

PARTICIPATOR

June 2014

EXTRA

ANNUAL MEETING HIGHLIGHTS

BOARD ELECTIONS

NDIRF members gathered in Bismarck on May 15th for the company's 2014 annual meeting. One of the responsibilities of Fund members attending the meeting (and those members who attended by proxy) was the election of directors to the NDIRF Board.



Burdell Johnson

Successful candidates in 2014 were Kidder County School Board member Burdell Johnson, elected by "Schools" members; and Roosevelt-Custer Regional Council Executive Director Rod Landblom, elected by "Others" members. Congratulations!



Rod Landblom

FINANCIAL REPORT

Another important function of the Annual Meeting is to inform members of the financial

condition of the business. Reports for the most recent full year of operation (2013) were presented by NDIRF staff and the report of the Fund's independent financial auditor, Eide Bailly LLP, indicated an unmodified opinion (clean bill of financial health).

Figure 1 tracks revenues and net income over the 28 year history of the NDIRF. As you can see, similar losses in 2013 compared to the prior year (see Figure 2), coupled with decreased investment income due primarily to the adverse effect of rising interest rates on the NDIRF's fixed income portfolio, produced net income of over \$1.7 million in 2013 – a decrease in excess of 35% from the prior year.

28 - Year Revenues

(in thousands)

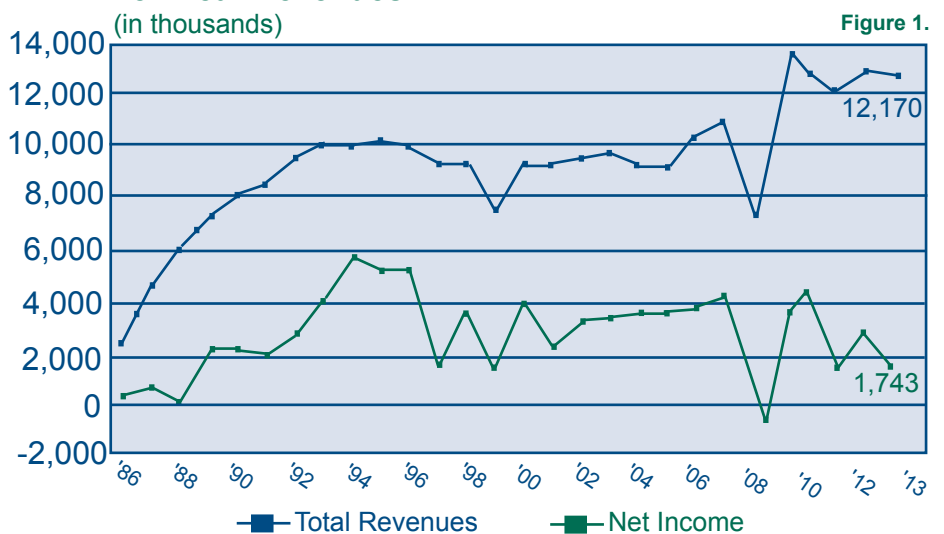


Figure 1.

Loss Ratios

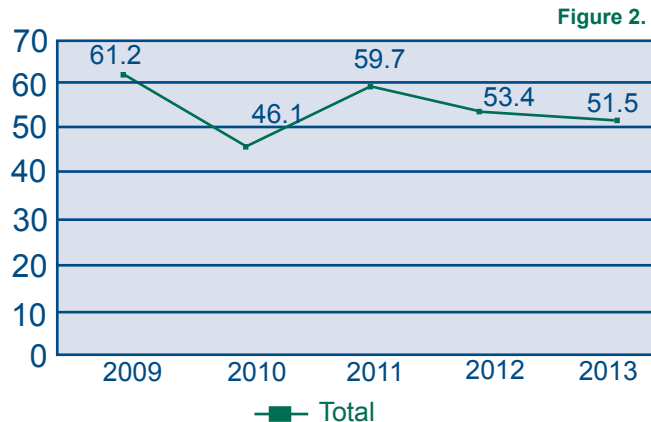


Figure 2.

Continued on back





**NORTH DAKOTA
INSURANCE
RESERVE FUND
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BISMARCK ND 58502**

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STANDARD
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PERMIT NO 419**

North Dakota Insurance Reserve Fund Board of Directors

Randy Bina, Bismarck Blake Crosby, Bismarck Burdell Johnson, Tuttle Mark A. Johnson, Bismarck Shawn Kessel, Dickinson
Rod Landblom, Dickinson Tom Larson, Park River Cindy Schwehr, Rogers Bruce Strinden, Mandan

Figure 3 indicates a healthy balance sheet for the NDIRF, with levels of assets and members' equity that, as a result of the conferment of benefits program, have been very stable.

KEY EVENTS OF 2013

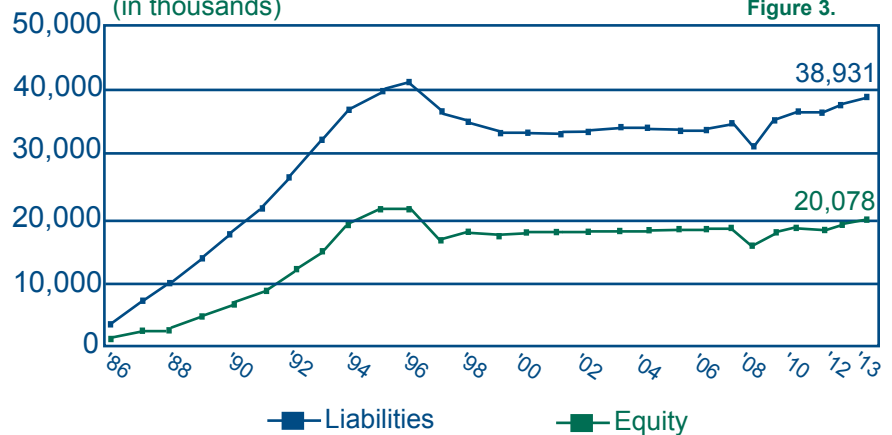
Training opportunities for NDIRF members were emphasized in 2013, with over 4,000 NDIRF member officials and employees participating. Initiatives in 2013 included the refinement of online tools to assist NDIRF's members with their human resource administration responsibilities. A new Municipal Laws Handbook for City Officials was developed in conjunction with the North Dakota League of Cities, with NDIRF funding, and we also partnered with the North Dakota Firefighters Association in 2013 to add a portable driving simulator to the emergency vehicle operations course regional training program.

These new risk management efforts, coupled with ongoing programs such as defensive driving courses, playground safety training, road maintenance, law enforcement liability and swimming pool safety demonstrate the NDIRF's strong commitment to containing loss costs through appropriate education. ■

28 - Year Balance Sheet

(in thousands)

Figure 3.



Nora Frueh, of Eide Bailly, reports on her firm's 2013 NDIRF financial audit.

NDIRF member representatives confer during a break in the Annual Meeting program.

