

# 2020-2021 ANNUAL BUDGET REPORT

JUNE 22, 2020

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PREPARED BY:

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FINANCE & OPERATIONS

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SUPERVISOR



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## **DISTRICT OFFICIALS**

<b>School Board</b>		
<b>Name</b>	<b>Position</b>	<b>Term</b>
Kristi Peterson	Chairperson	12/31/2022
Judi Tomczik	Vice Chairperson	12/31/2022
Joe Aldrich	Treasurer	12/31/2022
Paul Christiansen	Clerk	12/31/2022
Tim Brophy	Director	12/31/2020
Matt McKeand	Director	12/31/2020
Angela Tucker	Director	12/31/2020

## **Administrative Cabinet**

Dr. Mike Redmond	Superintendent of Schools
Dave Orlowsky	Assistant Superintendent
Bill Menozzi	Director of Finance and Operations
Keith Gray	Director of Human Resources
Bob Greeley	Director of Community Education
Bryan Drozd	Director of Instructional Technology
Nancy Thul	Director of Teaching and Learning
Julie Fred	Director of Special Services
Ashley McCray	Communications Supervisor
Dale Anderson	Shakopee Ed. Association President

## **Building Principals**

Jeff Pawlicki	Shakopee High School
Eric Serbus	Tokata Learning Center
Jim Miklausich	East Middle School
Lori Link	West Middle School
Josie Koivisto	Eagle Creek Elementary
Dr. Kevin Bjerken	Jackson Elementary
Mitch Perrine	Red Oak Elementary
Patrick Leonard	Sun Path Elementary
Derek Bell	Sweeney Elementary
Dr. Julie Ritter	Central Family Center/Pearson



## **EXECUTIVE SUMMARY**

The decision of where to send your children to school is one of the most important decisions any family will make. We are grateful that families are choosing Shakopee Public Schools to provide an excellent education in a caring environment. Our families are proud of the education students receive, and we are grateful for the tradition of community support for our students and school system.

All enrollment and budgetary decisions at Shakopee Public Schools seek to continue to support the mission of educating lifelong learners to succeed in a diverse world. Additionally, all enrollment and budgetary decisions are vetted through the lens of keeping expenditures and taxpayer burden to a minimum, while investing in the goals of academic excellence.

### **MISSION**

*In partnership with the community, we will educate lifelong learners to succeed in a diverse world.*

### **VISION**

*To ensure ALL students are college and career ready.*

### **STRATEGIC DIRECTIONS**

*Six areas of focus to accomplish our mission & vision.*

*Quality Instruction & Student Engagement*

*Whole Student Development*

*Personalized Learning*

*A Culture of Excellence*

*21<sup>st</sup> Century Learning Environment*

*Excellence with Equity*

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
ANNUAL BUDGET PROCESS  
YEAR ENDED JUNE 30, 2021**

The budget in Shakopee Public Schools is a continuous four-step process:

*Each step requires School Board approval and is open for public inspection and comment.*

**1. Property Tax Levy –**

The budget process begins with submission of the final certified property tax levy to the home county auditor and Minnesota Department of Education. The School Board certifies the final levy for the next fiscal year before the end of the calendar year.

**2. Preliminary (Adopted) Budget –**

The School Board approves a budget before the start of the school year on July 1. Approval includes analysis and assumptions on staffing needs, enrollment, legislative impact, and other revenue and expenditure estimates.

**3. Revised Budget –**

The School Board approves a final (revised) budget each year in December or January based on information and estimates not previously known during the preliminary budget process.

**4. Annual Financial Report & Fiscal Audit –**

The final step includes closing the books and preparing financial statements for review and audit by an independent external CPA firm. The School Board typically reviews the audit report in October or November.

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
ADOPTED BUDGET – ALL FUNDS  
YEAR ENDED JUNE 30, 2021**

	Beginning Fund Equity July 1, 2020	Projected Revenue	Projected Expenditures	Projected Surplus (Deficit)	Projected Fund Equity June 30, 2021	Ending Projected Fund Balance (Unassigned) June 30, 2021
<b>GOVERNMENTAL FUNDS</b>						
GENERAL FUND	\$ 6,232,869	\$ 99,301,004	\$ 101,843,274	\$ (2,542,270)	\$ 3,690,599	\$ 1,059,658
FOOD SERVICE FUND	251,257	4,681,952	4,673,314	8,638	259,895	
COMMUNITY SERVICE FUND	(226,246)	3,079,881	2,951,969	127,912	(98,334)	
BUILDING CONSTRUCTION FUND	6,261,275	24,823,000	29,380,000	(4,557,000)	1,704,275	
DEBT SERVICE FUND	4,373,859	24,446,035	25,710,861	(1,264,826)	3,109,033	
<b>TOTAL GOVERNMENTAL FUNDS</b>	16,893,014	156,331,872	164,559,418	(8,227,546)	8,665,468	
<b>PROPRIETARY FUNDS</b>						
INTERNAL SERVICE	(498,796)	10,518,000	10,518,000	-	(498,796)	
<b>FIDUCIARY FUNDS</b>						
SCHOLARSHIP TRUST	16,432	7,100	7,100	-	16,432	
OPEB TRUST	5,167,309	450,000	225,000	225,000	5,392,309	
<b>TOTAL FIDUCIARY FUNDS</b>	5,183,741	457,100	232,100	225,000	5,408,741	
<b>TOTAL ALL FUNDS</b>	<b>\$ 21,577,959</b>	<b>\$ 167,306,972</b>	<b>\$ 175,309,518</b>	<b>\$ (8,002,546)</b>	<b>\$ 13,575,413</b>	



## **BUDGET OVERVIEW**

The Shakopee Public Schools' (the District's) fiscal year commences July 1 of each year, which is consistent with most school districts and is law in Minnesota. The School Board (the Board), by law, must have a budget adopted for the upcoming fiscal year prior to July 1.

The budget sets forth the financial plan for the forthcoming fiscal year. It is based on the projected financial needs of the District and serves to allocate limited resources in the best possible way to provide the best educational opportunities to students.

## **FINANCIAL STRUCTURE**

The financial activity of the District is accounted for in several funds. Each fund is an independent accounting entity having its own set of accounts, assets, liabilities, fund balances, revenues and expenditures. The budget, approved by the Board, reports on the following governmental funds: General, Food Service, Community Service, Building Construction and Debt Service. The budget includes a proprietary fund (Internal Service) and two fiduciary funds (Scholarship Trust and Other Post-Employment Benefits (OPEB) Trust).

### **GENERAL FUND**

The General Fund is used to account for all revenue and expenditures of the District not accounted for elsewhere. The General Fund is used to account for K-12 educational activities, instruction and student support programs. Administrative, operational, building maintenance and legal expenditures not specifically designated to be accounted for in any other fund are also recorded within the General Fund.

#### **Transportation Services**

The General Fund is also used to show all financial activities of the District's pupil transportation program. Chargebacks will be made against other operating funds when appropriate.

