



Long-Term Facilities Maintenance CmERDC Conference

Sarah C. Miller | Education Finance Specialist 2

March 22, 2023



Ten Minnesota Commitments to Equity

1. Prioritize equity.
2. Start from within.
3. Measure what matters.
4. Go local.
5. Follow the money.
6. Start early.
7. Monitor implementation of standards.
8. Value people.
9. Improve conditions for learning.
10. Give students options.

Agenda

- LTFM Project Review – Allowable/Unallowable
- LTFM Process and Required Documentation Review for upcoming July 31, 2023 (FY 2025 LTFM Ten-Year plan)
- LTFM Recap
- LTFM Timeline Review – FY 25 LTFM Plan
- *Contacts*

Minnesota Statutes 2022, section 123B.595 – Long-Term Facilities Revenue

**Long-Term Facilities
Maintenance (LTFM)
*Program***

**Deferred
Maintenance**

**Health &
Safety**

Allowable Uses for LTFM Revenue (Minn. Stat. 123B.595, subd. 10)

Subd. 10 Allowed uses for long-term facilities maintenance revenue

(a) A district may use revenue under this section for any of the following:

- 1) Deferred capital expenditures and maintenance projects necessary to prevent further erosion of facilities
- 2) Increasing accessibility of school facilities;
- 3) **Health and safety capital projects under section 123B.57; or**
- 4) By board resolution, to transfer money from the general fund reserve for long-term facilities maintenance to the debt redemption fund to pay the amounts needed to meet, when due, principal and interest on general obligation bonds issued under subdivision 5.

(b) A charter school may use revenue under this section for any purpose related to the school

Minnesota Statutes 2022, section 123B.57



2022 Minnesota Statutes

123B.57 HEALTH AND SAFETY PROJECTS

Subd. 6 Health and safety capital projects

(a) Health and safety capital projects may include expenditures necessary for the

1. correction of fire and life safety hazards; design, purchase, installation, maintenance, and inspection of fire protection and alarm equipment;
2. purchase or construction of appropriate facilities for the storage of combustible and flammable materials;
3. inventories and facility modifications not related to a remodeling project to comply with lab safety requirements under section [121A.31](#);
4. inspection, testing, repair, removal or encapsulation, and disposal of asbestos-containing building materials;
5. cleanup and disposal of polychlorinated biphenyls;
6. cleanup and disposal of hazardous and infectious wastes;
7. cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section [296A.01](#);

Subd. 8 – Health, Safety, and Environmental Management

- School districts may contract with regional service organizations, private contractors, etc.
- Managements Assistance is:
 - development of written programs for identification,
 - recognition and
 - Control of hazards, and
 - Prioritization and scheduling of district health and safety capital projects.
- Management Assistance is not mandated by Commissioner or assistance by private contractors is not excluded.

LTFM – Allowable or Restricted Expenditure Questions

Question

Health and Safety. A school employee is getting migraine headaches caused from the existing, regular light bulbs in her room. The employee has a doctor's note and is requesting the school replace the regular light bulbs with fluorescent light bulbs. The school facilities staff would like to replace and used Health and Safety revenue and UFARS Finance Code 352 for this scenario. Is this allowable?

Unallowable – This is a personal employee request for a health issue. Allowable costs under Minnesota Statutes, section 123B.57, subdivision 6 *does not allow for this scenario.*

ALLOWED

LEAD in WATER TESTING and MITIGATION MANDATORY

Testing for lead in school drinking water



- Current Guidance from MDH
- **PROPOSED** Legislation requires a level of 5 parts per billion (ppbs)



What you must do:



Develop sampling program following state statute



Take corrective actions as required



Collect water samples



Communicate lead results and any corrective actions taken

There is no safe level of lead. If a tap tests at these levels:

>20ppb



Do not use for cooking or drinking



Remove tap from service until problem addressed

2-20ppb



Water may continue to be used as options are considered



Consider measures such as cleaning aerators, flushing the water



Retest to verify correction actions work

Non-detect or <2ppb



Non-detect means lead was not present



Normal tap use



Retest in 5 years

In all cases: Communication about results and corrective actions to the school board and community should be on-going.

For more information, email health.drinkingwater@state.mn.us or call 651-201-4700.

Legislative Session 23-24 PROPOSED HF 347 and SF 579

House File (HF) 347 and Companion Senate File (SF) 579

Proposed Amendments to Minnesota Statutes, section 121A.335 – Lead in Water Testing, and 123B.595 – LTFM Revenue

- Modifies lead testing and remediation requirements in schools
- Requires testing/remediation to **5 parts per billion (ppbs)**
- Requires annual reporting of Lead in water testing/remediation plan to parents/public
- Communication with Public Water Systems
- May require water filtration systems (Bill appropriates \$) – Bill provides \$ for filters



Long-Term Facilities Maintenance Webpage – Lead in Water Guidance



Related offsite resources:


Lead in Water Testing – Water Infrastructure Improvements for the Nation (WIIN) Grant – *additional resource for lead in water testing – grant dollars available through July 2023.*

Minnesota Department of Health (MDH) Drinking Water in Schools

Reducing Lead in Drinking Water Technical Guidance – Revised March 2019

Education and Communication Toolkit

2017 Lead Legislation FAQs



Funding Helps Maintain Facilities And Use Space Most Effectively

Related offsite resources:

[Lead in Water Testing – Water Infrastructure Improvements for the Nation \(WIIN\) Grant](#)

[Minnesota Department of Health \(MDH\) Drinking Water in Schools and Child Cares Website](#)

[Reducing Lead in Drinking Water Technical Guidance](#)

[Education and Communication Toolkit](#)

[2017 Lead Legislation FAQs](#)

[Archive](#)

Allowable Uses for LTFM Revenue

(Minn. Stat. 123B.595, subd. 10(a)(1))

Deferred Maintenance to Prevent further Erosion of Buildings/Equipment

Doors/Door Hardware	Bus Hoist	Installed Cabinetry	Lighting – Site Projects
Lockers	Permanently Installed Kitchen Equipment	Scoreboards attached to Building	Tennis Courts
Bleachers	Electrical Power Supply/Distribution	Plumbing Components	Existing Fencing Repairs and Maintenance
Basketball Hoops	Lighting Systems – fixture replacement due to beyond repairs/maintenance	Prof. Services/In-house Salaries/Def. Maintenance (Work on Projects)	Playground – Fall Material/Repairs
Roll Down Doors	Flooring/Wall Coverings/Painting	Roof Removal/Replacement	Stadium Bleachers
Public Address (PA) Systems	Ceilings	Roofing – Insulation/Flashing/ Materials Storage/Safeguarding	Field Turf Replacement
Elevators/Repairs/Maintenance “Like for Like”	Countertops	Parking Lots/Def. Maintenance	Mechanical Systems

LTFM FAQs – Allowable/Unallowable Project Expenditures

Costs Toward Testing and Balancing and Retro-Commissioning Mechanical Ventilation Systems

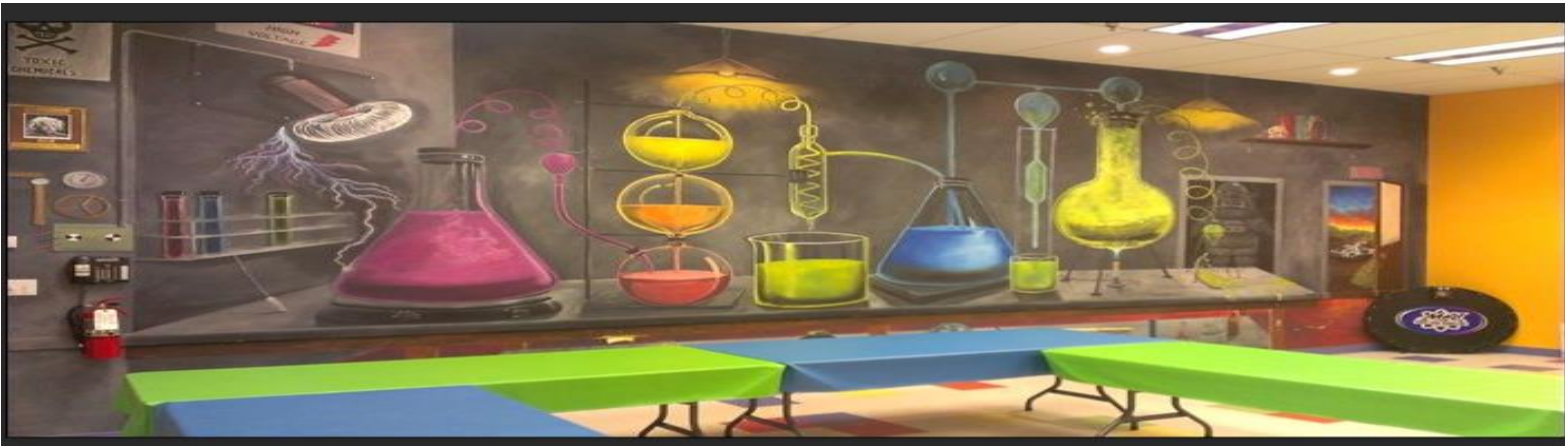
Testing and balancing or retro-commissioning **are allowed at intervals of no less than five years.** Retro-commissioning includes measurement, air-flow balancing and system adjustment for air flow only. Retro-commissioning does not include repairs, replacement or software changes.

