Fair Insurance Rates in Monroe (FIRM)

2021 Annual Report

FIRM in 2021

2021 saw significant property insurance challenges for Monroe County residents. The Florida Legislature approved a 1% increase per year to the Citizens Property Insurance rate cap until it reaches 15%, Monroe County residents saw the first windstorm rate increase since 2017, and FEMA's Risk Rating 2.0 was implemented with a lack of transparency and affordability. FIRM estimates that 93% of flood insurance policies in Monroe County will increase an average of $240 annually.

Since 2006, FIRM has saved Monroe County windstorm and flood insurance policy holders more than $900 million in insurance premiums. Major achievements in 2021 included:

- Partnership with the City of Key West to engage Woods Hole Group to analyze the science and data used by FEMA in the production of its new Preliminary Flood Insurance Rate Maps to produce and submit an appeal in June 2021.
- Continuation of a partnership begun in 2020 with the City of Key West, Monroe County and the Monroe County Extension Services for a Keyswide Home Elevation Education Project.
- FIRM Board members serve on the Community Rating System (CRS) Program for Public Information (PPI) committee. As of April 1, 2022, Monroe County is rated Class 3 in the CRS program, earning residents a 35% discount on NFIP policies. Key West is a Class 5 community with a 25% discount; Islamorada, Layton and Marathon are Class 6 communities with a 20% discount; and Key Colony Beach is a Class 7 community with a 15% discount.
- Continuation of relationships with all three Monroe County Realtor® associations to keep our Realtor® partners updated on windstorm and flood insurance issues.
- Expansion of a comprehensive floodmap landing page, addition of a Keyswide Home Elevation Education landing page, and addition of Risk Rating 2.0 landing page that includes a live dashboard where insurance agents from anywhere in the country can input rating data to illustrate the true premium increases triggered by the new methodology.

Other Windstorm Insurance Activities/Accomplishments

- FIRM engaged lobbyists from The Southern Group to work towards a Monroe County carve-out in order to go back to the 10% rate cap on Citizens Rate increases, to extend that rate cap to secondary homes used as annual rentals for locals, and to increase the replacement value cost on homes for Monroe County.
- FIRM officers and/or its representatives attended virtually and in person and/or testified at:
  - Citizens Rate Hearing in March
  - Citizens Board of Governors Meetings in June, September, and December
  - Monroe County Delegation meeting
  - Florida Realtors District 4 Town Hall Meeting with state legislative candidates

- Met with Congressman Carlos Gimenez, State Senator Ana Maria Rodriguez, and State Representative Jim Mooney
- 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.

Other Flood Insurance Activities/Accomplishments

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

- Joining the Coalition for Sustainable Flood Insurance (CSFI), a national coalition of approximately 250 organizations across 35 states, focused on advocating for a stronger policy framework for the NFIP.
- Lobbying Members of Congress.
- 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 of the NFIP.
- Attending National Association of Realtors Legislative Meetings in Washington DC.
- Publicizing the issues surrounding Reauthorization of the NFIP.

Other Noteworthy Events/Activities

FIRM continued to provide speakers for a wide range of organizations throughout the Keys by giving presentations virtually and in-person and increased outreach by appearing on a number of local radio programs.

FIRM updated and promoted the Monroe County property insurance users guide.

As part of the Keyswide Home Elevation Education Project, FIRM created a series of workshops designed to assist homeowners in understanding the necessary steps towards elevating their home. The workshops were virtual and recorded and can be viewed on FIRM's You Tube channel.

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

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

FIRM held its first Little Palm Island Fundraiser for a 1-night stay at the luxury resort.

FIRM held Hurricanes Are A Drag event in person after a COVID hiatus.

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

- Government
  - Community Emergency Response Team (CERT)

    - Monroe County CRS Program for Public Information Committee
    - Monroe County Land Use Authority Advisory Committee
    - Executive Director, City of Key West Citizen Review Board

- Civic/Professional
    - American Society of News Editors
    - Chartered Property/Casualty Underwriters (CPCU) Society
    - Florida Keys Board of Realtors
    - Florida Keys Contractors Association
    - Hometown! Key West
    - Key Largo Chamber of Commerce
    - Key West Ambassador Academy Alumni
    - Key West Association of Realtors
    - Key West Business Guild
    - Key West Chamber of Commerce
    - Key West Navy League
    - Key West Sunrise Rotary
    - League of Women Voters
    - Marathon Chamber of Commerce
    - Marathon and Lower Keys Association of Realtors
    - Rotary Club of Key West
    - Stars and Stripes National Publisher's Advisory Board
- Non-Profit
    - Cooking with Love
    - Equality Florida
    - Key West Tropical Forest and Botanical Garden
    - Key West Woman's Club
    - Leadership Monroe County Alumni
    - Peace Covenant Presbyterian Church

