Fair Insurance Rates in Monroe (FIRM)

2019 Annual Report

FIRM in 2019

FIRM had both an active and successful year working on behalf of its members and the residents of Monroe County. Over the last 10 years, FIRM has saved Monroe County windstorm and flood insurance policy holders more than $500 million in insurance premiums. Major achievements in 2019 included:

- A continued freeze in Citizens Property Insurance residential wind insurance rate increases for Monroe County. Monroe County residential windstorm rates have not increased since 2017.
- A contract with lobbying firm Capitol Access for representation in Tallahassee and throughout the state with legislation and policies affecting windstorm insurance in Monroe County.
- Increased National Flood Insurance Program (NFIP) premium discount levels for many County flood policyholders through continuing work with the County and municipalities to improve Community Rating System scores.
- FIRM Board members serve on the Community Rating System (CRS) Program for Public Information (PPI) committee. Monroe County is currently rated Class 5 in the CRS program, earning residents a 25% discount on NFIP policies.
- Continuation of a Realtor Outreach Committee to keep our Realtor partners updated on windstorm and flood insurance issues.
- A FEMA Flood Map Task Force formed with staff from Monroe County and municipalities.
- A contract with Ransom Consulting Engineers to analyze FEMA's risk mapping data to prepare for possible appeal to new flood maps.
- Participation in FEMA's presentation of the Draft Flood Maps for Monroe County.
- A comprehensive flood map landing page on the FIRM website.

Other Windstorm Insurance Activities/Accomplishments

- FIRM officers and/or its representatives attended and/or testified at:
  - Florida Senate Banking and Insurance Committee regarding SB 1476 to reduce the rate of Citizens allowed increase for Monroe County.
  - Citizens Board of Governors Meeting in Orlando in June.
  - OIR Insurance Summit.
  - Florida Keys Day and Great American Realtors Day in Tallahassee. FIRM representatives met with Sen. Flores, Rep. Raschein, House Majority Leader Dane Eagle, Florida Building Commission member John Wiseman, and Citizens Director of Legislative Affairs Christine Ashburn.
  - The Governor's Cabinet Meeting in Tallahassee.
  - Monroe County Delegation meeting in Marathon.
- FIRM continued work to develop and gain approval of revised windstorm insurance mitigation forms that would correctly recognize Monroe County building codes and provide for associated windstorm premium credits.

- FIRM met with state officials and entities to expand efforts that support mitigation including the Florida Building Commission, Federal Alliance for Safe Homes (FLASH), the Florida Department of Emergency Management, and Volunteer Florida and met with Florida Office of Insurance Regulation officials to discuss a Monroe County Mutual Insurance Corporation.

Other Flood Insurance Activities/Accomplishments

FIRM efforts in support of the National Flood Insurance Program (NFIP) reauthorization and modification included:

- Lobbying DC lawmakers.
- Aligning FIRM's legislative position regarding program modifications with those of Monroe County and the Florida Association of Counties to maximize legislative impact.
- Supporting and working with Monroe County staff on Reauthorization.
- Attending U.S. Army Corps of Engineers Monroe County Coastal Storm Risk study presentation.
- Publicizing the issues surrounding reauthorization.

Other Noteworthy Events/Activities

FIRM provided speakers for a wide range of organizations throughout the Keys and increased outreach by appearing on a number of local radio programs.

FIRM presented to the Florida Property Appraisers Association Fall Conference.

FIRM participated in community events such as the Lower Keys Chamber Business Walk About, Community Foundation of the Florida Keys Unsung Hero program, and Key West Association of Realtors Affiliate Expo.

FIRM updated its website to better comply with ADA requirements to meet the needs of Monroe County residents and members.

FIRM continued its fundraiser to mark the beginning of hurricane season and began planning a new Mardi Gras-themed fundraiser for February 2020.

FIRM representatives currently participate in the following government, civic, professional and non-profit organizations:

- Government
  - City of Key West, Historical Architecture Review Commission (HARC)
  - Community Emergency Response Team (CERT)
  - Local Mitigation Strategy Working Group
  - Monroe County Climate Change Advisory Committee
  - Monroe County CRS Program for Public Information Committee
  - Monroe County Land Use Authority Advisory Committee
  - Monroe County Parks and Recreation Advisory Board
  - National Association of Insurance Commissioners

