



STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION

---

OFFICE OF RISK MANAGEMENT  
*Annual Report 2007-2008*

*Our mission is to develop, direct, achieve  
and administer a cost effective  
comprehensive risk management  
program for all agencies, boards and  
commissions of the State of Louisiana  
and for any other entity for which the  
state has an equity interest, in order to  
preserve and protect the assets of the  
State of Louisiana.*

<b>DIRECTOR'S ADDRESS</b> .....	<b>7</b>
<b>ABOUT ORM</b> .....	<b>8</b>
<b>MANAGEMENT REPORT</b> .....	<b>9</b>
UNDERWRITING .....	9
<i>Excess Liability</i> .....	9
<i>Stafford Act</i> .....	9
<i>Recovery School District</i> .....	9
<i>Superdome</i> .....	9
<i>New Orleans Levee District</i> .....	9
LOSS PREVENTION (LP).....	10
CLAIMS.....	10
<i>Workers' Compensation</i> .....	10
<i>Medical Malpractice</i> .....	11
<i>General Liability</i> .....	11
<i>Auto Liability</i> .....	11
<i>Auto Physical Damage</i> .....	11
<i>Road Hazard</i> .....	12
<i>Property</i> .....	12
<b>CLAIMS REPORTED BY MAJOR COVERAGE LINE</b> .....	<b>13</b>
MAJOR COVERAGE: 10 - WORKERS COMPENSATION .....	13
MAJOR COVERAGE: 20 - GENERAL LIABILITY .....	14
MAJOR COVERAGE: 30 - ROAD HAZARDS (RH) .....	15
<i>RH Claims by Parish</i> .....	15
<i>RH Claims by Parish</i> .....	16
<i>RH Claims by Cause Code</i> .....	16
MAJOR COVERAGE: 40 - AUTO LIABILITY .....	17
MAJOR COVERAGE: 45 - AUTO PHYSICAL DAMAGE.....	17
MAJOR COVERAGE: 50 - WET MARINE.....	18
MAJOR COVERAGE: 55 - AVIATION .....	18
MAJOR COVERAGE: 60 - PROPERTY .....	18
MAJOR COVERAGE: 65 - BOILER & MACHINERY.....	19

MAJOR COVERAGE: 70 - BONDS LIABILITY .....	19
MAJOR COVERAGE: 80 - MED MAL/HPL.....	19
MAJOR COVERAGE: 90 - MISCELLANEOUS .....	19
<b>CLAIMS REPORTED BY DEPARTMENT .....</b>	<b>20</b>
0010 – EXECUTIVE DEPARTMENT .....	20
0400 – DIVISION OF ADMINISTRATION .....	20
0500 – DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT .....	20
0900 – LSUMC HEALTH CARE SERVICES DIVISION .....	20
1000 – DEPARTMENT OF HEALTH AND HOSPITALS.....	21
1800 – DEPARTMENT OF SOCIAL SERVICES .....	21
2000 – DEPARTMENT OF CORRECTIONS.....	21
2170 – DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS – YOUTH SERVICES.....	21
2200 – DEPARTMENT OF PUBLIC SAFETY .....	22
2300 – DEPARTMENT OF NATURAL RESOURCES.....	22
2400 – DEPARTMENT OF ENVIRONMENTAL QUALITY .....	22
2500 – DEPARTMENT OF ECONOMIC DEVELOPMENT.....	22
2600 – LA WORKFORCE COMMISSION .....	22
2800 – DEPARTMENT OF WILDLIFE AND FISHERIES.....	23
2900 – DEPARTMENT OF REVENUE .....	23
3000 – DEPARTMENT OF CIVIL SERVICE.....	23
3100 – DEPARTMENT OF CULTURE, RECREATION AND TOURISM.....	23
3200 – LIEUTENANT GOVERNOR .....	23
3300 – DEPARTMENT OF STATE.....	24
3400 – DEPARTMENT OF JUSTICE .....	24
3600 – DEPARTMENT OF THE TREASURY .....	24
3700 – DEPARTMENT OF AGRICULTURE AND FORESTRY .....	24
4000 – DEPARTMENT OF INSURANCE .....	24
4100 - DEPARTMENT OF EDUCATION .....	25
4350 - DEPARTMENT OF PUBLIC SERVICE.....	25
4400 - LSU SYSTEM .....	25
4600 – SOUTHERN UNIVERSITY SYSTEM.....	25

4800 – TRUSTEES SYSTEM OF UNIVERSITIES.....	26
5800 – SPECIAL SCHOOLS AND EDUCATION AGENCY .....	26
6000 – LA COMMUNITY AND TECHNICAL COLLEGE SYSTEM.....	26
7000 – EMPLOYEE BENEFIT SYSTEM.....	26
7200 – MISC. BOARDS AND COMMISSIONS .....	27
7600 - LEGISLATURE.....	27
7700 – JUDICIARY .....	27
9900 - MISCELLANEOUS .....	27
<b>STATE COMPARISON: UNFUNDED LIABILITY .....</b>	<b>28</b>
<b>CASH EXPENDITURE BY BUDGET PROGRAM .....</b>	<b>31</b>
<b>CASH EXPENDITURE BY LINE OF COVERAGE.....</b>	<b>32</b>
<b>TOTAL CASH BALANCE.....</b>	<b>33</b>
<b>TOTAL BUDGET BY FISCAL YEAR .....</b>	<b>34</b>
<b>TOTAL FUND EQUITY .....</b>	<b>35</b>
<b>PREMIUMS COLLECTED.....</b>	<b>36</b>
<b>FINANCIAL STATEMENTS .....</b>	<b>37</b>
OFFICE OF RISK MANAGEMENT .....	37
AUTO LIABILITY .....	38
AUTO PHYSICAL DAMAGE .....	39
BONDS AND CRIME.....	40
WORKERS' COMPENSATION & MARITIME.....	41
PROPERTY .....	42
GENERAL LIABILITY .....	43
PERSONAL INJURY .....	44
MARINE, AVIATION AND BOILER & MACHINERY .....	45
MEDICAL MALPRACTICE.....	46
ROAD HAZARDS .....	47
MISCELLANEOUS .....	48
<b>NOTES TO THE FINANCIAL STATEMENTS.....</b>	<b>49</b>
<b>CONTACT US .....</b>	<b>59</b>
MAIN OFFICE .....	59
REGIONAL OFFICES .....	59



## DIRECTOR'S ADDRESS

*Fiscal Year 2008 marked the first signs of true market softening since the 2005 hurricanes. However, coverage cost and availability in coastal areas such as Louisiana continues to be challenging. Although the market began to show slight softening, excess property insurance may continue to be difficult to purchase.*

*Prior to Hurricane Katrina, ORM had \$475 million commercial excess property coverage with a \$25 million self-insured retention. Due to changes in the commercial reinsurance market after Hurricanes Katrina and Rita, limited capacity was available to states with large coastal exposures. ORM was only able to purchase \$150 million of coverage with a \$50 million retention when those policies expired.*

*For FY 07-08, we were able to increase coverage limits to \$300,000,000. After the 2005 storms, the cost of excess insurance for the State increased from \$9 million to nearly \$40 million dollars with a doubled self-insured retention and a 60% decreased coverage limit. Because of the insurable losses the market has faced in the past year, we anticipate a similar climate in the year to come. Thus, ORM continues to focus on strategies to reduce costs and maximize resources by promoting the efficient operations of state government by continually reviewing its programs. This past year we intensified our focus on cost-savings. ORM continued to identify strategies to reduce costs and presented them to the new administration and in legislative committee. ORM has identified several cost-saving measures (Preferred Provider Organization (PPO) discounts, Pharmacy Benefit Manager, increasing Second Injury Fund recoveries and Subrogation recoveries, and contracting with an insurance broker) that would result in substantial savings to the State. The successful implementation of these measures although challenging, will result in increased fiscal stability and efficiency. Further, they will help to continue the advancement of ORM's key mission objective, which is to preserve and protect the assets of the State of Louisiana.*

*- Bud Thompson,  
State Risk Director*

## ABOUT ORM

R.S. 39:1527, et seq., created the Office of Risk Management (ORM) within the Division of Administration (DOA) in order to provide a comprehensive risk management program for the state. ORM has sole responsibility for handling the State's property and casualty insurance and management of all tort claims. The attorney general or private legal counsel appointed by the attorney general provides representation of the state in tort claims. ORM is an ancillary agency and as such, all of its revenue is self-generated, derived wholly from premiums, billed directly to state agencies.

Complimentary to the billing of premium to fund the reserve are the reserves themselves. The adjuster upon receipt of the claim sets reserves, or the estimated total value of a claim, which is standard within the risk management and insurance industries. Per FASB 5, ORM reports reserves on financial statements in addition to the State's financial statements, as they represent contingent liabilities. ORM provides coverage by loss year, that is to say, that all claims in a particular year are included in that policy year whether reported in that loss year or some later year. Thus, in looking at the total losses of any year, total cost includes already paid losses, reserved losses, or the expected future payout, and a reserve for claims not yet reported estimated with relative certainty. The independent actuarial firm, Tillinghast, a Towers Perrin Company, examines the sum of the reserves and issues an opinion as to the reasonableness of the total reserve figure.

ORM develops premiums each year using actuarial concepts to provide for premiums in each year sufficient to pay all claims that will arise from that loss year. Budgeting and appropriating, these recommended premiums, would support a reserve for present and future payments. Currently, ORM operates on a modified "pay as you go" basis with premiums budgeted to meet current cash needs

on all lines of coverage with the exception of Road Hazards. Payment of claims resulting from this line, receive payment through legislative appropriations from the State's General Fund.

ORM utilizes both experience rating and loss prevention to control losses. This provides considerable self-insurance savings and insulates the State from cyclical shocks in the commercial market.

R.S. 39:1527, et seq., further designates the Office of Risk Management to be solely responsible for all Property and Casualty and Worker's Compensation insurance purchased by ORM or self-insured by ORM for all State departments, agencies, boards, and commissions.

ORM currently self-insures include property, workers' compensation, commercial general liability and personal injury liability, road and bridge hazards, automobile liability and physical damage, boiler and machinery, medical malpractice liability, bond, crime, aviation hull and liability, airport liability, bridge property, publishers media liability, and miscellaneous tort liability. ORM provides other coverages as needed, including excess over self-insurance or specific commercial coverage, wet marine and Superdome workers' compensation.

In statutory provisions, R.S. 33:1981(C) and 33:2201(C), require ORM to make law enforcement and firefighters' survivor benefits payments.

# MANAGEMENT REPORT

## UNDERWRITING

In FY 07-08, the insurance market finally began to show the first signs of softening since Hurricane Katrina. There were small price reductions in many lines. Property insurance in coastal areas continues to be challenging in both cost and availability.

### EXCESS LIABILITY

ORM has not purchased excess insurance above the Commercial General Liability, Automobile Liability and Road and Bridge Hazard policies since FY 2005-06. The self-insurance limit remains at \$5,000,000 for each line.

#### *Wet Marine*

The marine market remains relatively stable. For a second year, ORM renewed this coverage at the same rates for July 1, 2007. The annual premium of \$2,176,129 is an increase over the previous year due to updated appraisal values of the vessels.

#### Property

Effective July 1, 2007, the property insurance program renewed at the same rate and the available maximum limit increased from \$150,000,000 to \$350,303,000. The self-insured and excess coverage continue to have the following criteria: 1) scheduled coverage only as opposed to blanket; 2) per building limit is the mandatory maximum of 115% of the scheduled building replacement cost value; and 3) a reduction of business income coverage. The excess property insurance continues to be the most expensive coverage line at \$35,484,860 for FY 07-08.

#### Equipment Breakdown (Boiler and Machinery)

The boiler program, which is now termed Equipment Breakdown, is also stable. Hartford continues to write the excess coverage under a newly bid contract effective July 1, 2007 at an annual premium of \$574,996 (\$220,000 less than the expiring contract).

## STAFFORD ACT

To comply with Stafford Act obtain and maintain requirements, buildings damaged by Katrina and/or located in Special Flood Hazard Zones below the I-10/I-12 corridor were identified and provided flood coverage under the National Flood Insurance Program (NFIP). The total annual premium was \$5,453,367.

## RECOVERY SCHOOL DISTRICT

RSD self-insurance policy issuance remains separate in all applicable lines of insurance. This includes excess property, excess equipment breakdown insurance, and, NFIP policies on RSD buildings. The following is a breakdown of lines, limits and premiums for FY 07-08:

- Property Excess, limit=\$150,000,000 excess of \$50,000,000 SIR, premium=\$9,566,000
- Equipment Breakdown, limit \$15,000,000 excess of \$50,000 SIR, premium= \$46,624
- NFIP flood, per building limits based on replacement cost and contents values, premium=\$2,554,826

## SUPERDOME

The Superdome/Arena has three lines of insurance coverage purchased as excess or commercial; the remaining coverages are part of the statewide self-insurance program. The following is a breakdown of the coverages for FY 07-08:

- General Liability Excess, limit = \$100,000,000 excess of \$5,000,000 SIR, premium=\$622,281
- Workers Compensation, statutory limits and \$1,000,000 employers liability, premium= \$640,207
- Crime (includes employee bond coverage), limits=\$500,000 with \$250 agency deductible, premium=\$20,635

## NEW ORLEANS LEVEE DISTRICT

The insurance program in place at the Levee District seems to be stable. We continue to monitor the activities and insurance coverage renewal on the assets and operations overseen by the DOA.

## LOSS PREVENTION (LP)

ORM continues to assist all state agencies in the prevention and reduction of employee job related accidents, injuries, and loss of State property, thereby reducing the direct and indirect costs to the State of Louisiana related to such losses through program development and training.

The staff completed the comprehensive reorganization of the LP Program, including a re-write of the LP manual. The manual and audit documents went online in early 2008. The program changes transition the audit system from a subjective scoring basis to objective scoring. This enhancement will provide continuity throughout the state agencies.

Training is a key component in occupational safety, and the Loss Prevention unit continues to primarily offer train-the-trainer courses. In addition, 13 instructor-led classes for non-trainers were provided to State employees on the following topics: *Defensive Driving (9)*, *Forklift Safety (3)* and *Supervisory Responsibilities (1)*. During FY08, 146 state employees participated in, and benefited from, these instructor-led classes.

