

## **AGENDA**

Eau Claire County

### **• Committee on Administration •**

Tuesday, March 15, 2016

**6:45 pm**

Courthouse - **Room #1301**

721 Oxford Avenue • Eau Claire, WI

1. Call to Order.
2. Proposed Resolution / File #15-16/143 “Withdraw from the Local Government Property Insurance Fund” / Discussion – Action
3. Adjourn.

Post: 3/10/16 Media, Committee Members, Kathy Schauf , Frank Draxler

Please note: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through sign language, interpreters or other auxiliary aids. For additional information or to request the service, contact the County ADA Coordinator at 8394710 (FAX) 8391669 or (TDD) 8394735 or by writing to the ADA Coordinator, Human Resources Department, Eau Claire County Courthouse, 721 Oxford Ave., Eau Claire, Wisconsin 54703.

FACT SHEET
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## PROPERTY INSURANCE FOR EAU CLAIRE COUNTY

### Background:

The Local Government Property Insurance Fund-LGPIF has insured Eau Claire County for property and auto physical damage for the past 25yrs plus years.

LGPIF was formed in 1903 and has provided cost effective insurance with broad coverage.

Recently the LGPIF has performed poorly somewhat due to:

- 2010 Legislature approved \$ 12 million dividend
- Significantly depleted surplus funds
- Several large losses in 2010-2014

During the latest budget cycle the State legislature came close to ending LGPIF and therefore many municipalities were scrambling to find insurance. LGPIF is still operating but they are offering significant rate increases due to funding deficits.

- Statute requires resolution to withdraw from Fund (LGPIF).

### Cost:

LGPIF: 2015 - Premium-\$138,520

2016 - Quote is \$238,863

- Includes Property insurance and Auto Physical Damage

### Other Options:

The county will find insurance companies providing significantly less premium rates for comparable coverage.

### Fiscal Note:

A decision will be made later as to where to obtain property insurance. Note: there is \$164,500 in the budget for property insurance.

Respectfully Submitted,

*Frank D. Draxler*

Frank D. Draxler  
Director of Purchasing

Reviewed by Finance Dept.  
for Fiscal Impact

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4 -WITHDRAW FROM THE LOCAL GOVERNMENT PROPERTY INSURANCE FUND

5 WHEREAS, The County of Eau Claire has purchased property and auto physical damage  
6 coverage from the Local Government Property Fund (LGPIF) since 1987; and  
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8  
9 WHEREAS, after the latest state budget proposed to eliminate the Local Government  
10 Property Insurance Fund(LGPIF), County of Eau Claire and other municipalities have worked to  
11 find alternatives to LGPIF for property insurance; and  
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13 WHEREAS, LGPIF increased insurance rates for municipalities by 100% due to their  
14 funding deficits; and  
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16 WHEREAS, pursuant to the requirements of section 605.21(3), Wis. Stats., to withdraw  
17 from the Local Government Property Fund, a local municipality must provide certified notice to  
18 the LGPIF by majority vote that the municipality has elected to withdraw from the fund;  
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20 NOW, THEREFORE, BE IT RESOLVED by the County Board of Supervisors of Eau  
21 Claire County, that pursuant to section 605.21(3) of the Wisconsin Statutes, elects to withdraw  
22 from the Local Government Property Fund on March 31, 2016; and  
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24 BE IT FURTHER RESOLVED that a certified notice of this resolution be sent to the  
25 Local Government Insurance Fund and the appropriate forms be completed and;  
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28 ADOPTED:  
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39 Committee on Administration

40 nlw

41 Dated this 8<sup>th</sup> day of March, 2016.  
42

*Reviewed by Finance Dept.  
for Fiscal Impact*

APPROVED BY  
CORPORATION COUNSEL  
AS TO FORM