- Civic/Professional
  - American Society of News Editors
  - Centennial Bank Advisory Board
  - Coconut Castaways
  - Conch Republic CIA
  - Conch Republic Navy
  - Florida Keys Board of Realtors
  - Florida Keys Community Land Trust
  - Florida Keys Contractors Association
  - Florida Keys Fishing Tournaments, Inc.
  - Hometown! Key West
  - Key West Ambassador Academy Alumni
  - Key West Association of Realtors
  - Key West Navy League
  - Key West Power Squadron
  - Key West Sunrise Rotary
  - League of Women Voters
  - Lower Keys Rotary
  - Marathon and Lower Keys Board of Realtors
  - Military Affairs Committee of Key West
  - Propeller Club of the United States Port of Key West
  - Rotary Club of Key West
  - Stars and Stripes National Publisher's Advisory Board
- Non-Profit
  - Cooking with Love
  - Equality Florida
  - Habitat for Humanity Board of Directors
  - Florida Keys Leadership Success Academy
  - Friends of Key West Library
  - Leadership Monroe County Alumni
  - Mystic Krewe of Key West
  - Take Stock in Children

FIRM Plans for 2020

- Continue contract with Ransom Consulting to analyze FEMA's risk mapping data and challenge new maps if necessary.
- Conduct a multi-pronged outreach program to help property owners understand the implications of FEMA's new flood maps.
- Request a denial of Citizens' proposed rate increases on the basis that Citizens has not completed the analyses requested by Commissioner Altmaier in 2017.

- Continue vigorous resistance to Citizens windstorm insurance rate increases by supporting State Senator Flores' and State Representative Raschein's efforts to reduce Citizens' glide path for Monroe County.
- Build relationships with lawmakers and policymakers outside of Monroe County to help them understand our challenges.
- Update FIRM's Property Insurance User's Guide. (See FIRMKeys.org for a copy.)
- Promote and defend Monroe County property owners' interests in the run-up to 2020 Congressional legislation to reauthorize NFIP.
- Work with the Office of Insurance Regulation and the Florida Building Commission to introduce a modified wind insurance mitigation form that better accounts for Monroe County building code standards.
- Represent property owners at Florida Keys Day in Tallahassee in February.
- Continue to identify alternatives to traditional insurance markets in Monroe County.
- Increase FIRM membership.
- Cultivate, expand and diversify institutional and individual donor relationships.
- Continue to raise awareness of FIRM's mission, efforts and accomplishments through enhanced public outreach efforts.

FIRM Mission, Organization, and Past Accomplishments

FIRM is a grassroots organization formed in 2006 composed of homeowners and residents in Monroe County. FIRM's fight for fair, equitable and affordable property insurance rates for homeowners, residents and business owners protects property values and contributes to housing affordability. FIRM empowers Monroe County residents to make informed decisions about property insurance coverage, the claims process, mitigation, and storm preparedness.

FIRM is composed of two distinct non-profit organizations:

- FIRMKeys, a 501(c) (3) community service provider that conducts research and provides information, guidance, and assistance on property insurance topics to the Monroe County community. Donations to FIRMKeys may be deductible on personal Federal Income Tax returns.
- FIRM PAC, a 501(c) (4) political advocacy group that seeks to influence government and industry policy affecting property insurance rates in Monroe County. Donations to FIRM PAC are not tax deductible on personal income tax returns, but may be deductible as expenses on business tax returns.

FIRM has previously:

- Lobbied local, state, and federal government lawmakers and regulators.
- Successfully challenged windstorm insurance rate increases.
- Helped repeal worst aspects of Biggert-Waters flood insurance bill.
- Supported the Homeowners Flood Insurance Affordability Act (HFIAA), which repealed the most damaging aspects of Biggert-Waters.
- Supported the successful Key West building height referendum.

- Mobilized citizen campaigns.
- Advocated for homeowners to insurance policymakers, including the Florida Commission on Hurricane Loss Projection Methodology, the Florida Governor's Office, Citizens Property Insurance Corporation, Florida Office of Insurance Regulation, Florida Division of Consumer Services, and the Insurance Consumer Advocate.
- Served on insurance policy panels including the National Association of Insurance Commissioners.

Without FIRM, it is likely that every policyholder in the Keys would be paying at least twice as much every year for windstorm insurance alone. Since 2004 Monroe County has paid Citizens over $805 million in premiums over claims **paid**. FIRM's work keeps $60 million per year in the Keys economy.

