



**SUMMARY OF FINANCIAL POSITION AND OPERATIONS**

(\$000s omitted)

	<b>CITIZENS</b>				
	<b>June 2024</b>	<b>June 2023</b>	<b>Budget 2024</b>	<b>YOY Var</b>	<b>Budget Var</b>
<b><u>Operations:</u></b>					
Direct written premium	\$ 2,592,507	\$ 2,651,898	\$ 3,955,807	\$ (59,391)	\$ (1,363,301)
Ceded written premium:					
Depopulation	(306,891)	(42,112)	(597,623)	(264,779)	290,732
FHCF	(510,743)	(488,274)	(497,607)	(22,468)	(13,136)
Private reinsurance	(469,768)	(638,115)	(700,000)	168,347	230,233
Net earned premium	1,872,703	1,615,170	1,971,816	257,533	(99,113)
Net losses incurred	492,183	515,833	722,530	(23,650)	(230,347)
Net LAE incurred	262,550	254,562	211,654	7,988	50,896
Underwriting expenses	281,007	281,950	428,853	(943)	(147,846)
Administrative expenses	94,454	84,848	109,078	9,606	(14,624)
Net investment income	171,482	118,618	194,432	52,864	(22,949)
Net income (loss)	\$ 917,988	\$ 599,507	\$ 700,429	\$ 318,481	\$ 217,560
<b><u>Assets, Liabilities and Surplus:</u></b>					
Cash and invested assets	\$ 10,786,050	\$ 9,866,309 (1)		\$ 919,741	
Net loss reserves	1,421,894	1,441,569 (1)		(19,675)	
Net LAE reserves	929,585	907,134 (1)		22,451	
Net unearned premium	1,563,389	2,130,986 (1)		(567,597)	
Surplus	\$ 5,940,987	\$ 5,023,467 (1)		\$ 917,520	
<b><u>Policy Metrics:</u></b>					
Policies inforce	1,213,495	1,317,174	1,126,959	(103,679)	86,536
Policies serviced	1,498,159	1,342,493	1,505,339	155,666	(7,180)
<b><u>Cash flows:</u></b>					
Cashflow from operations	\$ 924,241	\$ 1,151,220		\$ (226,979)	
Cashflow from investing	(188,590)	502,888		(691,478)	
Cashflow from financing	(5,598)	15,552		(21,150)	
<b><u>Operating metrics:</u></b>					
Direct loss ratio	24.4%	29.4%	24.8%	-5.0%	-0.4%
Direct LAE ratio	12.5%	14.8%	7.3%	-2.3%	5.2%
Underwriting expense ratio	10.8%	10.6%	10.8%	0.2%	0.0%
Administrative expense ratio	3.6%	3.2%	2.8%	0.4%	0.9%
Expense ratio	14.5%	13.8%	13.6%	0.7%	0.9%

(1) - Balance Sheet information is presented as of December 31, 2023.

Six months ended

**STATEMENTS OF OPERATIONS**

**Revenue:**

Direct premiums written	\$ 2,592,506,597	\$ 2,651,897,657
Change in direct unearned premium	(48,220,340)	(835,871,210)
<b>Direct earned premium</b>	<b>2,544,286,257</b>	<b>1,816,026,447</b>

Ceded premiums written - Depopulation	(306,890,934)	(42,112,238)
Ceded premiums written - FHCF	(510,742,618)	(488,274,313)
Ceded premiums written - Private reinsurance	(469,767,495)	(638,114,543)
Change in ceded unearned premium	615,817,662	967,644,447
<b>Ceded earned premium</b>	<b>(671,583,386)</b>	<b>(200,856,646)</b>

<b>Net earned premium</b>	<b>\$ 1,872,702,871</b>	<b>\$ 1,615,169,802</b>
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**Losses and Loss Adjustment Expenses:**

Losses

Direct losses paid	\$ (611,845,958)	(915,495,718)
Change in direct case loss reserves	65,319,245	(17,334,185)
Change in direct IBNR loss reserves	52,525,579	403,119,879
Ceded losses incurred	1,818,430	13,877,249
<b>Losses incurred</b>	<b>(492,182,705)</b>	<b>(515,832,774)</b>

Loss adjustment expenses

Direct D&CC paid	(99,073,371)	(100,245,748)
Direct A&O paid	(149,578,192)	(166,976,166)
Change in direct case LAE reserves	3,970,714	4,481,067
Change in direct IBNR LAE reserves	(8,635,540)	(3,643,623)
Ceded LAE incurred	(9,233,561)	11,822,309
<b>LAE incurred</b>	<b>(262,549,950)</b>	<b>(254,562,161)</b>

<b>Net losses and LAE incurred</b>	<b>\$ (754,732,655)</b>	<b>\$ (770,394,936)</b>
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**Underwriting and Administrative Expenses:**

Producer commissions	(213,652,637)	(213,547,119)
Taxes and fees	(39,680,082)	(46,847,800)
Other underwriting expenses	(27,674,351)	(21,555,153)
All other administrative expenses	(94,453,733)	(84,847,716)
<b>Underwriting and administrative expenses</b>	<b>(375,460,804)</b>	<b>(366,797,787)</b>

<b>Underwriting income (loss)</b>	<b>\$ 742,509,412</b>	<b>\$ 477,977,079</b>
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**Net Investment Income:**

Net interest income (expense)		
Investment income earned	172,869,716	132,898,168
Interest expenses	(1,222,222)	(6,675,374)
<b>Net interest income (expense)</b>	<b>171,647,493</b>	<b>126,222,794</b>

Realized capital gains (losses)	(165,014)	(7,604,316)
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<b>Net investment income</b>	<b>\$ 171,482,480</b>	<b>\$ 118,618,478</b>
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<b>Other income (expense)</b>	<b>3,996,591</b>	<b>2,911,871</b>
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<b>Net income (loss)</b>	<b>\$ 917,988,483</b>	<b>\$ 599,507,428</b>
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**ADMINISTRATIVE EXPENSES**

**Six months ended**

	<b>June 30, 2024</b>	<b>June 30, 2023</b>	<b>2024 Budget</b>
Salaries	\$ 69,577,813	\$ 63,827,835	\$ 72,035,447
Employee Benefits	28,767,061	28,146,455	33,605,724
Payroll Taxes	5,287,248	4,824,323	5,961,672
Contingent Staffing	57,924,210	75,649,376	61,685,909
Subscriptions and Dues	1,040,455	1,167,655	1,455,802
Bank Charges	123,281	108,448	256,845
FMAP Funding	(108,636)	(127,916)	(124,748)
Insurance	573,375	524,958	560,451
Legal	390,385	831,389	716,500
Operations And Maintenance	916,415	921,991	1,189,656
Operating Supplies	52,998	58,748	112,820
Computer Hardware	676,665	1,196,919	968,877
Postage	286,167	356,688	320,465
Printing	31,611	38,902	49,262
Producer Fees Collected	(412,436)	(342,759)	(342,759)
Professional Services	6,159,082	5,250,257	11,425,224
Recruiting	118,368	165,061	236,395
Rent	2,956,900	2,928,745	3,481,228
Software Maintenance and Licensing	13,855,019	10,213,417	17,777,411
Telecommunications	2,089,138	1,367,134	2,021,688
Training	316,636	330,434	632,116
Travel	778,868	621,981	900,436
Depreciation	148,404	84,564	283,516
ULAE Expense	(97,095,294)	(113,296,890)	(106,131,985)
<b>Total Administrative Expense</b>	<b>\$ 94,453,733</b>	<b>\$ 84,847,715</b>	<b>\$ 109,077,952</b>