



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Karla Drown
Meeting Date:	Tuesday, December 27, 2022
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider approval of 2023 Workers Compensation Insurance
Background Information:	<p>The premium for 2023 is attached. The renewal is effective January 1, 2023, with the League of Minnesota Cities Insurance Trust.</p> <p>The workers compensation insurance covers City employees, elected and appointed officials, volunteer firefighters, all other volunteers, Library employees and Marshall Municipal Utilities employees.</p> <p>Workers' compensation rates for 2023 have increased an average of 3% overall, an additional 3% for the volunteer firefighter job class, and as a result of increased payroll in 2022 and anticipated in 2023.</p> <ul style="list-style-type: none"> For more information regarding 2023 rate changes: https://www.lmc.org/insurance-trust/coverages/coverages-changes/premium-rates/ <p>The Safety Committee continues to meet and discuss safety improvements and/or changes on a regular basis. Along with the continued safety training required for staff on an annual basis, creates a safe workplace environment for staff.</p> <p>Staff recommends keeping the medical costs deductible at \$5,000, which is a middle of the road approach to the risk assessment of insurance claims. This approach has worked well for the city in the past for managing claim payouts. This will be a \$25,039 credit amount for a total premium of \$378,918 in 2023.</p> <p>This is a \$28,121 or 8% increased from 2022. This is lower than the increase of \$108,469 or 45% seen from 2021. Again, this is a result increase to firefighter's job class, current payroll, and an overall rate increase.</p>
Fiscal Impact:	The annual 2023 premium is \$378,918
Alternative/ Variations:	
Recommendations:	Approve renewal of the 2023 City's Workers Compensation Insurance with the League of Minnesota Cities Insurance Trust.