



Date: June 29, 2018

To: Senator Mary Kiffmeyer  
Representative Sarah Anderson

From: Lenora Madigan, Deputy Commissioner

A handwritten signature in blue ink that reads 'Lenora Madigan'.

## RE: Internal Service Fund Rates for FY 2019

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In accordance with Minnesota Statutes 16B.48, Subdivision 4, regarding the submission of the Department of Administration's (Admin) internal service fund rates for FY 2019. Attached are the six year rate summaries for the Parking, Property and Casualty, and Workers' Compensation programs.

Internal service fund revenue is generated from charges by Admin to other agencies. The rates charged have been reviewed and approved to cover the cost of providing the services and products.

Each year, business plans and rates are carefully developed. Reviews were completed by Admin's executive team and by Minnesota Management and Budget to ensure that the businesses are positioned to respond to agencies' needs, provide rates sensitive to agencies' budgets and maintain fiscal stability

We are working with MMB to finalize the rates for FY 2019 for Fleet Services, Central Mail, Repair and Other Jobs, and Surplus Services. We expect that will happen in the very near future, and will submit those rates to you as soon as the rates are finalized and approved.

Should you or your staff have any questions or comments regarding the rates or the underlying business plan details, please do not hesitate to contact me.

### Attachments

cc: Kevin Lundeen, Senate  
Helen Roberts, House  
Shawn Kremer, MMB  
Legislative Reference Library  
Stewart McMullan, Admin

**Six-year Rate Comparison**  
**Minnesota Department of Administration**  
**Parking & Transit For Fiscal Year 2019**

Rate	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Difference FY 2018 to FY 2019
Lot	\$29.75	\$37.19	\$42.77	\$47.00	\$47.00	\$47.00	\$0.00
Ramp	51.67	64.59	74.28	82.00	82.00	82.00	\$0.00
Top Deck	34.13	42.66	51.19	61.00	72.00	n/a	
Garage	104.26	130.33	149.88	165.00	165.00	165.00	\$0.00
Friday Only or Monday Only Lot	n/a	n/a	n/a	11.00	11.00	11.00	\$0.00
Friday Only or Monday Only Ramp	n/a	n/a	n/a	19.00	19.00	19.00	\$0.00
Monday & Friday Only Lot	n/a	n/a	n/a	n/a	n/a	20.00	
Monday & Friday Only Ramp	n/a	n/a	n/a	n/a	n/a	35.00	
Motorcycle - Lot	14.83	18.54	21.32	22.00	22.00	22.00	\$0.00
Motorcycle - Ramp	22.27	27.84	32.02	33.00	33.00	33.00	\$0.00
Segway - Garage - Annual	50.00	50.00	50.00	50.00	n/a	n/a	
Legislative Intern per month - Lot	10.00	10.00	10.00	10.00	10.00	10.00	\$0.00
Unmetered Contractor Parking/Daily Permit	6.00	7.00	8.00	8.00	8.00	8.00	\$0.00
Daily Bus Parking Permit	10.00	14.00	14.00	14.00	14.00	14.00	\$0.00
Lost/Stolen Parking Identification	25.00	25.00	25.00	25.00	25.00	25.00	\$0.00
Lost/Stolen Bicycle Locker Key	25.00	25.00	25.00	25.00	25.00	25.00	\$0.00
Replacement Metropass - 1st time	20.00	20.00	20.00	20.00	5.00	5.00	\$0.00
Replacement Metropass - 2nd time	40.00	40.00	40.00	40.00	5.00	5.00	\$0.00
Parking Meter/Pay Station per hour	1.50	1.75	2.00	2.00	2.00	2.00	\$0.00
Bicycle Locker - Annual	50.00	50.00	50.00	50.00	50.00	50.00	\$0.00
Bicycle Cage - Annual	n/a	50.00	50.00	50.00	50.00	50.00	\$0.00
Metropass - Subsidized	45.00	45.00	45.00	35.00	35.00	35.00	\$0.00
Metropass - Unsubsidized	n/a	n/a	n/a	76.00	83.00	83.00	\$0.00

Notes:

