

# Advocacy. Unity. Progress



Restoration Industry Association

## Annual Report

# 2021



[www.restorationindustry.org](http://www.restorationindustry.org)

Restoration Industry Association

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# 2021 Highlights

2021 was a pivotal year for the Restoration Industry Association, as the association made significant strides in advancing the strategic goals of **sustainability, advocacy, membership growth & engagement** and **elevating the industry**.

Through the leadership of the RIA Board of Directors, tremendous work of our volunteers and staff, and continued support of our members, the association faced the unprecedented challenges presented by the COVID-19 pandemic head-on and came out stronger and more united than ever before.

## Sustainability



**165%**

Increase in  
Net Operating  
Revenue

**26%**

Increase in  
AGA  
Investments

**78%**

Increase in  
Convention  
Revenue

**127%**

Increase in  
Net Ad  
Revenue

## Advocacy



**2**

New AGA  
Position  
Statements

AOB & Insurance  
Bad Faith

**50-State**

Reference Guide

**3**

Year AGA  
Strategic  
Plan

Hosted

**1st**

State of the  
Industry Event

## Membership Growth



**1030**

RIA  
Members

**11%**

Increase in  
Membership

**683**

Convention  
Attendees

**4**

Enterprise  
Members

## Elevate the Industry



**9**

Live & Virtual  
Training  
Courses

**112**

Training  
Course  
Attendees

Developed Industry's

**1st**

Environmental Risk  
Specialist  
Designation

**133**

Virtual Fall  
Tech  
Attendees

# Sustainability

A critical pillar of the RIA Strategic Plan is to ensure the financial sustainability needed to support critical AGA initiatives, education and benefits for our members.

The RIA closed out 2021 with **net operating income of \$205,797 (unaudited)** compared to \$77,570 (audited) in 2020 **(a 165% increase)**.

The 2021 International Restoration Convention + Industry Expo in Kissimmee, Florida saw record attendance of nearly 700 attendees and realized a **net income of \$106,438 (unaudited)** compared to a budgeted loss of (\$108,502).

AGA investments raised totaled \$135,054 (unaudited) while expenses were \$168,442 (unaudited). AGA funds support the costs of the Restoration Advocate, AGA Academy and resources needed to produce AGA work products, advocate with third parties and analyze pricing data.

Significant cost savings have been achieved through the RIA's switch to the new management company, Association Headquarters (AH). AH 2021 management fees represent a nearly \$400k cost savings compared to fees paid to the former management company in 2019. This savings has helped strengthen RIA's financial position.



Financial Summary	2021		2020
Operating Revenues	2021 Unaudited Actual	2021 Budget	2020 Audited Actual
Administration	473,454	439,500	486,775
Certification	825	350	1,375
Magazines, Publications & Digital	40,662	26,000	39,188
Convention	721,275	393,900	405,370
Fall Technical Conference (virtual)	35,300	35,000	0
Education	124,815	227,300	136,276
Australian Events	0	0	7,156
<b>TOTAL OPERATING REVENUES</b>	<b>1,396,331</b>	<b>1,122,050</b>	<b>1,076,140</b>
Operating Expenses	2021 Unaudited Actual	2021 Budget	2020 Audited Actual
Administration	463,497	437,007	466,300
Certification	0	0	0
Magazines & Publications	6,054	7,500	23,971
Annual Convention	614,837	502,402	470,763
Fall Technical Conference	32,665	31,500	0
Education	73,481	83,643	34,674
Australian Events	0	0	2,865
<b>TOTAL OPERATING EXPENSES</b>	<b>1,190,534</b>	<b>1,062,052</b>	<b>998,573</b>

# Advocacy

Another key pillar of the RIA's Strategic Plan is to advance our Advocacy & Government Affairs (AGA) priorities, involve members and industry stakeholders in our efforts, communicate our progress broadly and ensure financial resources needed are in place.

2021 was a tremendously successful year in advancing AGA's priorities to advocate for the financial and legal interests of restoration contractors, while working collaboratively and fairly with insurers and the other stakeholders involved in the restoration process.

RIA's AGA Committee published two industry position statements, "**Deviation from Standardized Price Lists**" and "**New Construction Price Lists**". The first statement can be used by restorers to respond to insurance carriers and their partners when they attempt to prohibit deviations from standardized price lists. The second statement can be used by restorers to defend their pricing when insurance carriers and their partners attempt to apply "new construction" pricing to property damage restoration projects.

