

CITIZENS PROPERTY INSURANCE CORPORATION

**MINUTES OF THE
ACTUARIAL AND UNDERWRITING COMMITTEE MEETING
Monday, June 19, 2017**

The Actuarial and Underwriting Committee (A&U) of Citizens Property Insurance Corporation (Citizens) convened at the Sheraton Orlando North on Monday, June 19, 2017 at 3:00 p.m. (EDT).

The following members of the A&U were present.

Jim Henderson
Chris Gardner
Gary Aubuchon
Bette Brown
Fred Strauss (*by phone*)

The following Citizens staff members were present:

Steve Bitar
Karen Holt
Jennifer Montero
Stephen Mostella
Jay Adams
Kelly Booten
Violet Bloom
Christine Ashburn
Bonnie Gilliland
Barbara Walker
Brian Donovan
Sue Register
Paul Kutter
Dan Sumner
Michael Peltier
Adam Marmelstein
Andrew Woodward
Aditya Gavvala

Call Meeting to Order

Roll was called and a quorum present.

CHAIRMAN HENDERSON: Thank you very much, Barbara. Good afternoon everyone, and welcome to the Actuarial Underwriting committee meeting. We have a very active agenda. We have a number of action items. Steve to bring forward to talk about. I think some, I have been going through these, Steve, great homework by you and staff. We would start if we could by our prior Minutes, a motion for approval?

1. Approval of Prior Meeting Minutes

A motion was made and seconded to approve the December 6, 2016 minutes. All were in favor. Motion carried.

2. Action Item – Product Changes - Hurricane Binding Restrictions

MR. BITAR: Thank you.

CHAIRMAN HENDERSON: And thank you for all of your good work, and I guess on the, each of these to go through them and then at the end we will have vote for each of these items.

MR. BITAR: If it is all right with you, Mr. Chairman, what I can do is I will step everyone through each of these items at a very high level. We have already covered them and I know you have had a chance to review them all. So I can go through each recommendation and if there are any questions we will be happy to take any questions at that time. Will that work for you?

CHAIRMAN HENDERSON: The committee?

GOVERNOR GARDNER: Yes.

CHAIRMAN HENDERSON: Okay.

MR. BITAR: Wonderful. So I will try to keep this as organized as possible. We have a lot of materials here. So behind tab two is going to be the first item and we are going to review which is the product changes related to our hurricane binding restrictions. We have updated that rule. We recommend updating that rule.

The purpose and scope outlines the change that we are recommending, and if I may read the recommendation, Mr. Chairman?

CHAIRMAN HENDERSON: Please.

MR. BITAR: All right. Citizens' staff recommends the Actuarial and Underwriting Committee approve and recommend that the Board, A, approve proposal to update the hurricane tropical storm binding suspension rule, and B, authorize staff to take any

appropriate or necessary action consistent with this product changes, hurricane binding restrictions action item to include filing with the Office of Insurance Regulation, system change implementations, document changes and supporting activities. Final changes may vary slightly depending on guidance from the OIR.

CHAIRMAN HENDERSON: All right, it is procedurally to entertain a motion for approval. Any questions?

MR. BITAR: Correct.

GOVERNOR GARDNER: I will move to approve.

CHAIRMAN HENDERSON: Move.

GOVERNOR BROWN: Second.

CHAIRMAN HENDERSON: Second. Any comments?

There being none, all those in favor, aye.

(Chorus of ayes.)

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Product Change: Hurricane Binding Restrictions and to present to the Board of Governors on Tuesday, June 20, 2017.

MR. BITAR: Wonderful. The next couple of items are going to be covered by our senior director of product development, Karen Holt, and she will take you through items three and four.

3. Action Item – Product Changes – Personal Lines

MS. HOLT: Okay, so behind tab three, the next item you will find is titled product changes personal lines. And again, if you turn to the action item, the purpose and scope is outlined.

There are four changes that we are recommending. They are all very minor in nature, but important to streamline our operations. If it is okay I will go ahead and read the recommendation.

CHAIRMAN HENDERSON: Please.

