

2011 Annual Report

Contents

Director's Message	1
Activities Brief	2
Research Highlight	3
Grants Highlight	5
Service	7
Outreach & Presentations	8
Who We Are	10



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COLLEGE OF BUSINESS

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THE FLORIDA STATE UNIVERSITY
COLLEGE OF BUSINESS

HURRICANE ANDREW
16 - 28 AUG 1992

Director's Message

Patrick F. Maroney



It is my pleasure to present our *2011 Annual Report*. This is our fourth annual report since beginning operations in January 2008. I, along with our capable faculty and staff, find it useful and encouraging to look back and tally our accomplishments. Every research project, report, presentation, and activity is directed at fulfilling the priorities spelled out by the Florida Legislature when it created The Florida Catastrophic Storm Risk Management Center in 2007.

The Storm Risk Center's faculty and staff are committed to serving the people of Florida through research and education that is designed to strengthen their ability to weather the personal and socioeconomic perils of tropical cyclones. We provide expert analyses and counsel to policymakers, especially regarding hurricane-related risk management and property insurance issues. Our outreach efforts are aimed at increasing policymakers' and citizens' knowledge of Florida's risk management and financial issues, especially in relation to catastrophic events. We work with state and local emergency management, planning, and other government officials to protect life and property by researching hurricane-related issues and sharing results and opportunities.

Perhaps our most significant accomplishment in 2011 was the publication of *The State of Florida's Property Insurance Market Report*. This report to the Florida Legislature examined the state of the catastrophe risk finance system in Florida, including the private market for property insurance and its quasi-public property insurance entities (Citizens Property Insurance Corporation, the Florida Hurricane Catastrophe Fund, and the Florida Insurance Guaranty Association. More information and findings of this project can be found in the Research Highlight section of this report.

This annual report includes an Activities Brief for 2008-2011 as well as a full listing of Outreach and Presentations for 2011. Our Service section highlights our participation in projects at the state and federal levels, and includes a description of a pilot state university building inventory project that may help lower the rates the state pays for insuring its properties against windstorm damages. The Grants Highlight provides an update on an ongoing project with the Florida Division of Emergency Management regarding financing of residential windstorm mitigation projects. I hope you will also take the time to learn more about the distinguished members of our Advisory Council and our capable faculty and staff in the Who We Are section of this report.

Please feel free to contact me at pmaroney@cob.fsu.edu, for more information about the Storm Risk Center or any of the topics covered in this report.

Sincerely,

A handwritten signature in black ink that reads "Patrick F. Maroney". The signature is written in a cursive style and is underlined with a long horizontal stroke.

Activities Brief

2008-2011

- **Expertise and Academic Partnerships.** The Storm Risk Center has a growing, interdisciplinary team of experts working on myriad issues related to catastrophic storm risk. Because catastrophe risk financing is the top study priority, Storm Risk Center faculty expertise is weighted towards the areas of risk management, risk modeling, insurance, finance, and economics. To broaden understanding of the interlinking aspects of tropical storm threats, the Storm Risk Center partners with leading researchers in tropical storm forecasting, prediction and meteorology; storm formation and intensity modeling; structural wind engineering of residential properties; pre- and post-disaster planning; and life safety topics such as evacuation of coastal communities during hurricane threats. The Storm Risk Center's statewide focus enables valuable research partnerships with other academic institutions including University of Florida, University of Miami, University of Central Florida, University of South Florida, and The University of Pennsylvania.
- **Research and Publications.** The Storm Risk Center has produced more than two-dozen research publications to date and research is on-going. Topics include the state of Florida's property insurance market, subsidies in Florida's property insurance market, insurer financial strength ratings, demographic factors in mispricing of insurance, reinsurance attachment points, the effects of Florida's mandated mitigation credits, the role of the residual markets, a comparison of hurricane loss models, hurricane damage costs, capitalization of stricter building codes into house prices, innovative financial tools for financing residential mitigation, factors influencing decisions to evacuate, strengthening homes against wind and rain, and meteorology of hurricanes.
- **Research Grants.** Grants are important contributors to the Storm Risk Center's research efforts. Four grants recently awarded to the Center include three for studies into financing of residential wind mitigation (Funding provided by the Florida Division of Emergency Management's Residential Construction Mitigation Program), and one to study Florida's hurricane mitigation inspection system (Funding provided by the Florida Department of Financial Services). Earlier this year Center staff submitted two pre-proposals to the National Science Foundation (NSF), and was invited to submit a full proposal for one.
- **Private Partnerships.** The Storm Risk Center's research efforts are enhanced by partnerships with private entities. The Center recently joined other elite research institutions in membership in the Willis Research Network to bring an academic perspective to industry-related research. Also, the Center has partnered with National Alliance for Insurance Research to enhance the academic experience for Florida State's risk management and insurance students and foster additional corporate cooperation.
- **Web Resources.** Dissemination of information related to catastrophic risk is an important part of the Storm Risk Center's mission. As such, the Center's Web site at www.stormrisk.org provides information about and links to many current and historic resources regarding property insurance issues in Florida. In 2011, The Storm Risk Center also created www.CatRiskFinancing.org, a Web portal designed to archive academic and industry papers and other resources related specifically to the financing of catastrophic risk.

