

CitizensAdvisor



Citizens Policy Count Hits New Low

TALLAHASSEE, FL – Citizens Property Insurance Corporation is the smallest it has been since its creation more than a decade ago as improving private market conditions continue to offer policyholders more choices on how best to protect their homes.

Citizens President, CEO and Executive Director Barry Gilway said successful depopulation efforts, affordable reinsurance and a vibrant private market have combined to reduce Citizens policy count to 598,408 as of March 13.

Created by the Florida Legislature in 2002, Citizens handled about 602,000 policies in January 2003. Following an unprecedented string of storms in 2004-2005, that policy count peaked in November 2012 at nearly 1.5 million policies, about 26 percent of the Florida residential market.

Barring a major storm, Gilway told board members that Citizens could see its footprint shrink to as low as 450,000 policies as financially sound private companies assume policies that even a year ago were believed likely to remain with Citizens for years to come.

“The reality is that significant improvements in profitability and the increasing financial strength of private companies has been a major factor in our ability to return to our role as the state’s insurer of last resort,” Gilway told board members earlier this month.

Increasingly favorable market conditions have prompted private companies to expand their interest to multiple lines of business including coastal properties, wind-only policies and mobile-home coverage.

“Insurance company appetite has broadened to lines of business than we had not envisioned even year ago,” Gilway said. “If you would have told me, for example, that companies would be interested in older mobile homes, I would not have believed you.”

The policy estimates highlighted a series of positive developments as Citizens prepares for the 2015 hurricane season. The state-created insurer is expected to enter the hurricane season with surplus and reinsurance coverage to pay claims in the event of a 1-in-100 year storm without having to levy assessments on Florida policyholders.

March 31, 2015

Events

April 7 @ 11:30 a.m.
[Board of Governors](#)

Spotlight



Joe Martins
Chief Internal Audit

[Bio](#)

Policies in Force

598,408
as of March 13, 2015.

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“I’m encouraged by all the progress that’s being made, not just at Citizens, but by the private market overall,” said Chris Gardner, Chairman of Citizens Board of Governors. “It has truly been a joint effort between Citizens and all its partners that has brought such success.”

Gilway Updates Broward County Leaders



TALLAHASSEE, FL – With 98,000 policyholders, Broward County remains a focal point for Citizens Property Insurance Corporation as it continues efforts to improve customer service and return to its role as the state’s insurer of last resort, Citizens’ top executive pledged last week during Broward County Day celebration at the state capital.

Speaking to an entourage of Broward county leaders, Citizens President, CEO and Executive Director Barry Gilway said Broward County is home to the second largest contingent of Citizens

policyholders and, as such, is a continual focus for the state’s insurer of last resort.

Gilway lauded the cooperation and close working relationships forged between Citizens and local leaders, saying Citizens will continue to reach out to Broward County policyholders and their representatives to ensure these close ties continue.

In recent months, Citizens has improved depopulation efforts and agreed to accept additional mobile-home valuation methods in direct response to concerns raised by policyholders in Broward and across the state. Meanwhile Citizens’ statewide footprint continues to shrink, reducing the risk of assessments for South Florida policyholders.

Challenges remain in South Florida, however, where water damage claims have been the leading cause of loss and litigation over the past several years. Broward County is home to 14 percent of policyholders, but represents 20 percent of percent of litigation, with most cases relating to water-loss claims.

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