LTFM Guide for Unallowable/Allowable Expenditures

Page 3

The purpose remains the same –

The use for the area and activities conducted in the area are essentially the same before and after the work. Thus, a science lab before would remain a science lab.



Finance Code 379 – Interior Surfaces

- **Painting walls** – still remains a science room



LTFM FAQs – Allowable/Unallowable Project Expenditures

- **Mercury in Gym Floors**
- Some polyurethane or rubber-like floorings manufactured from 1960 to 1980 contained mercuric acetate.
- These floors are most often found in sports settings (e.g., gymnasiums, running tracks) wherever a cushioned, all weather, non-slip surface would be needed.
- Some of these floors can also release significant amounts of elemental mercury in the air, which can in turn be absorbed and re-emitted by furnishings and equipment.
- Additionally, floors disturbed during resurfacing or removal may release ***much more*** mercury than floors that are intact, posing a potential health concern for workers or the public.

LTFM FAQs – Allowable/Unallowable Project Expenditures

- **Mercury in Gym Floors - Allowable**
- There are options for the safe management or removal of mercury-containing flooring. If you suspect this type of flooring in your buildings engage a highly qualified professional to:
 - determine if mercury is present
 - determine if it poses a potential health risk
 - develop a safe and effective plan



Finance Code 349 – Other Hazardous Materials

LTFM FAQs – Allowable/Unallowable Project Expenditures MERCURY

Take Action!

Although we do not anticipate health effects from the low level of mercury found in the gyms, it is prudent to strive for mercury levels as low as reasonably possible, especially to protect children and pregnant women. Encourage your school to implement the EPA's [Tools for Schools](#) program, which provides guidance about how to improve indoor air quality by reducing sources of pollution (including mercury) and optimizing the ventilation system.

For more information:

Environmental Protection Agency (EPA) www.epa.gov/mercury

Agency for Toxic Substances and Disease Registry (ATSDR) <https://www.atsdr.cdc.gov/mercury/index.html>.

Pediatric Environmental Health Specialty Unit <https://www.pehsu.net/>

New York State Children's Environmental Health Centers <https://nyscheck.org>

LTFM FAQs – Allowable/Unallowable Project Expenditures

• Dust Control Systems for Industrial Arts Classroom



Local Exhaust Ventilation Systems (Finance Code 349) The cost of design, materials, and installation of local exhaust systems and required make-up air that is used for the purpose of controlling regulated hazardous substances is allowed, ***page 8 of LTFM Guide for Allowable Expenditures.***

Repairs/Maintenance of System	State Fire Marshal Violations
Finance Code 349 – Other Hazardous Materials	<u>Finance Code 363</u> – Fire Safety (generates additional LTFM revenue \$100,000 or more)
<ul style="list-style-type: none">System beyond repairs and maintenance; therefore needs replacement.	<ul style="list-style-type: none">Concern of dust collector located on the inside of the building not on an exterior wall – <i>relocate outdoors</i><i>Combustible Dust – an explosion hazard.</i>

Restricted LTFM Revenue (Minn. Stat. 123B.595, subd. 11)

Subd. 11. Restriction on long-term facilities maintenance revenue.

Notwithstanding subdivision 10, long-term facilities maintenance may not be used for

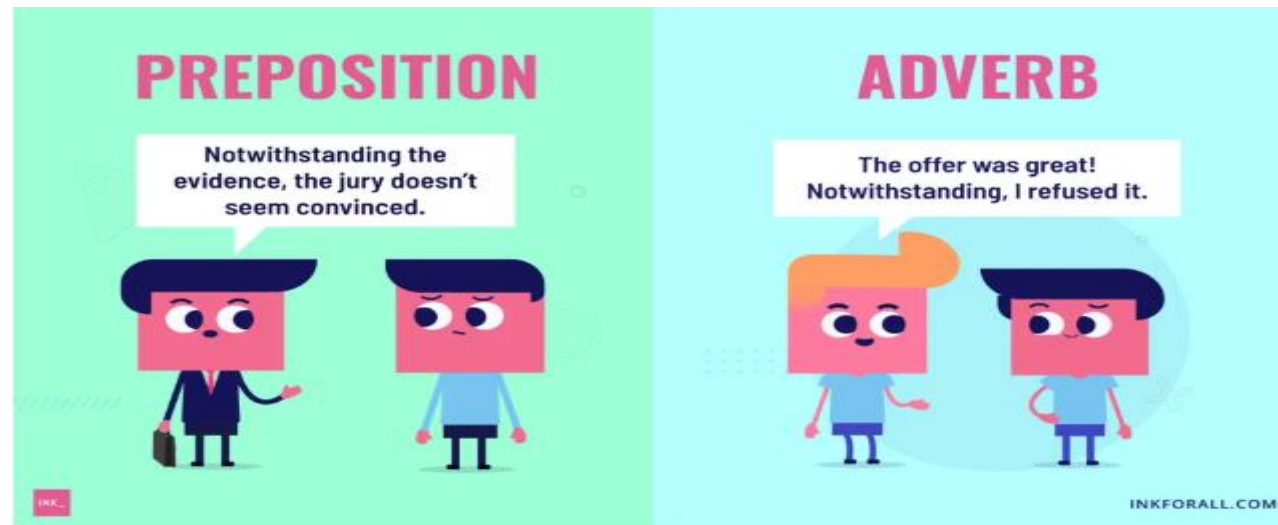
- 1) **For the construction of new facilities, remodeling of existing facilities, or the purchase of portable classrooms;**
- 2) **To finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement;**
- 3) For energy-efficiency projects under section 123B.65, for building or property or part of a building or property used for postsecondary instruction or administration, or for a purpose unrelated to elementary and secondary education; or
- 4) For violence prevention and facility security ergonomics, or emergency communication devices.

Restricted LTFM Revenue (Minn. Stat. 123B.595, subd. 11)

Subd. 11. Restriction on long-term facilities maintenance revenue.

What does “**Notwithstanding**” mean?

- **Notwithstanding** means *despite, nevertheless, however, or although*.



Restricted LTFM Revenue (Minn. Stat. 123B.595, subd. 11)

- **Purchase of “Big Box” Stores for School Facilities**

- Original classification as a Group M (mercantile) occupancy
- School renovates to include individual classrooms
- K-12 public education – Group E (Education) occupancy
- School requests project for HVAC upgrades for remodeled square footage
- Considered new construction/remodeling due to new requirement for specific Cubic Feet per Minute (CFM) ratings/occupant/room rather than.....
- A replacement of an existing HVAC system to meet ASHRAE standards 62.1
- ***Unallowable LTFM Revenue – Construction/Remodeling instigated Required HVAC Upgrades***





Legislative Session 23-24 HF 1375

PROPOSED House File (HF) 1375 Bill Description

A bill for an act relating to education finance; authorizing certain cost-efficient projects; including ***certain remodeling costs*** in the long-term facilities maintenance revenue program; appropriating money.

- Allowable costs LTFM – for HVAC upgrades due to changing from Occupancy Classification M – Mercantile to Occupancy Classification E – Education
- Unallowable Costs for remodeling for classroom square footage

Restricted LTFM Revenue (Minn. Stat. 123B.595, subd. 11)

Expenditures

- 580 Principal on Long-Term Lease or Financed Purchases (Not LTFM Allowable)

Record expenditures of the principal on outstanding long-term leases and financed purchases. Record as a long-term lease, if the maximum potential term of the lease exceeds 12 months.

- 581 Interest on Long-Term Lease or Financed Purchases (Not LTFM Allowable)

Record expenditures related to payment of interest on long-term leases or financed purchases. Please refer to Object Code 561 for computer or technology related hardware and Object Code 571 for building or land.

Restricted LTFM Revenue (Minn. Stat. § 123B.595, subd. 11)

Energy-Efficiency Projects – Initial Intent *Unallowable* LTFM Revenue

Minnesota Statutes 2022, section 123B.65, subd. 1(a 1-5)

2022 Minnesota Statutes

123B.65 ENERGY-EFFICIENCY PROJECTS.

