



## 2018-19 Proposed Budget Revisions

Over the past few years, Shakopee Public Schools expenditures have exceeded revenue due to both purposeful spending and budgeting errors discovered after the fact. As a result, the district has taken several steps to prevent errors and ensure fiscal accuracy. In an effort to change the pattern of spending, the district has also gone through a process of reducing expenses and exploring additional revenue opportunities. While our goal is to positively impact the long-term financial health of the district by reducing expenditures and increasing revenue, the opening of our high school addition (doubling the size of the building and adding a grade level) does require additional spending.

Shakopee Public Schools took the following steps to determine the list of proposed reductions:

- ❑ The district solicited suggestions from staff and community (December-March).
- ❑ Suggestions were reviewed and prioritized by administration (district and principals).
- ❑ The proposal was finalized by the superintendent and presented to the Shakopee School Board at its learning session on April 9, 2018.

Guiding Principles used to determine proposed budget reductions:

- ❑ Make every effort to minimize any impact on class sizes
- ❑ Reductions should occur at all levels – both district and building level
- ❑ Staffing reductions should be focused on administration and support positions

The following summary outlines the proposed spending reductions, increased revenue opportunities and increased spending needed to continue moving education forward.

Please note, any costs associated with a specific position includes both salary and benefits.

## **Proposed Reductions for 2018-19**

### **Closing of Pearson | \$871,623**

At its January 8, 2018 board meeting, the Shakopee School Board voted to close Pearson 6th Grade Center as a cost savings measure and reevaluate in one to two years. Most staff will be reassigned to meet the needs of students at other buildings, while some administrative/support positions will be eliminated.

### **Proposed Staffing Reductions | \$788,801**

Staffing changes for the 2018-19 school year would be mostly comprised of reductions in the areas of administration and support positions. Some of the proposed changes include:

- ❑ Elimination of elementary assistant principals and one middle school assistant principal per building. New Dean (Teacher on Special Assignment) positions will be created to reduce impact on buildings.
- ❑ Elimination of the following positions:
  - ❑ (1) Teaching and Learning Supervisor
  - ❑ (1.4) Instructional Coaches
  - ❑ (1) Volunteer Program Coordinator
  - ❑ (1) Digital Learning Coordinator
  - ❑ (.5) Technology Assistant

### **Proposed Operational Reductions | \$105,000**

Recommended operational reductions include decreasing building and district staff development budgets by 10%, Teaching and Learning Department operational expenses reduced by \$65,000, and non-certified staff no longer staying in buildings during early release time.

### **Proposed Programming Changes, Reductions | \$127,100**

- ❑ Partial Reduction of Middle School Sports (\$30,000): Many school districts do not provide middle school athletics, opting instead to have local athletic associations sponsor these opportunities. The following middle school sports will be eliminated: baseball, softball, boys and girls golf as well as boys and girls soccer. Shakopee has strong local associations in baseball, softball, and soccer. The district would opt to redirect participation to one or all of these associations. The following sports would still be offered: wrestling, volleyball, girls and boys track and field as well as boys and girls tennis.
- ❑ Equity Department Reorganization (\$97,100): Shakopee Public Schools needs to intensify its equity efforts for all students. The recommended reorganization involves a deployment of staff, budget and activities that is inclusive of E-12 education. This revised model would be paired with new administrative oversight and advocacy. One equity specialist position would be eliminated and the supervisor contract would be reduced to 220 days.

### **Miscellaneous | \$73,850**

As part of budget reductions, the district is looking at all areas to improve efficiency. The district recommends reducing energy costs in the amount of \$20,000 and copy expenses by \$10,000. Other recommendations include group subbing at the high school, which involves classrooms merging in the new commons areas using e-learning as assigned by teachers, and replace MAP kindergarten through 3rd grade assessment system with FAST (formative assessment for teachers), which is a less expensive adaptive testing option.

### **Outside Services | \$375,000**

Beginning in the 2018-19 school year, the district recommends no longer contracting with School Management Services for financial consulting. In addition, reduced transportation costs by reviewing our transportation contracts, capturing of additional special education transportation revenue, and possibly utilizing strategies such as “opt-in” busing for families.

### **Technology (staffing, operations and software) | \$105,000**

Various adjustments to technology spending, with the largest involving operational changes to include: improved pricing on Internet, more cost effective handling of device repairs, and reduced expenses for lab computers since the district is largely 1:1 device environment.