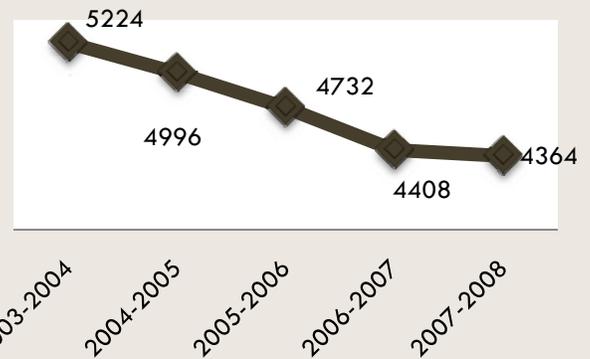
Further, ORM, in conjunction with the Louisiana Department of Wildlife & Fisheries is developing a new computer-based, refresher training (CBT) course, Boat Louisiana. This course, along with all other ORM CBT courses, allows State agencies flexibility in the coordination of required training thereby maximizing efficiency and productivity. The online courses are available to all state agencies via the ISIS/LEO website. ORM also maintains a library of approximately three hundred safety videos, which are available for loan to state agencies to assist them in their loss prevention program endeavors.

Consulting services to assist the agencies in reducing claims and evaluating exposures continues to expand and improve. Program development will continue based on overall ORM goals and the specific needs of the agencies we service.

Moreover, the ORM conducts appraisals over a four-year cycle of approximately 9,000 State owned and some non-State owned structures having a replacement value in excess of 8.5 billion dollars. After a rather meticulous conversion to an on-line system of all current property data, ORM performed approximately 800 appraisals during the remainder of FY 08.

## CLAIMS

### WORKERS' COMPENSATION



WC Claims Reported FY04 - FY08

Reported worker's compensation claims have continued to decline over the past 5 fiscal year. There were 4364 WC claims reported in FY08. There has been an increase in claims from the Recovery School District and Medical Center of Louisiana at New Orleans. After hurricane Katrina, claims reporting from these facilities decreased due to reduced workforce however, these facilities are seeing a re-staffing of employees, which can lead to increased accidents.

There was a 1430 increase in the number of claims closed. Nearly 5000 (4907) claims were closed FY08. Claim closure rates have increased due to technological initiatives and revised office procedures to promote efficiency.

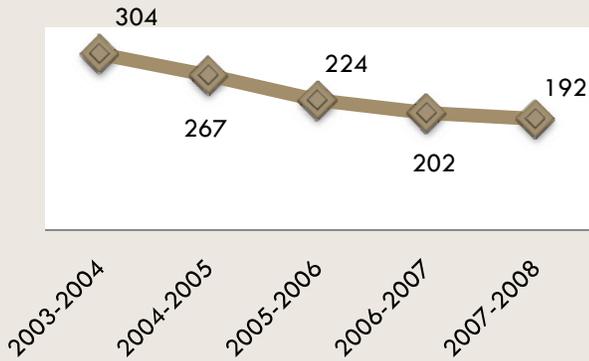
The Workers' Compensation (WC) coverage line utilizes all allowable cost-containment measures to include medical fee schedule review and the Second Injury Fund (SIF) recovery. The line realized a savings of \$11,595,195 through medical fee schedule review and Second Injury Fund recoveries totaled \$4,737,171.

There has been a decrease in fee schedule reductions, which attributed to increased medical costs. SIF recovery showed a slight increase. This is due in part to the maturity of claims approved for recovery.

Medicare Set Asides (MSA) receives consideration as a part of settlements, which can significantly increase the value workers' compensation settlements.

A major challenge in FY08 continues to be the inability for the WC industry to get legislation passed that will have a significant positive influence the way workers' compensation claims handling.

### MEDICAL MALPRACTICE

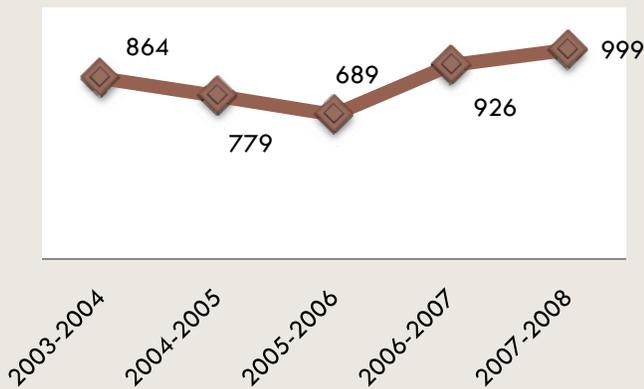


MM Claims Reported FY04 - FY09

Medical Malpractice new claim volumes have remained constant over the past three years. There were 192 new claims opened in FY 2008. There were 263 claims closed.

Paid settlement and judgments amounts increased in FY08. These increased costs are due primarily to conclusion of several large cases occurring in FY08. ORM paid 76 settlements and judgments at a total of \$16,596,013.61.

### GENERAL LIABILITY

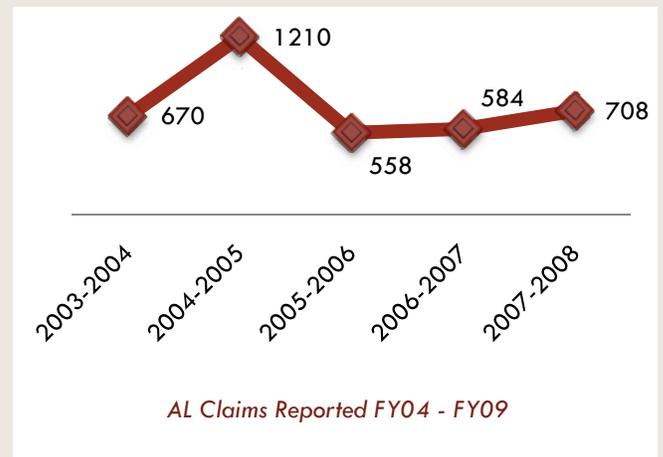


GL Claims Reported FY04 - FY09

Reported general liability claims have continued to rise since FY06. The sunset provision, which extended the one year filing deadline from one year to two years due to the effects of the 2005 hurricanes attributed to this increase. Additionally, there has been an increase in slip and fall claims due to dampness in the Superdome. ORM and the Superdome Management Group addressed these post-Katrina issues in a series of meetings. Loss Prevention in consultation with the agency addressed the increase in non-litigated property damage claims.

Civil rights claims have decreased by 67 over the prior fiscal year.

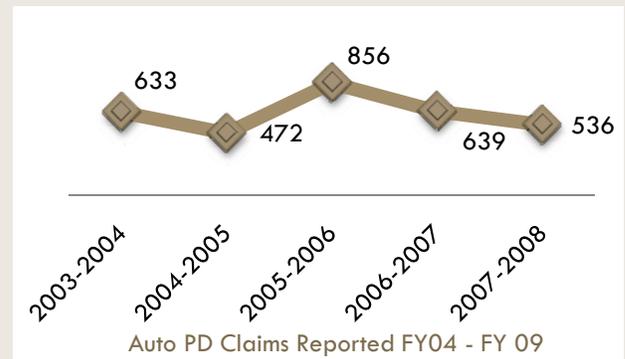
### AUTO LIABILITY



AL Claims Reported FY04 - FY09

Reported auto liability claims exceeded the 600 mark for the first time in since FY05.

### AUTO PHYSICAL DAMAGE

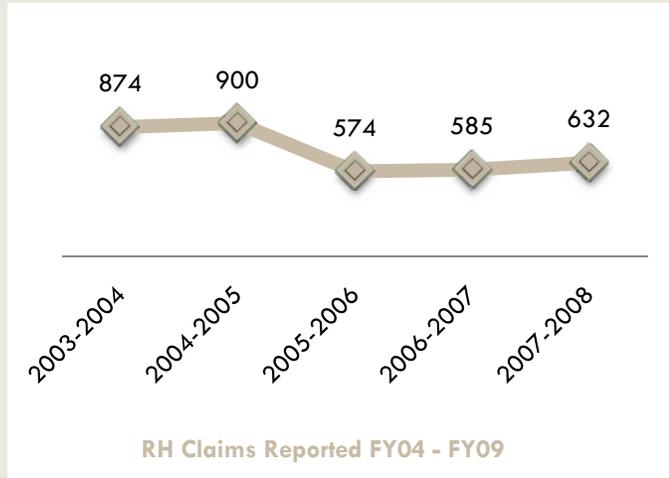


Auto PD Claims Reported FY04 - FY 09

The number of auto physical damage claims reported continues to decline. There was a 19% decrease from the prior fiscal year. Auto PD claims decreased significantly for Department of Public Safety. DOTD and the LSU

System also noted decreases. Claim closure rates remained constant.

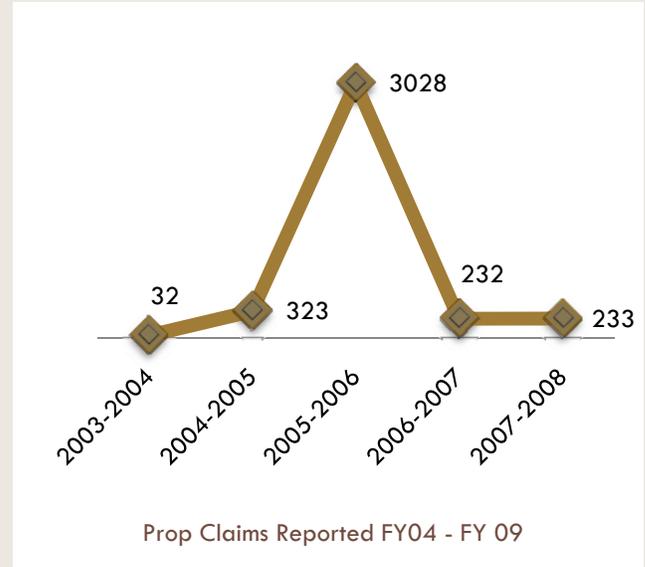
### ROAD HAZARD



Road hazard claims showed a slight increase of 32 claims. There was an increase in the number of pothole claims as well as tree claims. The rise appears to be random, but keeping up with road maintenance continues to be challenging for DOTD.

A significant judgment occurred in FY08, *Jerry McCain vs. DOTD*. In May of 1992, a vehicle driven by Sarah Howell left LA 37 and struck a culvert. Jerry McCain, Sr., Jerry McCain, Jr., Margaret McCain and Colt McCain were guest passengers in the vehicle. Ms. Howell had no license. No one in the vehicle was wearing a seatbelt. McCain, Sr. and Margaret McCain suffered serious injuries. Colt McCain's injuries appear to have been minor. Jerry McCain, Jr. suffered a closed head injury, loss of mental function, a fractured clavicle and a lacerated spleen. He was in a coma for four days. The court never stated that any defect in the roadway contributed to the accident. The court declared that the culvert represented a "trap" to motorists trying to re-enter the roadway. The court allocated 50% of the fault to DOTD. Our appeal was unsuccessful and Supreme Court denied the writ. The state paid \$3,893,009.37 in principal, \$4,361,067.89 in interest and \$12,242.63 in court costs for a total of \$8,266,319.89.

### PROPERTY



Property claims showed a decrease of 79 from the prior fiscal year. However, agencies continue to address post-Katrina repairs.

## CLAIMS REPORTED BY MAJOR COVERAGE LINE

---

### MAJOR COVERAGE: 10 - WORKERS COMPENSATION

---

0010 - Executive Department	151
0400 - Division Of Administration	38
0500 - Dept. Transportation & Development	309
0900 - LSUMC Health Care Services Division	517
1000 - Dept. Of Health And Hospitals	854
1800 - Department Of Social Services	117
2000 - Department Of Corrections	363
2170 - Department Of Public Safety & Corrections - Youth Services	130
2200 - Department Of Public Safety	152
2300 - Department Of Natural Resources	5
2400 - Dept Of Environmental Quality	14
2500 - Dept. Economic Development	2
2600 - La Workforce Commission	29
2800 - Dept. Of Wildlife & Fisheries	48
2900 - Department Of Revenue	1
3000 - Department Of Civil Service	4
3100 - Dept. Culture, Recreation, Tourism	41
3300 - Department Of State	9
3400 - Department Of Justice	5
3600 - Department Of The Treasury	2
3700 - Dept. Of Agriculture & Forestry	48
4000 - Department Of Insurance	1
4100 - Department Of Education	135
4350 - Department Of Public Service	1
4400 - LSU System	825
4600 - Southern University System	40
4800 - Trustees System Of Universities	345
5800 - Special Schools & Education Agency	71
6000 - La. Community & Technical College System	61
7000 - Employee Benefit Systems	3
7200 - Misc. Boards & Commissions	15
7600 - Legislature	15
7700 - Judiciary	13
<b>Total By Major Coverage</b>	<b>4,364</b>

---

---

**MAJOR COVERAGE: 20 - GENERAL LIABILITY**

---

0010 - Executive Department	65
0400 - Division Of Administration	22
0500 - Dept. Transportation & Development	30
0900 - LSUMC Health Care Services Division	38
1000 - Dept. Of Health And Hospitals	80
1800 - Department Of Social Services	14
2000 - Department Of Corrections	243
2170 - Department Of Public Safety & Corrections - Youth Services	4
2200 - Department Of Public Safety	32
2300 - Department Of Natural Resources	5
2400 - Dept Of Environmental Quality	9
2500 - Dept. Economic Development	6
2800 - Dept. Of Wildlife & Fisheries	1
2900 - Department Of Revenue	5
3100 - Dept. Culture, Recreation, Tourism	31
3200 - Lieutenant Governor	1
3300 - Department Of State	2
3400 - Department Of Justice	10
3600 - Department Of The Treasury	1
3700 - Dept. Of Agriculture & Forestry	13
4000 - Department Of Insurance	1
4100 - Department Of Education	5
4400 - LSU System	175
4600 - Southern University System	36
4800 - Trustees System Of Universities	113
5800 - Special Schools & Education Agency	10
6000 - La. Community & Technical College System	18
7200 - Misc. Boards & Commissions	12
7600 - Legislature	2
7700 - Judiciary	9
9900 - Miscellaneous	6
<b>Total By Major Coverage</b>	<b>999</b>

---

---

## MAJOR COVERAGE: 30 - ROAD HAZARDS (RH)

---

0500 - DEPT. TRANSPORTATION & DEVELPMNT	632
<b>Total By Major Coverage</b>	<b>632</b>

---

### RH CLAIMS BY PARISH

None	8
01 - ACADIA	8
02 - ALLEN	8
03 - ASCENSION	18
04 - ASSUMPTION	7
05 - AVOYELLES	14
06 - BEAUREGARD	4
07 - BIENVILLE	1
08 - BOSSIER	13
09 - CADDO	13
10 - CALCASIEU	25
11 - CALDWELL	5
12 - CAMERON	1
13 - CATAHOULA	2
15 - CONCORDIA	1
17 - EAST BATON ROUGE #1	105
19 - EAST FELICIANA	12
20 - EVANGELINE	4
21 - FRANKLIN	6
23 - IBERIA	15
24 - IBERVILLE	12
25 - JACKSON	1
26 - JEFFERSON	27
28 - LAFAYETTE	34
29 - LAFOURCHE	9
30 - LASALLE	1
31 - LINCOLN	3
32 - LIVINGSTON	15
33 - MADISON	6
34 - MOREHOUSE	5
35 - NATCHITOCHES	12
36 - ORLEANS	25
37 - OUACHITA	11
38 - PLAQUEMINES	3
39 - POINT COUPEE	12
40 - RAPIDES	25
42 - RICHLAND	2
43 - SABINE	4
44 - ST. BERNARD	2
45 - ST. CHARLES	12
46 - ST. HELENA	3
47 - ST. JAMES	7
48 - ST. JOHN THE BAPTIST	5
49 - ST. LANDRY	9
50 - ST. MARTIN	11
51 - ST. MARY	5
52 - ST. TAMMANY	34
53 - TANGIPAHOA	11
55 - TERREBONNE	12