**RIA members have reported positive results in utilizing the position statements to defend their pricing with insurance carriers and their partners.**



*"We recently received an inquiry from a junior adjuster at an insurance company asking us to reprice a large restoration project using the New Construction Price List within Xactimate. The junior adjuster had difficulty with the concept of restoration vs. new construction and the negative impact on productivity and efficiency. We provided the RIA New Construction Price List position statement and upon review by the supervisor, the insurer agreed with our position and accepted the use of our pricing model and not the new construction price list."*

*Frank Mirabelli, RIA Member*

*"Whether for your clients or people who are potentially joining the RIA or are already members, the information in the position statements could be worth hundreds and hundreds of thousands of dollars over the years."*

*Rick Kane, RIA Member*

# Advocacy

In addition to the position statements, AGA advanced several other initiatives related to working with Third Party Administrators (TPAs) and Third Party Consultants (TPCs), developing educational resources for restorers on pricing issues, along with resources on the use of assignment of benefits.



Ed Cross, RIA Restoration Advocate, **engaged Third Party Administrators Alacrity Solutions & Westhill Global in productive discussions** around the challenges reported by restorers in the RIA TPA Scorecard Survey Report during the Face the Advocate session at the RIA 2021 convention.

AGA published the "**Assignment of Benefits & Insurance Bad Faith Law: 50-State Reference Guide**" to help restorers, working closely with their lawyers, better understand some of the key legal issues related to assignment of benefits.

Ben Justesen, Chair of the AGA Pricing Task Force, produced an **Xactimate Industry Trend Reports video** on how to access Xactimate Industry Trend Reports.



The RIA presented a **State of the Restoration Industry virtual event** where Mike Fulton, President of Xactware, discussed pricing estimates and updates on Xactimate tools to assist restorers in the estimating process.

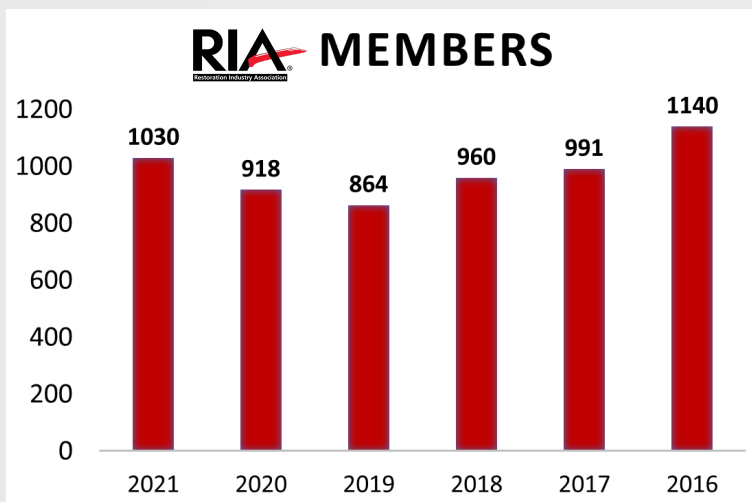
**RIA's Town Hall Industry Briefing** provided key updates and answered questions about AGA issues, including carriers denying third-party testing for contaminated losses, contractors getting paid, and assignment of benefits.

The RIA also hosted an **Industry Briefing with Garret Gray, Managing Director, Insurance Claims with CoreLogic** to discuss contractor concerns on data privacy and pricing issues.

In 2021, the AGA Committee and RIA Board of Directors approved a new **AGA Three-Year Strategic Plan** which will expand activities into legislative monitoring and focus on addressing overhead & profit and 10&10 issues, labor rates, claims process issues and unfair practices, and pricing feedback and improvements.

# Membership Growth

Membership growth and engagement is an important component of the RIA Strategic Plan. The RIA continues to develop new programs and benefits to deliver significant return on investment for members. The association ended the year with **1030 members** compared to 918 members in 2020 (**11% increase**).



The RIA successfully rolled out a new Enterprise Program designed to provide large restoration enterprises an opportunity to support the AGA and also provide their multiple locations with membership and benefits including training, discounts on events, livestream access to RIA's annual convention and much more. RIA proudly welcomed **AdvantaClean, First Onsite, Rainbow International and Kustom** as the program's first Enterprise Members in 2021.