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

(a) "Energy conservation measure" means a training program or facility alteration designed to reduce energy consumption or operating costs and includes:

- (1) insulation of the building structure and systems within the building;
- (2) storm windows and doors, caulking or weatherstripping, multiglazed windows and doors, heat absorbing or heat reflective glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;
- (3) automatic energy control systems;
- (4) heating, ventilating, or air conditioning system modifications or replacements;
- (5) replacement or modifications of lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a facility, unless such increase in illumination is necessary to conform to the applicable state or local building code for the lighting system after the proposed modifications are made;

Considered
Violence Prevention

Restricted LTFM Revenue

(Minn. Stat. § 123B.595, subd. 11)

- SECURITY CAMERAS

See safety cameras for schools



- **Not Allowable under LTFM revenue** since these cameras are considered “**Violence Prevention**”
- **Violence prevention and physical security** issues are excluded from eligibility, because the **Safe Schools Levy** under [Minnesota Statutes, section 126C.44](#) provides a dedicated source of funding for this purpose (**page 3 of LTFM Guidance**)

LTFM Guide for Allowable/Unallowable Project Expenditures

Page 3

Planned or scheduled maintenance projects *are ineligible*

- For example, *routine* replacement of fittings, traps, filters, belts, moving components or repairs of a planned or preventative nature **are excluded**
- Fertilizing the lawn
- Replacing the baseball/softball ag lime that has been washed away for over 10 years.

LTFM FAQs – Allowable/Unallowable Project Expenditures

- **Minnesota State High School League (MSHSL)**
 - Voted to add a 35-second shot clock at the varsity level for boys and girls basketball (December 2, 2021)
 - Required change for 23-24 season
- **Question:** *Since this is a requirement by MSHSL, can our school use LTFM revenue to replace our indoor scoreboard to include a shot clock?*

LTFM FAQs – Allowable/Unallowable Project Expenditures

- **Scoreboard replacement under LTFM?**
 - **Cannot use LTFM revenue** to purchase scoreboard/shot clocks to meet MSHSL requirements for shot clock changes by 23-24 season
 - **Yes**, if located/attached in the gymnasium and beyond repairs and maintenance. Have to replace as close as **“like for like”**



LTFM Guide for Allowable/Unallowable Expenditures

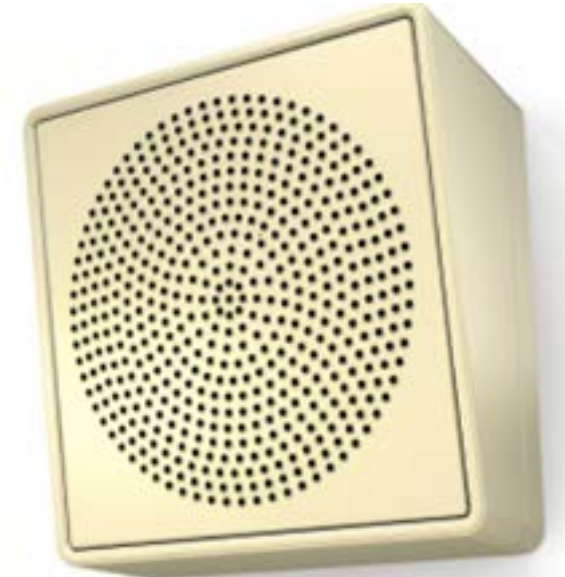
Pages 3 – 4

Technology is excluded from eligibility.....

as it is considered to be equipment and not part of a facility. Repair or replacement of telecommunications and computer installations and connectivity are excluded, except for repair/replacement of facility automation computer installations or telecommunications wiring as a result of erosion, deterioration or mechanical breakdown as the primary purpose for the work. Electrical service and lighting, clocks and alarms/Public Address (PA) systems are allowable. Software in support of facility functions does not erode for purposes of this section.

LTFM Guide Allowable/Unallowable Project Expenditures

- Page 3
- **What is included and allowed under Technology?**
 - Wiring erosion
 - Wiring deterioration or mechanical breakdown
 - Electrical service and lighting
 - Clocks and alarms/PA systems



LTFM Guide Allowable/Unallowable Project Expenditures

- **What are allowable LTFM costs under Computer Technology?**
 - Computer-based management support programs used for:
 - Health and Safety Management (**UFARS Finance Code 352**)
 - Health and Safety Record keeping
 - H&S data entry costs
 - H&S periodic software upgrades
 - **SBITAs – Subscription-Based Technology Arrangements**
(*GASB 96 – Questions? Contact your auditor*)
- **What if we use a system that includes both**
- **Facilities and H&S computer capabilities?**
 - Non-H&S maintenance and entry costs are not allowed
 - **Apportion these costs**



LTFM Guide Allowable/Unallowable Project Expenditures

- **What are unallowable LTFM costs under Technology?**
 - Technology equipment - not part of the facility
 - Repair/replacement of telecommunications and computer installations and connectivity – **equipment related**
 - Software in support of facility functions – **does not erode**



LTFM FAQs – Allowable/Unallowable Project Expenditures

- **HVAC Allowable under two separate funding sources:**
- Ventilation Costs
 - Improve indoor air quality in school facilities through
 - (1) LTFM revenue (non pandemic related)
 - ✓ Install HVAC systems to meet ASHRAE standards 62.1 and CFM ratings
 - ✓ Mechanical system repairs and maintenance
 - (2) American Rescue Plan/ESSER/GEER Funds (pandemic related)
 - ✓ HVAC system projects are allowable to meet ASHRAE standards 62.1

[CDC Ventilation Guidance for Schools-Childcares](#)

Contact – ESSER/GEER
John Ford at 651-582-8813
or John.Ford@state.mn.us

LTFM FAQs – Allowable/Unallowable Project Expenditures

384 Site Projects (Funds 01 and 06) – majority are repair and maintenance

Examples include:

- parking lots
- lighting systems; **replacing fixtures beyond repair and maintenance; not LED bulb replacement**
- tennis courts
- Fencing – **repair/maintenance. May replace existing if beyond repair/maintenance**
- playground – fall material; repair and maintain equipment but **not replacement**
- stadium bleachers – **not portable bleachers**
- field turf replacement.

Note: Major redesign and upgrade of equipment or surfaces **does not qualify** as deferred maintenance. ***Cannot change “footprint”***

LTFM Guidance – FY 2024 is current

1

4

3

2

FY 25 LTFM 10-yr Plan Documentation
Mid to Late May due to Legislature in session

DEPARTMENT OF EDUCATION

Home About Students and Families Licensing Districts, Schools and Educators Data Center COVID-19

MDE > Districts, Schools and Educators > School Finance > Facilities and Technology > Long-Term Facilities Maintenance

Search Search

Long-Term Facilities Maintenance

The Minnesota Department of Education (MDE) provides information, forms and guidance to school districts to enable them to meet requirements of the Long-Term Facilities Maintenance (LTFM) Revenue program under Minnesota Statutes, section 123B.595. This page contains memorandums from MDE, program guidance documents, and spreadsheets and forms used to obtain approval to receive revenue.

Health and Safety related information is located on the [Health and Safety webpage](#).

[FY 2024 Long-Term Facilities Maintenance Ten-Year Revenue Projection](#) - 6/6/22

[FY 2024 Long-Term Facilities Maintenance Guide](#) - 5/26/22

May 2022

[FY 2024 Long-Term Facilities Maintenance Ten-Year Expenditure Plan Application](#) - 5/26/22

[FY 2024 Long-Term Facilities Maintenance Revenue Statement of Assurances](#) - 5/26/22

[FY 2024 Long-Term Facilities Maintenance Cooperative Allocation Worksheet](#) - 5/26/22

[FY 2021 LTFM Revenue – Review of Approved vs. UFARS Expenditure Reconciliation Report and 20-21 Aid Entitlement Memorandum](#) - 11/10/21

[Maximum Revenue for Health, Safety, and Environmental Management \(FIN code 352\) for the Fiscal Year 2022-23 Biennium](#) - 6/28/21

[Maximum Revenue for Health, Safety, and Environmental Management \(FIN code 352\) for the Fiscal Year 2020-21 Biennium](#) - 6/3/19

[Long-Term Facilities Maintenance Transfers](#) - 9/1/17

[2016 Descriptions for Long-Term Facilities Maintenance UFARS Codes](#) - 6/23/16

[Long-Term Facilities Maintenance Revenue - Guide for Allowable Expenditures](#) - 6/22/16