#### **Capital Expenditures**

Revenue for total operating capital and the capital lease levy must be recorded in the Restricted/Reserve for Operating Capital in the General Fund. Revenue for Health and Safety and for Disabled Accessibility must be recorded in the Restricted/Reserve for these purposes in the General Fund. Revenue and expenditures from the Technology Levy are also recorded in this fund.

**FOOD SERVICE FUND**

The Food Service Fund is used to record financial activities of the District's food service program. Food service includes activities for the purpose of preparation and service of milk, meals and snacks in connection with school and community service activities.

All expenditures relating to meal preparation must be recorded in the Food Service Fund. Eligible expenditures include application processing, meal accountability, food preparation, meal service and kitchen custodial service.

**COMMUNITY SERVICE FUND**

The Community Service Fund is used to record all financial activities of the District's Community Service program.

The focus of Community Education is enrichment programs for any age level that are not part of the K-12 education program. Community Education programming may also include K-12 summer school enrichment activities which, although educational in nature, are not for credit and are not required for graduation. A district may spend up to 10 percent of its community education revenue (levy, aids and fees) to purchase or lease computers and related items, equipment for instructional programs and library books used exclusively for community education.

**BUILDING CONSTRUCTION FUND**

The Building Construction Fund is used to record all operations of the District's building construction program that are funded by the sale of bonds or by capital loans. Revenues and expenditures relating to the District's state approved Long Term Facility Maintenance (LTFM) Program are recorded in this fund when bonds have been issued for project costs or if a single project cost is \$2,000,000 or greater using pay-as-you-go LTFM levy.

Construction costs for buildings and additions consist of the following: expenditures for general construction, advertisement for contracts, payments on contracts for construction, installations of plumbing, heating, lighting, ventilation and electrical systems, expenditures for lockers, elevators, and other equipment, architectural and engineering services, paint and decorating expenses, and any other related costs. Also included are the costs of floating the bond issue in this fund by reclassification from the General Fund.

**DEBT SERVICE FUND**

The Debt Service Fund is used to record revenue and expenditures for the District's outstanding bonded indebtedness, whether for building construction or operating capital, and whether for initial or refunding bonds.

When a bond issue is sold, the Board must levy a direct general tax upon the property of the District for the payment of principal and interest. The revenue from such a tax and related state aid must be separately accounted for in the Debt Service Fund.

**INTERNAL SERVICE FUND**

The Internal Service Fund is used to account for goods or services provided by one department to another within the District on a cost-reimbursement basis. The Internal Service Fund is utilized for the District's self-insurance programs.

**TRUST FUND**

Trust Funds are used to record the revenues and expenditures for trust agreements where the Board has accepted the responsibility to serve as trustee. The District has a trust fund in place to account for its Scholarship Trust and OPEB Trust arrangements, respectively.



## REVENUE ASSUMPTIONS

### GENERAL FUND (Fund 01/03/05)

The General Fund revenue budget is estimated to be \$99,301,004 for 2020-21.

### *State Basic General Education Aid*

State Basic General Education Aid is estimated at \$59,414,276. The Basic General Education formula amount is derived by multiplying the adjusted pupil units served by the basic general education allowance. For fiscal year 2020-21, the basic formula amount is \$6,567, an increase of \$129 (two percent) from the 2019-20 school year. The basic general education aid serves as the District's primary funding source, accounting for 59.8 percent the general fund operating revenue.

Per Pupil Allocation – State Basic General Education Aid

SCHOOL YEAR	FORMULA ALLOWANCE	FORMULA CHANGE
2016-17	\$6,067	2.00%
2017-18	\$6,188	2.00%
2018-19	\$6,312	2.00%
2019-20	\$6,438	2.00%
<b>2020-21</b>	<b>\$6,567</b>	<b>2.00%</b>

Other sources of general education aid revenue total \$7,745,327. Items noted with an (\*) also have a levy component. Other components of general education aid are formula driven and listed below.

OTHER GENERAL EDUCATION AID	2020-21
EQUITY*	\$717,495
TRANSITION*	\$9,706
REFERENDUM AID*	\$1,207,081
LOCAL OPTIONAL*	\$218,302
GIFTED & TALENTED	\$117,616
EXTENDED TIME	\$422,664
COMPENSATORY REVENUE	\$2,916,812
LIMITED ENGLISH PROGRAM	\$717,495
TRANSPORTATION SPARSITY	\$37,143
OPERATING CAPITAL *	\$1,381,013
<b>TOTAL</b>	<b>\$7,745,327</b>

### ***Other Categorical State Aid***

Revenues from state supported programs are estimated at \$13,946,031. Special education categorical aid makes up 76 percent of this category, totaling \$10,605,442. State aid for special education is determined by a formula based upon district special education expenditures and statewide funding limits. Other state aid components are listed below:

<b>OTHER GENERAL CATEGORICAL AID</b>	<b>2020-21</b>
SPECIAL EDUCATION (REGULAR)	\$10,605,442
INTEGRATION	\$1,004,586
NONPUBLIC TRANSPORTATION	\$288,064
CAREER & TECHNICAL	\$27,000
STATE GRANTS	\$276,381
PERMANENT SCHOOL FUND	\$367,066
LITERACY AID	\$490,000
SPECIAL FUNDING (PENSIONS)	\$387,492
LONG-TERM FACILITIES	\$500,000
<b>TOTAL OTHER STATE AID</b>	<b>\$13,946,031</b>

### ***Property Taxes***

The 2019 Payable 2020 levy certification by the School Board will serve as property tax revenue in the 2020-21 school year. Property tax revenue is estimated at \$13,737,213. Revenue from property taxes provides the second largest source of revenue for the general fund, representing 13.8 percent of total general fund revenue.

<b>GENERAL FUND LEVIES</b>	<b>2020-21</b>
PROPERTY TAXES	\$4,850,000
FISCAL DISPARITIES	\$1,546,714
COUNTY APPORTIONMENT	\$130,000
OPERATING CAPITAL LEVY	\$2,561,679
INTEGRATION LEVY	\$425,657
SAFE SCHOOLS	\$328,751
CAPITAL PROJECTS LEVY	\$3,527,108
CAREER & TECHNICAL	\$269,184
OPEB LEVY	\$98,120
<b>TOTAL LEVY REVENUE</b>	<b>\$13,737,213</b>

## ***Federal Sources***

Federal revenue is estimated at \$2,500,000 for 2020-21.

Title programs and special education entitlement computations use federal funding limits and enrollment data in determining allocations. The expectation is that expenditures within title programs will not exceed total revenue.

## ***Local Tuition, Fees, and Admissions***

Revenue estimated in these categories' totals \$1,958,157. Typical sources of revenue in this category include miscellaneous fees, admissions, gate receipts and interest revenue and are largely budgeted based on historical levels.

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## ***Enrollment – Pupil Units***

The District has projected annual average daily membership to be 8,200 for the 2020-21 school year. Average daily membership (ADM) is based upon students served and includes the impacts of open enrollment, tuition agreements, post-secondary enrollment options, on-line learning, and Tokata Learning Center enrollment.

ADM calculates actual “membership time” rather than a simple enrollment count at a given point in time.

