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Florida Insurance Guaranty Association (FIGA) Board of Directors Mtg. 12-11-25

FIGA BOARD OF DIRECTORS / OFFICERS (you can access the [Board of Directors Agenda & Packet](#))

CHAIRWOMAN

Kimberly Blackburn – Florida Farm Bureau Casualty Ins. Co.

VICE CHAIR

Vacant

CORPORATE SECRETARY / TREASURER

Vacant

MEMBERS

- Brent Brummer – Florida Family Insurance
- Tasha Carter – Florida Insurance Consumer Advocate
- Michael Dobson – The Baldwin Group
- Tom Gallagher- Peoples Trust Insurance Company
- Charles Lydecker – Citizens Property Insurance Corporation
- Jon Ritchie- American Integrity Insurance Group
- Benjamin Treuil- Frontline Insurance
- Ryan West- GEICO

FINANCE AND AUDIT COMMITTEE

- Brent Brummer – Florida Family Insurance
- Jon Ritchie- American Integrity Insurance Group
- Benjamin Treuil- Frontline Insurance

1. CALL TO ORDER, ROLL CALL, OPENING REMARKS & ANTI-TRUST PREAMBLE

The meeting began at 10:34am and included the following FIGA staff: Bob Ricker, President; Steve Brown, Chief Operating Officer; William "Bill" Hughes, VP of Claims; and other staff including Controller Liz Frisbee, Information Technology Manager Andrew Harris, and Administrative Assistant Susan Ferguson.

2. APPROVAL OF MINUTES

- **Draft of Minutes – April 14, 2025 (Action)**

APPROVED

- **Draft of Minutes – June 6, 2025 (Action)**

APPROVED

RECEIVER'S REPORT (Verbal) (by Lorrie Arterburn with the Florida Department of Financial Services)

A gentleman in place of Arterburn reported there are no new receiverships, no known exposures and nothing to report.

4. LEGISLATIVE AND REGULATORY REPORT (Verbal) (by General Counsel Tim Meenan)

Meenan highlighted several insurance-related bills filed for consideration in the upcoming 2026 session of the Florida Legislature that convenes in January:

[SB 582](#) – by Senator Gates. Meenan explained the bill deals with executive compensation in insurance companies. It would require regulators collect annual compensation, including stock options, and publish a report on it; and use the information, along with actuarial science, in rate filings to determine a carrier's rate. There is no companion bill in the Florida House.

[SB 802](#) – by Senator Mayfield. Meenan explained the bill would require a chair of a public governmental entity or board, especially legislatively created, or the manager of such a group, to be a Florida resident. He said it was a step down from a similar bill the Senator filed last year that would have made Florida residency a requirement of an entire board.

Office of Insurance Regulation (OIR) – Meenan said OIR continues to work on legislation to modernize the law regarding reciprocals, noting the original statute dates back to the 1940's or '50's. "They're essentially trying to bring together the regulatory powers that they have for a stock company and want to make sure they have the same powers for a reciprocal," he explained, noting that if a reciprocal were to go insolvent, its claims would come to FIGA for payment. He said the bill is being redrafted and has not yet been filed.

Meenan said he expects that same bill will have language sought by the Florida insurance commissioner to further define what is a fair and reasonable business arrangement between an insurance company and its affiliates. Florida Statute references "fair and reasonable" but Meenan said there's no standard to define it, and noted there is an NAIC model act but that requirements for a catastrophe-prone state such as Florida might be different than an inland state. He referenced last year's debate in the legislative hearings last session on whether or not insurance companies are being unfair or unreasonable in their financial relationships with their affiliates. While the topic hasn't emerged in

legislative committee meetings held this fall, “the (House) Speaker is adamant about it, so possibly we'll see some of that legislation kind of clamping down on those agreements get filed. There is a lot of thought that the Senate doesn't have an appetite to deal with insurance, but let the reforms continue working,” Meenan said.

He concluded with reference to [HB 527](#) by Rep. Hillary Cassel, which was passed earlier this week (December 9, 2025) by the House Insurance & Banking Subcommittee. Meenan explained the bill concerns the use of artificial intelligence in insurance claims handling and requires that any claim that is partially reduced or denied cannot be done so solely on the basis of artificial intelligence, and that there has to be a human reviewer of any such change; also that records must be kept identifying the human who reviewed such a claim. “(Senator) Tom Leek will have the bill in the Senate. It's my sense that he would rather look at a larger issue of transparency relating to AI, which is whatever context you use it in, you should be transparent to the end user. Whether it's insurance, banking or any political campaign ads, whatever it might be, that there'd be a notice that this was generated, that AI was involved. I don't think he wants to get into the data center regulation and does not want to get into specific insurance things,” Meenan said.

