



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Ted Nickel, Commissioner

Wisconsin.gov

June 19, 2013

Local Government Property Insurance Fund  
The ASU Group  
559 D'Onofrio Drive, Ste 10  
Madison, Wisconsin 53719-2805  
Phone: (608)833-1443 • Toll Free: (877)229-0009  
Fax: (608)821-1199 • Toll Free Fax: (877)832-0122

City of Menasha  
Pamela Captain  
140 Main Street  
Menasha, WI 54952-

Policy Number: 140411  
Renewal Date: 1/1/2014

Dear Insured:

On April 12, 2012 the Advisory Committee to the Local Government Property Insurance Fund approved a rate change that affects the premiums that you will pay on the renewal date shown above. This change was also approved by the Oversight Committee on April 26<sup>th</sup>, 2012.

Effective July 1<sup>st</sup>, 2013, the Fund has adopted a change to the Loss Cost Multiplier that will result in an average 17.6% increase in your current Building and Contents rate. This increase is separate from the annual adjustment for inflation we make at each renewal of your policy.

As you may be aware, the Fund adopted this change in response to a number of factors, including a reduction in surplus, adverse loss experience and increased reinsurance premiums. The chief concern to both the Advisory Committee and the Oversight Committee was maintaining the Fund's long-term solvency.

In order to further assess our fiscal status, the Fund retained the services of an actuarial firm, AMI Risk Consultants. The actuarial report reviewed the Fund's fiscal condition and concurred that a rate change was warranted.

We have attached an **estimated** premium letter for your reference.

Thank you for being a loyal and committed policyholder. We regret that these rate changes are needed. However the change was deemed necessary in order to maintain the balance between building an adequate surplus with the need for stable rates.

Please do not hesitate to contact the undersigned should you have any questions or concerns.

Sincerely,

Brynn Bruijn-Hansen  
Administrator for Funds and Program Management  
Office of the Commissioner of Insurance

# LOCAL GOVERNMENT PROPERTY INSURANCE FUND

559 D'Onofrio Drive, Suite 10 - Madison, Wisconsin 53719-2805 - (877)229-0009

Premium Estimate Letter

Attachment 1 Of 1

Term 12:01 a.m. 1/01/2014 to 1/01/2015

Policy Number 140411

**Named** City of Menasha  
**Insured** Pamela Captain  
140 Main Street  
Menasha WI54952

Phone # (920) 967-3602

## Valuation Policy

|   | Deductible | Coverage   | Renewal Rate     | Estimated Premium                 | Prior Annual Premium |
|---|------------|------------|------------------|-----------------------------------|----------------------|
| Buildings, Personal Property, Inland Marine Floater & Property in the Open Specific Limit Endorsement | 5,000      | 40,942,664 | 0.0480           | 19,653.00                         | 16,373.00            |
| Non-Aggregate Deductible Option - Section II (B) aggregate stop loss does not apply B/C/PIO/SL        | 10,000     | 5,125,000  | 0.0430           | 2,204.00                          | 1,794.00             |
| Contractors Equipment (Replacement Cost)  | 500        | 2,418,655  | 0.1790           | 4,329.00                          | 4,294.00             |
| Monies & Securities (Coverage A & B)  | 500        | 37,000     | 0.8290           | 307.00                            | 307.00               |
| Special Use Animal Coverage   | 500        | 15,000     | 0.6200           | 93.00                             | 93.00                |
| Alarm Credit 5%   |            | 774,092    | (0.0020)         | (15.00)                           | (15.00)              |
| Alarm Credit 15%  |            | 21,170,044 | (0.0070)         | (1,482.00)                        | (1,239.00)           |
| 4.40% Dispersion Credit applied to Building rate  |            |            |                  |                                   |                      |
|   |            |            | Total:           | \$25,089.00                       | \$21,607.00          |
|   |            |            | <b>Projected</b> | <b>16.1 % Increase in Premium</b> |                      |

## Comments

This is a budget estimate of your premium. This estimate is subject to revision based on any coverage changes requested at renewal. Premium changes shown are the result of the updating of the Blanket Loss Cost for your account & an estimated adjustment in values to allow for inflation (if applicable). In accordance with State law, if your increase is 25% or greater & you cancel your policy within 61 days from receipt of this notice, we will refund any premium due you on a pro-rata basis.