

**CITIZENS PROPERTY INSURANCE CORPORATION**

**DRAFT MINUTES OF THE  
BOARD OF GOVERNORS MEETING  
Wednesday, March 4, 2026**

The Board of Governors (Board) of Citizens Property Insurance Corporation (Citizens) convened at Beachside Resource in Key West, FL Wednesday, March 4, 2026 following a 30-minute break after the Exposure Reduction Committee Meeting.

**The following members of the Board were present:**

Carlos Beruff, Chair  
Jamie Shelton, Vice Chair  
Josh Becksmith  
Jason Butts  
LeAnna Cumber  
Erin Knight  
Robert Spottswood  
Frank White

**The following Citizens' staff members were present:**

Tim Cerio	Brian Donovan
Jennifer Montero	Mark Kagy
Aditya Gavvala	Carl Rockman
Jay Adams	Michael Peltier
Jeremy Pope	Michael Wickersheim
Joe Martins	Barbara Walker
Brian Newman	Bonnie Gilliland

**The following people were present:**

Kapil Bhatia	Raymond James
Dave Newell	FAIA
Sasha Stipanovich	Raymond James
Matt Church	External Auditor Update

**Call Meeting to Order**

Barbara Walker: Good morning and welcome to Citizens March 4, 2026, Board of Governors meeting that is publicly noticed in the *Florida Administrative Register* to convene following our committee meetings. This meeting is transcribed. Minutes are available on our website. Chair Beruff, you have a list of guest

speakers for today's meeting that includes Michelle Lincoln, Monroe County Mayor, George Garrett, Marathon City Manager, Danise Henriquez, Key West Mayor, Ron Saunders, Islamorada, Village Manager, and Mel Montagne, FIRM CEO. May I proceed with your official roll call?

Chair Beruff: Please.

Roll call: Chair Carlos Beruff, Vice Chair Jamie Shelton, Josh Becksmith, Jason Butts, LeAnna Cumber, Erin Knight, Robert Spottswood, and Frank White were present. Governor Charlie Lydecker was unable to attend. A quorum is established.

## **1. Chairman's Report**

### **Action Item: Approve Consent Agenda Items**

Chair Beruff: Alright. I'll entertain a motion to adopt the minutes from the last meeting.

Barbara Walker: Chair Beruff, do you want to advance today's consent items?

Chair Beruff: Please.

Barbara Walker: Okay. For the record, Chair Beruff has requested that the Board advance today's items to consent:

- **Board of Governors Minutes from December 10, 2025**
- **Contractor Managed Repair Program**
- **Claims Legal Services**
- **Product Updates for March 2026**

**A motion was made and seconded to approve the above stated Consent Agenda Items. All were in favor. Motion carries.**

Chair Beruff: Thank you.

## **2. President's Report**

## Market Recovery

Since legislative reforms

- 17 new home insurers have entered Florida's market.
- National insurers expanding in Florida again.
- Office of Insurance Regulation received more than 150 residential filings for rate decreases or 0% increases.
- Florida had the lowest average homeowners rate increase in the nation in 2024.
- Reinsurance costs have continued to decline.
- Citizens residential market share is at an all-time low of 3%.



If we could go to slide one. Obviously, the big news is the news that you've heard again and again and again which is about the property insurance reforms. They've reduced frivolous and excessive litigation, which has brought more capital to the market, which has brought more competition to the market, and which is finally driving down rates. It's the message that we've been talking about

for several years, and it's happening. For slide two, since the passage of the reforms, the market has experienced record growth. There have been 150 residential filings at the Office of Insurance Regulation (OIR) by insurers requesting a 0% rate change. We had the lowest average homeowners rate increase in the nation in 2024. I think the year before we were the highest, so in one year it dropped. We don't have data for 2025 yet. Reinsurance costs are continuing to decline. I know Jennifer Montero probably doesn't want me to say too much because we're in the market now, but what we're seeing is that it's just very, very different than a couple of years ago. And, of course, our residential market share is at an all-time low of 3%.