Research Highlight

The State of Florida's Property Insurance Market

While Florida is ahead of its U.S. peers in learning to manage a financial market for catastrophes, interventions in the state's property insurance and reinsurance markets have resulted in below-market property insurance prices and cost shifting from one policyholder to another and from current to future policyholders.

These are among the findings of a new report on Florida's property insurance market completed for the State Legislature by The Florida Catastrophic Storm Risk Management Center at The Florida State University.

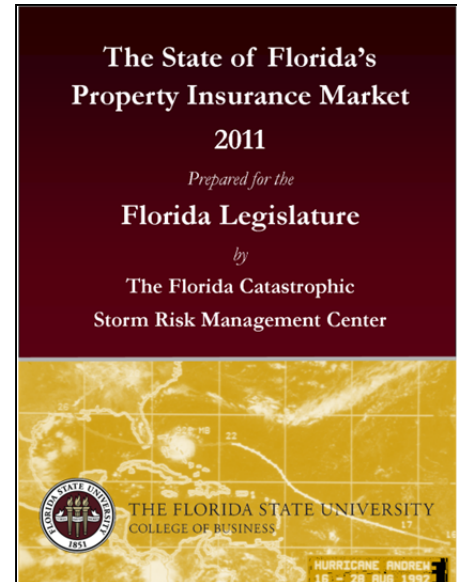
The State of Florida's Property Insurance Market

examined the state of the catastrophe risk finance system in Florida, including the private market for property insurance and its quasi-public property insurance entities – Citizens Property Insurance Corporation (Citizens), the Florida Hurricane Catastrophe Fund (FHCF), and the Florida Insurance Guaranty Association (FIGA). Also, it compares interventions by Florida lawmakers and regulators with those of other coastal states and evaluates their potential future consequences to Florida policyholders and citizens. Recommendations are offered for future policy making.

Three major themes are apparent in the evolution of Florida's property insurance market: residual markets, mitigation, and capital. Florida's residual market insurers, Citizens and the FHCF, were expanded during the last decade, and 2007 rate rollbacks required insurers, including Citizens, to lower their rates to reflect the expansion of the Florida Hurricane Catastrophe Fund. Existing mandated credits for construction features mitigating wind losses were doubled. Citizens became more competitive with the private insurance market. In 2010, the State Legislature set Citizens rates on a "glidepath" to becoming actuarially fair over time and began to reduce the FHCF's exposure.

In the wake of these public policy developments:

- Homeowners insurance premium volume declined steadily but total insured values did not, resulting in higher exposure to losses;



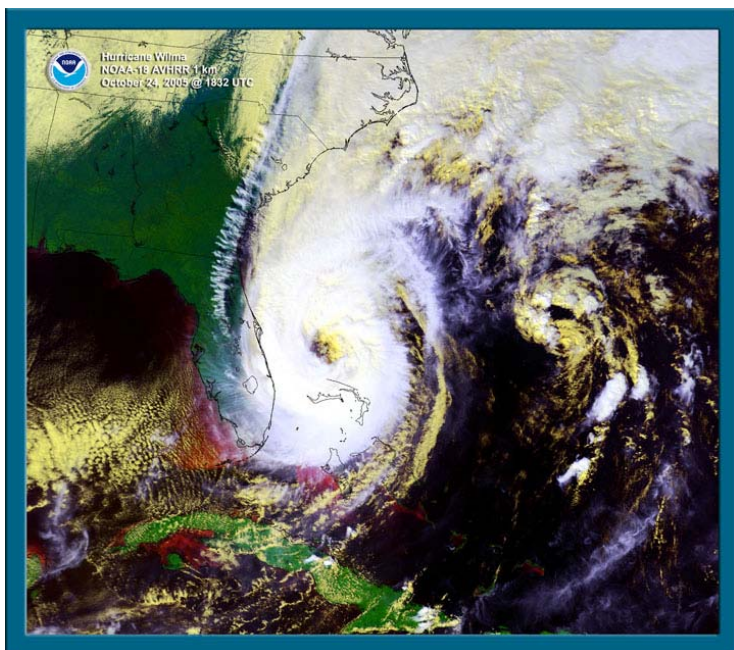
- Citizens indirectly affects the premiums charged in Florida's private residential property insurance market, with a total number of new policies written greater than the combined total of the other nine companies in the top 10;
- The State of Florida has chosen to finance a significant portion of its catastrophic risk exposure through post-loss assessments levied on most property-casualty insurance policyholders by Citizens and the FHCF;
- Two homeowners' insurance policies with the same pricing territory can be charged the same insurance rate despite one having a higher risk of loss. Also, lower-risk policy holders may pay larger post-loss assessments relative to their exposure;
- New policyholders, while required to pay assessments for prior catastrophe losses of other homeowners, do not get the benefit of below-market rates prior to the catastrophe;
- As Citizens has grown to become one of the leading carriers of homeowners insurance in the Florida, the private portion of the market has shifted from one dominated by large national insurers to a fragmented market dominated by smaller Florida-based insurers generally having limited capitalization and risk diversification capabilities;
- Despite the high number of property insurers and the relatively high total premium amounts sold in Florida, the State's private homeowners insurance market has the worst level of capitalization of any catastrophe-prone state other than Texas;
- Florida's primary insurers are substantially dependent on an entity (FHCF) that potentially will run out of funds.

