

School Board Work Session

Monday, February 12, 2024 6:00 PM

District Office Board Room, Teleconference, URL:, Shakopee, MN 55379

1. CALL TO ORDER SCHOOL BOARD WORK SESSION AND ROLL CALL - CHAIR SMITH

2. PLEDGE OF ALLEGIANCE

3. SABER PRIDE

3.1. Moment of Silence - Evan Martin

Presenter: Jeff Smith

3.2. Shakopee Public Schools Teacher of the Year
Candidates

Presenter: Jeff Smith

3.3. School Board Recognition Month

Presenter: Tiffany
Olson, Director of
Communications &
Strategic Development

4. CONSIDERATION OF AGENDA AS PRESENTED

5. PUBLIC COMMENT

6. CONSENT

6.1. Master Lease Agreement with Apple

7. INFORMATION

7.1. Final Report on Tender Refunding

Presenter: Bill
Menozzi, Director of
Finance

7.2. Eagle Creek & Sun Path Student Learning in
Action

Presenter: Stephanie
Baker - Eagle Creek
Elementary Principal
and Patrick Leonard,
Sun Path Elementary
Principal

8. SECOND READING

8.1. Policies

Presenter: Jeff
Smith, Chad Johnson

9. INFORMATION

9.1. District Update

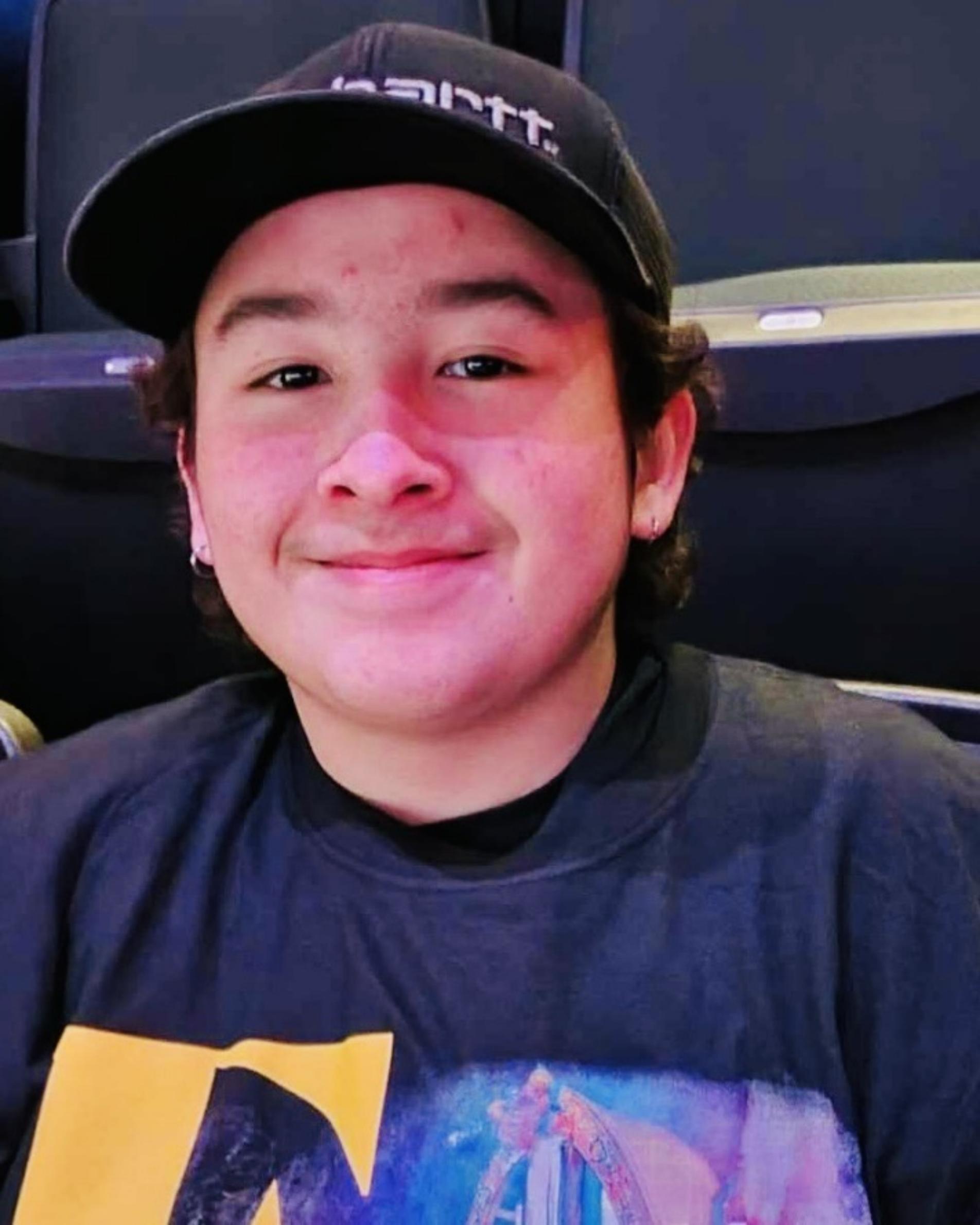
Presenter: Mike
Redmond

10. COMMITTEE REPORTS & OTHER INFORMATION

11. UPCOMING MEETINGS & IMPORTANT DATES

12. ADJOURNMENT





Shakopee Teachers in the News

2024 Minnesota Teacher of the Year Candidates



Rebecca Garvin

Eagle Creek
Elementary
School



Amy Rutter

Jackson
Elementary
School



Jennifer Johnson

Eagle Creek
Elementary
School



Kristina Pappas

Eagle Creek
Elementary
School



**Independent School District No. 720
Schedule No. 4 to
Master Lease Purchase Agreement dated May 15 2014**

Closing Index

#	Document	Required to Ship	Required to Close
1.	Master Lease Purchase Agreement.....	Copy of existing Master Lease Purchase Agreement dated May 15, 2014 included for reference	
2.	Ex. A - Equipment and Lease Payment Schedule.....	Yes	Yes
3.	Ex. B - Acceptance Certificate.....		Yes
4.	Ex. C - Board Resolution or Meeting Minutes	Yes	Yes
5.	Ex. D - Bank Qualified Designation (pertains to 8038-G).....		Yes
6.	IRS Form 8038-G or 8038-GC		Yes
