

**MINNETONKA INDEPENDENT SCHOOL DISTRICT #276**  
**District Service Center**  
**5621 County Road 101**  
**Minnetonka, Minnesota**

**Minutes of March 9, 2023 Regular Board Meeting**

The School Board of Minnetonka Independent School District #276 met in regular session at 7:00 p.m. on Thursday, March 9, 2023 in the Community Room at the District Service Center, 5621 County Road 101, Minnetonka, Minnesota. Chairperson Lisa Wagner presided. Other Board members present were: Mark Ambrosen, Patrick Lee-O'Halloran, Mike Remucal, Meghan Selinger and Superintendent David Law, ex officio. Absent: Katie Becker and Chris Vitale. The meeting was also livestreamed on the District's YouTube channel.

Prior to the meeting, the Board recognized, via a video, the following groups and individuals: Varsity Cheerleading National Champions; JV Cheerleading state qualifiers; Middle School Cheerleading state qualifiers; Boys Alpine Ski state champions and Girls Alpine Ski state qualifiers; Boys and Girls Nordic ski state qualifiers; One Act Play state champions for "Honk and Holler"; E Sports state qualifiers and state champions; First Lego League state qualifiers and state champions; MHS Science Bowl state qualifiers; Middle School Science Bowl state champions and national qualifiers from MME; Middle School Math Counts state qualifiers; Regional Scholastic Art and Writing award winners; MHS Music Listening state qualifiers; Middle school honors orchestra state qualifiers; and Grand Prize winner of the Minnetonka Symphony Orchestra Young Artists Competition.

Chairperson Wagner then called the meeting to order and asked that everyone stand and recite the Pledge of Allegiance to the Flag.

**1. AGENDA**

Ambrosen moved, Selinger seconded, that the School Board approve the agenda, as presented. Upon vote being taken thereon, the motion carried unanimously.

**2. VIEWING OF VISION VIDEO**

In 2022, the Minnetonka School Board members worked together to update the Board's *Our Vision for the Future* document, which charts a path for the future of the Minnetonka Public School District.

As noted in the *Vision* document, Minnetonka Schools has earned a reputation for excellent teaching, exceptional student achievement and outstanding fiscal management, and the School Board feels that ensuring that this legacy continues is the heart of their job as elected representatives for the District. The Board shared that its vision enables the District to be a world-class, child-centered public school system of which each student, parent, staff member, administrator, alumni and community member can be proud.

*Our Vision for the Future* was published, and copies were distributed to staff members throughout the District and to each school and building to display in their lobbies. An electronic copy is on the District website, and highlights of the document were shared in the District's 2022 Annual Report. The Board tasked the District with creating a companion video of *Our Vision for the Future*, to be shared with new employees and to be housed on the District website as an encapsulated version of the Board's vision.

Executive Director of Communications JacQui Getty shared the video with the Board and the viewing public. Chairperson Wagner thanked the communications team, and in particular, videographer Andy Smith, for creating the video.

### 3. **SCHOOL REPORT: EXCELSIOR ELEMENTARY**

Excelsior Elementary is proud to be the first elementary chapter of Best Buddies in the State of Minnesota. Excelsior's Harbor Program Teacher Kelly Pederson organized and piloted Best Buddies at Excelsior. These efforts have changed lives and engaged students in a whole new way. Excelsior Principal Stacy DeCorsey and her staff shared information and showed a video about the program. Chairperson Wagner thanked Principal DeCorsey and all of the special guests (parents and students) in attendance for the school report.

### 4. **TONKA ONLINE UPDATE AND SCHOOL REPORT**

The District is in the second year of offering Tonka Online Comprehensive, an online learning program for students in grades K-12. This program is designed to offer innovative Minnetonka-developed curriculum taught by highly qualified Minnetonka teachers to any student in Minnesota through an online delivery model. Associate Superintendent for Instruction Dr. Amy LaDue presented updates on enrollment and staffing for this year and next and on the marketing efforts in support of the program.

