

Assetworks Success Story:

NORTH DAKOTA INSURANCE DEPARTMENT, STATE FIRE AND TORNADO FUND

Empowering a Small Team with a Robust Property Risk Management Solution

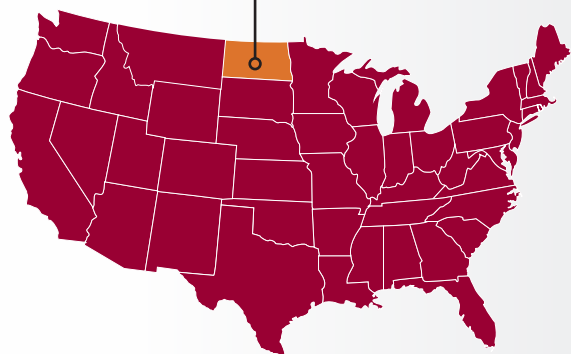
As part of the North Dakota Insurance Department, the State Fire and Tornado fund has been "providing affordable property insurance coverage for the State and its political subdivisions since 1919." The fund covers properties ranging from the State Capitol and State Fair to the many K12 school districts and Institutions of Higher Learning across North Dakota.

"Our mission is to protect the public good, as far as properties go, and to do that as efficiently and effectively as we can. We're always looking for creative ways to provide quality services for less. We need to be good stewards of taxpayer dollars."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND

ABOUT NDID

Located in Bismarck, ND



The population of North Dakota is more than **750,000**

👤 = 15,000 residents



Total Insurable Value (TIV)
In 1999, the total insurable value of NDID assets was approx. \$3.5 billion. Today, that number has climbed to over \$14 billion.

Using AMP



Users

Underwriter, Claims Examiner, Risk Management Director



Property

Manage approx. 10,000 buildings with a total insurable value over \$14 billion



Modules Used

AMP Risk Base, Valuation Estimator

RISING TO THE CHALLENGE WITH AMP

Prior to implementing AMP, NDID was



Experiencing rapid growth in TIV



Operating with a small (but mighty) team



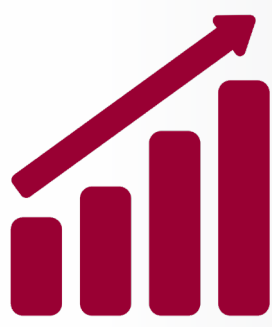
Using a valuation tool with limitations



Aware of inaccuracies in insurable values

By implementing AMP, NDID can

Keep Up with a Growing Property Portfolio



The development of the Oil & Gas industry in North Dakota has had a big impact on the State Fire and Tornado Fund. From expanding courthouses to building new schools, the growth has been a key driver in the build out of a lot of new infrastructure.

"In some cases, our old valuation system wasn't keeping up with the true cost of construction. A lot of what it was coming up with in terms of values was way undervalued. When you have limited number of contractors, the bidding process is huge. That wasn't being properly captured under the old program but we're able to capture that increased cost through AMP."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND

Leverage the Power of a True Partnership



With a small team, NDID has placed a high priority on building and leveraging partnerships. This strategy is meant to help ensure the State Fire and Tornado Fund is doing all it can to address risk exposures and protect the public good while remaining good stewards of taxpayer dollars.

"Not only do we have AMP as a valuation tool but we have a think tank of expert appraisers that have appraised everything from wastewater treatment plants to state capitol buildings. This is one of the reasons why we looked at [AMP] and thought this is where we need to go. We need to be able to reach out to the experts, to people who actually do this for a living, to provide us with some expertise when we have questions."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND

Experience Added Value through Robust Functionality



Beyond providing NDID with more accurate insurable values, AMP has been able to help streamline additional State Fire and Tornado fund processes around data and claims management.

"With AMP, we can link documents directly to our properties and their valuations-- everything from photos of the building to the original application for insurance, and all of the new additions that have been added on since. From the standpoint of referring out a claim, our claims examiner can not only give them the notice of loss and the description but can also download a lot of the building information for them to work from. That's a nice feature."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND

Improve Valuation Data for its Insured Properties



With valuation models built, and continually refined, exclusively for the State of North Dakota, the AMP Valuation Estimator gives the State Fire and Tornado Fund a simple but more precise way to value the buildings on their property schedule.

"New replacement cost estimates are based on construction and building materials. Then using that estimate and the age of the building, AMP tracks the actual cash value and trends it forward. If a building is not being maintained, we can adjust values with the quality multiplier. In the old system we couldn't do that."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND

"To me, AMP has so much potential. When you think of its role in what we're doing as far as insuring state properties and political subdivisions, it has so much potential to save cost and be a dynamic risk tool to the insurance industry."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND

"In terms of [AssetWorks'] people, the appraisal team, the developers...they've all been great. Through the whole process, they've been accommodating and bent over backwards to help facilitate rolling out AMP. It's been really, really positive."

Jeff Bitz, PROGRAM DIRECTOR, NORTH DAKOTA STATE FIRE AND TORNADO FUND