7.	Ex. E – Lease Payment Instructions.....		Yes
8.	Ex. F - Insurance Coverage Requirements (informational).....		n/a
9.	Insurance Certificate evidencing coverage.....		Yes
10.	Ex. G - Incumbency Certificate	Yes	Yes

Please call Connie George at (480) 419-3609 with any questions.

Original Closing Documents

- Once documents are signed, please first provide scanned copies of the above items to CGeorge@bankunited.com
- Then mail the originals to

**Apple Financial Services
Attention: Connie George
8377 East Hartford Drive, Suite 115
Scottsdale, AZ 85255**

EXHIBIT A

Schedule No. 4 Dated April 5 2024 to Master Lease Purchase Agreement Dated May 15 2014

This Schedule No. 4 ("Schedule") is entered into pursuant to that Master Lease Purchase Agreement dated May 15 2014 ("Master Lease"), and is effective as of April 5 2024. All of the terms and conditions of the Master Lease, including Lessee's representations and warranties, are incorporated herein by reference. Unless otherwise indicated, all capitalized terms used but not otherwise defined herein shall have the same meaning as set forth in the Master Lease.

To the extent that less than all of the Equipment subject to this Schedule has been installed and accepted by Lessee on or prior to the date hereof, Lessee hereby acknowledges that a portion of the Equipment has not been delivered, installed and accepted by Lessee for purposes of this Lease. In consideration of the foregoing, Lessee hereby acknowledges and agrees that its obligation to make Lease Payments as set forth in this Schedule is absolute and unconditional as of the date hereof and on each date and in the amounts as set forth in the Lease Payment Schedule, subject to the terms and conditions of the Lease.

Lessee expressly represents that at least ninety-five percent (95%) of the financing cost set forth in this Schedule is being used to acquire Equipment that will be capitalizable for federal income tax purposes

EQUIPMENT INFORMATION	
Computer Hardware--See attached Exhibit 1.	

