



NEWS RELEASE

Shakopee Public Schools to Host Community Conversation on Financial Outlook

June 2, 2020 (Shakopee, MN) - On Monday, June 8, an online community conversation about the district's financial challenges will be livestreamed on YouTube from 4:30pm to 5:30pm. The session will begin with a 20-minute presentation from Superintendent Mike Redmond explaining the financial challenges being faced by the district, and the options currently being considered by the school board. Following the presentation, Superintendent Mike Redmond, Finance Director Bill Menozzi, and Board Chair Kristi Peterson will spend the remaining 40 minutes responding to questions from the community related to the district's financial situation and future challenges. Questions can be submitted in advance or during the presentation via email to communications@shakopee.k12.mn.us. As many questions as possible will be answered during the session.

To access the community conversation, please visit the district's website (shakopee.k12.mn.us). Those who would like to review some of the background information in advance are encouraged to visit the school district's Finance Facts web page, which is listed under "Quick Links" on the district's home page or at <https://www.shakopee.k12.mn.us/Page/10080>.

Due to a combination of inadequate state funding, unfunded mandates and the lack of a voter-approved operating levy, district expenses will exceed revenue. The district's fund balance - which provides support for financial stability, cash flow and unanticipated expenses - has been drawn down to address these challenges to a level lower than school board policy recommends. This has created a financial outlook that is not sustainable.

The district's goals are to:

- Maintain quality programming and learning opportunities for students
- Attract, retain, and fairly compensate high-quality teachers
- Build a path to long-term financial stability

There are three ways to address this challenge and reach those goals: cut budgets, increase revenue through a voter-approved operating levy or a combination of the two.

District leaders are currently exploring options that include a combination of budget cuts and a request to voters for a "phased-in" operating levy. A phased-in levy would spread out both the levy revenue and the tax impact over a number of years. When combined with a series of budget cuts, this approach is seen as a fiscally conservative and respectful approach given the impact COVID-19 has had on the community's economic realities.

The community conversation is one of the many ways the school district is sharing information and gathering input as it explores how to manage upcoming financial challenges. Learn more about the information session and the district's financial outlook at www.shakopee.k12.mn.us.

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