

# Long Term Facilities Maintenance Timeline 2020-21



*May 6, 2019*

# Long Term Facilities Maintenance

## Revenue replaces three revenue sources

★ Minnesota Statutes 123B.595 Long Term Facilities Maintenance Revenue

★ Replaces revenue from Minnesota Statutes:

- 123B.591 Deferred Maintenance
- 123B.59 Alternative Facilities
- 123B.57 Health and Safety

**The uses of revenue from these three areas remains the same!**

# Long Term Facilities Maintenance Revenue LEGISLATION

- ★ Maintains the health and safety program
- ★ Provides revenue so barriers to accessibility can be removed in public schools
- ★ Provides significant revenue for deferred maintenance of school facilities

## **Revenue is based on:**

- Per pupil funding
- Average age of district buildings, ratio to 35 years  $\leq 1$
- Additional revenue available for some H & S projects  $> \$100,000$
- Greater of revenue under old laws or new LTFM.

Taxes Payable in Calendar Year 2018  
Are recorded as revenue in Fiscal Year 2019

Revenue is a three year phase in!

- ★ Fiscal 17 is  $\$193 \times \text{APU} \times <1 \text{ or AVE Bid Age}/35$
- ★ Fiscal 18 is  $\$292 \times \text{APU} \times <1 \text{ or AVE Bid Age}/35$
- ★ Fiscal 19 is  $\$380 \times \text{APU} \times <1 \text{ or AVE Bid Age}/35$

|                                | Fiscal Year, Ending June 30th -->                                                                             | 2019             | 2020             | 2021             |
|--------------------------------|---------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| <b>ESTIMATED EXPENDITURES:</b> |                                                                                                               |                  |                  |                  |
|                                | <b>Health and Safety, Excluding Projects in Finance codes 358, 363 and 366 Costing &gt;\$100,000 per Site</b> |                  |                  |                  |
| Finance                        | Category                                                                                                      |                  |                  |                  |
| 347                            | Physical Hazardous                                                                                            | \$155,000        | \$170,000        | \$170,000        |
| 349                            | Other Hazardous Materials                                                                                     | \$40,000         | \$25,000         | \$25,000         |
| 352                            | Environmental Health & Safety Management                                                                      | \$2165,4510      | \$170,000        | \$170,000        |
| 358                            | Asbestos Removal and Encapsulation                                                                            | \$179,549        | \$126,000        | \$126,000        |
| 363                            | Fire Safety                                                                                                   | \$75,000         | \$86,000         | \$86,000         |
| 366                            | Indoor Air Quality                                                                                            | \$60,000         | \$93,000         | \$93,000         |
|                                | <b>Total Health and Safety Capital Projects</b>                                                               | <b>\$650,000</b> | <b>\$670,000</b> | <b>\$670,000</b> |
|                                |                                                                                                               |                  |                  |                  |
|                                | <b>Health and Safety, Projects costing &gt;\$100,000 per Site</b>                                             |                  |                  |                  |
| 358                            | Asbestos Removal and Encapsulation                                                                            | \$0              | \$0              | \$0              |
| 363                            | Fire Safety                                                                                                   | \$0              | \$0              | \$0              |
| 366                            | Indoor Air Quality                                                                                            | \$0              | \$0              | \$0              |
|                                | <b>Total Health and Safety Capital Projects \$100,000 or More</b>                                             | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       |
|                                |                                                                                                               |                  |                  |                  |
|                                | <b>Accessibility</b>                                                                                          |                  |                  |                  |
| 367                            | Accessibility                                                                                                 | \$50,000         | \$50,000         | \$50,000         |
|                                | <b>Total Accessibility</b>                                                                                    | <b>\$50,000</b>  | <b>\$50,000</b>  | <b>\$50,000</b>  |

|         |                                                               |                    |                    |                    |
|---------|---------------------------------------------------------------|--------------------|--------------------|--------------------|
|         |                                                               |                    |                    |                    |
|         | <b>Deferred Capital Expenditures and Maintenance Projects</b> |                    |                    |                    |
| Finance | Category                                                      | 2019<br>Approved   | 2020<br>Approved   | 2021<br>Estimated  |
| 368     | Building Envelope                                             | \$100,000          | \$260,000          | \$210,000          |
| 369     | Building Hardware and Equipment                               | \$685,000          | \$761,325          | \$695,737          |
| 370     | Electrical                                                    | \$191,500          | \$150,000          | \$750,000          |
| 379     | Interior Surfaces                                             | \$288,000          | \$435,737          | \$342,864          |
| 380     | Mechanical Systems                                            | \$240,000          | \$126,006          | \$67407            |
| 381     | Plumbing                                                      | \$91,170           | \$61,000           | \$75,000           |
| 382     | Professional Services and Salary                              | \$250,000          | \$291,000          | \$200,000          |
| 383     | Roof Systems                                                  | \$500,000          | \$480,000          | \$245,000          |
| 384     | Site Projects                                                 | \$328,750          | \$351,000          | \$370,060          |
|         | <b>Total Deferred Capital Expenses and Maintenance</b>        | <b>\$2,774,420</b> | <b>\$2,916,068</b> | <b>\$2,956,068</b> |
|         |                                                               |                    |                    |                    |
|         | <b>Total Annual 10 Year Plan Expenditures</b>                 | <b>\$3,499,420</b> | <b>\$3,636,068</b> | <b>\$3,636,068</b> |

# Long-Term Facilities Maintenance (LTFM) Revenue Projection

|                 | <b>2019</b>    | <b>2020</b>    | <b>2021</b>    |
|-----------------|----------------|----------------|----------------|
| Total LTFM Levy | \$3,016,364.00 | \$2,904,165.00 | \$2,904,165.00 |
| LTFM State Aid  | \$644,799.00   | \$731,903.00   | \$731,903.00   |
| Revenue Total   | \$3,661,163.00 | \$3,636,068.00 | \$3,636,068.00 |

# School Board Approval in July

## April

- ★ Meet with building principals and facility staff
- ★ Identify needs from 10-Year Plans

## May/June

- ★ Select projects and budget
- ★ Ten year expenditure by finance code
- ★ Ten year revenue spreadsheet

## July

- ★ School Board Minutes adopting LTFM 10 Yr Plan
- ★ Statement of Assurances
- ★ All LTFM ten year plan documentation sent to MDE should be approved by the school board.

# LTFM Revenue – Statement of Assurances

- ★ The superintendent attests that in the ten year plan:
  1. Expenditures are for uses allowed by law.
  2. No expenditures are prohibited by law.
  
- ★ The superintendent attests UFARS:
  1. Expenditures are for uses allowed by law.
  2. Contain no expenditures prohibited by law.
  
- ★ The superintendent also attests:
  1. A description of each project is maintained.
  2. A compliant H & S program is maintained.

# Levy Process

- ★ Submission of ten year plans for FY21 will be presented to the Board in July.
- ★ Submission to MDE by July 31.
- ★ Upon commissioner approval of the ten year plan levy revenue is authorized on the Sept. levy.

Thank You!

Questions?