LEASE PAYMENT SCHEDULE						
Pmt #	Payment Date	Payment Amount	Interest	Principal	Purchase Price after scheduled payment(s)	Outstanding Balance
	4/5/2024					\$1,642,453.50
1	7/8/2024	\$547,484.50	\$0.00	\$547,484.50	\$1,116,868.38	\$1,094,969.00
2	7/8/2025	\$547,484.50	\$0.00	\$547,484.50	\$558,434.19	\$547,484.50
3	7/8/2026	\$547,484.50	\$0.00	\$547,484.50	\$0.00	\$0.00
Totals:		\$1,642,453.50	\$0.00	\$1,642,453.50	Rate 0.0000%	

Lessee acknowledges that the discounted purchase price for the Lease is \$1,608,111.06 and that such amount is the Issue Price for the Lease for federal income tax purposes. The difference between the principal amount of this Lease and the Issue Price is Original Issue Discount ("OID") for federal income tax purposes. The Yield for this Lease for federal income tax purposes is 1.6989% per annum. Such Issue Price and Yield will be stated in the Form 8038-G or 8038-GC, as applicable.

IMPORTANT: Read before signing. The terms of the Master Lease should be read carefully because only those terms in writing are enforceable. Terms or oral promises which are not contained in this written agreement may not be legally enforced. The terms of the Master Lease or Lease may only be changed by another written agreement between Lessor and Lessee. Lessee agrees to comply with the terms and conditions of the Master Lease and this Lease.

Commencement Date: April 5 2024

LESSOR: **APPLE INC.**

LESSEE: **INDEPENDENT SCHOOL DISTRICT NO. 720**

SIGNATURE: X _____

SIGNATURE: X  _____

NAME / TITLE: X _____

NAME / TITLE: X **Bill Menozzi - Director of Finance & Operations**

DATE: X _____

DATE: X 1/22/2024

EXHIBIT 1 – EQUIPMENT INFORMATION to Schedule No. 4
under Master Lease Purchase Agreement dated May 15 2014

Row #	Details & Comments	Qty
1	<p>10.2-inch iPad Wi-Fi 64GB-Space Gray (Packaged in a 10-pack), Brenthaven Edge 360 case, w/ 3YR AppleCare+ for Schools (no service fees) Part Number: BT7L2LL/A</p> <p>10.2-inch iPad Wi-Fi 64GB – Space Gray (Packaged in a 10-pack) Part Number: MK2Y3LL/A Quantity: 1,850</p> <p>3-Year AppleCare+ for Schools – iPad (no service fees) Part Number: 57831LL/A Quantity: 1,850</p> <p>Brenthaven Edge 360 Case for 10.2-inch iPad (7th, 8th, and 9th Generation) – Gray Part Number: HNW C2ZM/A Quantity: 1,850</p>	185
2	<p>13-inch MacBook Air: Apple M1 chip with 8-core CPU and 7-core GPU, 8GB, 256GB – Space Gray with 3-Year AppleCare+ for Schools (Packaged in a 5-pack) (No Service Fee) Part Number: BVSA2LL/A</p> <p>13-inch MacBook Air: Apple M1 chip with 8-core CPU and 7-core GPU, 8GB, 256GB – Space Gray (Packaged in a 5-pack) Part Number: MQTX3LL/A Quantity: 900</p> <p>3-Year AppleCare+ for Schools – MacBook Air (no service fees) Part Number: 58244LL/A Quantity: 900</p>	180
3	<p>AppleCare OS Support – Preferred (1 Year) Part Number: D5690ZM/A</p>	1
4	<p>Apple TV 4K Wi-Fi + Ethernet with 128GB storage Part Number: MN893LL/A</p>	200

The above Equipment includes all attachments and accessories attached thereto and made a part thereof.

EXHIBIT B

ACCEPTANCE CERTIFICATE

Re: Schedule No. 4, dated April 5 2024, (the "Schedule") to Master Lease Purchase Agreement, dated as of May 15 2014, between Apple Inc., as Lessor, and Independent School District No. 720, as Lessee.