Next slide. This is a one-in-100-year probable maximum loss (PML) trend since 2011. That's the level of losses you heard earlier that has a 1% chance of being equal to or exceeded in any given year. For 2025,

that means there was a 1% chance that losses would exceed \$6.2 billion. When comparing the PMLs annually, it's important to note that in prior years the figures were not adjusted for inflation. Obviously, if construction costs rise in a

## Probable Maximum Loss Trend

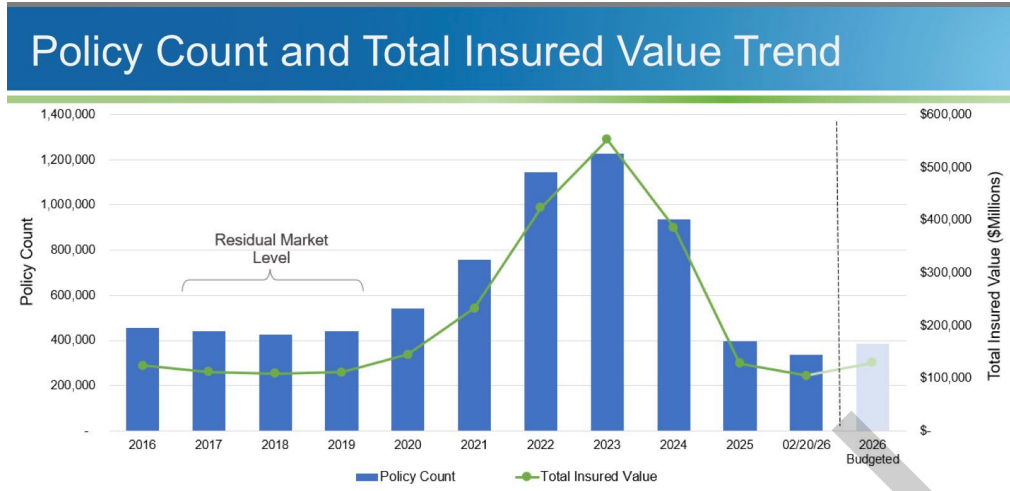
1-in-100 Year Probable Maximum Loss  
Aggregate Exceedance



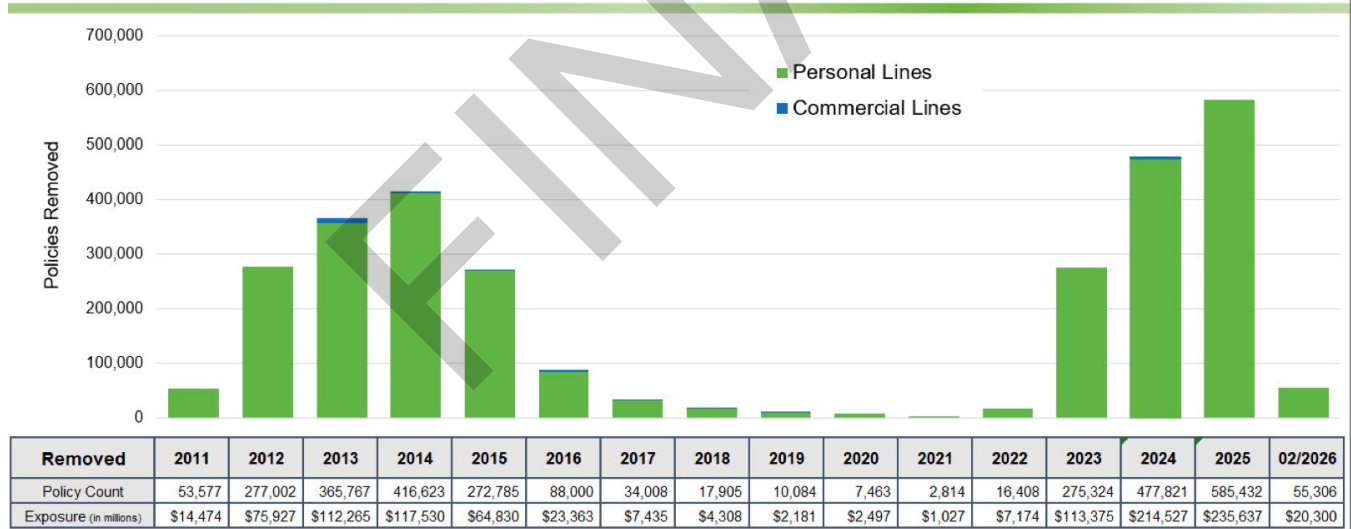
year, the same storm would now cost significantly more to repair than in years past. So, if these PMLs were adjusted for inflation, they would all increase. Without any adjustments to the historical data, our

