

ANALYSIS OF THE FIRE AND TORNADO FUND FOR THE 2005-07 AND 2007-09 BIENNIUMS

	2005-07 Biennium		2007-09 Biennium	
Beginning balance		\$22,820,012		\$26,388,516
Add estimated revenues				
Premium collections	\$9,825,000		\$7,500,000	
Investment income	3,000,000		3,000,000	
Boiler inspection fees	325,000		350,000	
Loss claims and insurance recoveries	10,000		1,000,000	
Anhydrous ammonia storage facility inspection fund	150,000		150,000	
Total estimated revenues		13,310,000		12,000,000
Total available		\$36,130,012		\$38,388,516
Less estimated expenditures and transfers				
Loss claims payments	\$4,900,000		\$5,100,000	
Claims-related payments	3,150,000		3,200,000	
Insurance Department administration and anhydrous ammonia tank inspection costs (2005 HB 1010; 2007 SB 2010)	1,138,576		1,153,804	
State Fire Marshal program (2007 SB 2097; 2007 SB 2003)	426,920		310,000	
Firefighter's Association grants (2005 HB 1015; 2007 SB 2010)	126,000		170,000	
Total estimated expenditures and transfers		9,741,496		9,933,804
Estimated ending balance		<u>\$26,388,516</u>		<u>\$28,454,712</u>

FUND HISTORY

The state fire and tornado fund originated in 1919. The fund is maintained to ensure the various political subdivisions and state industries against loss to public buildings and permanent fixtures. North Dakota Century Code Section 26.1-22-14 requires that if the fire and tornado fund balance is less than \$12 million, the Insurance Commissioner must increase assessments on policies.