Apple Inc. is hereby requested to pay the person or entity designated below as Payee, the sum set forth below in payment of a portion or all of the cost of the acquisition described below. The amount shown below is due and payable under the invoice of the Payee attached hereto with respect to the cost of the acquisition of the equipment and has not formed the basis of any prior request for payment. The equipment described below is part or all of the "Equipment" listed in the Schedule to the Master Lease Purchase Agreement referenced above. Receipt of this Acceptance Certificate allows Apple Inc. to commence the Lease and promptly pay Vendor(s) on behalf of Lessee. **THIS ACCEPTANCE CERTIFICATE DOES NOT AFFECT LESSEE'S RIGHTS UNDER THE PURCHASE ORDER OR PRODUCT WARRANTY.**

Payee Name: Apple Inc

<u>Description or Invoice #</u>	<u>\$ Amount</u>
---------------------------------	------------------

Lessee hereby certifies and represents to and agrees with Lessor as follows:

- (1) The Equipment described above has been delivered to Lessee or its service provider, which may include a third party integrator, and is accepted by Lessee on the date hereof.
- (2) Lessee has verified, or caused its service provider to verify, the contents of the Equipment delivered and hereby acknowledges that it accepts the Equipment described above for the purpose of commencing the Lease.
- (3) Upon partial acceptance, any undistributed funds shall be set aside in an internal escrow account for the benefit of Lessee until the remaining Equipment has been accepted. The internal escrow account will be provided free of charge with the understanding that any interest earned shall be retained by Lessor in consideration of managing the internal escrow account. Lessee acknowledges that Lessor may commingle such funds with other funds held by Lessor for its own account, so long as Lessor maintains segregation of such amounts on the books and records of Lessor.
- (4) Lessee is currently maintaining the insurance coverage required by Section 15 of the Master Lease.
- (5) No event or condition that constitutes, or with notice or lapse of time or both would constitute, an Event of Default or Event of Non-appropriation (each as defined in the Master Lease) under any Lease exists at the date hereof.

PARTIAL ACCEPTANCE CERTIFICATE (Only a portion of Equipment Has Been Accepted)

LESSEE: **Independent School District No. 720**

Signature: X _____

Printed Name/Title: X _____

Date: X _____

FINAL ACCEPTANCE CERTIFICATE (All Equipment Has Been Accepted)

LESSEE: **Independent School District No. 720**

Signature: X _____

Printed Name/Title: X Bryan Drozd - Director of Instructional Technology

Date: X 1/22/2024

PLEASE RETURN PAYMENT REQUEST TO:
 APPLE INC. ~ 8377 East Hartford Drive, Suite 115 ~ Scottsdale, AZ 85255

EXHIBIT C

RESOLUTION NO. 4 OF Independent School District No. 720
 AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY
 OF A MASTER LEASE PURCHASE AGREEMENT;
 AND APPROVING THE EXECUTION AND DELIVERY OF
 SCHEDULE NO. 4 TO THE MASTER LEASE PURCHASE AGREEMENT.

WHEREAS, the Independent School District No. 720 (the "the school district"), is authorized by the laws of the state of Minnesota (the "State") to enter into a lease purchase agreement in order to acquire personal property equipment and other property for governmental or proprietary purposes; and

WHEREAS, the school district has an immediate need to acquire and finance certain computer equipment, software, maintenance, and support services as applicable, which are more fully described on Exhibit A hereto (the "Equipment"); and

WHEREAS, in order to finance the costs of acquiring the Equipment, the school district desires to execute and deliver the Master Lease Purchase Agreement with Apple Inc. (the "Master Lease") and Schedule No. 4 thereto, which together constitute the "Lease"; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State, and requirements of the school district, to happen, exist and be performed precedent to, and as a condition of, the adoption of this Resolution have happened, exist and have been performed in the time and manner required to make this Resolution and the Master Lease and Lease valid and binding obligations of the .