highest one-in-100-year PML since 2011 was \$23 billion. The lowest was in 2018 and 2019 at \$4.9 billion. Visually, you can see that we're nearing back to that lower level, which is essentially the result of depopulation.

Next slide. You've seen this chart before—the historical policy count and TIV for our book, along with a budgeted projection for year-end. As of February 20, we had 336,000 policies and \$105 billion in total insured value. Again, this graph just shows how successful the reforms have been.



## Policies Return to Private Market – Depopulation



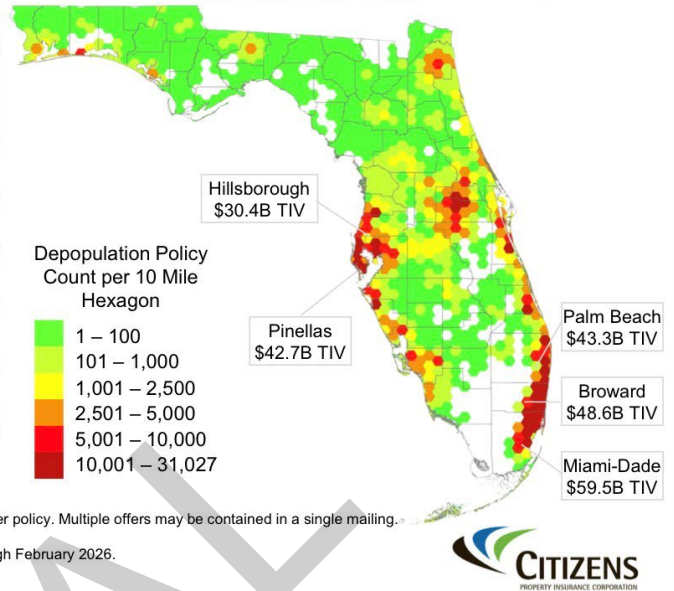
Note: Depopulation does not reflect opt outs after the date of assumption.



Next slide. Policies returning to the private market. This graph shows the historical depopulation of Citizens policies. These are the annual counts and exposure that were removed. As I mentioned previously, combining 2023 through our latest data, we've had about 1.4 million policies depopulated and almost \$584 billion returned to the private market. We've never seen such a successful depopulation.

# Statewide Depopulation Activity

Depopulation Policy Activity in 2024, 2025, and 2026			
Assumption Date	Number OIR Approved	Choice Letters Mailed	Number Assumed
<b>2024 (Personal)</b>	1,307,949	711,090	475,697
<b>2024 (Commercial)</b>	5,800	3,129	2,124
<b>2025 (Personal)</b>	2,334,362	737,443	583,588
<b>2025 (Commercial)</b>	11,365	3,915	1,844
1/20/2026 (CL)	5,400	626	225
2/17/2026	350,579	73,587	55,081
3/17/2026	282,350	16,288	0
3/24/2026 (CL)	1,652	72	0
4/21/2026	314,302	0	0
<b>2026 (Personal)</b>	947,231	89,875	55,081
<b>2026 (Commercial)</b>	7,052	698	225
<b>Total</b>	<b>4,613,759</b>	<b>1,546,150</b>	<b>1,118,559</b>



Notes:

