



2026 Operating Budget

Financial Schedules & Supporting Information

Board of Governors Meeting

December 10, 2025



Board of Governors

Carlos Beruff, Chair

Jamie Shelton, Vice-Chair

Josh Becksmith

Jason Butts

LeAnna Cumber

Erin Knight

Charlie Lydecker

Robert A. Spottswood

Frank White



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2026 Operating Budget

Executive Summary

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Significant and continued depopulation, reductions in the number of new policies, and other related efforts have successfully redirected policies back into a strengthening private market. As of September 30, 2025, the number of Citizens policies inforce was 769,000 and the number of policies serviced was 961,000. For the end of 2025, Citizens projects 385,000 policies inforce and 844,000 policies serviced, reflecting reductions of 386,000 and 122,000, respectively, for the 2025 Operating Budget. While policies removed through depopulation reduce Citizens' insured exposure, Citizens continues to service these policies until policy expiration, which extends 3 to 12 months beyond the date policies were removed through depopulation. The number of policies serviced is expected to decline in 2026, although the average number of policies Citizens anticipates servicing in 2026 will exceed 600,000. Accordingly, the 2026 Operating Budget assumes a level of resources needed to service policies, which extends beyond the number of insured policies. While Citizens must remain well-positioned to respond to catastrophic events, address emerging risks and legislative changes, and meet its commitment to customer service, the 2026 Operating Budget reflects the anticipated reduction in costs that result from an overall decrease in the level of workflow, activities, tasks, projects, and initiatives.

Although the 2025 Atlantic Hurricane season brought minimal storm activity to Florida, 2024 saw three major storms, Debby, Helene, and Milton, which required an immediate and a multi-year level of claims-resources to respond and adjust hurricane claims. While diminished, the need for claims-related resources will continue into 2026, and likely beyond, as claims from these three storms continue through the claims adjustment process.

Recent legislative reforms that eliminated one-way attorney fees and assignment of benefits continue to stabilize and reduce overall loss costs. The 2026 projected loss and loss adjustment expense ratios highlight the success of these legislative reforms and are expected to decrease 3.1% from the 2025 projections.

As Citizens continues to reduce its state-wide footprint and approaches historically low levels of policies inforce, Citizens' Strategic Imperatives must remain in center focus. The Strategic Imperatives emphasized in Citizens' Enterprise Strategic Plan were established to guide Citizens' operational focus. These Strategic Imperatives are as follows:

Strategic Imperative 1 – Depopulation

- Promote depopulation and optimize access to private-market coverage for Citizens' applicants and policyholders.

Strategic Imperative 2 – Customer Experience

- Understand and enhance the customer experience by soliciting feedback, gauging satisfaction, and optimizing service capabilities and touchpoints.

Strategic Imperative 3 – Emergency Assessments

- Reduce or eliminate the risk of emergency assessments for Citizens' policyholders and all potentially impacted Florida policyholders.

The hard work and innovation of the Citizens team has played a critical role in reducing Citizens' assessment burden on Floridians. Now we embark on the difficult challenge of aligning Citizens' operating infrastructure with its reduced policy count.

Yours respectfully,

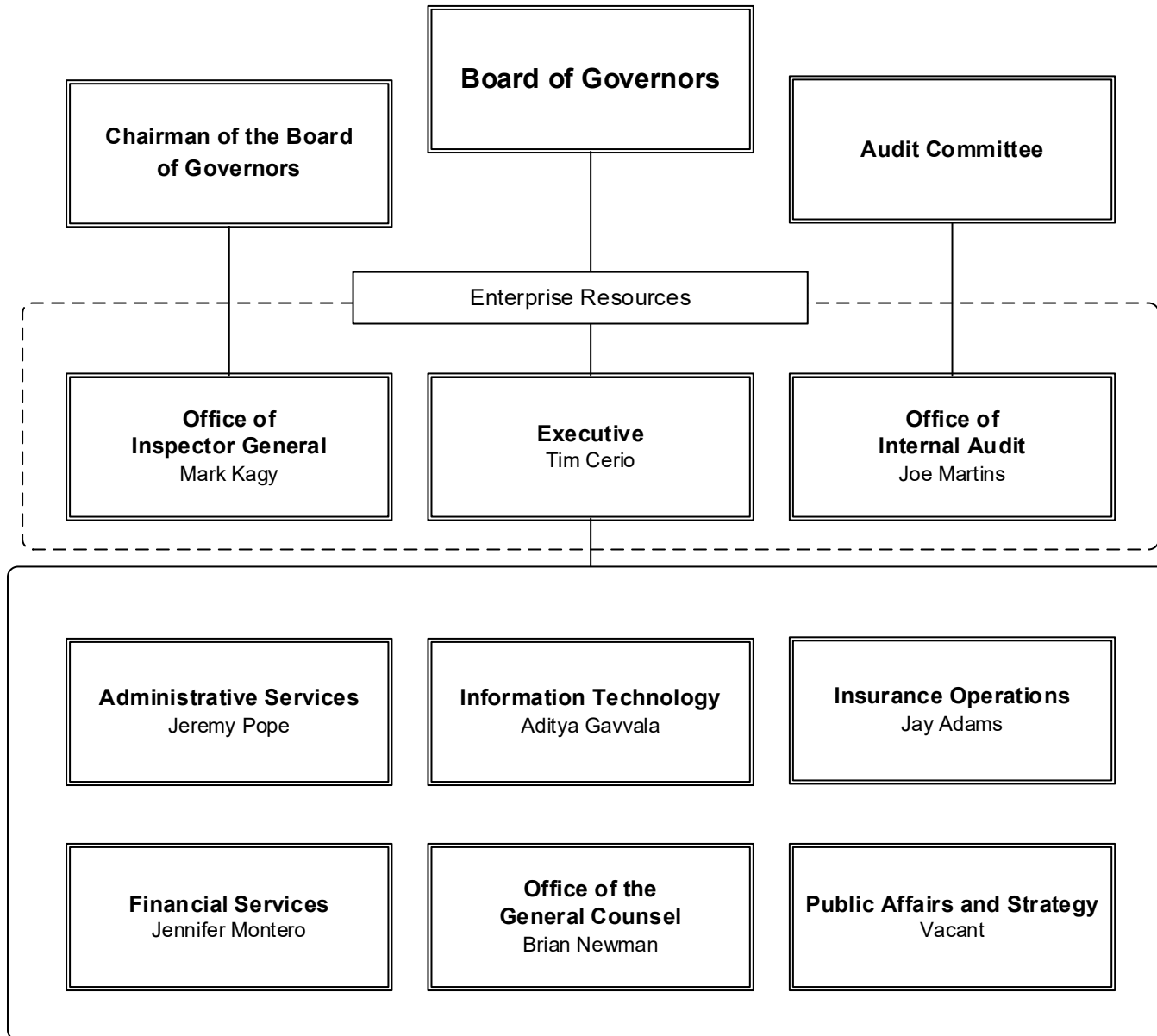


Timothy M. Cerio
President/Chief Executive Officer and Executive Director



Jennifer Montero
Chief Financial Officer

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2026 Operating Budget

Budget Assumptions

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2026 Operating Budget
Citizens Property Insurance Corporation

