

2024 RMSA Annual Report

2024 brought both excitement and challenges as we reaffirmed our commitment to our members by providing security, stability, and services. We embarked on our 2024-2026 strategic work plan to better serve our members. A key focus of this effort was improving communications around rates—helping members better understand how rates are determined and the factors that influence them.

As the cost of goods continued to rise and natural disasters persisted, the hard reinsurance marketplace remained a challenge, particularly in the property market. RMSA continues to leverage our strong financial position and the power of risk pooling to secure better reinsurance pricing than members can receive on their own—protecting the employees, assets, and officials of our members.

Statement of net position

as of December 31, 2024 and December 31, 2023

	2024	2023
Assets:		
Current assets:		
Cash and cash equivalents	\$4,481,868	\$3,740,717
Investments	2,929,092	4,912,233
Receivables:		
Other receivables	27,275	14,685
Excess/reinsurance recoverable	4,503	0
Contract receivable (current portion)	2,500	2,500
Member deductibles	0	654
Prepaid expense	113,400	117,411
Accrued interest	133,434	104,407
Total current assets:	\$7,692,072	\$8,892,607
Non-current Assets:		
Contract receivable	\$10,000	\$12,500
Reinsurance deposit	239,149	239,149
Equity in NLC MIC	3,696,200	3,487,038
Investments	12,928,955	9,383,549
Total non-current assets:	\$16,874,304	\$13,122,236
Total assets:	\$24,566,376	\$22,014,843
Liabilities:		
Current Liabilities:		
Claim reserves:		
Incurred but not reported (IBNR)	\$1,793,050	\$1,828,508
Unpaid claims	1,062,810	618,400
Unallocated loss adjustment expenses	230,000	200,000
Accounts payable	275,193	492,274
Total current liabilities:	\$3,361,053	\$3,139,182
Noncurrent Liabilities:		
Claim reserves:		
Incurred but not reported (IBNR)	\$2,689,575	\$2,742,761
Unpaid claims	1,594,214	927,600
Total non-current liabilities:	\$4,283,789	\$3,670,361
Total liabilities:	\$7,644,842	\$6,809,543
Net position:		
Unrestricted	\$16,921,534	\$15,205,300
Total net position:	\$16,921,534	\$15,205,300

Notably, in 2024 RMSA:

- Embarked on our 2024-2026 strategic workplan to address the evolving needs of Washington's small and medium cities, towns and non-city public entities
- Ended the year in solid financial standing with a net position of \$16.9M, well above the State Risk Manager requirements ensuring we are well positioned to pay for claims into the future
- Refreshed our website to improve communication and utilization of risk management resources, increased understanding of components of rates, and adherence to Member Standards
- Received the Innovative Solutions and Partnerships award from NLC RISC for our joint cyber pilot project, which offered cybersecurity services to our smallest members to reduce risk

We look forward to continuing to deliver on our mission by offering excellent risk management services and training and providing coverage that protects members when claims do happen.

Statement of revenues, expenses, and changes in net position

For the years ended December 31, 2024 and December 31, 2023

	2024	2023
Operating revenues:		
Member assessments	\$12,875,032	\$10,776,977
Other income	153,233	456,162
Total operating revenues:	\$13,028,265	\$11,233,139
Operating expenses:		
Claims loss expense - current year	\$3,339,001	\$3,184,000
Claims loss expense - prior years	(508,618)	90,213
Unallocated loss adjustment expenses	30,000	(20,000)
Insurance premiums	5,215,011	4,505,412
Claims administration and loss prevention services	1,454,310	1,319,250
General and administrative expenses	2,723,555	2,550,896
Total operating expenses:	\$12,253,259	\$11,629,771
Operating income (loss):	\$775,006	(\$396,632)
Non-operating revenues/expenses:		
Interest (investment) income	\$732,066	\$495,227
Equity in NLC MIC	209,162	141,936
Total non-operating revenues and expenses:	\$941,228	\$637,163
Change in net position:	\$1,716,234	\$240,531
Total net position - January 1:	\$15,205,300	\$14,964,769
Total net position - December 31:	\$16,921,534	\$15,205,300



Association of Washington Cities

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