



MICHIGAN MUNICIPAL  
RISK MANAGEMENT  
A U T H O R I T Y

**\*\* SPECIAL ANNOUNCEMENT \*\***

**Board Approves \$34.5 Million Direct Distribution to Members**

At its January 18<sup>th</sup> meeting, MMRMA's Board of Directors acted to declare a **\$34,484,665** direct distribution of excess net assets to current renewing MMRMA Individual and State Pool Members. The Board also approved the 2024 Net Asset Policy Report, including the results of the most recent capital adequacy analysis, which determines the required net asset amount. This will be our eighteenth distribution of excess net assets to current renewing Individual and State Pool Members. With this distribution, MMRMA has directly distributed \$461,436,358 to its renewing members since 2006.

The direct distribution is the largest component of a \$41.9 million total deployment of excess net assets for the benefit of our membership this year. Examples of other uses of excess net assets include:

- Michigan Vehicle Assessments – Excess net assets are used to pay the Michigan Catastrophic Claims Association (MCCA) and Michigan Assigned Claims Plan vehicle assessments for members. It is estimated that we will pay \$3,152,879 in assessments on behalf of the membership.
- Risk Avoidance Program (RAP) Grants – Excess net assets of \$1,750,000 are allocated to fund RAP Grants.
- Data Breach Coverage – In July 2013, MMRMA began providing Data Breach Coverage to all Individual and State Pool Members. The estimated cost of \$1,575,843 for this coverage will continue to be supported by excess net assets.
- No-Fault Automobile Coverage – Excess net assets are used to provide members with enhanced no-fault automobile coverage. The estimated value of this enhancement is \$902,990.

- Coverage for Volunteers – Excess net assets are also used to pay for volunteer medical claim payments up to \$25,000 per occurrence.

Once again, this is very good news for members and, based on the distribution rules adopted by the Board, members will receive their share of the direct distribution following their membership renewal.

MMRMA's ability to provide these benefits to its members is a direct reflection of strong performance results over a sustained period of time. Many factors contributed to these favorable results, including member responsiveness to risk control recommendations, good risk management practices by members that resulted in fewer losses, and, most importantly, investment performance through June 30, 2023. However, the most central factor that allows MMRMA to deploy excess net assets is the long-term commitment that members have made to MMRMA. Without your loyalty and ongoing support of this fine organization, these benefits would not be possible. Thank you.