Budget Assumptions

I Policies		2026 Budget	2025 Projection	Change (\$)	Change (%)
A	Policies In-Force (PIF)	384,799	385,050	(251)	(0.1%)
B	Policies Assumed Through Depopulation	63,310	589,380	(526,070)	(89.3%)
C	Total Exposure	\$129,341,859,961	\$133,667,336,610	\$ (4,325,476,649)	(3.2%)
D	Written Premium	\$ 1,415,471,132	\$ 2,680,432,365	\$ (1,264,961,233)	(47.2%)
II Ceded Premiums		2026 Budget	2025 Projection	Change (\$)	Change (%)
A	Depopulation	\$ (129,135,780)	\$ (1,296,242,920)	\$ (1,167,107,140)	(90.0%)
B	Florida Hurricane Catastrophe Fund - Mandatory Layer only	\$ (140,185,286)	\$ (248,248,401)	\$ (108,063,115)	(43.5%)
C	Private Reinsurance	\$ (350,000,000)	\$ (529,090,719)	\$ (179,090,719)	(33.8%)
III Operating Ratios		2026 Budget	2025 Projection	Change	
A	Incurred Loss and LAE Ratio (Net of Depopulation)	25.7%	28.8%	(3.1%)	
B	Underwriting and Policy Acquisition Costs	10.8%	11.8%	(1.0%)	
C	Administrative Costs	12.1%	6.7%	5.4%	
D	Expense Ratio	22.9%	18.5%	4.4%	

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2026 Operating Budget

Budgeted Statements of Operations

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2026 Operating Budget
Citizens Property Insurance Corporation

Budgeted Statements of Operations

	2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Premiums										
Premiums Written - Direct	\$1,415,471,132	\$2,680,432,365	\$(1,264,961,233)	47.2%	\$3,725,692,643	\$(2,310,221,511)	62.0%	\$4,597,894,237	\$(3,182,423,105)	69.2%
Change in Direct UPR	586,815,985	902,918,645	(316,102,660)	35.0%	434,465,068	152,350,916	35.1%	355,303,684	231,512,301	65.2%
Premiums Ceded (FHCF)	(140,185,286)	(248,248,401)	108,063,115	43.5%	(326,022,511)	185,837,225	57.0%	(406,542,770)	266,357,485	65.5%
Premiums Ceded (Private)	(350,000,000)	(529,090,719)	179,090,719	33.8%	(650,000,000)	300,000,000	46.2%	(453,765,533)	103,765,533	22.9%
Premiums Ceded (Depop)	(129,135,780)	(1,296,242,920)	1,167,107,140	90.0%	(673,152,030)	544,016,249	80.8%	(1,023,565,010)	894,429,230	87.4%
Change in Ceded UPR (Depop)	(531,585,778)	141,143,164	(672,728,942)	476.6%	(216,822,568)	(314,763,210)	145.2%	111,156,516	(642,742,294)	578.2%
Net Premiums Earned	\$851,380,272	\$1,650,912,133	\$(799,531,861)	48.4%	\$2,294,160,604	\$(1,442,780,331)	62.9%	\$3,180,481,124	\$(2,329,100,851)	73.2%
Underwriting Expenses										
Losses and LAE Incurred	\$344,802,156	\$698,982,049	\$(354,179,892)	50.7%	\$1,144,018,496	\$(799,216,340)	69.9%	\$3,731,074,925	\$(3,386,272,768)	90.8%
Producer Commissions	109,006,863	208,876,997	(99,870,134)	47.8%	302,110,256	(193,103,393)	63.9%	367,680,092	(258,673,229)	70.4%
Premium Discount - Legislative	-	41,365,043	(41,365,043)	100.0%	-	-	-	15,661,041	(15,661,041)	-
Taxes and Assessments	16,747,059	32,251,330	(15,504,271)	48.1%	55,200,752	(38,453,694)	69.7%	51,534,352	(34,787,293)	67.5%
Administrative Expenses	171,031,778	178,455,401	(7,423,623)	4.2%	202,350,854	(31,319,076)	15.5%	176,410,730	(5,378,952)	3.0%
Other Underwriting Expenses	27,514,253	34,915,584	(7,401,331)	21.2%	58,318,148	(30,803,895)	52.8%	53,792,298	(26,278,045)	48.9%
Total Underwriting	\$669,102,109	\$1,194,846,404	\$(525,744,295)	44.0%	\$1,761,998,506	\$(1,092,896,397)	62.0%	\$4,396,153,438	\$(3,727,051,329)	84.8%
Net Underwriting Gain (Loss)	\$182,278,163	\$456,065,729	\$(273,787,566)	60.0%	\$532,162,097	\$(349,883,934)	65.7%	\$(1,215,672,314)	\$1,397,950,477	115.0%
Other Income (Expense)										
Investment Income - Net	\$285,000,000	\$330,000,000	\$(45,000,000)	13.6%	\$316,000,000	\$(31,000,000)	9.8%	\$365,102,095	\$(80,102,095)	21.9%
Interest Expense - Net	-	-	-	-	-	-	-	(1,222,222)	1,222,222	100.0%
Other Income and Expenses	1,853,838	4,370,923	(2,517,085)	57.6%	4,641,202	(2,787,364)	60.1%	7,039,540	(5,185,702)	73.7%
Total Other Income (Expense)	\$286,853,838	\$334,370,923	\$(47,517,085)	14.2%	\$320,641,202	\$(33,787,364)	10.5%	\$370,919,413	\$(84,065,575)	22.7%
Net Income (Loss)	\$469,132,001	\$790,436,653	\$(321,304,651)	40.6%	\$852,803,300	\$(383,671,298)	45.0%	\$(844,752,901)	\$1,313,884,902	155.5%
Policies In-Force	384,799	385,050	(251)	0.1%	770,819	(386,020)	50.1%	936,182	(551,383)	58.9%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

