

# PARTICIPATOR

October 2009

## WINTER PREPARATION ALREADY? REALLY??

*The winter season of 2009-2010 is already showing signs of approach. In fact, while writing this in early October, we are hearing reports of several inches of the white stuff on the ground in southwest North Dakota – doesn't really seem fair following barely six months on the aftermath of last season's heavy snowfall but, ready or not, here it comes. Therefore, unwelcome though the task may be, we need to gird our collective loins and be about the business of ensuring readiness for winter operations.*

Accumulations of snow, whether occurring naturally or as the result of snow removal efforts, can obscure driver sight lines, impede traffic and create access problems – not only for motorists but also for public equipment operators. Winter snow removal operations create a migrating work zone for which the motoring public often has little regard. They are a repeated source of accidents and NDIRF notices an up-tick in related claims whenever we experience an above-average snowfall season. To keep those claims and costs under control, there are a number of ways to enhance the safety of snow removal operations, including the following:

 Rotating strobe lights increase the visibility of snow removal equipment.

 Back-up alarms reduce the possibility of an incident by providing an audible warning.



“Warning – Stay Back 50 Feet” signs, mounted on the rear of snow removal equipment, can provide an additional defense against claims.



Equip all snow removal vehicles with adequate outside mirrors to assist drivers in observing the sides and rear of the unit during operations.



Check all vehicle and equipment heaters, fans and blowers to ensure they properly remove frost and fog on interior glass.



Winter survival kits should be assembled and placed in each vehicle and a piece of snow removal equipment.



Consider running public service announcements through local media outlets, reminding citizens of the hazards involved in snow removal operations.

The heavy use your equipment saw last season and/or an abundance of snow this season may have you scrambling to find additional snow removal equipment. Often, this equipment lacks some or all of the appropriate safety items. If you haven't already, now is the time to make sure each piece of road working equipment has a strobe or beacon mounted on the top. Also, rear-mounted SMV and “STAY BACK 50 FEET” signs, visible from a distance of 500 feet, should be installed. When renting heavy equipment, check that the necessary warning apparatus described above has been installed.

**Be prepared –  
and have a  
safe winter. ■**

## INSIDE ...

**Financial Insights  
From the CEO  
Fire Fighting Coverage**

**NDIRF**

## Fire Fighting Operations Coverage

We are fielding a large number of calls from agents and members inquiring about the extent of coverage provided for firefighting operations. More specifically, questions are being asked about what coverage is provided for residents and neighbors of the premises responded to by the fire fighting unit and what coverage is available to benefit the firefighters, whether employees or volunteers. It is apparent that confusion about the NDIRF coverage is being generated, convincing a few NDIRF member fire districts to drop their current NDIRF coverage. This article is provided to hopefully clarify the NDIRF's coverage intent, specifically in those areas generally questioned, and in a broader sense to address the NDIRF's coverage philosophy.

Let's look at some questions we have received. Remember that what might be perceived as slight differences may change a coverage determination.

**Q: If a rancher is trying to save some hay bales by moving them away from burning bales and his tractor catches fire and is destroyed, does the fire department's (district) coverage include damage to the tractor?**

*A: Whether the tractor is covered by the fire department is determined by the facts in each individual case.*

- 1. If the individual is moving hay bales and the tractor catches fire and is damaged prior to the fire department arriving on scene, **there is no coverage.***
- 2. If the individual is advised by the fire department to cease moving hay bales and ignores the directive, resulting in the tractor being damaged, **there is no coverage.***
- 3. Once the fire department is on scene and the operation of the tractor is being managed by the fire department personnel (no matter who is operating the tractor) **coverage is provided** for unintentional damage to or loss of the tractor.*

***Covered loss to equipment will be adjusted with a maximum payment of no more than the cost to replace the damaged equipment with equipment of similar age, make, model and condition.***

**Q: What if a neighbor is driving their tractor to a fire to see if they can be of assistance and the tractor is damaged on the way to the fire?**

*A: This damage normally would not be covered by the fire department's coverage. That said, if a request was made by a fire department official to make the tractor available for assistance, coverage as indicated above would apply.*

**Q: What coverage is available to a fire fighter responding to a fire call in their personal auto? How about any other individual coming to see if they can help?**

*A: Physical damage to the fire fighter's personal auto is covered to a maximum of \$5,000 or any deductible under their personal auto physical damage coverage, whichever is less. Loss is adjusted on an actual cash value (ACV) of loss basis.*

# RISK SERVICES

Continued from Page 2

*Liability for bodily injury or property damage to another party is covered excess of the fire fighter's personal auto coverage. The maximum limit of liability available is that purchased under the department's Automobile Memorandum Of Coverage. In either case, there is no coverage for other individuals going to a fire to see if they can be of assistance.*

This is a synopsis of the NDIRF coverage. For exact wording regarding the coverage mentioned above, please refer to the NDIRF General Liability and Automobile Memorandums of Coverage.