MS. HOLT: Citizens' staff recommends the Actuarial and Underwriting Committee approve and recommend that the Board approve the above proposals to update underwriting requirements to refine underwriting eligibility, promote consistency in align with private market carriers and authorize staff to take any appropriate or necessary action consistent with this product changes personal lines action item to include filing with the Office of Insurance Regulation, system change implementation,

document changes, and supporting activities. Final changes may vary slightly depending on guidance from the OIR.

CHAIRMAN HENDERSON: Entertain a motion for approval?

GOVERNOR BROWN: Move to approve.

GOVERNOR AUBUCHON: Second.

CHAIRMAN HENDERSON: Any comments? There being none, all those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Having passed. Thank you.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Product Change: Personal Lines and to present to the Board of Governors on Tuesday, June 20, 2017.

4. Action Item – Product Changes - Older Homes, Personal Lines

MS. HOLT: So behind tab four you will find an item titled product changes, older homes personal lines. And again, very similar to the last item these are a couple of changes we are making to streamline our underwriting and get closer to private market. So again, if there is no questions or anything I will go ahead and read the recommendation.

CHAIRMAN HENDERSON: Please do.

MS. HOLT: Citizens' staff recommends the Actuarial and Underwriting Committee approve and recommend that the Board approve proposal to implement requirements to refine underwriting eligibility, promote consistency in align with private market carriers, and authorize staff to take any appropriate or necessary action consistent with this product changes older homes, personal lines action item, to include filing with the Office of Insurance Regulation, system change implementation, document changes and supporting activities. Final changes may vary slightly depending on guidance from the OIR.

CHAIRMAN HENDERSON: Is there a motion for approval?

GOVERNOR AUBUCHON: So moved.

GOVERNOR GARDNER: Second.

CHAIRMAN HENDERSON: Any comments? All those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Having passed. Thank you.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Product Change: Older Homes and to present to the Board of Governors on Tuesday, June 20, 2017.

5. Action Item – Product Changes - Address Water Losses – Personal Lines

MR. BITAR: Before tab number five you are going to find our product changes regarding the water losses and how we are going to address that situation. As you know, we have had some significant concerns in that area. So I would like Karen to take a little bit of time here so we can talk about these changes which we do consider major, get them on the record and then if there are any questions or concerns, we would be happy to take them. So with that if I may turn it over to Karen.

CHAIRMAN HENDERSON: Thank you.

MS. HOLT: As Steve mentioned, this is behind tab number five. And at the beginning of the Executive Summary there is a history of some of the changes we have made over the last year to a year and-a-half. I will not go through those in detail. If there are any questions I can address them.

Specifically I would like to talk about the proposal, and the first part of the proposal is a proposal to introduce a \$10,000 sub limit for non-weather water losses for the H-03 and the DP-3 policy types. These are the policy types that insure single family homes primarily.

The second part of that would be to provide policyholders the option of utilizing Citizens' Managed Repair program which will provide the full Coverage A limits for coverage damage if the policyholder does choose to participate.

The second part of this proposal, it references assignment of benefits, duties after loss. And the goal of this is to extend the relevant duties required by the policy to apply to the assignee and the other people who will be making claims to receive policy benefits.

And then the third component is addressing eligibility for policies with water losses. And the proposal for that reads that currently Citizens' eligibility rules allow policies with fewer than three non-act of God losses within three years are eligible. The rule will be changed to allow no more than one water loss within three years, or two water losses within five years. The rules will not change for other causes of loss.

Are there any questions?

CHAIRMAN HENDERSON: Any questions of the group?

MS. HOLT: Okay. Then I will read the recommendation.

CHAIRMAN HENDERSON: Please read the recommendation.

MS. HOLT: Citizens' staff recommends the Actuarial and Underwriting Committee approve and recommend that the Board approve the above proposals to update underwriting requirements, to refine underwriting eligibility, promote consistency in align with private market carriers and authorize staff to take any appropriate or necessary action consistent with this action item to include filing with the Office of Insurance Regulation, system change implementations, document changes and supporting activities. Final changes may vary slightly depending on guidance from the OIR.

CHAIRMAN HENDERSON: Any --

GOVERNOR AUBUCHON: Move to approve.

GOVERNOR GARDNER: Second.

