



SUMMARY OF FINANCIAL POSITION AND OPERATIONS

(\$000s omitted)

	CITIZENS				
	September 2024	September 2023	Budget 2024	YOY Var	Budget Var
<u>Operations:</u>					
Direct written premium	\$ 3,723,692	\$ 4,035,803	\$ 5,527,905	\$ (312,110)	\$ (1,804,212)
Ceded written premium:					
Depopulation	(304,255)	(54,188)	(640,761)	(250,067)	336,505
FHCf	(510,743)	(488,274)	(497,607)	(22,468)	(13,136)
Private reinsurance	(477,766)	(695,244)	(700,000)	217,479	222,234
Net earned premium	2,449,517	2,154,451	2,796,988	295,066	(347,471)
Net losses incurred	1,182,483	954,582	1,106,659	227,900	75,823
Net LAE incurred	458,692	450,334	322,882	8,358	135,810
Underwriting expenses	399,035	433,514	602,553	(34,479)	(203,518)
Administrative expenses	133,652	121,841	157,450	11,811	(23,798)
Net investment income	270,647	201,073	305,647	69,574	(35,000)
Net income (loss)	\$ 551,652	\$ 395,312	\$ 921,870	\$ 156,339	\$ (370,219)
<u>Assets, Liabilities and Surplus:</u>					
Cash and invested assets	\$ 11,247,304	\$ 9,866,309 (1)		\$ 1,380,994	
Net loss reserves	1,918,673	1,441,569 (1)		477,104	
Net LAE reserves	1,014,980	907,134 (1)		107,846	
Net unearned premium	2,112,398	2,130,986 (1)		(18,588)	
Surplus	\$ 5,575,690	\$ 5,023,467 (1)		\$ 552,223	
<u>Policy Metrics:</u>					
Policies inforce	1,263,055	1,407,805	1,216,676	(144,750)	46,379
Policies serviced	1,366,602	1,437,038	1,426,579	(70,436)	(59,977)
<u>Cash flows:</u>					
Cashflow from operations	\$ 1,386,084	\$ 1,516,380		\$ (130,296)	
Cashflow from investing	(190,354)	805,947		(996,301)	
Cashflow from financing	(9,120)	(6,964)		(2,156)	
<u>Operating metrics:</u>					
Direct loss ratio	38.1%	32.7%	29.2%	5.4%	8.9%
Direct LAE ratio	14.5%	15.6%	8.5%	-1.1%	6.0%
Underwriting expense ratio	10.7%	10.7%	10.9%	0.0%	-0.2%
Administrative expense ratio	3.6%	3.0%	2.8%	0.6%	0.7%
Expense ratio	14.3%	13.8%	13.7%	0.5%	0.6%

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



CITIZENS

Nine months ended

STATEMENTS OF OPERATIONS

Revenue:

Direct premiums written	\$ 3,723,692,283	\$ 4,035,802,628
Change in direct unearned premium	47,984,922	(1,059,417,088)
Direct earned premium	3,771,677,205	2,976,385,540

Ceded premiums written - Depopulation	(304,255,181)	(54,187,791)
Ceded premiums written - FHCF	(510,742,618)	(488,274,313)
Ceded premiums written - Private reinsurance	(477,765,533)	(695,244,252)
Change in ceded unearned premium	(29,396,823)	415,771,864
Ceded earned premium	(1,322,160,154)	(821,934,492)

Net earned premium	\$ 2,449,517,051	\$ 2,154,451,048
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Losses and Loss Adjustment Expenses:

Losses

Direct losses paid	\$ (860,131,923)	(1,345,814,302)
Change in direct case loss reserves	(116,566,848)	20,660,926
Change in direct IBNR loss reserves	(207,303,149)	361,717,029
Ceded losses incurred	1,519,261	8,854,111
Losses incurred	(1,182,482,659)	(954,582,236)

Loss adjustment expenses

Direct D&CC paid	(147,353,329)	(152,545,247)
Direct A&O paid	(217,583,747)	(264,041,346)
Change in direct case LAE reserves	(7,677,094)	(3,516,104)
Change in direct IBNR LAE reserves	(76,813,831)	(38,231,420)
Ceded LAE incurred	(9,264,205)	8,000,003
LAE incurred	(458,692,206)	(450,334,114)

Net losses and LAE incurred	\$ (1,641,174,865)	\$ (1,404,916,350)
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Underwriting and Administrative Expenses:

Producer commissions	(300,681,394)	(319,629,659)
Taxes and fees	(56,466,597)	(71,505,157)
Other underwriting expenses	(41,887,100)	(42,378,989)
All other administrative expenses	(133,651,912)	(121,840,877)
Underwriting and administrative expenses	(532,687,003)	(555,354,682)

Underwriting income (loss)	\$ 275,655,183	\$ 194,180,016
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Net Investment Income:

Net interest income (expense)		
Investment income earned	273,078,914	216,894,949
Interest expenses	(1,222,222)	(9,218,752)
Net interest income (expense)	271,856,691	207,676,197

Realized capital gains (losses)	(1,209,452)	(8,822,670)
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Net investment income	\$ 270,647,239	\$ 198,853,527
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Other income (expense)	5,349,145	2,278,884
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Net income (loss)	\$ 551,651,567	\$ 395,312,427
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ADMINISTRATIVE EXPENSES

Nine months ended

	September 30, 2024	September 30, 2023	2024 Budget
Salaries	\$ 105,529,451	\$ 97,727,412	\$ 109,751,375
Employee Benefits	33,257,243	32,775,925	40,115,356
Payroll Taxes	7,864,496	7,256,425	8,966,688
Contingent Staffing	83,818,761	124,513,059	90,620,647
Subscriptions and Dues	1,195,604	1,618,025	1,912,416
Bank Charges	249,187	200,830	394,176
FMAP Funding	(145,577)	(170,644)	(199,598)
Insurance	821,906	699,770	787,349
Legal	1,034,177	1,185,000	1,064,750
Operations And Maintenance	1,446,558	1,467,886	1,886,305
Operating Supplies	90,529	106,211	165,308
Computer Hardware	1,002,867	1,620,047	1,358,389
Postage	454,618	509,518	510,303
Printing	50,845	57,746	88,878
Producer Fees Collected	(773,092)	(770,183)	(770,183)
Professional Services	9,889,077	7,894,985	18,343,351
Recruiting	242,542	265,055	373,392
Rent	4,480,083	4,454,428	5,017,927
Software Maintenance and Licensing	19,940,544	16,080,617	26,935,602
Telecommunications	2,614,251	1,705,555	2,893,685
Training	394,605	471,916	881,572
Travel	1,077,906	961,764	1,319,854
Depreciation	214,520	129,199	457,863
ULAE Expense	(141,099,190)	(178,919,667)	(155,425,100)
Total Administrative Expense	\$ 133,651,911	\$ 121,840,879	\$ 157,450,305