Contact
mde.funding@state.mn.us
651-582-8779

Related offsite resources:
[Lead in Water Testing – Water Infrastructure Improvements for the Nation \(WIIN\) Grant](#)
[Minnesota Department of Health \(MDH\) Drinking Water in Schools and Child Care's Website](#)
[Reducing Lead in Drinking Water](#)

3/20/2023

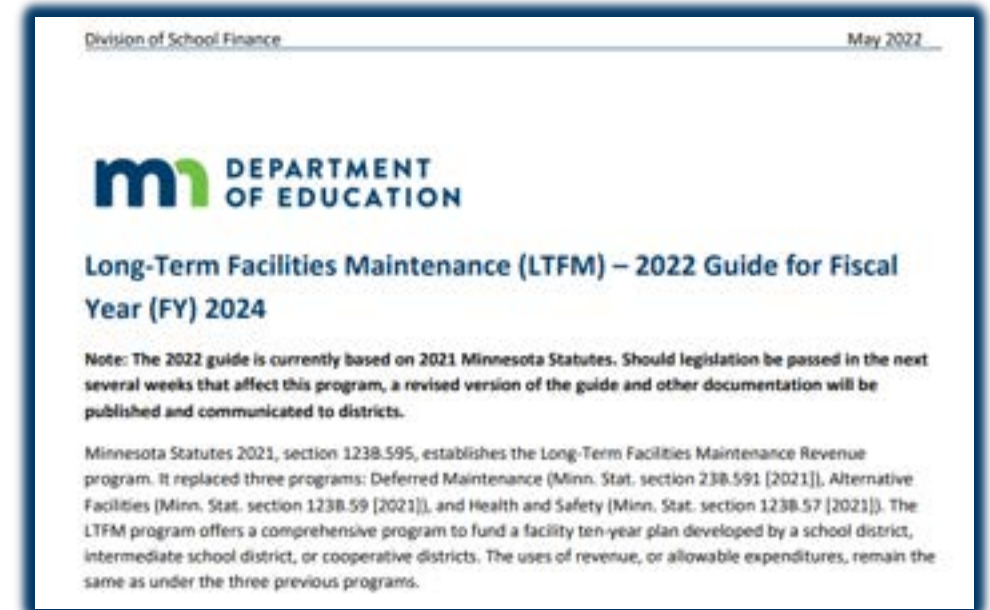
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Contents

The information in this guide is organized into the following sections:



- [Process and Timelines](#)
- [Revenue Uses and Restrictions](#)
- [Ten-Year Expenditure Excel Spreadsheet](#)
- [Ten-Year Revenue Projection Excel Spreadsheet](#)
- [Statement of Assurances](#)
- [School Board Resolution](#)
- [Other LTFM Documents and Resources](#)
- [FY 2019 LTFM Closeout/Expenditure Reconciliation](#)
- [Mid-Year Ten-Year Plan Revisions](#)
- [UFARS Code Dimensions](#)
- [MDE Contacts for Further Information](#)
- [School Board Resolution Example Templates](#)



Descriptions for LTFM UFARS Codes

► Facilities and Technology

Alternative Facilities

Health and Safety

Lease Authority

► Long-Term Facilities
Maintenance

3

[2016 Descriptions for Long-Term Facilities Maintenance UFARS Codes - 6/23/16](#)

3



Long-Term Facilities Maintenance (LTFM) Uniform Financial and Accounting Standards (UFARS) Dimensions

Chapter 1 – Fund Balance Code Dimensions

Chapter 3 – Program Code Dimensions

Chapter 4 – Finance Code Dimensions

Chapter 6 – Source Code Dimensions (Revenue)

Chapter 8 – Balance Sheet Account Dimensions

Code Title and Definition

01 General Fund

Capital expenditures may be made from either the Unassigned Fund Balance 422 in the General Fund, or from one of the appropriate Restricted/Reserved accounts in the General Fund. To indicate that the expenditure is made from the Restricted/Reserved Account for Long-Term Facilities Maintenance, use these Finance Codes: 347, Physical Hazards; 349, Other Hazardous Materials; 352, Environmental Health and Safety Management; 358, Asbestos Removal; 363, Fire Safety; 366, Indoor Air Quality; 368, Building Envelope; 369, Building Hardware and Equipment; 370, Electrical; 379, Interior Surfaces; 380, Mechanical Systems; 381, Plumbing; 382, Professional Services and Salary; 383, Roofing Systems; or 384, Site Projects.

06 Building Construction Fund

The Building Construction Fund is used to record all operations of a district's building construction program that are funded by the sale of bonds, capital loans, or major capital projects costing \$2,000,000 or more.

Long-Term Facilities Maintenance (LTFM) Program (*Minn. Stat. § 123B.595*) expenditures that are funded by bonds or major capital projects costing \$2,000,000 or more must be recorded in the Building Construction Fund.

4

Home About Students and Families Licensing Districts, Schools and Educators Data Center COVID-19

MDE > Districts, Schools and Educators > School Finance > Financial Management > UFARS

UFARS

UFARS File Upload is now part of the Education Identity and Access Management (EDIAM) security system. All users must create an EDIAM account. Your district/charter school's EDIAM Identified Official with Authority (IOwA) must authorize your access. The Minnesota Department of Education (MDE) cannot authorize user access. User access is re-certified annually by the EDIAM IOwA. Please refer to the [Data Submissions main page](#) for more details.

The Uniform Financial Accounting and Reporting Standards (UFARS) collects data submitted by districts, in compliance with reporting requirements.

[Enter the UFARS File Upload System](#)

[UFARS Code Request](#) - 9/30/21

[Changes to Financial Reports Based on UFARS Data](#) - 9/24/21

[Policy for Making State Aid Adjustments](#) - 9/23/21

FY2023 UFARS Manual

[Title Page](#) - 9/21/22
New August 2022

[Table of Contents](#) - 9/14/22
New August 2022

[Introduction](#) - 9/13/22
New August 2022

[Overview](#) - 9/11/22
New August 2022

[FY 2023 Chapter 1 - Fund Dimension](#) - 9/11/22
New August 2022

[FY 2023 Chapter 4 - Finance Dimension](#) - 9/7/22
New August 2022

► School Finance

Audits

Charter Schools

Community Education, ECFE and
School Readiness

Facilities and Technology

Federal Aid

► Financial Management

Credit Enhancement Program

District

Organization/Reorganization

Guidance and Reports

Independent Financial Audits

Statutory Operating Debt

► UFARS

Funding Projections and Trends

General Education

Levy Certification Process

MARSS Student Accounting

Nonpublic

Postsecondary Enrollment Options
(PSEO)

Special Education

Transportation

Contact

Mary Weigel
mde.ufars-accounting@state.mn.us
651-582-8770

UFARS – Chapter 4 Finance Dimensions, page 20

Long-Term Facilities Maintenance (LTFM) Finance Codes

Note: LTFM uses Finance Codes 347, 349, 352, 355, 358, 363, 366-370 and 379-384. All projects funded by the LTFM aid and levy must be restricted/reserved in Balance Sheet Code 467 and expensed in the General Fund (01). See Source Code 317 Long-Term Facilities Maintenance State Aid and Source Code 001 Property Tax Levy - General Fund 01 to record the revenue. A revenue transfer, equal to the total expenditure, is required for all expenditure activity in the Construction Fund (06).

