

PARTICIPATOR

June 2013

EXTRA

ANNUAL MEETING HIGHLIGHTS

BOARD ELECTIONS

NDIRF members gathered in Bismarck on May 8th for the company's 2013 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.



Bruce Strinden

Successful candidates in 2013 were Morton County Commissioner Bruce Strinden, elected by "Counties" members; and Dickinson City Administrator Shawn Kessel, elected by "Cities" members. Congratulations!



Shawn Kessel

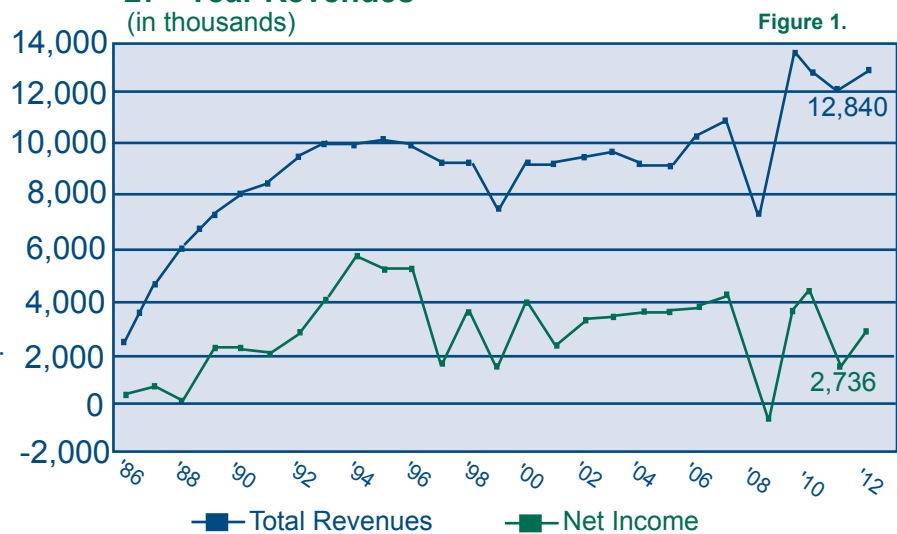
FINANCIAL REPORT

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 (2012) 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).

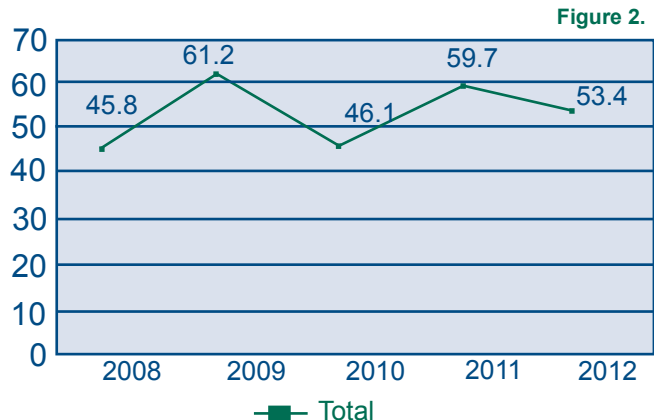
Figure 1 tracks revenues and net income over the 27-year history of the NDIRF. As you can see, decreased losses in 2012 (see Figure 2), due primarily to a mild winter, coupled with increased investment income, produced net income of over \$2.7 million in 2012, an increase in excess of 50% from the prior year.

27 - Year Revenues

(in thousands)



Loss Ratios



Continued on back





**NORTH DAKOTA
INSURANCE
RESERVE FUND
PO BOX 2258
BISMARCK ND 58502**

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STANDARD
US POSTAGE PAID
BISMARCK, ND
PERMIT NO 419**

North Dakota Insurance Reserve Fund Board of Directors

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

27 - Year Balance Sheet

(in thousands)

Figure 3.

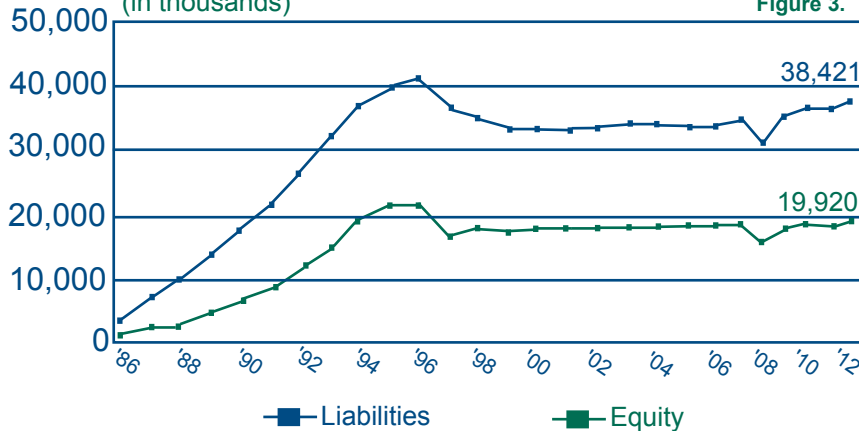


Figure 3 indicates a healthy balance sheet for the NDIRF, with levels of assets and members' equity that, as a result of the conferment of benefits program, have been very stable over the past decade.

KEY EVENTS OF 2012

Training opportunities for NDIRF members were emphasized in 2012, with over 4,000 NDIRF member officials and employees participating. Initiatives in 2012 included the continuing rollout and refinement of online tools to assist NDIRF's members with their human resource administration responsibilities, made possible by a Bremer Foundation grant secured by the North Dakota Association of Counties, with additional funding from NDIRF. A new 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 2012 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. ■