



MUSKEGON FRATERNAL ORDER OF POLICE

Charles D. Hammond Lodge #99
3051 Blue Lake Road
Twin Lake, Michigan 49457
TX: 828-6222
Mailing Address: P.O. Box 573, Muskegon, Michigan 49443
Web Site: www.fop99.com

December 29, 2011

TO: FOP Lodge 99 Life Insurance Member Enrollees
FR: David Bukala, Treasurer
RE: Explanation of Premium Change

Dear Member:

I have included below, the article which was included in the Spring/Summer, 2011 newsletter, which explained the need to increase life insurance premiums. Perhaps you do not receive the newsletter or did not read it.

If you still have questions after you have read this, please contact me, David Bukala, Treasurer, at 231-744-4092 (H).

Treasurer's Report Member Life Insurance Premium Change Notice

As treasurer of Lodge 99, I have worked diligently with the Board to cut expenses. After review of several annual expense reports, something did not make sense. The Lodge has been billed, and paid, two life insurance premiums per year for members enrolled in the plan. Members are billed, or pay through payroll deduction, enough to cover only one of the semi-annual premiums, \$48.00 for members less than 55 and \$25.00 for members 55 and older. The Lodge has paid the difference, a total premium of \$4800 - \$5000, for what appears to have been several years. There have also been multiple rate increases which the Lodge has not passed to members. Obviously, this kind of deficit spending cannot be sustained.

The Lodge will pay the next premium in October, at no additional cost to members; however, before the March, 2012 premium is due, member premiums must be increased to \$96.00 (members less than 55) and \$50.00 (members 55 and older) per year. Future rate increases must be passed to the member as well. If you purchase your insurance through payroll deduction, you are asked to contact payroll to increase your deduction beginning in September, 2011.

Because this is term insurance, there is no cash value. It is also an option for members. You may wish to terminate your coverage or investigate other options with other companies. The MGECU, for example, has very competitive rates available in \$10000 increments. The Lodge will continue to offer coverage through Lincoln National Life Insurance for members who wish to stay in the plan at the correct rate with future increases passed to the members.