Edina Public Schools
ISD 273

Executive Summary
07/01/2026 – 07/01/2027

Nick Lano | Area Senior Vice President
Nick_Lano@ajg.com | 952.358.7579

5/15/2026

Gallagher

Insurance | Risk Management | Consulting

Overview

On behalf of the Gallagher Public Entity Team, we would like to thank Edina Public Schools for the continued opportunity to serve the District. This Executive Summary is a shorter version of our proposal and is intended to summarize the renewal and outline our **CORE**360™ approach for the district. The intent of our **CORE**360™ approach is to help you optimize your total cost of risk and thereby improving the district's profitability to better serve the community. We highlight each **CORE**360™ cost driver, beginning with Insurance Premiums and ending with Contractual Liability. Highlighting each cost driver will not only summarize the key accomplishments but also ensure that we are deliberate in driving value to each of your six cost drivers which represent your total cost of risk.

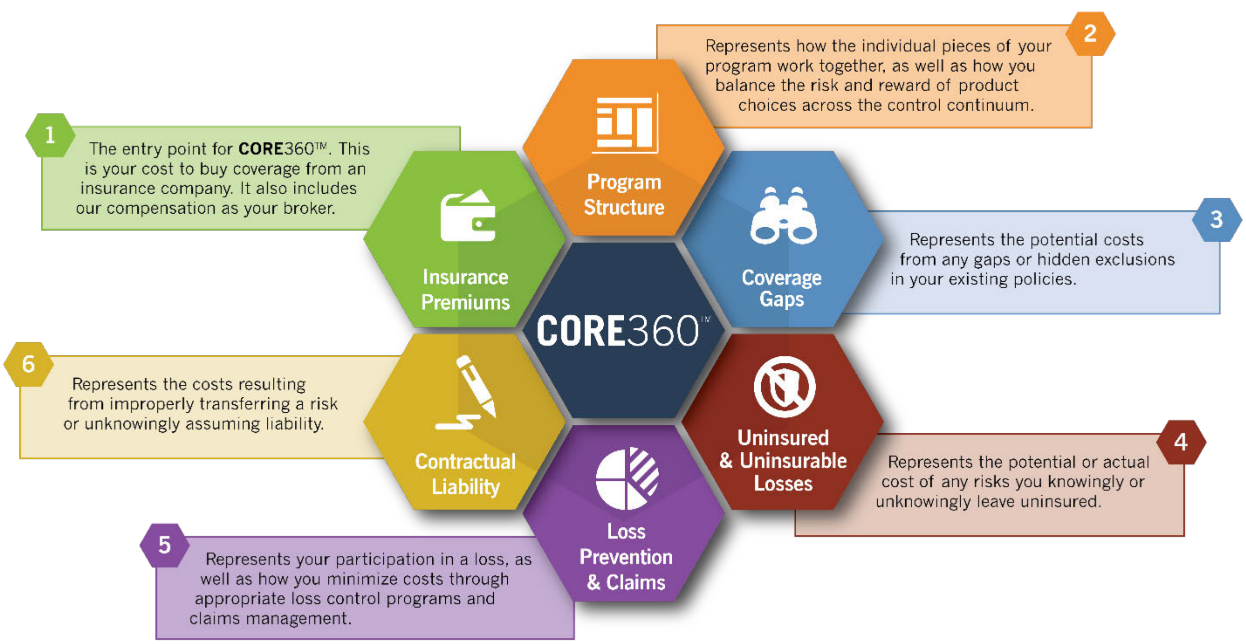
The Executive Summary also follows the decisions made and action items we discussed during our Strategic Review call on April 16th. During the discussion we established the following goals and objectives for 2026:

• Agreed to continue partnership with SFM at negotiated rate decrease.

• Continue to provide the greatest deliverable to ISD 273 – program stability and carrier partnership.

• Continue to provide extensive loss prevention services and claims advocacy to drive down the district's total cost of risk.

We believe we have delivered on these results and look forward to reviewing the Executive Summary in further detail. We know that you have a choice and we appreciate your business and continued support.



