



Board Meeting Date: 6/9/2025

Title: Workers' Compensation Insurance Renewal – Fiscal Year 2026

Type: Consent

Presenter(s): Mert Woodard – Director, Finance & Operations

Description: During the 2021 fiscal year the District elected to switch workers' compensation insurance carriers from SFM Mutual (SFM) to Dakota Truck Underwriters by and through Risk Administration Services (RAS). The District worked with its agent of record to obtain rates for the 2026 fiscal year and the renewal proposed by RAS for fiscal year 2026 is for a gross increase of 18.29%, with premiums and fees going from \$480,560 to \$568,462. The District's previous carrier, SFM, has quoted a total cost of \$520,750. The District administration's fall 2024 forecast of workers' compensation premiums for fiscal year 2026 was \$522,886.

The net rate proposed by SFM for fiscal year 2026 is \$0.53, a slight increase over the fiscal year 2025 net rate of \$0.51. The net rate in fiscal year 2020 was \$0.60.

Recommendation: Award the District's workers' compensation insurance business for fiscal year 2026 to SFM Mutual and authorize the Director of Finance & Operations to execute all documents necessary to put the agreement into effect.

Desired Outcomes from the Board: Review the executive summary of the workers' compensation program proposal and execute the administration's recommended action.

Attachments:

1. Workers' Compensation Renewal Executive Summary – Fiscal Year 2026