Code	Title and Definition
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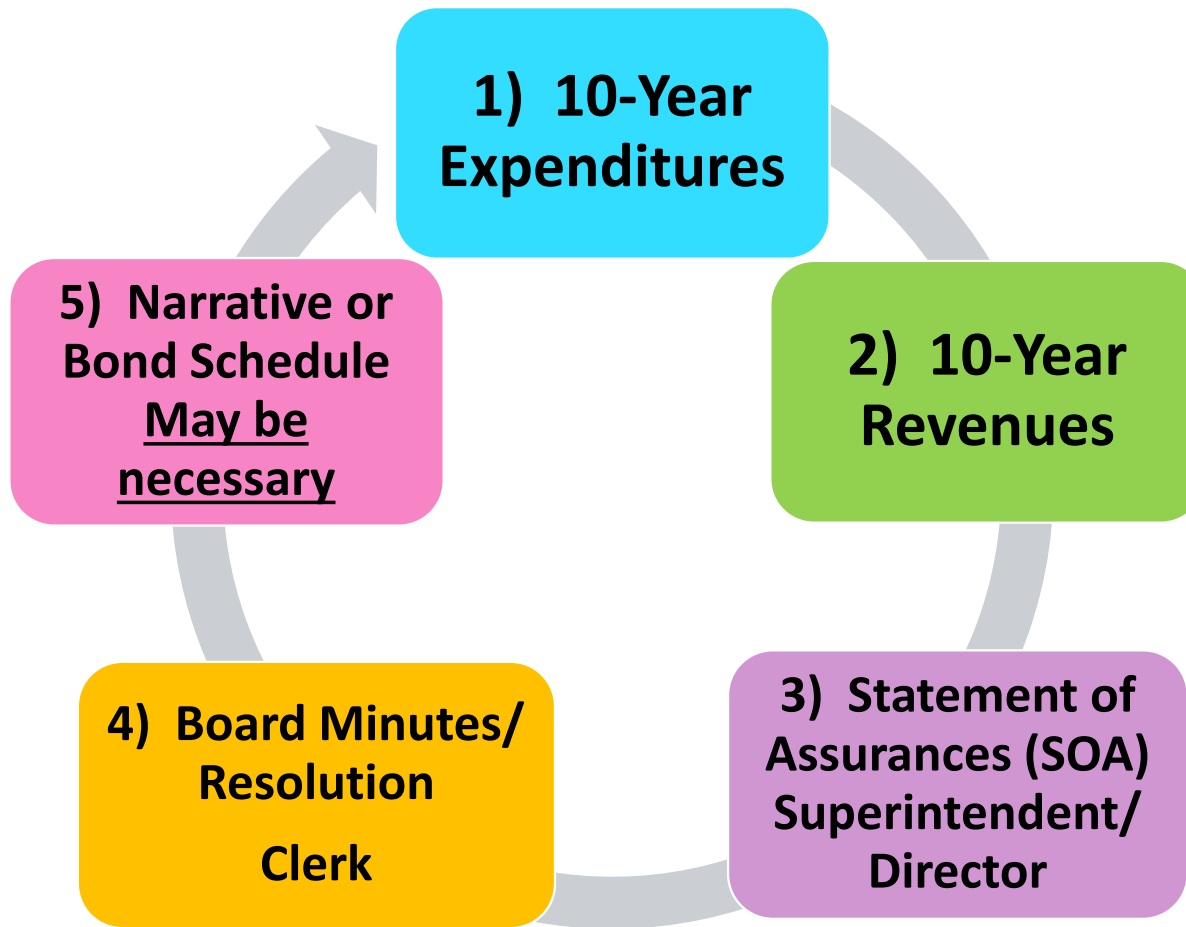
347	Physical Hazards (Funds 01 and 06)
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Record health and safety expenditures made to correct appropriate physical hazards that are not defined by other health and safety finance codes, for example: playground resurfacing, bleacher repair or rebuilding, boiler control circuit, mechanical and power equipment-safety modification, Occupational Safety and Health Administration (OSHA) physical or electrical hazard violations and indoor air quality. Also includes costs to support Minnesota Department of Health (MDH) Food Code Requirements (see application materials).

Expenditures in this code apply to Balance Sheet Code 467, Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) (Minn. Stat. 123B.595, subd. 12 [2021]).


Payment Description – XXS317 LTFM AID FY

FY 25 LTFM REQUIRED Plan Documentation



LTFM Expenditures and Revenues - Balance Sheet Fund 01 and Fund 06

1) 10-Year Expenditures

		Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266		Long-Term Facility Maintenance T	
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes, section 123B.595, subdivision 10. Enter by Unit					
District Info.		Enter Information		District Info.	
District Name:		ABC		Date:	
District Number:		9999		Email:	
District Contact Name:		Director of Business Affairs		DirectorofBusinessAffairs.com	
Contact Phone #		(999) 999-9999			
Expenditure Categories					
		2023 (base year)	2024	2025	
Health and Safety - this section excludes project costs in Category 2 of \$100,000 or more for which additional revenue is requested for Finance Codes 358, 363 and 366.					
Finance Code	Category (1)				
347	Physical Hazards	\$173,676	\$20,000	\$20,000	
349	Other Hazardous Materials	\$54,674	\$10,000	\$10,000	
352	Environmental Health and Safety Management	\$227,538	\$25,000	\$25,000	
358	Asbestos Removal and Encapsulation	\$50,518	\$15,000	\$15,000	
363	Fire Safety	\$93,100	\$5,000	\$4,000	
366	Indoor Air Quality	\$596,600	\$0	\$0	
Total Health and Safety Capital Projects		\$1,196,106	\$75,000	\$74,000	
Health and Safety - Projects Costing \$100,000 or more per Project/Site/Year ADDITIONAL \$\$					
Finance Code	Category (2)				
358	Asbestos Removal and Encapsulation	\$0	\$150,000	\$0	
363	Fire Safety	\$0	\$0	\$120,000	
366	Indoor Air Quality	\$0	\$0	\$0	
Total Health and Safety Capital Projects \$100,000 or More		\$0	\$150,000	\$120,000	

2) 10-Year Revenues

	C	D	E	F	G
1	FY 24 Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection				
2	9999 <= Type in School District Number				
3	ABC School				
4		Change only if requiring levy adjustments	Payable 2022 LLC Certification	Current Estimate	
5	Calculations for Ten Year Projection	Pay 22 LLC #	FY 2022	FY 2023	FY 2024
6					
7	1 Type your district number in cell A2 (Minneapolis = 1.2)				
8	2 Type APU, health and safety and alternative facilities project, and bond estimates in lines 6a, 14, 16b to 18, 20, 21, 26, 27 and 50b				
9	3 Type debt excess, intermediate/coop district, and revenue reduction data in lines 13, 15, 23, 31, and 33				
10	4 Look-up data from following tabs				
11					
12	5 Initial Formula Revenue				
13	6 Current year APU	57	10,583.00	10,692.28	10,584.43
14	6a Additional Pre-K Pupil Units (line 19 of Pre-K application)				
15	6b Total Adjusted Pupil Units = (6) + (6a)			10,692.28	10,584.43
16	7 District average building age (uncapped)	451	36.10	36.10	37.10
17	8 Formula allowance		\$ 380.00	\$ 380.00	\$ 380.00
18	9 Building age ratio = (Lesser of 1 or (7) / 35)	452		1.00000	1.00000
19	10 Initial revenue = (6) * (8) * (9)	453	4,021,540	4,063,067	4,022,085
20					
21	11 Added revenue for Eligible H&S Projects > \$100,000 / site				
22	12 Debt service for existing Alt facilities H&S bonds (18) - gross before debt excess	702		-	-
23	13 Debt Excess related to Debt service for existing Alt facilities H&S bonds (18)	756		-	-
24	14 Debt service for portion of existing Alt facilities bonds from line (22) attributable to eligible H&S Projects > \$100,000 per site (1A)	701		-	-
25	15 Debt Excess related to Debt service for portion of existing Alt facilities bonds attributable to eligible H&S Projects > \$100,000 per site (1A)	755		-	-

FY 25 LTFM Required 10-Year Plan Documentation

m DEPARTMENT OF EDUCATION
Division of School Finance
1500 Highway 36 West
Roseville, MN 55113-4266

Fiscal Year (FY) 2023 Application for
Long-Term Facilities Maintenance
Revenue Statement of Assurances

ED-02477-07
Due: July 31, 2021

General Information: Minnesota school districts, intermediate school districts, cooperative districts, applying for Long-Term Facilities Maintenance revenue (LTFM) under Minnesota Statutes, section 123B.593 must annually complete the Application for Long-Term Facilities Maintenance Revenue – Statement of Assurances (ED-02477). The application must be submitted to the Minnesota Department of Education (MDE) by July 31, 2021. Submit to [Sarah C. Miller](mailto:Sarah.C.Miller@mde.state.mn.us) (MDE.Facilities@state.mn.us) along with other required LTFM documentation. Do not mail a hard copy. Please email this form with other required documentation.

