

**MIAMI VALLEY RISK MANAGEMENT
ASSOCIATION**

2023 BUDGET BRIEF

**AS ADOPTED BY THE BOARD OF
TRUSTEES**

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION
SCHEDULE OF REVENUES AND EXPENDITURES - Budget Basis
FOR YEARS ENDING DECEMBER 31, 2021, 2022, and 2023

	<u>2021</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2023 Budget</u>
Revenue:				
Member Contributions:				
Operating Contributions	2,745,037	3,488,312	3,489,025	3,790,325
Loss Fund Contributions	2,200,000	2,500,000	2,500,000	2,425,000
Shock Loss Fund Contributions	29,825	50,909	50,909	39,987
Retroactive Date Endorsement	16,875	16,875	17,075	16,875
Investment Income	221,432	167,600	197,216	235,600
Deductible Reimbursements	251,714	220,000	227,340	210,000
Subrogation Recoveries	241,378	175,000	358,536	220,000
Excess Insurance Reimbursements	154,735	150,000	310,637	265,000
Pass-through	14,373	20,000	17,315	20,000
Training Program	49,204	37,500	57,679	37,500
Other Revenue	1,279	-	382	-
Total Revenue	5,925,852	6,826,196	7,226,114	7,260,287
Expenditures:				
Reinsurance / Excess Insurance Premiums	2,003,953	2,540,687	2,519,580	2,962,500
Claims / LAE	2,131,209	2,370,000	2,712,887	2,300,000
Subtotal - Insurance Program	4,135,162	4,910,687	5,232,467	5,262,500
Wages and Benefits	424,154	408,900	407,016	424,400
Professional Services	323,182	326,425	313,082	376,475
Pool Operations	85,839	109,700	97,068	90,950
Training Program	68,302	50,000	60,965	50,000
Pass-Through	14,394	20,000	16,620	20,000
Subtotal - G&A	915,871	915,025	894,751	961,825
Subro Collection Fees	44,202	-	66,682	44,000
Total Expenditures	5,095,235	5,825,712	6,193,900	6,268,325
Operating Surplus / (Deficit)	830,617	1,000,484	1,032,214	991,962
Non-Operating:				
Transfer-In to GRF from Closed LY	1,471,075	-	-	1,400,000
Transfer-Out from Closed LY to GRF	(1,471,075)	-	-	(1,400,000)
Transfer-In to Gen. Res. from Shock Loss	253,567	11,012	11,012	72,132
Transfer-Out from Shock Loss to Gen. Res.	(253,567)	(11,012)	(11,012)	(72,132)
Transfer-In to Operating from Shock Loss	90,000	-	-	-
Transfer-Out from Shock Loss to Operating	(90,000)	-	-	-
GRF Refunds to Members	(996,872)	(1,600,000)	(1,865,661)	(2,000,000)
GRF Investment Income & Other Income	90,307	72,500	74,878	79,400
Net Surplus / (Deficit)	(75,948)	(527,016)	(758,569)	(928,638)
Cash Fund Balances, Jan. 1	17,220,610	17,144,662	17,144,662	16,386,093
Cash Fund Balances, Dec. 31	17,144,662	16,617,646	16,386,093	15,457,455

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION
SCHEDULE OF BUDGETED REVENUES AND EXPENDITURES - BY FUND - Budget Basis
FOR THE YEAR ENDING DECEMBER 31, 2023

	<u>Operating Fund</u>	<u>Loss Year Funds</u>	<u>Shock Loss Fund</u>	<u>General Reserve Fund</u>	<u>Total</u>
Revenue:					
Member Contributions	3,790,325	2,425,000	39,987	-	6,255,312
Member Contrib. - Retro Date Endorsement	-	16,875	-	-	16,875
Investment Income	26,500	157,900	51,200	-	235,600
Deductible Reimbursements	-	210,000	-	-	210,000
Subrogation Recoveries	-	220,000	-	-	220,000
Excess Insurance Reimbursements	-	265,000	-	-	265,000
Pass-through	20,000	-	-	-	20,000
Training Program	37,500	-	-	-	37,500
Other Revenue	-	-	-	-	-
Total Revenue	3,874,325	3,294,775	91,187	-	7,260,287
Expenditures:					
Reinsurance/Excess Insurance Premiums	2,962,500	-	-	-	2,962,500
Claims / LAE	-	2,300,000	-	-	2,300,000
Subtotal - Insurance Program	2,962,500	2,300,000	-	-	5,262,500
Wages and Benefits	424,400	-	-	-	424,400
Professional Services	376,475	-	-	-	376,475
Pool Operations	90,950	-	-	-	90,950
Training Program	50,000	-	-	-	50,000
Pass-Through	20,000	-	-	-	20,000
Subtotal - G&A	961,825	-	-	-	961,825
Subro Collection fees	-	44,000	-	-	44,000
Total Expenditures	3,924,325	2,344,000	-	-	6,268,325
Operating Surplus / (Deficit)	(50,000)	950,775	91,187	-	991,962
Non-Operating:					
Transfer from Closed LY to GRF	-	(1,400,000)	-	1,400,000	-
Transfer from Shock Loss to Gen. Res.	-	-	(72,132)	72,132	-
GRF Investment Income	-	-	-	79,400	79,400
GRF Refunds to Members	-	-	-	(2,000,000)	(2,000,000)
Net Surplus / (Deficit)	(50,000)	(449,225)	19,055	(448,468)	(928,638)
Fund Balance, 1/1/23	204,224	8,612,245	2,831,104	4,738,520	16,386,093
Fund Balance, 12/31/23	154,224	8,163,020	2,850,159	4,290,052	15,457,455