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2026 Operating Budget

Administrative Expenses

2026 Operating Budget
Citizens Property Insurance Corporation

Administrative Expenses by Division

Expense Category	Total CPIC	Public Affairs and Strategy	Administrative Services	Insurance Operations	Enterprise Resources	Financial Services	Office of the General Counsel	Information Technology
Salaries	\$134,749,103	\$1,559,213	\$27,285,548	\$56,185,459	\$6,923,383	\$13,705,169	\$9,765,555	\$19,324,776
Employee Benefits	41,464,736	333,517	9,876,428	18,021,005	1,380,989	3,796,541	2,540,419	5,515,837
Payroll Taxes	11,815,216	136,019	2,416,065	5,062,968	461,535	1,173,674	845,949	1,719,004
Contingent Staffing	78,935,383	-	240,738	74,601,479	-	96,958	-	3,996,208
Training	753,537	5,695	315,591	121,602	64,135	92,450	69,864	84,200
Recruiting	399,989	-	399,989	-	-	-	-	-
Printing	129,260	24,140	44,154	40,020	1,300	19,146	500	-
Operating Supplies	228,964	3,946	163,880	33,293	6,640	13,306	5,400	2,500
Subscriptions & Dues	2,239,029	31,243	304,692	1,064,940	191,202	246,289	220,363	180,300
Postage	546,554	-	539,900	2,664	390	-	-	3,600
Telecommunications	2,515,400	-	-	-	-	-	-	2,515,400
Legal	2,093,000	-	-	533,000	60,000	-	1,500,000	-
Insurance	796,620	-	-	-	-	-	796,620	-
Travel & Meals	1,455,004	33,783	249,496	530,358	249,180	172,246	131,289	88,652
Professional Services	17,898,666	190,400	7,670,730	3,656,550	370,000	2,725,575	526,296	2,759,115
Rent	5,996,448	-	5,697,744	-	-	5,304	14,400	279,000
Depreciation	463,117	-	77,960	-	-	10,223	-	374,934
Producer Fees	(1,585,520)	-	(1,585,520)	-	-	-	-	-
Operations & Maintenance	3,226,944	-	3,053,046	111,698	-	-	1,200	61,000
Bank Charges	354,731	-	42,731	-	-	312,000	-	-
Software Maint & Licensing	27,490,050	514,531	4,196,040	7,429,813	327,553	2,173,672	1,436,518	11,411,923
Computer Hardware	1,466,039	-	-	-	-	37,235	5,000	1,423,804
FMAP Funding	(176,739)	-	(158,139)	-	-	(18,600)	-	-
Total Administrative Expenses	\$333,255,529	\$2,832,487	\$60,831,072	\$167,394,849	\$10,036,308	\$24,561,188	\$17,859,373	\$49,740,252
ULAE Expense Allocation	(162,223,751)	-	(2,116,571)	(146,233,440)	-	(63,360)	(6,845,995)	(6,964,385)
Other Underwriting Expenses	27,514,253	-	4,940,843	14,473,410	-	8,100,000	-	-
Total Admin & Other Expenses	\$198,546,031	\$2,832,487	\$63,655,344	\$35,634,819	\$10,036,308	\$32,597,828	\$11,013,378	\$42,775,867

Expense Category	Total CPIC	Normal Operating	Enterprise Portfolio Initiatives	Centerpoint - ERP	Citizens Business Insurance Suite	Identity and Access Management	Enterprise Litigation Management Solution	Citizens Eligibility Reimagined	Real Estate Strategy	Capacity Planning Tool	Document Generation Software
Salaries	\$134,749,103	\$134,749,103	-	-	-	-	-	-	-	-	-
Employee Benefits	41,464,736	41,464,736	-	-	-	-	-	-	-	-	-
Payroll Taxes	11,815,216	11,815,216	-	-	-	-	-	-	-	-	-
Contingent Staffing	78,935,383	78,935,383	-	-	-	-	-	-	-	-	-
Training	753,537	753,537	-	-	-	-	-	-	-	-	-
Recruiting	399,989	399,989	-	-	-	-	-	-	-	-	-
Printing	129,260	129,260	-	-	-	-	-	-	-	-	-
Operating Supplies	228,964	228,964	-	-	-	-	-	-	-	-	-
Subscriptions & Dues	2,239,029	2,236,029	3,000	-	-	-	-	-	-	-	-
Postage	546,554	546,554	-	-	-	-	-	-	-	-	-
Telecommunications	2,515,400	2,515,400	-	-	-	-	-	-	-	-	-
Legal	2,093,000	2,093,000	-	-	-	-	-	-	-	-	-
Insurance	796,620	796,620	-	-	-	-	-	-	-	-	-
Travel & Meals	1,455,004	1,455,004	-	-	-	-	-	-	-	-	-
Professional Services	17,898,666	9,731,905	128,750	-	200,000	200,615	50,000	5,143,496	1,303,500	140,400	1,000,000
Rent	5,996,448	5,986,448	-	-	-	-	-	-	10,000	-	-
Depreciation	463,117	463,117	-	-	-	-	-	-	-	-	-
Producer Fees	(1,585,520)	(1,585,520)	-	-	-	-	-	-	-	-	-
Operations & Maintenance	3,226,944	2,866,944	-	-	-	-	-	-	360,000	-	-
Bank Charges	354,731	354,731	-	-	-	-	-	-	-	-	-
Software Maint & Licensing	27,490,050	21,947,559	202,500	438,081	4,785,243	-	-	-	-	5,000	111,667
Computer Hardware	1,466,039	716,039	-	-	-	-	-	-	750,000	-	-
FMAP Funding	(176,739)	(176,739)	-	-	-	-	-	-	-	-	-
Administrative Expenses	\$333,255,529	\$318,423,277	\$334,250	\$438,081	\$4,985,243	\$200,615	\$50,000	\$5,143,496	\$2,423,500	\$145,400	\$1,111,667
ULAE Expense Allocation	(162,223,751)	(162,223,751)	-	-	-	-	-	-	-	-	-
Other Underwriting Expenses	27,514,253	27,514,253	-	-	-	-	-	-	-	-	-
Total Admin & Other Expenses	\$198,546,031	\$183,713,779	\$334,250	\$438,081	\$4,985,243	\$200,615	\$50,000	\$5,143,496	\$2,423,500	\$145,400	\$1,111,667