*Download the report and learn more about other
Storm Risk Center research projects at www.stormrisk.org.*

Grants Highlight

Helping Local Governments Design Financing Programs for Residential Wind Mitigation and Home Hardening Projects

Despite the public good that mitigation provides, it still is difficult to persuade many Florida homeowners to invest in home improvements that increase the protection against damage from disasters. This home mitigation challenge exists for several reasons, of which the most difficult to fix is the perceived lack of affordability. The windstorm mitigation need met by the proposed project is to work with localities to improve affordability of home hardening for residential property owners in their respective communities.



This project built upon a Division of Emergency Management Residential Construction Mitigation Program-funded project completed by The Storm Risk Center on June 30, 2010, which found that both homeowners and municipal administrators, including emergency management directors, perceive the need for innovative ways to finance residential home-hardening projects. As we were concluding that project, the State of Florida passed legislation (Section 163.08, F.S.) making available to local municipalities and residential homeowners one of the most promising finance tools we

explored – the creation of special financing districts for energy and wind damage resistance improvements to real property. The Property Assessed Clean Energy Program (PACE) would allow for loans to homeowners who choose to harden their homes that they would then pay back through a non-ad valorem assessment on their property tax bills.

Temporary adverse developments in the mortgage market have delayed implementation of the PACE program in Florida and elsewhere. While these issues are being resolved at the Federal level, whether through legislation or judicial means, it is critical that the Florida municipalities that have expressed a desire to participate in the PACE program not be discouraged. More than ever, local governments need ideas for how to structure financing and/or other mitigation incentivizing strategies for property owners in their communities.

The Storm Risk Center collaborated with interested local governments to assist in the consideration of a local mitigation financing strategy, performing the following activities:

1. PowerPoint formatted presentation of mitigation financing strategies;
2. Four (4) in-person workshops to instruct and collaborate with local administrators in the planning of mitigation financing programs;
3. One (1) webinar workshop to instruct local administrators who were unable to attend any of the in-person workshops;
4. Offer of assistance to guide local governments through the planning of a local mitigation financing strategy; and
5. Perform consulting services in the form of recommendations, specific project plans, and guidelines for localities that request our assistance in the design of 'model' programs.

One notable outcome from all of the workshops was the emergence of a common theme among many of the participants that promotion of mitigation, through communication efforts as well as through financial assistance, works best when the public and private sectors responsible for promoting mitigation work together.

*Download the report and learn more about other
Storm Risk Center research projects at www.stormrisk.org.*

Service

Florida

Florida University Property Windstorm Risk Profiles

Another way property insurance costs in Florida affect the state's citizens is through expenses the state pays to insure its buildings and facilities. One way to reduce the insurance rates paid to cover potential losses due to severe windstorms is to accurately assess how hurricane-resistant the state's buildings are now. This service project, which will be built upon in 2012, began with a pilot program in 2011 that gathered specific property information to evaluate the windstorm risk profile of the buildings and structures of Florida Atlantic University. Data collected pertained to the architectural and construction characteristics of each building. The data gathered showed that most of the buildings at FAU were better-built than had been assumed. Sharing the data with insurance companies resulted in more companies being willing to offer bids for future property insurance contracts with FAU, which may result in lower costs for coverage. This project has been expanded to five additional university campuses.

Florida Commission on Hurricane Loss Projection Methodology

Lorilee Medders, Associate Director of the Storm Risk Center, has served by appointment from the State of Florida CFO as the Statistics Expert Member of the Commission since late 2009. Additionally, she serves as Vice Chair of the Commission. The Commission assesses the effectiveness of various methodologies that have the potential for improving the accuracy of projecting insured Florida losses and probable maximum loss levels resulting from hurricanes, and adopts findings regarding the accuracy or reliability of these methodologies for use in residential rate filings and probable maximum loss calculations.

Federal

Federal Reserve Bank Discussion Group

Charles Nyce, Associate Director of the Storm Risk Center, presented at and participated in "Exploring Impediments to a Real Estate Recovery: A Policy Discussion." The conference, organized by the Federal Reserve Bank of Atlanta was held on Thursday, December 1, 2011. Those gather included of 60-80 financial regulators, bankers, policy makers, academics, analysts, and industry professionals. Dr. Nyce's presentation helped set the stage for discussion by providing information on the state of insurance and its effect on real estate markets in the Southeastern section of the United States. Questions addressed included:

- What role (if any) does property insurance play in real estate values or real estate development?
- What has happened in property insurance markets relevant to real estate?
- Will property insurance have a role in a real estate market recovery?
- Will property insurance have a role in more general economic recovery?

