

WHERE TO COVER YOUR ENTITY'S PERSONAL PROPERTY?

In view of a fire loss to an NDIRF member's personal property last year, it is time again to discuss how to cover your entity's personal property. Oh no! Not again! Yes, another coverage article. Why? Because the items, of significant value, that were lost were not covered. Why weren't they covered? Well, first and most importantly, no contents coverage was purchased for that building through the North Dakota Fire and Tornado Fund (Fire and Tornado Fund) nor was any Public Assets (inland marine) coverage purchased through the NDIRF on the items lost.

How to determine where to get coverage?...first, we have to be on the same page with regard to terminology...

How to determine where to get coverage? Typically this is an easy question to answer but, first, we have to be on the same page with regard

to terminology. There are three types of personal property you may have on your premises:

- 1. Personal property you own.**
- 2. Personal property owned by others that is on your premises.**
- 3. Personal property of your employees used for your business purposes that is on your premises.**

As an aside, please remember that vehicles or self-propelled machines licensed for use on public roads or used principally off the premises **are not** covered as personal property. These typically include autos, trailers, trucks, road maintenance equipment, boats, snowmobiles and ATVs.

OK, back to "Where to Cover What". Generally, personal property you own should be covered by the Fire and Tornado Fund as contents. If you have employees' personal property or personal property of others on your premises, you should discuss the possibility of adding coverage for those items with

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the Fire and Tornado Fund. If coverage is not available with the Fire and Tornado Fund, NDIRF can cover the items under our Public Assets coverage.

There are some entire classes of personal property, however, that are not covered by the Fire and Tornado Fund. The most significant of these items are:

- 1. Personal property that is primarily stored on or in a vehicle; and**
- 2. Personal property that is used primarily in law enforcement or emergency services while in use off premises.**

These items can be covered, and in some cases are automatically covered, by the NDIRF. First, we'll address automatic coverage with the NDIRF. Under the NDIRF Auto coverage, when physical damage coverage is purchased on a law enforcement vehicle, fire fighting vehicle, or ambulance, coverage is automatically included for equipment or property, installed or portable, that is consistent with operation of those vehicles. There are a few items that may be considered to be included with these type vehicles that **must be covered separately**, under a NDIRF Public Assets (inland marine) coverage. These items are fire fighting turn-out gear (including helmets, footwear, and gloves), self contained breathing apparatus (SCBA), jaws-of-life, smoke fans, portable power generators, diving gear (SCUBA), cellular telephones, or pagers.

The class of personal property that is "primarily stored on or in a vehicle" is the most challenging in assessing the applicability to your Fire and Tornado Fund personal property coverage and the potential need to purchase NDIRF Public Assets coverage. For example, if you use a trailer to store and transport gear or supplies, even if that trailer is parked in a building, the gear and supplies are not covered by the Fire and Tornado Fund - but can be covered under the NDIRF Public Assets coverage. We are familiar with a number of NDIRF members that, at least in the past, have stored property in a trailer that is never moved. This is an unusual situation and it is suggested you first contact the Fire and Tornado Fund; if they are unable to provide coverage, the NDIRF will provide you a coverage quote.

Bottom line is, if you desire the coverage, you must let the Fire and Tornado Fund know when and where you need contents coverage on personal property. For the situations where Fire and Tornado Fund coverage would not apply, please contact your local NDIRF agent to have the necessary NDIRF Public Assets coverage issued.

If you have any questions on the information contained in this article, please contact Ross Warner or Brenda Flesness at the NDIRF office, 1-800-421-1988 or, locally, 224-1988.

For questions on your North Dakota Fire and Tornado Fund coverage, call Jeff Bitz or Barbara Mehlhoff at 1-701-328-9600. ■

WHAT'S YOUR ORGANIZATION'S CULTURE?

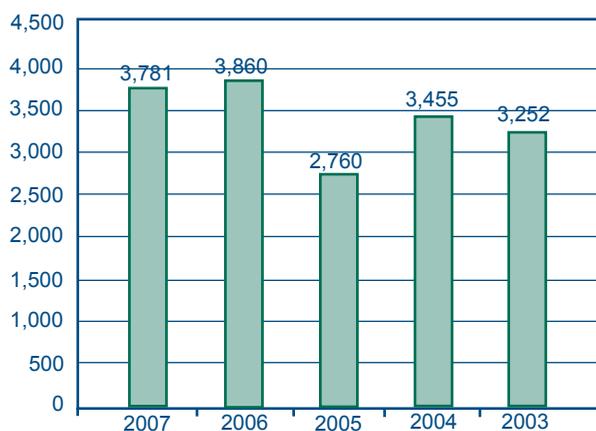
Do you know your organization's culture? Management expert Richard Hagberg (on the LeaderValues Web site, www.leader-values.com) asks the question and says that, unfortunately, many managers, particularly senior managers and the CEO, often base their views on hope rather than objective fact. In order to ground your assessment of your workplace culture in reality he suggests you ask these questions:

- What 10 words would you use to describe your company?
- Around here what's really important?
- Around here who gets promoted?
- Around here what behaviors get rewarded?
- Around here who fits in and who doesn't?