5. FINANCE & AUDIT COMMITTEE REPORT

Controller Liz Frisbee went over the Finance and Audit report, and as the Finance & Audit Committee wasn't able to meet this morning due to a lack of quorum, the Board ended up discussing and directly voting instead. **FIGA has \$652 million in its current investment portfolio as of October 31.** The Board reached consensus on doing an immediate RFP for investment management firms; extend the financial management contract with Raymond James for one year; and extend the Thomas Howell Ferguson CPA contract for two years, giving staff the negotiating ability to do a price increase up to 5%.

APPROVED

6. PRESIDENT'S REPORT (by FIGA President Bob Ricker)

- Review of Operational and Financial Highlights of 2025

Ricker said FIGA's main goal for 2025 for was getting a new claims system to replace its current 30-year-old system that at one point had to handle 55,000 claims. Following an RFP process, FIGA chose Origami Risk. FIGA is also in the process of implementing a new member portal for insurance companies to use. Ricker also reported on FIGA's litigation management system, provided by CaseGlide. “We are using their bill review program and processes. We've saved 1.7%...amounting to over half-a-million dollars in savings over an 18-month timeframe,” Ricker reported.

There was discussion over the use and performance of TPA adjusters vs. internal adjusters in settling claims. Ricker told the Board that FIGA is streamlining its training systems and will be adding the designation “FIGA-Certified Adjuster” as a future requirement for adjusters to be trained in FIGA's system. “We're looking for a plug and play adjuster, as opposed to training them on everything we do,” said Ricker.

- 2025 Acknowledgement of Assessment (Verbal)

Ricker told the Board that there is no need for an additional assessment at this time. The multi-year emergency assessment (2023A, amounting to 1%), first levied in April 2023, will continue as planned until all of its Series 2023A Bonds are repaid in full.

7. FINANCIAL REPORT (By Controller Liz Frisbie)

- FIGA Financial Statements - October 31, 2025

Controller Liz Frisbee reported that as of end of October, FIGA's total assets were \$915.7 million, up \$85 million from the prior year. The bond debt is currently \$434 million. Total receipts through October were \$381.3 million, which included \$251 million in assessment revenue, \$106.8 million in early access and recoveries, and \$22.9 million in interest earnings.

8. OPERATIONS REPORT (by Steve Brown, COO)

- 2026 Organizational Goals

Brown reiterated Ricker's earlier goals for 2025 and said that going into 2026, staff's goal is to get up to speed by next December so they're ready to handle claims on the new system. Brown said 2026 will also see staff reviewing all 50+ policies and procedures on the books, especially in light of the technology improvements being implemented.

- Update on Origami Risk Claims Management System Implementation

Information Technology Manager Andrew Harris used a PowerPoint presentation to provide a more technical update with details on FIGA's new claims system that is in its early implementation. In the course of the improvements expected from the system, will be the option for policyholders to choose how they are paid. Controller Liz Frisbee said FIGA currently has 9,008 checks from 2022 that were issued but have not been cashed, amounting to approximately \$90,000.

- 2026 Budget (Action)

APPROVED

- 2026 Allocation Addendum (Action)

APPROVED

- Succession Planning Review

APPROVED

9. CLAIMS REPORT (by Director of Claims Bill Hughes)

- Claims Activity Report

Hughes presented the chart below, which reflects the open claims for each estate (past insurance company insolvency), as well as payments and reserves. As of October 31, FIGA's current open claims count was 1,280. It started 2025 with 3,436 claims and has realized a net reduction of 2,200 claims.

"These 1,280 claims is one of the lowest pending counts that we've had over the past seven years. To put that in perspective, even though this is a low number, all of these claims are litigation, so they're challenging. They're going to take some time to resolve," said Hughes.

