

ANALYSIS OF THE RISK MANAGEMENT FUND FOR THE 1999-2001 AND 2001-03 BIENNIUMS

	1999-2001 Biennium	2001-03 Biennium
Beginning balance	\$6,653,971	\$2,154,397
Add estimated revenues		
Premiums	\$0 ¹	\$3,746,984 ²
Investment income	275,000	212,206
Total estimated revenues	275,000	3,959,190
Total available	\$6,928,971	\$6,113,587
Less estimated expenditures		
Administration - 1999 SB 2015, 2001 HB 1015	\$967,077	\$1,041,067
Claims-related expenses - Continuing appropriation	1,921,497	2,189,772
Claims and litigation	1,886,000	2,331,000
Total estimated expenditures	4,774,574	5,561,839
Estimated ending balance	\$2,154,397	\$551,748

NOTE: In September 1994 the North Dakota Supreme Court abolished the doctrine of sovereign immunity. As a result of this court decision, the 1995 Legislative Assembly passed the Tort Claims Act (1995 Senate Bill No. 2080) contained in North Dakota Century Code Section 32-12.2-07, which created a risk management fund and assigned the responsibility of administering a risk management program to the Office of Management and Budget.

¹ No risk management premiums were assessed to agencies and institutions due to a 1998 actuarial review of the fund which determined that fund reserves were sufficient to administer and pay claims anticipated in the 1999-2001 biennium.

² In response to an actuarial review completed by Aon Risk Services during 2000, the Risk Management Division has determined to assess a total of \$3,746,984 in risk management premiums to state agencies, boards and commissions, and the North Dakota University System for the 2001-03 biennium.