\*Rates are per month unless otherwise noted

\*Replacement Metropass rates are set by Metro Transit and are subject to change

\*Pay Station maximum daily charge is \$8.00 beginning in FY 2016

\*Bicycle Cage new in FY 2015 with Ramp F

\*FY 2019 rates will be effective the first day of the month following 30 days notice

\*Metropass - Unsubsidized rate new in FY 2017: this rate is set by Metro Transit and is subject to change December 1 each year

\*Contract parking rates include sales tax

\*Top Deck Rate was eliminated in FY 2019

# Six-Year Rate Comparison

MINNESOTA DEPARTMENT OF ADMINISTRATION  
RISK MANAGEMENT DIVISION  
FOR FISCAL YEAR 2019

Rate	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Change FY18/FY19
<b>Automobile Liability per non-siren vehicle</b>							
Tier 1	\$164	\$164	\$164	\$164	\$164	\$164	0.00%
Tier 2	\$184	\$184	\$184	\$184	\$184	\$184	0.00%
Tier 3	\$204	\$204	\$204	\$204	\$204	\$204	0.00%
Tier 4 - "A" rated	Varies	Varies	Varies	Varies	Varies	Varies	N/A
<b>Auto Liability per siren vehicle</b>							
Tier 1	\$221	\$221	\$221	\$221	\$221	\$221	0.00%
Tier 2	\$251	\$251	\$251	\$251	\$251	\$251	0.00%
Tier 3	\$281	\$281	\$281	\$281	\$281	\$281	0.00%
Public Safety	\$484	\$484	\$484	\$484	\$484	\$484	0.00%
<b>Automobile Physical Damage (per \$100 of insurance)</b>							
\$ 500 deductible	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	0.00%
\$1,000 deductible	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
\$ 500 deductible (selected agencies)	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	0.00%
\$1,000 deductible (selected agencies)	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37	\$1.37	0.00%
\$1,500 deductible (MAC, Human Services)	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	\$1.97	0.00%
<b>General Liability</b>							
Standard rate	\$40/1,000 ft2	\$40/1,000 ft2	\$40/1,000 ft2	\$40/1,000 ft2	\$34/1,000 ft2	\$34/1,000 ft2	0.00%
"A" rated	Varies	Varies	Varies	Varies	Varies	Varies	N/A
Police Professional, Broadcasters, Public Officials Liability *	\$500/cov	\$500/cov	\$500/cov	\$500/cov	\$500/cov	\$500/cov	0.00%
<b>Property (including Boiler &amp; Crime/Cyber) / (per \$100 of insurance)</b>							
\$ 1,000 deductible	\$0.1181	\$0.1034	\$0.1034	\$0.0930	\$0.0930	\$0.0930	0.00%
\$ 2,500 deductible	\$0.0780	\$0.0682	\$0.0682	\$0.0614	\$0.0614	\$0.0614	0.00%
\$ 5,000 deductible	\$0.0638	\$0.0558	\$0.0558	\$0.0502	\$0.0502	\$0.0502	0.00%
\$ 10,000 deductible	\$0.0567	\$0.0496	\$0.0496	\$0.0447	\$0.0447	\$0.0447	0.00%
\$ 25,000 deductible	\$0.0473	\$0.0413	\$0.0413	\$0.0372	\$0.0372	\$0.0372	0.00%
\$ 50,000 deductible	\$0.0402	\$0.0351	\$0.0351	\$0.0316	\$0.0316	\$0.0316	0.00%
\$ 75,000 deductible	\$0.0378	\$0.0331	\$0.0331	\$0.0298	\$0.0298	\$0.0298	0.00%
\$100,000 deductible	\$0.0354	\$0.0310	\$0.0310	\$0.0279	\$0.0279	\$0.0279	0.00%
\$250,000 deductible	\$0.0321	\$0.0265	\$0.0265	\$0.0239	\$0.0239	\$0.0239	0.00%
<b>Builder's Risk (per \$100 of insurance)</b>							
\$ 5,000 deductible	\$0.173	\$0.173	\$0.173	\$0.173	\$0.173	\$0.173	0.00%
<b>Homeowner's Warranty (per \$1,000 of replacement value)</b>							
	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	0.00%
<b>Inland Marine (per \$100 of insurance)</b>							
<b>Computer Equipment (\$100 min prem 1st yr of new business)</b>							
\$ 100 deductible	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	0.00%
\$ 250 deductible	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
\$ 500 deductible	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
\$ 1,000 deductible	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	0.00%
\$10,000 deductible	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	0.00%
<b>Fine Arts (\$100 min prem 1st yr of new business)</b>							
\$ 500 deductible - non-owned exhibits (blanket limit)	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	0.00%
\$ 500 deductible - owned exhibits	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
\$1,000 deductible - non-owned exhibits (blanket limit)	\$1.30	\$1.30	\$1.30	\$1.30	\$1.30	\$1.30	0.00%
\$1,000 deductible - owned exhibits	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
\$5,000 deductible - non-owned exhibits (blanket limit)	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05	0.00%
\$5,000 deductible - owned exhibits	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	0.00%
<b>Contractors' Equipment (\$250 min prem 1st yr of new business)</b>							
\$ 500 deductible	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	0.00%
\$1,000 deductible	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
\$2,500 deductible	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	0.00%
<b>Musical Instruments (\$100 min prem 1st yr of new business)</b>							
\$ 500 deductible	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
\$1,000 deductible	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
<b>Scoreboards (\$100 min prem 1st yr of new business)</b>							
\$ 500 deductible	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	0.00%
\$1,000 deductible	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	0.00%
<b>Cameras, TV &amp; Radio Equipment (\$100 min prem 1st yr of new business)</b>							
\$ 500 deductible	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	0.00%
\$1,000 deductible	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
<b>Towers, Radio &amp; TV (\$250 min prem 1st yr of new business)</b>							
\$1,000 deductible	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	0.00%
<b>Miscellaneous Equipment (\$100 min prem 1st yr of new business)</b>							
\$ 500 deductible	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	0.00%
\$1,000 deductible	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	0.00%
<b>Garagekeepers (average premium)</b>							
	\$827	\$827	\$827	\$827	\$827	\$827	0.00%
A \$50 minimum annual premium will apply to RMF renewal policies. A \$100 minimum annual premium will apply to new RMF policies.							
<b>Insurance Services Fee Schedule - per hour</b>							
Consulting	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	0.00%
Non-Insured Tort Claims	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$60.00	9.09%
Billbacks	Varies	Varies	Varies	Varies	Varies	Varies	N/A

