

# THE COMMUNICATOR

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## FROM THE CEO

During the most recent legislative session, House Bills 1026 and 1027 moved the oversight of the State Fire & Tornado (NDFT), and State Bonding Fund from the North Dakota Insurance Department to the Office of Management and Budget. We're happy to announce that the North Dakota Insurance Reserve Fund (NDIRF) will continue administering both funds for the next two years.

The NDIRF has been administering the funds since 2019 and started with a three-year plan of getting to understand the operation and process, target immediate changes, and ultimately make the NDFT look like a NDIRF product with updated coverage forms, rating, and valuation/inspection processes. Since the initial three-year plan, we have focused heavily on getting property values to a more accurate level. Since 2019, the total insured value has increased nearly \$11 billion. Your role in ensuring that building values are accurate helps sustain the fund and decreases the likelihood of an assessment being collected.

Thank you for being part of the State Fire & Tornado Fund. We understand that for some of you, participation isn't optional, but our goal is to earn your trust and confidence, so that even if you had a choice, you'd still choose the NDFT for your property coverage.



A stylized, handwritten signature in dark ink, appearing to read 'KP'.

**Keith Pic**  
NDIRF CEO



**NORTH DAKOTA**  
State Fire and Tornado Fund  
Administered by the North Dakota Insurance Reserve Fund

**NDIRF** NORTH DAKOTA  
INSURANCE  
RESERVE FUND





# EQUIPMENT BREAKDOWN COVERAGE FOR GOVERNMENTAL ENTITIES

Photo Credit: zephyr\_p

## TAILORED EQUIPMENT BREAKDOWN SOLUTIONS FOR YOUR GOVERNMENTAL ENTITY'S NEEDS

**G**overnmental entities have a variety of exposures that can often be overlooked - from typical exposures like schools and town halls to more complex risks such as small power-producing locations. When these unexpected mechanical, electrical or pressure failures occur, it can be costly to repair or replace the damaged equipment

A good first step is to avoid the unforeseen risk. We offer equipment breakdown coverage designed to meet the unique needs of political subdivisions and state entities. We have the expertise needed to identify establishment-specific equipment exposures, reduce losses and help provide a safer environment.

### THE BENEFIT TO YOUR GOVERNMENTAL ENTITY

- Protection against equipment repair and replacement expenses, labor costs and other expenses to get or keep cities and towns up and running
- Coverage for indirect losses such as extra expense, service interruption, spoilage and business interruption
- State-mandated boiler and pressure vessel inspections are included with your coverage
- Claims adjusted by professionals solely dedicated to the equipment breakdown insurance business

### COVERED EQUIPMENT

- Air conditioners
- Boilers
- Communication systems
- Compressors
- Computers
- Electrical distribution systems
- Electrical equipment
- Emergency generators
- Engines
- Fans
- Fired/unfired pressure vessels
- Fired water heaters
- Generators
- Heating and cooling systems
- High-efficiency lighting systems
- Mechanical equipment
- Motors
- Pumps
- Refrigeration units
- Security systems
- Switchboards
- Transformers
- Vacuum systems

### SAMPLE LOSSES

A large air blower broke down due to a lubrication failure, resulting in the curtailment of sludge treatment. A temporary blower was installed until repairs were completed.

**TOTAL LOSS: \$41,8000**

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An incoming voltage surge resulted in the failure of the communications, heating and air-conditioning control systems of a four-story administration building. All of the control systems required replacement.

**TOTAL LOSS: \$120,000**

To learn more about coverage for governmental entities, call (701) 224-1988 or visit [www.ndirf.com](http://www.ndirf.com).



# NDIRF LAUNCHES FIRE & TORNADO ONLINE VALUATION TOOL

Photo Credit: rangizzz

Keeping building insurance values up to date is an important part of risk management. It ensures no surprises in the event of a covered loss. To help you complete valuations more efficiently, The North Dakota Insurance Reserve Fund (NDIRF) recently launched the North Dakota Fire & Tornado (NDFT) Online Valuation Tool through RiskStar. This tool makes the property valuation process easier for agents to navigate.