Identification Information

Name of District or Cooperative:	District Number and Type:	Date Submitted:
----------------------------------	---------------------------	-----------------

Statement of Assurances

- All estimated expenditures included in the attached Ten-Year Plan Expenditure spreadsheet under Health and Safety and entered into the MDE Health and Safety data submission system are for allowed health and safety uses under Minnesota Statutes, section 123B.593, subdivision 10, paragraph (a), clause (3), Minnesota Statutes, section 123B.57, subdivision 6, and the MDE Long-Term Facilities Maintenance Guide for Allowable Expenditures, Section E, Health and Safety Qualifying Criteria, and Section F, Additional Requirements Regarding Health and Safety. None of the estimated expenditures included in the attached Ten-Year Plan Expenditure spreadsheet under Health and Safety and entered into the MDE Health and Safety System are for uses prohibited under Minnesota Statutes, section 123B.593, subdivision 11.
- All estimated expenditures included in the attached Ten-Year Plan Expenditure spreadsheet under Accessibility and Deferred Maintenance are for allowed uses under Minnesota Statutes, section 123B.593, subdivision 10, paragraph (a), clauses (1) and (2), and the MDE Long-Term Facilities Maintenance Guide for Allowable Expenditures, Section C, Deferred Maintenance Qualifying Criteria or Section D, Disabled Access Qualifying Criteria. None of the estimated expenditures included in the Ten-Year Plan Expenditure spreadsheet under Accessibility and Deferred Maintenance are for uses prohibited under Minnesota Statutes, section 123B.593, subdivision 11.
- All estimated expenditures included in the attached Ten-Year Plan Expenditure spreadsheet under Financial Accounting and Reporting Standards (UFARS) for FY 2023 under sections 347, 349, 352, 358, 363 and 366 will be for allowed health and safety uses under Minnesota Statutes, section 123B.57, subdivision 6, and the MDE Long-Term Facilities Maintenance Guide for Allowable Expenditures, Section E, Health and Safety Qualifying Criteria, and Section F, Additional Requirements Regarding Health and Safety. None of the actual expenditures reported in these finance codes will be prohibited under Minnesota Statutes, section 123B.593, subdivision 11.
- All estimated expenditures included in the attached Ten-Year Plan Expenditure spreadsheet under Financial Accounting and Reporting Standards (UFARS) for FY 2023 under Finance Codes 367, 368, 369, 370, 379, 380, 381, 382, 383 will be for allowed uses under Minnesota Statutes, section 123B.593, subdivision 10, paragraph (a), clauses (1) and (2), and the MDE Long-Term Facilities Maintenance Guide for Allowable Expenditures, Section C, Deferred Maintenance Qualifying Criteria or Section D, Disabled Access Qualifying Criteria. None of the actual expenditures reported in these finance codes will be for uses prohibited under Minnesota Statutes, section 123B.593, subdivision 11.
- The district's plan includes provisions for implementing a health and safety program that complies with health, safety and environmental regulations and best practices, including indoor air quality management and mandatory lead in water testing, remediation and reporting (Minn. Stat. § 121A.335). The district's ten-year plan does not include a request for a second-time project cost for: (1) replacement of an existing mechanical ventilation system to the current Minnesota State Mechanical Code/American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) guidelines; or, (2) to provide a level of approximately 15 Cubic Feet per Minute (CFM) per person.

Certification of Statement of Assurances

Signature – Must be signed by Superintendent or Cooperative Director: <i>Sarah C. Miller</i>	Name – Superintendent or Cooperative Director (Please print):	Date:
---	---	-------

3) Statement of Assurances (SOA) Superintendent Director

Example Template (1)

Extract of School Board Meeting Minutes
Independent School District No. _____
_____ Public Schools
State Of Minnesota

Pursuant to due call and notice thereof, a School Board meeting of Independent School District No. _____, State of Minnesota, was held on _____, 2021 at _____ a.m. /p.m., for the purpose in part, of approving the District's Fiscal Year (FY) 23 Long-Term Facility Maintenance Ten-Year Plan as established in Minnesota Statutes, section 123B.595.

School Board Member _____ introduced the following resolution and moved its adoption.

Resolution Adopting Independent School District No. _____

FY 23 Long-Term Facilities Maintenance Ten-Year Plan

Be It Resolved that the School Board of Independent School District No. _____, State of Minnesota, approves the attached FY 23 Long-Term Facilities Maintenance Ten-Year Plan.

The motion for the adoption of the foregoing resolution was duly seconded by School Board Member _____ and, upon vote being thereon, the following voted in favor of the motion:

And the following voted against _____.

Whereupon the resolution was declared duly passed and adopted the _____ day of _____, 2021.

S. Minutes

School Board Clerk Signature

Disclaimer – This template is optional for school board use and does not constitute an official school board resolution and long-term facilities maintenance statutes, please consult your attorney.

Long-Term Facilities Maintenance (LTFM) – 2021 Guide

#1
MISSING

4) Board Minutes/
Resolution
Clerk Only

Statement of Assurances (Health & Safety Plan)

Question

- As a part of the Health and Safety (H&S)/LTFM plan, do districts need to have the Health and Safety Policy annually reviewed and approved by the board?

Answer


- No, requirement repealed in Minnesota Statutes ***but required to implement H&S Program.***

Statement of Assurances Number 6:

6. The district's plan includes provisions for implementing a health and safety program that complies with health, safety and environmental regulations and best practices, including indoor air quality management and lead in water testing (mandatory) and remediation.

Certification of Statement of Assurances

A Statement of Assurances submitted by a single district must be signed by the district superintendent. A Statement of Assurances submitted by an intermediate school district or cooperative must be signed by the intermediate district superintendent or cooperative director.

Signature – Superintendent or Cooperative Director:	Name – Superintendent or Cooperative Director (Please print)	Date:
	Sarah C. Miller	07/15/2018

**(5)(b) Bond
Schedule May be
necessary**

FY 24 LTFM Required 10-Year Plan Documentation

If both H&S and Deferred Maintenance bonds – two Preliminary bond schedules

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/10/2022	-	-	-	-	-
08/01/2022	-	-	176,817.92	176,817.92	-
02/01/2023	-	-	225,725.00	225,725.00	402,542.92
08/01/2023	-	-	225,725.00	225,725.00	-
02/01/2024	1,935,000.00	4.000%	225,725.00	2,160,725.00	2,386,450.00
08/01/2024	-	-	187,025.00	187,025.00	-
02/01/2025	1,930,000.00	4.000%	187,025.00	2,117,025.00	2,304,050.00
08/01/2025	-	-	148,425.00	148,425.00	-
02/01/2026	325,000.00	4.000%	148,425.00	473,425.00	621,850.00
08/01/2026	-	-	141,925.00	141,925.00	-
02/01/2027	415,000.00	4.000%	141,925.00	556,925.00	698,850.00
08/01/2027	-	-	133,625.00	133,625.00	-
02/01/2028	430,000.00	4.000%	133,625.00	563,625.00	697,250.00
08/01/2028	-	-	125,025.00	125,025.00	-
02/01/2029	445,000.00	4.000%	125,025.00	570,025.00	695,050.00
08/01/2029	-	-	116,125.00	116,125.00	-
02/01/2030	1,100,000.00	4.000%	116,125.00	1,216,125.00	1,332,250.00
08/01/2030	-	-	94,125.00	94,125.00	-
02/01/2031	1,170,000.00	2.000%	94,125.00	1,264,125.00	1,358,250.00
08/01/2031	-	-	82,425.00	82,425.00	-
02/01/2032	1,190,000.00	2.000%	82,425.00	1,272,425.00	1,354,850.00

RESOLUTION RELATING TO \$16,195,000 GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2022A; STATING OFFICIAL INTENT TO PROCEED WITH AND AUTHORIZING THE ISSUANCE AND SALE THEREOF AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT THERETO

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer this 6th day of January, 2022.

**4) Board Minutes/
Resolution**

Clerk

Need Both


School District Clerk

5)(a) Narrative

FY 24 LTFM REQUIRED 10-Year Plan Documentation NARRATIVE REQUIREMENTS

“Tabs” at bottom of LTFM Ten-Year Spreadsheet

m DEPARTMENT OF EDUCATION		Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266		Long-Term Facility Maintenance T	
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes, section 123B.595, subdivision 10. Enter by Uni					
District Info.		Enter Information		District Info.	
District Name:	ABC	Date:	7/15/2022		
District Number:	9999	Email:	DirectorofBusinessAffairs.com		
District Contact Name:	Director of Business Affairs				
Contact Phone #:	(999) 999-9999				
Expenditure Categories			2022 (base year)	2023	2024
580	Mechanical Systems		\$374,433	\$374,433	\$374,433
581	Plumbing		\$146,475	\$146,475	\$146,475
582	Professional Services and Salary		\$1,477,730	\$1,477,730	\$1,477,730
583	Roof Systems		\$504,826	\$504,826	\$504,826
584	Site Projects		\$1,319,780	\$1,319,780	\$1,319,780
Total Deferred Capital Expense and Maintenance			\$5,586,839	\$5,586,839	\$5,586,839
Total Annual 10-Year Plan Expenditures			\$6,803,330	\$7,226,839	\$7,531,233
Fund Balance Section			Revenue Projection Model FY 22 & 23		
Fund 01			Revenue Proj. 10-1		
Beginning Fund Balance 01-467-XX			\$49,741	\$5,211	\$252,041
LTFM Fiscal Year Revenue - Levy			\$6,495,518	\$7,173,099	\$7,767,018
LTFM Fiscal Year Revenue - AID if Applicable			\$263,283	\$280,570	\$282,982
LTFM Fiscal Year Revenue Other			\$0	\$0	\$0
LTFM Transfer IN from Fund 06 if applicable (see transfer guidance tab)			\$0	\$0	\$0
LTFM Transfer OUT from Fund 01 if applicable (see transfer guidance tab)			\$0	\$0	\$0
LTFM Transfer OUT if applicable - Special Legislation FY 20 and FY 21			\$0	\$0	\$0
LTFM Estimated Fiscal Year Expenditures			\$6,803,330	\$7,226,839	\$7,531,233
Ending Fiscal Year Fund Balance 01-467-XX			\$5,211	\$232,041	\$700,808
Fund 06					
Beginning Fund Balance 06-467-XX			\$0	\$0	\$0
LTFM Fiscal Year Bonded Revenue			\$0	\$0	\$0
LTFM Fiscal Year Revenue Other			\$0	\$0	\$0
LTFM Transfer IN from Fund 01 if applicable (see transfer guidance tab)			\$0	\$0	\$0
LTFM Transfer OUT from Fund 06 if applicable (see transfer guidance tab)			\$0	\$0	\$0
Other Transfers			\$0	\$0	\$0
LTFM Estimated Fiscal Year Expenditures			\$0	\$0	\$0
Ending Fiscal Year Fund Balance 06-467-XX			\$0	\$0	\$0
End of worksheet					
<div>Expenditure Spreadsheet</div> <div>Instructions</div> <div>Narrative Information</div> <div>Update Health & Safety Database</div> <div>Transfer Guidance</div>					

