

**ANALYSIS OF THE RISK MANAGEMENT FUND
FOR THE 2007-09 BIENNIUM**

	2007-09 Biennium	
Beginning balance - July 1, 2007		\$3,619,197
Add estimated revenues		
Premiums	\$3,743,457 ¹	
Total estimated revenues		3,743,457
Total available		\$7,362,654
Less estimated expenditures and transfers		
Administration	\$919,331	
Claims-related expenses	138,860	
Claims and litigation	3,038,713	
Total estimated expenditures and transfers		4,096,904
Estimated ending balance - June 30, 2009		<u>\$3,265,750</u>

¹In response to an actuarial review completed in 2006 by Aon Risk Services, the Risk Management Division is assessing a total of \$3,743,457 in risk management premiums to state agencies, boards, and commissions and the North Dakota University System for the 2007-09 biennium.

NOTE: The estimated June 30, 2009, balance made at the end of the 2007 legislative session was \$2,189,493. The increase in the estimated balance of \$1,076,257 is due to the actual July 1, 2007, balance of \$3,619,197 being \$1,076,257 more than the July 1, 2007, balance estimated at the end of the 2007 legislative session of \$2,542,940.

FUND HISTORY

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) which created a risk management fund and assigned the responsibility of administering a risk management program to the Office of Management and Budget.