CHAIRMAN HENDERSON: Before I vote on this I would say that it looks like you have done a lot of work here with respect to a limit providing coverage, even someone does not opt into the Manage Repair program, and if they really would like to obtain full limits of coverage which would be available for them to participate in that program is not unreasonable.

So I would hope that this -- we can proceed certainly with OIR getting this in place and giving a better grip around water losses. So thanks for your good work on it.

MS. HOLT: Thank you, Chairman.

CHAIRMAN HENDERSON: Is there any other comment? All those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Opposed, thank you, having passed.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Product Change: Address Water Losses and to present to the Board of Governors on Tuesday, June 20, 2017.

MR. BITAR: Thank you, Mr. Chairman, we appreciate your support. The next two items have to do with our commercial lines underwriting department and our senior director of commercial lines, Stephen Mostella is here to take us through those two recommendations.

6. Action Item – Product Changes - Wood Roof Rule - Commercial Non-Residential Multi-Peril

MR. MOSTELLA: Good afternoon, Chairman Henderson, and committee members. The two items come under tabs number six and number seven.

The first item, the wood roof rule in order to provide consistency between all four Citizens commercial programs and to ensure that buildings with wood roofs construction are appropriately rated for the peril of wind. Staff recommends including the wood roof rule in the CNRM program. And I will be happy to answer any questions or provide additional details, and if none.

CHAIRMAN HENDERSON: Read the recommendation, please.

MR. MOSTELLA: Okay, the recommendation will be Citizens' staff recommends the Actuarial and Underwriting Committee approve and recommend that the Board, number one, authorize filing the Office of Insurance Regulation the wood roof rule update requirements for the CNRM program as described above. And two, authorize staff to take any appropriate or necessary action consistent with this product change commercial lines action item to include system change implementations, document changes and supporting activities.

CHAIRMAN HENDERSON: Is there a motion for approval?

GOVERNOR AUBUCHON: So moved.

GOVERNOR GARDNER: Second.

CHAIRMAN HENDERSON: Second, okay.

MR. MOSTELLA: The next two items, depopulation language and additional property not covered.

CHAIRMAN HENDERSON: We need to take a vote on that. All those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Thank you.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Product Change: Wood Roof Rule - Commercial Non-Residential Multi-Peril and to present to the Board of Governors on Tuesday, June 20, 2017.

7. Action Item – Product Changes – Commercial Lines

MR. MOSTELLA: The next two items, depopulation language and additional property not covered are under tab number seven. And the recommendation, Citizens' staff recommends the Actuarial and Underwriting Committee approve and recommend that the Board, number one, authorize filing with the OIR the depopulation language rule requirements and application of the requirements for the CNRM and CNRW programs and additional property not covered, CRM form revisions as described above.

And two, authorize staff to take any appropriate or necessary action consistent with this product changes commercial lines action item to include filing with the OIR, system change implementations, document changes and supporting activities. The final changes may vary slightly depending on guidance from the OIR.

CHAIRMAN HENDERSON: A motion for approval?

GOVERNOR GARDNER: So moved.

GOVERNOR AUBUCHON: Second.

A VOICE: @12:21 Second.

CHAIRMAN HENDERSON: Any comments? All those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Any opposed? Thank you.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Product Change: Commercial Lines and to present to the Board of Governors on Tuesday, June 20, 2017.

8. Action Item – Coverage Forms, Insurance Rules and Rating Services

MR. BITAR: Thank you, Mr. Chairman. Item number eight is the last item we have before we move on to the rates discussion. This action item has to do with our recent solicitation for coverage forms, insurance rules and rating services. And if I may read the recommendation.

CHAIRMAN HENDERSON: Please.

MR. BITAR: Citizens' staff recommends that the Actuarial and Underwriting Committee approve and recommend that the Board approve the recommended award and resulting contract including renewal periods for coverage forms, insurance rules and rating services, ITN 16-0011 to Barris Insurance Solutions, and B, authorize staff to take any appropriate or necessary actions consistent with this coverage forms insurance rules and rating services action item, and C, approve this action item not to exceed \$30 million.

CHAIRMAN HENDERSON: Do I have a motion for approval?

GOVERNOR GARDNER: So moved.

GOVERNOR BROWN: Second.

