

Date: December 1, 2016
To: School Board
From: Dr. Malone
RE: Meeting Notes, December 5, 2016

2A. Superintendent's Report

- i. All School Board members are registered for the MSBA Conference Thursday, January 12th and Friday, January 13th. The theme this year is "Courageous Leadership." The keynote speakers are Alan Blankstein and Alan Page. This is an excellent professional development opportunity and I encourage board members to attend. If you cannot attend, please notify me by Friday, December 9th so that we can cancel your room at no charge to the district.
- ii. Becker Innovates Update: The Big Dog Challenge winners participated in a Design Thinking workshop on November 10th. The workshop was conducted by ignite! Innovate, our school district's innovation partner.

Each the Big Dog Challenge winners has formed a team. The teams are working through the Design Thinking process to figure out how to test their idea on the smallest possible scale (create an MVP). To move their ideas forward to piloting, the teams are working to establish desirability, feasibility, and viability.

The teams will meet again on December 15th. Our tentative schedule is to establish MVPs at the end of January with piloting and data collection beginning in March.

- iii. An MMR progress update is attached.
- iv. An update of The High School Program Review Committee is attached.
- v. The Activities Committee reviewed the additional funding for activities, which the school board approved on May 2, 2016. The committee was appreciative of the additional \$42,000 of support and is satisfied with the allocations as determined by the school board.
- vi. Community Solar Garden Subscription Agreement: The district has signed an agreement with US Solar to subscribe in two Community Solar Gardens (CSGs). The agreement allows us to subscribe to up to 6,000,000 kWh of electricity, which is approximately 105% of our annual consumption. Our subscription rate is a

flat rate of \$0.1174 per kWh for 25 years. We will pay this amount to US Solar on a monthly basis for our share of the energy produced by these CSGs. In turn, we will receive a monthly bill credit from Xcel Energy for this same energy. The current bill credit is the same as our subscription rate, however this is expected to increase by at least 2.5% annually (as the cost of power increases) while our subscription rate will remain the same for 25 years. There are no “out-of-pocket” costs to the district; we only pay for energy that we receive bill credits for. The CSGs we are subscribing to are located in Sartell and Sauk Rapids and are anticipated to be producing energy by fall 2017. Anticipated cumulative savings over 25 years are approximately \$5,000,000, assuming a 2.5% inflationary increase in the cost of power (our bill credit) and a 0.5% degradation in the amount of power our panels are able to produce annually. Our initial savings will be about \$15,000-\$20,000 annually.

vii. The next school board meeting will be January 9th because January 2nd is a legal holiday.

3. Consent Agenda

D. I recommend approving the personnel items as presented.

E. Policy 706 Acceptance Of Gifts permits the school board to accept donations or gifts under the terms of the policy. I recommend accepting the gifts as described on the enclosure.

F. MS 120B.11 requires the school board to adopt the prior year World’s Best Workforce Report Summary. I recommend adopting the 2015-16 World’s Best Workforce Report Summary.

4. KDV, the school district auditors, will present the 2016 financial audit. The audited general fund summary is shown below.

	7/1/15	2015-16			6/30/16
	Beginning Fund Balance	Revenues and Other Funding Sources	Expenditures	Net change Fund Bal.	Ending Fund Balance
General Fund	\$561,961	\$28,453,469	-\$28,514,021	\$-60,552	\$501,409

Joe Prom and I recommend approving the FY 16 financial audit as presented. The June 30, 2016 unassigned fund balance is 2% of expenditures. This represents a \$95,346 increase from last year. District Policy 714 Fund Balances states that the school district will strive to maintain a minimum unassigned general fund balance of 8%. (KDV PowerPoint attached.)

5. Truth and taxation information will be presented by Joe Prom, Director of Business Services. **I recommend approving the payable 2017 levy in the amount of \$9,704,974.** This represents a .07% decrease in comparison to the 2016 levy.
6. The first reading of Policy 223 Strategic Goals was last month. I have received no public input regarding the policy. **I recommend adopting Policy 223 Strategic Goals.**
7. **I recommend closing the meeting under the authority of MS 13D.03 to discuss negotiations strategy.**

Please contact me with any questions or concerns.