Hagberg says the reality is that whatever management pays attention to and rewards are a pretty strong indicator of the culture. What are you paying attention to and rewarding? Do you profess to care about quality, but is "getting it out the door" your real mentality? Honest inquiry should set you on your way to gathering insight as to what your workplace culture truly is. Sometimes it's nowhere close to what management set out to create. ■

FINANCIAL INSIGHTS

LOSSES PAID (in thousands)



This graph represents losses paid by NDIRF over the past 5 years, including payments made to adjusters and attorneys assisting in the claims settlement process. Since its inception in 1986, NDIRF has paid losses totaling more than \$61.4 million. ■

FROM THE CEO

Super Bowl Sunday. Super Tuesday. Super-long primary election campaign. February is hosting more super events this year than you'd expect for such a short month. Throw in Groundhog Day, Valentine's Day and President's Day and there's bound to be one or more dates among them that we want to make sure to remember (starting with Valentine's Day – note to self).

February is also the month where NDIRF's financial performance for the prior year comes pretty well into focus. Our financial statements are not yet audited, so I won't mention the specific numbers, but 2007 shapes up to have been a "super" year for the NDIRF.

There's going to be a lot of betting in February on the big game or the favored candidate but, as Fund members have known for a long time now, the best bet has been your NDIRF membership contribution. Thanks for a great 2007! ■

2008 COMPUTER EQUIPMENT SALE

The NDIRF has used computer equipment up for bids.

Item 1: Laptop Inspiron 5160, Pentium IV 2.8 GHz, 15" display, 512 MB Ram, 40 GB Hard Drive, Windows XP Operating System, Microsoft Office Small Business 2003, 56k modem, CD-RW/DVD drive doesn't work

Item 2: Laptop Inspiron 1100, Pentium IV 2.4 GHz, 15" display, 512 MB Ram, 40 GB Hard Drive, Windows XP Operating System, Microsoft Office Professional 2003, 56k modem, CD-RW/DVD drive

Item 3: Dell 4700, Pentium IV 2.8 GHz Processor, 512 MB RAM, CDRW CDROM, 40 GB Hard Drive, WinXP Operating System, MicroSoft Office 2003 Basic, keyboard, mouse, 17" Gateway flat panel display,
DOESN'T INCLUDE: speakers, modem

Item 4: Dell 4700 Same as Item #3

Item 5: Dell 4700 Same as Item #3 – EXCEPT: 19" EV910 Gateway Monitor

Item 6: Dell 4700 Same as Item #3 – EXCEPT: 19" EV910 Gateway Monitor

Item 7: Dell 4700 Same as Item #3 – EXCEPT: 1GB RAM, MicroSoft Office XP Professional, 17" Dell monitor

Item 8: Paper Shredder - Destroy-It 3802A Automatic Paper Shredder, strip-cut, sheet capacity = 18, 35 ft/min

The equipment was in good condition when taken out of service (except where noted) and is sold strictly on an "as-is" basis with no warranty expressed or implied. If you are interested in placing a bid on one or more of the pieces of equipment, please send your offer to the following address. Include a return address, phone number, the item # and description of desired item, and the bid amount.

NDIRF Computer Equipment Bid
Attention: Vance Krebs
PO Box 2258
Bismarck, ND 58502-2258

Bid offers must be **received on or before Monday, March 3, 2008**. Successful bidders will be notified on March 3, 2008 and the equipment must be paid for and picked up from the NDIRF office before **March 7, 2008**. ■

Mark Your CALENDAR

April 2008

- 15: ND League of Cities Regional Meetings, NC Region, Bottineau
- 16: NW Region, Tioga
- 17: SW Region, Beulah
- 22: NE Region, McVillie
- 23: SE Region, Ellendale
- 24: SC Region, Harvey

May 2008

- 14: NDIRF Annual Meeting
Ramkota Inn, Bismarck
- 14: NDIRF Board of Directors Meeting
NDIRF offices, Bismarck

North Dakota Insurance Reserve Fund Board of Directors

Richard Aberle, Edgeley Fred Bott, Devils Lake Burdell Johnson, Tuttle Mark A. Johnson, Bismarck Shawn Kessel, Wahpeton
Rod Landblom, Dickinson Steve Neu, Bismarck Connie Sprynczynatyk, Bismarck Corene Vaughn, Cavalier

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