2026 CORE360 Stewardship Scorecard

Your **CORE**360TM Stewardship Scorecard has been developed for you to get a quick snapshot of how we've impacted your total cost of risk over time, by monetizing the cost of risk changes by cost driver.

Insurance Premiums

- 2026 Premium decreased 6.7% while payroll increased 3.15%
- Experience Mod decreased from 1.06 to .89.
- 2026 Net Rate decreased 6.8% from $0.53 to $0.497.

Program Structure

- Total Payroll for the district increased 3.15% in 2026.
- Guaranteed Cost option provided by SFM in 2025
- Discussed 2-year retention program structure with SFM.

Uninsured & Uninsurable Losses

- There have been no changes in our understanding of the district's uninsured or uninsurable risks since our last discussion.

Coverage Gaps

- Our review revealed no actionable coverage gaps at this time.

Loss Prevention & Claims

- Coordinated RAS Loss Control
    - Ergonomic Evaluations
    - Reviewed Non-Critical Recommendations
    - Custodian Safety Training
- 2026 Experience Mod Analysis completed.

Contractual Liability

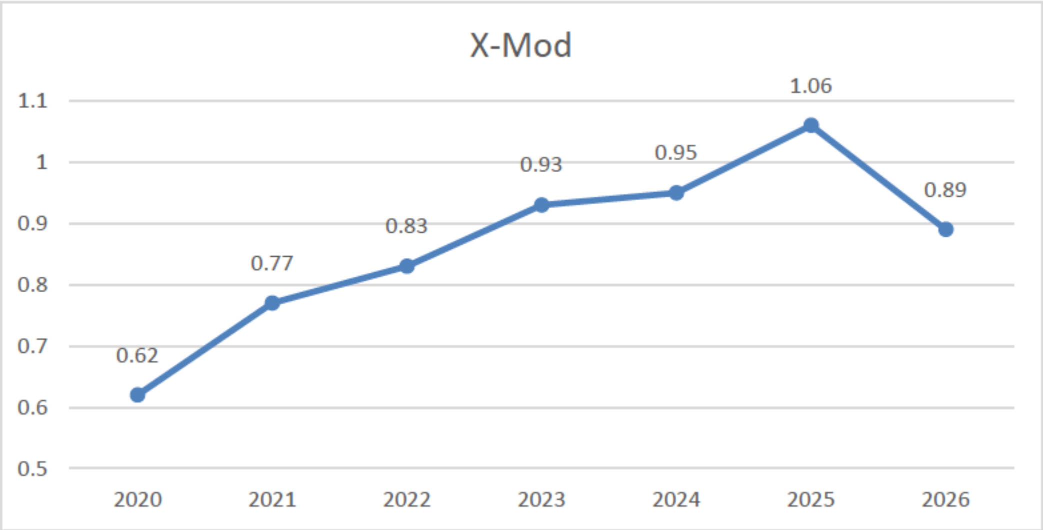
- Hidden risk transfers & unknown assumption of liability – Snow removal companies, General Contractors and Construction Managers (for example).

ISD 273

Historical Program Exposures

Historical Characteristics:

Class Code	Description	2020 – 2021 AUDITED	2021 – 2022 AUDITED	2022 – 2023 AUDITED	2023 – 2024 AUDITED	2024 – 2025 AUDITED	2025 – 2026 ESTIMATED	2026 – 2027 PROJECTED
7380	Chauffeurs & Helpers	$24,795	$24,704	$41,852	$58,235	$23,667	$46,474	$47,937
7382	Bus Co. All Other Employees	$1,345,763	$1,676,667	$2,034,831	$2,343,917	$2,575,382	$2,275,321	$2,346,945
8385	Bus Co. Garage Employees	$229,051	$230,979	$368,257	$558,430	$209,595	$797,046	$822,136
8868	College Professional Employee	$72,235,046	$77,070,867	$79,849,630	$84,635,203	$89,556,191	$90,401,785	$93,247,525
9101	College – All Other Employee	$3,523,256	$3,757,553	$3,737,279	$3,399,736	$3,049,497	$4,240,131	$4,373,605
Total		**$77,357,911**	**$82,760,770**	**$86,031,849**	**$90,995,521**	**$93,853,330**	**$97,760,757**	**$100,838,148**