FIRM 2019 Financial Report

In 2019, FIRM received significant funding support from the following:

Local Governments:

- City of Key West
- Monroe County

Non-Profits:

- First Horizon Foundation
- Key West Sunrise Rotary

Associations:

- Florida REALTORS ® Political Action Committee (RPAC)
- Marathon and Lower Keys Association of Realtors
- Key West Association of Realtors
- Ocean Reef Community Association
- Sugarloaf Shores Property Owners Association
- Cudjoe Gardens Property Owners Association

Businesses:

- Isaksen Insurance
- Centennial Bank
- Hawks Cay Resort Sales & Florida Keys Realty Group
- RE/MAX All Keys Real Estate Agents
- Amec Mortgage
- American Caribbean Real Estate
- The Law Office of Anthony J. Barrows
- Coldwell Banker Schmitt – Brian Schmitt
- Insurance Office of America
- Margaritaville Resort & Marina Key West
- Mortgage Lending Solutions
- Zillow Group

- CRS Data
- Coldwell Banker Schmitt – Lisa Ferringo & Associates
- Duck Key Real Estate
- First State Bank
- Island Breeze Realty
- Royal Furniture
- Superior Electric
- Sunset Marina Apartments
- Tropical Soup
- Zillow Group
- Key West Butterfly & Nature Conservancy
- Key Colony Beach Realty
- Berkshire Hathaway Knight & Gardner Realty – Brenda Donnelly

Individual members:

- Steve and Kathy Russ
- Scott Fraser
- Betty Metz Rubenstein
- Linda Grist Cunningham
- Bryan Hawks
- Karen Sharp
- Theresa Faber

Fundraisers:

- Key West Association of Realtors/Marathon and Lower Keys Association Golf Tournament
- Hurricanes are a Drag!
- Centennial Bank Grill Event

Following are The FIRMPAC and FIRMKeys unaudited 2019 Profit and Loss Statements and the 2019 Year-end Balance Sheets.

2019 PROFIT AND LOSS

		FIRM PAC	FIRMKeys	
		2019	2019	
Ordinary Income/Expense				
Income				
Total Direct Public Support		3,505.00	14,642.60	
Donations from FIRMPAC			10,000.00	
Grants, Governmental and other		50,000.00	5,500.00	
Total Fundraising		61,323.11		
Investments	**Interest-Savings, Short-term CD**	17.09		
	Miscellaneous Revenue	628.91	62.75	
Rent/Overhead Income		41,250.00		
Total Income		156,724.11	30,205.35	

Expenses	FIRM PAC	FIRMKeys	
Business Registration Fees	1,580.37	61.25	
Donations to FIRMKeys	10,000.00		
Rent, Parking, Utilities	8,861.88		
Other Operating Expenses	5,579.01	2,933.17	
Insurance - Liability, D and O	1,638.98	726.00	
Accounting Fees	1,100.00	450.00	
Lobbying Activities	23,441.07		
Outside Contract Services	400.00		
Technical Consulting	8,400.00	22,905.00	Flood Map Analysis
Mktg-Membership/Donor Promo		4,773.87	
Payroll Expenses	74,078.10	50.00	
FIRMKeys Share of Operating Costs		41,250.00	
Travel & Meetings	2,548.22	1,981.03	
Donation Processing Fees	81.80	156.48	
Total Expense	137,709.43	75,286.80	
Net Ordinary Income	19,014.68	-45,081.45	

2019 BALANCE SHEET

		FIRM PAC		FIRMKeys
		2019		2019
ASSETS				
Current Assets				
Checking/Savings				
Fair Insurance Rates in Monroe		98,455.62		10,897.68
FIRM money market		5,872.02		
Petty Cash		307.53		
Special Project Account		42,372.01		
Total Checking/Savings		147,007.18		10,897.68
Accounts Receivable		33,750.00		
Total Current Assets		180,757.18		10,897.68
TOTAL ASSETS		**180,757.18**		**10,897.68**

		FIRM PAC		FIRMKeys
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
	Accounts Payable	0.00		33,000.00
	Payroll Liabilities	2,357.96		
Total Liabilities		2,357.96		33,000.00
Equity				
Unrestricted Net Assets		159,384.54		22,979.13
Net Income		19,014.68		-45,081.45
Total Equity		178,399.22		-22,102.32
TOTAL LIABILITIES & EQUITY		**180,757.18**		**10,897.68**

FIRM Board of Directors and Staff
December 31, 2019

OFFICERS:
Mel Montagne, President
Steve Russ, Vice President
Joe Walsh, Treasurer
Theresa Faber, Secretary

DIRECTORS:
Wayne Carter
Linda Cunningham
Bryan Hawks
Rich Hlava
Rebecca Horan
Kristie Kajfasz
Joe Moody
Caren Morell
Erica Poole
Lisa Tennyson
Christina Weinhofer
Michele White

STAFF
Caroline Horn, Manager

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LOBBYING
Capitol Access, Tallahassee, Florida