

**Independent School District 720
Shakopee, Minnesota**

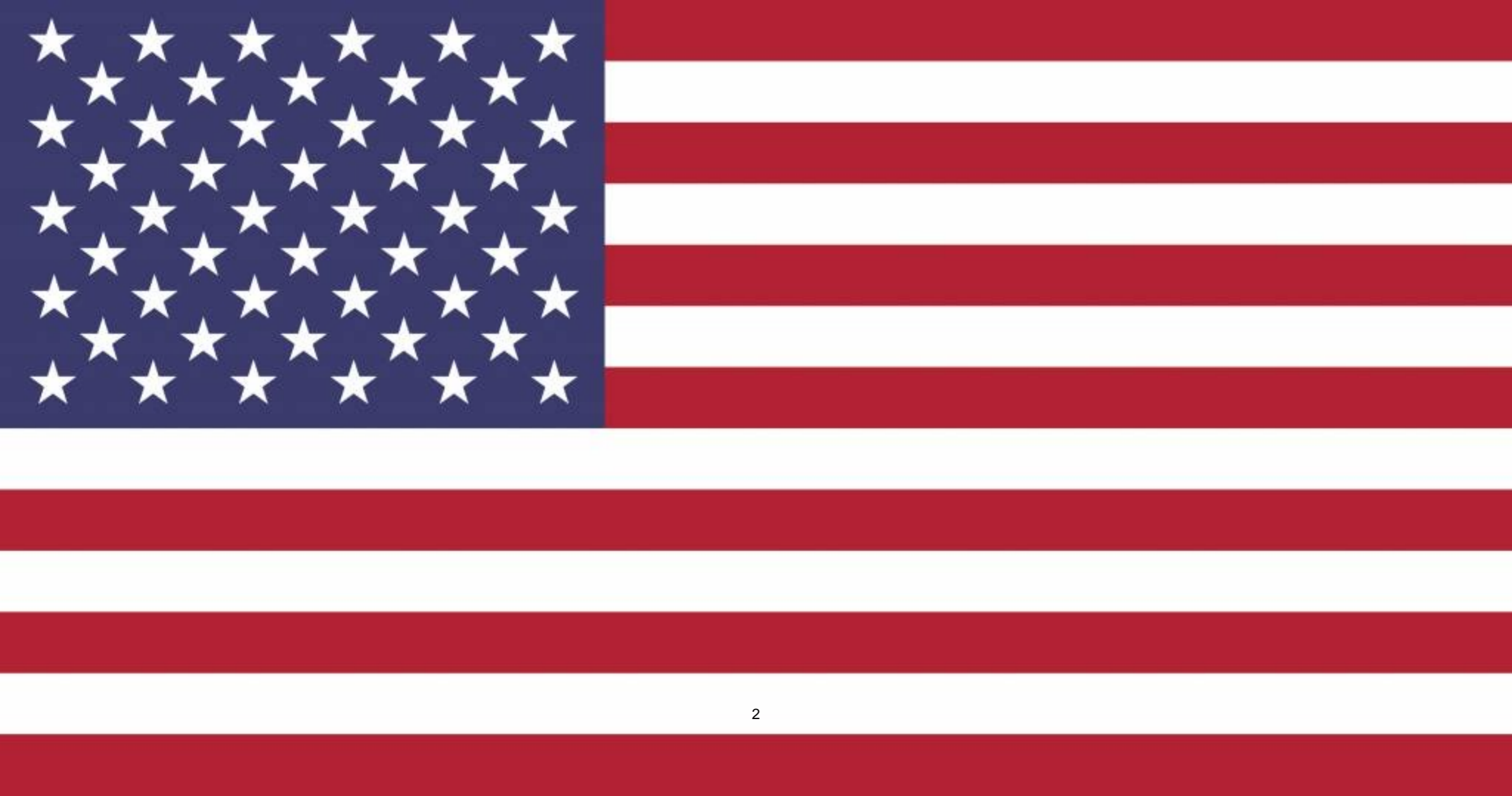
**Board Meeting Room
February 8, 2021**

6:00 PM



BOARD OF EDUCATION

1. CALL TO ORDER SCHOOL BOARD BUSINESS MEETING AND ROLL CALL - CHAIR
PETERSON
2. PLEDGE OF ALLEGIANCE 2
3. SABER PRIDE 3
Kristi Peterson, School Board Chair
4. CONSIDERATION OF AGENDA AS PRESENTED
5. PUBLIC COMMENT
6. INFORMATION: Pandemic Response Update
Mike Redmond, Superintendent of Shakopee Public Schools
7. INFORMATION: Bond Refunding 4
Bill Menozzi, Director of Finance and Operations
8. INFORMATION: Structural Budget Deficit and "One Time" Revenue
Mike Redmond, Superintendent of Shakopee Public Schools
9. INFORMATION: Budget Cuts Do Not Fully Correct Structural Budget Challenges
Mike Redmond, Superintendent of Shakopee Public Schools
10. INFORMATION: Budget Cuts -- General Update
Mike Redmond, Superintendent of Shakopee Public Schools
11. COMMITTEE REPORTS & OTHER INFORMATION
12. UPCOMING MEETINGS AND IMPORTANT DATES
13. ADJOURNMENT



SHAKOPEE CAPS INTERNSHIPS

Adam
Lunn



Kwesi
Nyame



Brenna
Bieniek

Tyler
Muchow



Rachael &
Pamela

SHAKOPEE PUBLIC SCHOOLS UPDATE ON BOND REFUNDING

Bill Menozzi
Director of Finance & Operations
February 8, 2021



INDEPENDENT SCHOOL DISTRICT #720 SHAKOPEE PUBLIC SCHOOLS BOND REFUNDING DEFINED

Refunding occurs when an entity that has issued callable bonds calls those debt securities from the debt holders with the purpose of reissuing new debt at a lower coupon rate.

The new, lower-interest rate debt achieves interest rate savings that go back to Shakopee District taxpayers.

Over the last twelve months, the Shakopee School District's 2020D and 2021A refunding bonds will yield property tax savings of \$6.79 million over the next 15 years.



INDEPENDENT SCHOOL DISTRICT #720 SHAKOPEE PUBLIC SCHOOLS REFUNDING BOND OVERVIEW

| Refunding Bond | Original Issue | Taxpayer Savings | Net Present Value Savings | Other |
|----------------|----------------------|------------------------------|---------------------------|---|
| 2020D | 2012A | \$1.35 Million | 7.41% | Current Refunding Via Competitive Sale |
| 2021A | 2013A, 2015A & 2015B | \$5.44 Million | 6.17% | Advance Refunding Via Negotiated Sale Wells Fargo |
| TOTAL | | <u>\$6.79 Million</u> | | |

Annual taxpayer savings on the 2020D bond begin in taxes payable 2022. Taxpayer savings on the 2021A bond begin in 2023.



INDEPENDENT SCHOOL DISTRICT #720 SHAKOPEE PUBLIC SCHOOLS SCHOOL DISTRICT CREDIT RATING

On January 19, 2021, Shakopee Schools was awarded a bond credit rating upgrade from Moody's Investor Services from Baa1 to A3.

The ratings rationale was based on planned structural adjustments to balance general fund operations going forward, as well as improved liquidity from fiscal year 2020.

The bond credit rating upgrade from Moody's had a positive impact on Shakopee Schools ability to refund our debt and save taxpayer money.

Please feel free to contact the Shakopee Schools finance department for additional information on bond refundings, or to view the Moody's rating action press release in additional detail.



QUESTIONS?