Workers' Compensation Claims Summary

HISTORICAL FOUR YEARS

WORKERS' COMPENSATION											
POLICY TERM	CARRIER NAME	IND / PD PAID	MED / BI PAID	EXPENSES PAID	TOTAL PAID	TOTAL RESERVES	TOTAL RECOVERIES	TOTAL INCURRED	# OF OPEN CLAIMS	# OF CLOSED CLAIMS	# OF CLAIMS
07/01/2021 to 07/01/2022	RAS	$46,136	$156,929	$15,816	$218,881	$0	$599	$218,282	0	70	70
07/01/2022 to 07/01/2023	RAS	$173,887	$211,115	$38,848	$331,692	$0	$0	$423,850	0	75	75
07/01/2023 to 07/01/2024	RAS	$26,258	$123,946	$10,605	$155,960	$43,628	$0	$204,436	2	84	86
07/01/2024 to 07/01/2025	RAS	$11,966	$56,690	$6,245	$15,806	$0	$0	$74,901	0	86	86
07/01/2025 to 07/01/2026	SFM	$6,768	$21,162	$148	$28,078	$82,697	$0	$110,773	13	27	40
TOTALS:		**$265,015**	**$569,842**	**$71,661**	**$905,519**	**$126,325**	**$599**	**$1,032,242**	**15**	**342**	**357**

- 2020 Total Claims - $213,093
- 2019 Total Claims - $394,804
- 2018 Total Claims - $134,620
- 2017 Total Claims - $73,908

Workers' Compensation Claims Summary

LARGE LOSS HISTORY – CLAIMS OVER $25,000

POLICY TERM	LINE OF COVER	CLAIM / CASE #	LOSS DATE	CLAIMANT NAME	ACCIDENT DESCRIPTION / NARRATIVE	CLAIM STATUS	TOTAL PAID	TOTAL RESERVES	TOTAL RECOVERY	TOTAL DEDUCTIBLE	TOTAL INCURRED
WORKERS' COMPENSATION											
07/01/2021 to 07/01/2022	WORKERS' COMPENSATION	289259	07/30/2021	[redacted]	[redacted]	CLOSED	$39,754.39	$0.00	$0.00	$0.00	$39,754.39
	WORKERS' COMPENSATION	294808	09/30/2021	[redacted]	[redacted]	CLOSED	$97,786.30	$0.00	$0.00	$0.00	$97,786.30
	WORKERS' COMPENSATION	301241	12/10/2021	[redacted]	[redacted]	CLOSED	$37,750.93	$0.00	$0.00	$0.00	$37,750.93
Total for the Term 07/01/2021 to 07/01/2022				[redacted]	[redacted]		**$175,291.62**	**$0.00**	**$0.00**	**$0.00**	**$175,291.62**
07/01/2022 to 07/01/2023	WORKERS' COMPENSATION	330108	09/25/2022	[redacted]	[redacted]	CLOSED	$57,310.72	$0.00	$0.00	$0.00	$57,310.72
	WORKERS' COMPENSATION	333575	10/05/2022	[redacted]	[redacted]	CLOSED	$36,978.17	$0.00	$0.00	$0.00	$36,978.17
	WORKERS' COMPENSATION	340574	03/02/2023	[redacted]	[redacted]	CLOSED	$48,090.62	$0.00	$0.00	$0.00	$48,090.62
	WORKERS' COMPENSATION	345944	05/26/2023	[redacted]	[redacted]	CLOSED	$225,953.85	$0.00	$0.00	$0.00	$225,953.85
Total for the Term 07/01/2022 to 07/01/2023				[redacted]	[redacted]		**$368,333.36**	**$0.00**	**$0.00**	**$0.00**	**$368,333.36**
07/01/2023 to 07/01/2024	WORKERS' COMPENSATION	355461	11/29/2023	[redacted]	[redacted]	OPEN	$24,464.08	$41,927.50	$0.00	$0.00	$66,391.58
	WORKERS' COMPENSATION	359543	02/02/2024	[redacted]	[redacted]	CLOSED	$25,142.28	$0.00	$0.00	$0.00	$25,142.28
Total for the Term 07/01/2023 to 07/01/2024				[redacted]	[redacted]		**$49,606.36**	**$41,927.50**	**$0.00**	**$0.00**	**$91,533.86**
07/01/2024 to 07/01/2025	WORKERS' COMPENSATION	380450	02/04/2025	[redacted]	[redacted]	CLOSED	$38,425.64	$0.00	$0.00	$0.00	$38,425.64
Total for the Term 07/01/2024 to 07/01/2025				[redacted]	[redacted]		**$38,425.64**	**$0.00**	**$0.00**	**$0.00**	**$38,425.64**
07/01/2025 to 07/01/2026	WORKERS' COMPENSATION	916139	10/31/2025	[redacted]	[redacted]	OPEN	$8,868.00	$22,795.00	$0.00	$0.00	$31,663.00
	WORKERS' COMPENSATION	926615	02/18/2026	[redacted]	[redacted]	OPEN	$797.00	$27,853.00	$0.00	$0.00	$28,650.00
Total for the Term 07/01/2025 to 07/01/2026							**$9,665.00**	**$50,648.00**	**$0.00**	**$0.00**	**$60,313.00**
Total for All the Years							**$641,321.98**	**$92,575.50**	**$0.00**	**$0.00**	**$733,897.48**