**MVRMA 2023 BUDGET
SUMMARY OF TOTAL EXPENDITURES**

Program Description	2020 Actual	2021 Actual	2022 Budget	2022 Actual	2023 Budget	Increase / (Decrease)	
						Amount	Pct.
<u>Excess Insurance/Reinsurance & Claims:</u>							
Reinsurance / Excess Insurance	\$1,579,087	\$2,003,953	\$2,540,687	\$2,519,580	\$2,962,500	\$421,813	16.6%
Claims/LAE	\$3,176,770	\$2,131,209	\$2,370,000	\$2,712,887	\$2,300,000	(\$70,000)	-3.0%
SUB-TOTAL	\$4,755,857	\$4,135,162	\$4,910,687	\$5,232,467	\$5,262,500	\$351,813	7.2%
<u>Other Expenditures:</u>							
Wages & Benefits	\$516,283	\$424,154	\$408,900	\$407,016	\$424,400	\$15,500	3.8%
Professional Services	\$164,437	\$323,182	\$326,425	\$313,082	\$376,475	\$50,050	15.3%
Pool Operations	\$75,566	\$85,839	\$109,700	\$97,068	\$90,950	(\$18,750)	-17.1%
Training	\$26,615	\$68,302	\$50,000	\$60,965	\$50,000	\$0	0.0%
Pass Through Expenditures	\$5,494	\$14,394	\$20,000	\$16,620	\$20,000	\$0	0.0%
SUB-TOTAL	\$788,395	\$915,871	\$915,025	\$894,751	\$961,825	\$46,800	5.1%
<u>Subro Collection Fees</u>							
	\$0	\$44,202	\$0	\$66,682	\$44,000	\$44,000	-----
TOTAL BEFORE INTERFUND	\$5,544,252	\$5,095,235	\$5,825,712	\$6,193,900	\$6,268,325	\$442,613	7.6%
<u>Interfund:</u>							
Interfund Transfer-Out	\$0	\$0	\$0	\$0	\$0	\$0	-----
Transfer from Shock Loss to General Reserve	\$69,933	\$253,567	\$11,012	\$11,012	\$72,132	\$61,120	555.0%
Transfer from Shock Loss to Operating	\$0	\$90,000	\$0	\$0	\$0	\$0	-----
GRF: Member Withdrawals	\$1,541,109	\$996,872	\$1,600,000	\$1,865,661	\$2,000,000	\$400,000	25.0%
Transf to GRF from Closed Loss Yrs	\$2,789,488	\$1,471,075	\$0	\$0	\$1,400,000	\$1,400,000	-----
TOTAL	\$9,944,782	\$7,906,749	\$7,436,724	\$8,070,573	\$9,740,457	\$2,303,733	31.0%

**MVRMA 2023 BUDGET
SUMMARY OF TOTAL REVENUES**

<u>Program Description</u>	2021 Actual	2022 Budget	2022 Projected	2023 Budget
Operating Revenues	\$2,826,201	\$3,555,712	\$3,583,371	\$3,874,325
Retro Endorsement Revenues	\$17,019	\$17,075	\$17,595	\$17,775
Loss Year 28 (2016) Revenues	\$30,492	\$22,400	\$26,003	\$21,200
Loss Year 29 (2017) Revenues	\$21,525	\$0	\$0	\$0
Loss Year 30 (2018) Revenues	\$31,455	\$19,800	\$21,131	\$22,900
Loss Year 31 (2019) Revenues	\$122,570	\$173,400	\$110,820	\$284,400
Loss Year 32 (2020) Revenues	\$287,905	\$69,100	\$269,897	\$24,400
Loss Year 33 (2021) Revenues	\$2,511,352	\$184,800	\$314,580	\$66,200
Loss Year 34 (2022) Revenues	\$0	\$2,696,100	\$2,788,870	\$224,700
Loss Year 35 (2023) Revenues	\$0	\$0	\$0	\$2,633,200
Shock Loss Fund Revenues	\$77,333	\$87,809	\$93,847	\$91,187
SUB-TOTAL	\$5,925,852	\$6,826,196	\$7,226,114	\$7,260,287
Transfer-In to GRF from Closed LY	\$1,471,075	\$0	\$0	\$1,400,000
Transfer-In to GRF from SLF	\$253,567	\$11,012	\$11,012	\$72,132
Transfer-In to Operating from SLF	\$90,000	\$0	\$0	\$0
GRF Investment Income & Other	\$90,307	\$72,500	\$74,878	\$79,400
TOTAL	\$7,830,801	\$6,909,708	\$7,312,004	\$8,811,819

