

2023 RMSA Annual Report

RMSA is committed to providing our members with exceptional security, stability, and service. In 2023, we updated our strategic plan, goals, and objectives to solidify this commitment while aligning with the current risk environment and changing needs of our members.

We remain financially strong. Rising prices for consumer goods and the persistent effects of natural disasters continued to create a difficult market in 2023, particularly affecting the property reinsurance market. RMSA's dedication to loss control and disciplined fiscal management have allowed us to mitigate the uncertainty of the insurance market. Combined with the power of pooling, we continue to provide competitive rates to our members and ended the year on solid financial ground.

Statement of net position

as of December 31, 2023 and December 31, 2022

	2023	2022
Assets:		
Current assets:		
Cash and cash equivalents	\$3,740,717	\$3,559,919
Investments	4,912,233	7,397,921
Receivables:		
Other receivables	14,685	0
Excess/reinsurance recoverable	0	331,380
Contract receivable (current portion)	2,500	2,500
Member deductibles	654	3,744
Prepaid expense	117,411	117,416
Accrued interest	104,407	56,141
Total current assets:	\$8,892,607	\$11,469,021
Non-current Assets:		
Contract receivable	\$12,500	\$15,000
Reinsurance deposit	239,149	239,149
Equity in NLC MIC	3,487,038	3,345,102
Investments	9,383,549	7,117,112
Total non-current assets:	\$13,122,236	\$10,716,363
Total assets:	\$22,014,843	\$22,185,384
Liabilities:		
Current Liabilities:		
Claim reserves:		
Incurred but not reported (IBNR)	\$1,828,508	\$1,791,875
Unpaid claims	618,400	810,864
Unallocated loss adjustment expenses	200,000	220,000
Accounts payable	492,274	499,384
Total current liabilities:	\$3,139,182	\$3,322,123
Noncurrent Liabilities:		
Claim reserves:		
Incurred but not reported (IBNR)	\$2,742,761	\$2,687,813
Unpaid claims	927,600	1,210,679
Total non-current liabilities:	\$3,670,361	\$3,898,492
Total liabilities:	\$6,809,543	\$7,220,615
Net position:		
Unrestricted	\$15,205,300	\$14,964,769
Total net position:	\$15,205,300	\$14,964,769
Total liabilities and net position:	\$22,014,843	\$22,185,384

Notable 2023 RMSA accomplishments:

- Delivered on our mission to provide best-in-class risk reduction services, training, and coverage to protect members
- Solidified a new strategic plan for 2024-2026 to ensure we are meeting the needs of all members, including small and medium cities and towns, as well as non-city public entities
- Ended the year in solid financial standing with a net position of \$15.2 million
- Embarked on a pilot project—available through our partnership with NLC MIC—to provide cybersecurity services to reduce risks for our smallest RMSA members

We look forward to continuing to serve our members in the coming years and deeply appreciate the trust you place in us. Together, we are stronger, safer, and more financially secure.

Statement of revenues, expenses, and changes in net position

For the years ended December 31, 2023 and December 31, 2022

	2023	2022
Operating revenues:		
Member assessments	\$10,776,977	\$10,001,641
Other income	456,162	(493,227)
Total operating revenues:	\$11,233,139	\$9,508,414
Operating expenses:		
Claims loss expense - current year	\$3,184,000	\$3,678,000
Claims loss expense - prior years	90,213	(1,158,597)
Unallocated loss adjustment expenses	(20,000)	(10,000)
Insurance premiums	4,505,412	4,358,408
Claims administration and loss prevention services	1,319,250	1,137,890
General and administrative expenses	2,550,896	2,445,592
Total operating expenses:	\$11,629,771	\$10,451,293
Operating income (loss):	(\$396,632)	(\$942,879)
Non-operating revenues/expenses:		
Interest (investment) income	\$495,227	\$251,761
Equity in NLC MIC	141,936	60,433
Total non-operating revenues and expenses:	\$637,163	\$312,194
Change in net position:	\$240,531	(\$630,685)
Total net position - January 1:	\$14,964,769	\$15,595,454
Total net position - December 31:	\$15,205,300	\$14,964,769

