



REQUEST FOR COUNCIL ACTION

AGENDA DATE: December 15, 2025

AGENDA ITEM: Consider approving the Workers Compensation coverage through the League of Minnesota Cities Insurance Trust.

PREPARED BY: Chery Pierzina, Human Resources Officer

BACKGROUND:

We have received a quote of \$312,406.00 for our Workers Compensation coverage through the League of Minnesota Cities Insurance Trust for 2026. This is a \$23,760.00 price decrease or approximately 7.06% less than last years' rate.

Each year a rate is set by job classification. The rate changes do not mean that our City's actual premium will necessarily increase or decrease by these exact amounts. The actual premiums are also affected by changes in city expenditures, property values, payroll, and other exposure methods, and also by changes in our experience rating. The League uses our actual claims for the three years preceding the present year (i.e. 2023, 2024, 2025) in figuring experience modification. This rate fluctuates based on claims made in previous years.

There is not an agent fee, since the Human Resources Officer and Finance Department perform the functions of the insurance agent.

This is a budgeted expenses in the 2026 budget.

REQUESTED COUNCIL ACTION:

Make a motion to approve the Workers Compensation coverage through the League of Minnesota Cities Insurance Trust for the 2026 plan year at the proposed rate of \$312,406.00 and authorize payment of the premium.