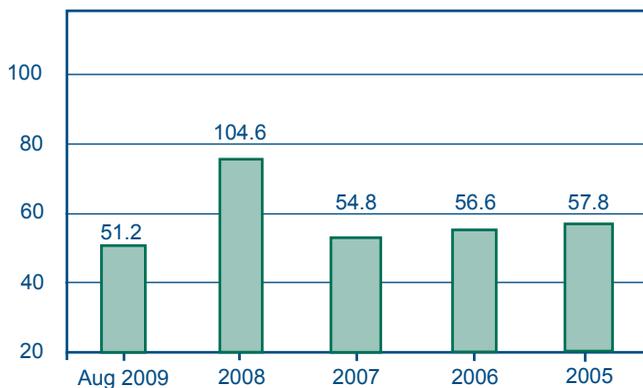
Though the NDIRF may provide coverage for certain liabilities and damage, we do not advocate use of personal property in fire fighting situations except at the property owner's own risk. It makes little sense to jeopardize a \$75,000 tractor to save \$1,000 worth of hay.

As a fire fighter, the goal is not to be the first at the fire. It is to get to the fire in a timely manner. The best way to accomplish this is by obeying all traffic laws, including speed limits. You are going to be of little assistance if you are in a ditch requiring assistance yourself.

If you have any questions on how the NDIRF's coverage applies to fire fighting operations, please contact the department's local agent or Ross Warner, Elaine Markwart, or Brenda Flesness at the NDIRF office. Phone number 701-224-1988 or Wats 1-800-421-1988. ■

## FINANCIAL INSIGHTS

### OPERATING RATIO



The operating ratio is the sum of the company's loss and expense ratio less the investment income ratio. The operating ratio is a measure of NDIRF's profitability and is the principal determinant of the Fund's financial solvency and stability. A ratio less than 100% means that the company is profitable and the lower the ratio the more profitable a company is. As the graph shows, NDIRF has recovered in 2009 from the difficult investment results of 2008. ■

## FROM THE CEO

### CASH FOR CLUNKERS

I really have nothing to say about the recently concluded "Cash For Clunkers" program, purportedly designed to increase the average fuel economy of the nation's auto fleet and stimulate auto sales, but a title like that is too good to pass up.

For my purposes, clunkers aren't cars, they are claims; and cash, well, it's still cash. Through September, the NDIRF's claim loss ratio for 2009 stood at just over 50% - a bit higher than our all-years average but a marked improvement from where it stood (nearly 75%) at the end of March. Relatively heavy first quarter losses were driven (pun partially intended) by Auto and Public Assets claims arising in many instances from weather-related activity and events.

This type of claim and loss pattern is typical for years when winter weather is severe and spring brings flood problems. As the front page article in this issue suggests, distasteful as it may be to consider after such a brutal campaign against the elements earlier this year, some preparation now can go a long way toward avoiding the "clunkers" that can part us from so much cash. Here's hoping that we get a pass from Mother Nature in the 2009-2010 season and wind up over-prepared, with a head start on 2011. ■

# CALENDAR

### Oct

30-31: ND School Boards Association  
Annual Convention,  
Ramkota Inn, Bismarck

### Dec

10: NDIRF Board of Directors  
Meeting  
NDIRF offices, Bismarck

## Guidelines for Helping Struggling Employees

Let's face it: Some employees simply don't realize that they're not doing their jobs well. You've got to tell them the truth without shattering their self-confidence.

Here are some tips:

- **Be prepared for resistance.** Don't be surprised to hear employees overestimate the quality of their work. Illustrate your case with evidence, such as mistakes the employee has made on projects, missed deadlines, and miscommunication.
- **Show them examples of good work.** Establish concrete, clear expectations of the level of quality that you seek in the work that the employee does.
- **Focus on measurable performance.** Set benchmarks that you'd like the employee to achieve by certain deadlines. Come up with a schedule that you both agree on, and make sure you include time for periodic updates that allow both of you the chance to discuss the employee's performance.
- **Offer training.** If you want an employee to improve, make certain that he or she has the means for shaping up. Give them permission to get more training. ■

## North Dakota Insurance Reserve Fund Board of Directors

Randy Bina, Bismarck   Fred Bott, Devils Lake   Burdell Johnson, Tuttle   Mark A. Johnson, Bismarck   Shawn Kessel, Dickinson  
Ron Krebsbach, Garrison   Rod Landblom, Dickinson   Connie Sprynczynatyk, Bismarck   Scott Wagner, Fargo

NORTH DAKOTA  
INSURANCE  
RESERVE FUND  
PO BOX 2258  
BISMARCK ND 58502

PRESORTED  
STANDARD  
US POSTAGE PAID  
BISMARCK, ND  
PERMIT NO 419

