

School Board Work Session  
Monday, February 8, 2021 6:00 PM Central

Shakopee High School Thrust Stage  
100 17th Avenue West  
Shakopee, MN 55379

School Board Treasurer Joe Aldrich: Present  
Tim Brophy: Present  
Paul Christiansen: Present  
Ibrahim Mohamed: Absent  
Kristi Peterson (School Board Chair): Present  
Jeff Smith: Present  
Judi Tomczik: Present  
Present: 6, Absent: 1.

1. CALL TO ORDER SCHOOL BOARD BUSINESS MEETING AND ROLL CALL - CHAIR PETERSON
2. PLEDGE OF ALLEGIANCE
3. SABER PRIDE
4. CONSIDERATION OF AGENDA AS PRESENTED
5. PUBLIC COMMENT
6. INFORMATION: Pandemic Response Update
7. INFORMATION: Bond Refunding
8. INFORMATION: Structural Budget Deficit and "One Time" Revenue
9. INFORMATION: Budget Cuts Do Not Fully Correct Structural Budget Challenges
10. INFORMATION: Budget Cuts -- General Update
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          |                      | <b><u>\$6.79 Million</u></b> |                           |   |

*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?

