Osseo Area Schools

MEMO

To: Dr. Kim Hiel, Superintendent
From: John Morstad, Executive Director of Finance and Operations
Kelly Benusa, Director of Business Services
Subject: Approval of General Liability Insurance Carriers
Date: September 29, 2026

Recommendation

We recommend Employers Mutual Insurance Company (EMC) remain as the district's general liability insurance carrier for the policy period October 1, 2026, to September 30, 2027. Current policies with EMC expire September 30, 2026. The combined proposal from EMC includes a rate increase of 10%, resulting in a total annual premium of $517,713.

Background

Key factors in the decision-making process included: coverage and customer service. This is the district's sixth year with this program structure. Given the narrow market for public schools, the district aims to retain insurance company relationships for at least three policy years if premium increases are not a significant factor.

Pricing has been influenced by Osseo's claims in recent years. Osseo's renewal has increased due to the number and frequency of claims incurred in the past three years. The current insurance market and claims have impacted pricing, limits, deductible, and coverage terms for Osseo.

The change in premium will be reviewed and included in the midyear budget adjustments as needed for FY 2027.

We have adopted an enhanced approach to claims management, working collaboratively to maintain a quality general liability and property insurance program. This approach includes closely monitoring claims activity and potential risk areas to mitigate potential liabilities. We will continue to evaluate our other lines of insurance to identify additional potential savings for the district.