



Florida Market Assistance Plan

**Independent Auditor's Report, Financial Statements,
and Supplementary Information**

December 31, 2025 and 2024

**Florida Market Assistance Plan
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December 31, 2025 and 2024**

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Independent Auditor's Report

Board of Governors
Florida Market Assistance Plan
Tallahassee, Florida

Opinion

We have audited the financial statements of Florida Market Assistance Plan (the Plan), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and changes in net assets, and of cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as of December 31, 2025 and 2024, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Our audit was conducted for the purpose of forming an opinion of the basic financial statements taken as a whole. The additional information included in the Supplemental Schedule of General and Administrative Expenses of the Plan for the years ended December 31, 2025 and 2024 on page 8 are presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted by the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

Forvis Mazars, LLP

**Tampa, Florida
May 22, 2026**

**Florida Market Assistance Plan
Statements of Financial Position
December 31, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets		
Cash	\$ 1,015,839	\$ 910,947
Total current assets	<u>1,015,839</u>	<u>910,947</u>
Non-current Assets		
Capital assets, net	<u>-</u>	<u>10,362</u>
Total non-current assets	<u>-</u>	<u>10,362</u>
Total assets	<u>\$ 1,015,839</u>	<u>\$ 921,309</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Due to Citizens Property Insurance Corporation	\$ 34,251	\$ 31,925
Total liabilities	<u>34,251</u>	<u>31,925</u>
Net assets		
Unrestricted net assets	<u>981,588</u>	<u>889,384</u>
Total liabilities and net assets	<u>\$ 1,015,839</u>	<u>\$ 921,309</u>

Florida Market Assistance Plan
Statements of Activities and Changes in Net Assets
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Revenues		
Assessments	\$ 265,500	\$ 263,700
Total revenues	<u>265,500</u>	<u>263,700</u>
Expenses		
General and administrative expenses	<u>173,296</u>	<u>208,557</u>
Total expenses	<u>173,296</u>	<u>208,557</u>
Change in unrestricted net assets	92,204	55,143
Net assets, beginning of year	<u>889,384</u>	<u>834,241</u>
Net assets, end of year	<u><u>\$ 981,588</u></u>	<u><u>\$ 889,384</u></u>

Florida Market Assistance Plan
Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Assessments collected	\$ 265,500	\$ 263,700
Operating expenses paid	(160,608)	(183,986)
Net cash provided by operating activities	<u>104,892</u>	<u>79,714</u>
Net change in cash	104,892	79,714
Cash, beginning of year	<u>910,947</u>	<u>831,233</u>
Cash, end of year	<u>\$ 1,015,839</u>	<u>\$ 910,947</u>
Reconciliation of change in net assets to net cash provided by operating activities		
Change in unrestricted net assets	92,204	55,143
Adjustment to reconcile change in net assets to net cash provided by operating activities		
Depreciation expense	10,362	31,088
Due to Citizens Property Insurance Corporation	<u>2,326</u>	<u>(6,517)</u>
Net cash provided by operating activities	<u>\$ 104,892</u>	<u>\$ 79,714</u>

Note 1. Organization and Significant Accounting Policies

Organization

The Florida Market Assistance Plan (the Plan) was created by the Florida legislature in 1985 (Florida Statutes, Section 627.3515) to assist consumers who are unable to procure property and casualty insurance coverage from authorized insurers in the private market. The enabling Statute also provides for the Plan to assist in the removal of risks from Citizens Property Insurance Corporation (Citizens) that can be placed in the private market. Each person serving as a member of Citizens' Board of Governors also serves as a member of the Board of Governors of the Plan. As more fully described in Note 2, Related Party Transactions, the Plan is considered to be a financially interrelated entity of Citizens.

Basis of Reporting

The Plan prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) promulgated by the Financial Accounting Standards Board Accounting Standards Codification (ASC or the guidance).

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash includes demand deposits and is carried at cost, which approximates fair value. The Federal Deposit Insurance Corporation (FDIC) insures amounts on deposit with each financial institution up to limits as prescribed by law. The Plan may hold funds with financial institutions in excess of the FDIC insured amount; however, the Plan has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on cash.

Capital Assets

Capital assets are depreciated using the straight-line method over their estimated useful life. The estimated useful lives by asset class are as follows:

Internally developed website: 3 years

The Plan entered into an agreement with Citizens for the use of shared resources to redesign the Plan's internal website. At the completion of the project, the Plan reimbursed Citizens for its actual costs, plus the use of its staffing resources on the project.

The cost for capital assets was \$93,262 at December 31, 2025 and 2024. The accumulated depreciation for capital assets was \$93,262 and \$82,899 at December 31, 2025 and 2024, respectively. Depreciation expense was \$10,362 and \$31,088 for the years ended December 31, 2025 and 2024, respectively, and is included in general and administrative expenses in the accompanying statements of activities and changes in net assets.

**Florida Market Assistance Plan
Notes to Financial Statements
December 31, 2025 and 2024**

Revenue Recognition

The Plan's revenues consist of annual assessments on residential insurers and funding provided by Citizens. Assessments are recorded as revenue in the period in which they are levied and due. Funding provided by Citizens related to Plan deficits, if any, is recorded as part of unrestricted net assets in the period to which it applies.

Income Taxes

The Plan is exempt from Federal income tax under Internal Revenue Code Section 501(c)(6) except for tax on unrelated business income. The Plan did not have unrelated business income for December 31, 2025 and 2024.

Note 2. Related Party Transactions

The Plan is an entity related to Citizens through the maintenance of a service level agreement. Citizens maintains the Plan's database and computer systems, prepares necessary reports, and provides accounting and other financial services, office space and all other services deemed necessary to carry out the Plan's statutory purpose. Costs incurred for these expenses are reimbursed quarterly to Citizens. Section 627.3515, Florida Statutes provides that the Plan shall be funded through payments from Citizens and annual assessments of residential property insurers. Citizens funds any deficit incurred by the Plan in performing its statutory purpose if the annual assessments are insufficient to cover such costs.

At December 31, 2025 and 2024, the Plan has recorded a net amount due to Citizens of \$34,251 and \$31,925, respectively.

Note 3. Subsequent Events

Management has evaluated subsequent events for disclosure and recognition through May 22, 2026, the date on which these financial statements were available to be issued. There were no subsequent events through the evaluation date that merit disclosure or would have a material impact to the financial statements of the Plan.

Supplementary Information

Florida Market Assistance Plan
Supplemental Schedule of General and Administrative Expenses
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Customer care center services	\$ 30,915	\$ 53,121
Salaries and benefits	97,408	89,168
Telephone and communications	16,011	16,580
Legal and accounting	18,600	18,600
Depreciation expense	<u>10,362</u>	<u>31,088</u>
Total general and administrative expenses	<u>\$ 173,296</u>	<u>\$ 208,557</u>