CHAIRMAN HENDERSON: Any questions or comments regarding the item? Hearing none, all those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Opposed? Passed. Thank you.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Coverage Forms, Insurance Rules and Rating Services and to present to the Board of Governors on Tuesday, June 20, 2017.

MR. BITAR: Thank you, Mr. Chairman that concludes our section of the report today and we going to turn it over to Jennifer Montero and her team to facilitate the rates discussion.

CHAIRMAN HENDERSON: Thank you. We do have a request to speak. I believe it is probably would be appropriate to have our guest at this time. Speaker Steve Russ, Steve, you have been with us before, welcome back.

MR. RUSS: Thank you.

CHAIRMAN HENDERSON: We are hope you are able to pass through on the way back to the Keys from the north. And again, welcome and I look forward to your comments.

MR. RUSS: Thank you. This year I made the trip up just to be sure that we were here rather than traveling. But in any case, last year I did appear before you and requested your help in trying to change the rating process that over the years has yielded, over the last 12 years \$750 million in premiums in excess of claims to Citizens out of Monroe County, resulting in a 221 percent cumulative rate increase, and was just driving people out of their homes as a result of the unaffordable cost to housing of which insurance is the main part.

Since I appeared before you we completed the wind risk modeling assessment which you helped fund, and submitted those results to your staff. We also met with John Rollins and thought we had arrived at an agreement to suspend rate increases for a year.

Unfortunately, that never came to fruition, and we and Representative Rochine and Senator Flores were all seriously disappointed that that did not come to fruition.

As a result, we very reluctantly undertook legal action to seek an administrative review of what we considered an unfair, unaffordable and discriminatory rating process, and that appeal currently sits before the First Appellate Court, and hopefully we will have a decision on that and the concomitant request to suspend the 2017 rate increase until that hearing is held.

In the meantime I do note that some changes have taken place which I think are positive. We spoke with Mr. Rollins again last year about taking a look at dividing the

Keys into separate geographic areas in the hopes that modeling separate geographic areas would yield beneficial results in terms of rates.

We haven't heard any results of whether that actually has happened yet or not, but I do notice in this rate package that there are some rates unique to Key West, and so I presume some work has been done on that issue, and if there are results we would love to know what they are.

Second, I notice that there has been a change in the rate allocation process as it applies to taking statewide rates down to territories, and that is certainly beneficial to Monroe County in that the process that you used before which relied strictly on the AIR model was most discriminatory I guess I would say, certainly not beneficial to Monroe county.

It resulted in the worse possible results from a rate perspective, and we wish that it had happened earlier because perhaps we wouldn't have the highest rates in the state that we have now had that happened.

In addition, we note that there was a 45 percent decrease in policy counts in Monroe County from last year to this, and I hope to take a look at what actually happened there. Hopefully it was a result of your depopulation efforts, and a transfer of those policies to private insurers and not an abandonment of the concept of windstorm insurance which we see happening as the rates become unaffordable, people are forced to sell and the nature of the community changes because people buy in who can afford to just pay cash and not required to have mortgages and carry insurance.

So in any case we look forward to continuing to work with you in an effort to try and achieve affordable available windstorm insurance for Monroe County and we hope you will continue to look at geographic breaks in the county and see whether that makes any difference.

We hope you will look at actual versus model losses for Monroe County, in particular, because we are very unique and stuck out where we are geographically.

And we think that that might allow us jointly to make better decisions about rates.

And thirdly we hope that you will look at revising the mitigation forms we use along with OIR to grant the people in Monroe County the mitigation credits they deserve as a result of having the strictest building codes in the state historically right through today. Thank you for your time.

CHAIRMAN HENDERSON: Thank you, Russ, for your involvement and your contribution to help. I know there is -- there is an attitude of willingness to try to be fair, but also to maintain a company with the financial backing to deliver to all citizens in the state of Florida. But again, thank you for taking the time to be up here to contribute ideas and thoughts and I know staff will play a good heed and advice from you to them to consider. Thank you.

MR. RUSS: Thank you again.

CHAIRMAN HENDERSON: With that we will move to the report on the annual recommendations for 2018 rate filings. Brian and Jennifer, welcome. I would say that I know this is a tough task and if you take Russ' comments, if you spread that throughout the state there is so many different pockets in construction types and exposure areas there that are trying to serve all that we feel like that you try to do the very best job.