**RH CLAIMS BY PARISH**

56 - UNION	2
57 - VERMILLION	7
58 - VERNON	4
59 - WASHINGTON PARISH	8
60 - WEBSTER	2
61 - WEST BATON ROUGE	11
63 - WEST FELICIANA	8
64 - WINN	4
<b>Grand Totals:</b>	<b>634</b>

**RH CLAIMS BY CAUSE CODE**

2008 - MOVING EQUIPMENT	1
3001 - POTHOLE	144
3002 - WATER ON ROAD	8
3005 - OIL/CHEMICALS ON ROAD	2
3006 - LOOSE MATERIAL ON ROAD	7
3007 - EDGE RUT ON ROAD	24
3008 - TREE ON ROAD	14
3009 - TREE OVERHANGING ROAD	5
3010 - VISION OBSTRUCTION	7
3011 - OTHER OBJECT ON ROAD	44
3012 - MISSING SIGNS	13
3013 - ROUGH CROSSING	5
3014 - SIGNAL MALFUNCTION	6
3015 - OTHER MALFUNCTION	36
3016 - PAVEMENT MARKINGS NOT VISIBLE	2
3018 - FAILS TO MEED DOTD STANDARDS	7
3099 - UNKNOWN	32
3119 - ROAD SURFACE	21
3124 - INSUFFICIENT/MISSING SIGNS	2
3128 - SIGNALS	1
3129 - MARKINGS	1
3131 - FLOODING	5
3199 - UNKNOWN	9
3250 - ROAD SURFACE	6
3255 - INSUFFICIENT/MISSING SIGNS	4
3256 - BARRICADES	2
3258 - LIGHTING	1
3259 - SIGNALS	8
3262 - FLOODING	5
3299 - UNKNOWN	9
3999 - OTHER	203
<b>Grand Totals:</b>	<b>634</b>

---

**MAJOR COVERAGE: 40 - AUTO LIABILITY**

---

0010 - Executive Department	42
0400 - Division Of Administration	18
0500 - Dept. Transportation & Development	163
0900 - LSUMC Health Care Services Division	7
1000 - Dept. Of Health And Hospitals	54
1800 - Department Of Social Services	22
2000 - Department Of Corrections	107
2170 - Department Of Public Safety & Corrections - Youth Services	12
2200 - Department Of Public Safety	111
2300 - Department Of Natural Resources	2
2400 - Dept Of Environmental Quality	11
2500 - Dept. Economic Development	1
2600 - La Workforce Commission	2
2800 - Dept. Of Wildlife & Fisheries	21
2900 - Department Of Revenue	4
3000 - Department Of Civil Service	1
3100 - Dept. Culture, Recreation, Tourism	7
3300 - Department Of State	1
3400 - Department Of Justice	11
3700 - Dept. Of Agriculture & Forestry	22
4100 - Department Of Education	1
4400 - LSU System	42
4600 - Southern University System	8
4800 - Trustees System Of Universities	31
5800 - Special Schools & Education Agency	3
6000 - La. Community & Technical College System	4
<b>Total By Major Coverage</b>	<b>708</b>

---

**MAJOR COVERAGE: 45 - AUTO PHYSICAL DAMAGE**

---

0010 - Executive Department	35
0400 - Division Of Administration	19
0500 - Dept. Transportation & Development	71
0900 - LSUMC Health Care Services Division	7
1000 - Dept. Of Health And Hospitals	51
1800 - Department Of Social Services	29
2000 - Department Of Corrections	55
2170 - Department Of Public Safety & Corrections - Youth Services	10
2200 - Department Of Public Safety	130
2300 - Department Of Natural Resources	3
2400 - Dept Of Environmental Quality	4
2600 - La Workforce Commission	2
2800 - Dept. Of Wildlife & Fisheries	20
2900 - Department Of Revenue	3
3000 - Department Of Civil Service	1
3100 - Dept. Culture, Recreation, Tourism	4
3200 - Lieutenant Governor	1

---

3300 - Department Of State	2
3400 - Department Of Justice	16
3700 - Dept. Of Agriculture & Forestry	9
4100 - Department Of Education	2
4350 - Department Of Public Service	1
4400 - LSU System	17
4600 - Southern University System	5
4800 - Trustees System Of Universities	28
5800 - Special Schools & Education Agency	3
6000 - La. Community & Technical College System	5
7000 - Employee Benefit Systems	1
7200 - Misc. Boards & Commissions	2
<b>Total By Major Coverage</b>	<b>536</b>

---

### MAJOR COVERAGE: 50 - WET MARINE

0500 - Dept. Transportation & Development	30
2800 - Dept. Of Wildlife & Fisheries	1
<b>Total By Major Coverage</b>	<b>31</b>

---

### MAJOR COVERAGE: 55 - AVIATION

2800 - Dept. Of Wildlife & Fisheries	1
3700 - Dept. Of Agriculture & Forestry	1
4800 - Trustees System Of Universities	1
<b>Total By Major Coverage</b>	<b>3</b>

---

### MAJOR COVERAGE: 60 - PROPERTY

0010 - Executive Department	16
0400 - Division Of Administration	14
0500 - Dept. Transportation & Development	37
0900 - LSUMC Health Care Services Division	3
1000 - Dept. Of Health And Hospitals	19
1800 - Department Of Social Services	2
2000 - Department Of Corrections	21
2170 - Department Of Public Safety & Corrections - Youth Services	3
2200 - Department Of Public Safety	4
2300 - Department Of Natural Resources	1
2800 - Dept. Of Wildlife & Fisheries	5
3100 - Dept. Culture, Recreation, Tourism	4
3300 - Department Of State	2
3700 - Dept. Of Agriculture & Forestry	1
4100 - Department Of Education	8

4400 - LSU System	34
4600 - Southern University System	9
4800 - Trustees System Of Universities	37
5800 - Special Schools & Education Agency	2
6000 - La. Community & Technical College System	5
7200 - Misc. Boards & Commissions	6
<b>Total By Major Coverage</b>	<b>233</b>

### MAJOR COVERAGE: 65 - BOILER & MACHINERY

0400 - Division Of Administration	9
1000 - Dept. Of Health And Hospitals	4
2000 - Department Of Corrections	4
4400 - LSU System	13
4600 - Southern University System	3
4800 - Trustees System Of Universities	22
5800 - Special Schools & Education Agency	1
6000 - La. Community & Technical College System	2
7200 - Misc. Boards & Commissions	1
<b>Total By Major Coverage</b>	<b>59</b>

### MAJOR COVERAGE: 70 - BONDS LIABILITY

4100 - Department Of Education	1
<b>Total By Major Coverage</b>	<b>1</b>

### MAJOR COVERAGE: 80 - MED MAL/HPL

0900 - LSUMC Health Care Services Division	71
1000 - Dept. Of Health And Hospitals	6
4400 - LSU System	115
<b>Total By Major Coverage</b>	<b>192</b>

### MAJOR COVERAGE: 90 - MISCELLANEOUS

0500 - Dept. Transportation & Development	104
9900 - Miscellaneous	34
<b>Total By Major Coverage</b>	<b>138</b>

## CLAIMS REPORTED BY DEPARTMENT

---

### 0010 – EXECUTIVE DEPARTMENT

---

10 - Workers Compensation	151
20 - General Liability	65
40 - Auto Liability	42
45 - Auto Physical Damage	35
60 - Property	16
<b>Total By Loc Dept</b>	<b>309</b>

---

### 0400 – DIVISION OF ADMINISTRATION

---

10 - Workers Compensation	38
20 - General Liability	22
40 - Auto Liability	18
45 - Auto Physical Damage	19
60 - Property	14
65 - Boiler & Machinery	9
<b>Total By Loc Dept</b>	<b>120</b>

---

### 0500 – DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

---

10 - Workers Compensation	309
20 - General Liability	30
30 - Road Hazards	632
40 - Auto Liability	163
45 - Auto Physical Damage	71
50 - Wet Marine	30
60 - Property	37
90 - Miscellaneous	104
<b>Total By Loc Dept</b>	<b>1,376</b>

---

### 0900 – LSUMC HEALTH CARE SERVICES DIVISION

---

10 - Workers Compensation	517
20 - General Liability	38
40 - Auto Liability	7
45 - Auto Physical Damage	7
60 - Property	3
80 - Med Mal/HPL	71
<b>Total By Loc Dept</b>	<b>643</b>

---

---

**1000 – DEPARTMENT OF HEALTH AND HOSPITALS**

---

10 - Workers Compensation	854
20 - General Liability	80
40 - Auto Liability	54
45 - Auto Physical Damage	51
60 - Property	19
65 - Boiler & Machinery	4
80 - Med Mal/HPL	6
<b>Total By Loc Dept</b>	<b>1,068</b>

---

---

**1800 – DEPARTMENT OF SOCIAL SERVICES**

---

10 - Workers Compensation	117
20 - General Liability	14
40 - Auto Liability	22
45 - Auto Physical Damage	29
60 - Property	2
<b>Total By Loc Dept</b>	<b>184</b>

---

---

**2000 – DEPARTMENT OF CORRECTIONS**

---

10 - Workers Compensation	363
20 - General Liability	243
40 - Auto Liability	107
45 - Auto Physical Damage	55
60 - Property	21
65 - Boiler & Machinery	4
<b>Total By Loc Dept</b>	<b>793</b>

---

---

**2170 – DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS – YOUTH SERVICES**

---

10 - Workers Compensation	130
20 - General Liability	4
40 - Auto Liability	12
45 - Auto Physical Damage	10
60 - Property	3
<b>Total By Loc Dept</b>	<b>159</b>

---

---

**2200 – DEPARTMENT OF PUBLIC SAFETY**

10 - Workers Compensation	152
20 - General Liability	32
40 - Auto Liability	111
45 - Auto Physical Damage	130
60 - Property	4
<b>Total By Loc Dept</b>	<b>429</b>

---

**2300 – DEPARTMENT OF NATURAL RESOURCES**

10 - Workers Compensation	5
20 - General Liability	5
40 - Auto Liability	2
45 - Auto Physical Damage	3
60 - Property	1
<b>Total By Loc Dept</b>	<b>16</b>

---

**2400 – DEPARTMENT OF ENVIRONMENTAL QUALITY**

10 - Workers Compensation	14
20 - General Liability	9
40 - Auto Liability	11
45 - Auto Physical Damage	4
<b>Total By Loc Dept</b>	<b>38</b>

---

**2500 – DEPARTMENT OF ECONOMIC DEVELOPMENT**

10 - Workers Compensation	2
20 - General Liability	6
40 - Auto Liability	1
<b>Total By Loc Dept</b>	<b>9</b>

---

**2600 – LA WORKFORCE COMMISSION**

10 - Workers Compensation	29
40 - Auto Liability	2
45 - Auto Physical Damage	2
<b>Total By Loc Dept</b>	<b>33</b>

---

---

**2800 – DEPARTMENT OF WILDLIFE AND FISHERIES**

---

10 - Workers Compensation	48
20 - General Liability	1
40 - Auto Liability	21
45 - Auto Physical Damage	20
50 - Wet Marine	1
55 - Aviation	1
60 - Property	5
<b>Total By Loc Dept</b>	<b>97</b>

---

---

**2900 – DEPARTMENT OF REVENUE**

---

10 - Workers Compensation	1
20 - General Liability	5
40 - Auto Liability	4
45 - Auto Physical Damage	3
<b>Total By Loc Dept</b>	<b>13</b>

---

---

**3000 – DEPARTMENT OF CIVIL SERVICE**

---

10 - Workers Compensation	4
40 - Auto Liability	1
45 - Auto Physical Damage	1
<b>Total By Loc Dept</b>	<b>6</b>

---

---

**3100 – DEPARTMENT OF CULTURE, RECREATION AND TOURISM**

---

10 - Workers Compensation	41
20 - General Liability	31
40 - Auto Liability	7
45 - Auto Physical Damage	4
60 - Property	4
<b>Total By Loc Dept</b>	<b>87</b>

---

---

**3200 – LIEUTENANT GOVERNOR**

---

20 - General Liability	1
45 - Auto Physical Damage	1
<b>Total By Loc Dept</b>	<b>2</b>

---

---

### **3300 – DEPARTMENT OF STATE**

10 - Workers Compensation	9
20 - General Liability	2
40 - Auto Liability	1
45 - Auto Physical Damage	2
60 - Property	2
<b>Total By Loc Dept</b>	<b>16</b>

---

### **3400 – DEPARTMENT OF JUSTICE**

10 - Workers Compensation	5
20 - General Liability	10
40 - Auto Liability	11
45 - Auto Physical Damage	16
<b>Total By Loc Dept</b>	<b>42</b>

---

### **3600 – DEPARTMENT OF THE TREASURY**

10 - Workers Compensation	2
20 - General Liability	1
<b>Total By Loc Dept</b>	<b>3</b>

---

### **3700 – DEPARTMENT OF AGRICULTURE AND FORESTRY**

10 - Workers Compensation	48
20 - General Liability	13
40 - Auto Liability	22
45 - Auto Physical Damage	9
55 - Aviation	1
60 - Property	1
<b>Total By Loc Dept</b>	<b>94</b>

---

### **4000 – DEPARTMENT OF INSURANCE**

10 - Workers Compensation	1
20 - General Liability	1
<b>Total By Loc Dept</b>	<b>2</b>

---

---

### **4100 - DEPARTMENT OF EDUCATION**

---

10 - Workers Compensation	135
20 - General Liability	5
40 - Auto Liability	1
45 - Auto Physical Damage	2
60 - Property	8
70 - Bonds Liability	1
<b>Total By Loc Dept</b>	<b>152</b>

---

---

### **4350 - DEPARTMENT OF PUBLIC SERVICE**

---

10 - Workers Compensation	1
45 - Auto Physical Damage	1
<b>Total By Loc Dept</b>	<b>2</b>

---

---

### **4400 - LSU SYSTEM**

---

10 - Workers Compensation	826
20 - General Liability	175
40 - Auto Liability	42
45 - Auto Physical Damage	17
60 - Property	34
65 - Boiler & Machinery	13
80 - Med Mal/HPL	115
<b>Total By Loc Dept</b>	<b>1,222</b>