NOW, THEREFORE, IT IS RESOLVED BY THE [Independent School District 720 (Shakopee)] AS FOLLOWS:

Section 1. The school district hereby authorizes and approves the execution and delivery of the Master Lease;

Section 2. The school district hereby authorizes and approves the execution and delivery of Schedule No. 4 to the Master Lease in an amount not to exceed \$1,642,453.50 for the purpose of financing the costs of the acquisition and installation of the Project;

Section 3. The persons of the listed below (each an " Authorized Officer") are each hereby authorized and empowered, for and on behalf of the school district, to execute, with such changes therein and modifications thereto as may be approved by the Authorized Officer executing the same, together with any contracts or agreements and certificates and other documents necessary or appropriate in connection therewith, as approved by such Authorized Officer, which approval will be conclusively evidenced by such Authorized Officer's execution and delivery thereof:

Name	Title

Section 4. The Authorized Officers are each hereby authorized and empowered, for and on behalf of the school district, to take such actions and execute, or attest, as the case may be, and deliver, such instruments, agreements and certificates as may be necessary or appropriate to consummate the transactions authorized and approved hereby.

Section 5. The appropriate officials and employees of the school district are authorized and directed to take all such actions as may be necessary and appropriate to carry out and perform the 's obligations and agreements pursuant thereto.

Section 6. All actions of the officers, agents and employees of the school district whether heretofore or hereafter taken that are in conformity with the purposes and intent of the foregoing resolutions be, and the same are hereby, in all respects, authorized, approved, ratified and confirmed.

PASSED AND ADOPTED BY THE [Independent School District 720 (Shakopee)] ON [DATE OF RESOLUTION] .

 Signatory

Attest: _____

District Clerk

EXHIBIT D

BANK QUALIFIED DESIGNATION

Schedule No. 4 to Master Lease Purchase Agreement Dated May 15 2014

Lessee hereby represents and certifies the following (please check one):

Bank Qualified [if Bank Qualified, also check the box on Line 39 of IRS Form 8038-G]

X Check this box if this Lease is designated as a "small issuer exception" under section 265(b)(3)(B)(i)(III). [Lessee reasonably anticipates that the total amount of tax-exempt obligations (including this Lease) to be issued by or on behalf of Lessee (or allocated to Lessee) during the April 5 2024 calendar year will not exceed \$10,000,000.]

Non-Bank Qualified [if Non-Bank Qualified, do not check the box on Line 39 of IRS Form 8038-G]

Check this box if Lessee has not designated this Lease as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code.

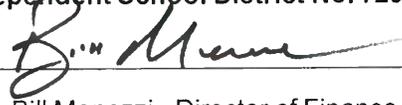
LESSEE: **Independent School District No. 720**
Signature: X 
Printed Name/Title: X Bill Menozzi - Director of Finance & Operations
Date: X 1/22/2024

EXHIBIT E

LEASE PAYMENT INSTRUCTIONS

Pursuant to the Master Lease Purchase Agreement dated May 15 2014 (the "Master Lease"), Schedule No. 4, between Apple Inc. (the "Lessor") and Independent School District No. 720 (the "Lessee"), Lessee hereby acknowledges the obligations to make Lease Payments promptly when due in accordance with the Lease.

LESSEE NAME: Shakopee Public Schools ISD #720 (Shakopee)

TAX ID#: 41-6007267

INVOICE MAILING ADDRESS: 1200 Shakopee Town Sq, Shakopee MN 55379

Mail invoices to the attention of: Bryan Drozd

Phone (952) 496-5174

Fax (952) 496-5193

Email: bdrozd@shakopee.k12.mn.us

Approval of Invoices required by: Bill Menozzi

Phone (952) 496-5011

Fax (952) 496-5193

Email: wmenozzi@shakopee.k12.mn.us

Accounts Payable Contact: Annie Barron

Phone (952) 496-5016

Fax (952) 496-5193

Email: abarron@shakopee.k12.mn.us

Processing time for Invoices: Net 30 Approval: _____ Checks: _____

Do you have a Purchase Order Number that you would like included on the invoice? No ___ Yes X PO# 680240090

Do your Purchase order numbers change annually? No ___ Yes ___ Processing time for new purchase orders: _____

LESSEE: **Independent School District No. 720**

SIGNATURE: X 

NAME / TITLE: X Bill Menozzi - Director of Finance & Operations

DATE: X 1/22/2024

EXHIBIT G

INCUMBENCY CERTIFICATE

Schedule No. 4 to Master Lease Purchase Agreement dated May 15 2014

Being a knowledgeable and authorized agent of the Lessee, I hereby certify to Lessor that the person(s) who executed the Master Lease and this Schedule are legally authorized to do so on behalf of the Lessee and that the signatures that appear on the Master Lease and Schedule are genuine.

