

**ANALYSIS OF THE FIRE AND TORNADO FUND
FOR THE 2007-09 AND 2009-11 BIENNIUMS**

	2007-09 Biennium		2009-11 Biennium	
		\$28,222,236		\$20,469,494
Beginning balance				
Add estimated revenues				
Premium collections	\$6,550,000		\$7,000,000	
Investment income	(4,500,000) ¹		2,000,000	
Boiler inspection fees	325,000		350,000	
Loss claims and insurance recoveries	7,800,000		1,000,000	
Anhydrous ammonia storage facility inspection fund (2007 SB 2010; 2009 HB 1010)	94,000		150,000	
Total estimated revenues		10,269,000		10,500,000
Total available		\$38,491,236		\$30,969,494
Less estimated expenditures and transfers				
Loss claims payments	\$12,644,088		\$5,000,000	
Claims-related payments	3,800,000		3,900,000	
Insurance Department administration and anhydrous ammonia inspection costs	1,157,654		1,454,159	
State Fire Marshal program (2007 SB 2003; 2009 HB 1003)	250,000		310,000	
North Dakota Firefighters Association grant (2007 SB 2010; 2009 HB 1010)	170,000		170,000	
Total estimated expenditures and transfers		18,021,742		10,834,159
Estimated ending balance		\$20,469,494		\$20,135,335

¹Through March 2009 the fire and tornado fund has had a decline in investment value of 16.85 percent for fiscal year 2009.

FUND HISTORY

The state fire and tornado fund originated in 1919. The fund is maintained to insure 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.