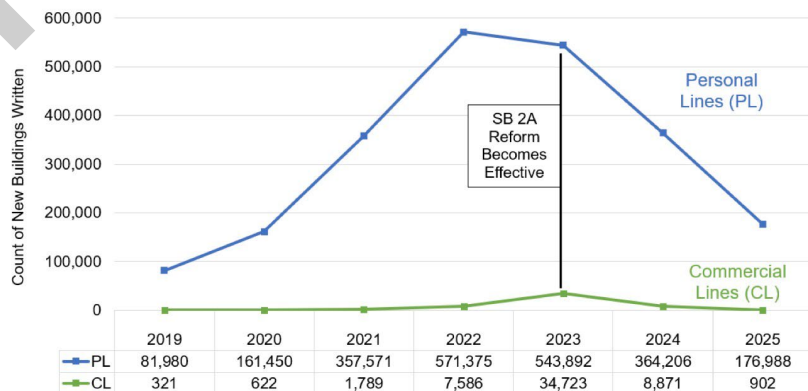
- 1) Policyholder Choice Letters Mailed indicates the number of depopulation letters mailed, one per policy. Multiple offers may be contained in a single mailing.
- 2) Number assumed refers to policies assumed on date of assumption.
- 3) The hexagon map shows all personal lines and commercial lines (CL) policies assumed through February 2026.

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Next slide. Statewide, this gives a visual of the depopulation activity from 2024 through 2026. The map shows that over the past two years, policies have been removed from across the state, where the top five counties make up 48% of the total insured value removed—Miami-Dade, Broward, Palm Beach, Pinellas, and Hillsborough. Again, as you’ve heard us discuss before, depopulation companies traditionally avoided these areas because of excessive litigation. The litigation is down, so there’s a lot of depopulation activity here.

Next slide. This is our annual new business trend going back to 2019. You can see the rate of new business coming into Citizens significantly declined in 2024, and that trend continues. We’re forecasting just under 113,000 new policies coming into Citizens in 2026. This is good news, and again it’s because of market stabilization. Fewer policies

## Policies Return to Private Market – New Business



Note: Personal lines includes policies from insolvent carriers.

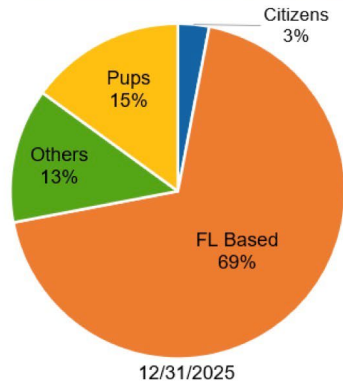
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coming into Citizens shows that these policies are finding a home with private insurers and is confirmation of a healthy market.

## Historical Residential Property Insurance Market

Year	Citizens' Market Share
2011	23%
2012	20%
2013	15%
2014	9%
2015	6%
2016	5%
2017	5%
2018	5%
2019	4%
2020	5%
2021	8%
2022	14%
2023	15%
2024	10%
2025	3%



Notes:  
 1) Includes admitted insurers only  
 2) Based on insured value for policies with wind coverage  
 3) Percentages may not add up to 100% due to rounding  
 4) Source: Market Intelligence Report, FL Office of Insurance Regulation

