SOUTH WASHINGTON COUNTY SCHOOLS
SCHOOL BOARD
7362 East Point Douglas Rd S.
Cottage Grove, MN 55016

ADMINISTRATIVE REPORT

DATE: September 24, 2026
TOPIC: 5.11 - Workers Compensation Insurance Renewal
PRESENTER: Kris Blackburn, Director of Business Services
REFERENCE TO POLICY/STATUTE: Policy 701

A. **PURPOSE OF REPORT**

a. The District has contracted with SFM Mutual Insurance Company for worker's compensation insurance since the 2010-2011 policy period. The 2026-2027 renewal reflects an increase in total premium, due to increases in total payroll and experience mod. The District and SFM continue ongoing efforts to control claims expense through workers safety programs, return to work programs, and proactive claims management.

b. A 5-year rate renewal history with SFM is included below:

Coverage Period	Total Payroll	Experience Mod	Premium
2021-2022	161,710,749	1.03	1,117,593
2022-2023	169,500,922	0.99	1,109,449
2023-2024	182,213,493	0.88	1,092,804
2024-2025	201,130,849	0.95	1,159,114
2025-2026	211,628,642	1.08	1,251,702
2026-2027	218,964,230	1.11	1,309,282

c. The District also participates in a unique retention plan which SFM selectively offers for Minnesota school districts who qualify. Participating districts may be eligible for a return premium if the claim experience performs favorably. The premium quoted at the beginning of the policy term will not be increased by the claim experience

during the policy term. Since 2014, the District has received more than $1,000,000 through participation in this plan.

B. **RECOMMENDATION**

a. Administration recommends approval of the workers compensation insurance renewal with SFM Mutual Insurance Company for the period October 1, 2026 - September 30, 2027.

C. **CONNECTION TO STRATEGIC PRIORITY**

a. Operations, Staffing, and Finance
b. Engagement and Partnerships