnity payment for residential claims is \$1,106.45.
- Total indemnity paid for residential claims is \$393,896.10.
- Average indemnity payment for commercial claims is \$35,330.13.
- Total indemnity payment for commercial claims is \$671,272.46.
- Total indemnity paid is \$1,065,168.56.
- Total outstanding reserves is \$3,521,881.00 (please note that \$2.56 million of this is for the large commercial loss noted above).
- Average time to contact policyholder was .87 days (21 hours).
- Average time to inspection was 4.49 days.

RECOMMENDATION

There is no recommendation at this time.