Pups: FL only subsidiaries of major national writers

FL Based: FL domiciled companies where the majority only write in FL

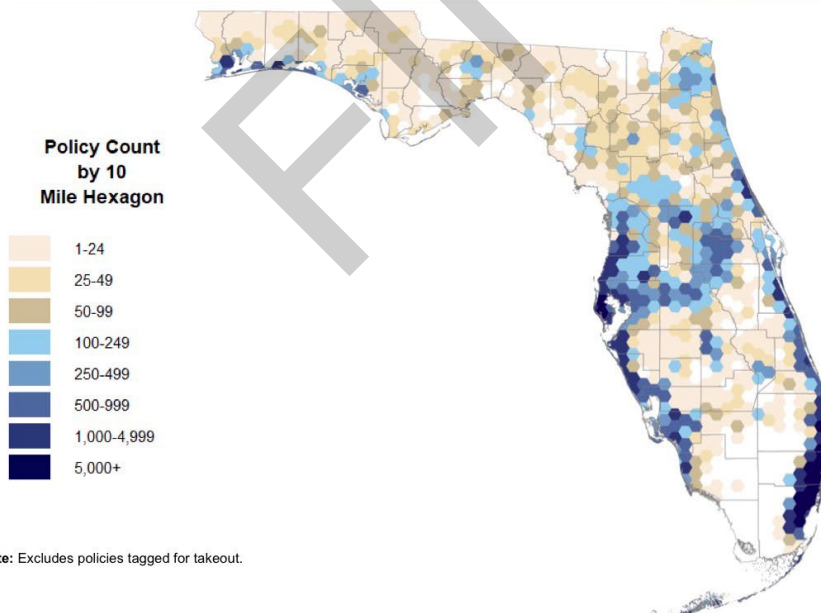
Others: Predominately national writers



Slide eight. This table shows the historical residential property insurance market share for Citizens. As of the end of 2025, our market share is again 3%, which is a historical low for Citizens. The pie chart shows the December 31, 2025 market share of admitted insurers along with Citizens. You can see those

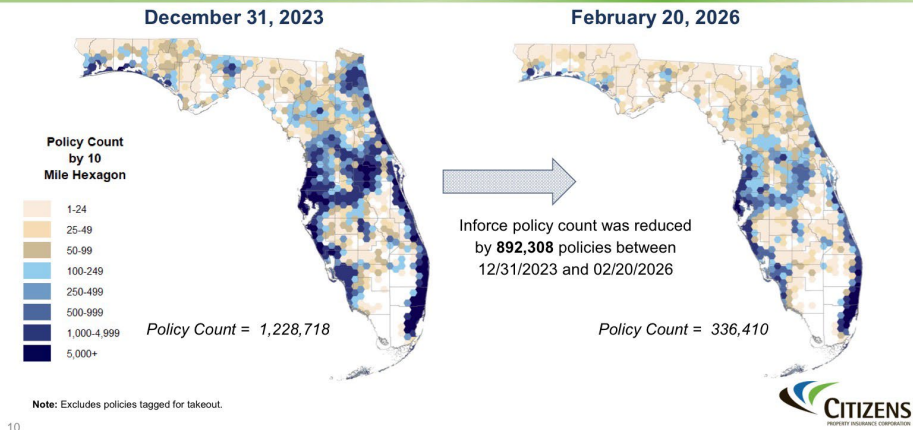
Florida-based companies represent almost 70%. The “depops,” which are subsidiaries of the big national insurers, are about 15%, and the other category—the national insurers—is about 13%.

## Decreasing Policy Count Results



Next slide. There’s a visual here showing the decreasing policy count from December 31, 2023 to February 20, 2026. Go ahead and click the slide, Bonnie. You can see in that graphic how the density has decreased—significantly fewer policies—with over 829,000 having shifted to the market from Citizens.

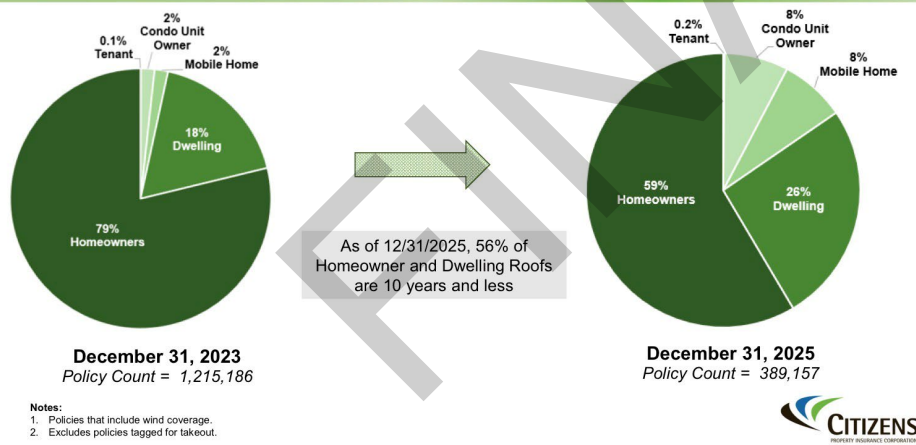
# Decreasing Policy Count Results



Next slide. This is a snapshot of both maps from the previous slide of our policy concentration throughout the state at the end of December 2023, compared with the latest data as of February 20, 2026. The darker the color, the higher the policy count. We went from 1.2 million policies to just over 336,000. Significant policy decreases occurred statewide. It's hard to see

