

IRFFENC

INTERLOCAL RISK FINANCING FUND OF NORTH CAROLINA

BALANCE SHEETS

June 30

2010

2009

	2010	2009
Assets:		
Cash and investments:		
Bonds, at market	\$ 49,111,941	\$ 39,249,806
Preferred stocks, at market	26,220	94,620
Common stocks, at market	8,772,537	9,260,167
Other investments, at cost	8,481,187	10,277,791
Cash and cash equivalents	5,457,149	1,427,685
Total cash and investments	71,849,034	60,310,069
Deposit in NLC-Mutual Insurance Company	1,234,443	1,170,088
Accrued investment income	591,260	604,741
Premium and retention billing receivables	204,942	280,123
Reinsurance recoverable on paid losses	735,018	115,046
Prepaid expenses	10,627	3,358,151
Other assets	155,057	334,283
Total assets	\$ 74,780,381	\$ 66,172,501
Liabilities:		
Reserve for losses and loss adjustment expenses	\$ 23,102,000	\$ 20,825,000
Accounts payable	999,284	340,011
Reinsurance payable	0	137,914
	24,101,284	21,302,925
Net assets:		
Unrestricted	50,679,097	44,869,576
Total liabilities and net assets	\$ 74,780,381	\$ 66,172,501

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

Operating revenues:		
Earned premiums	\$ 19,515,603	\$ 18,732,507
Less ceded premiums	4,599,038	4,586,306
Net premiums	14,916,565	14,146,201
Third party administrator fees	282,913	175,171
Service agreement revenue	48,342	42,712
Total operating revenues	15,247,820	14,364,084
Operating expenses:		
Losses and allocated loss adjustment expenses	11,646,470	7,334,955
NCLM-sponsorship and operating expenses	3,328,969	3,181,680
Professional fees	109,033	135,222
Other expenses	311,310	199,370
Total expenses	15,395,782	10,851,227
Operating (loss) income	(147,962)	3,512,857
Non-operating revenues (losses):		
Net investment income (losses)	5,957,483	(5,271,015)
Total non-operating revenues (losses)	5,957,483	(5,271,015)
Change in net assets	\$ 5,809,521	\$ (1,758,158)
Net assets at beginning of year	\$ 44,869,576	\$ 46,627,734
Net assets at end of year	\$ 50,679,097	\$ 44,869,576