2023 Budget Member Contributions

2023 / LY 35 Member Contributions												
Member	2023 / LY35 PCF	2023 OPER Contribution	Less: 2022 OPER Rebate	Subtotal: Net OPER Contribution	LY 35 Loss Fund Contribution	Shock Loss Fund Contribution	TOTAL 2023 Contribution	2022 Contribution	2021 Contribution	2020 Contribution	2019 Contribution	2018 Contribution
Beavercreek	5.19194%	\$199,387	(\$2,519)	\$196,868	\$125,904	\$0	\$322,772	\$302,186	\$275,125	\$290,474	\$385,600	\$376,481
Bellbrook	0.90537%	\$34,769	(\$438)	\$34,331	\$21,955	\$0	\$56,286	\$52,428	\$40,886	\$42,823	\$41,492	\$41,654
Blue Ash	4.54144%	\$174,406	(\$2,891)	\$171,515	\$110,130	\$0	\$281,645	\$347,056	\$324,875	\$270,323	\$271,296	\$272,335
Centerville	4.84263%	\$185,973	(\$2,105)	\$183,868	\$117,434	\$0	\$301,302	\$251,856	\$193,841	\$180,592	\$171,375	\$163,297
Englewood	3.57926%	\$137,455	(\$1,439)	\$136,016	\$86,797	\$7,645	\$230,458	\$172,004	\$125,852	\$119,708	\$120,680	\$121,263
Fairfield	8.13686%	\$312,482	(\$4,069)	\$308,413	\$197,319	\$29,598	\$535,330	\$518,384	\$455,957	\$413,680	\$0	\$0
Indian Hill	2.25125%	\$86,455	(\$1,157)	\$85,298	\$54,593	\$0	\$139,891	\$138,442	\$110,656	\$116,852	\$97,111	\$92,846
Kettering	11.94085%	\$458,568	(\$6,355)	\$452,213	\$289,566	\$0	\$741,779	\$760,848	\$615,648	\$554,768	\$527,168	\$482,101
Madeira	0.95253%	\$36,580	(\$513)	\$36,067	\$23,099	\$0	\$59,166	\$61,459	\$50,743	\$78,629	\$65,731	\$53,754
Mason	8.46588%	\$325,117	(\$3,755)	\$321,362	\$205,297	\$0	\$526,659	\$449,852	\$377,781	\$377,074	\$311,800	\$297,685
Miamisburg	5.51093%	\$211,638	(\$2,735)	\$208,903	\$133,640	\$0	\$342,543	\$327,764	\$284,008	\$255,813	\$265,815	\$234,983
Montgomery	2.05419%	\$78,888	(\$1,080)	\$77,808	\$49,814	\$0	\$127,622	\$129,545	\$114,897	\$102,692	\$105,924	\$110,282
NAWA	0.36601%	\$14,056	(\$200)	\$13,856	\$8,876	\$312	\$23,044	\$25,391	\$20,756	\$7,919	\$7,714	\$7,630
Piqua	7.95532%	\$305,510	(\$3,762)	\$301,748	\$192,916	\$0	\$494,664	\$449,736	\$329,733	\$380,083	\$307,239	\$326,311
Sidney	5.71041%	\$219,298	(\$2,733)	\$216,565	\$138,477	\$0	\$355,042	\$327,658	\$285,384	\$288,514	\$259,960	\$268,006
Springdale	3.65139%	\$140,225	(\$1,637)	\$138,588	\$88,546	\$2,432	\$229,566	\$195,593	\$136,838	\$137,851	\$139,288	\$144,919
Tipp City	2.92778%	\$112,436	(\$1,683)	\$110,753	\$70,999	\$0	\$181,752	\$202,419	\$209,290	\$201,495	\$234,116	\$203,316
Troy	6.88313%	\$264,335	(\$3,835)	\$260,500	\$166,916	\$0	\$427,416	\$458,014	\$315,609	\$300,246	\$311,387	\$282,197
Vandalia	3.44180%	\$132,176	(\$1,830)	\$130,346	\$83,464	\$0	\$213,810	\$219,154	\$179,944	\$193,224	\$183,259	\$163,633
West Carrollton	1.97949%	\$76,019	(\$1,067)	\$74,952	\$48,003	\$0	\$122,955	\$127,898	\$109,333	\$108,407	\$105,505	\$121,320
Wilmington	6.64449%	\$255,170	(\$3,207)	\$251,963	\$161,129	\$0	\$413,092	\$403,059	\$323,806	\$253,712	\$212,186	\$180,841
Wyoming	2.06706%	\$79,382	(\$990)	\$78,392	\$50,126	\$0	\$128,518	\$118,475	\$93,490	\$98,714	\$81,159	\$134,793
TOTALS	100.00000%	\$3,840,325	(\$50,000)	\$3,790,325	\$2,425,000	\$39,987	\$6,255,312	\$6,039,221	\$4,974,452	\$4,773,593	\$4,205,805	\$4,079,647