The table below shows projected enrollment for the 2020-21 school year:

<b>GRADE LEVEL</b>	<b>ADM</b>	<b>PUPIL WEIGHT</b>	<b>WADM</b>
PRE-KTG	70	1.00	70
HANDICAPPED KTG	75	1.00	75
KINDERGARTEN	454	1.00	454
GRADES 1-5	2,799	1.00	2,799
GRADES 6-8	1,822	1.00/1.20	2,073
GRADES 9-12	2,980	1.20	3,576
<b>TOTALS</b>	<b>8,200</b>		<b>9,047</b>

ADM Enrollment history and projections:

<b>SCHOOL YEAR</b>	<b>PREK-GRADE 12</b>
2016-17	8,223
2017-18	8,266
2018-19	8,247
2019-20 Projected	8,281
<b>2020-21 Projected</b>	<b>8,200</b>



**FOOD SERVICE FUND (Fund 02)**

Food Service Fund revenue is estimated at \$4,681,952 for 2020-21.

Prices for breakfast, lunch and milk are shown in the table below.

Lunch	
Elementary	\$ 2.70
Junior High School	\$ 2.85
High School	\$ 2.85
Breakfast	
Elementary	\$ 1.60
Secondary	\$ 1.75

Estimated state and federal reimbursements rates for the 2020-21 school year are shown in the table below.

	Federal Rate	State Rate
Lunch		
Paid	\$ 0.320	\$ 0.128
Reduced Rate	\$ 2.680	\$ 0.538
Free	\$ 3.090	\$ 0.538
Breakfast		
Paid	\$ 0.320	\$ 0.560
Reduced Rate	\$ 1.530	\$ 0.870
Free	\$ 1.840	\$ 0.870

**COMMUNITY EDUCATION FUND (Fund 04)**

Community Education Fund revenue is estimated at \$3,079,881 for 2020-21. Community Education programs are supported by a combination of property tax levy, state aid and tuition and fees.

**BUILDING CONSTRUCTION FUND (Fund 06)**

Building Construction Fund revenue is estimated at \$24,823,000 for 2020-21. The revenue amount is projected to include bond proceeds from the 2020C Health & Safety bonds in accordance with the District's long-term facilities plan.

**DEBT SERVICE FUND (Fund 07)**

Debt Service Fund revenue is estimated at \$24,446,035 for 2020-21. The revenue is directly linked to the voter approved debt service principal and interest bond payment schedule.

**TRUST FUNDS – (SCHOLARSHIP/OPEB) (Fund 08/45)**

Scholarship Fund revenue is estimated at \$7,100 for 2020-21 and is comprised of interest revenue and gifts and donations.

OPEB Fund trust account is expected to generate \$450,000 in interest revenue in 2020-21.

**INTERNAL SERVICE FUND (Fund 20/21)**

Internal Service Fund revenues are estimated to be \$10,518,000 for 2020-21. The revenues are for premium payments for health and dental insurance generated in district operating funds.

## **EXPENDITURE SUMMARY**

The general fund (Fund 01, 03, and 05) expenditure budget is estimated to be \$101,843,274 for the 2020-21 school year.

Salaries/wages and employee benefits are estimated to be \$60,831,006 and \$20,228,955, respectively, and include salaries/wages and employee benefits for all employee groups covered in the general fund. Salaries/wages and employee benefits expenditures account for 79.6 percent of general fund expenditures and includes:

- Increased salary and wage costs for longevity, education pay rates and other items included in bargaining agreements.
- Increased costs for statutory benefits (TRA, PERA, FICA, unemployment and workers compensation).
- Increased costs for other collectively bargained benefits (health and dental insurance) associated with all employee groups.

## ***OTHER DISTRICT STAFFING ASSUMPTIONS***

Staffing variations due to enrollment changes are generally required to fit the ratios provided below. Other staffing changes may result from changes to federal entitlements or certain state categorical funded programs.

### **STUDENT TO TEACHER TARGETED RATIOS**

<b>ELEMENTARY</b>	
<b>GRADE</b>	<b>TARGET</b>
KINDERGARTEN	20
GRADE 1	23
GRADE 2	23
GRADE 3	25
GRADE 4	25
GRADE 5	27

<b>MIDDLE SCHOOLS</b>	
GRADE 6-8	31

<b>HIGH SCHOOL</b>	
GRADE 9-12	31

Non-staff expenditures are estimated to be \$20,783,314, representing 20.4 percent of total general fund expenditures. Significant expenditures in this area include:

Transportation/Contracted Services	\$5.18 million
Building Utilities (Electricity/Natural Gas)	\$2.05 million
Capital and Equipment:	\$4.17 million



**FOOD SERVICE FUND (Fund 02)**

The Food Service Fund expenditure budget is estimated to be \$4,673,314 for 2020-21.

Salaries/wages and employee benefits include estimated step and percentage increases for negotiation of the Food Service employee contract.

Capital equipment costs of \$50,000 are to continue replacement of aging equipment.

**COMMUNITY EDUCATION FUND (Fund 04)**

The Community Education Fund expenditure budget is estimated to be \$2,951,969 for 2020-21. The budget includes considerations of the following:

- Salaries/wages and employee benefits will reflect bargaining group agreements. If contracts are not in place, modest increases are budgeted.
- CFC licensed staff salaries/wages and employee benefit levels are attached to the SEA contract.
- Expenditure plan identified by the needs of staff, community and the Advisory Council.

**BUILDING CONSTRUCTION FUND (Fund 06)**

The Building Construction Fund budget is estimated to be \$29,380,000 for 2020-21. The expenditures relate to the energy efficiency, long term facilities maintenance (LTFM), and health & safety projects outlined in the District's long-term facilities plan.

**DEBT SERVICE FUND (Fund 07)**

The Debt Service Fund budget is estimated to be \$25,710,861 for 2020-21. The expenditures are directly linked to the debt service principal and interest bond payment schedules.