Assistant Director for Tonka Online Joe Hessburg spotlighted the K-8 Tonka Online full e-learning program. He highlighted how Tonka Online provides a high-quality alternative to in-person learning. He explained how Tonka Online prioritizes meeting the needs of the whole child by offering opportunities for connection and social development, while ensuring the same high level of instruction and learning expected in Minnetonka Schools. The District continues to promote the program as we seek to enroll students for the 2023-24 school year.

Board member Lee-O'Halloran thanked Dr. LaDue and Mr. Hessburg for providing a lens into what happens in Tonka Online classrooms, which helps the Board to understand and make decisions about the program.

### 5. **COMMUNITY COMMENTS**

Chairperson Wagner noted that this opportunity for comment was available to community members who wished to address the Board on any item on that night's agenda. No one responded to this invitation to speak.

## 6. **NUTRITION SERVICES STAFFING AND FOOD CHOICE UPDATE**

Supervisor of Nutrition Services Jane Bender and Assistant Supervisor of Nutrition Services Kristen Turnblad updated the School Board and the community regarding Nutrition Services staffing activities and food choice activities in Fiscal Year 2022 and Fiscal Year 2023. They highlighted way the team is being creative and intentional in its efforts to recruit staff and provide great meals for students. Board Vice Chairperson Selinger asked whether there is talk about adding a vegetarian option as a second option. Ms. Bender said that is challenging with staffing, but they are trying to put out more ala carte vegetarian options and that they will continue to look at ways to provide more of them as an increasing number of students seem interested in that.

## 7. **MTSS UPDATE**

Minnetonka is committed to implementing a Multi-Tiered System of Supports (MTSS) Framework with fidelity across all programs. In striving for continuous school improvement, this process will continue to evolve as we strive to respond to the needs of our students consistently and systematically. MTSS is a framework focused on delivering high quality instruction in the area of academics, as well as social and emotional learning. This continuous-improvement process relies on data-based decision-making and problem solving across all levels of the educational system to support students. The framework supports alignment and integration of various District operations and systems to facilitate efficiency and effectiveness in order to maximize student success.

The most important aspect of an MTSS framework is an aligned system that ensures high quality core instruction for all students, which encompasses academics along with social and emotional development. Utilizing the findings from Phase 1 and 2 of the MTSS evaluation and priorities for the District, a 3-year implementation plan was developed. The action plan for Year 1, the 2022-23 school year, is organized by three key elements: Infrastructure and Support, Assessment and Decision Making, and Multi-level Instruction. Within each element areas of need and action steps are outlined. The District continues to partner with the Center for Applied Research and Educational Improvement (CAREI) at the University of MN for this work.

Associate Superintendent for Instruction Dr. Amy LaDue and Executive Director of Special Education Christine Breen presented an update, with the help of Director of Assessment Dr. Matt Rega and Director of Health Services Annie Lumbar Bendson, on where the District is at with its MTSS work, including highlights on infrastructure and support, social and emotional learning progress, multi-level instruction, professional development for MTSS, site-specific efforts and next steps. Chairperson Wagner said it's great to provide a lot of these tools and to hear more and more about them. She asked about the overall reaction from staff in their understanding of all that MTSS has been and is trying to accomplish. Dr. LaDue said there has been good progress in helping teachers and staff to know and understand their role in these efforts and how all the pieces of what we're doing in the District fit together. This is ongoing work.

## 8. **ADOPTION OF FY24 HEALTH AND DENTAL INSURANCE PREMIUMS**

Executive Director of Finance and Operations Paul Bourgeois presented this item to the Board. He began by saying that the District has been self-insured for employee health and dental insurance since July 1, 2002. Self-Insurance for health and dental benefits means the District has its own plan for health and dental benefits, and then contracts out third-party administration for the adjudication of claims. Premiums are contributed by employees out of the bi-weekly paychecks and by matching amounts from their fringe benefits compensation.