LESSEE: Independent School District No. 720
Signature: X 
Printed Name/Title: X Mike Redmond - Superintendent
Date: X 1/22/2024

(THE INCUMBENCY IS TO BE EXECUTED BY A PERSON OTHER THAN THE SIGNER OF THIS SCHEDULE AND RELATED DOCUMENTS. THIS MAY BE A BOARD CLERK/SECRETARY, BOARD MEMBER OR SUPERINTENDENT.)

EXHIBIT F

INSURANCE COVERAGE REQUIREMENTS

Independent School District No. 720

- 1) Property Damage & Loss Coverage -
 - a) "All Risk" Physical Damage & Loss Insurance
 - b) Include: Policy Number, Effective Date and Expiration Date
 - c) **APPLE INC. and its Assigns** named "Loss Payee"
 - d) Endorsement giving 30 days written notice of any changes or cancellation.

LIMITS: The full replacement value of the equipment.

- 2) The Certificate Holder should be named as follows:

APPLE INC. and its assigns
8377 East Hartford Drive, Suite 115
Scottsdale, AZ 85255

FOR SELF INSURANCE:

Self-insurance is only permitted **with Lessor's prior written consent**. If Lessee intends to self-insure for the policies described above, Lessee should contact Lessor immediately to discuss its self-insurance program. If Lessor consents to Lessee's self-insurance program, Lessee agrees to provide a letter on Lessee's letterhead, addressed to **APPLE INC. and its Assigns**, and signed by an authorized official of the Lessee. The letter must refer to the Schedule under the Master Lease, briefly describe the program, and include information regarding the statute authorizing this form of insurance (with a copy of the statute attached to the letter).

ELECTRONIC SIGNATURE ADDENDUM

MASTER LEASE PURCHASE AGREEMENT DATED AS OF MAY 15, 2014

RECITALS

WHEREAS, Lessee and Lessor desire accept electronic signatures for the purposes of executing and delivering Leases under the Master Lease;

NOW THEREFORE,

1. Definitions. Each capitalized term used, but not defined, herein shall have the same meaning as when such term is used in the Master Lease. As used in this Addendum, "Master Lease" shall mean the Master Lease Purchase Agreement between Lessee and Lessor, as described above.

2. Electronic Signatures. "Electronic Signature" means any electronic symbol or process attached to or logically associated with a document sent by electronic transmission and executed and adopted by a party with the intent to sign such record, including electronic stamps, facsimile or e-mail electronic signatures. Lessee and Lessor acknowledge that any such Electronic Signatures will be applied by the duly authorized representative of the respective party with the intent to sign, authenticate and accept the Documents on behalf of such party. The parties agree that the transmission from one party to the other of a Document containing such parties Electronic Signature shall constitute evidence of its intent to sign such record. "Document" means the Master Lease, a Schedule, Exhibit, Acceptance Certificate, Escrow Agreement or any other related document or certificate (each a "Document").

Notwithstanding anything to the contrary in this Master Lease, Lessee and Lessor both intend that Documents containing the Electronic Signature of the Lessee and/or Lessor or when manually countersigned or attached to Lessor's original signature counterpart and/or in Lessor's possession shall constitute the sole original authenticated Document for all purposes (including without limitation the perfection of security interests and admissibility of evidence).

3. Effective Date. This Addendum is executed to be effective as of April 15, 2023.

4. Ratification of Master Lease. All other terms and conditions of the Master Lease not expressly modified hereby remain in full force and effect and are hereby ratified by the parties.

