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Executive Director's Report to the Board

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COVID Cases

This week saw the first example of a public school in the metro transitioning to a distance learning model. Nova continues to monitor the quarantines and positive COVID-19 cases within our school community. Through September 17, we had six positive cases of Nova students as well as two positive cases involving staff members. Each of the six student cases occurred in the Lower School. At this point, we are not seeing evidence of any spread of COVID-19 during the school day, but we will continue to monitor as we move forward.

Arbitrage Rebate Calculations

For bond compliance purposes, Nova must have a bond rebate calculation completed every five years to determine if any of the accounts set up from our bonding processes have had returns that switch them from being untaxable to taxable. Nova will be engaging with The Arbitrage Group to complete an analysis of the funds from the 2011 and 2016 bonds. The work has not yet been completed as the five year snapshot window that is analyzed runs through September 30th of this year, however, enough of the work has been completed to determine that Nova will not have any positive arbitrage which means that there will not be any funds that are changing to taxable funds.

Federal Mask Mandate

As many of you know, the Biden administration has announced a rule which would mandate vaccines or weekly testing for employers with over 100 employees. As Nova has over 100 employees we do anticipate that this will impact our organization. In the coming days we will be looking for any available guidance from the Department of Labor as well as the various legal opinions we typically review to determine the best way to move forward with this mandate.

Unsealing of Health Insurance Bids

I previously sent the following message to members of the Board "We are in the process of renewing health insurance for the upcoming calendar year. This is a Health Insurance Transparency and Accountability year for Nova (the year that we need to receive sealed bids). The bids that were received were unsealed this afternoon. We have not yet had a chance to complete a side by side analysis of the bids, but what we have seen so far is very positive. We had 7 companies that were willing to bid the insurance this year as opposed to 3 the last time that we went through this process. We are not yet ready to make a recommendation on which company to move forward with, but I can say with reasonable confidence that our worst case scenario is bringing the Board a proposal that has a rate **decrease.**" Since that time, we have met with our Broker to discuss how to move forward. We have asked all of the companies that bid to provide their best and final proposals. We intend to make a recommendation to the Board at the next meeting.

Audited Numbers

The audited numbers from FY21 were shared with me this week. The net income in last year's final revised budget was \$385,000. The audited actual net income for FY21 will be \$535,000. This is a difference of \$150,000. The budgeted net income doesn't include the \$339,000 in staff costs related to the Board Approved Retain the Best Plan. In essence, this means that Nova finished the year \$489,000 better than our budget expected us to but have already reallocated \$339,000 of that to the Retain the Best Plan. We are working to have the audit presented to the Board by the October meeting.

SchoolDigger Rankings

SchoolDigger is an organization that helps parents evaluate school options for their students. SchoolDigger recently released its 2021 Rankings. They had Nova Lower School ranked 68th out of 856 elementary schools in Minnesota. Nova Upper School was ranked 1st out of 425 high schools. As a whole, Nova ranked 4th out of 430 districts/charter systems. These are big celebration points for Nova.