2026 Operating Budget
Citizens Property Insurance Corporation

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Administrative Expenses
Comparisons of Annual Totals

Total CPIC	2025				2024			2023		
	2026 Budget	Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$134,749,103	\$138,890,436	(4,141,334)	3.0%	\$147,400,127	(12,651,024)	8.6%	\$144,416,975	(9,667,872)	6.7%
Employee Benefits	41,464,736	39,816,488	1,648,248	4.1%	45,533,229	(4,068,494)	8.9%	36,685,067	4,779,669	13.0%
Payroll Taxes	11,815,216	11,450,009	365,206	3.2%	12,973,193	(1,157,977)	8.9%	10,619,403	1,195,813	11.3%
Contingent Staffing	78,935,383	90,037,361	(11,101,978)	12.3%	97,367,519	(18,432,136)	18.9%	110,957,646	(32,022,263)	28.9%
Training	753,537	703,145	50,392	7.2%	1,123,533	(369,996)	32.9%	546,405	207,132	37.9%
Recruiting	399,989	243,153	156,836	64.5%	656,188	(256,199)	39.0%	356,857	43,132	12.1%
Printing	129,260	108,147	21,113	19.5%	147,797	(18,537)	12.5%	98,745	30,515	30.9%
Operating Supplies	228,964	194,616	34,349	17.6%	264,098	(35,133)	13.3%	139,546	89,418	64.1%
Subscriptions & Dues	2,239,029	2,691,284	(452,255)	16.8%	2,847,631	(608,602)	21.4%	1,832,202	406,827	22.2%
Postage	546,554	633,505	(86,951)	13.7%	623,422	(76,868)	12.3%	687,129	(140,575)	20.5%
Telecommunications	2,515,400	2,781,977	(266,577)	9.6%	2,860,400	(345,000)	12.1%	4,085,486	(1,570,086)	38.4%
Legal	2,093,000	1,824,868	268,132	14.7%	1,622,000	471,000	29.0%	1,591,193	501,807	31.5%
Insurance	796,620	958,122	(161,502)	16.9%	912,426	(115,806)	12.7%	1,026,209	(229,589)	22.4%
Travel & Meals	1,455,004	1,496,549	(41,545)	2.8%	1,913,950	(458,946)	24.0%	1,980,335	(525,332)	26.5%
Professional Services	17,898,666	15,043,727	2,854,939	19.0%	20,122,982	(2,224,315)	11.1%	17,870,665	28,001	0.2%
Rent	5,996,448	6,388,978	(392,531)	6.1%	6,983,465	(987,017)	14.1%	6,013,364	(16,916)	0.3%
Depreciation	463,117	455,754	7,363	1.6%	328,110	135,007	41.1%	280,403	182,714	65.2%
Producer Fees	(1,585,520)	(1,436,176)	(149,343)	10.4%	(1,360,229)	(225,291)	16.6%	(1,231,843)	(353,676)	28.7%
Operations & Maintenance	3,226,944	2,869,934	357,010	12.4%	9,514,586	(6,287,642)	66.1%	2,061,425	1,165,519	56.5%
Bank Charges	354,731	475,094	(120,363)	25.3%	600,000	(245,269)	40.9%	323,264	31,467	9.7%
Software Maint & Licensing	27,490,050	29,455,582	(1,965,532)	6.7%	30,544,211	(3,054,161)	10.0%	26,766,409	723,641	2.7%
Computer Hardware	1,466,039	5,354,275	(3,888,236)	72.6%	5,519,191	(4,053,153)	73.4%	1,710,535	(244,497)	14.3%
FMAP Funding	(176,739)	(159,930)	(16,809)	10.5%	(234,414)	57,675	24.6%	(177,470)	730	0.4%
Administrative Expenses	333,255,529	350,276,897	(17,021,368)	4.9%	388,263,415	(55,007,885)	14.2%	368,639,950	(35,384,421)	9.6%
ULAE Expense Allocation	(162,223,751)	(171,821,496)	9,597,745	5.6%	(185,912,561)	23,688,809	12.7%	(192,229,221)	30,005,469	15.6%
Other Underwriting Expenses	27,514,253	34,915,584	(7,401,331)	21.2%	58,318,148	(30,803,895)	52.8%	53,792,298	(26,278,045)	48.9%
Total Admin & Other Expenses	\$198,546,031	\$213,370,986	(14,824,955)	6.9%	\$260,669,001	(62,122,971)	23.8%	\$230,203,028	(31,656,997)	13.8%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