Workers’ Compensation

EXPERIENCE MODIFCIATION VALIDATION

Mod Analysis for **Independent School District 273**

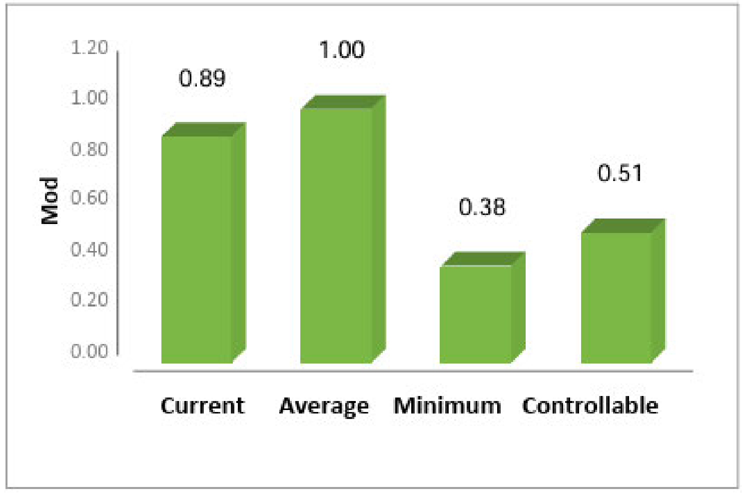
Mod Snapshot

Effective date: 7/1/2026

The Key Numbers

Total expected losses	$618,985
Total expected primary losses	$280,693
Total expected excess losses	$338,292
Total unlimited losses	$583,712
Total limited/adjusted losses	$500,828
Total actual primary losses	$237,239
Total actual excess losses	$263,589
Computed ballast value	55,380
Computed weighting value	0.40
Modification factor	**0.89**
ARAP factor	1.00