---

---

### **4600 - SOUTHERN UNIVERSITY SYSTEM**

---

10 - Workers Compensation	40
20 - General Liability	36
40 - Auto Liability	8
45 - Auto Physical Damage	5
60 - Property	9
65 - Boiler & Machinery	3
<b>Total By Loc Dept</b>	<b>101</b>

---

---

### **4800 – TRUSTEES SYSTEM OF UNIVERSITIES**

---

10 - Workers Compensation	345
20 - General Liability	113
40 - Auto Liability	31
45 - Auto Physical Damage	28
55 - Aviation	1
60 - Property	37
65 - Boiler & Machinery	22
<b>Total By Loc Dept</b>	<b>577</b>

---

---

### **5800 – SPECIAL SCHOOLS AND EDUCATION AGENCY**

---

10 - Workers Compensation	71
20 - General Liability	10
40 - Auto Liability	3
45 - Auto Physical Damage	3
60 - Property	2
65 - Boiler & Machinery	1
<b>Total By Loc Dept</b>	<b>90</b>

---

---

### **6000 – LA COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

---

10 - Workers Compensation	61
20 - General Liability	18
40 - Auto Liability	4
45 - Auto Physical Damage	5
60 - Property	5
65 - Boiler & Machinery	2
<b>Total By Loc Dept</b>	<b>95</b>

---

---

### **7000 – EMPLOYEE BENEFIT SYSTEM**

---

10 - Workers Compensation	3
45 - Auto Physical Damage	1
<b>Total By Loc Dept</b>	<b>4</b>

---

---

## 7200 – MISC. BOARDS AND COMMISSIONS

---

10 - Workers Compensation	15
20 - General Liability	12
45 - Auto Physical Damage	2
60 - Property	6
65 - Boiler & Machinery	1
<b>Total By Loc Dept</b>	<b>36</b>

---

---

## 7600 - LEGISLATURE

---

10 - Workers Compensation	15
20 - General Liability	2
<b>Total By Loc Dept</b>	<b>17</b>

---

---

## 7700 – JUDICIARY

---

10 - Workers Compensation	13
20 - General Liability	9
<b>Total By Loc Dept</b>	<b>22</b>

---

---

## 9900 - MISCELLANEOUS

---

20 - General Liability	6
90 - Miscellaneous	34
<b>Total By Loc Dept</b>	<b>40</b>

---

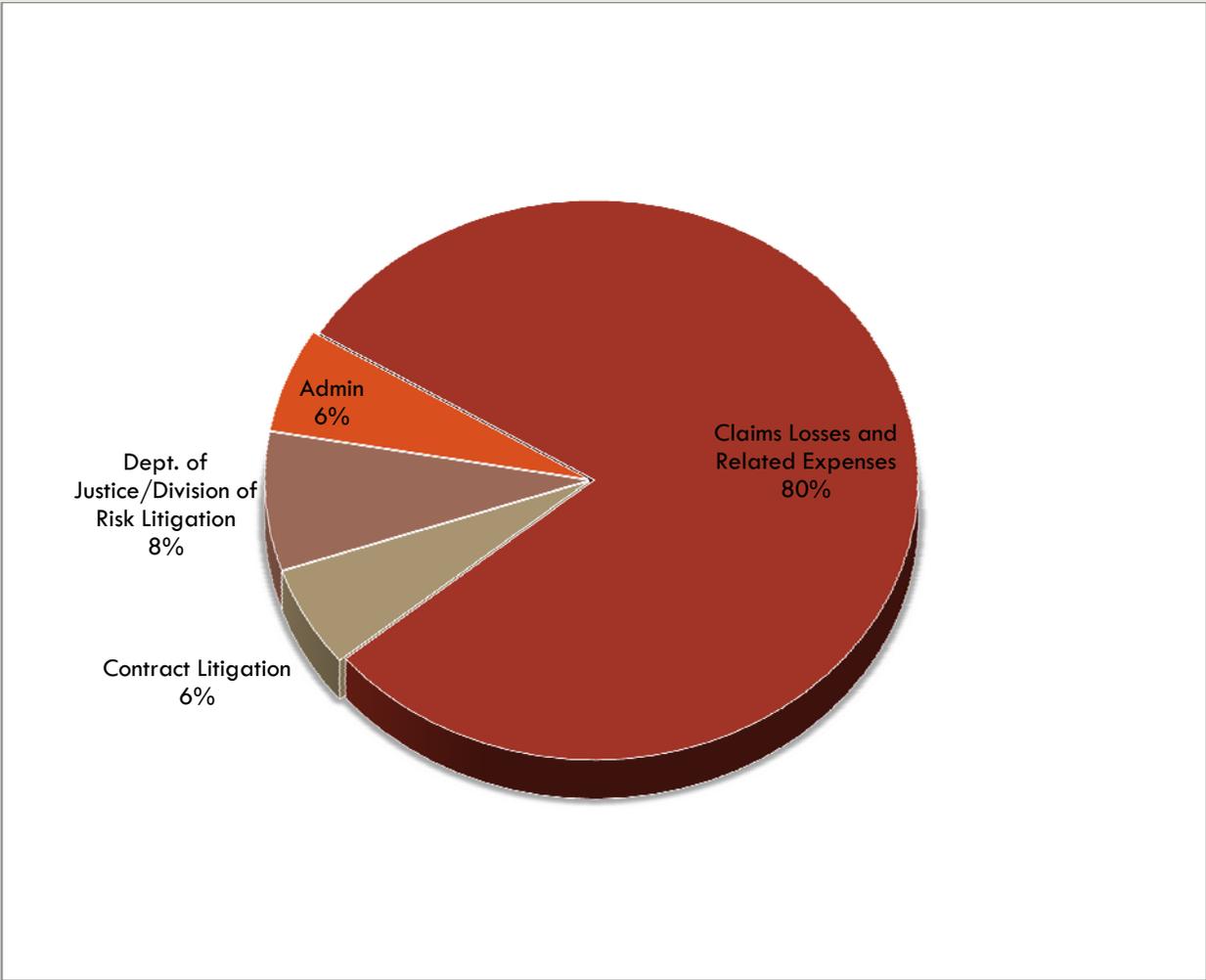
## STATE COMPARISON: UNFUNDED LIABILITY

State	Unfunded Liability	Methods	Contingency
<b>Alabama</b>	No	Self insured liability fund that charges premiums to all state employees and state agents, including foster care. Operate and mimic private sector carriers in that reserve for case and IBNR.	Set case reserves and actuaries establish IBNR based upon their projections, are fully funded. Invest reserves and any surplus in equities, bonds and short term commercial paper - same as private insurers.
<b>Alaska</b>	No	Obtain annual appropriation for the estimated amount necessary for the current year's obligations (cash flow basis).	"Cat Fund" for large unanticipated losses. This planning for known and catastrophic losses forestalls the need for the affected agency to request a supplemental appropriation or disrupt vital state services after a major property loss, adverse civil jury award, or significant workers' compensation claim.
<b>Arizona</b>	Yes	Unfunded long term liability, as forecast by actuary budget funds only at our "expected" annual actuarial forecast for property and liability losses and worker's compensation losses. Each fiscal year the updated actuarial loss forecast is applied in the upcoming budget. Bill an annual premium for property and liability and worker's compensation to the agencies, boards, and commissions covered to provide cash to pay claims, provide legal defense, purchase excess insurance, and fund administrative operations.	Excess insurance policies to cover losses beyond our self-insured retention limits by lines of coverage. These excess policies may help to reduce any severe catastrophic loss.
<b>Arkansas</b>	No	No unfunded liability in the RM operations	
<b>Connecticut</b>	Yes	Unfunded liability with regard to claims since only able to set aside money, one year at a time for paid claims.	Operates on a cash accounting basis. Not allowed to set up reserves for claims. If at the end of the fiscal year, June 30, there are surplus funds in Risk budget, the surplus goes to the general fund for the State.
<b>Florida</b>	Yes	Self insured and liabilities (reserves) are "unfunded". Program is a "pay as you go" from fiscal year to fiscal year (July1-June 30). A consensus is arrived at as to the amount of money needed to pay claims and the administrative operations of the Fund. The agreed to amount is then apportioned among the state agencies (based on their experience and exposure) and assessed as premium amounts to be paid to the Fund.	Monetary deficiencies or additional spending authority during a fiscal year must go through the legislative budget amendment process.

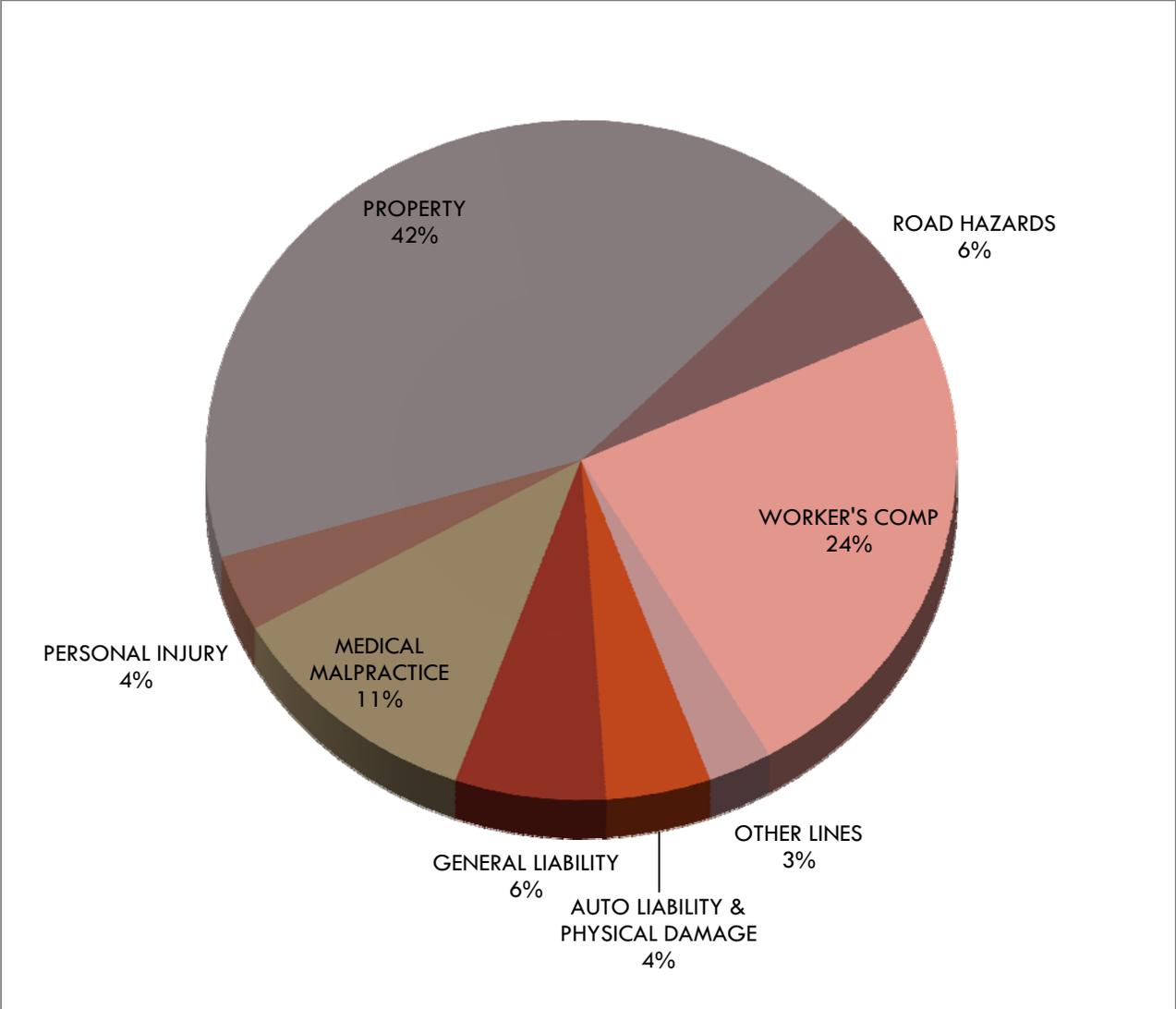
<b>Idaho</b>	No	Attempts to fully fund all self-insured liability. Comprehensive liability program is, and historically has been, fully funded.	On a few occasions, briefly been technically underfunded in auto physical damage program, and self-insured retentions for some commercially insured lines of coverage. These have been corrected in billings for the next fiscal year.
<b>Louisiana</b>	Yes	Operates on a modified "pay as you go" basis with premiums budgeted to meet current cash needs on all lines of coverage with the exception of Road Hazards. (Payment of claims resulting from this line, receive payment through legislative appropriations from the State's General Fund.	
<b>Maryland</b>	Yes	Funded at a level below actuarial recommendations	Current unfunded liability is less than \$2 million.
<b>Mississippi</b>	Yes	Cash management fund for a portion of liabilities and contractual obligations such as defense attorneys, etc.	
<b>Missouri</b>	Yes	Pay as you go; paying claims settled in this fiscal year - regardless of when they occurred - with current fiscal year appropriations.	
<b>Montana</b>	No	Fully funds its liabilities including IBNR for all insured programs (i.e. auto, aviation, general liability, and property).	
<b>Montana</b>	No	Fully funded	
<b>Nebraska</b>	Yes	Unfunded liability in the self-insured workers' compensation fund. Do not have accrued unfunded liability in other self-insured program.	Have been working to build a reserve based on a small percentage of the outstanding liability but budget is hesitant to approve rates to make much progress in this area. In a unique position because the State cannot incur debt so we do not concerned with any financial statement issue from a bonding or rating perspective
<b>Nevada</b>	No	Cash flow basis based on actuarial projections	Fund a reserve to cover unexpected costs, generally not to exceed 10% of actuarial projections. Annual independent audit of funds to establish and confirm incurred cost expectations and the unfunded amount
<b>Pennsylvania</b>	Yes	Self-insured with 3 liability funds... torts, auto liability and employee liability.	Provide funds by charging an annual premium to each Commonwealth agency every year which is determined by their loss history and number of insured vehicles or employees.