Outreach & Presentations

2011

Dec. 8 – The Inter-American Seas Institute for Sustainability Science and Policy: The Economics of Coastal Development and Natural Disaster Risk

Charles Nyce, Associate Director, served on the executive committee for this event.

Dec. 1 – Atlanta Federal Reserve Bank Roundtable

Charles Nyce, Associate Director, presented at this meeting on the topic of The Effect of Property Insurance on Housing Markets.

Nov. 20–22 – Southern Risk and Insurance Association

Pat Maroney, Director, presented papers at this meeting, as did associate directors Lori Medders, Ph.D., and Charles Nyce.

Nov. 17-18 – Florida Chamber of Commerce Annual Insurance Summit

Pat Maroney, Director, presented at this event also co-sponsored by the Center.

Sept. 14-15 – Florida Conference on Financial Reporting

The Florida Catastrophic Storm Risk Management Center co-sponsored this conference and Pat Maroney, Director, presented a paper on The Effects of Mitigation Credits on Insurers.

Sept. 7-9 – Summit for Managing Extreme Events – National Academy of Sciences

Pat Maroney, Director, participated at this event in Washington, D.C.

Aug. 31 – Atlanta Federal Reserve Bank Roundtable

Charles Nyce, Associate Director, participated in this meeting, which included discussion of insurance and loss mitigation issues related to South Florida Foreclosed and Vacant Home Inventory.

Aug. 9 - American Risk and Insurance Association Annual Meeting

Charles Nyce, Associate Director, presented, along with Martin Boyer of the University of Montreal, research on Reinsurance Attachment Points: Underwriting and Cost of Capital.

June 19-22 - International Insurance Society Meeting

Pat Maroney, Director, and Lori Medders, Associate Director, participated in this annual meeting.

Dr. Medders was a panelist on the topics of The Impact of Catastrophes on the Insurance Markets Internationally and Opportunities Created by Disasters and Risks for Insurers and Reinsurers.

May 24 – FHCF 11th Annual Participating Insurers Workshop

Pat Maroney, Director, and Lori Medders, Associate Director, presented an update of the Center's research efforts.

May 9 - Online Presentation

Funding Property Mitigation in Tough Economic Times: Local Community Strategies - Lori Medders, Associate Director. This presentation was part of a project funded by the Florida Division of Emergency Management.

April 19 - National Hurricane Conference

Presentation to the General Session: Who Pays for Hurricanes? Lori Medders, Associate Director.

Feb. 1 - Associated Industries of Florida Forum

Presentation: Policy Holder Assessments and Mitigation Credits: The Unintended Results - Pat Maroney, Director.

Jan. 27-28 - 4th Annual Insurance Summit - Florida Chamber of Commerce

Presentation: Proposed Solutions - Charles Nyce, Associate Director.

Winter Semester Seminar and Jan. 26 Presentation

Storm Center affiliated faculty member Patricia Born, and Director of the Center for Insurance Research at Florida State, taught a seminar for Ludwig-Maximilians Universität in Munich, Germany, on Catastrophe Risk Management, winter semester 2010/11. She also presented a paper entitled "Should I Stay or Should I Go? The Impact of Natural Disasters and Regulation on U.S. Property Insurers' Supply Decisions" at the Department of Economics Workshop, Universität Tübingen, Germany, Jan. 26, 2011.

Jan. 18 - Presentation to the CPCU Chapter Meeting:

Presentation: Florida Homeowners' Insurance - Charles Nyce, Associate Director.

2008-2010 Summary

- 2010 –
 - 2 Storm Risk Center symposia in partnership with the Griffith Insurance Education Foundation, The National Alliance for Insurance Education & Research;
 - 3 presentations at 2 academic meetings (SRIA, WRIA);
 - 2 presentations at Florida Office of Insurance Regulation symposium;
 - 1 presentation at CPCU Annual Meeting;
 - 1 participant in Disaster Risk Summer Research Institute in China;
 - 1 presentation at National Hurricane Conference;
 - 1 presentation to Appropriations Committee, Florida House of Representatives.
- 2009 –
 - 3 Storm Risk Center Symposia;
 - 1 presentation to the Florida Hurricane Catastrophe Fund Participating Insurers Workshop;
 - 1 presentation to Tallahassee business leaders.
- 2008 –
 - 1 Storm Risk Center Symposia;
 - 2 Storm Risk Center Speaker Series.

Who We Are

Advisory Board 2011-2012

Greg Baker, CPCU, CLU, ChFC



Greg Baker received a B.S. in Risk Management/Insurance from The Florida State University and holds a Master's degree from Boston University in Insurance Management. He joined ThompsonBaker in 1970 and serves as Chairman and Commercial Lines Account Executive. He holds the Chartered Property and Casualty Underwriter (CPCU), Chartered Life Underwriter (CLU), and Chartered Financial Consultant (ChFC) designations. Actively involved in the community, Greg serves on the President's Council of Flagler College and is a member of the St. Augustine Kiwanis Club. He is a former Mayor of St. Augustine, past Chairman of the Board of Flagler Hospital, and past Chairman of the Florida Association of Insurance Agents (FAIA). Also, he is a former President of the St. Augustine/St. Johns County Chamber of Commerce, a former trustee of the Independent Colleges and Universities of Florida, and First Floridian Insurance Company, a former Travelers subsidiary.