2026 Operating Budget
Citizens Property Insurance Corporation

Administrative Expenses
Comparisons of Annual Totals

Public Affairs and Strategy	2025				2024			2023		
	2026 Budget	Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$1,559,213	\$3,782,349	(2,223,136)	58.8%	\$4,464,579	(2,905,366)	65.1%	\$6,883,236	(5,324,023)	77.3%
Employee Benefits	333,517	821,272	(487,755)	59.4%	1,161,374	(827,857)	71.3%	904,461	(570,944)	63.1%
Payroll Taxes	136,019	306,613	(170,594)	55.6%	386,978	(250,959)	64.9%	459,244	(323,225)	70.4%
Contingent Staffing	-	-	-	-	-	-	-	84,037	(84,037)	100.0%
Training	5,695	1,104	4,591	415.9%	28,307	(22,612)	79.9%	34,138	(28,443)	83.3%
Recruiting	-	-	-	-	-	-	-	-	-	-
Printing	24,140	10,340	13,800	133.5%	22,200	1,940	8.7%	20,450	3,690	18.0%
Operating Supplies	3,946	2,644	1,302	49.2%	12,969	(9,023)	69.6%	2,911	1,035	35.5%
Subscriptions & Dues	31,243	62,941	(31,698)	50.4%	60,957	(29,714)	48.7%	73,458	(42,215)	57.5%
Postage	-	-	-	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Travel & Meals	33,783	12,615	21,168	167.8%	39,951	(6,168)	15.4%	39,890	(6,107)	15.3%
Professional Services	190,400	405,761	(215,361)	53.1%	521,300	(330,900)	63.5%	468,556	(278,156)	59.4%
Rent	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Producer Fees	-	-	-	-	-	-	-	-	-	-
Operations & Maintenance	-	47	(47)	100.0%	-	-	-	53	(53)	100.0%
Bank Charges	-	-	-	-	-	-	-	-	-	-
Software Maint & Licensing	514,531	667,240	(152,709)	22.9%	714,284	(199,754)	28.0%	407,512	107,018	26.3%
Computer Hardware	-	-	-	-	-	-	-	-	-	-
FMAP Funding	-	-	-	-	-	-	-	-	-	-
Administrative Expenses	2,832,487	6,072,926	(3,240,439)	53.4%	7,412,899	(4,580,412)	61.8%	9,377,948	(6,545,461)	69.8%
ULAE Expense Allocation	-	-	-	-	-	-	-	(687,760)	687,760	100.0%
Other Underwriting Expenses	-	-	-	-	-	-	-	-	-	-
Total Admin & Other Expenses	\$2,832,487	\$6,072,926	(3,240,439)	53.4%	\$7,412,899	(4,580,412)	61.8%	\$8,690,188	(5,857,701)	67.4%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

Administrative Services										
	2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$27,285,548	\$26,330,369	\$955,178	3.6%	\$28,692,256	(1,406,708)	4.9%	\$26,200,505	\$1,085,043	4.1%
Employee Benefits	9,876,428	8,788,587	1,087,840	12.4%	10,981,084	(1,104,657)	10.1%	8,913,948	962,480	10.8%
Payroll Taxes	2,416,065	2,252,522	163,543	7.3%	2,568,318	(152,253)	5.9%	1,975,858	440,207	22.3%
Contingent Staffing	240,738	328,037	(87,298)	26.6%	542,036	(301,298)	55.6%	583,937	(343,199)	58.8%
Training	315,591	277,601	37,990	13.7%	415,517	(99,926)	24.0%	210,508	105,083	49.9%
Recruiting	399,989	243,153	156,836	64.5%	656,188	(256,199)	39.0%	362,177	37,812	10.4%
Printing	44,154	38,310	5,844	15.3%	52,135	(7,981)	15.3%	28,877	15,277	52.9%
Operating Supplies	163,880	129,225	34,655	26.8%	169,105	(5,225)	3.1%	84,748	79,132	93.4%
Subscriptions & Dues	304,692	272,883	31,809	11.7%	335,975	(31,283)	9.3%	389,825	(85,133)	21.8%
Postage	539,900	629,985	(90,085)	14.3%	615,820	(75,920)	12.3%	687,221	(147,321)	21.4%
Telecommunications	-	-	-	-	-	-	-	(19)	19	100.0%
Legal	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	(33)	33	100.0%
Travel & Meals	249,496	257,632	(8,136)	3.2%	281,964	(32,468)	11.5%	458,871	(209,375)	45.6%
Professional Services	7,670,730	5,537,958	2,132,772	38.5%	7,685,371	(14,641)	0.2%	4,566,454	3,104,276	68.0%
Rent	5,697,744	4,678,141	1,019,603	21.8%	5,040,163	657,581	13.0%	4,411,485	1,286,259	29.2%
Depreciation	77,960	54,678	23,282	42.6%	124,112	(46,152)	37.2%	48,819	29,141	59.7%
Producer Fees	(1,585,520)	(1,436,176)	(149,343)	10.4%	(1,360,229)	(225,291)	16.6%	(1,231,843)	(353,676)	28.7%
Operations & Maintenance	3,053,046	2,456,265	596,781	24.3%	9,052,013	(5,998,967)	66.3%	1,405,468	1,647,577	117.2%
Bank Charges	42,731	43,327	(596)	1.4%	84,000	(41,269)	49.1%	24,873	17,858	71.8%
Software Maint & Licensing	4,196,040	4,851,978	(655,938)	13.5%	4,053,252	142,788	3.5%	2,392,330	1,803,709	75.4%
Computer Hardware	-	-	-	-	-	-	-	83	(83)	100.0%
FMAP Funding	(158,139)	(141,190)	(16,949)	12.0%	(215,814)	57,675	26.7%	(158,196)	57	-
Administrative Expenses	60,831,072	55,593,284	5,237,789	9.4%	69,773,266	(8,942,194)	12.8%	51,355,896	9,475,176	18.5%
ULAE Expense Allocation	(2,116,571)	(1,761,107)	(355,464)	20.2%	(3,746,394)	1,629,823	43.5%	(2,391,812)	275,241	11.5%
Other Underwriting Expenses	4,940,843	5,850,510	(909,667)	15.5%	7,314,766	(2,373,923)	32.5%	7,274,250	(2,333,407)	32.1%
Total Admin & Other Expenses	\$63,655,344	\$59,682,686	\$3,972,658	6.7%	\$73,341,638	(9,686,294)	13.2%	\$56,238,334	\$7,417,010	13.2%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