### **Proposed 2018-19 Revenue Sources | \$172,320**

The district’s recommendation identifies four sources of revenue in the amount of \$172,320. This includes revenue generating positions, selling of obsolete equipment and fee increases.

- ❑ Revenue generated by grant awards and other revenue resources (such as donations): \$100,000 (estimated minimum amount)
- ❑ Sale of obsolete equipment: \$50,000 (estimated minimum amount)
- ❑ Shakopee High School \$20 parking fee increase: \$12,320
- ❑ Increase Activities fees at High School from \$40 to \$75: \$10,000 (estimated minimum amount)

**Total Reductions & Revenue Increases: \$2,618,694**

### **Proposed Budget Increases for 2018-19 | Shakopee High School:**

Heading into the 2018-19 school year, the district will incur additional expenses to open the expanded Shakopee High School. The construction project is adding 300,000 square feet to the high school. We will also welcome 9th graders in the 2018-19 school year. This transition will carry additional costs that are necessary to not only sustain the building, but also maintain instruction for our students. Some current staff from Pearson and other schools in the district will be reassigned to fill these positions, while others will be new positions. Proposed budget increases include:

- ❑ (1) Assistant Principal: \$144,690
- ❑ Academy Coach (Teacher on Special Assignment): \$85,000: In an academy model, this position is dedicated to helping teachers and academy teams develop authentic learning experiences that connect students to community and business partners. Responsibilities include: collaboration on student projects, locating apprenticeship opportunities, job shadows, career fairs, guest speakers, professional skill lessons, etc. The position would also seek grants, host tours and conferences to generate revenue for the district to help support the academy model.
- ❑ (1) Counselor: \$78,000
- ❑ (3) Additional Security (Paraprofessionals): \$84,000
- ❑ (1) Office Assistant: \$29,000
- ❑ (6) Additional Custodians: \$288,000: The addition of six custodians is based on the 300,000 square foot addition at Shakopee High School. The increase is based on the district's standard of square footage per staffing and prevents unforeseen staffing costs in the future.
- ❑ (1) Licensed Practical Nurse (LPN) | Health Aide: \$22,539
- ❑ (0.5) Special Education Secretary: \$15,000
- ❑ (1) Media Paraprofessional: \$29,900: The Learning Commons will be in two locations at Shakopee High School. This requires a paraprofessional to supervise and coordinate both the upper Learning Commons and Innovation Hub. As of now, there is only one paraprofessional for the upper Learning Commons.

**Proposed 2018-19 Additional Expenses | Districtwide:** Shakopee Public Schools would incur added costs in the amount of \$500,250. Two additional positions that would benefit all grade levels across the district will be added, one of the positions would be a revenue generating position. The expenses also include a fee to dissolve a consortium membership.

- ❑ **Manager of Community Partnerships and Facilities: \$140,000:** This administrative position would be responsible for facilitating and generating revenue through the rental/use of spaces for Shakopee Public Schools for community events such as concerts and tournaments. It would also include recruiting and facilitating business, community partners and volunteers to provide ongoing support for the academy model and other needs identified by the district. In addition, exploration of other revenue sources (such as grants) to benefit the school system would also be an expectation. Other positions are being reduced or eliminated to offset the cost of this new position.
- ❑ **Theater Manager: \$68,000:** This position will be responsible for managing technical aspects of school productions and assist with scheduling of our district performance spaces. They will also provide technical support on a regular basis including facilitating student groups in running resources such as our scoreboards, video productions and live events. Funding for this position is generated from the Technology Levy.
- ❑ **TIES Dissolution Fee: \$292,250:** The district will incur added costs in the amount of \$292,250 for dissolving its membership with technology consortium TIES (Technology and Information Educational Services). This is a legal requirement, given our participation in a joint powers agreement in place since 1969, that is now being dissolved.

**Total Proposed Increased Expenditures: \$1,276,379**

**Net Reduction: \$1,342,315**

The proposed budget reductions reflect the administration's best effort to present a plan that supports the community's commitment to successful student learning and demonstrates effective use of resources and taxpayer dollars.

Through continued discussions and hard work, this year will serve as a bridge to financial sustainability for the district. Long term, additional reductions will be necessary unless increased operating funds are made available to Shakopee Public Schools. The district will need to continue working smarter and harder to ensure we meet our financial goals and the needs of our students.

Once the budget for 2018-19 has been finalized, the district will continue discussions about how to create lasting change in the way we do business. The district must be good stewards of the dollars with which the community has entrusted us – and with everyone's help – the district will do just that.