David Brooks, CPCU, ARM



David Brooks, CPCU, ARM is the SVP and Chief Risk Officer for XL Insurance, and is responsible for the identification and management of all material underwriting and enterprise risks throughout the organization. In addition to overseeing high risk underwriting and emerging risk activities, additional responsibilities include catastrophe aggregation management. This requires the development and utilization of "real time" catastrophe modeling tools to understand the impact of human and natural catastrophe perils during the underwriting process, as well as analyzing modeled results in the development of appropriate reinsurance structures to protect against severe catastrophic loss. He is also a member of the senior management board which is responsible for establishing policy and direction for XL Insurance.

Prior to joining XL in 1998, Mr. Brooks worked for 16 years in the insurance brokerage industry, with primary involvement in the sales and servicing of large, multi-national Fortune 1000 accounts. Many of these accounts had significant exposures to natural catastrophe events.

Mr. Brooks is a Magna Cum Laude BS graduate of Finance from the University of

Southern California, and a MS graduate of Insurance and Risk Management from Florida State University. He also attended additional graduate studies in Finance and Insurance at the University of Pennsylvania (Wharton School). He has earned the Chartered Property and Casualty Underwriter (CPCU) and Associate in Risk Management (ARM) professional designations.

Allen Durham



Allen Durham is the President and CEO of Star & Shield Risk Management LLC, the attorney-in-fact for Star & Shield Insurance Exchange, a home and auto reciprocal insurer for members of the law enforcement, corrections and fire rescue communities and their families. Prior to his work in forming this new venture, Mr. Durham was an Executive Vice President with Hunt Insurance Group, a leading administrator of self-insurance funds located in Tallahassee, Fla. Before joining Hunt Insurance Group, Mr. Durham was a Senior Vice President of Benfield, Inc. (now Aon Benfield) one of the largest reinsurance intermediaries in the world. Mr. Durham was also Branch Manager of Benfield's Dallas, Texas, office and held leadership positions on several of Benfield's largest accounts. He was also a member of Benfield's Senior Broker Forum, a Benfield Top Gun class graduate and an instructor in Benfield's renowned education program. A great deal of Mr. Durham's experience and expertise relates to personal lines homeowners business in Florida, in addition to other lines of business including professional liability, workers compensation, personal auto, commercial property and commercial general liability. In addition to his experience set forth above, Mr. Durham has also held positions with Willis Re, E.W. Blanch Co., Transamerica and worked as an independent consultant.

Mr. Durham holds a Juris Doctorate from the University of Memphis School of Law and a Bachelor of Science in Risk Management and Insurance from the Florida State University College of Business. In addition, he holds the Associate in Reinsurance (ARe) and Associate in Risk Management (ARM) designations from the Insurance Institute of America. He currently serves on the Board of Directors and Executive Committee for the Florida State University National Alumni Association and the Board of Governors for the Florida State University College of Business. Mr. Durham is also a past member of the Board of Directors for the Southwestern Insurance Information Service.

Lynne McChristian



Lynne McChristian is the Florida representative for the Insurance Information Institute (I.I.I.). Established in 1960 and based in New York, the I.I.I. is a nonprofit organization widely recognized as a primary source of information, analysis and

referral concerning insurance. McChristian chairs the insurance committee for the National Hurricane Conference, and she serves on the public education committees for the Florida Property & Casualty Insurance Fraud Task Force and the Florida Advisory Council on Arson Prevention. She is also a member of the Disaster Recovery Leadership Network and on the advisory council for PlanIt Now, a nonprofit group that focuses on disaster preparedness for vulnerable populations.

McChristian joined the I.I.I. in April 2008, following more than 14 years working in the Florida office of USAA, the highly-regarded insurance and financial services company that primarily serves members of the U.S. military and their families. At USAA, she was responsible for internal and external communication, including strategic communication planning and media relations. Prior to joining USAA, she was a public relations manager for a Florida-based workers' compensation insurance company and a marketing specialist for USAA Life Insurance Company in San Antonio, Texas. McChristian also has worked in real estate marketing, in public relations and was a television news reporter, photographer and anchorperson. Additionally, she has taught television production and writing classes at San Antonio College and St. Mary's University, both in Texas and taught communication courses as a visiting professor at the University of South Florida.

McChristian earned a bachelor's degree in journalism from Marquette University and a master's degree in mass communication from the University of Arkansas. She has a professional accreditation designation from the International Association of Business Communicators and an associate's designation in management from the Insurance Institute of America.

Jack Nelson, Ph.D.