2026 Operating Budget
Citizens Property Insurance Corporation

Administrative Expenses
Comparisons of Annual Totals

Insurance Operations

	2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$56,185,459	\$58,341,548	(2,156,089)	3.7%	\$60,874,927	(4,689,468)	7.7%	\$60,135,138	(3,949,679)	6.6%
Employee Benefits	18,021,005	17,626,006	394,999	2.2%	19,262,173	(1,241,167)	6.4%	15,622,880	2,398,125	15.4%
Payroll Taxes	5,062,968	4,927,875	135,094	2.7%	5,486,271	(423,303)	7.7%	4,557,117	505,851	11.1%
Contingent Staffing	74,601,479	84,977,658	(10,376,180)	12.2%	92,738,170	(18,136,691)	19.6%	105,556,267	(30,954,788)	29.3%
Training	121,602	128,020	(6,418)	5.0%	206,710	(85,108)	41.2%	80,429	41,174	51.2%
Recruiting	-	-	-	-	-	-	-	(5,320)	5,320	100.0%
Printing	40,020	40,058	(38)	0.1%	50,020	(10,000)	20.0%	18,183	21,837	120.1%
Operating Supplies	33,293	33,293	-	-	43,808	(10,515)	24.0%	20,044	13,249	66.1%
Subscriptions & Dues	1,064,940	1,614,640	(549,700)	34.0%	1,670,260	(605,320)	36.2%	741,348	323,592	43.6%
Postage	2,664	1,140	1,524	133.7%	2,712	(48)	1.8%	121	2,543	2,101.1%
Telecommunications	-	23	(23)	100.0%	-	-	-	17	(17)	100.0%
Legal	533,000	382,788	150,212	39.2%	453,000	80,000	17.7%	653,066	(120,066)	18.4%
Insurance	-	-	-	100.0%	-	-	-	-	-	-
Travel & Meals	530,358	614,230	(83,872)	13.7%	709,932	(179,574)	25.3%	801,811	(271,453)	33.9%
Professional Services	3,656,550	1,601,264	2,055,286	128.4%	2,942,000	714,550	24.3%	3,722,497	(65,947)	1.8%
Rent	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Producer Fees	-	-	-	-	-	-	-	-	-	-
Operations & Maintenance	111,698	100,850	10,848	10.8%	114,488	(2,790)	2.4%	77,419	34,279	44.3%
Bank Charges	-	-	-	-	-	-	-	-	-	-
Software Maint & Licensing	7,429,813	8,031,596	(601,783)	7.5%	9,145,493	(1,715,680)	18.8%	7,470,718	(40,905)	0.5%
Computer Hardware	-	146	(146)	100.0%	-	-	-	20	(20)	100.0%
FMAP Funding	-	-	-	-	-	-	-	-	-	-
Administrative Expenses	167,394,849	178,421,135	(11,026,286)	6.2%	193,699,963	(26,305,115)	13.6%	199,451,755	(32,056,907)	16.1%
ULAE Expense Allocation	(146,233,440)	(156,339,162)	10,105,722	6.5%	(168,958,970)	22,725,530	13.5%	(176,891,695)	30,658,255	17.3%
Other Underwriting Expenses	14,473,410	22,521,811	(8,048,401)	35.7%	37,537,881	(23,064,471)	61.4%	34,605,526	(20,132,116)	58.2%
Total Admin & Other Expenses	\$35,634,819	\$44,603,784	(8,968,966)	20.1%	\$62,278,874	(26,644,056)	42.8%	\$57,165,586	(21,530,768)	37.7%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

Enterprise Resources

	2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$6,923,383	\$6,421,562	\$501,821	7.8%	\$6,693,537	\$229,846	3.4%	\$6,660,117	\$263,266	4.0%
Employee Benefits	1,380,989	1,059,807	321,183	30.3%	1,307,575	73,414	5.6%	1,017,526	363,463	35.7%
Payroll Taxes	461,535	389,731	71,804	18.4%	447,118	14,418	3.2%	365,018	96,517	26.4%
Contingent Staffing	-	-	-	-	-	-	-	-	-	-
Training	64,135	50,398	13,737	27.3%	80,600	(16,465)	20.4%	36,964	27,171	73.5%
Recruiting	-	-	-	-	-	-	-	-	-	-
Printing	1,300	896	404	45.1%	1,900	(600)	31.6%	698	602	86.1%
Operating Supplies	6,640	4,076	2,564	62.9%	6,640	-	-	4,056	2,584	63.7%
Subscriptions & Dues	191,202	175,207	15,995	9.1%	184,323	6,879	3.7%	107,510	83,692	77.8%
Postage	390	183	207	112.8%	390	-	-	32	358	1,116.5%
Telecommunications	-	-	-	-	-	-	-	72	(72)	100.0%
Legal	60,000	6,250	53,750	860.0%	65,000	(5,000)	7.7%	817	59,183	7,243.9%
Insurance	-	-	-	-	-	-	-	-	-	-
Travel & Meals	249,180	217,577	31,603	14.5%	266,145	(16,965)	6.4%	270,550	(21,370)	7.9%
Professional Services	370,000	256,326	113,674	44.3%	380,000	(10,000)	2.6%	452,662	(82,662)	18.3%
Rent	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Producer Fees	-	-	-	-	-	-	-	-	-	-
Operations & Maintenance	-	25	(25)	100.0%	-	-	-	34,991	(34,991)	100.0%
Bank Charges	-	-	-	-	-	-	-	-	-	-
Software Maint & Licensing	327,553	381,779	(54,226)	14.2%	301,125	26,428	8.8%	230,816	96,737	41.9%
Computer Hardware	-	60	(60)	100.0%	-	-	-	-	-	-
FMAP Funding	-	-	-	-	-	-	-	-	-	-
Administrative Expenses	10,036,308	8,963,877	1,072,430	12.0%	9,734,353	301,955	3.1%	9,181,830	854,478	9.3%
ULAE Expense Allocation	-	(109)	109	100.1%	-	-	-	(19,015)	19,015	100.0%
Other Underwriting Expenses	-	-	-	-	-	-	-	-	-	-
Total Admin & Other Expenses	\$10,036,308	\$8,963,768	\$1,072,539	12.0%	\$9,734,353	\$301,955	3.1%	\$9,162,815	\$873,493	9.5%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