## WHAT IS THE FIRE & TORNADO ONLINE VALUATION TOOL?

The Fire & Tornado Online Valuation Tool will help you complete property valuations more smoothly and accurately. The Valuation Tool features fields like **Physical Location**, **Basic Attributes**, and **other prompts** to guide you in documenting details for the report you will send to your Member Services Representative.

One key feature is the **Valuation Estimate Detail**, which calculates a suggested property value based on the information you entered. Reviewing this estimate can help you determine if any adjustments are needed before submitting your report.

## IMPORTANT INFORMATION ABOUT THE VALUATION TOOL

The Fire & Tornado Online Valuation Tool main page offers more than just the Valuation Tool itself. From the page, you can find the **How-To** guide, **Requirement & Resources** and **FAQs**. Scan the QR code on this page to explore the resources on the Fire & Tornado Online Valuation Tool main page!

To use the Fire & Tornado Online Valuation Tool, you will have to reach out for login credentials by emailing [ndirfmemberservices@ndirf.com](mailto:ndirfmemberservices@ndirf.com) with your **complete name, agency and agency email address**. RiskStar will then grant access and send you initial steps by email.

If you have questions about using the Fire & Tornado Online Valuation Tool reach out to NDIRF Member Services by emailing [ndirfmemberservices@ndirf.com](mailto:ndirfmemberservices@ndirf.com) or calling (701) 224-1988!

SCAN HERE!

Use your phone's camera to scan the QR code to explore the resources on the Fire & Tornado Online Valuation Tool main page!



**DISCLAIMER:** This above information is meant as general information to help you understand the different coverage and property types. These descriptions do not refer to any specific coverage document and they do not modify the definitions, exclusions or any other provision stated in any coverage document issued by the North Dakota Fire and Tornado Fund or North Dakota Insurance Reserve Fund. We encourage you to read your coverage documents to fully understand your coverage. In addition, **the valuation guide is intended to provide you with a starting point in determining the estimated value of your property for North Dakota Fire and Tornado Fund coverage purposes only.** You are responsible for selecting the appropriate limit for your coverage and for notifying us if you wish to add, delete, or make changes to your coverage. All coverage is subject to the provisions of the coverage document.



# NORTH DAKOTA FIRE & TORNADO FUND RENEWALS



Photo Credit: Robert Clay

## NORTH DAKOTA FIRE AND TORNADO FUND (NDFT) RENEWALS HAVE BEEN DELIVERED!

**B**y now you should have received your NDFT Renewal documents. Be sure you are reviewing the documents for accuracy. Things to look for when reviewing your renewal policy:

- **Property Name and Location** – Verify the Building Property (BP), Personal Property (PP), Trailer Property (TP) or Outdoor Property (OP) items have the correct name and address.
- Review all items on the policy to make sure each item that is supposed to be on the policy, is on the policy and anything that needs to be removed is removed.
- **Date Appraised** – When was the last time the item's insurance value was appraised? If it is anytime earlier than 2023, it should be reviewed and updated again soon.
- **Review all BP, PP, OP, and TP limits.**
  - If there is a PP limit covered at Actual Cash Value (ACV), this may be changed to Replacement Cost (RC) by verifying and updating the limit. Even if the BP is covered at ACV, the PP may be moved to RC.
  - Any BP that is covered at ACV may qualify for RC if updated photos and valuations are submitted to Underwriting for their review.
- Review that all buildings that may qualify for the Blanket Coverage are on the blanket. All BP and PP items that are covered at RC and the values are up to date, can qualify for the blanket coverage which provides a 125% margin clause and removes the co-insurance clause.
- Review the following available endorsements to see if they would work for your entity's coverage (click the link to access the coverage form):
  - **Equipment Breakdown Coverage** - [FT EB 07 01 23](#)
  - **Wind Hail per Building Deductible Removal** - [FT WH 07 01 21](#)
  - **Increased Sewer Backup Endorsement** - [FT SB 07 01 21](#)
  - **Debris Removal Additional Insurance** - [FT DR 07 01 21](#)

Consistently reviewing your coverage is a good risk management practice so there are no surprises in the event of a covered loss. If you have any questions about the coverage or available endorsements reach out to your local agent if you are a local governmental entity or reach out to the NDIRF directly at [ndft@ndirf.com](mailto:ndft@ndirf.com) if you are a state entity.