FIRM Plans for 2022

- Be prepared to work with local governments to coordinate a response to FEMA's comments on the floodmap appeals submitted in 2021.
- Conduct a multi-pronged outreach program to help property owners understand the implications of FEMA's flood maps once adopted.
- Continue to work with Members of Congress and organizations around the country to press for transparency and affordability of FEMA's Risk Rating 2.0.
- Ensure a carve-out for Monroe County to retain Citizens' 10% rate cap, extend the rate cap to secondary homes used as annual rentals, and increase replacement value cost for Monroe County Citizens policies.
- Work with state lawmakers Sen. Ana Maria Rodriguez and Rep. Jim Mooney as they represent Monroe County issues related to property insurance.
- Build relationships with Florida lawmakers and policymakers outside of Monroe County to help them understand our challenges.

- Work with Members of Congress on FIRM's NFIP reauthorization priorities and FEMA's Risk Rating 2.0.
- Work with the Office of Insurance Regulation to develop a Monroe County specific hurricane model run.
- Increase FIRM membership.
- Cultivate, expand and diversify institutional and individual donor relationships.
- Continue to look for alternatives to Citizens Property Insurance.
- 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, hurricane damage 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, including a freeze on rates from 2018-2021.
- 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 2020 Financial Report

In 2020, FIRM received significant funding support from the following:

Local Governments:

- City of Key West
- Monroe County
- City of Marathon
- Village of Islamorada

Non-Profits:

- First Horizon Foundation
- Sexton Family Foundation Trust

Associations:

- Florida REALTORS ® Political Action Committee (RPAC)
- Florida Keys Board of Realtors®
- Marathon and Lower Keys Association of Realtors®
- Key West Association of Realtors®
- Sugarloaf Shores Property Owners Assn.

Businesses:

- Florida Keys Realty Group
- Opal Key Resort & Marina
- Coldwell Banker Schmitt – Brian Schmitt
- Mortgage Lending Solutions
- Ocean Sotheby's International Realty – Jo Ann Cook
- Royal Furniture
- Berkshire Hathaway Home Services
- Coldwell Banker Schmitt – Lisa Ferringo Group
- Island Breeze Realty
- Key Colony Beach Realty – Lisa Joseph
- Tropical Soup
- Insurance Office of America – Mel Montagne
- Brandvold Appraisal of the Florida Keys
- Duck Key Realty - Vacation Rentals of the Florida Keys
- Harrell Real Estate
- Internet Realty of the Florida Keys
- Law Offices of Thomas D. Wright
- Ocean Sotheby's International Real Estate – Ally Kelley
- Reece & Associates Surveyors

Individual members:

- Clements Family Charitable Trust
- Greg Coldiron
- Brenda Donnelly
- Claire Johnson
- Linda Grist Cunningham
- Scott Fraser
- Bryan Hawks
- Mr. & Mrs. Charles E. Taylor

Fundraisers:

- Marathon and Lower Keys Association Fund Drive
- Key West Association of Realtors Fund Drive
- Little Palm Island Fundraiser
- Hurricanes are a Drag Fundraiser
- Giving Tuesday/Year End on-line fund drive

Fair Insurance Rates in Monroe
Unaudited Profit & Loss
Accrual Basis — **January through December 2021**

	Jan - Dec 21	
Ordinary Income/Expense		
Income		
Direct Public Support		
Individ, Business Contributions	5,005.00	
Direct Public Support - Other	51.00	
Total Direct Public Support		5,056.00
Donations From Municipalities		20,000.00
Fundraising		
Donations from Condo Assns.	1,100.00	
Donations from FKBOR	5,000.00	
Golf Tournament	28,340.00	
Hurricanes are a Drag	535.00	
Little Palm Island Fundraiser	6,400.00	
Total Fundraising		41,375.00
Investments		
Interest-Savings, Short-term CD	4.68	
Total Investments		4.68
Other Types of Income		188.25
Rent/Overhead Income		45,000.00
Total Income		111,623.93
Gross Profit		111,623.93
Expense		
Advertising		150.00
Business Expenses		
Business Registration Fees	186.25	
Total Business Expenses		186.25
Facilities and Equipment		
Rent, Parking, Utilities	9,963.90	
Total Facilities and Equipment		9,963.90
Health Insurance		4,026.40
Miscellaneous Expense		35.00
Operations		
Postage, Mailing Service	66.40	
Telephone, Telecommunications	1,593.88	
Total Operations		1,660.28
Other Types of Expenses		
Insurance - Liability, D and O	2,547.38	
Workers Comp Insurance	353.00	
Total Other Types of Expenses		2,900.38
Outside Services		
Accounting Fees	1,350.00	
Lobbying Activities	13,590.00	
Outside Contract Services	200.00	
Technical Consulting	4,600.00	
Total Outside Services		19,740.00
Payroll Expenses		68,140.80
Payroll Fees		547.93
Payroll Taxes		5,275.08
Penalties		50.00

