

**RISK MANAGEMENT DIVISION
SELF INSURED LIABILITY FUND
PRESENT ALLOCATION FORMULA – (utilized for 2011-13 biennium premiums)**

Calculation of Premium Payments

Premium payments are calculated as each agency's share of the overall total costs. Costs are in three areas: general tort liability, automobile tort liability, and defense costs. Costs in each of these categories are allocated based on each agency's share of the losses over the most recent six year period, which consists of all claims arising during the 6 years, together with any change in the value of previously known claims. This is calculated as the difference between the value of agency total claims reported as of December 31, 2009 and December 31, 2003.

Minimum Premium

Each agency is assigned a minimum premium of \$2,000 per biennium (\$1,000 per biennium for commodity commissions).

Single invoice

Each agency will receive a single invoice for an amount that is equal to its premium payment for tort liability, automobile liability, and defense costs.