**TRUST FUNDS (SCHOLARSHIP/OPEB) (Fund 08/45)**

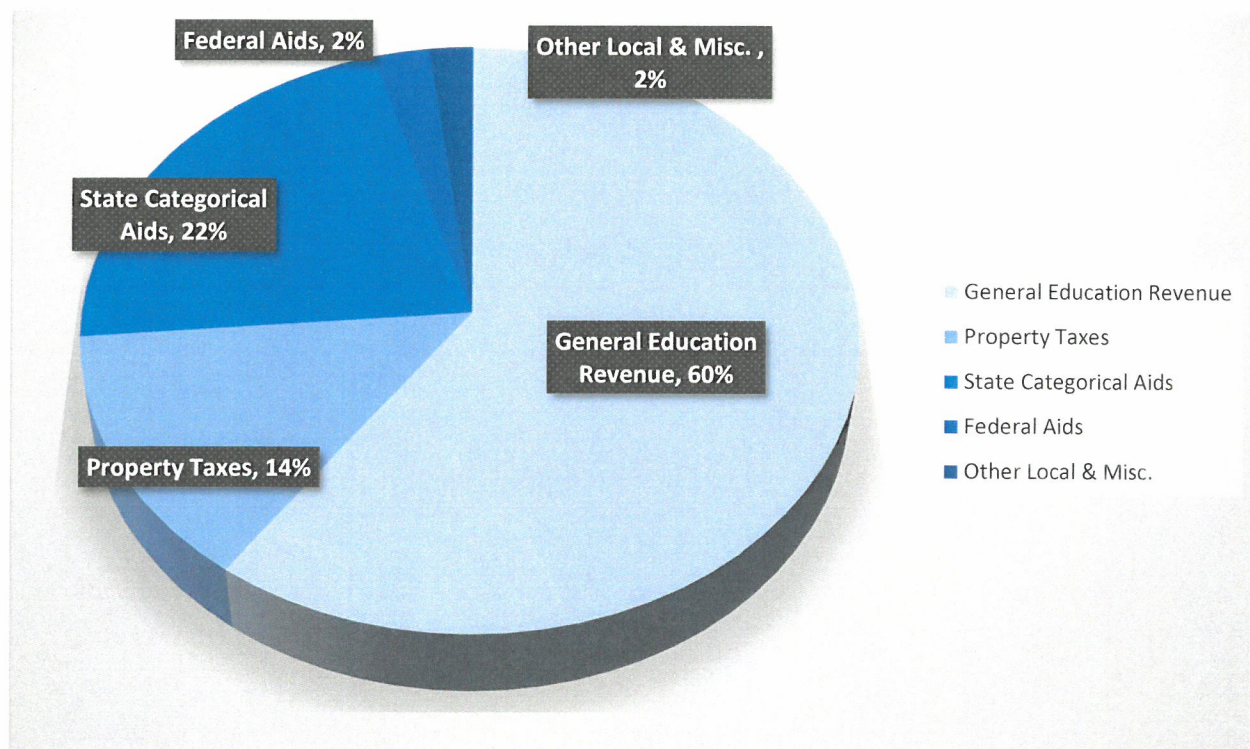
Scholarship Trust Fund expenditures are estimated to be \$7,100 for 2020-21.

OPEB Trust Fund expenditures are estimated to be \$225,000 for 2020-21.

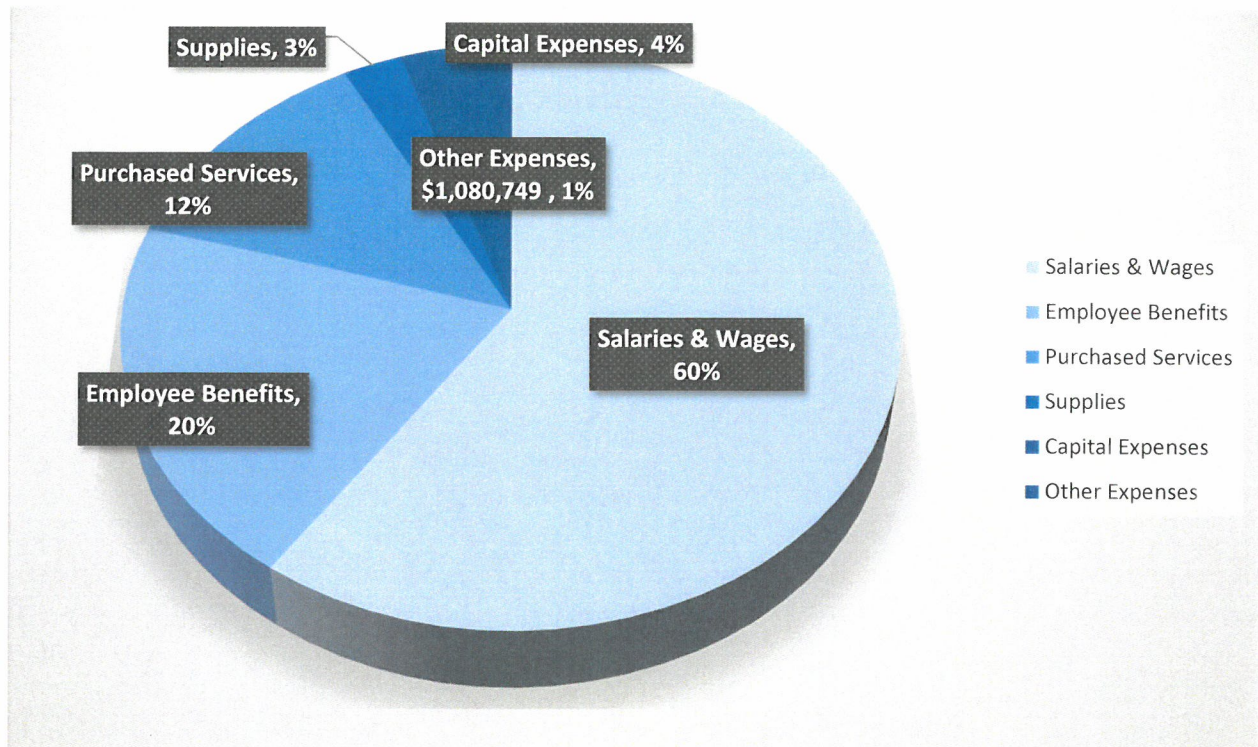
**INTERNAL SERVICE FUND (Fund 20/21)**

Internal Service Fund expenditures are estimated to be \$10,518,000 for 2020-21. The expenditures are related to fees for services within the District's self-funded health and dental programs.

## GENERAL FUND REVENUE BUDGET 2020-21



## GENERAL FUND EXPENDITURE BUDGET 2020-21



**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2021**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUES			
State Aid	\$ 78,077,132	\$ 80,300,324	\$ 81,105,634
Property Taxes	15,758,818	13,614,609	13,737,213
Federal Aids	2,304,972	2,506,039	2,500,000
Local Tuition/Grants/Other	2,280,320	2,988,639	1,958,157
TOTAL REVENUES	<u>98,421,242</u>	<u>99,409,611</u>	<u>99,301,004</u>
EXPENDITURES			
Salaries & Wages	56,766,186	58,601,984	60,831,005
Employee Benefits	17,222,473	19,083,920	20,228,955
Purchased Services	13,040,604	12,497,438	12,797,387
Supplies & Materials	2,544,216	2,685,531	2,739,242
Equipment	6,124,193	4,084,251	4,165,936
Other Expenditures	721,030	1,059,508	1,080,749
TOTAL EXPENDITURES	<u>96,418,702</u>	<u>98,012,632</u>	<u>101,843,274</u>
REVENUES OVER (UNDER) EXPENDITURES	2,002,540	1,396,979	(2,542,270)
BEGINNING FUND BALANCE (TOTAL)	<u>2,833,635</u>	<u>4,836,175</u>	<u>6,233,154</u>
ENDING FUND BALANCE (TOTAL)	<u>\$ 4,836,175</u>	<u>\$ 6,233,154</u>	<u>\$ 3,690,884</u>
BEGINNING FUND BALANCE (UNASSIGNED)	<u></u>	<u></u>	<u>3,601,929</u>
ENDING FUND BALANCE (UNASSIGNED)	<u></u>	<u>\$ 3,601,929</u>	<u>\$ 1,059,659</u>
ENDING FUND BALANCE (UNASSIGNED) PERCENTAGE			1.04%