I know you have taken their thoughts and ideas into consideration and will continue to do so. But I just want to make those comments leading up to the recommendations.

We do have a little bit of a head wind blowing in our face, it is not a wind, it is dealing with a change in benefit structure of our policies with respect to water that no one intended to provide.

It was never written into the policy, never, and likewise the control of the claims really by third parties there that we have been wrestling with trying to bring that into toll.

So all that said I guess if you would deliver a report we will have a chance for any questions from this standpoint and then the vote on the rate structure.

9. Annual Recommended 2018 Rate Filings

MS. MONTERO: Thank you. Behind tab nine is the recommended rate filing Executive Summary and action item. I am going it turn it over to our chief actuary, Brian Donovan.

MR. DONOVAN: Thank you, Jennifer, thank you, Mr. Chairman. For the record, my name is Brian Donovan. I am the chief actuary here at Citizens. I am here to present the Actuarial and Underwriting Committee the annual rate filing recommendation.

There are two main story lines underlying Citizens 2018 rate indication. The first is the impact of the litigated water claims on Citizens' rate need. This has been well discussed through a lot much different areas, it is no surprise to anyone, and this is the main driver of our rate needs for 2018.

The second is actually a bit of good news in which Citizens' wind only indication rates are at a historic low. I will focus my discussion on these items and then open it up for questions.

Please turn to the -- within that 2018 rate filing packet, if you could just go ahead and skip to Exhibit 1, it should be five pages in is where your exhibits start.

CHAIRMAN HENDERSON: Thank you.

MR. DONOVAN: Okay, so this Exhibit 1 is a summary of all the uncapped and capped indications for each line of business. The first section is personal lines and you can see the middle section. There is commercial lines and the bottom is total.

Let's go ahead and look at columns 11 and 12 in the personal lines section. The uncapped personal lines rate indication for 2018, is 24.1, and after the application of the glide path we are proposing a 5.3 rate change, rate recommendation change.

Personal lines results are dominated by homeowners and if we look at that first line we see that the homeowners' rate indication uncapped is 24.3 with a recommended 5.3 percent rate change after capping.

As Karen just discussed and it was discussed other places, Citizens is proposing introducing a \$10,000 water sub limit along with an optional, opt out of that sub limit Manage Repair program.

These indications were specifically adjusted to account for the anticipated impact of these -- of these policy language changes. For example, we did reduce the water indication by 40 percent to account for these changes, which translates into roughly a 25 percent reduction in uncapped H-03 indication.

We feel we have been reasonably optimistic with this adjustment. The hope is that these policy language changes will stem the tide of future rate changes and eventually lead to decreases. However, nothing is guaranteed. There is no promise that we won't be sitting before you next year recommending the maximum rate increases allowed by law in southeast Florida.

The second item I want to talk about is the wind-only. If we look at columns eight and nine on Exhibit 1 we see that overall the uncapped indication for wind only is 13.4. This is a historically low number, and it is really attributable to the success of the glide path.

For the past eight years we have been gradually raising those rates from grossly inadequate policies to where we can actually see at least in a statewide level a light to the end of the tunnel there within the glide path. There is also a benefit of lower reinsurance cost baked into that lower indication as well.

Now, after the application of the capping we see that there is a 2.5 percent recommended rate change. The reason why there is such a big difference between the uncapped and capped is due to the fact we still even though in the aggregate statewide we are getting close to the rate adequacy for wind only, there are still pockets of policies that have 60, 70, 80 percent rate need and they will be capped at 10 percent and then throughout the rest of the state there are, you know, rate needs of less than 10 and even negative. When you put all of that together we end up with a 2.5 rate recommendation.

I would like to point out, as Steve Russ alluded to, there has been a change in our allocation in how we allocate the statewide hurricane indication to the individual territories.

In general, for any peril, any line of business, the first step is you look at the statewide indication. Once you determine what the overall statewide need is, you then allocate that to individual territory to determine, you know, the territory share what that statewide indication is.

In the past what we have done is we look at four different hurricane models and on a statewide level we make a selection, the indication considering all four models.

In the past we have relied on our in-house AIR hurricane model to allocate that indication to each territory.