<b>Rhode Island</b>	Yes	Losses are not material	
<b>South Carolina</b>	No	Run the S.C. Insurance Reserve Fund (IRF) like an insurance company. Issue policies, charge actuarially calculated rates, and pay claims from accumulated premiums. All IRF monies are kept in a discreet account and the money is invested by the State Treasurer. Investment income is retained in the account, and the account is not subject to reversion to the General Fund at the end of the FY.	Currently, IRF has assets of \$426 mill, liabilities (reserves and expenses) of \$252 mill, and what the insurance industry refers to as "policyholders surplus" ("Fund Equity") of \$174 mill. Cat modeling suggests a 100 year storm loss of more than \$400 mill - purchase reinsurance of \$400 XS \$10 (Will take advantage of a softening market to buy \$500 XS \$10 for the coming year).
<b>Tennessee</b>	No	Funded/accrued self-insured liability program	Based on the actuarial study, premium costs are allocated to all state agencies, departments, and institutions, including the state colleges and universities, as well as the University of Tennessee campuses statewide.
<b>Texas</b>	Yes	\$159 million in unfunded liability for existing workers' compensation claims in the state's self-insured program. Operates on an annual projected cash flow basis and is funded by performance based assessments levied against agencies.	Enabling legislation provides if current liabilities exceed current funding the program has authority to borrow from un-appropriated general revenue an amount up to 20% of the total collected in assessments, which must be collected and repaid the following year.
<b>Washington</b>	Yes	As of June 30, 2007, outstanding and actuarially determined claims against the state and its public authorities including actuarially projected defense costs were \$576.6 million for which the state has recorded a liability.	The state is restricted by law from accumulating funds in the Self Insurance Liability Program in excess of 50 percent of total outstanding and actuarially determined claims.
<b>West Virginia</b>	No	Incorporated a Financial Stability Plan that took into consideration actuarially determined liability projections on a quarterly basis, using nominal values to assess agencies rather than present values, loss control, and competitive interest rates on funds collected.	Surplus of \$97.5 million
<b>Wisconsin</b>	Yes	Does not fund its liability reserves	Identify the amount of the reserves and it is reported in the State's CAFR (Comprehensive Annual Financial Report) as unfunded liability

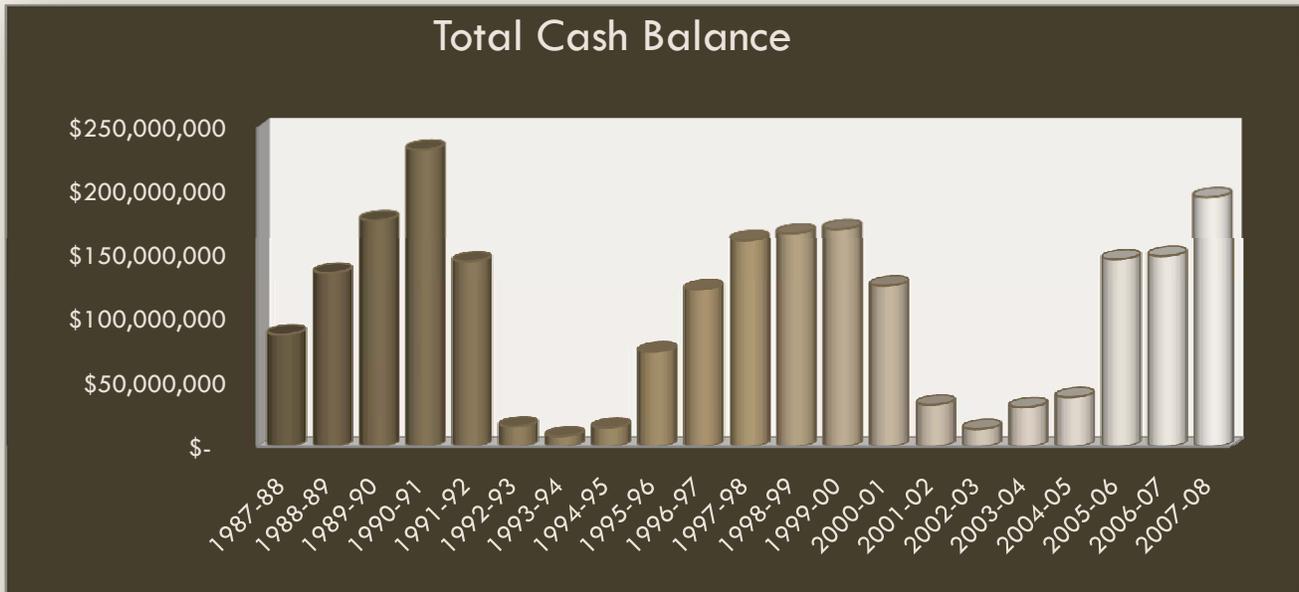
# CASH EXPENDITURE BY BUDGET PROGRAM



# CASH EXPENDITURE BY LINE OF COVERAGE

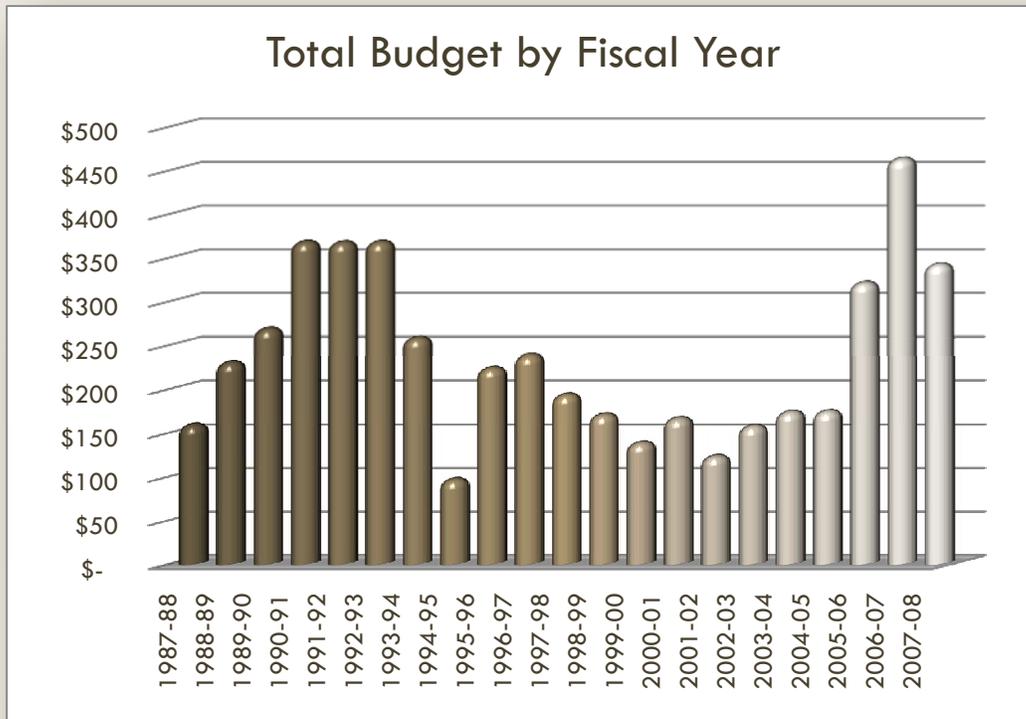


## TOTAL CASH BALANCE



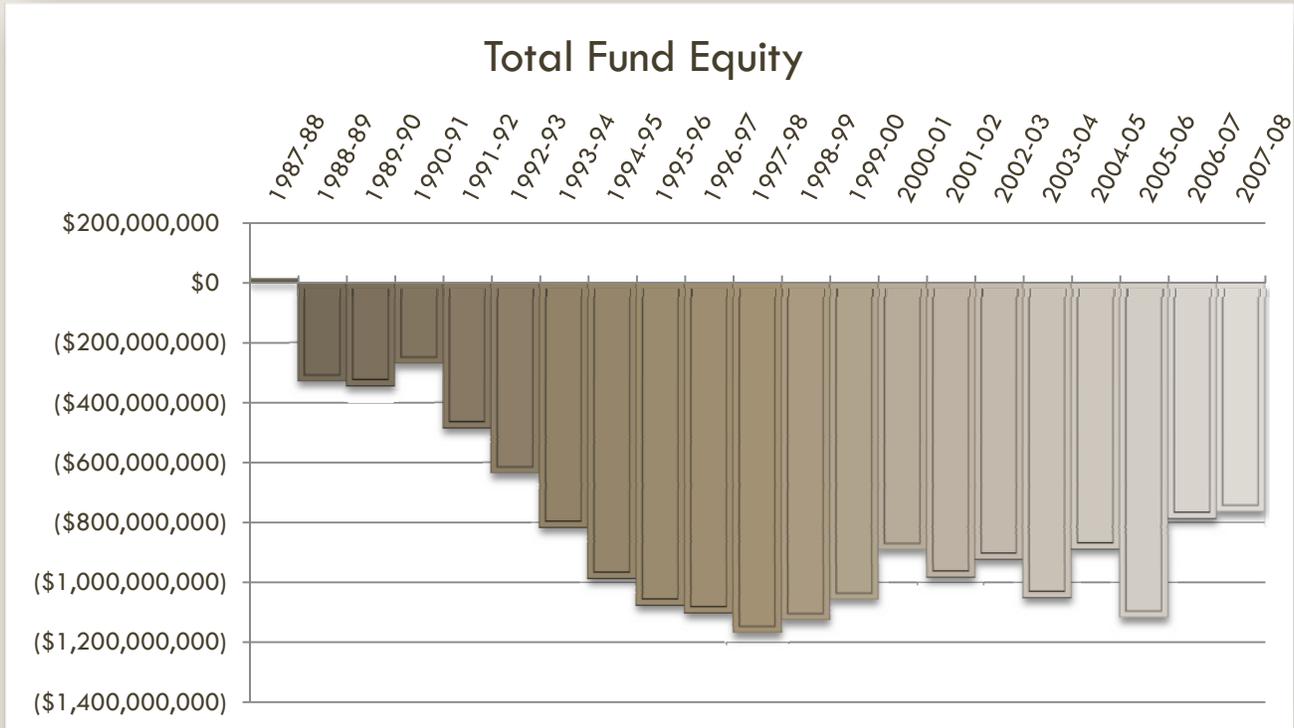
Fiscal Year	Total Cash Balance
1987-88	\$ 87,983,512
1988-89	\$ 136,197,880
1989-90	\$ 177,167,033
1990-91	\$ 232,570,471
1991-92	\$ 145,048,419
1992-93	\$ 16,054,526
1993-94	\$ 8,284,465
1994-95	\$ 15,004,482
1995-96	\$ 74,693,176
1996-97	\$ 123,354,824
1997-98	\$ 161,624,140
1998-99	\$ 166,761,033
1999-00	\$ 170,099,177
2000-01	\$ 126,071,172
2001-02	\$ 33,018,390
2002-03	\$ 13,960,861
2003-04	\$ 31,102,806
2004-05	\$ 38,890,171
2005-06	\$ 146,762,225
2006-07	\$ 149,320,353
2007-08	\$ 195,225,282

## TOTAL BUDGET BY FISCAL YEAR



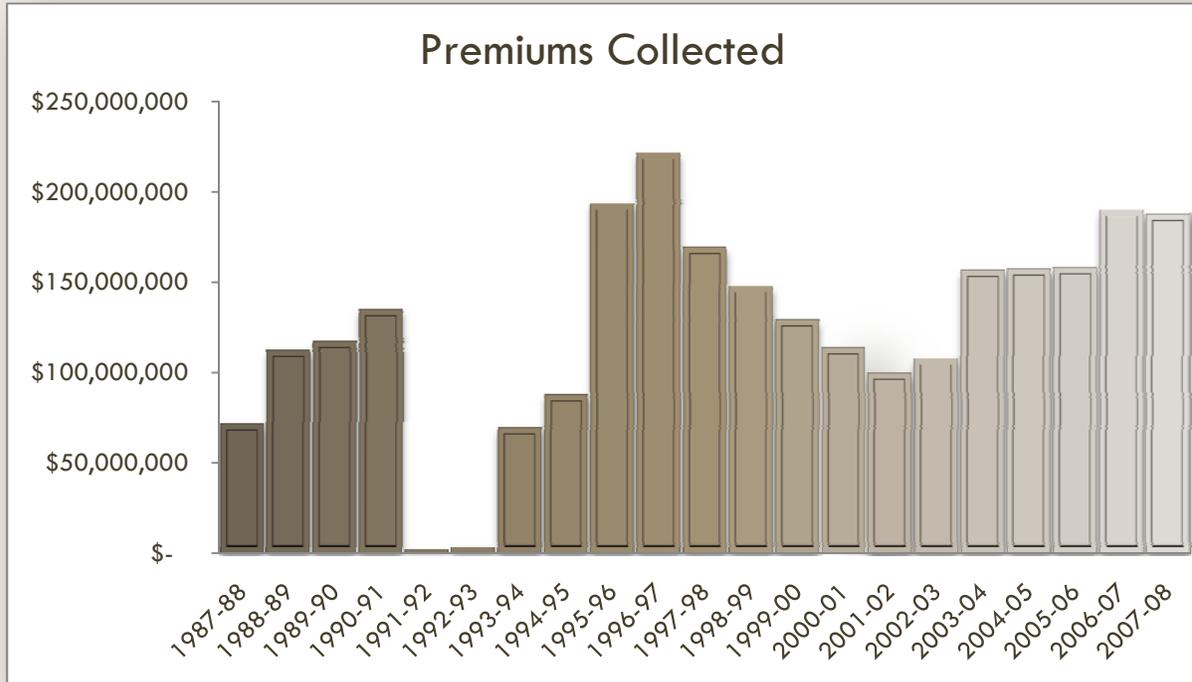
Fiscal Year	Total Budget
1987-88	\$ 160,000,000
1988-89	\$ 231,163,517
1989-90	\$ 269,404,983
1990-91	\$ 368,818,757
1991-92	\$ 368,317,741
1992-93	\$ 368,844,694
1993-94	\$ 258,879,001
1994-95	\$ 97,565,325
1995-96	\$ 224,846,405
1996-97	\$ 239,326,671
1997-98	\$ 194,393,632
1998-99	\$ 171,675,510
1999-00	\$ 139,457,883
2000-01	\$ 167,491,519
2001-02	\$ 124,096,116
2002-03	\$ 158,581,579
2003-04	\$ 174,740,353
2004-05	\$ 175,535,660
2005-06	\$ 321,701,737
2006-07	\$ 464,156,821
2007-08	\$ 343,297,168

# TOTAL FUND EQUITY



Fiscal Year	Total Fund Equity
1987-88	\$ 13,014,112
1988-89	\$ (331,090,858)
1989-90	\$ (346,662,508)
1990-91	\$ (271,958,071)
1991-92	\$ (486,507,461)
1992-93	\$ (637,901,253)
1993-94	\$ (818,644,299)
1994-95	\$ (989,537,511)
1995-96	\$ (1,078,065,151)
1996-97	\$ (1,103,819,414)
1997-98	\$ (1,169,748,070)
1998-99	\$ (1,126,332,490)
1999-00	\$ (1,058,050,563)
2000-01	\$ (892,190,771)
2001-02	\$ (984,477,740)
2002-03	\$ (925,082,756)
2003-04	\$ (1,052,983,515)
2004-05	\$ (889,864,059)
2005-06	\$ (1,119,192,580)
2006-07	\$ (788,227,395)
2007-08	\$ (766,314,282)