**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
GENERAL FUND REVENUE**

	ACTUAL 2018-19	REVISED BUDGET 2019-20	PROPOSED BUDGET 2020-21
<hr/>			
ENROLLMENT (Students Served)			
Pre K	74	80	70
K	560	562	529
1	597	562	527
2	541	595	559
3	582	541	580
4	556	582	547
5	623	555	586
6	637	625	565
7	659	634	617
8	704	655	640
9	726	716	699
10	692	773	767
11	634	723	782
12	662	678	732
	<hr/>	<hr/>	<hr/>
TOTAL ENROLLMENT	8,247	8,281	8,200
WEIGHTED PUPIL UNITS			
PRE K/KINDERGARTEN	634	642	599
GRADES 1-6	3,536	3,460	3,364
GRADES 7-12	4,893	5,015	5,084
	<hr/>	<hr/>	<hr/>
TOTAL WEIGHTED PUPIL UNITS	9,063	9,117	9,047
<b><i>Computed using weighting factors: 1.0 for K-6 &amp; 1.2 for 7-12.</i></b>			

		ACTUAL 2018-19	REVISED BUDGET 2019-20	PROPOSED BUDGET 2020-21
	GENERAL EDUCATION FORMULA ALLOWANCE	6,312	6,438	6,567
	<b>GENERAL FUND STATE AID DETAIL</b>			
S211	BASIC GENERAL EDUCATION FUNDING	\$55,687,663	\$57,270,495	\$57,985,895
S211	OPERATING CAPITAL	1,410,257	1,357,276	1,381,013
S211	ALC REVENUE	683,946	750,000	750,000
S211	EXTENDED TIME REVENUE	108,204	100,000	422,664
S211	GIFTED & TALENTED	116,824	118,518	117,616
S211	STAFF DEVELOPMENT	1,134,453	1,149,516	1,188,286
S211	LEARNING & DEVELOPMENT	1,767,055	1,846,307	1,679,822
S211	LOCAL OPTIONAL/REFERENDUM/EQUITY			
F317	COMPENSATORY REVENUE (BASIC SKILLS + LEP)	3,853,363	3,722,622	3,634,307
S211	PENSION/ALT ATT./TRANS SPARSITY	350,056	350,000	387,492
S201	ENDOWMENT FUND	344,426	367,066	367,066
S212	LITERACY INCENTIVE AID	444,474	490,000	490,000
S300	ACHIEVEMENT & INTEGRATION AID	853,861	1,004,586	1,004,586
S300	SAFE SCHOOLS AID	-	287,000	-
S317	LTFM STATE AID	775,937	500,000	500,000
S360	STATE SPECIAL EDUCATION AID	9,872,036	10,397,492	10,605,442
MISC	CREDITS & MISC STATE AIDS	674,578	589,446	591,445
	TOTAL STATE AID	78,077,133	80,300,324	81,105,634
	<b>GENERAL FUND LEVY REVENUE DETAIL</b>			
S001	PROPERTY TAXES	5,466,436	4,869,729	4,850,000
S009	FISCAL DISPARITIES	1,546,714	1,546,714	1,546,714
S010	COUNTY APPORTIONMENT	89,511	130,000	130,000
S019	MISC TAXES	88,112	-	-
S001	OPERATING CAPITAL LEVY	2,183,069	2,526,695	2,561,679
S001	ACHIEVEMENT & INTEGRATION LEVY	425,787	355,054	425,657
S001	SAFE SCHOOLS	329,983	327,859	328,751
S001	LONG TERM FACILITIES MAINT. (LTFM)	2,072,800	-	-
S001	CAPITAL PROJECTS (TECH) LEVY	3,206,596	3,329,346	3,527,108
S001	CAREER & TECH. LEVY	239,437	280,420	269,184
S001	OPEB LEVY	109,657	248,792	98,120
	TOTAL LEVY REVENUE	15,758,102	13,614,609	13,737,213
	<b>GENERAL FUND FEDERAL AIDS/GRANTS</b>			
F419	TITLE VI, SPECIAL EDUCATION	1,246,911	1,250,000	1,250,000
F420	OTHER SPEC ED	19,766	33,500	33,500
F422	OTHER	57,249	152,500	152,500
F401	TITLE I	662,864	635,131	630,000
F414	TITLE II, PART A	142,534	275,481	274,000
F417	TITLE III, PART A	139,648	123,427	124,000
F510	TITLE VII, INDIAN EDUCATION	36,000	36,000	36,000
	TOTAL FEDERAL GRANTS	2,304,972	2,506,039	2,500,000

<b>OTHER LOCAL/GRANTS</b>				
S050	FEES	416,753	426,635	414,315
S060	ADMISSIONS	98,401	92,045	90,045
S071	MEDICAL ASSISTANCE REVENUE	225,520	200,000	225,000
S092	INVESTMENT INCOME	90,315	25,000	50,000
S093	RENTALS & LEASES	62,882	44,000	39,000
S096	GIFTS	180,191	124,165	124,165
S099	MISC	807,788	1,281,093	1,284,593
S600	SALES, MISC GRANTS	399,188	795,701	(268,961)
	TOTAL OTHER	2,281,038	2,988,639	1,958,157
<b>TOTAL GENERAL FUND REVENUE</b>		<b>98,421,245</b>	<b>99,409,611</b>	<b>99,301,004</b>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
GENERAL FUND  
EXPENDITURES BY PROGRAM DIMENSION**

	ACTUAL 2018-19	REVISED BUDGET 2019-20	PROPOSED BUDGET 2020-21
<b>GENERAL FUND OBJECTS &amp; PROGRAMS</b>			
Administration	\$ 5,899,755	\$ 6,434,918	\$ 6,656,533
District Support Services	1,511,812	1,525,783	1,618,594
Elementary & Secondary Regular Instruction	42,112,580	44,831,811	46,539,327
Vocational Education Instruction	904,329	1,024,144	1,081,740
Special Education Instruction	18,154,473	18,478,178	19,484,325
Instructional Support Services	9,631,567	10,377,570	10,691,691
Pupil Support Services	8,306,272	8,366,864	8,621,975
Sites & Buildings	8,691,162	5,749,295	5,900,537
Fiscal & Other Fixed Cost Programs	1,206,751	1,224,069	1,248,550
<b>TOTAL EXPENDITURES BY PROGRAM</b>	<b>\$96,418,701</b>	<b>\$98,012,632</b>	<b>\$ 101,843,272</b>



**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
<b>REVENUES</b>			
School Meal Sales	\$ 2,110,636	\$ 2,288,998	\$ 2,357,668
Other Local Revenue	12,911	11,000	11,330
State Revenue	233,733	238,201	245,347
Federal Revenue	2,023,834	2,007,385	2,067,607
Estimated COVID_19 Impact	-	(280,526)	-
<b>TOTAL REVENUES</b>	<u>4,381,114</u>	<u>4,265,058</u>	<u>4,681,952</u>
<b>EXPENDITURES</b>			
Pupil Support Services	<u>4,298,637</u>	<u>4,770,833</u>	<u>4,673,314</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	82,477	(505,775)	8,638
<b>BEGINNING FUND BALANCE (TOTAL)</b>	<u>674,556</u>	<u>757,033</u>	<u>251,258</u>
<b>ENDING FUND BALANCE (TOTAL)</b>	<u>\$ 757,033</u>	<u>\$ 251,258</u>	<u>\$ 259,896</u>

Note: The food service fund revenue budget for 2019-20 includes an estimate for loss of fee-based revenue (school meal sales) from the COVID\_19 pandemic of 2020.