The School Board are the Trustees of the Self-Insurance Fund. There is a self-insurance advisory committee made up of representatives of all the employee groups of the District. This body makes recommendations to the School Board on annual premium levels and plan benefit levels for the School Board to consider when they are setting the annual premium rates and any plan design changes.

The Self-Insurance Fund has been very beneficial to both the District and employees. Since its inception, annual premium increases have averaged 3.17% over the first 22 years of the Self-Insurance Fund. In FY22, the Self-Insurance Fund finished the year with a cash balance of \$12,736,837 and a fund balance after liability accruals of \$10,643,467. Over Fiscal Years 2020 through 2022, because of the COVID-19 Pandemic muting medical activity, the Self-Insurance Fund ended up with higher than normal year end surpluses. In normal years, premium levels are set at an amount that would generate a break-even to slightly above break-even level of surplus. During those three fiscal years, surpluses totaled a cumulative \$5,537,971.

As a result, premium levels for FY23 were left at the same level as the prior year for the second year in a row. In FY23, the Self-Insurance Fund is projected to utilize approximately \$1,400,000 of those additional surplus funds to cover all expense of the Fund, in effect “giving back” a portion of the larger-than-normal surplus from Fiscal Years 2020 through 2022.

Looking forward to FY24, medical claims trend (CPI) is projected to increase at 7.4% and pharmacy claims trend is projected to increase by 9.8% according to the Segal Health Plan Cost Trend Survey.

There is also the backdrop of the overall inflation rates for the country which is impacting health care provider costs. Per the Bureau of Labor Statistics, the Calendar Year 2021 inflation rate was 7.0%, and the Calendar Year 2022 inflation rate was 6.5%, so a compounded 13.5% over two years. Inflation is projected to be “sticky” for calendar 2023 and into calendar 2024, so it will impact the FY24 Self-Insurance Plan Year.

In light of these inflationary pressures, coupled with the fact that health insurance usage is returning to pre-Pandemic levels, the initial CBIZ Actuaries recommendation for health insurance premium increases for FY24 was for a 13% increase to break even for the year.

Several plan options were looked at to see if what impact changes would have on that projected increase. The most productive one is a modest \$10 per prescription copay increase for the Base Plan and VEBA HRA Open Access plan to \$25 for generic prescriptions, \$55

for formular prescriptions and \$95 for non-formulary prescription for projected savings of \$342,334 or 2%. Of note, 93% of all Self-Insurance Fund prescriptions are for generic drugs. This change reduces the projected rate increase to balance FY24 down to 11%.

In light of the fact that there will still be a significant amount of the FY20 through FY22 surpluses remaining after FY23, it is possible to use some of that surplus to moderate the premium increase by approximately 3%. This would entail using approximately \$551,675 of the Self-Insurance Fund reserves that built up from the FY20-FY22 period. The resulting premium increase recommendation is for an 8% premium increase for FY24. For the Dental Plan, the proposed premium increase is 4%.

Rates for FY2024 are proposed as follows:

| Base Plan Perform Network   | FY23    | FY24    | Change |
|-----------------------------|---------|---------|--------|
| Employee                    | \$727   | \$785   | \$58   |
| Employee + 1                | \$1,235 | \$1,334 | \$99   |
| Family                      | \$1,735 | \$1,874 | \$139  |
| VEBA HRA Plan Open Access   | FY23    | FY24    | Change |
| Employee                    | \$672   | \$726   | \$54   |
| Employee + 1                | \$1,144 | \$1,236 | \$92   |
| Family                      | \$1,608 | \$1,737 | \$129  |
| HD HSA Plan Open Access     | FY23    | FY24    | Change |
| Employee                    | \$605   | \$653   | \$48   |
| Employee + 1                | \$1,028 | \$1,110 | \$82   |
| Family                      | \$1,446 | \$1,562 | \$116  |
| Smart Care HD HSA Care Lane | FY23    | FY24    | Change |
| Employee                    | \$547   | \$591   | \$44   |
| Employee + 1                | \$929   | \$1,003 | \$74   |
| Family                      | \$1,306 | \$1,410 | \$104  |

| Dental Plan | FY23  | FY24  | Change |
|-------------|-------|-------|--------|
| Employee    | \$43  | \$45  | \$2    |
| Family      | \$106 | \$110 | \$4    |