some of the color differences in the smaller areas, but West Palm Beach, Brevard, and Broward have significantly less density than previously. Similarly, in Tampa, which is another highly populated area, almost 212,000 policies were returned to the private market through depopulation.

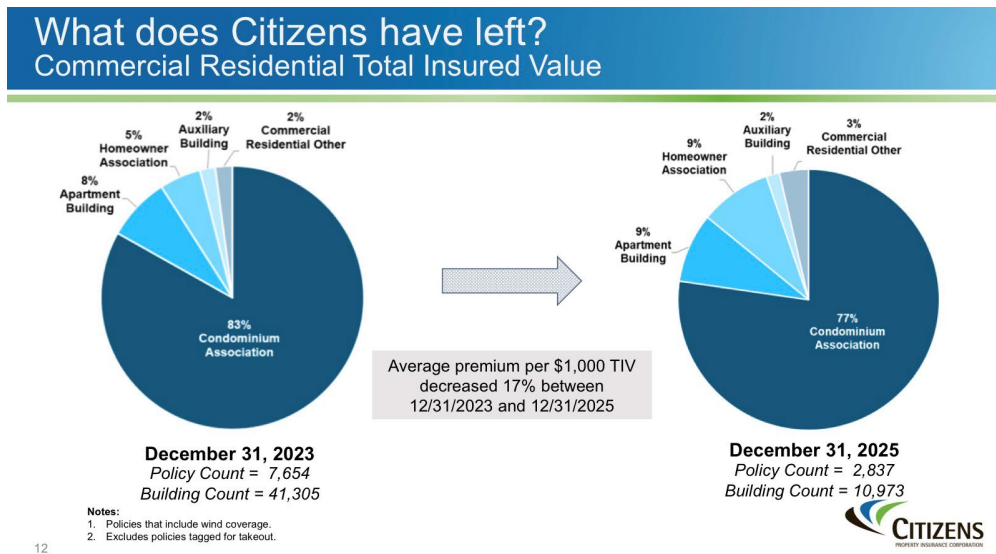
# What does Citizens have left? Personal Residential Total Insured Value



Next slide. This pie chart shows the personal residential policy form types and the shift between 2023 and the 2025 book of business. Prior to the significant depopulation, our book was predominantly homeowners at about 79%. Now that's decreased to about 59%. In general, HO-3 or homeowners policies make up the lion's share of what was

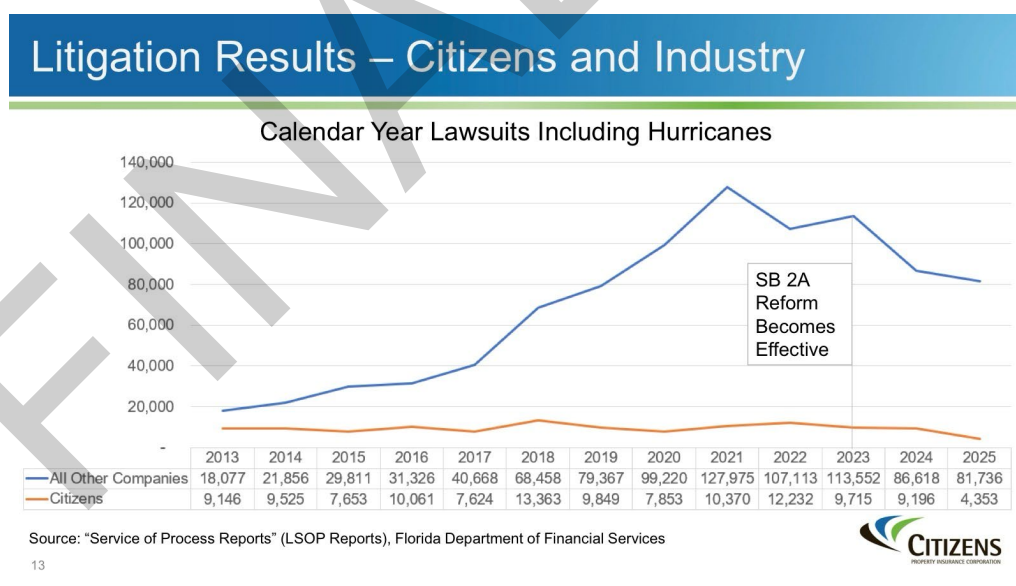
depopulated. As an aside, some great news is that in our current book of homeowners and dwelling policies, the roofs are 10 years old or less. Obviously, that means they could still be attractive for depopulation, and if they stay younger, roofs are certainly good for minimizing our own losses.

