

# President's Report

## Board of Governors Meeting

### December 2020



# Financial Trends for Florida Domestic Insurers

**Financial Trends for Florida Domestics**  
(\$000's Omitted)



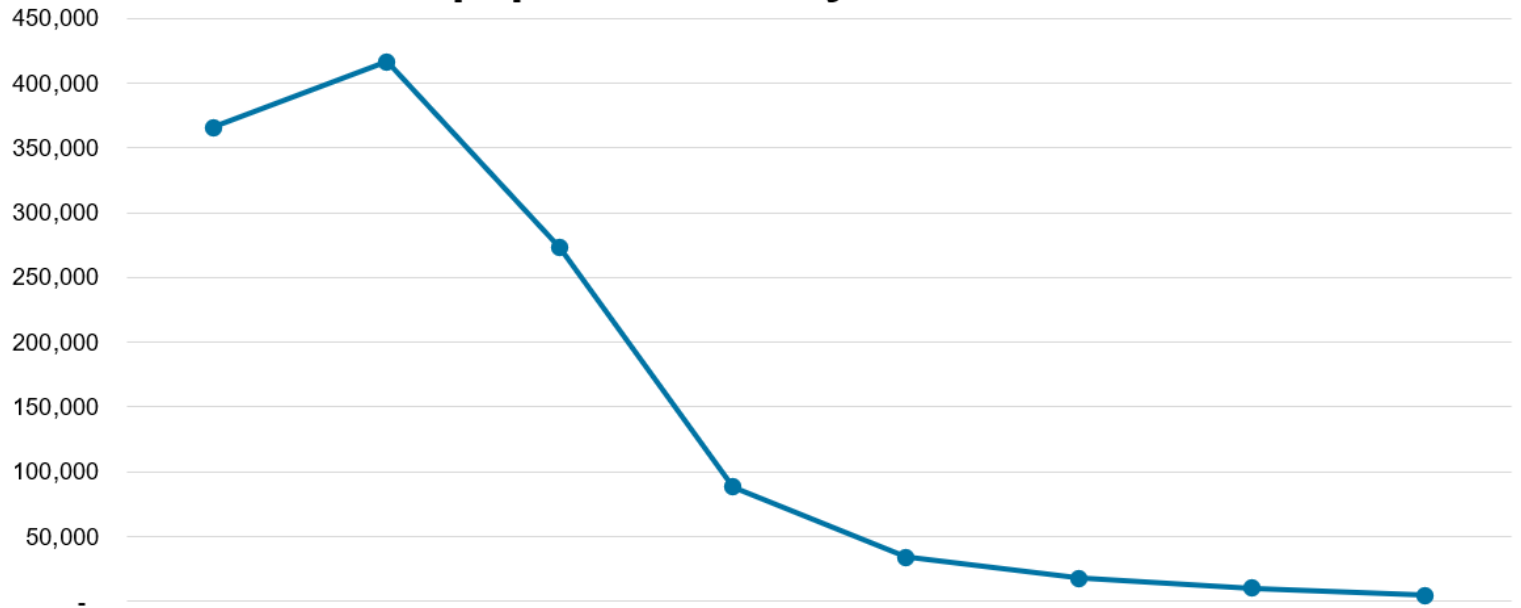
	2013	2014	2015	2016	2017	2018	2019	2020 YTD
<b>Net Income/Loss</b>	\$347,337	\$447,159	\$462,668	(\$13,772)	(\$142,445)	(\$150,696)	(\$372,269)	(\$705,886)
<b>Net Underwriting Gain/Loss</b>	\$416,010	\$577,643	\$532,630	(\$194,112)	(\$426,472)	(\$414,266)	(\$725,099)	(\$1,234,355)