Mr. Bourgeois noted that the Self-Insurance Advisory Committee met on February 15, 2023 to review these options and voted 10-0 to recommend to the School Board that for FY24, medical premiums be increased 8%, pharmacy copays be increased \$10, and dental premiums be increased 4%.

Remucal moved, Selinger seconded, that the Board approve the following motion:

*BE IT RESOLVED, that the School Board of Minnetonka Independent School District 276 does hereby set Health Insurance Premium rates and Dental Insurance Premium rates for the Self-Insurance Trust Fund for Fiscal Year 2024 at an increase of 8% for Health Insurance Premiums over Fiscal Year 2023 rates and an increase of 4% for Dental Insurance Premium rates over Fiscal Year 2023 rates.*

Upon vote being taken thereon, the motion carried unanimously. Chairperson Wagner thanked Mr. Bourgeois and the members of the committee for their hard work.

#### **9. APPROVAL OF AMENDED COMMUNITY EDUCATION BUDGET**

Minnetonka Community Education continually monitors revenue and expenses throughout the year, and typically makes mid-year budget adjustments in revenue and expense projections after the first 6-7 months of the year. The original MCE budget is annually put together in the spring of the year and presented to the School Board in May and June.

As Executive Director of Community Education Tim Liftin explained, since the original budget was approved, MCE had the need for increased expenditures in general supplies, classroom supplies, equipment, and miscellaneous needs. Those increases were due in part to the installation of the new MCEC playground, the purchase and installation of a new MCEC gym climbing wall, 20 new hallway cubbies, and a growth in students in Explorers. Additionally, overall participation in MCE has been very good so far this year which affects both sides of the ledger. The bottom line for 2022-23 has closed nicely with this revised budget. Originally, MCE was looking at a loss of \$235,112. Thanks to increased participation and other savings in MCE, this loss is now expected to be \$50,520. This one-year projected loss of \$50,520 for 2022-23, will be absorbed by the existing MCE fund balance.

The MCE Revised Budget indicates the following changes:

*Revenue: An increase of \$1,423,102 in revenue is anticipated in the revised budget proposal compared to the original budget.*

*Expense: Extra expenditures of \$1,238,510 are anticipated in the revised budget proposal compared to the original budget.*

Ambrosen moved, Lee-O'Halloran seconded, that the Board approve the revised budget. Upon vote being taken thereon, the motion carried unanimously.

#### **10. CONSENT AGENDA**

Lee-O'Halloran moved, Ambrosen seconded, that the School Board approve the following recommendations included within the following Consent Agenda items:

- Minutes of February 9, 2023 Regular Meeting and March 2, 2023 Closed Session
- Study Session Summary of March 2, 2023

