MEMORANDUM

Date: October 29, 2015

To: Administration Committee
From: Pamela A. Captain, City Attorney
PAC

Re: 2016 Property Insurance

We have received policy quotations for 2016 property insurance. We currently have a policy with the State of Wisconsin Local Government Property Insurance Fund (LGPIF). Menasha's renewal amount is $46,635 a substantial increase from the $26,118 we paid for coverage this year. This represents just over a 78% increase.

The new Municipal Property Insurance Company (MPIC) is quoting $32,211 or just over a 23% increase. MPIC was recently formed by Cities & Villages Mutual Insurance Company (CVMIC), the League of Wisconsin Municipalities and Wisconsin Municipal Mutual Insurance Company.

I am recommending that Menasha provide notice of non-renewal to LGPIF.

STATE OF WISCONSIN/OFFICE OF THE COMMISSIONER OF INSURANCE

LOCAL GOVERNMENT PROPERTY INSURANCE FUND

2801 Crossroads Drive, Suite 2200, Madison, WI 53718 -- (877) 229-0009

RENEWAL POLICY -- Policy Quotation: 24652

Term: 12:01am 1/1/2016 to 1/1/2017

Transaction Effective: 1/1/2016

Named City of Menasha

Insured Pamela Captain
140 Main Street

Menasha, WI 54952

Phone (920) 967-3602

County

Quotation - Valuation Policy

Coverage	Agg	Deductible	Coverage	Rate	Annual Premium
Buildings, Personal Property & Property in the Open	N	5,000	48,170,263	0.093	44,798
Contractors Equipment (Replacement Cost)	N	500	2,519,855	0.179	4,511
Monies and Securities	N	500	37,000	0.829	307
Alarm Credit 5%	N		90,105	0.005	(5)
Alarm Credit 15%	N		21,254,283	0.014	(2,976)
9.10% Dispersion Credit applied to Building Rate	N				

Total Annual Premium **$46,635**

Comments

This quote is your estimated renewal policy premium amount with coverages and coverage amounts as shown.

This quote becomes null and void within 30 days of transaction effective date.

MUNICIPAL PROPERTY INSURANCE COMPANY

2801 Crossroads Drive, Suite 2200, Madison, WI 53718 – (800) 968-4670

NEW POLICY -- Policy Quotation: 735

Policy:

Agent:

Term: 12:01am 1/1/2016 to 1/1/2017

Named Insured: City of Menasha
Pamela Captain
140 Main Street

Menasha, WI 54952

Phone: (920) 967-3602

County:

Coverage	Deductible	Coverage	Rate	Annual Premium
Buildings, Personal Property & Property in the Open	5,000	48,170,263	0.059	28,421
Contractors Equipment (Replacement Cost)	500	1,945,638	0.179	3,483
Monies and Securities	500	37,000	0.829	307

Total Annual Premium **$32,211**

Comments

This quote is your estimated new policy premium amount with coverages and coverage amounts as shown.

This quote becomes null and void within 30 days of transaction effective date.

State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Ted Nickel, Commissioner

Wisconsin.gov

Local Government Property Insurance Fund
The ASU Group
2801 Cross roads Drive, Suite 2200
Madison, Wisconsin 53718-7999
Phone: (608)210-5673 • Toll Free: (877)229-0009
Toll Free Fax: (877)832-0122

July 24, 2015

NOTICE OF ALTERED POLICY TERMS
RENEWAL PREMIUMS
VALUATION POLICY OCI 41-080 (R01-2012)

City of Menasha
Pamela Captain
140 Main Street

Menasha, WI 54952

Policy Number: 140411
Renewal Date: 1/1/2016

Dear Insured:

Wisconsin Statute 631.36 provides that policyholders be notified of any significant policy or premium alterations at least 60 days prior to any anniversary (i.e., renewal) date if the changes are to become effective on the renewal date. In the event the renewal is sent by first class mail less than 60 days prior to the anniversary date, the policy change becomes effective 60 days after the notice is mailed.

As a policyholder, you have the right to cancel coverage without penalty within the prescribed 60 day time period. After 60 days, cancellation may be subject to customary short rate cancellation charges.

For policies effective on or after July 1st, 2015, the following changes have been approved and will be implemented. These changes may affect the premium you will pay for your renewal policy:

The LGPIF will adopt a Loss Cost Multiplier of 2.288 versus the current 1.413.

The rate for Automobile physical damage will increase by 35%.

Our actuarial firm, AMI Risk Consultants reviewed the Fund's fiscal condition and recommended rate changes and indicated that the rate increase outlined above are warranted.

If you have questions about any of the above changes, please contact the Fund Administrator at 877-229-0009, or the undersigned at (608) 264-8118, or email me at Brynn.BruijnHansen@wisconsin.gov.

Sincerely,

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

RECEIVED OCT 29 2015