



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, January 8, 2019																		
Category:	CONSENT AGENDA																		
Type:	ACTION																		
Subject:	Consider approval of 2019 Workers Compensation Insurance																		
Background Information:	<p>The premium for 2018 and estimated premium for 2019 are attached. The renewal is effective January 1, 2019 with the League of Minnesota Cities Insurance Trust.</p> <p>The workers compensation insurance covers the City employees, elected and appointed officials, Library and Marshall Municipal Utilities employees.</p> <p>The 2019 premium reflects keeping the deductible remaining at \$5,000. This will be an additional \$19,774 credit amount to the standard premium of \$263,648.</p> <table> <tr> <td>Manual Premium</td><td>\$ 387,718</td></tr> <tr> <td>Experience Mod. 0.68</td><td>-124,070</td></tr> <tr> <td>Standard Premium</td><td>263,648</td></tr> <tr> <td>Deductible Credit 7.50%</td><td>- 19,774</td></tr> <tr> <td>Premium Discount</td><td>- 28,499</td></tr> <tr> <td>Net Deposit Premium</td><td>215,375</td></tr> </table> <p>This premium is paid by the following:</p> <table> <tr> <td>City Portion</td><td>\$181,195</td></tr> <tr> <td>Library Portion</td><td>\$2,438</td></tr> <tr> <td>MMU Portion</td><td>\$31,742</td></tr> </table> <p>This is a \$8,567 or 4.14% increase from 2018 to 2019.</p> <p>The experience modifier has increased very slightly from 0.67 in 2018 to 0.68 in 2019. That would indicate that staff have been diligent on working to keep a safe work environment as well as continued training for staff in safety at the workplace.</p> <p>The rate increase also reflects the upward trend in overall insurance costs. An excerpt from the League of Minnesota Cities budget guide has also been included in the attachments for further reference to the increase in insurance premiums.</p>	Manual Premium	\$ 387,718	Experience Mod. 0.68	-124,070	Standard Premium	263,648	Deductible Credit 7.50%	- 19,774	Premium Discount	- 28,499	Net Deposit Premium	215,375	City Portion	\$181,195	Library Portion	\$2,438	MMU Portion	\$31,742
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Fiscal Impact:	The estimated annual 2019 premium for the city portion is \$181,195																		
Alternative/ Variations:																			
Recommendations:	Approve renewal of the 2019 City's Workers Compensation Insurance with the League of Minnesota Cities Insurance Trust.																		