



May 27, 2011

Re: \$5 Million Participation Credits Approved by MIIA Board of Directors

Dear MIIA Member:

At the May meeting, the MIIA Board of Directors approved an additional \$5 million in participation credits for participants in the workers' compensation program and property and liability program for the current fiscal year. These credits are in addition to the \$2.5 million in credits announced in December, 2010. These credits recognize the loyalty and commitment of the MIIA membership. The longer you remain in the program, the higher your credit.

The MIIA Board reviews the program's financial position quarterly and upon advice of its actuaries and management, determines if additional credits can be provided to the members. These credits are over and above the already discounted rates and credits that you receive at the beginning of the fiscal year. As many of you are aware, the MIIA Board is composed of local officials who are keenly aware of the difficult financial conditions that cities and towns face. This understanding, coupled with a commitment to providing members with long-term price stability, translates to a Board that seeks on an ongoing basis to provide members with the highest level of financial benefits that is financially prudent.

The MIIA Board also continued its commitment to the MIIA Rewards program, our signature loss control program that rewards members for participation in risk management and loss control efforts. In total, \$2.1 million was approved for this initiative.

In addition, the Board expanded the Loss Control Grant program by \$150,000 bringing the total amount of grants available for FY 2012 to \$500,000. Information on next year's grant program will be sent shortly after the beginning of the fiscal year.

We are very pleased to offer these cost saving measures and real dollar savings. Your participation and commitment in MIIA is very much appreciated and we look forward to working with you to continue helping to control your insurance costs.

Sincerely,

Geoff Beckwith  
President

Stanley Corcoran  
Executive Vice President