Dr. Jack M. Nelson, CFA, is Senior Vice President and Chief Investment Officer for Everest Reinsurance Group, where he is responsible for overseeing the company's invested assets along with the assets of the employee pension plan. He is responsible for the allocation of assets among asset classes and investment managers. Jack is responsible for long-term investment strategy and policy issues, evaluating portfolio risks and performance, ensuring compliance with policy guidelines and applicable regulations, and resolving administrative and operational issues. He also leads the company efforts in cash management and currency hedging.

Prior to joining Everest Reinsurance in 2009, Jack was a member of the Financial Reserves Management Group at Wellington Management Company (2000-2009). As a relationship manager Jack worked exclusively with insurance company clients on their investment issues. Jack was a professor at Florida State University (1984 –1989). After FSU, Jack joined the College of Insurance in New York (1989 – 1999) and was later named the Robert F. Corroon Professor and the Chief Academic Officer. His work has been published in a number of journals and industry trade papers including: *The Journal of Risk and Insurance*, *Journal of Insurance Regulation*, *CPCU Journal*, *Reinsurance Digest* and *John Liner Review*. He is a past president of the American Risk and Insurance Association and the

Southern Risk and Insurance Association.

Jack holds both a PhD (1987) and an MA (1983) in applied economics and business from the University of Pennsylvania (Wharton) where he was a Huebner fellow. Additionally, he received a BS in finance and management from the University of Utah (1980). Jack holds the CFA, CLU, ChFC, CPCU, and ARM designations.

Jack Nicholson, Ph.D.

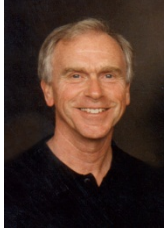


Dr. Jack Nicholson is the Chief Operating Officer of the Florida Hurricane Catastrophe Fund (FHCF) for the State Board of Administration of Florida. He is also on the board of directors and is the President of the Florida Hurricane Catastrophe Fund Finance Corporation, a statutorily created public benefit corporation created for the purpose of facilitating the issuance of bonds following a major catastrophe. In addition, Dr. Nicholson serves on the Florida Commission on Hurricane Loss Projection Methodology (Commission) and served as its chair for the first two years. The Commission was created as a panel of experts in 1995 by the Florida Legislature for the purpose of providing guidelines and standards in the review and evaluation of hurricane computer models used to project losses in residential property rate filings. At the State Board of Administration, Dr. Nicholson has the additional responsibility of overseeing the Insurance Capital Build-up Incentive Program.

Prior to coming to the State Board of Administration in September of 1994, Dr. Nicholson worked for the Florida Department of Insurance for eight years. At the Department, Dr. Nicholson held the positions of Director of the Office of Insurance Research and Data Analysis, Deputy Director of Property and Casualty Insurers, Assistant Director of Rating, and Bureau Chief of Rates. Dr. Nicholson was involved in many of the regulatory activities following Hurricane Andrew. These activities ranged from data collection and analysis to operating the Department's Miami Insurance Center. He served as the Insurance Department's liaison with the State Board of Administration regarding the FHCF from its inception and has played a major role in its implementation and development.

He received his Ph.D. in Risk Management and Insurance from the University of Georgia in 1980 where he also earned his undergraduate degree in Business with a major in insurance. He received an M.B.A. from the University of North Dakota while serving as an officer in the U.S. Air Force. Dr. Nicholson also has the professional designations of C.L.U. (Chartered Life Underwriter) and C.P.C.U. (Chartered Property and Casualty Underwriter). He has taught in the area of Risk Management and Insurance at the University of Georgia, the University of Iowa, and Florida State University.

Franklin W. Nutter



Frank Nutter is President of the Reinsurance Association of America (RAA), a position he has held since 1991, and from 1981-1984. In the interim, he was president of the Alliance of American Insurers and the Property Loss Research Bureau, which have now merged to be part of the PCI (Property Casualty Insurance Association of America).

Mr. Nutter currently serves on the Board of the International Hurricane Research Center; the Advisory Board of the Center for Health and the Global Environment, an adjunct to the Harvard University Medical School; the governing council of the American Meteorological Association; the Board of the University Center for Atmospheric Research, a consortium of universities funded primarily by the National Science Foundation; and the Advisory Board of the OECD's International Network for the Financial Management of Large Scale Disasters.

Mr. Nutter has chaired the Natural Disaster Coalition, an effort to develop a program to respond to catastrophic earthquakes, hurricanes, and volcanic eruptions in the United States. He has served as a member of the Board of Directors of the Advocates for Highway and Auto Safety; the Insurance Institute for Highway Safety; and the Worker's Compensation Research Institute. He has also served as a member of the Board of Overseers of the Institute for Civil Justice, a subsidiary of the Rand Corporation, and as a member of the Board of Trustees of the Bermuda Institute for Ocean Sciences.

Mr. Nutter has a Juris Doctorate from the Georgetown University Law Center and a Bachelor's in Economics from the University of Cincinnati. Mr. Nutter is a Vietnam veteran and is listed in *Who's Who in America*.