# Industry Profitability Examples

Company	Premium	Combined Ratio	Net Income	Underwriting Loss
1	\$476 M	149%	(\$30.8)	(\$72.1)
2	\$488 M	133%	(\$43.0)	(\$74.0)
3	\$304 M	128%	(\$19.4)	(\$25.7)
4	\$1,141 M	121%	(\$36.0)	(\$125. M)
5	\$623 M	122%	(\$21.0)	(\$48. M)
<b>Total Industry</b>	<b>\$10.8 Billion</b>	<b>128%</b>	<b>(\$727 Million)</b>	<b>(\$1.26 Billion)</b>

# Depopulation Policy Count Trend

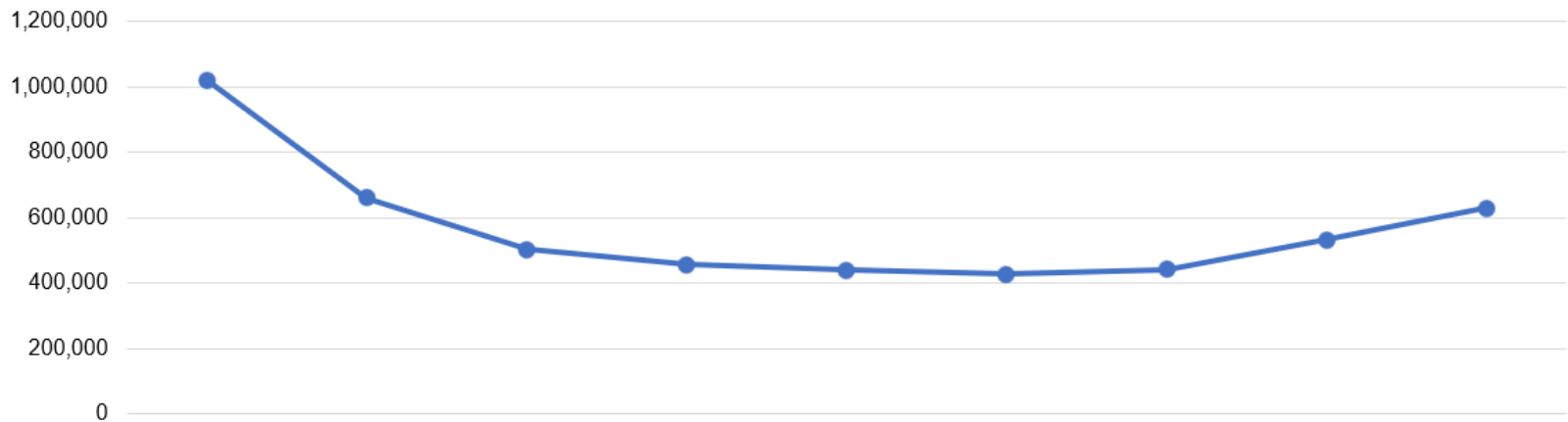
## Depopulation Policy Count Trend



	2013	2014	2015	2016	2017	2018	2019	2020 (Oct.)
<b>Depopulation Policy Count</b>	365,833	416,453	272,596	88,000	34,008	17,902	10,084	4,653

# Policy Count Trend

## Citizens' Policy Count Trend



	2013	2014	2015	2016	2017	2018	2019	2020 Projected	2021 Projected
<b>Citizens' Policy Count</b>	1,021,694	661,161	503,865	455,843	440,406	427,397	442,203	532,135	630,257

# Savings from Litigation Reduction

	<u>Loss/ALAE</u>	# of Claims		Total Costs	
		<u>50% Litigation</u>	<u>20% Litigation</u>	<u>50% Litigation</u>	<u>20% Litigation</u>
Litigated	\$40,578	5,000	2,000	\$202,889,552	\$81,155,821
<u>Non-Litigated</u>	<u>\$9,954</u>	<u>5,000</u>	<u>8,000</u>	<u>\$49,771,785</u>	<u>\$79,634,856</u>
Total	\$22,178	10,000	10,000	\$252,661,337	\$160,790,676

Total Costs with 50% Litigation	\$252,661,337
<u>Total Costs with 20% Litigation</u>	<u>\$160,790,676</u>
<b>Savings Reduction Litigation Rate from 50% to 20%</b>	<b>\$91,870,661</b>