- Payment of Bills – in the sum of \$14,692,257.13.
- Recommended Personnel Items
- Gifts and Donations for February 2023: \$40.00 from Target c/o CyberGrants, LLC to be placed in the Deephaven Elementary School Principal Discretionary Fund. \$5.00 from Charities Aid Foundation America c/o CyberGrants, LLC to be placed in the Minnewashta Elementary School Principal Discretionary Fund. \$11.54 from the Blackbaud Giving Fund, \$7.73 from Charities Aid Foundation America c/o CyberGrants, LLC, and \$33.32 from FrontStream, all to be placed in the Groveland Elementary School Principal Discretionary Fund. A 2007 Buick Tarraza from Sean Sommerfeld to be placed in the MHS MOMENTUM Program. \$48.62 from the Rickenbach Family and \$325.00 from Martha Escobar, both to be placed in the Scenic Heights Elementary School Principal Discretionary Fund. \$450.00 from the Blackbaud Giving Foundation to be placed in the MHS Principal Discretionary Fund. \$200.00 from Village Animal Hospital to be placed in the MHS Heart Week Fund. \$1,000.00 from Haug Enterprises, Inc./Cub Foods Minnetonka to be placed in the MHS Theater Fund. \$100.00 from Amanda Little to be placed in the MHS Dr. Dennis Peterson Scholarship Fund. Uniforms from Heather and Greg Hicks to be given to the Minnetonka Unified Basketball Team. \$2,000.00 from the Kopp Family Foundation to be placed in the MCEC Random Acts of Kindness Fund. \$21,000 from the Groveland Elementary PTO to be placed in the Groveland Elementary School Field Trip Fund. \$2,825.50 from the Groveland Elementary PTO to be placed in the Groveland Elementary School Spanish ENIL Book Fund. \$3,138.24 from the Minnewashta Elementary PTO to be placed in the Minnewashta Elementary School Field Trip Fund. \$5.60 from the Blackbaud Giving Foundation to be placed in the MMW Principal Discretionary Fund. \$475.00 from Charities Aid Foundation America c/o CyberGrants, LLC to be placed in the MHS Robotics Team Fund. \$500.00 from the Clear Springs Elementary PTO to be placed in the Minnetonka Schools Parenting with Purpose Fund. \$2,000.00 from the Deephaven Elementary PTO to be placed in the Deephaven Elementary School Book Room Fund. Total Gifts and Donations thus far for 2022-23: \$471,221.73.
- Electronic Fund Transfers
- Approval of Board Member Meghan Selinger's Work Assignment
- Approval of Group Life and Long-Term Disability Insurance Contract Renewal
- Approval of MMW Stormwater Pond Maintenance Agreement with the City of Chanhassen

Upon vote being taken on the foregoing Consent Agenda items, the motion carried unanimously, with Vice Chairperson Selinger abstaining from the vote.

## 11. **BOARD REPORTS**

Board Treasurer Lee-O'Halloran said the CASE (Community Action for Student Education) committee will have a Day at the Capitol on March 20 with parents and community members interested in meeting with legislators to convince them to reinvest in education. The group will meet at the District Service Center and carpool to the capitol together where they will

have meetings set up with legislators. Those interested should email the Communications Department at [communications@minnetonkaschools.org](mailto:communications@minnetonkaschools.org) for more information.

Board Vice Chairperson Selinger gave an update about the ECFE and Preschool PTO meeting she attended. She said Minnetonka Preschool and ECFE is open for fall but filling fast. On March 15 it's ECFE Day at the Capitol from 10-11AM. Teacher grants are due March 31. There's a parent outreach playdate on April 15th. And the spring fair with food trucks, a band and silent auction is May 12 from 5-7:30PM.

Board member Ambrosen said the Board is in the final stages of scheduling school visits over the next few months to meet with the schools' PTO and PTA groups.

## 12. **SUPERINTENDENT'S REPORT**

Superintendent Law congratulated the MHS boys' hockey team, winning in overtime that evening. He also congratulated all of our students in their activities and athletics as they complete their seasons.

## 13. **ANNOUNCEMENTS**

Chairperson Wagner noted that the Board had made changes to the Community Comments and Citizen Input guidelines for Board meetings and study sessions. Addresses of speakers are now optional, and check boxes have been added for speakers to tell the Board how they are connected to the district. There is also more clarity about Board follow-up with speakers and how that works. She said the Board looks forward to continued input from members of the public.

## 14. **ADJOURNMENT**

Ambrosen moved, Selinger seconded, adjournment at 9:17 p.m. Upon vote being taken thereon, the motion carried unanimously.

  
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Katie Becker, Clerk