In response to the catastrophic wake of Winter Storm Uri, the RIA partnered with the IICRC and AIHA to develop **"2021 Winter Storm CAT Events - A Report for Professional Cleaning and Restoration Contractors"** and created a new Winter Storm Hub resource center on the RIA website for restoration professionals.

The RIA expanded its Affinity Program partnerships to include member **discounts for instant estimate reviews through AiME**, along with **free member alerts and discounts on Earthvisionz asset management software**. RIA members continued to achieve significant **savings and rebates through the Sunbelt Rentals** affinity program for equipment rental.

The association developed a **new membership video** and increased marketing efforts to highlight AGA, training and certification, as well as the annual convention. In 2021, the RIA website saw an **increase in traffic to the join page of 126%**, followed by an **89% increase to the RIA training course page** from 2020. Social media growth included a **20.9% increase in LinkedIn followers** and **11% increase in Facebook followers**.



# Elevate the Industry

The RIA is committed to elevating the industry by articulating a career path for restorers, promoting the value of our advanced designations and growing our educational programming. All of these efforts will play a critical role in educating consumers on the importance of hiring certified professionals.



Under the leadership of the Education Committee and subject matter expert volunteers, the RIA completed development of the final advanced designation pillar under the Certified Restorer designation, the **Environmental Risk Specialist (ERS)**. The new ERS course provides the student with awareness and understanding of environmental hazards including Chemical, Biological, Radiological, Nuclear, Explosives (CBRNE) and risks associated with disaster sites.

The Education Committee and volunteer subject matter experts also developed two new prerequisite courses for RIA's advanced designations. The **Building Construction & Science Course** provides an in-depth study of structural building components, their correct assembly, and the relationship between the systems and the intended use of the structure. The **Project Management Course** helps restoration professionals effectively manage the full life cycle of a restoration project.

In 2021, the RIA was eager to get back to in-person training and offered a total of **nine (9) virtual and in-person training events** for RIA Advanced Designations (FLS, WLS, CLS) and Building Construction & Science & Project Management prerequisite courses with **112 attendees**.

The RIA worked with the IICRC to develop a **Career Pathways Task Force** which is exploring how the organizations can collaborate on building a clear career pathway for restorers. This will help demonstrate the tremendous proficiency required for performing restoration work and help with employee recruitment and retention.

The RIA's first ever **Virtual Fall Technical Conference** was a success with 133 participants, delivering excellent presentations on topics including commercial & complex losses, project assessment, moisture documentation software, using technology in claims processes, overhead, soft skills, communication and addressing burnout.

# Leadership



The work of the association would not be possible without the tremendous leadership, commitment and dedication of our volunteers. In 2021, the RIA's volunteer leaders contributed hundreds of hours of their time to advance the mission of the organization for the benefit of our members and the industry at-large. Thank you for your service.

## RIA 2021 Board of Directors

### President

Mark Springer, CR

### President - Elect

Katie Smith, CR

### Vice President

Andrew Zavodney

### Treasurer

Debbie Bogar

### Secretary

Josh Hobbs

### Immediate Past President

Lee King, CR

### Directors-At-Large

Owen Boak, CR, WLS, CMP

Mitch Heitman

Craig M. Kersemeier, WLS

Ben Looper

Frank Mirabelli

Jeff Moore, CR, WLS, CMP

Russ Palmer

Jay Van Deusen, CLS, FLS

Matthew Preston

## RIA Committees & Task Forces

Finance Committee

Nominating Committee

AGA Committee

Membership Committee

Convention Planning Committee

Education Committee

Certification Committee

AGA Investment Subcommittee

AGA Marketing Task Force

AGA Pricing Task Force

AGA TPA Task Force

AGA TPC Task Force

Building Science Task Force

ERS Task Force

Project Management Task Force

Membership Dues Task Force

Website Task Force

## Management Firm

In 2020, the RIA began working with a new management firm - Association Headquarters (AH). AH is charter-accredited by the AMC Institute (to an American National Standards {ANSI} standard) and employs the highest number of credentialed staff members of any association management company (AMC) worldwide.

## RIA Staff Team

Mike Dwyer, CERO

Kristy Cohen, CEO

Colleen Duran, COO

Jess Hall, Education Manager

Clare MacNab, Senior Meeting Manager

Brittany Martin, Membership Coordinator

Ryan McGlashen, Meeting Coordinator

Christina DeRose, Industry Relations Manager

Jess Farrell, Marketing Manager