

Finance & Facilities Committee

Monday, September 9, 2024 6:00 PM

District Office Conf Rm B, 512 Industrial Blvd., Waconia, MN 55387

1. Insurance Broker RFP

Presenter: Dr. Enid
Schonewise, Director
of Human Resources

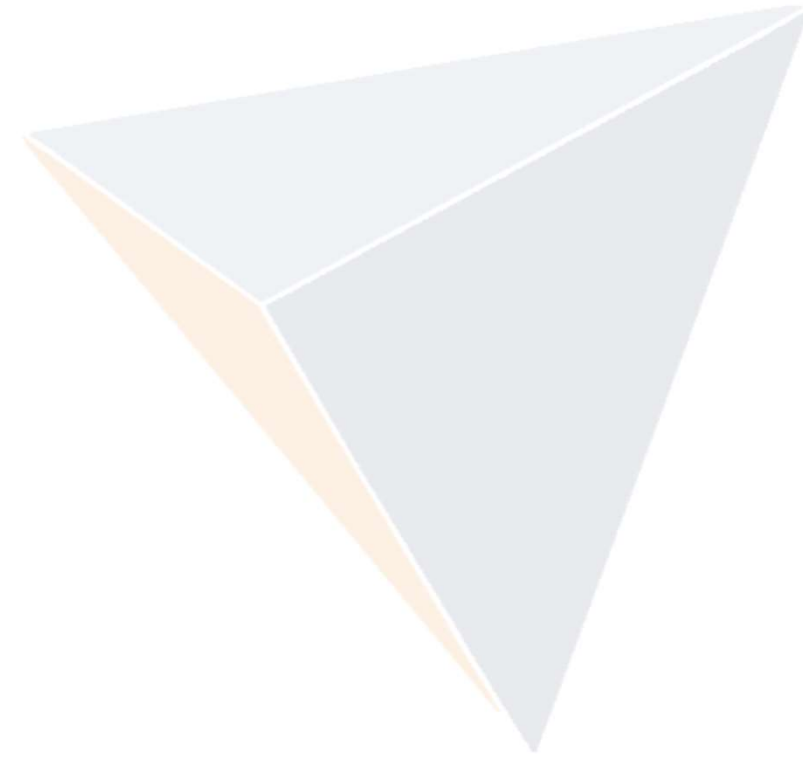


ISD 110 – Waconia Public Schools

Benefits Administration
Request for Proposal (RFP) Review & Summary

Agenda

- **Project Objective**
- **Sourcing Process Utilized**
- **Participating Firms**
- **Findings**
- **Fee Comparison**
- **Considerations**



Project Objective



This process was utilized to evaluate current service providers (**including incumbent**) in the marketplace in regards to:

- **Fees/Costs**
- **Provider capabilities**
- **References**

The intended outcome of the process was to make a data-driven determination if it is within the best interest of the district to make a provider/broker change.

Sourcing Process Utilized

An orange square icon with a white document symbol and the letters 'RFP' in white, representing a Request for Proposal.

Request for Proposal (RFP) process was utilized to secure financial *and* non-financial information from qualified options. This process was managed by Kyle Trites of Catalyst Sourcing Solutions, who has an extensive background in benefits management and insurance brokerage services.

Process Overview

1. A formal comprehensive Request for Proposal document was developed collaboratively between the district HR team and Catalyst Sourcing.
 - The document provided participating firms with the district data including current participation metrics, current plans, management applications.
 - The document outlined the scope of services and expectations established by the district.
 - The document also allowed for participating firms to submit additional questions to be reviewed and responded to by district prior to submission of proposal.
2. Five consulting firms (including incumbent) were proactively contacted and invited to participate in the process. These firms were provided the complete RFP document. These firms were selected based on referrals from within the district as well as those that were identified through references and prior experience with other Minnesota school districts.
3. Participating firms submitted any questions or clarifications they developed after receiving the request. All participants were provided responses five days prior to the submission deadline
4. All submissions were reviewed, put into a summary comparison, and submitted to the district for review.

Participating Firms

Firms were chosen based on references given by other school districts in the area.

CBIZ

Gallagher

NIS

One Digital*

USI



**Incumbent provider*

Findings (Non-Financial)



Competitive Analysis

Thorough evaluation of proposals revealed that none of the competing firms demonstrated a significant tangible advantage over the incumbent in terms of service offerings, expertise, technology, and value added offerings.

Service Consistency

One Digital's track record of reliable service, deep understanding of our district's specific needs, and long-standing relationship gives them a unique edge.

Cost-Effectiveness

Despite similar service levels, the incumbent offered a more favorable fee structure, making them the most cost-effective option among the candidates.