IN WITNESS WHEREOF, Lessee and Lessor have each caused this Addendum to be duly executed and delivered as of April 15, 2023.

LESSEE:

INDEPENDENT SCHOOL DISTRICT NO. 720

By: [Signature]

e: [Email]

Title: [Title]

LESSOR:

APPLE INC, i / 111 /? Digitally signed by /v_kj Michael J. Krahenbuhl

By: _____

Name: Michael Krahenbuhl

Title: Attorney in fact for Apple Inc.

RATIFICATION RIDER

TO

MASTER LEASE PURCHASE AGREEMENT DATED AS OF MAY 15, 2014

For and in consideration of the mutual promises and agreements contained in the Master Lease and in the Leases entered into pursuant thereto and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

RECITALS

WHEREAS, Lessee executed the original Master Lease on or about May 15, 2014 as Shakopee School District 720;

WHEREAS, Lessee's legal name is Independent School District 720;

WHEREAS, Lessee's current administration desires to ratify the Master Lease and all of its terms, conditions, representations, and warranties;

NOW THEREFORE,

1. **Definitions.** Each capitalized term used, but not defined, herein shall have the same meaning as when such term is used in the Master Lease. As used in this Rider, "Master Lease" shall mean the Master Lease Purchase Agreement between Lessee and Lessor, as described above.

2. **Name of lessee.** The Master Lease and each Schedule entered into thereunder may be executed in the name of Independent School District 720 and/or Shakopee School District 720.

3. **Ratification of Master Lease.** Lessee hereby ratifies and affirms the Master Lease and represents and warrants as of the date hereof that (i) the Master Lease, and the Leases entered into thereunder, are in full force and effect and that there exist no fact(s) or circumstance(s) which with the granting of notice or passage of time would constitute a default hereunder; and (ii) the representations, warranties, covenants and agreements of the Lessee contained in the Master Lease are true and correct and as if made on this date.

IN WITNESS WHEREOF, Lessee and Lessor have each caused this Rider to be duly executed and delivered on April 15, 2023.

LESSEE:

INDEPENDENT SCHOOL DISTRICT 720

By: 

Name: BILL MENOZZI

Title: Director of Finance &

Operations

LESSOR:

APPLE // _____

By: _____

Name: Gina Victor

Title: AIF for Apple Inc.

SHAKOPEE PUBLIC SCHOOLS UPDATE ON BOND REFUNDINGS

Bill Menozzi
Director of Finance & Operations
February 12, 2024



INDEPENDENT SCHOOL DISTRICT #720 SHAKOPEE PUBLIC SCHOOLS BOND REFUNDING DEFINED

Bond Refundings are utilized by School Districts to save debt service costs on outstanding bonds or to modify certain bond covenants or financing terms.

Examples:

Traditional Bond Refunding. Most common. This type of refunding occurs when a school district issued bonds with higher interest rates years ago. Since then, interest rates have dropped, so the School District took advantage of the market conditions. They issued new bonds at the current reduced interest rate to repay the initial bond issue.

Traditional Bond Refunding	Previous Issue	Taxpayer Savings
2020D	2012A	\$1.35 million
2021A	2013A, 2015A & 2015B	\$5.44 million

Tender Bond Refunding. Less common. In a tender offer, a bond issuer (Shakopee Schools) makes a public offer to bond holders to tender their bonds for cash. The tendered bonds are purchased by the issuer (Shakopee Schools) and exchanged for new bonds. Advantage: New bonds are at a lower principal amount at a tax-exempt rate.

Tender Bond Refunding	Previous Issue	Taxpayer Savings
2024A	2021A	\$796,431



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

Shakopee Schools credit rating has been upgraded two times in the last four years by Moody's Investor Services.

January 19, 2021

Credit rating upgrade from Baa1 to A3.

The rating upgrade in 2021 was based on planned structural adjustments to balance the general fund budget, as well as improved liquidity from 2020.

December 23, 2023

Credit rating upgrade from A3 to A2.

The rating upgrade in 2023 was based on an improved general fund reserve position.

The two bond credit rating upgrades from Moody's had a positive impact on our 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 press releases in additional detail.

