

2015 RES-194

WITHDRAWING FROM
THE LOCAL GOVERNMENT PROPERTY INSURANCE FUND
AND OBTAINING PROPERTY INSURANCE COVERAGE FROM
THE MUNICIPAL PROPERTY INSURANCE COMPANY ("MPIC") THROUGH
THE WISCONSIN MUNICIPAL MUTUAL INSURANCE COMPANY ("WMMIC")

2014 RES. 358 authorized Dane County Risk Management to obtain property insurance through the State of Wisconsin, Office of the Commissioner of Insurance ("OCI"), Local Government Property Insurance Fund ("LGPIF" or "the Property Fund"). However, the Property Fund currently has a "negative surplus," and will be significantly increasing its premiums. As a result, it is not in the best interest of Dane County to remain insured through the Property Fund.

In response to the troubles at the Property Fund, the Wisconsin Municipal Mutual Insurance Company ("WMMIC") has joined together with other municipal insurance pools to create the Municipal Property Insurance Company ("MPIC") and WMMIC acts as MPIC's broker. Dane County joined WMMIC in the late 1990's after various Wisconsin counties and cities joined together to form mutual insurance pools in response to the municipal insurance crisis of the time. WMMIC has been valued at over \$50 million (Dane County's current equity share in WMMIC is approximately nine percent), AM Best recently rated WMMIC as A- (excellent), and WMMIC now insures Dane County for general liability, auto liability, cyber liability, public officials errors and omissions liability, and excess Workers' Compensation.

After investigating all available options, Dane County Risk Management has determined that MPIC's membership structure and competitive premiums make MPIC the best alternative for Dane County's property insurance at this time. In order to join MPIC, Dane County must first withdraw from the LGPIF by passing a resolution stating its intent to withdraw by a majority vote, and then providing a copy of such a resolution to the OCI, as set forth in Section 605.21(3) of the Wisconsin Statutes.

NOW, THEREFORE, BE IT RESOLVED, that, pursuant to section 605.21(3) of the Wisconsin Statutes, Dane County elects to withdraw from the Local Government Property Insurance Fund effective the end of the day on September 30, 2015; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution be sent to the OCI and the appropriate forms be completed; and

BE IT FINALLY RESOLVED that the County Controller be authorized to pay WMMIC the premiums and deductibles associated with the MPIC contract.