Julie Rochman



Julie Rochman is president and chief executive officer of the Insurance Institute for Business and Home Safety. Ms. Rochman came to IBHS in November 2007 with more than 20 years of public affairs and advocacy experience representing major corporations, research and safety organizations, and issue-based coalitions. IBHS is a nonprofit applied research and communication organization supported by the property insurance industry. The Institute's mission is to conduct objective, scientific research to identify and promote effective actions that strengthen homes, businesses, and communities against natural disasters and other causes of loss. Prior to joining IBHS, Rochman held senior positions at a leading Washington, D.C.-based strategic communication firm, the American Insurance Association, and the Insurance Institute for Highway Safety. She currently serves on the Boards of the National Fire Protection Association and the International Hurricane Research Center. Previous Board service includes the Insurance

Institute for Highway Safety, the Highway Loss Data Institute, and Advocates for Highway and Auto Safety. A native of Omaha, Nebraska, Ms. Rochman earned a BA in International Relations from Newcomb College of Tulane University, and a master's degree in American Government from the University of Virginia. She now resides in Tampa, Fla.

Steve Wilder



As the Vice President of Risk Management for The Walt Disney Company, **Steve Wilder** is responsible for directing Disney's worldwide corporate Risk Management program. In 2004, Mr. Wilder gained recognition for his creative use of insurance programs to transfer risk and was featured as one of the "100 Most Influential People in Finance" by the *Treasury and Risk Management* magazine. He was also named "Risk Manager of the Year" by *Business Insurance* magazine in 1990. In addition to managing risk for Disney, Mr. Wilder has also served as National President of the Risk Management Society and currently serves on the Board of Directors of Verdugo Hills Hospital, a nonprofit hospital in Glendale, Ca. He has an M.S. in Risk Management from Florida State University, holds a B.A. in Economics from the University of Pennsylvania, and has completed the UCLA Executive Management Program. Additionally he holds an Associate in Risk Management designation. Prior to joining The Walt Disney Company, Mr. Wilder served as Risk Manager for the Whittaker Corporation from 1982 to 1987 and also worked in the insurance brokerage industry.

Hugh Edward Willoughby, Ph.D.



Dr. Hugh Willoughby is a Research Professor of Meteorology in the Department of Earth and Environment at Florida International University. His hurricane-research interests include analysis of aircraft observations, formulation of theoretical models of motion and intensification, and analysis of economic and human impacts. Until 2002 he was a Research Meteorologist at the Hurricane Research Division of NOAA's Atlantic Oceanographic and Meteorological Laboratory, where he had worked since 1975 and served as director, 1995-2002. He has made more than 400 flights into the eyes of typhoons and hurricanes. Before joining HRD, Dr. Willoughby was a commissioned officer in the U.S. Navy. He served as a flight meteorologist in Airborne Early Warning Squadron ONE (1970–1971) and on the Military faculty of the Naval Academy (1971–1974). Dr. Willoughby has a Ph.D. (1977, Atmospheric Science) from the University of Miami, a M.S. (1969, Meteorology) from the Naval Postgraduate School, and a B.S. (1967, Geophysics–Geochemistry) from the University of Arizona. He is a fellow of the American Meteorological Society and of the American Association for the Advancement of Science. He is past chair the AMS Committee on Hurricanes and Tropical Meteorology.

Staff

Patrick F. Maroney, Director



Patrick F. Maroney is the Kathryn Magee Kip Professor in the Department of Risk Management/Insurance, Real Estate and Business Law. He has been a faculty member at Florida State University since 1981. He currently serves as the director of the Florida Catastrophic Storm Risk Management Center. Prior to that position he served as the associate dean for Graduate Programs in the College of Business from 2003 until January 2008. He also served as the Chairman of the Risk Management and Insurance Department from 1994 until the fall semester of 2001.

Professor Maroney has authored or co-authored more than forty articles and books. Professor Maroney's research concentration is in the area of insurance law and regulation. Articles have appeared in the *Journal of Insurance Regulation, Risk Management and Insurance Review, Florida State University Law Review, Florida Bar Journal, Journal of Insurance Issues, Insurance Counsel Journal*, and the *American Business Law Journal*. He has presented papers at regional and national academic conferences. He has received a Teaching Incentive Program award for excellence in teaching and has been named Student Organization Advisor of the Year.

Professor Maroney was a member of the NCCI Insurance Fraud Commission. He has served as a board member of the Southern Risk and Insurance Association and as President of that organization. He was the executive consultant to the Automobile Insurance Task Force and a co-author of the Insurance Study of Sinkholes. He has served as continuing education chair of the Administrative Law section of the Florida Bar and been recognized for outstanding service to the section. He has also served as an officer and board member of the section.

Lorilee A. Medders, Ph.D., Associate Director



Dr. Lorilee A. Medders has served as Associate Director of the Storm Center and Assistant in Risk Management/Insurance within the College of Business since early 2009. She has also served by appointment from the State of Florida CFO as the Statistics Expert Member of the Florida Commission on Hurricane Loss Projection Methodology since late 2009, and currently serves additionally as Vice Chair of the Commission. She serves on the Board of Directors for the Southern Risk and Insurance Association and as member of the Teaching Committee for the American Risk and Insurance Association.

