



SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	CITIZENS				
	December 2024	December 2023	Budget 2024	YOY Var	Budget Var
<u>Operations:</u>					
Direct written premium	\$ 4,597,894	\$ 5,070,989	\$ 7,113,794	\$ (473,095)	\$ (2,515,899)
Ceded written premium:					
Depopulation	(1,023,565)	(588,341)	(809,291)	(435,224)	(214,274)
FHCF	(406,543)	(479,462)	(497,607)	72,919	91,064
Private reinsurance	(453,766)	(695,512)	(700,000)	241,747	246,234
Net earned premium	3,180,481	2,881,407	3,986,873	299,074	(806,392)
Net losses incurred	2,859,228	1,261,403	1,513,723	1,597,826	1,345,505
Net LAE incurred	871,847	453,803	440,308	418,044	431,539
Underwriting expenses	488,668	535,834	781,883	(47,166)	(293,215)
Administrative expenses	176,411	163,824	205,429	12,586	(29,018)
Net investment income	363,880	275,943	420,750	87,937	(56,870)
Net income (loss)	\$ (844,753)	\$ 746,453	\$ 1,477,626	\$ (1,591,206)	\$ (2,322,379)
<u>Assets, Liabilities and Surplus:</u>					
Cash and invested assets	\$ 10,042,880	\$ 9,866,309		\$ 176,571	
Net loss reserves	2,722,285	1,441,569		1,280,716	
Net LAE reserves	1,220,672	907,134		313,538	
Net unearned premium	1,664,526	2,130,986		(466,460)	
Bonds and interest payable	-	639		(639)	
Surplus	\$ 4,183,357	\$ 5,023,467		\$ (840,110)	
<u>Policy Metrics:</u>					
Policies inforce	936,182	1,228,718	1,239,892	(292,536)	(303,710)
Policies serviced	1,305,666	1,489,901	1,379,533	(184,235)	(73,867)
<u>Cash flows:</u>					
Cashflow from operations	\$ 199,442	\$ 1,142,677		\$ (943,235)	
Cashflow from investing	80,792	1,000,628		(919,836)	
Cashflow from financing	(12,229)	(272,292)		260,063	
<u>Operating metrics:</u>					
Direct loss ratio	66.3%	33.4%	29.2%	32.9%	37.1%
Direct LAE ratio	20.9%	11.4%	8.5%	9.5%	12.4%
Underwriting expense ratio	10.6%	10.6%	11.0%	0.1%	-0.4%
Administrative expense ratio	3.8%	3.2%	2.9%	0.6%	0.9%
Expense ratio	14.5%	13.8%	13.9%	0.7%	0.6%

CITIZENS

Twelve months ended

STATEMENTS OF OPERATIONS

Revenue:

Direct premiums written	\$ 4,597,894,237	\$ 5,070,988,859
Change in direct unearned premium	355,303,684	(852,862,024)
Direct earned premium	4,953,197,921	4,218,126,835
Ceded premiums written - Depopulation	(1,023,565,010)	(588,341,223)
Ceded premiums written - FHCF	(406,542,770)	(479,461,603)
Ceded premiums written - Private reinsurance	(453,765,533)	(695,512,093)
Change in ceded unearned premium	111,156,516	426,595,536
Ceded earned premium	(1,772,716,798)	(1,336,719,383)

Net earned premium

\$ 3,180,481,124 \$ 2,881,407,452

Losses and Loss Adjustment Expenses:

Losses

Direct losses paid	\$ (1,755,549,650)	(1,678,693,035)
Change in direct case loss reserves	28,207,052	75,543,346
Change in direct IBNR loss reserves	(951,961,283)	247,796,831
Ceded losses incurred	(179,924,280)	93,950,277
Losses incurred	(2,859,228,162)	(1,261,402,581)

Loss adjustment expenses

Direct D&CC paid	(200,829,140)	(204,910,283)
Direct A&O paid	(376,679,551)	(359,438,273)
Change in direct case LAE reserves	(94,702)	3,569,926
Change in direct IBNR LAE reserves	(267,131,483)	98,117,127
Ceded LAE incurred	(27,111,888)	8,858,896
LAE incurred	(871,846,763)	(453,802,606)

Net losses and LAE incurred

\$ (3,731,074,925) \$ (1,715,205,187)

Underwriting and Administrative Expenses:

Producer commissions	(367,680,092)	(400,154,727)
Insurance premium deduction - legislative	(15,661,041)	-
Taxes and fees	(51,534,352)	(77,963,450)
Other underwriting expenses	(53,792,298)	(57,715,998)
All other administrative expenses	(176,410,730)	(163,824,322)
Underwriting and administrative expenses	(665,078,513)	(699,658,497)

Underwriting income (loss)

\$ (1,215,672,314) \$ 466,543,769

Net Investment Income:

Net interest income (expense)

Investment income earned	368,759,001	304,763,521
Interest expenses	(1,222,222)	(12,061,683)
Net interest income (expense)	367,536,779	292,701,838

Realized capital gains (losses) (3,656,906) (16,759,279)

Net investment income

\$ 363,879,872 \$ 275,942,559

Other income (expense)

7,039,540 3,966,752

Net income (loss)

\$ (844,752,901) \$ 746,453,080



ADMINISTRATIVE EXPENSES

Twelve months ended

	December 31, 2024	December 31, 2023	2024 Budget
Salaries	\$ 144,416,975	\$ 133,438,745	\$ 149,262,760
Employee Benefits	36,685,067	36,922,374	44,930,177
Payroll Taxes	10,619,403	9,755,633	12,026,811
Contingent Staffing	110,957,646	175,793,394	118,462,579
Subscriptions and Dues	1,832,202	2,026,881	2,336,485
Bank Charges	323,264	294,450	528,989
FMAP Funding	(177,470)	(209,086)	(255,611)
Insurance	1,026,209	998,273	1,155,197
Legal	1,591,193	1,452,205	1,418,000
Operations And Maintenance	2,061,425	1,984,483	2,545,814
Operating Supplies	139,546	143,876	218,499
Computer Hardware	1,710,535	3,129,303	1,610,314
Postage	687,129	648,706	640,696
Printing	98,745	84,003	121,389
Producer Fees Collected	(1,231,843)	(1,156,656)	(1,286,750)
Professional Services	17,870,665	10,933,568	25,549,065
Recruiting	356,857	453,034	506,929
Rent	6,013,364	5,803,680	6,565,468
Software Maintenance and Licensing	26,766,409	23,107,232	36,687,965
Telecommunications	4,085,486	2,794,849	3,702,507
Training	546,405	677,115	1,177,484
Travel	1,980,335	1,353,280	1,778,444
Depreciation	280,403	168,963	631,977
ULAE Expense	(192,229,221)	(246,773,984)	(204,886,298)
Total Administrative Expense	\$ 176,410,729	\$ 163,824,322	\$ 205,428,890