This year in order to give -- to give more consideration to all the models at the territory level, we have changed our approach and looked at the median of the four territories, the four models within each territory to allocate that statewide.

This has absolutely no impact from a statewide indication, has some impact with uncapped indications for each territory and very little, not a material impact or an after capping indications in the aggregate.

The next item is sinkhole. You know, for the fourth year reporting again, SB-408 seems to have solved the sinkhole issue. In fact, for the first time ever we have a slightly negative sinkhole indication. However, challenges to the policy language from SB-408 haven't been completely sold yet, and as such for the fourth year in a row we are recommending we stand pat on our sinkhole rates with a zero percent change for sinkhole rates.

Before we leave this exhibit, let's just look in the middle. Let's take a look at the commercial lines. Overall the uncapped indication is 46.2, after the application of capping we are recommending a change of 8.4.

This rate need is strictly driven by wind. It is -- there is no other issue other than the hurricane models telling us we need to collect more premium for that wind risk in the commercial line of business.

Just a couple of other things to point out. If you turn to Exhibit 2 I think this illustrates what I have been describing. This is the H multi-peril H-03 rate change, you know, for the state. The darker the blue the bigger the increase, the darker the green, the bigger the decrease.

You can see that in the tri-county area it was dark blue, the only places in the state, just I emphasize that is the sole driver of Citizens' rate need at this point in time.

With -- if we had not, you know, if this litigation, if the litigation rates were back where they were three years ago we would be looking at decreases throughout the state for multi-peril.

If we turn to Exhibit 3 we are looking at the wind-only homeowners' policies, and as just reported, we do have some good news. In Miami and Broward actually will be getting decreases for the wind-only policies.

So at this point are there any questions?

GOVERNOR AUBUCHON: Brian, talking about the rating territories. What, what number of territories do you currently maintain for rating in Florida?

MR. DONOVAN: I want to say offhand the number is 167. It has been a while since I actually looked, but there is quite a few of the territories.

GOVERNOR AUBUCHON: So that is almost three per county.

MR. DONOVAN: Give or take. Right, that includes the PLA territories as well as with the wind-only. So yes, along the coast there is generally three per county, coastal areas.

GOVERNOR AUBUCHON: Is there a point where the data integrity really, you can't get down to a certain block or a certain neighborhood. I am not sure of how the data integrity of that, I am not sure why I asked that question.

But the, I guess the question I have is dealing on the commercial side. The premium base and the rating I would assume this does not include the A rates?

MR. DONOVAN: That is correct. A rates are dealt with separately. They don't have to go to the Office for approval. So we generally exclude all of the premiums and losses and anything associated with the A rates from these indications. And then we will come back, you know, I think -- we may come back in September, with a discussion on A rates, assuming any are left. The A rates have been going to the private market at a very high rate.

GOVERNOR AUBUCHON: Very good, thank you.

CHAIRMAN HENDERSON: Committee, any questions? Any further comment? With that I would ask for a motion.

MR. DONOVAN: Okay, I will go ahead and read the recommendation.

CHAIRMAN HENDERSON: The recommendation, please.

MR. DONOVAN: Citizens' staff recommends the Actuarial Underwriting Committee approve and recommend that Citizens' Board of Governors, A, approve the

2018 annual recommended rate filing and upon approval the presented rate changes will be filed with the Office of Insurance Regulation.

CHAIRMAN HENDERSON: Having read the recommendation, a motion for approval?

GOVERNOR GARDNER: Move to approve.

GOVERNOR AUBUCHON: Second.

CHAIRMAN HENDERSON: Second. All those in favor, aye?

(Chorus of ayes.)

CHAIRMAN HENDERSON: Opposed? Having passed.

A motion was made and seconded to approve the Staff's Recommendation for Action Item for Annual Recommended 2018 Rate Filings and to present to the Board of Governors on Tuesday, June 20, 2017.

MS. MONTERO: That completes our report.

CHAIRMAN HENDERSON: Great, thank you, Jennifer. Is there any new business before the committee? There being none, a motion for adjournment.

GOVERNOR GARDNER: So moved.

GOVERNOR AUBUCHON: Second.

CHAIRMAN HENDERSON: Great, thank you very much.

(Whereupon, the proceedings were concluded.)