2026 Operating Budget
Citizens Property Insurance Corporation

Administrative Expenses
Comparisons of Annual Totals

Financial Services

	2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$13,705,169	\$13,464,608	\$240,561	1.8%	\$13,716,828	(11,659)	0.1%	\$12,961,022	\$744,146	5.7%
Employee Benefits	3,796,541	3,576,333	220,207	6.2%	3,715,268	81,273	2.2%	3,152,285	644,256	20.4%
Payroll Taxes	1,173,674	1,078,131	95,543	8.9%	1,179,242	(5,568)	0.5%	931,945	241,729	25.9%
Contingent Staffing	96,958	166,237	(69,279)	41.7%	87,577	9,381	10.7%	85,214	11,744	13.8%
Training	92,450	84,406	8,044	9.5%	152,211	(59,760)	39.3%	87,409	5,041	5.8%
Recruiting	-	-	-	-	-	-	-	-	-	-
Printing	19,146	17,748	1,398	7.9%	20,646	(1,500)	7.3%	30,190	(11,044)	36.6%
Operating Supplies	13,306	15,995	(2,689)	16.8%	13,806	(500)	3.6%	19,857	(6,551)	33.0%
Subscriptions & Dues	246,289	276,864	(30,575)	11.0%	173,072	73,217	42.3%	154,844	91,445	59.1%
Postage	-	14	(14)	100.0%	-	-	-	5	(5)	100.0%
Telecommunications	-	-	-	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Travel & Meals	172,246	170,553	1,692	1.0%	216,752	(44,506)	20.5%	108,979	63,267	58.1%
Professional Services	2,725,575	2,475,777	249,799	10.1%	2,912,930	(187,355)	6.4%	2,625,277	100,298	3.8%
Rent	5,304	3,345	1,959	58.6%	5,304	-	-	3,812	1,492	39.1%
Depreciation	10,223	17,421	(7,198)	41.3%	17,421	(7,198)	41.3%	21,020	(10,796)	51.4%
Producer Fees	-	-	-	-	-	-	-	-	-	-
Operations & Maintenance	-	2,763	(2,763)	100.0%	2,400	(2,400)	100.0%	1,321	(1,321)	100.0%
Bank Charges	312,000	431,767	(119,767)	27.7%	516,000	(204,000)	39.5%	298,391	13,609	4.6%
Software Maint & Licensing	2,173,672	1,949,980	223,692	11.5%	2,112,380	61,292	2.9%	1,725,604	448,068	26.0%
Computer Hardware	37,235	23,608	13,627	57.7%	56,892	(19,657)	34.6%	33,408	3,827	11.5%
FMAP Funding	(18,600)	(18,600)	-	-	(18,600)	-	-	(18,600)	-	-
Administrative Expenses	24,561,188	23,736,950	824,238	3.5%	24,880,127	(318,940)	1.3%	22,221,983	2,339,204	10.5%
ULAE Expense Allocation	(63,360)	(71,436)	8,076	11.3%	(102,960)	39,600	38.5%	(71,291)	7,931	11.1%
Other Underwriting Expenses	8,100,000	6,543,264	1,556,736	23.8%	13,465,500	(5,365,500)	39.8%	11,912,522	(3,812,522)	32.0%
Total Admin & Other Expenses	\$32,597,828	\$30,208,778	\$2,389,050	7.9%	\$38,242,667	(5,644,840)	14.8%	\$34,063,214	(1,465,386)	4.3%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

2026 Operating Budget
Citizens Property Insurance Corporation

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Administrative Expenses
Comparisons of Annual Totals

Office of the General Counsel		2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$9,765,555	\$9,768,927	(3,373)	-	\$9,908,724	(143,169)	1.4%	\$8,629,419	\$1,136,136	13.2%	
Employee Benefits	2,540,419	2,348,346	192,074	8.2%	2,525,796	14,623	0.6%	2,166,473	373,946	17.3%	
Payroll Taxes	845,949	790,905	55,044	7.0%	858,129	(12,179)	1.4%	631,195	214,755	34.0%	
Contingent Staffing	-	227,182	(227,182)	100.0%	417,964	(417,964)	100.0%	125,457	(125,457)	100.0%	
Training	69,864	77,487	(7,623)	9.8%	94,399	(24,535)	26.0%	32,819	37,045	112.9%	
Recruiting	-	-	-	-	-	-	-	-	-	-	
Printing	500	364	136	37.5%	896	(396)	44.2%	260	240	92.5%	
Operating Supplies	5,400	5,849	(449)	7.7%	10,720	(5,320)	49.6%	3,115	2,285	73.3%	
Subscriptions & Dues	220,363	175,711	44,652	25.4%	266,299	(45,936)	17.2%	95,525	124,838	130.7%	
Postage	-	8	(8)	100.0%	-	-	-	-	-	-	
Telecommunications	-	-	-	-	-	-	-	-	-	-	
Legal	1,500,000	1,435,830	64,170	4.5%	1,104,000	396,000	35.9%	937,311	562,689	60.0%	
Insurance	796,620	958,122	(161,502)	16.9%	912,426	(115,806)	12.7%	1,026,241	(229,622)	22.4%	
Travel & Meals	131,289	135,289	(4,000)	3.0%	217,516	(86,227)	39.6%	113,404	17,885	15.8%	
Professional Services	526,296	331,285	195,011	58.9%	335,805	190,491	56.7%	448,950	77,346	17.2%	
Rent	14,400	10,830	3,570	33.0%	12,000	2,400	20.0%	17,837	(3,437)	19.3%	
Depreciation	-	-	-	-	-	-	-	-	-	-	
Producer Fees	-	-	-	-	-	-	-	-	-	-	
Operations & Maintenance	1,200	68,115	(66,915)	98.2%	68,685	(67,485)	98.3%	205,945	(204,745)	99.4%	
Bank Charges	-	-	-	-	-	-	-	-	-	-	
Software Maint & Licensing	1,436,518	581,182	855,337	147.2%	416,811	1,019,707	244.6%	822,508	614,011	74.7%	
Computer Hardware	5,000	-	5,000	-	20,000	(15,000)	75.0%	6,030	(1,030)	17.1%	
FMAP Funding	-	-	-	-	-	-	-	-	-	-	
Administrative Expenses	17,859,373	16,915,431	943,942	5.6%	17,170,170	689,203	4.0%	15,262,489	2,596,884	17.0%	
ULAE Expense Allocation	(6,845,995)	(6,732,808)	(113,187)	1.7%	(6,950,029)	104,034	1.5%	(5,577,325)	(1,268,670)	22.7%	
Other Underwriting Expenses	-	-	-	-	-	-	-	-	-	-	
Total Admin & Other Expenses	\$11,013,378	\$10,182,624	\$830,755	8.2%	\$10,220,141	\$793,237	7.8%	\$9,685,164	\$1,328,215	13.7%	

