

June 9, 2015

TO: CVMIC Members

FROM: Ken Horner, Director of Operations

RE: PROPERTY INSURANCE UPDATE

Municipal Property Insurance Company (MPIC) is a reality! On May 28, 2015, Wisconsin Insurance Commissioner, Ted Nickel, approved the incorporation of MPIC. The Directors of the company are:

- Jerry Deschane, Executive Director LWM and LWMMI Director
- Dennis Tweedale, CEO LWMMI
- Mike DeMoss, Executive Director CVMIC
- Ken Horner, Director of Operations CVMIC
- Dean Boes, Executive Director WMMIC
- Danielle Rogacki, Operations Manager WMMIC
- MPIC's CEO (when hired)

MPIC is still on track to issue quotations starting in August and issuing policies as of October 2015. Being incorporated and having the authority to write insurance from the Wisconsin Department of Insurance are different. MPIC still must file coverage forms, rates and financial projections.

How will moving from LGPIF to MPIC change your workload? Very little.

MPIC has finalized a contract with the ASU Group to provide policy administration and claims adjusting services. Having ASU as the administrator and claims adjusters will assure a seamless transition. The Electronic Statement of Values (ESOV) will remain the same. Claims reporting processes will not change – other than new phone numbers and email addresses.

MPIC Insurance

- MPIC is an independent insurance company.
- CVMIC is one of three investors in the company.
- By partnering with WMMIC and LWMMI we will achieve the scale of economy necessary to develop a long term solution to meet your property insurance needs.
- As you know CVMIC does not use insurance agents. If you are contacted by an agent representing MPIC please let us know. If you previously worked with an agent through the League they will no longer be able to place the coverage for your community. In the interim, your primary contact regarding MPIC will be Mike DeMoss or me. We are in the process of contacting all of our members. If you have any questions

regarding what is going on with MPIC or how the property insurance renewal process will work please contact us.

Once MPIC receives the certificate of authority and we hire a CEO the source of contact will change. In the meantime, our goal is to keep you informed, answer your questions and guide you through this process. We will provide additional email updates as these efforts progress. In addition, are planning to provide update at the summer meeting (July 16 -17). That meeting will provide an opportunity to ask questions or meet individually to discuss this program. We would also welcome an opportunity to meet and discuss this program on site.

- Similar information is being sent to League and WMMIC members.

(Legislative Action) The final state budget and fate of the LGPIF has yet to be voted on and signed by the governor. As of this writing, we see no change in the current Joint Finance Committee's position.

Please contact Mike or me with any questions. We are pleased with the cooperation and assistance LWMMI and WMMIC are providing in helping MPIC become a reality on such short notice. Three Municipal Mutual Insurance Companies cooperating for the good of all – that's what makes member owned companies great!

Helping take the worry off your plate is our goal!

Sincerely,

Ken Horner

CC: Mike DeMoss, Dean Boes, Dennis Tweedale

Acronyms:

MPIC	Municipal Property Insurance Company
LWMMI	League of Wisconsin Municipalities Mutual Insurance
League	League of Wisconsin Municipalities
CVMIC	Cities & Villages Mutual Insurance Company
WMMIC	Wisconsin Municipal Mutual Insurance Company