**INDEPENDENT SCHOOL DISTRICT #720**  
**SHAKOPEE PUBLIC SCHOOLS**  
**FOOD SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, & CHANGES IN FUND BALANCES**

**SALES**

Secondary meals - full price	256,545	x	\$ 2.85	\$ 731,153	
Elementary meals - full price	245,630	x	2.70	<u>663,200</u>	
Total student lunch sales					\$ 1,394,353
Student lunch, breakfast, and ala carte sales				695,250	
Adult lunch, breakfast, and ala carte sales				77,250	
Spec sales ala carte				56,650	
Secondary breakfast sales	22,999	x	1.75	40,247	
Elementary breakfast sales	58,699	x	1.60	<u>93,918</u>	
Total other sales					<u>963,315</u>
					2,357,668
TOTAL SALES					

**AIDS**

Federal					
All meals	888,660	x	0.32	284,371	
Reduced price lunch reimbursement	128,173	x	2.68	343,504	
Free lunch reimbursement	260,876	x	3.09	806,107	
Breakfast reimbursement (per full paid)	81,563	x	0.32	26,100	
Breakfast reimbursement (per reduced price)	41,661	x	1.53	63,741	
Breakfast reimbursement (per free)	96,812	x	1.84	178,134	
Special milk program				10,300	
Commodities and rebates				334,750	
Summer food service program				<u>20,600</u>	
Total federal					2,067,607
State					
State lunch aid (per paid and free student meal)	755,239	x	0.128	96,671	164,664
State lunch aid (per reduced student meal)	126,382	x	0.538	67,994	
State breakfast aid (per full paid student meal)	80,467	x	0.56	45,062	80,683
State breakfast aid (all kindergarten students)	17,694	x	1.33	23,533	
State breakfast aid (per reduced paid student meal)	38,995	x	0.31	<u>12,088</u>	
Total state					<u>245,347</u>
TOTAL AIDS					<u>2,312,954</u>

**OTHER REVENUE**

Investment income					3,090
Special funding situation					<u>8,240</u>
TOTAL REVENUE					<u>4,681,952</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
REVENUE BY PROGRAM – DETAILED**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUES			
Type A Lunch	\$ 3,352,575	\$ 3,301,823	\$ 3,400,878
Breakfast	443,767	468,761	482,824
A La Carte/Other	584,772	775,000	798,250
TOTAL REVENUES	<u>\$ 4,381,114</u>	<u>\$ 4,545,584</u>	<u>\$ 4,681,952</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
EXPENDITURES BY COST OBJECT**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
PUPIL SUPPORT SERVICES			
Salaries & Wages	\$ 1,296,111	\$ 1,539,829	\$ 1,410,138
Employee Benefits	364,847	546,493	556,455
Purchased Services	187,516	125,390	129,152
Supplies & Materials	2,333,847	2,498,621	2,516,755
Capital	114,583	50,000	50,000
Other Expenditures	1,788	10,500	10,815
TOTAL PUPIL SUPPORT SERVICES	<u>\$ 4,298,692</u>	<u>\$ 4,770,833</u>	<u>\$ 4,673,315</u>



**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
COMMUNITY SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUES			
Local Levy	\$ 586,557	\$ 591,469	\$ 678,858
State Revenue	852,891	978,096	902,333
Tuition and Fees	1,338,025	1,361,660	1,475,526
Other Local Revenue	22,644	10,500	23,164
Estimated COVID_19 Impact	-	(603,681)	-
TOTAL REVENUES	<u>2,800,117</u>	<u>2,338,044</u>	<u>3,079,881</u>
EXPENDITURES			
Community Education and Services	<u>2,700,823</u>	<u>2,941,868</u>	<u>2,951,969</u>
REVENUES OVER (UNDER) EXPENDITURES	99,294	(603,824)	127,912
BEGINNING FUND BALANCE (TOTAL)	<u>278,284</u>	<u>377,578</u>	<u>(226,246)</u>
ENDING FUND BALANCE (TOTAL)	<u>\$ 377,578</u>	<u>\$ (226,246)</u>	<u>\$ (98,334)</u>

Note: The community service fund revenue budget for 2019-20 includes an estimate for loss of fee-based revenue (school meal sales) from the COVID\_19 pandemic of 2020.

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
COMMUNITY SERVICE FUND  
EXPENDITURES BY COST OBJECT**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
COMMUNITY EDUCATION AND SERVICES			
Salaries and Wages	\$ 1,641,930	\$ 1,655,472	\$ 1,630,770
Employee Benefits	439,557	464,758	472,486
Purchased Services	486,684	577,498	592,994
Supplies & Materials	119,360	191,590	152,894
Capital	1,416	5,000	6,250
Other Expenditures	11,875	47,550	96,575
TOTAL COMMUNITY EDUCATION AND SERVICES	<u>2,700,822</u>	<u>2,941,868</u>	<u>2,951,969</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
BUILDING CONSTRUCTION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUES			
Other Local Revenue	414,663	19,931,721	24,823,000
EXPENDITURES			
Building Construction	9,606,049	15,693,161	29,380,000
REVENUES OVER (UNDER) EXPENDITURES	(9,191,386)	4,238,560	(4,557,000)
BEGINNING FUND BALANCE (TOTAL)	11,214,101	2,022,715	6,261,275
ENDING FUND BALANCE (TOTAL)	\$ 2,022,715	\$ 6,261,275	\$ 1,704,275

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
BUILDING CONSTRUCTION FUND  
REVENUE BY SOURCE**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUE FROM LOCAL SOURCES			
Interest Income	414,663	30,000	-
Other	-	19,901,721	24,823,000
TOTAL REVENUE FROM LOCAL SOURCES	<u>414,663</u>	<u>19,931,721</u>	<u>24,823,000</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
BUILDING CONSTRUCTION FUND  
EXPENDITURES BY COST OBJECT**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
BUILDING CONSTRUCTION			
Salaries & Wages	162,060	-	-
Employee Benefits	24,551	-	-
Purchased Services	275,274	294,101	-
Capital	9,144,164	15,399,060	29,380,000
TOTAL BUILDING CONSTRUCTION	<u>9,419,438</u>	<u>15,693,161</u>	<u>29,380,000</u>