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

2026 Operating Budget
Citizens Property Insurance Corporation

Administrative Expenses
Comparisons of Annual Totals

Information Technology	2025				2024			2023		
	2026 Budget	Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
Salaries	\$19,324,776	\$20,781,073	(1,456,297)	7.0%	\$23,049,276	(3,724,500)	16.2%	\$22,947,537	(3,622,761)	15.8%
Employee Benefits	5,515,837	5,596,136	(80,300)	1.4%	6,579,959	(1,064,122)	16.2%	4,732,440	783,397	16.6%
Payroll Taxes	1,719,004	1,704,232	14,772	0.9%	2,047,138	(328,134)	16.0%	1,699,025	19,979	1.2%
Contingent Staffing	3,996,208	4,338,247	(342,039)	7.9%	3,581,772	414,436	11.6%	4,522,735	(526,527)	11.6%
Training	84,200	84,129	71	0.1%	145,790	(61,590)	42.2%	64,137	20,063	31.3%
Recruiting	-	-	-	-	-	-	-	-	-	-
Printing	-	432	(432)	100.0%	-	-	-	87	(87)	100.0%
Operating Supplies	2,500	3,533	(1,033)	29.2%	7,050	(4,550)	64.5%	4,814	(2,314)	48.1%
Subscriptions & Dues	180,300	113,038	67,262	59.5%	156,745	23,555	15.0%	269,692	(89,392)	33.1%
Postage	3,600	2,175	1,425	65.5%	4,500	(900)	20.0%	(250)	3,850	1,540.0%
Telecommunications	2,515,400	2,781,954	(266,554)	9.6%	2,860,400	(345,000)	12.1%	4,085,416	(1,570,016)	38.4%
Legal	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Travel & Meals	88,652	88,652	-	-	181,691	(93,039)	51.2%	186,831	(98,179)	52.5%
Professional Services	2,759,115	4,435,356	(1,676,241)	37.8%	5,345,575	(2,586,460)	48.4%	5,586,268	(2,827,153)	50.6%
Rent	279,000	1,696,663	(1,417,663)	83.6%	1,925,998	(1,646,998)	85.5%	1,580,230	(1,301,230)	82.3%
Depreciation	374,934	383,655	(8,722)	2.3%	186,577	188,356	101.0%	210,564	164,370	78.1%
Producer Fees	-	-	-	-	-	-	-	-	-	-
Operations & Maintenance	61,000	241,869	(180,869)	74.8%	277,000	(216,000)	78.0%	336,228	(275,228)	81.9%
Bank Charges	-	-	-	-	-	-	-	-	-	-
Software Maint & Licensing	11,411,923	12,991,828	(1,579,905)	12.2%	13,800,866	(2,388,943)	17.3%	13,716,920	(2,304,997)	16.8%
Computer Hardware	1,423,804	5,330,461	(3,906,657)	73.3%	5,442,299	(4,018,496)	73.8%	1,670,995	(247,191)	14.8%
FMAP Funding	-	(140)	140	100.0%	-	-	-	(674)	674	100.0%
Administrative Expenses	49,740,252	60,573,294	(10,833,041)	17.9%	65,592,636	(15,852,384)	24.2%	61,612,996	(11,872,743)	19.3%
ULAE Expense Allocation	(6,964,385)	(6,916,875)	(47,511)	0.7%	(6,154,208)	(810,178)	13.2%	(6,590,322)	(374,064)	5.7%
Other Underwriting Expenses	-	-	-	-	-	-	-	-	-	-
Total Admin & Other Expenses	\$42,775,867	\$53,656,419	(10,880,552)	20.3%	\$59,438,429	(16,662,561)	28.0%	\$55,022,674	(12,246,807)	22.3%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

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2026 Operating Budget

Capital Acquisitions

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Asset Category	2026 Budget	2025 Projection	Change (\$)	Change (%)	2025 Budget	Change (\$)	Change (%)	2024 Actual	Change (\$)	Change (%)
EDP Equipment	\$ 286,481	\$ 310,468	\$ (23,987)	7.73%	\$ 143,919	\$ 142,562	99.06%	\$ 167,906	\$ 118,575	70.62%
Software	45,795	30,530	15,265	50.00%	-	45,795	0.00%	-	45,795	0.00%
Office Equipment	22,261	33,198	(10,937)	32.94%	33,198	(10,937)	32.94%	37,598	(15,337)	40.79%
Furniture	-	-	-	0.00%	-	-	0.00%	-	-	0.00%
Leasehold Improvements	-	3,578	(3,578)	100.00%	3,578	(3,578)	100.00%	6,001	(6,001)	100.00%
Automobiles	108,580	77,980	30,600	39.24%	147,415	(38,834)	26.34%	68,898	39,683	57.60%
Total Capital Acquisitions	\$ 463,117	\$ 455,754	\$ 7,363	1.62%	\$ 328,110	\$ 135,007	41.15%	\$ 280,403	\$ 182,714	65.16%

Note: All variances enumerated above are in reference to the 2026 Budget. All percentages are stated in absolute value.

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2026 Operating Budget

Probable Maximum Loss (PML) Scenarios

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<i>All values in \$ millions</i>		
2026 Budgeted Net Income (Loss)	\$	469.1
2026 Projected Year-End Surplus	\$	5,442.9

1-10 Year Event		
Gross Losses and LAE	\$	916.4
FHCF Recovery		-
Private Risk Transfer Recovery		-
Net Losses and LAE		916.4
Post-Event Net Income (Loss)		(447.3)
Post-Event Surplus (Deficit)		4,526.5

1-25 Year Event		
Gross Losses and LAE	\$	2,461.8
FHCF Recovery		998.9
Private Risk Transfer Recovery		111.0
Net Losses and LAE		1,351.9
Post-Event Net Income (Loss)		(882.8)
Post-Event Surplus (Deficit)		4,091.0

1-100 Year Event		
Gross Losses and LAE	\$	6,493.4
FHCF Recovery		1,754.0
Private Risk Transfer Recovery		3,229.0
Net Losses and LAE		1,510.4
Post-Event Net Income (Loss)		(1,041.3)
Post-Event Surplus (Deficit)		3,932.5

Assumptions:

- 1) The relative magnitude of an event will depend on the size, severity and path of the storm. Probable Maximum Loss ("PML") estimates are developed using AIR Hurricane Model for the United States Version 2.0.0 as implemented in Touchstone (version 11.5.0). All PMLs reflect the 50K US Hurricane - Florida Regulatory Event Set including Demand Surge, excluding Storm Surge, and include a load of 10% of loss to account for loss adjustment expense (LAE).
- 2) FHCF recoveries are based on estimated retention and payout multiples. The actual retention and limits for 2026 may be significantly different from these estimates.
- 3) The private risk transfer program assumed and corresponding recoveries may significantly change due to market conditions and/or Citizens' exposures in 2026.
- 4) For the projected placed program, a 1-in-100 year event does not trigger a policyholder surcharge or emergency assessment.