\*Minnesota State receives Police Professional, Broadcasters and Public Officials Liability at no charge. MN State Fair receives Police Professional Liability at no charge

## Six-Year Rate Comparison

**MINNESOTA DEPARTMENT OF ADMINISTRATION  
RISK MANAGEMENT DIVISION/WORKERS' COMPENSATION PROGRAM  
FOR FISCAL YEAR 2019**

<b>Rate</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Administrative Fee/Avg number of covered employees) *	44.62	43.42	47.34	51.90	55.94	56.76
FY13-FY15 - Admin Fee is \$2,620,800						
FY16 - Admin Fee is \$2,819,873						
FY17 - Admin Fee is \$3,070,922						
FY18 - Admin Fee is \$3,347,305						
FY19 - Admin Fee is \$3,430,988						
Premium Pool	37.49	32.48	36.26	37.86	40.74	42.45
Pay-As-You-Go	46.99	48.35	52.58	58.59	63.32	63.69
<b>Legal Services</b>						
Attorney	123.00	123.00	123.00	129.00	129.00	129.00
Paralegal	68.00	68.00	68.00	71.00	71.00	71.00
<b>Rehabilitation Services</b>						
QRC's	70.00	70.00	70.00	0.00	0.00	0.00
<b>Managed Care Fee</b>						
(rate/employee/month)	2.17	2.17	2.23	2.23	2.28	2.72
<b>* The Administrative Fee is apportioned based on the following factors:</b>						
Average number of employees for the period 7/01 through 3/31						
Number of open claims on 3/31						
Number of payment transactions for the period 7/01 through 3/31						