1	Additional Documentation
2	Category 2 Asbestos Removal and Encapsulation, Fire Safety and Indoor Air Projects \$100,000 or over per Project, per Site, per Year
3	For districts with asbestos removal and encapsulation, fire safety and indoor air quality projects costing \$100,000 or more per project, per site, per year for FY 2023 or FY 2024 the ten-year plan includes a narrative describing the scope and cost of the project in greater detail. Individual project approval is required as these projects generate additional revenue.
4	<p>a. For asbestos removal and encapsulation projects, give a description of the type and amount of asbestos and the scope of the project including an engineer or contractor estimate of the cost - <i>narrative from contractor/professional engineer - on company letterhead and signed by a company contractor/engineer.</i></p> <p>b. For fire safety projects, include a project description and an estimate of the cost from the professional engineer. If a building permit has been pulled for other school construction projects, the building inspector has jurisdiction over the review of the fire suppression rework, but the State Fire Marshal should be contacted for final review and approval; otherwise, the fire suppression rework requires an order from the state fire marshal, schools division. If replacing a fire alarm system which is inoperable, <i>submit State Fire Marshal orders to substantiate. Voice activated systems cannot be installed in existing systems unless their are Fire Marshal orders authorizing replacement due to an operable system.</i></p> <p>c. For indoor air quality projects, describe which American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Indoor Air Quality (IAQ) standards are not being met and indicate how the project will result in meeting ASHRAE standards and include an estimate of cost from the project engineer. Also, include a floor plan to reflect classrooms affected and a report listing cubic feet per minute (CFM) ratings (current and projected ratings at completion of project) - <i>narrative from professional engineer on company letterhead and signed by professional engineer.</i></p>
5	
6	
7	Category 3 Approved Voluntary Prekindergarten (VPK) Program - Remodeling Costs
8	For districts with an approved voluntary prekindergarten program under section 124D.151, a narrative describing the project to remodel existing instructional space to accommodate kindergarten instruction. In the narrative, describe the square footage and use of the existing instructional space, changes to be made to the facility, and the final square footage and features of the prekindergarten instructional space, for example, bathroom space, play area, and small group instruction space. This narrative may be the same narrative submitted to MDE as part of the application to obtain approval for the voluntary prekindergarten program under section 124D.151.
9	Category 5 Deferred Maintenance Projects costing \$2,000,000 per Project, per Site, per Year
10	For districts with deferred maintenance projects for FY 2023 or FY 2024 costing \$2,000,000 or more per project, per site, per year, a narrative describing each project in greater detail is required. In the narrative, discuss the deferred capital and maintenance criteria that make the project eligible for Long-Term facilities maintenance revenue and the work necessary to prevent further erosion of facilities. Describe the scope of work in sufficient detail to indicate the change in condition of the facility and provide an indication of the improvement to useful life. Indicate the level of deferred maintenance work needed for the facility before and after the project will be completed. Include an architect or consultant cost estimate detailing categories of work and associated cost including an estimate of fees - <i>narrative from professional engineer/architect.</i>
11	End of Worksheet

FY 23 LTFM Fund Dimensions – UFARS Chapter 1

UFARS Funds	Title
01	General Fund

Revenue for Long-Term Facilities Maintenance must be recorded in the Restricted/Reserved Account for these purposes in the General Fund **(GNL 467)**

UFARS Funds	Title
06	Building Construction Fund

Building Construction Fund is used to record all operations of a district's building construction program that are **funded by the sale of bonds, capital loans, or major capital projects costing \$2,000,000 or more (GNL 467)**

FY 23 LTFM Fund Dimensions – UFARS Chapter 1

UFARS Funds	Title
07	Debt Service

The Debt Service Fund is used to record revenues and expenditures for a school district's **outstanding bonded indebtedness**, whether for building construction or operating capital, and whether for initial or refunding bonds.

FY 25 Next LTFM Plan Preparation

Ten-Year Expenditure Plan Excel Spreadsheet – (page 5 of guidance)

What Funds are recorded on the Ten-Year Spreadsheet?

- Fund 01 – LTFM Project Expenditures
- Fund 06 – LTFM Project Expenditures

What about Fund 07 – Debt Service Principal and Interest?

- Principal and Interest expenditures are not project expenditures. *Do not record on the LTFM Ten-Year plan. These are not project expenditures.*



FY 23 LTFM Program Dimensions – UFARS Chapter 3, Page 27

UFARS Program Code Dimensions	Title
865	Long-Term Facilities Maintenance (LTFM) – Excluding Costs in Program Codes 866, 867 and 868 (Fund 01) – this Program Code includes Health and Safety/Deferred Maintenance Projects less than \$2,000,000 million/project/site/year (Fund 01)
866	LTFM – Projects per Site, per Year \$100,000 - \$1,999,999,99 for Finance Codes 358, 363 and 366 (Fund 01)
867	LTFM Projects that are bond financed . Use Program Code 868 for projects that are \$2,000,000 or more/project/site/year and Pay-As-You-Go basis. (Fund 06)
868	Long-Term Facilities Maintenance (LTFM) Projects per Site, per Year that are that are \$2,000,000 or More per Site and Finance on a Pay-As-You-Go Basis (Fund 06)

FY 23 LTFM Finance Dimensions – UFARS Chapter 4

UFARS Finance	Title	UFARS Finance	Title
347	Physical Hazards (Fund 01 and/or 06)	369	Building Hardware and Equipment (01 and/or 06)
349	Other Hazardous Materials (Fund 01 and/or 06)	370	Electrical (Fund 01 and/or 06)
352	Environmental Health and Safety Management (Fund 01 and/or 06) FY 22-23 Biennium Cap <i>see MDE LTFM Webpage for individual schools....upcoming FY 24-25</i>	379	Interior Surfaces (Fund 01 and/or 06)
355	Voluntary Pre-kindergarten Remodeling (Fund 01 and/or 06)	380	Mechanical Systems (Fund 01 and/or 06)
358	Asbestos Removal and Encapsulation (Fund 01 and/or 06)	381	Plumbing (Fund 01 and/or 06)
363	Fire Safety (Fund 01 and/or 06)	382	Professional Services and Salary (01 and/or 06)
366	Indoor Air Quality (Fund 01 and/or 06)	383	Roofing Systems (Fund 01 and/or 06)
367	Accessibility (Fund 01 and/or 06)	384	Site Projects (Fund 01 and/or 06)
368	Building Envelope (excluding roof) (Fund 01 and/or 06)		

FY 23 LTFM Balance Sheet Account – UFARS Chapter 8

UFARS Balance Sheet Account	Title and Description
467	Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) (Funds 01 and/or 06) Represents available resources to be used for LTFM projects in accordance with the 10 Year Plan (Minn. Stat. § 123B.595, subd. 12). <i>This restricted/reserved account may go into deficit to the extent of future revenue authority.</i>

LTFM Revenue – Reserve Account (Minn. Stat. § 123B.595, subd. 12)

Fund 01 – General Fund
Fund 06 - Buildings Construction Fund
Fund 7 – Debt Service Fund
Use which funds when?