**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

	<u>Actual 2018-2019</u>	<u>Revised Budget 2019-2020</u>	<u>Proposed Budget 2020-2021</u>
REVENUES			
Property Taxes	\$ 19,993,534	\$ 22,576,016	\$ 23,116,035
Other Local Revenue	301,365	24,362	25,000
State Revenue	<u>1,430,726</u>	<u>1,329,622</u>	<u>1,305,000</u>
TOTAL REVENUE	21,725,625	23,930,000	24,446,035
EXPENDITURES			
Fixed Costs	<u>21,490,230</u>	<u>22,780,000</u>	<u>25,710,861</u>
REVENUES OVER (UNDER) EXPENDITURES	235,395	1,150,000	(1,264,826)
BEGINNING FUND BALANCE (TOTAL)	<u>2,899,464</u>	<u>3,134,859</u>	<u>4,284,859</u>
ENDING FUND BALANCE (TOTAL)	<u>\$ 3,134,859</u>	<u>\$ 4,284,859</u>	<u>\$ 3,020,033</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
DEBT SERVICE FUND  
EXPENDITURES BY OBJECT – DETAILED**

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
<b>BOND PRINCIPAL</b>			
2012A Refunding Bonds	3,640,000	3,755,000	4,000,000
2013A Refunding Bonds	2,940,000	3,085,000	3,245,000
2014A Refunding Bonds	1,025,000	1,065,000	1,100,000
2015 A & B School Building Bonds	6,005,000	7,590,000	8,995,000
2016A Crossover Refunding Bonds	705,000	760,000	800,000
2020A GO Cap Facilities Bonds	-	-	130,000
2020B GO Fac Maint Bonds	-	-	645,000
2020C GO Fac Maint Bonds	-	-	453,555
TOTAL BOND PRINCIPAL	<u>14,315,000</u>	<u>16,255,000</u>	<u>19,368,555</u>
<b>BOND INTEREST</b>			
2012A Refunding Bonds	1,157,400	1,011,800	861,600
2013A Refunding Bonds	1,338,650	1,191,650	1,037,400
2014A Refunding Bonds	177,400	136,400	104,450
2015 A & B School Building Bonds	3,824,875	3,524,625	3,145,125
2016A Crossover Refunding Bonds	669,350	648,200	625,400
2020A GO Cap Facilities Bonds	-	-	195,412
2020B GO Fac Maint Bonds	-	-	354,149
2020C GO Fac Maint Bonds	-	-	6,445
TOTAL BOND INTEREST	<u>7,167,675</u>	<u>6,512,675</u>	<u>6,329,981</u>
<b>OTHER DEBT EXPENSE</b>			
Other Debt Service Expense	<u>7,555</u>	<u>12,325</u>	<u>12,325</u>
<b>TOTAL EXPENDITURES</b>	<u>\$21,490,230</u>	<u>\$22,780,000</u>	<u>\$25,710,861</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION**

***IS-HEALTH/DENTAL INSURANCE***

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
	<u>                    </u>	<u>                    </u>	<u>                    </u>
REVENUES			
Interest/Other	\$ 9,116,656	\$ 10,101,000	\$ 10,518,000
EXPENDITURES			
Purchased Services	<u>9,061,471</u>	<u>10,101,000</u>	<u>10,518,000</u>
CHANGE IN NET POSITION	55,185	-	-
BEGINNING NET POSITION	<u>(553,981)</u>	<u>(498,796)</u>	<u>(498,796)</u>
ENDING NET POSITION	<u>\$ (498,796)</u>	<u>\$ (498,796)</u>	<u>\$ (498,796)</u>

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION**

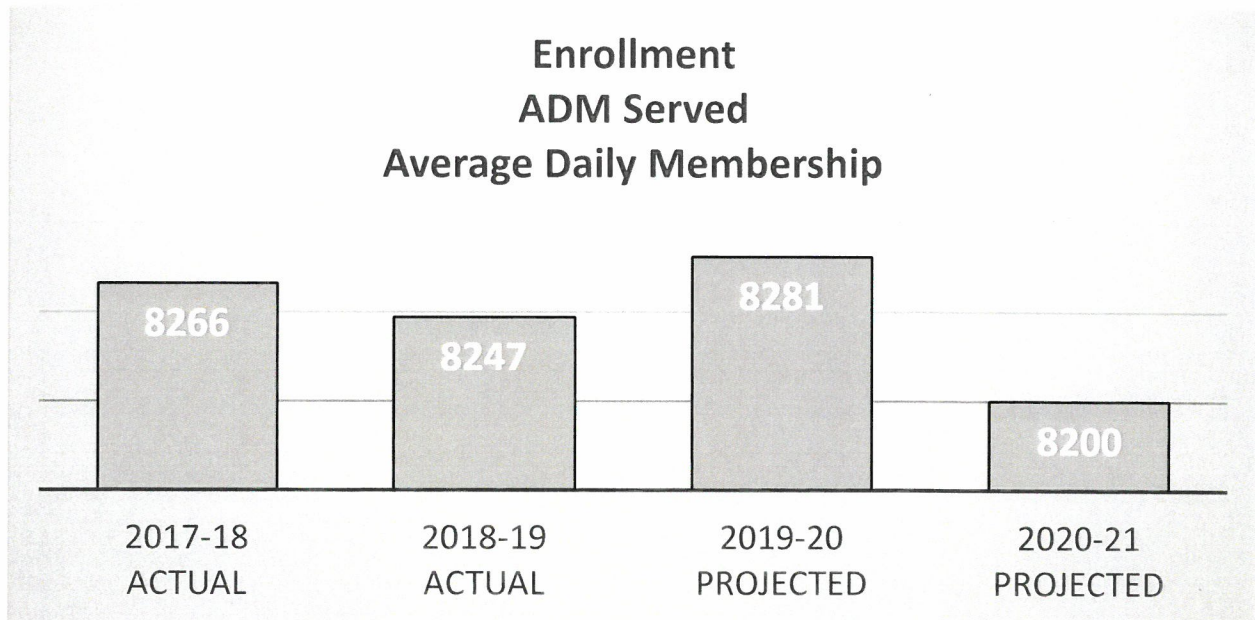
***SCHOLARSHIP TRUST***

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUES			
Local Tuition/Grants/Other	\$ 8,612	\$ 7,100	\$ 7,100
EXPENDITURES			
Other Expenses	9,240	7,100	7,100
CHANGE IN NET POSITION	(628)	-	-
BEGINNING NET POSITION	17,061	16,433	16,433
ENDING NET POSITION	\$ 16,433	\$ 16,433	\$ 16,433

***OTHER POST EMPLOYMENT BENEFITS (OPEB) TRUST***

	Actual 2018-2019	Revised Budget 2019-2020	Proposed Budget 2020-2021
REVENUES			
Interest	\$ 300,542	\$ 450,000	\$ 450,000
EXPENDITURES			
Employee Benefits	201,489	225,000	225,000
CHANGE IN NET POSITION	99,053	225,000	225,000
BEGINNING NET POSITION	4,843,256	4,942,309	5,167,309
ENDING NET POSITION	\$ 4,942,309	\$ 5,167,309	\$ 5,392,309

**INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
ENROLLMENT SUMMARY & PROJECTIONS  
(ADM) SERVED  
Average Daily Membership**

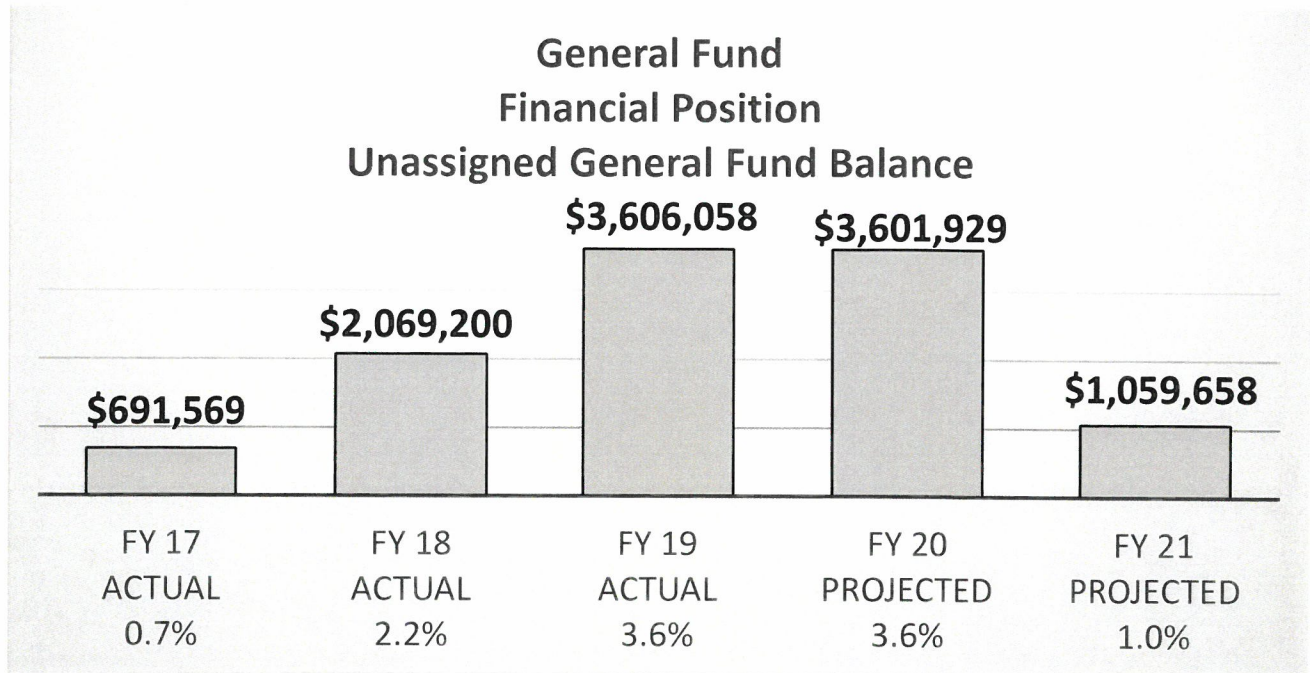


Student enrollment factors into most of the General Fund’s revenue calculations – approximately 80% of General Fund revenue is linked to enrollment.

Student enrollment is a key factor in the determination of staffing levels from one year to the next.



INDEPENDENT SCHOOL DISTRICT #720  
SHAKOPEE PUBLIC SCHOOLS  
GENERAL FUND FINANCIAL POSITION  
UNASSIGNED FUND BALANCE



The Best Indicator of a School Districts Financial Health is its Unassigned Fund Balance.

## SUPPLEMENTARY INFORMATION

### EXPENDITURES BY OBJECT

Shakopee Public School's budget consists of the following types of expenditures:

**Salaries:** Regular salaries related to personnel positions, extra-curricular assignments, overtime, and substitute costs.

**Employee Benefits:** Health, dental, life, long-term disability, workers' compensation, retirement plans and recording of post-employment benefits for current employees.

**Purchased Services:** Includes insurance, repair and maintenance services, postage, consultants, transportation contracts, travel and conferences, payments to other school districts and tuition.

**Supplies & Materials:** Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.

**Capital:** Replacement and additional equipment, facilities repair and maintenance, district vehicles, and computer equipment.

**Miscellaneous & Other Expenditures:** Includes all expenditures that cannot be classified elsewhere.

### EXPENDITURES BY PROGRAM

**Administration:** Costs for general and instructional administration. This includes the school board, superintendent, principals, assistant/associate principals and director level positions.

**District Support Services:** Generally administrative support not listed under administration. This includes federal programs, human resources, school elections, and miscellaneous administration not covered elsewhere.

**Elementary & Secondary Regular Instruction:** All activities dealing directly with the teaching of pupils, the interaction between teachers and students in the classroom and co-curricular activities K-12.

**Vocational Instruction:** Courses and activities which develop skills, knowledge, attitudes and behavioral characteristics for students seeking career exploration and employability.

**Special Education Instruction:** Activities promoting learning experiences for pupils with certain characteristics or conditions who need or would benefit from educational programs that are different from those provided to pupils in regular or vocational education.

**Instructional Support Services:** Activities for assisting the instructional staff with the content and process of providing learning experiences for pupils in kindergarten through twelfth grade.

**Pupil Support Services:** Includes all services provided to pupils who do not qualify to be classified as instructional services. Counseling, guidance, health, social work, transportation.

**Sites & Buildings:** Acquisition, operation, maintenance, repair and betterment of physical plant, facilities and grounds of the school district.

**Fiscal & Other Fixed Costs:** Fiscal and fixed cost activities not recorded elsewhere. Property and workers compensation insurance.

## SUMMARY

Shakopee Public Schools 2020-2021 budget process started last winter by identifying the K-12 enrollment assumptions for 2020-21. The School Board then analyzed budget assumptions related to the 2020 Legislative session and options & scenarios for all governmental fund for 2020-21.

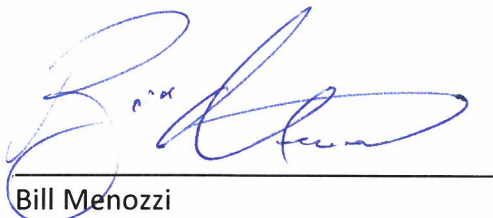
In June, the budget was reviewed by the Citizens Finance Advisory Committee (CFAC), School Board Finance Committee, and School Board as a whole.

In accordance with Minnesota Statute 123B.77 administration recommends the Executive Summary to the 2020-2021 Budget for School Board approval.

The grand total budgeted revenues are \$167,306,972 and the grand total budgeted expenditures are \$175,309,518.

This budget publication, in conjunction with the supplementary finance documents requires many hours of preparation, review, and deliberation by the School Board, finance committee, building and district administration, and the business office. Thank you to all those involved for their efforts on behalf of our students in preparing and reviewing this important budget document.

Respectfully,



Bill Menozzi

Director of Finance & Operations  
Shakopee Public Schools ISD #720  
1200 Town Square  
Shakopee, MN 55379