Next slide. This is the commercial residential book comparison. Our building counts have dropped from 41,000 buildings insured down to almost 11,000. The predominant policy type, by far, is condominium associations. As a percentage of our business, condo associations dropped from 83% to 77%. Again, while the brunt of depopulation has been in personal lines, there has been much activity in commercial residential from 2024 to current, which again goes back to the positive position of the market today post-reform.



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Next slide. This last slide shows the calendar-year lawsuits for the industry and for Citizens separately, where the data includes hurricanes. This data is based on calendar year, where the lawsuit is associated with the year in which the lawsuit was filed, not necessarily the date of loss. For example, a lawsuit related to Hurricane Milton that was filed in 2025 would not appear in the 2024 data when Milton hit, but it would appear in the 2025 data. So, the trends can be a little distorted.



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Nevertheless, the results are trending in a very positive direction in terms of new claims entering litigation. The litigation and AOB reform provided by Senate Bill 2-A has had a tremendous impact. Since 2023, after the reforms were enacted, the industry experienced about a 28% decrease in lawsuits filed, and Citizens lawsuits have decreased by about 55%. That's why the industry, as well as Citizens, is able to provide these rate decreases. It all goes back to the litigation reforms. Happy to answer questions, Mr. Chairman. That is my report.

Chair Beruff: I think we're pretty caught up on everything. Mr. Cerio.

Tim Cerio: Thank you very much.

### **New Business**

Chair Beruff: Unless the Board wants to hear the reports that were already presented at the committee meeting this morning, I think we could skip those presentations. Are there any action items, or were those handled when we moved them to the Consent Agenda, Barbara?

Barbara Walker: Yes, sir. The action items on the Consent Agenda have been taken care of.

Chair Beruff: Okay, so there's no new business?

Barbara Walker: Well, sir, we do need to hear from Dave Newell for the MAAC Report.

Chair Beruff: Let's get him up here.

### **Market Accountability Advisory Committee (MAAC) Report**

Dave Newell: Thank you, Mr. Chairman. For the record, Dave Newell, Chairman of the Market Accountability Advisory Committee (MAAC). We met on February 18<sup>th</sup>, and the MAAC was provided some of the same information that you all heard today about the depopulation efforts and what's going on there, as well as future plans for depopulation. Switching gears from that report, Carl Rockman brought us up to date on what we've again heard today regarding less reliance on agents to produce business within Citizens. One of the things that really spells that out is that just a year ago we had a lot of agencies in that upper category that had 2,000 policies or more, and that has been dramatically reduced over the last year to probably a third of those agencies that are now actually writing business with Citizens. So, it's a good sign of what's happening in the marketplace, and certainly agents have other options around the state with new entrants coming in. The performance review program is in place. Agents have gone through the training and have adopted many of those philosophies. I know the Citizens team is looking to address any agencies that fall below those levels. So, Mr. Chairman, that concludes my report.

Chair Beruff: Great. Thank you very much.

### **Meeting adjourns.**