## PREMIUMS COLLECTED



	<b>Total Premium Collected</b>
1987-88	\$ 70,933,701
1988-89	\$ 111,864,517
1989-90	\$ 116,745,861
1990-91	\$ 134,591,411
1991-92	\$ 1,775,132
1992-93	\$ 3,145,241
1993-94	\$ 68,845,869
1994-95	\$ 87,348,273
1995-96	\$ 193,360,233
1996-97	\$ 221,425,973
1997-98	\$ 169,004,359
1998-99	\$ 147,388,790
1999-00	\$ 128,793,146
2000-01	\$ 113,254,354
2001-02	\$ 99,215,760
2002-03	\$ 107,363,592
2003-04	\$ 156,403,159
2004-05	\$ 156,848,117
2005-06	\$ 157,766,241
2006-07	\$ 189,776,122
2007-08	\$ 187,357,289

# FINANCIAL STATEMENTS

## OFFICE OF RISK MANAGEMENT

### Balance Sheet

#### ASSETS

Cash and investments	\$195,228,282
Insurance/reinsurance balances receivable	\$34,496,188
Interest receivable and other assets	\$6,101,790
Prepaid insurance	\$60,246,688
Machinery	\$585,339
Less: Accumulated depreciation	\$367,333
<b>TOTAL ASSETS</b>	<b>\$296,290,954</b>

#### LIABILITIES AND FUND EQUITY

<b>Liabilities</b>	
Loss and expense reserves	\$875,822,969
Unearned premium	\$180,321
Other liabilities	\$186,601,946
<b>Total Liabilities</b>	<b>\$1,062,605,236</b>
<b>Fund Equity</b>	
Total Fund Equity	-\$766,314,282
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$296,290,954</b>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$184,543,251
Other Revenue	\$29,231
Hurricane Recoveries	\$37,460,215
General fund appr./non-tort reimbursement	\$15,408,985
Add unearned premium from prior year	\$10,271,444
Less unearned premium at statement date	\$180,321
Less cost of insurance	\$59,543,230
<b>TOTAL INCOME</b>	<b>\$187,989,575</b>

#### OPERATING EXPENSES

General and administrative expenses	\$7,449,329
<b>Claims cost:</b>	
Losses	\$132,194,054
Allocated loss adjustment expense	\$35,018,125
Unallocated loss adjustment expense	\$7,736,767
Change in provision for losses/expenses	-\$7,530,915
<b>TOTAL EXPENSES</b>	<b>\$174,867,360</b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b>\$13,122,215</b>

#### NON-OPERATING REVENUES AND EXPENSES

Interest income	\$8,192,298
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b>\$8,192,298</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$21,314,513</b>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	-\$788,227,395
Current income(loss)	\$21,314,513
Transfer of Future Medical Funds	\$598,600
Retained Earnings/Fund Balance at June 30, 2008	-\$766,314,282

NOTE: The statements contained in this report are unaudited.

## AUTO LIABILITY

---

### Balance Sheet

#### ASSETS

Cash and investments	\$19,455,188
Insurance/reinsurance balances receivable	\$23,514
Interest receivable and other assets	\$112,171
Machinery	\$73,534
Less: Accumulated depreciation	\$56,285
<b>TOTAL ASSETS</b>	<b>\$19,608,122</b>

#### LIABILITIES AND FUND EQUITY

Liabilities	
Loss and expense reserves	\$26,692,540
Other liabilities	\$1,448,213
<b>Total Liabilities</b>	<b>\$28,140,753</b>
Fund Equity	
Total Fund Equity	-\$8,532,631
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$19,608,122</b>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$6,055,938
<b>TOTAL INCOME</b>	<b>\$6,055,938</b>

#### OPERATING EXPENSES

General and administrative expenses	\$227,330
Claims cost:	
Losses	\$6,749,913
Allocated loss adjustment expense	\$2,223,237
Unallocated loss adjustment expense	\$160,175
Change in provision for losses/expenses	-\$44,089
<b>TOTAL EXPENSES</b>	<b>\$9,316,566</b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b>-\$3,260,628</b>

#### NON-OPERATING REVENUES AND EXPENSES

Interest income	\$274,336
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b>\$274,336</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>-\$2,986,292</b>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	-\$5,546,339
Current income(loss)	-\$2,986,292
<b>Retained Earnings/Fund Balance at June 30, 2008</b>	<b>-\$8,532,631</b>

## AUTO PHYSICAL DAMAGE

---

### Balance Sheet

#### ASSETS

Cash and investments	-\$1,639,715
Insurance/reinsurance balances receivable	\$480,187
Interest receivable and other assets	\$3,958
Machinery	\$3,869
Less: Accumulated depreciation	-\$848
TOTAL ASSETS	<u><u>-\$1,150,853</u></u>

#### LIABILITIES AND FUND EQUITY

Liabilities	
Loss and expense reserves	\$527,596
Other liabilities	<u>\$1,785,253</u>
Total Liabilities	<u>\$2,312,849</u>
Fund Equity	
Total Fund Equity	<u><u>-\$3,463,702</u></u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>-\$1,150,853</u></u>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$2,106,573
Hurricane Recoveries	<u>\$175,297</u>
TOTAL INCOME	<u>\$2,281,870</u>

#### OPERATING EXPENSES

General and administrative expenses	\$285,996
Claims cost:	
Losses	\$929,321
Allocated loss adjustment expense	\$149,047
Unallocated loss adjustment expense	\$190,931
Change in provision for losses/expenses	<u>-\$106,470</u>
TOTAL EXPENSES	<u>\$1,448,825</u>
TOTAL NET INCOME/(LOSS)	<u><u>\$833,045</u></u>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	-\$4,296,747
Current income(loss)	\$833,045
Transfer of Future Medical Funds	\$0
Prior year adjustments	<u>\$0</u>
Retained Earnings/Fund Balance at June 30, 2008	<u><u>-\$3,463,702</u></u>

## BONDS AND CRIME

### Balance Sheet

	<u>Bonds</u>	<u>Crime</u>
<b><u>ASSETS</u></b>		
Cash and investments	\$870,429	\$940,188
Insurance/reinsurance balances receivable	-\$382	\$46,359
Interest receivable and other assets	\$742	\$608
Prepaid insurance	\$0	\$20,635
Machinery	\$739	\$1,980
Less: Accumulated depreciation	\$415	\$1,562
TOTAL ASSETS	<u>\$871,113</u>	<u>\$1,008,208</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>		
Liabilities		
Loss and expense reserves	\$566,496	\$4,948
Other liabilities	\$58,233	\$24,957
Total Liabilities	<u>\$624,729</u>	<u>\$29,905</u>
Fund Equity		
Total Fund Equity	<u>\$246,384</u>	<u>\$978,303</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$871,113</u>	<u>\$1,008,208</u>

### Statement of Revenues and Expenses

<b><u>OPERATING REVENUES</u></b>		
Premiums written	\$65,388	\$20,635
Less cost of insurance	\$0	\$15,476
TOTAL INCOME	<u>\$65,388</u>	<u>\$5,159</u>
<b><u>OPERATING EXPENSES</u></b>		
General and administrative expenses	\$9,334	\$3,999
Claims cost:		
Losses	\$10,033	\$1
Allocated loss adjustment expense	\$12,562	\$908
Unallocated loss adjustment expense	\$1,637	\$701
Change in provision for losses/expenses	\$58,885	\$4,669
TOTAL EXPENSES	<u>\$92,451</u>	<u>\$10,278</u>
NET INCOME/(LOSS) FROM OPERATIONS	<u>-\$27,063</u>	<u>-\$5,119</u>
<b><u>NON-OPERATING REVENUES AND EXPENSES</u></b>		
Interest income	<u>\$11,463</u>	<u>\$12,540</u>
TOTAL OTHER INCOME/(LOSS)	<u>\$11,463</u>	<u>\$12,540</u>
TOTAL NET INCOME/(LOSS)	<u>-\$15,600</u>	<u>\$7,421</u>
<b><u>FUND EQUITY</u></b>		
Retained Earnings/Fund Balance at July 1, 2007	\$261,984	\$970,882
Current income(loss)	-\$15,600	\$7,421
Retained Earnings/Fund Balance at June 30, 2008	<u>\$246,384</u>	<u>\$978,303</u>

## WORKERS' COMPENSATION & MARITIME

### Balance Sheet

	<u>Workers'</u> <u>Compensation</u>	<u>Maritime</u>
<b><u>ASSETS</u></b>		
Cash and investments	\$21,159,746	\$4,430,835
Insurance/reinsurance balances receivable	\$3,921,924	\$0
Interest receivable and other assets	\$803,309	\$2,865
Prepaid insurance	\$672,863	\$0
Machinery	\$256,446	\$27,287
Less: Accumulated depreciation	\$162,207	\$21,787
<b>TOTAL ASSETS</b>	<b><u><u>\$26,652,081</u></u></b>	<b><u><u>\$4,439,200</u></u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>		
Liabilities		
Loss and expense reserves	\$338,164,010	\$6,978,965
Other liabilities	\$16,578,267	\$317,309
<b>Total Liabilities</b>	<b><u><u>\$354,742,277</u></u></b>	<b><u><u>\$7,296,274</u></u></b>
Fund Equity		
Total Fund Equity	-\$328,090,196	-\$2,857,074
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u><u>\$26,652,081</u></u></b>	<b><u><u>\$4,439,200</u></u></b>

### Statement of Revenues and Expenses

<b><u>OPERATING REVENUES</u></b>		
Premiums written	\$53,398,653	\$1,498,006
Less cost of insurance	\$879,620	\$0
<b>TOTAL INCOME</b>	<b><u><u>\$52,519,033</u></u></b>	<b><u><u>\$1,498,006</u></u></b>
<b><u>OPERATING EXPENSES</u></b>		
General and administrative expenses	\$3,024,737	\$47,335
Claims cost:		
Losses	\$43,787,355	\$465,964
Allocated loss adjustment expense	\$4,463,598	\$156,742
Unallocated loss adjustment expense	\$4,160,766	\$8,299
Change in provision for losses/expenses	\$33,970,559	\$582,174
<b>TOTAL EXPENSES</b>	<b><u><u>\$89,407,015</u></u></b>	<b><u><u>\$1,260,514</u></u></b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b><u><u>-\$36,887,982</u></u></b>	<b><u><u>\$237,492</u></u></b>
<b><u>NON-OPERATING REVENUES AND EXPENSES</u></b>		
Interest income	\$276,912	\$59,933
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b><u><u>\$276,912</u></u></b>	<b><u><u>\$59,933</u></u></b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b><u><u>-\$36,611,070</u></u></b>	<b><u><u>\$297,425</u></u></b>
<b><u>FUND EQUITY</u></b>		
Retained Earnings/Fund Balance at July 1, 2007	-\$291,479,126	-\$3,154,499
Current income(loss)	-\$36,611,070	\$297,425
Retained Earnings/Fund Balance at June 30, 2008	<b><u><u>-\$328,090,196</u></u></b>	<b><u><u>-\$2,857,074</u></u></b>

## PROPERTY

### Balance Sheet

#### ASSETS

Cash and investments	\$40,143,796
Insurance/reinsurance balances receivable	\$11,410,009
Interest receivable and other assets	\$4,033,395
Prepaid insurance	\$56,218,939
Machinery	\$19,060
Less: Accumulated depreciation	\$10,532
<b>TOTAL ASSETS</b>	<b>\$111,814,667</b>

#### LIABILITIES AND FUND EQUITY

<b>Liabilities</b>	
Loss and expense reserves	\$35,037,040
Unearned premium	\$180,321
Other liabilities	\$143,025,992
<b>Total Liabilities</b>	<b>\$178,243,353</b>
<b>Fund Equity</b>	
Total Fund Equity	-\$66,428,686
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$111,814,667</b>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$69,694,533
Hurricane Recoveries	\$37,077,275
Add unearned premium from prior year	\$10,271,444
Less unfunded premium	
Less unearned premium at statement date	\$180,321
Less cost of insurance	\$55,249,584
<b>TOTAL INCOME</b>	<b>\$61,613,347</b>

#### OPERATING EXPENSES

General and administrative expenses	\$193,663
Claims cost:	
Losses	\$44,136,871
Allocated loss adjustment expense	\$1,247,855
Unallocated loss adjustment expense	\$659,803
Change in provision for losses/expenses	\$8,203,898
<b>TOTAL EXPENSES</b>	<b>\$54,442,090</b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b>\$7,171,257</b>

#### NON-OPERATING REVENUES AND EXPENSES

Interest income	\$717,764
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b>\$717,764</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$7,889,021</b>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	-\$74,317,707
Current income(loss)	\$7,889,021
Retained Earnings/Fund Balance at June 30, 2008	-\$66,428,686

## GENERAL LIABILITY

---

### Balance Sheet

#### ASSETS

Cash and investments	\$184,960,857
Insurance/reinsurance balances receivable	\$6,911,345
Interest receivable and other assets	\$328,742
Prepaid insurance	\$533,732
Machinery	\$146,659
Less: Accumulated depreciation	\$108,483
TOTAL ASSETS	<u>\$192,772,852</u>

#### LIABILITIES AND FUND EQUITY

Liabilities	
Loss and expense reserves	\$83,336,626
Other liabilities	\$4,367,378
Total Liabilities	<u>\$87,704,004</u>
Fund Equity	
Total Fund Equity	<u>\$105,068,848</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$192,772,852</u>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$14,461,998
Less cost of insurance	\$733,685
TOTAL INCOME	<u>\$13,728,313</u>

#### OPERATING EXPENSES

General and administrative expenses	\$678,823
Claims cost:	
Losses	\$6,789,038
Allocated loss adjustment expense	\$7,176,106
Unallocated loss adjustment expense	\$328,684
Change in provision for losses/expenses	-\$9,555,857
TOTAL EXPENSES	<u>\$5,416,794</u>
NET INCOME/(LOSS) FROM OPERATIONS	<u>\$8,311,519</u>

#### NON-OPERATING REVENUES AND EXPENSES

Interest income	\$2,586,081
TOTAL OTHER INCOME/(LOSS)	<u>\$2,586,081</u>
TOTAL NET INCOME/(LOSS)	<u>\$10,897,600</u>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	\$94,171,248
Current income(loss)	\$10,897,600
Retained Earnings/Fund Balance at June 30, 2008	<u>\$105,068,848</u>

## PERSONAL INJURY

---

### Balance Sheet

#### ASSETS

Cash and investments	\$9,094,632
Insurance/reinsurance balances receivable	\$103,111
Interest receivable and other assets	\$180,676
Machinery	-\$8,063
Less: Accumulated depreciation	-\$1,991
<b>TOTAL ASSETS</b>	<b>\$9,372,347</b>

#### LIABILITIES AND FUND EQUITY

Liabilities	
Loss and expense reserves	\$43,699,384
Other liabilities	\$2,919,310
<b>Total Liabilities</b>	<b>\$46,618,694</b>
Fund Equity	
Total Fund Equity	-\$37,246,347
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$9,372,347</b>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$12,299,983
<b>TOTAL INCOME</b>	<b>\$12,299,983</b>