Fair Insurance Rates in Monroe
Unaudited Profit & Loss
Accrual Basis — **January through December 2021**

	Jan - Dec 21
Travel & Meetings	153.25
Website donation processing fee	163.81
Website Maintenance	316.88
Total Expense	113,309.96
Net Ordinary Income	-1,686.03
Other Income/Expense	
Other Expense	
Ask My Accountant	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	**-1,686.03**

Fair Insurance Rates in Monroe
Unaudited Balance Sheet
Accrual Basis — **As of December 31, 2021**

	Dec 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Fair Insurance Rates in Monroe	179,508.63
FIRM money market	5,887.47
Petty Cash	26.10
Special Project Account	42,372.01
Total Checking/Savings	227,794.21
Accounts Receivable	
Accounts Receivable	3,750.00
Total Accounts Receivable	3,750.00
Total Current Assets	231,544.21
TOTAL ASSETS	**231,544.21**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	1,561.96
Total Other Current Liabilities	1,561.96
Total Current Liabilities	1,561.96
Total Liabilities	1,561.96
Equity	
Unrestricted Net Assets	231,668.28
Net Income	-1,686.03
Total Equity	229,982.25
TOTAL LIABILITIES & EQUITY	**231,544.21**

FIRMKeys, Inc.
Unaudited Profit & Loss
Accrual Basis — **January through December 2021**

		Jan - Dec 21
Ordinary Income/Expense		
Income		
Amazon Smile		25.90
Direct Public Support		
Donations from Banks	1,000.00	
Individ, Business Contributions	8,850.00	
Little Palm Island Fundraiser	1,965.05	
Direct Public Support - Other	106.00	
Total Direct Public Support		11,921.05
Donations from Municipalities		150,000.00
Indirect Public Support		
Grant Funding		
Seagrant	27,569.80	
Grant Funding - Other	5,000.00	
Total Grant Funding	32,569.80	
Total Indirect Public Support		32,569.80
Total Income		194,516.75
Expense		
Business Expenses		
Business Registration Fees	136.25	
Total Business Expenses		136.25
Contract Services		
Accounting Fees	750.00	
Technical Consulting	0.00	
Total Contract Services		750.00
Facilities and Equipment		40.43
Operations		
Advertising	1.65	
Books, Subscriptions, Reference	850.66	
Postage, Mailing Service	251.31	
Printing and Copying	51.35	
Supplies	836.84	
Operations - Other	250.00	
Total Operations		2,241.81
Other Types of Expenses		
Insurance - Liability, D and O	696.00	
Total Other Types of Expenses		696.00
Rent/Overhead Expense		45,000.00
Travel and Meetings		110.00
Web Site-Donation Proc. Fee		110.24
Total Expense		49,084.73
Net Ordinary Income		145,432.02
Net Income		**145,432.02**

FIRMKeys, Inc. Unaudited
Balance Sheet As of
December 31, 2021

Accrual Basis

	Dec 31, 21
ASSETS	
Current Assets	
Checking/Savings	
FIRMKEYS, INC	43,309.28
Total Checking/Savings	43,309.28
Accounts Receivable	
Accounts Receivable	50,000.00
Total Accounts Receivable	50,000.00
Total Current Assets	93,309.28
TOTAL ASSETS	**93,309.28**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	3,750.00
Total Accounts Payable	3,750.00
Total Current Liabilities	3,750.00
Total Liabilities	3,750.00
Equity	
Unrestricted Net Assets	-55,872.74
Net Income	145,432.02
Total Equity	89,559.28
TOTAL LIABILITIES & EQUITY	**93,309.28**

FIRM Board of Directors and Staff
December 31, 2021

OFFICERS:
Mel Montagne, President
Joe Walsh, Vice President
Michele White, Treasurer
Erica Poole, Secretary

DIRECTORS:
Wayne Carter
Linda Cunningham
Bryan Hawks
Rebecca Horan
Caren Morell
Tom Pakenas
Chris Rivett
Christina Sharpe

STAFF
Caroline Horn, Manager

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FIRMKeys.org

WEBSITE & IT Services
KCS Technical Solutions, Marathon, Florida
Lynke Marketing, Marathon, Florida

FLOODMAP CONSULTING ENGINEERS
Ransom Consulting
Woods Hole Group

ACCOUNTING SERVICES
Oropeza & Parks, Certified Public Accountants, Key West, Florida

LOBBYING
The Southern Group, Tallahassee, Florida