

THE COMMUNICATOR



Icelandic State Park. Credit: North Dakota Tourism

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- Rate increase is result of increased loss activity, inflation, and rising reinsurance costs

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Due to the North Dakota State Fire and Tornado Fund's (NDFT) increased loss activity, inflation, and rising reinsurance costs, NDFT coverage rates will on average increase by 28% as of the July 1, 2024, renewal.

The average increase percentage means your entity's coverage rate increase may be less or more than 28%; however, the average rate increase is 28%. Your entity has received a June 3, 2024, letter from NDIRF Director of Underwriting Jeff Tescher that includes its specific coverage rate increase amount.

Reinsurance is a necessary cost to help protect the NDFT and its members in the event a catastrophic loss occurs. Its rates have significantly increased over the past several years and are projected to only increase due to various factors, including global severe weather events.

The decision to increase NDFT coverage rates was made after closely monitoring the fund's activity and working diligently with industry experts to determine the best course of action to ensure the fund's health and viability in the future. You can rest assured, though NDFT coverage rates will increase, the fund's rates remain very low compared to the commercial property insurance marketplace.

If your entity purchases an additional coverage option such as equipment breakdown, wind/hail per building deductible removal, increased sewer backup limit, or additional per building debris removal limit, this rate increase does not apply to these options.

If you have any questions, please contact NDIRF Director of Underwriting Jeff Tescher at (701) 224-9112 or Jeff.Tescher@ndirf.com.

July 1, 2024, Renewal Preparation

North Dakota State Fire and Tornado Fund (NDFT) renewal packets will soon arrive in mailboxes.

- State Agencies: Your agency contact is responsible for reviewing the packet's documents and processing your agency's renewal.
- Political Subdivisions: Your entity's renewal packet will be sent to your local agent who is responsible for reviewing the packet's documents and processing your entity's renewal.

Agents, state employees, and political subdivision employees may contact the NDIRF if they have questions regarding their renewal:

- NDIRF Director of Underwriting Jeff Tescher at (701) 751-9112
- NDIRF Special Funds Underwriter Renae Keller at (701) 751-9125

Send NDFT emails to NDFT@ndirf.com.

Coverage Enhancements

The following additional coverages are available to NDFT members who want to enhance their existing coverage:

- Blanket Limit of Coverage
- Wind/Hail Per Building Deductible Removal
- Increase Sewer Backup Limit to \$25,000
- Additional Per Building Debris Removal Limit

The NDFT also offers Equipment Breakdown Coverage to help cover repair or replacement costs associated with an unexpected mechanical, electrical, or pressure failure caused by a breakdown.

This newsletter is provided for educational purposes only and provides a general description of NDIRF or NDFT coverage. Representations of coverage provided by the NDIRF or NDFT within the context of the document may not reference all language contained in the coverage documents provided by the NDIRF or the NDFT. Refer to the appropriate coverage documents for exact coverage, conditions, exclusions, and other relevant information. Coverage documents can be viewed and downloaded from our website at www.NDIRF.com.

Contractor Fraud Awareness

The National Insurance Crime Bureau (NICB) hosted its annual Contractor Fraud Awareness Week in May and shared the following tips your entity can consider if it needs to hire a contractor for new building construction, or to perform routine maintenance, building updates and/or renovations, and property repairs (accessed 3 June 2024 from <https://www.nicb.org/ContractorFraudWeek>):

Be wary when contractors:

- Claim to be approved by FEMA or other agencies
- Come from out-of-state, especially after a catastrophe
- Require upfront payment to schedule work
- Offer unsolicited services
- Pressure to quickly sign electronic documents

Contractor fraud prevention tools:

- Get at least three written estimates, and compare bids.
- Check credentials and Better Business Bureau reviews that cannot be removed.
- Work with your insurer.
- Never sign an electronic document without reading in full and require copies of all invoices sent to your insurer.

How to report suspected fraud:

Don't feel ashamed if you've fallen victim to fraud.

- NICB: 800-TEL-NICB or NICB.org/ReportFraud
- AARP Fraud Watch Network: 877-908-3360
- Your local police department

Contact Us

For further information or to obtain quotes for one or more of these endorsements, please contact:

- State Agencies: Contact the NDIRF at (701) 224-1988 or NDFT@ndirf.com
- Political Subdivisions: Contact your local agent

Update Property Valuations with Property Valuation Guide

Building values have risen by 25% or more since April 2021 per our building estimator tool, meaning buildings valued on or before this date may be significantly undervalued.

Please feel free to use our Property Valuation Guide to determine a starting point to update your entity's building property values. This guide was updated in June 2023 to reflect updated property values and include most building property types maintained by North Dakota State Fire and Tornado Fund (NDFT) members.

For historical property valuation support, please contact our Member Services Department at MemberServices@ndirf.com.

Follow these instructions to access the guide:

1. Go to www.NDIRF.com>Coverage>Fire & Tornado
2. Click on the NDFT Coverage Forms button
3. Log into the portal using password "fire"
4. Scroll down to the Additional Resources section, and click on Property Valuation Guide

If you have questions regarding the Property Valuation Guide, please contact NDIRF Director of Member Services Corey Olson at (701) 751-9107 or Corey.Olson@ndirf.com