#### OPERATING EXPENSES

General and administrative expenses	\$465,992
Claims cost:	
Losses	\$2,396,799
Allocated loss adjustment expense	\$5,604,135
Unallocated loss adjustment expense	\$296,768
Change in provision for losses/expenses	-\$3,618,539
<b>TOTAL EXPENSES</b>	<b>\$5,145,155</b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b>\$7,154,828</b>

#### NON-OPERATING REVENUES AND EXPENSES

Interest income	\$128,658
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b>\$128,658</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$7,283,486</b>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	-\$44,529,833
Current income(loss)	\$7,283,486
Retained Earnings/Fund Balance at June 30, 2008	-\$37,246,347

## MARINE, AVIATION AND BOILER & MACHINERY

	<b>Balance Sheet</b>		
	<b>Marine Risk Group</b>	<b>Aviation Risk Group</b>	<b>Boiler &amp; Machinery Risk Group</b>
<b>ASSETS</b>			
Cash and investments	-\$7,994,601	\$880,572	-\$1,716,796
Insurance/reinsurance balances receivable	\$31,893	\$13,610	\$327,317
Interest receivable and other assets	\$2,604	\$570	\$560
Prepaid insurance	\$2,109,617	\$0	\$690,902
Machinery	\$1,011	\$469	\$7,243
Less: Accumulated depreciation	-\$1	\$243	\$5,242
<b>TOTAL ASSETS</b>	<b>-\$5,849,475</b>	<b>\$894,978</b>	<b>-\$696,016</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Loss and expense reserves	\$1,545,126	\$3,098,740	\$707,419
Unearned premium	\$0	\$0	\$0
Other liabilities	\$131,321	\$8,319	\$245,409
<b>Total Liabilities</b>	<b>\$1,676,447</b>	<b>\$3,107,059</b>	<b>\$952,828</b>
<b>Fund Equity</b>			
<b>Total Fund Equity</b>	<b>-\$7,525,922</b>	<b>-\$2,212,081</b>	<b>-\$1,648,844</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>-\$5,849,475</b>	<b>\$894,978</b>	<b>-\$696,016</b>

### Statement of Revenues and Expenses

<b>OPERATING REVENUES</b>			
Premiums written	\$2,102,423	\$722,695	\$1,919,864
Other Revenue			
Hurricane Recoveries	\$207,643	\$0	\$0
General fund appr./non-tort reimbursement			
Add unearned premium from prior year			
Less unfunded premium			
Less unearned premium at statement date			
Less cost of insurance	\$2,043,245		\$621,620
<b>TOTAL INCOME</b>	<b>\$266,821</b>	<b>\$722,695</b>	<b>\$1,298,244</b>
<b>OPERATING EXPENSES</b>			
General and administrative expenses	\$20,001	\$830	\$39,333
<b>Claims cost:</b>			
Losses	\$305,899	\$26,881	\$761,186
Allocated loss adjustment expense	\$81,303	\$7,764	\$14,318
Unallocated loss adjustment expense	\$3,507	\$233	\$6,896
Change in provision for losses/expenses	-\$212,106	\$21,862	-\$190,263
<b>TOTAL EXPENSES</b>	<b>\$198,604</b>	<b>\$57,570</b>	<b>\$631,470</b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b>\$68,217</b>	<b>\$665,125</b>	<b>\$666,774</b>
<b>NON-OPERATING REVENUES AND EXPENSES</b>			
Interest income	\$0	\$11,347	\$0
Gain(loss) on sale of fixed assets/miscellaneous income	\$0	\$0	\$0
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b>\$0</b>	<b>\$11,347</b>	<b>\$0</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$68,217</b>	<b>\$676,472</b>	<b>\$666,774</b>
<b>FUND EQUITY</b>			
Retained Earnings/Fund Balance at July 1, 2007	-\$7,594,139	-\$2,888,553	-\$2,315,618
Current income(loss)	\$68,217	\$676,472	\$666,774
Transfer of Future Medical Funds	\$0	\$0	\$0
Prior year adjustments	\$0	\$0	\$0
<b>Retained Earnings/Fund Balance at June 30, 2008</b>	<b>-\$7,525,922</b>	<b>-\$2,212,081</b>	<b>-\$1,648,844</b>

## MEDICAL MALPRACTICE

---

### Balance Sheet

#### ASSETS

Cash and investments	\$270,401,146
Insurance/reinsurance balances receivable	\$11,227,301
Interest receivable and other assets	\$369,717
Machinery	\$25,417
Less: Accumulated depreciation	\$477
<b>TOTAL ASSETS</b>	<b>\$282,023,104</b>

#### LIABILITIES AND FUND EQUITY

Liabilities	
Loss and expense reserves	\$140,901,795
Other liabilities	\$6,085,736
Total Liabilities	\$146,987,531
Fund Equity	
Total Fund Equity	\$135,035,573
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$282,023,104</b>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

Premiums written	\$20,196,562
Other Revenue	\$29,231
<b>TOTAL INCOME</b>	<b>\$20,225,793</b>

#### OPERATING EXPENSES

General and administrative expenses	\$949,985
Claims cost:	
Losses	\$18,997,816
Allocated loss adjustment expense	\$6,609,117
Unallocated loss adjustment expense	\$825,771
Change in provision for losses/expenses	-\$28,928,975
<b>TOTAL EXPENSES</b>	<b>-\$1,546,286</b>
<b>NET INCOME/(LOSS) FROM OPERATIONS</b>	<b>\$21,772,079</b>

#### NON-OPERATING REVENUES AND EXPENSES

Interest income	\$4,113,264
<b>TOTAL OTHER INCOME/(LOSS)</b>	<b>\$4,113,264</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$25,885,343</b>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	\$109,150,230
Current income(loss)	\$25,885,343
<b>Retained Earnings/Fund Balance at June 30, 2008</b>	<b>\$135,035,573</b>

## ROAD HAZARDS

---

### Balance Sheet

#### ASSETS

Cash and investments	-\$355,055,001
Interest receivable and other assets	\$261,873
Machinery	\$29,688
Less: Accumulated depreciation	\$2,940
<b>TOTAL ASSETS</b>	<b>-\$354,766,380</b>

#### LIABILITIES AND FUND EQUITY

Liabilities	
Loss and expense reserves	\$194,562,284
Other liabilities	\$9,606,249
<b>Total Liabilities</b>	<b>\$204,168,533</b>
Fund Equity	
Total Fund Equity	-\$558,934,913
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>-\$354,766,380</b>

### Statement of Revenues and Expenses

#### OPERATING REVENUES

General fund appr./non-tort reimbursement	\$10,043,985
<b>TOTAL INCOME</b>	<b>\$10,043,985</b>

#### OPERATING EXPENSES

General and administrative expenses	\$1,501,972
Claims cost:	
Losses	\$4,148,983
Allocated loss adjustment expense	\$7,271,433
Unallocated loss adjustment expense	\$1,092,596
Change in provision for losses/expenses	-\$7,716,663
<b>TOTAL EXPENSES</b>	<b>\$6,298,321</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$3,745,664</b>

#### FUND EQUITY

Retained Earnings/Fund Balance at July 1, 2007	-\$562,680,577
Current income(loss)	\$3,745,664
Retained Earnings/Fund Balance at June 30, 2008	-\$558,934,913

MISCELLANEOUS

**Balance Sheet**

	<u>Non-Tort Payments</u>	<u>Future Medical Fund</u>
<b><u>ASSETS</u></b>		
Cash and investments	-\$415,000	\$9,712,006
Insurance/reinsurance balances receivable	\$0	\$0
Interest receivable and other assets	\$0	\$0
TOTAL ASSETS	<u>-\$415,000</u>	<u>\$9,712,006</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>		
Liabilities		
Other liabilities	\$0	\$0
Total Liabilities	<u>\$0</u>	<u>\$0</u>
Fund Equity		
Total Fund Equity	<u>-\$415,000</u>	<u>\$9,712,006</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>-\$415,000</u>	<u>\$9,712,006</u>

**Statement of Revenues and Expenses**

<b><u>OPERATING REVENUES</u></b>		
General fund appr./non-tort reimbursement	\$5,365,000	\$0
TOTAL INCOME	<u>\$5,365,000</u>	<u>\$0</u>
<b><u>OPERATING EXPENSES</u></b>		
General and administrative expenses	\$0	-\$1
Claims cost:		
Losses	\$2,400,000	\$287,994
TOTAL EXPENSES	<u>\$2,400,000</u>	<u>\$287,993</u>
NET INCOME/(LOSS) FROM OPERATIONS	<u>\$2,965,000</u>	<u>-\$287,993</u>
<b><u>NON-OPERATING REVENUES AND EXPENSES</u></b>		
Interest income	\$0	\$0
Gain(loss) on sale of fixed assets/miscellaneous income	\$0	\$0
TOTAL OTHER INCOME/(LOSS)	<u>\$0</u>	<u>\$0</u>
TOTAL NET INCOME/(LOSS)	<u>\$2,965,000</u>	<u>-\$287,993</u>
<b><u>FUND EQUITY</u></b>		
Retained Earnings/Fund Balance at July 1, 2007	-\$3,380,000	\$9,401,399
Current income(loss)	\$2,965,000	-\$287,993
Transfer of Future Medical Funds	\$0	\$598,600
Retained Earnings/Fund Balance at June 30, 2008	<u>-\$415,000</u>	<u>\$9,712,006</u>

# Notes to the Financial Statements

---

## INTRODUCTION

The Office of Risk Management is an agency of the State of Louisiana reporting entity and was created in accordance with Title 39, Chapter 1527:1544 of the Louisiana Revised Statutes of 1950 as a part of the Executive branch of government. The Office of Risk Management is charged with administering the self insurance program within the State of Louisiana.

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Office of Risk Management prepares its financial statements in accordance with the procedures established by the Division of Administration. The financial activities of the Office of Risk Management are accounted for on a fund basis whereby a set of separate, self-balancing accounts are maintained to account for appropriated or authorized activities. The information presented herein, is reported under the modified accrual basis of accounting as prescribed by GAAP for fund level reporting.

The general fixed assets and long-term obligations of the agency are not recognized in the accompanying financial reports presented at fund level. All capital assets of the primary government are, however, reported at the government-wide level of reporting, as required by GAAP.

Annually the State of Louisiana issues a comprehensive annual financial report which includes the activity contained in the accompanying financial statements. The comprehensive annual financial report is audited by the Louisiana Legislative Auditor.

#### 1. FUND ACCOUNTING

##### General Operating Appropriations

The General Operations Fund is used to account for all general and auxiliary fund appropriated operating expenditures and minor capital acquisitions. All appropriated general and auxiliary operations revenue is accounted for in this fund.

**Non-Appropriated Funds – Major State Revenues and Income Not Available** - The agency collects major state revenues that are remitted to the State Treasury for deposit to statutorily dedicated funds. In addition, the agency collects funds specifically identified by the Division of Administration - Budget Office as Income Not Available that are remitted to the State Treasury. These amounts are not available to the agency for expenditure.

**Payroll Clearing Fund** - The Payroll Clearing Fund is used to account for payroll deductions and accrued benefits.

The non-appropriated funds relating to Major State Revenues, Income Not Available and Payroll Clearing are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

For purposes of this statement presentation, collections in excess of Appropriated Means of Financing are not considered income not available.

#### 2. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Office of Risk Management are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration - Office of Statewide Reporting and Accounting Policy as follows:

Revenues - State General Fund and Interim Emergency Board appropriations are recognized as the net amount warranted during the fiscal year including the 45 day close period.

Fees and self-generated revenues, interagency transfers, federal funds, intrafund revenues, non-appropriated revenues, and other financing sources (with the exception of agency funds) are recognized in the amounts earned, to the extent that they are both measurable and available.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that obligations of employees' vested annual and sick leave are recorded as expenditures when paid.

#### B. IMPREST FUNDS

The agency maintains a permanent Travel and Petty Cash Imprest Fund in the amount of \$8,500 as authorized by the Commissioner of Administration and advanced by the State Treasurer's Office in accordance with Title 39. The funds are permanently established and periodically replenished from agency operating funds when expenditure vouchers are presented.

#### C. LEAVE

##### 1. Annual and Sick Leave

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. Act 343 of 1993 allows members of the Louisiana State Employees' Retirement System, upon application for retirement, the option of receiving an actuarially determined lump sum payment for annual and sick leave which would otherwise have been used to compute years of service for retirement. The liability for unused annual leave payable at June 30, 2008, computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards Section C60.104, is estimated to be \$634,822.35. The leave payable is not recorded in the accompanying financial statements.

Civil Service General Circular Number 001155 states that classified employees belonging to the Teachers' Retirement System of Louisiana and to the Louisiana School Employees' Retirement System are not eligible for payment of unused sick leave upon retirement or death. L.R.S. 17:425 on the other hand provides for payment for up to 25 days of unused sick leave for members of these two systems. In Opinion Number 94-373, the Attorney General opined that the Civil Service Commission had jurisdiction over classified employees and therefore those members are not eligible for payment of unused sick leave.

##### 2. Compensatory Leave

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employee's hourly rate

of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2008 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.104 is estimated to be \$33.02. The leave payable is recorded in the accompanying financial statements.

D. PREPAID EXPENSES AND ADVANCES

Certain items are commonly paid for in advance. Examples are insurance premiums and rent. If your prepayments, along with your other adjustments, exceed the materiality levels as discussed on page two of the cover letter, you should disclose this amount below. The amount of prepaid expenses, including postage, for this agency at June 30, 2008, is \$60,246,688.

Advances are monies given to providers for services to be performed at a future date. The amount of advances for this agency at June 30, 2008 is \$0.

E. LEASE AND RENTAL COMMITMENTS

Lease agreements have non-appropriation exculpatory clauses that allow lease cancellation if the Legislature does not make an appropriation for its continuation during any future fiscal period. Total operating lease expenditures for fiscal year 2007 - 2008 amounted to \$54,204.31.

OPERATING LEASES

Operating leases are all leases which do not meet the criteria of a capital lease. Operating leases are grouped by nature (i.e. office space, equipment, etc.) and the annual rental payments for the next five fiscal years are presented in the following schedule:

<u>Nature of lease</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014- 2018</u>
a. Office space	\$ 54204.31	\$ 54204.31	\$ 54204.31	\$ 54204.31	\$ 54204.31	\$ 54204.31
b. Equipment						
c. Land						
d. Other						
Total	\$ 54204.31	\$ 54204.31	\$ 54204.31	\$ 54204.31	\$ 54204.31	\$ 54204.31

Rental expense for operating leases with scheduled rent increases is based on the relevant lease agreement except in those cases where a temporary rent reduction is used as an inducement to enter the lease. In those instances, rental expense is determined on either a straight-line or interest basis over the term of the lease, as

required by GASB 13, and not in accordance with lease terms. The agency does (does not) have leases with scheduled rent increases due to temporary rent reductions used as an inducement to enter the lease. The resulting revenues/expenses are (are not) shown on the statement of operations. If not included on the statement of operations, attach a schedule listing all such leases.