Dr. Medders has keen interests in risk modeling, business risk management, global risk issues, catastrophe risk finance, economic resilience to disasters, and reputational/crisis risk management. She has presented and published numerous papers on these subjects and others in academic and industry forums. Her clients have included Fortune 500 companies as well as smaller companies and nonprofit organizations. Currently, Dr. Medders is especially involved in catastrophe modeling, planning and finance research. In summer 2010, she was invited as one of 34 researchers worldwide (only three based in the U.S.) to an interdisciplinary Summer Institute on Disaster and Risk held at Beijing Normal University in Beijing, China. During and since the Institute, Dr. Medders, as a business researcher, collaborated on catastrophe risk research with academics in the natural and social sciences from all over the globe.

Dr. Medders has lectured on a broad range of risk-related topics. Her areas of greatest teaching expertise, however, lie in disaster risk finance, global risk assessment, technology and finance, risk modeling and ethics. Dr. Medders has spoken to numerous corporate, nonprofit, governmental, and student groups around the world on these topics. During the past 12 months, her speaking engagements included the IBM Smarter Industries Symposium in Barcelona, Spain; the International Insurance Society Meetings in Toronto, Canada; the Griffith Foundation's "Three M's of Catastrophes" Summit in Columbus, Ohio; the Florida Hurricane Catastrophe Fund Workshop in Orlando, Florida; and the Atlanta-RIMS Educational Conference in Atlanta, Georgia; among others.

Prior to joining the Storm Center, Dr. Medders was an Assistant Professor of Risk Management and Insurance in the J. Mack Robinson College of Business at Georgia State University. She joined that department's faculty in 1999, and also served as the department's Director of External Relations, undergraduate program advisor and faculty adviser to the Zeta Chapter of Gamma Iota Sigma, a national risk management and insurance student organization. Dr. Medders received her Bachelor of Science in Commerce and Business from the University of Alabama in 1990 and her Ph.D. in Business from Georgia State University in 1995. Dr. Medders served as Assistant Professor of Finance at Georgia Southern University from 1994-1998.

Charles M. Nyce, Ph.D., Associate Director



Dr. Charles M. Nyce, CPCU, ARM, joined the Florida Catastrophic Storm Risk Management Center in January 2009 as the associate director. His primary function is to conduct, coordinate and disseminate research efforts that are expected to have an immediate impact on policy and practices related to catastrophic storm preparedness. His primary research area is catastrophic risk finance.

Prior to joining the Storm Center he served as Senior Director of Knowledge Resources at the American Institute for CPCU and the Insurance Institute of America. He is the

primary author of CPCU 510 – Foundations of Risk Management and Insurance and a coordinating author on ARM 54 – Risk Assessment and INS 22 – Personal Insurance. He has been a faculty member at the University of Georgia and University of Hartford. He has taught enterprise risk management and corporate risk management classes at both the undergraduate and graduate levels at LaSalle University, University of Georgia, University of Hartford and The Wharton School of the University of Pennsylvania. In addition to articles on catastrophic risk financing, he has authored numerous articles on a variety of risk management and insurance topics, including title insurance, IPOs, enterprise risk management, predictive analytics and natural hazards. In addition to the texts mentioned above, he has been a contributing author on four other textbooks.

A magna cum laude graduate of LaSalle University in Philadelphia, Dr. Nyce earned a B.A. degree in mathematics. He then earned both an M.A. and a doctoral degree in insurance and risk management from The Wharton School of the University of Pennsylvania.

Sue Ellen Smith, Program Manager



Sue Ellen Smith is Program Manager for the Florida Catastrophic Storm Risk Management Center. She developed and manages the Storm Risk Center's extensive Web site (www.stormrisk.org) and manages its catastrophic risk finance Web site (www.catriskfinancing.org). Also, she produces the Storm Risk Center's Annual Reports and other publications, tracks current insurance issues and trends, manages outreach efforts, tracks and reports progress towards the Storm Risk Center's legislative directives, organizes and manages conferences and symposia, and assists in producing and managing research projects.

Ms. Smith has more than 20 years of experience managing programs, fundraising, and communications for academic centers and nonprofit organizations. Her experience includes managing educational projects, media relations, and fundraising for international and state environmental conservation organizations. A skilled and successful grant writer, she has raised hundreds of thousands of dollars for nonprofit organizations. Prior to joining the Center in January 2008, she managed special projects, communications, outreach, and conferences for a national disaster mitigation organization. She has a B.S. in Journalism from the University of Florida.

Legislative Directives

Coordinate and disseminate research efforts that are expected to have an immediate impact on policy and practices related to catastrophic storm preparedness.

Coordinate and disseminate information related to catastrophic storm risk management including, but not limited to, research and information that benefits businesses, consumers and public policy makers.

Facilitate Florida's preparedness and responsiveness to catastrophic storms and collaborate with other public and private institutions.

Create and promote studies that enhance the educational options available to risk management and insurance students.

Publish and disseminate findings primarily related to risk management.

Organize and sponsor conferences, symposia, and workshops to educate consumers and policymakers.



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