Proven Value

Historical performance and consistent delivery of value over time suggests the potential for limited benefits by switching to a new broker.

Cost Comparison

A direct comparison of costs showed that the incumbent's pricing is not only competitive but actually lower than other participant's proposed fees.

Fee Comparison



Broker	Medical PEPM Fee	Dental	Ancillary Lines (Life/LTD)	Vision	Total Annual Compensation	Max Annual Increase
CBIZ	\$10.00	N/A	10%	N/A	\$54,360.00**	3%
Gallagher	\$10.00	N/A	10%	N/A	\$54,360.00**	TBD
NIS	\$10.00	3-5%	TBD	10%	\$35,000.00**	0%
One Digital	\$5.25	\$1.50	N/A	10%	\$39,543.00	2%
USI	\$16.00	N/A	N/A	N/A	\$86,976.00	3%

**** Total compensation projection does NOT include proposed commissions for ancillary products/lines premiums**

Considerations for Next Steps



- **Consideration #1:** Given the lack of defined differentiation in services (via RFP), OneDigital's more competitive pricing positions them as a cost-effective choice, ensuring that we receive the same level of service for less investment. The greatest opportunity to reduce cost is likely **NOT** the change of benefits management/broker but instead to identify and evaluate other cost-impacting levers (coverage level, network flexibility, deductible, etc.) to determine a more cost-efficient solution.
- **Consideration #2:** The district should be aware of potential unnecessary disruption to the upcoming insurance renewal/marketing process of transitioning to a new benefits management/broker.
- **Consideration #3:** From a procedural standpoint, it is recommended that the district formally evaluates their marketplace options every five years to ensure continued competitiveness and relevance of services.

2. **Review Scoreboard Sponsorship Planning and
Timeline**

Presenter: Dr. Brian
Gersich,
Superintendent

ANCHOR PARTNERSHIP - INVENTORY**STATIC SIGNAGE**

One (1) full color backlit sponsor application on main scoring display. approx. 4'h x 5'w

DIGITAL CONTENT - VARSITY FOOTBALL GAMES

One (1) IN-GAME or HALFTIME sponsor provided video commercial with audio or advertising exposure with corresponding PA announcement per regular season home event to be determined between WHS and Sponsor (two sentence max.)

PRE-GAME/HALFTIME/POSTGAME rotating business name, logo and or tagline on video display. Messages will rotate with other partners for each regular season home event. Sponsors will rotate based on level of commitment.

Minimum of four (4) IN-GAME advertising exposures

One (1) animated Feature Entitlement. Sponsor to choose one of the following: Touchdown/First Down/Halftime Show/Timeout/Fan of the Game/Starting Lineup/Field Goal/Community MVP/Upcoming events/ etc.

DIGITAL CONTENT - ALL OTHER STADIUM EVENTS

Rotating logo exposure per regular season home events. Logo/text will rotate with other sponsors.

MULTI-MEDIA

Opportunity to use Waconia Wildcats mark as part of own advertising and marketing efforts.

Logo recognition in game day program

Three (3) WHS all season sport passes

One (1) reserved parking spot at field

Social media opportunities (TBD)

Logo on activities registration website - <https://1913a.cf.wordwareinc.com/>

ONE (1) SHARED PROMOTIONAL GAME SPONSORSHIP

Game Day Sponsor recognition

Opportunity for promotional giveaway and contesting, can distribute logo-ed/specialty items (must be approved by the school)

Opportunity to distribute coupons/literature (must be approved by the school)

Opportunity to honor employees at the game

Presentation of autographed team ball

Additional PA announcement and digital recognition during the game

Hudl Exposures

Insert description of static exposure for streaming games

Insert description of in-game sponsor commercial (need description of length)

FOUNDING PARTNERSHIP - INVENTORY**STATIC SIGNAGE**

One (1) full color backlit sponsor application on main scoring display. approx. 3'h x 7'w

DIGITAL CONTENT - VARSITY FOOTBALL GAMES

Minimum one (1) PRE-GAME sponsor provided video commercial with audio or advertising exposure with corresponding PA announcement per regular season home event to be determined between WHS and Sponsor (two sentence max.)

PRE-GAME/HALFTIME/POSTGAME rotating logo exposures per regular season home events. Logo/text will rotate with other sponsors, school information, and game prompts.

Minimum of two (2) IN-GAME advertising exposures

DIGITAL CONTENT - ALL OTHER STADIUM EVENTS

Rotating logo exposure per regular season home events. Logo/text will rotate with other sponsors.

MULTI-MEDIA

Opportunity to use Waconia Wildcats mark as part of own advertising and marketing efforts.