F. PAYROLL AND RELATED BENEFITS ACCRUAL

Agencies will be required to reflect the 2007-2008 accrued personal services cost for this fiscal year on the accompanying financial statement. The following schedule will aid you in doing so. As most agency units pay their employees biweekly this would require a fiscal year 2006-07 accrual calculation based on ten (10) days and the fiscal year 2007-08 calculation will be based on ten (10) days. Agencies must also determine the federal match on this accrual calculation.

	<u>FY 2006-07</u>	<u>FY 2007-08</u>
1. 07/06/07 Payroll (gross & related)	\$322,223.01	
	<hr/>	
2. 07/03/08 Payroll (gross & related)		\$330,537.92
	<u>X 100.0%</u>	<hr/> <u>X 100.0%</u>
2a. Payroll accrual	\$322,223.01	330,537.92
	<hr/>	<hr/>
2b. Add voids and supplementals (off cycle) paid in the 45 day close with prior year appropriations.		
	<hr/>	<hr/>
3. Total payroll accruals	\$322,223.01	\$330,537.92
	<hr/>	<hr/>
4. Estimated federal receivable attributed to the accrual shown above	\$	\$
	<hr/>	<hr/>
	<u>Total Agency Expenditures</u>	
5. Total programs from Schedule 1		196,417,217.48
		<hr/>

6. Less: 2006-07 accrual from line 3, column 1 above	(322,223.01)
6a. 2006-2007 accrual from Schedule 3-1	<u>49,318,650.50</u>
7. Plus: 2007-08 accrual from line 3, column 2 above	330,537.92
7a. 2007-08 accrual from Schedule 3-1	<u>(46,811,148.55)</u>
7b. 2007-08 payments during the 45 day close	<u>(427,162.84)</u>
7c. 2006-07 adjustment to Statement B	<u>452,248.00</u>
7d. Less: 2006-07 excess insurance payable	<u>(134,433,938.23)</u>
7e. Plus: 2007-08 excess insurance payable	<u>182,872,361.22</u>
 To Statement B (this should be the total for <u>all</u> programs)	 <u><u>\$247,396,542.49</u></u>

G. RESERVE FOR CONTINUING OPERATION(S)

The unit is by statute allowed to retain residual fund balance in order to finance future operations. For the fiscal year ended June 30, 2008, \$61,736,389.49 was the amount reserved.

<u>Office/Fund</u>	<u>Louisiana Revised Statutes</u>	<u>Reserve for Continuing Operations</u>
<u>Self Insurance Fund</u>	<u>39:1533</u>	<u>\$ 52,024,383.97</u>
<u>Future Medical Fund</u>	<u>39:1533.2</u>	<u>9,712,005.52</u>
_____	_____	_____
_____	_____	_____
Total		<u>\$ 61,736,389.49</u>

H. EMPLOYEE TERMINATION BENEFITS

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. Involuntary termination benefits include benefits such as payment for unused leave balances. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan and payment for unused leave balances; however, normal termination payment for annual leave are not included.

Other termination benefits may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Health care coverage when none would otherwise be provided (COBRA)
3. Compensated absences, including payments for leave balances
4. Payments due to early release from employment contracts

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits:

1. A description of the termination benefit arrangement(s)
2. Year the state becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit.
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported).

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2008, the cost of providing those benefits totaled \$22,560.99.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

#### ADDENDUM TO THE NOTES TO THE CAFR

1. A description of the risks of loss to which the state is exposed and the ways in which those risks of loss are handled.

There are four basic types of risks to which the State is exposed. Loss can occur as a result of (1) damage to property, (2) loss of property, (3) loss of income or increased costs because of damage to or loss of property, and (4)

liability to others as a result of injury to persons or property. These four main types of risks are not mutually exclusive, they are interrelated. Many accidents and claims involve losses in several risk areas.

Risk Management is a process for identifying and controlling risks. Until the mid 70's, the traditional method of minimizing losses was to transfer risk to a commercial insurance company. Over the years, the State has been pushed toward self-insurance because of increases in insurance premiums and policy cancellations by commercial insurance companies. Now the Office of Risk Management handles the risks to which the State is exposed through a program that includes self insurance to a specific level and excess commercial insurance above that level. The \$ limits will vary according to coverage.

The best way to insure against loss, however, is through loss prevention and safety programs. Such programs help minimize losses, save money, and most importantly, protect state employees and citizens. The Office of Risk Management aggressively pursues loss prevention through its own Loss Prevention Unit.

2. A description of any significant reductions in coverage from the prior year and whether settlements exceeded coverage for each of the three preceding fiscal years.

There were no significant reductions in coverage during FY 07/08.

There have been significant changes in case law which will have had adverse impact on the state's liability in general liability claims. On September 3, 1993, the Supreme Court of Louisiana, per case No. 93-C-0472, reversed a lower court's decision in applying Louisiana Revised Statute 13:5106 (B)(1) which provides that "(l) any suit for personal injury, the total amount recoverable, exclusive of medical care and related benefits and loss of earnings, and loss of future earnings, as provided in this Section, shall not exceed five hundred thousand dollars (\$500,000)." The Supreme Court held that the ceiling contravenes the constitutional proscription against sovereign immunity contained in LSA - Constitution, Article XII, § 10. As a result of this ruling, the \$500,000 ceiling on general damages in a personal injury suit was removed and the State of Louisiana faced larger exposure in suits of this nature. This action is still having an adverse effect on claims reserves.

In 1995, the Louisiana electorate ratified a constitutional amendment authorizing the Legislature to cap liability. The result was tort reform acts passed by the Legislature which places a cap on general damages of \$500,000 with no cap on special damages, and limits joint and solidary liability to a tortfeasor's allocated degree of fault.

On May 9, 1996, Act No. 63, known as the "Louisiana Governmental Claims Act" was approved by the governor. This act placed limits on all suits for personal injury and wrongful death. The act states "the total amount recoverable, including all derivative claims, exclusive of property damages, medical care and related benefits and loss of earnings, and loss of future earnings, shall not exceed five hundred thousand dollars." This tort reform, although not retroactive on open cases, will have an effect on future claims by a reduction of costs.

3. The basis for estimating unpaid claim liabilities.

The philosophy relevant to ORM's reserving policy is based on the best determination of the State's exposure taking into consideration the severity of the injury and the comparative fault if applicable. In those cases where suit has been filed, the attorney is requested to evaluate the State's exposure as early as possible in order to establish a proper reserve.

Workers Compensation reserves are based on exposure determined by the severity of injury, age of claimant, education or lack of it, and potential for return to employment.

4. The carrying amount of unpaid claims liabilities included in the comprehensive annual financial statements of the State of Louisiana at present value and range of rates used to discount them.

Prior to FY 91/92, ORM discounted claim liabilities on year end statements. Beginning in FY 91/92, the State Legislature passed an Appropriation Bill that cut ORM's funding by 99%. This was repeated in FY 92/93. For FY

93/94, ORM received funding of approximately 50% of what is needed on a cash basis. In FY 94/95 ORM received funding of approximately 70% of what is needed on a cash basis. In FY 95/96 ORM received funding of approximately 80% of what is needed on a cash basis, which included a general fund appropriation of \$10,488,526 towards deficit reduction. In FY 96/97, 97/98, 98/99, 99/00, and 00/01 ORM received funding of approximately 75% of what is needed on a cash basis. As a result of the lack of funding over the past fiscal years, ORM's cash reserves have been depleted. Because of the lack of funding, ORM discontinued discounting and has not discounted the present value of claim liabilities since FY 89/90.

The provision for losses and loss adjustment expenses includes paid and unpaid claims and expenses associated with settling claims, including legal fees. The liability for unpaid losses and loss adjustment expenses is based on claims adjusters' evaluations of individual claims and management's evaluation and an actuarial review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The liability represents the estimated ultimate cost of settling the claims, including the effects of inflation and other economic factors. Adjustments resulting from the settlement of losses are reflected in earnings at the time the adjustments are determined.

During FY 08, The State of Louisiana covered property losses up to a limit of \$350,353,000, with a flood limit of \$100,000,000 for properties above the I-10 corridor. Below I-10, the coverage is under the National Flood Insurance Program. The flood coverage is an aggregate for the entire year whereas the balance of the coverage is per event. The state has a \$50,000,000 self insured retention (deductible) for each event of wind, flood, and earthquake loss; a \$25,000,000 self insured retention for all other perils.

The cumulative total of estimated recoveries at June 30, 2008, is \$12,997,365. Claims payments include all allocated loss adjustment expenses including legal expense and are net of actual recoveries on settled and unsettled claims.

5. The aggregate amount of claims liabilities outstanding for which annuity contracts were purchased in claimants' names and for which related liabilities have been removed from the balance sheet.

From time to time, the Office of Risk Management purchases annuities as partial settlements of certain claims. The payment of the annuities to the claimants is made over a period of time by 3rd party trustees.

At June 30, 2008, there are 105 active annuities. The outstanding amount due on these 105 annuities as of June 30, 2008, was \$ 212,872,171.74. Of the 105 annuities, 93 contain wording which releases ORM from any and all future liability on the claims. The remaining liability, on the 12 which do not contain the wording necessary to release ORM from any possible future liability, totals \$33,460,010.35. At June 30, 2008, the total amount of active annuities purchased was \$41,360,589.90.

6. Catastrophic events and other claims disclosures.

#### **Hurricane Katrina**

Hurricane Katrina struck the state of Louisiana on August 29, 2005. As of June 30, 2008, state agencies have filed claims for Hurricane Katrina property losses totaling \$725,096,171. Claims filed through June 30, 2008 have exceeded insurance coverage by \$225,096,171 for this event. Through June 30, 2008, ORM has paid state agencies in excess of \$161,222,867 for Hurricane Katrina property claims.

#### **Hurricane Rita**

Hurricane Rita struck the state of Louisiana on September 25, 2005. As of June 30, 2007, state agencies have filed claims for Hurricane Rita property losses totaling \$31,043,282. Property claims paid through June 30, 2008 total \$13,735,578.

#### **Boudreaux vs. State**

A judgment of \$93 million was awarded and with interest is now estimated to be in excess of \$350 million. Attempts to reach a compromise on this judgment have been unsuccessful to date.

#### 7. Claims Liabilities

The present value of reserves for claim liabilities for FY 2007-2008 as reported on the financial statements totals \$876,645,772. A further breakdown of this total follows:

	Total Reserves	Net of Estimated Recoveries
Current	\$14,308,668	\$13,435,539
Long-Term	<u>\$875,334,469</u>	<u>\$863,210,233</u>
Total	<u>\$889,643,137</u>	<u>\$876,645,772</u>

#### Changes in Aggregate Claims Liabilities

	Beg of F/Y Liabilities	Claims & Changes in Estimates	Claim Payments	Est Recov from settled & unsettled claims	Balance @ Fiscal Year End
1993-94	\$667,720,418	\$228,995,905	(\$53,916,903)	(\$345,195)	\$842,454,225
1994-95	\$842,454,225	\$265,288,947	(\$89,878,735)	(\$345,849)	\$1,017,518,588
1995-96	\$1,017,518,588	\$273,810,423	(\$121,308,199)	(\$300,682)	\$1,169,720,130
1996-97	\$1,169,720,130	\$234,558,097	(\$150,597,533)	(\$165,541)	\$1,253,515,153
1997-98	\$1,253,515,153	\$210,274,436	(\$113,374,552)	(\$361,229)	\$1,350,053,808
1998-99	\$1,350,053,808	\$86,940,260	(\$130,637,348)	\$230,425	\$1,306,587,145
1999-00	\$1,306,587,145	\$47,490,493	(\$112,428,805)	\$902,160	\$1,242,550,593
2000-01	\$1,242,550,593	(\$67,365,094)	(\$137,702,150)	\$1,295,008	\$1,038,778,357
2001-02	\$1,038,778,357	\$1,36,971,803	(\$132,546,479)	\$102,913	\$1,043,306,594
2002-03	\$1,043,306,594	\$153,529,274	(\$108,999,720)	\$154,517	\$1,087,990,665
2003-04	\$1,087,990,665	\$271,606,461	(\$123,129,305)	(\$1,982,511)	\$1,234,485,310
2004-05	\$1,234,485,310	\$39,200,821	(\$131,460,955)	(\$2,417,074)	\$1,139,808,102
2005-06	\$1,139,808,102	\$229,019,661	(\$168,663,173)	(\$8,266,248)	\$1,191,898,342

2006-07	\$1,191,898,342	(\$185,014,973)	(\$126,267,631)	\$2,738,148	\$883,353,885
2007-08	\$883,353,885	\$153,155,254	(\$158,682,759)	(\$1,180,608)	\$876,645,772

8. Liabilities for Claims and Claims Expenses

Louisiana is on the modified accrual basis. This means that expense is recognized when it becomes measurable and payable. Under GASB 34, we must also reflect those expenses which have become measurable regardless of when payable. Show in the table below those gross expenditures you have incurred which are not reflected on any of the aforementioned schedules. Show by funding source and object category.

Funding Source (list by name):	Organization #	Object	Amount
Self-Generated: Claims Liabilities		3650	<u>\$875,334,469</u>
Total GASB 34 accruals (gross)			<u>\$875,334,469</u>
Less: Allowance for estimated recoveries			<u>\$ 12,124,236</u>
GASB 34 liability adjustment net of estimated recoveries			<u>\$863,210,233</u>
Amount included above not expected to be paid in one year			\$740,585,012

# CONTACT US

## MAIN OFFICE

---

### PHYSICAL ADDRESS

1201 North Third Street  
STE G-192  
Baton Rouge, LA 70802

### PHONE/FAX/WEB

(225) 342-8500  
(225) 342-8473  
<http://doa.louisiana.gov/orm/>

### MAILING ADDRESS

P.O. Box 91106  
Baton Rouge, LA 70821-9106

## REGIONAL OFFICES

---

### ALEXANDRIA

3744 Government Street  
Alexandria, LA 71302  
(318) 484-2471

### LAFAYETTE

825 Kaliste Saloom Road  
Lafayette, LA 70508  
(337) 262-5113

### SHREVEPORT

800 Spring Street, Suite 110  
Shreveport, LA 71101  
(318) 676-7647

### MONROE\*

122 St. John Street, Suite 231  
Monroe, LA 71210  
(318) 362-3308

*\*Loss Prevention Only*

## ACTUARY

---

### TILLINGHAST-TOWERS PERRIN

1200 Riverplace Boulevard Suite 610  
Jacksonville, FL 32207-1803  
Telephone: (904) 398-5661  
Fax: (904) 399-8267