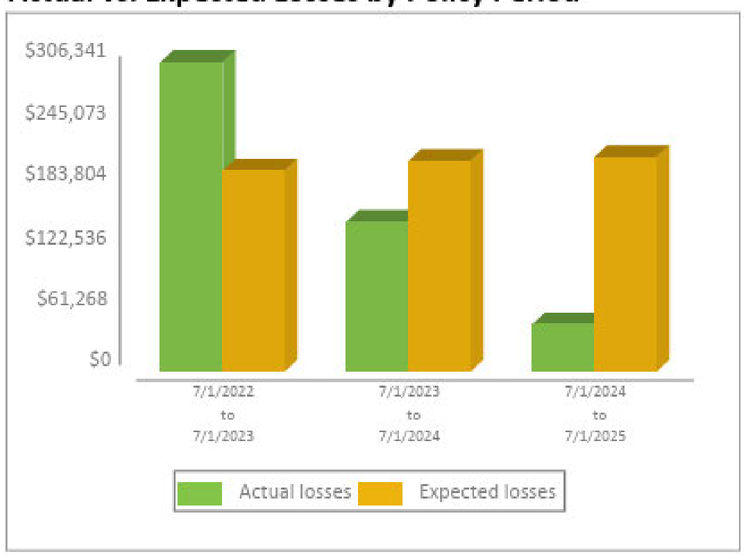
Mod Breakdown



Impact of Top Itemized Losses

State	Injury Date	Incurred Loss	Impact on Mod	Mod w/o Loss
MN	5/26/2023	$134,500	0.0962	0.7950
MN	9/25/2022	$56,722	0.0501	0.8411
MN	11/29/2023	$55,491	0.0494	0.8418
MN	3/2/2023	$47,092	0.0444	0.8468
MN	10/5/2022	$36,723	0.0382	0.8530
MN	2/4/2025	$35,540	0.0375	0.8537
MN	2/2/2024	$24,625	0.0311	0.8601
MN	1/24/2024	$20,234	0.0085	0.8827
MN	9/27/2023	$19,580	0.0281	0.8631
MN	2/20/2023	$19,295	0.0279	0.8633

Actual vs. Expected Losses by Policy Period



2026 Strategic Review

RECAP OF EARLY RENEWAL RATE EXPECTATIONS AND RATE RESULTS

Coverage	Carrier	Rate Indication	*Rate Results*	Comments
Workers' Compensation	SFM	Initial renewal indication of $499,434 or 4% premium decrease after changes in payroll figures. New net rate of $0.495. • 2026 Payroll increase of 3%. • 2026 Experience Mod decreasing 16% - 1.06 to 0.89 • SFM underwriting to a 52% loss ratio.	Achieved goal of 6.8% premium decrease and net rate decrease of 6.8%. 2026 net rate is $0.497.	• 1 -year loss ratio - 50% • No change to program structure. • New partnership with SFM formed in 2025.

Pure Loss Rate

Independent School District 273 Edina

Based on the selected pure loss rate and the projected Payroll, here are the projected losses for the 7/1/2026 - 7/1/2027 period.

Computation of Projected Losses									
Selected Pure Loss Rate	X	Projected Payroll / $100	=	Projected Losses	➡	$ 0.27	X	$97,760,757 / $100	= $ 263,954

- *2025 Loss Projection - $328,487*

Renewal Premiums

2026 WORKERS' COMPENSATION RESULTS

	2025 Expiring	2026 Renewal
Carrier	**SFM**	**SFM**
Premium	$501,591	$484,556
Surcharges	$19,153	$16,138
Total Premium	**$520,750**	**$500,694**
Net Rate	$0.53	$0.497

Previous 2022 Marketing Results

- SFM – Declined due to loss history and not competitive at current rate structure.
- Employers – Declined, too large of a school account for them.
- United Heartland – Indicated above RAS renewal.

Notes:

- SFM option in 2025 underwritten to a 65% loss ratio (projected breakeven for the carrier).
- Maxed Scheduled Credit of 40% provided in 2021
- Scheduled Credit of 37% provided in 2022.
- Payrolls increased 7% in 2021 and 2.5% in 2022 and 3.6% in 2023.
- Expiring Premium in 2019 with SFM/Prior Broker - $476,151 ($0.60 net rate)
- 2025 RAS Renewal Option - $568,462

Thank You for Your Business

On behalf of the Gallagher team, we would like to thank the district for the continued opportunity, partnership, support and confidence you have placed in us to handle the insurance program. We have enjoyed the partnership and look forward to continue earning the district's business year-over-year. We look forward to implementing the agreed upon renewal strategy in 2026 and thus reducing the district's total cost of risk. Thank you