Logo recognition in game day program

Two (2) WHS all season sport passes

Social media opportunities (TBD)

Hudl Exposures

Insert description of static exposure for streaming games

3. Preliminary Levy Pay 25

Presenter: Ukee
Dozier

Preliminary Levy Pay 25

Ukee Dozier - School Management Services
September 9, 2024

Overview

- Public education in MN is financed by a combination of state aid, federal allocations, locally generated revenue, as well as property taxes.
- The Proposed Levy Payable 2025 represents an estimated proposal of property tax revenue for the 2025-26 school year.
- The district has a timeline to follow that is set by statute and followed by the Minnesota Department of Education.
- The district is providing an update on the Preliminary Proposed Levy for Taxes Payable in 2025
- The school board is obligated to certify proposed levies by statutory dates that will be discussed in the presentation.

District Levy Funding Types

Voter Approved Levies:

- Operating Referendum
- Capital Projects Levy (Tech)
- Building Bond Issues

Legislative Levies: Provides school districts with the authority to annually levy for specific costs

- LTFM and associated debt services
- Safe Schools
- Lease Levies

Property Taxes

Property Tax Timeline

- Spring (2024) – Tax Assessor values properties in the district for the following year – challenges can be made to the board of equalization.
- Fall (2024) – Preliminary school levies as well as city and county taxes are used to compute proposed property tax statements and mailed out.
- Winter (2024) – Final taxes are certified.
- Spring (2025) – Property Tax statements are mailed out.

Levy Limitation

Factors effecting change on Levy Limitations:

- Property Tax Value Changes – Collectively and individually
- State aid appropriation changes and/or equalization
- Adjustments to actual data versus estimates from prior year levies
- Enrollment – Estimates vs Prior Year Actuals
- Inflation

Levy Certification Timeline – Important dates and Action

September 6, 2024

- Deadline for MDE to certify levy limitations to school districts

September 23, 2024

- ISD 110 scheduled board meeting to certify preliminary levy authority – Maximum or specified number

September 30, 2024

- Deadline for districts to submit data changes to MDE
- Deadline for School Boards to certify proposed levies to county auditor

October 7, 2024

- Deadline for districts to submit copy of proposed levies to MDE

October 7, 2024

- Deadline for districts to submit copy of proposed levies to MDE

December 9, 2024

- ISD 110 scheduled “Truth in Taxation” meeting to discuss Pay 25 final levy
 - Required by state statute to be held between November 24 but before levy is adopted

December 16, 2024

- ISD 110 scheduled board meeting to adopt final Pay 2025 levy

December 30, 2024

- Deadline to submit final levy to county – Copy to MDE by January 8, 2025

Levy Categories and Comparison

Category	Certified Pay 20	Certified Pay 21	Certified Pay 22	Certified Pay 23	Certified Pay 24	Proposed Pay 25	\$ Change	% Change
Referendum	2,338,685	4,248,699	4,464,879	4,945,501	4,725,614	-	(4,725,614)	-100.0%
Local Optional	2,801,128	2,828,557	2,871,516	2,909,176	3,090,372	-	(3,090,372)	-100.0%
Equity	623,957	446,170	558,644	431,270	393,174	-	(393,174)	-100.0%
Operating Capital	280,773	313,951	333,269	358,106	427,620	-	(427,620)	-100.0%
Unemployment	25,000	50,000	20,000	20,000	20,000	-	(20,000)	-100.0%
Safe Schools	186,422	179,569	180,341	177,426	171,894	-	(171,894)	-100.0%
Career Tech Education	168,709	185,057	190,532	190,532	148,175	-	(148,175)	-100.0%
OPEB	65,000	41,043	25,231	20,622	32,522	-	(32,522)	-100.0%
Long-Term Facilities Maintenance	379,663	495,269	486,725	528,435	607,660	-	(607,660)	-100.0%
Lease Levy	550,047	632,478	637,320	649,268	646,759	-	(646,759)	-100.0%
Adjustments and Abatement	(311,519)	(271,459)	(202,763)	(260,973)	(64,257)	-	64,257	
Total General Fund	7,107,866	9,149,334	9,565,695	9,969,363	10,199,531	-	(10,199,531)	#DIV/0!
Community Education	276,779	277,869	296,026	268,547	298,360	-	(298,360)	-100.0%
Debt	8,949,186	9,133,582	9,230,337	8,868,628	8,817,234	-	(8,817,234)	-100.0%
TOTAL PROPOSED LEVY	16,333,831	18,560,785	19,092,057	19,106,538	19,315,126	-	(19,315,126)	-100.0%

Board Action Next Steps



September 23, 2024

Certify Preliminary Levy Pay 25 Authority



December 16, 2024

Adopt Final Levy Pay 25 Certification

Questions