Claim Activity Report

Inception-to-Date Totals on Active Estates

Line of Business: ALL

As of: 10/31/2025



Estate Name	Insolv Date	Claim Count					ITD Payment Activity				ITD Recovered	Outstanding Reserves			Total Incurred
		ALL Open	Open Litigation Percentage	LIT Open	Closed	Total	Loss	Expense	UEP	Total		Loss	Expense	Total	
United P&C	02/27/23	788	98.5 %	776	24,228	25,016	667,373,109	44,389,180	20,904,685	732,666,974	(505,143)	26,964,047	6,761,384	33,725,431	765,887,261
FedNat	09/27/22	195	88.2 %	172	4,574	4,769	96,562,850	11,064,753	2,233,965	109,861,569	(124,658)	13,903,193	1,820,716	15,723,910	125,455,339
Southern Fidel	06/15/22	125	98.4 %	123	6,773	6,898	109,749,919	14,139,853	90,965,776	214,855,547	(237,656)	3,993,278	949,553	4,942,831	219,560,723
Avatar	03/14/22	47	100.0 %	47	3,260	3,307	79,896,823	10,216,714	31,459,794	121,573,332	(71,332)	2,112,493	472,979	2,585,472	124,087,471
St Johns	02/25/22	46	82.6 %	38	5,785	5,831	121,860,681	10,841,661	171,994,614	304,696,956	(66,343)	2,409,982	334,457	2,744,439	307,375,052
Arrowood	11/08/23	18	16.7 %	3	3	21	-	61	-	61	-	390,000	127,439	517,439	517,500
Windhaven	01/06/20	16	100.0 %	16	26,339	26,355	39,674,389	2,575,685	727,460	42,977,534	(567,620)	213,909	67,439	281,348	42,691,262
Lighthouse	04/28/22	12	91.7 %	11	1,266	1,278	26,316,767	2,175,845	29,028,605	57,521,217	(22,479)	888,460	187,600	1,076,060	58,574,798
Gulfstream	07/28/21	10	100.0 %	10	2,358	2,368	50,710,740	5,987,757	36,546,703	93,245,200	(47,361)	290,878	48,441	339,319	93,537,157
WESTON	08/09/22	8	100.0 %	8	476	484	22,046,265	704,279	37,419,408	60,169,952	(2,573)	668,000	113,763	781,763	60,949,142
American Cap	04/14/21	4	100.0 %	4	332	336	368,064,312	8,314,146	27,750,160	404,128,618	(1,568,817)	19,260,000	652,655	19,912,655	422,472,456
Sawgrass	11/28/18	3	100.0 %	3	64	67	669,823	209,683	-	879,506	(56)	195,124	27,429	222,554	1,102,003
Florida Specialty	10/02/19	2	100.0 %	2	3,678	3,680	43,546,335	7,697,639	33,452,398	84,696,372	(149,771)	35,001	34,901	69,902	84,616,502
Windhaven Nat'l	03/05/20	2	100.0 %	2	6,511	6,513	30,517,072	517,923	1,716,707	32,751,702	(910,699)	45,014	2,625	47,639	31,888,642
Atlantic Preferred	05/31/06	1	100.0 %	1	25,954	25,955	310,809,401	28,717,453	100,900,075	440,426,928	(1,613,199)	100,000	49,844	149,844	438,963,573
Bedivere	03/11/21	1	100.0 %	1	17	18	-	-	-	-	-	35,000	25,000	60,000	60,000
Homewise	11/18/11	1	100.0 %	1	1,655	1,656	23,197,267	7,496,574	725,025	31,418,866	(390,733)	7,501	7,921	15,422	31,043,555
Northern Capital	05/01/10	1	100.0 %	1	2,939	2,940	35,810,276	6,859,841	34,245,281	76,915,398	(372,409)	36,500	5,259	41,759	75,415,588
Global Liberty	10/12/21	-	-	-	39	39	4,369,715	602,165	-	4,971,880	(25,195)	-	-	-	4,946,685
Homewise Pref	11/04/11	-	-	-	757	757	40,565,088	12,520,966	10,954	53,097,008	(669,789)	-	-	-	52,427,219
Total: 23 estates		1,280	95.2%	1,219	117,008	118,288	2,071,740,830	175,032,176	620,081,612	2,866,854,618	(7,345,833)	71,548,380	11,689,405	83,237,785	2,942,746,570

Hughes said FIGA has contracted with outside adjusters who have particular specialty handling tough claims that have gone to litigation. "We're probably around 12 months from having all these claims being resolved," he said, noting that settlement conferences have occurred with plaintiff firms representing multiple claims. Hughes said FIGA has gone to trial with six claims this year. "When they realize we're not going to pay more, they settle." He said all six cases were resolved "very favorably," with two of the six ending up with FIGA getting fees back.

Also of note: the large number of claims settlements already made but not fully closed, lacking a signed release. "It's pretty astonishing," Hughes said. "The 1,280 claims that we still have open, about 15% of those, about 250, we've settled the claim and we're waiting for the release to be sent back." He opined that many may involve lawyers who've lost touch with their clients and therefore can't secure a client signature in order for the claim payment to be made. That means the lawyer is not getting paid either. FIGA itself is prohibited from contacting policyholders directly.

General Counsel Tim Meenan referenced a similar problem years ago during the run-up of sinkhole claims, but that was due to attorneys holding out for attorney fees. He said there's a "big discussion in the Senate... they believe that the Florida Bar has given out the idea that the legislature can get involved

in partially or completely regulating the conduct of attorneys. And if that's the case, there could be a bill coming.”

- Claims Activity Summary

Hughes went estate by estate of the top 10, explaining the current status of each.

- Claims Update

Hughes noted that the latest insolvencies, United P&C and Southern Fidelity, involve large numbers of Assignment of Benefits claims. Litigation is pending on how many of these AOB claims are actually qualified and he said the court is expected to make a ruling next month (January 2026).

Hughes alerted the Board to a new insolvency that has come to FIGA’s attention. Transport Insurance Company of Ohio went into liquidation in October. “It was a comp and liability insolvency, very small, and our exposure is very minimal at this point,” he reported.

10. OTHER BUSINESS, CLOSING REMARKS & ADJOURNMENT

Adjourned at 12:21pm