Subd. 12. Reserve account. The portion of long-term facilities maintenance revenue not recognized under **subdivision 5, paragraph (c)**, must be maintained in a reserve account ***within the general fund – 01-467***

Subd. 5. Bond authorization

LTFM Revenue –UFARS Chapter 6 - Fund 01 Source Dimension

Fund 01 – General Fund Revenue LTFM Levy and State Aid

Fund 07 – Debt Service Fund for Principal and Interest Levy/Aid

Local Sources (001-099)

Code Title and Definition

001 Property Tax Levy (Funds 01, 04, 07 and 47)

Record the revenue from the property tax levies described below. **Note: Exclude any levies described in other source codes.** The levy breakdown by fund may be obtained by review of the Levy Certification Report.

General Fund Levy (Fund 01)

Record revenue from the General Fund Levy. Include the Mobile Home Tax Revenue applicable to the General Fund. Note that capital expenditure levies are now a component of the General Fund Levy.

317 Long Term Facilities Maintenance (LTFM) State Aid (Funds 01 and 07)

Enter revenue for LTFM Aid in the General Fund and Debt Service. These funds are for restricted purposes and expenditures must be coded to one of the following Finance Codes: 347, 349, 352, 355, 358, 363, 366, 367, 368, 369, 370, 379, 380, 381, 382, 383 and 384.

Payment Description – XXS317 LTFM AID FY

LTFM Revenue – Fund 6 Source Dimension UFARS Chapter 6

Fund 06 – Building Construction Fund– UFARS Source Dimensions

Sale of Bonds and Loans (631-640)


Code	Title and Definition
------	----------------------

631	Sale of Bonds (Funds 01, 02, 04, 06, 07 and 47)
-----	---

Record proceeds received from the sale of bonds for funding the OPEB liability in the Operating Funds (01, 02 and 04). These bond proceeds may be transferred to the Revocable Fund (25) or the Irrevocable Fund (45). Record proceeds from the sale of bonds for capital projects or Long-Term Facilities Maintenance in the Building Construction Fund (06) and from the sale of bonds for the purpose of refunding debt in the Debt Service Fund (07) ([Minn. Stat. 475.60 \[2021\]](#)). This amount is recorded as *other financing source* in the financial statements.

LTFM Expenditures and Revenues - Balance Sheet Fund 01 and Fund 06

1) 10-Year Expenditures

		Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266		Long-Term Facility Maintenance T	
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes, section 123B.595, subdivision 10. Enter by Unit					
District Info.		Enter Information		District Info.	
District Name:		ABC		Date:	
District Number:		9999		Email:	
District Contact Name:		Director of Business Affairs		DirectorofBusinessAffairs.com	
Contact Phone #		(999) 999-9999			
Expenditure Categories					
		2023 (base year)	2024	2025	
Health and Safety - this section excludes project costs in Category 2 of \$100,000 or more for which additional revenue is requested for Finance Codes 358, 363 and 366.					
Finance Code	Category (1)				
347	Physical Hazards	\$173,676	\$20,000	\$20,000	
349	Other Hazardous Materials	\$54,674	\$10,000	\$10,000	
352	Environmental Health and Safety Management	\$227,538	\$25,000	\$25,000	
358	Asbestos Removal and Encapsulation	\$50,518	\$15,000	\$15,000	
363	Fire Safety	\$93,100	\$5,000	\$4,000	
366	Indoor Air Quality	\$596,600	\$0	\$0	
Total Health and Safety Capital Projects		\$1,196,106	\$75,000	\$74,000	
Health and Safety - Projects Costing \$100,000 or more per Project/Site/Year ADDITIONAL \$\$					
Finance Code	Category (2)				
358	Asbestos Removal and Encapsulation	\$0	\$150,000	\$0	
363	Fire Safety	\$0	\$0	\$120,000	
366	Indoor Air Quality	\$0	\$0	\$0	
Total Health and Safety Capital Projects \$100,000 or More		\$0	\$150,000	\$120,000	

2) 10-Year Revenues

	C	D	E	F	G
1	FY 24 Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection				
2	9999 <= Type in School District Number				
3	ABC School				
4		Change only if requiring levy adjustments	Payable 2022 LLC Certification	Current Estimate	
5	Calculations for Ten Year Projection	Pay 22			
6	LLC #	FY 2022	FY 2023	FY 2023	FY 2024
7	1 Type your district number in cell A2 (Minneapolis = 1.2)				
8	2 Type APU, health and safety and alternative facilities project, and bond estimates in lines 6a, 14, 16b to 18, 20, 21, 26, 27 and 50b				
9	3 Type debt excess, intermediate/coop district, and revenue reduction data in lines 13, 15, 23, 31, and 33				
10	4 Look-up data from following tabs				
11					
12	5 Initial Formula Revenue				
13	6 Current year APU	57	10,583.00	10,692.28	10,584.43
14	6a Additional Pre-K Pupil Units (line 19 of Pre-K application)				
15	6b Total Adjusted Pupil Units = (6) + (6a)			10,692.28	10,584.43
16	7 District average building age (uncapped)	451	36.10	36.10	37.10
17	8 Formula allowance		\$ 380.00	\$ 380.00	\$ 380.00
18	9 Building age ratio = (Lesser of 1 or (7) / 35)	452		1.00000	1.00000
19	10 Initial revenue = (6) * (8) * (9)	453	4,021,540	4,063,067	4,022,085
20					
21	11 Added revenue for Eligible H&S Projects > \$100,000 / site				
22	12 Debt service for existing Alt facilities H&S bonds (18) - gross before debt excess	702		-	-
23	13 Debt Excess related to Debt service for existing Alt facilities H&S bonds (18)	756		-	-
24	14 Debt service for portion of existing Alt facilities bonds from line (22) attributable to eligible H&S Projects > \$100,000 per site (1A)	701		-	-
25	15 Debt Excess related to Debt service for portion of existing Alt facilities bonds attributable to eligible H&S Projects > \$100,000 per site (1A)	755		-	-

Health & Safety (H&S) Website Entries - Review

Health & Safety Website Entries

Do we still need to record entries on the Health & Safety Website?

School Districts who have the following *scenarios* should enter Health & Safety (H&S) projects on the website:

- 1) **Hold Harmless** Districts – school district will not receive less than they would have under old laws (Alternative Facilities FY 2010). Still need to enter H&S totals for the six Finance Code Dimensions – 347, 349, 352, 358, 363, and 366.
- 2) **Other Districts** – *Recommended* to still enter H&S totals for the six Finance Code Dimensions – 347, 349, 352, 358, 363, and 366.
- 3) *All School Districts enter* Health & Safety Projects in the \$100,000 and over category on LTFM Expenditure spreadsheet – **generates additional revenue.**

1) 10-Year Expenditures

Health and Safety Website – FY 24 Example

Home About Students and Families Licensing Districts, Schools and Educators Data Center COVID-19

MDE > Districts, Schools and Educators > Data Submissions > Health and Safety

Data Submissions

- 0-4 Census Data Reporting
- Access to Career Technical Education for Students with a Disability (ACTE-SPED)
- ADM Web Estimates (ADMWE)
- Assessment Secure Reports
- Assurance of Compliance and Mandated Reporting
- Athletics Data Reporting
- Career and Technical Education Levy Web-Based Reporting System
- Carl Perkins
- CLICS Program Administration
- Compulsory Instruction Compliance Data Reporting
- Continuing Education Clock Hour Reporting
- Disciplinary Incident Reporting System
- District and School Site Verification
- Early Childhood Education Outcomes
- Early Education Student
- Early Learning Scholarship Administration System (ELSA)
- Early Learning Services Data Reporting
- Ed-Fi
- Facilities Age and Square Footage Report
- Fiscal Compliance Table
- Graduation Requirements (GRR)
- Health and Safety

Health and Safety

The Health and Safety Data Submission System is used by independent school districts with a school board approved long-term facilities maintenance revenue (LTFM) ten year plan. School districts enter project estimates totaled by health and safety finance code for those projects qualifying for funding under Minnesota Statutes, section 123B.57, subdivision 6. The LTFM ten year plan must also be approved by the commissioner.

Allowable projects address physical hazard control; hazardous substance cleanup and disposal; environmental health, safety, and environmental management; asbestos abatement; fire and life safety; and indoor air quality related projects in buildings owned or being acquired by the school district. Finance code totals are used in the "hold harmless" levy calculation for LTFM revenue. Health and Safety projects costing \$100,000 or more for asbestos, fire safety, and indoor air quality must be entered separately as they generate additional LTFM revenue.

> [Log into the Health and Safety Data Submission System](#)

Department of Education
Health and Safety

Minnesota Health and Safety
FY 2022, FY 2023, FY 2024

"NMI" in the State Approval box means "Need More Information."
For these projects, please contact Sarah Miller at Sarah.C.Miller@state.mn.us or (651)582-8370.

District Number Security Code(Password)

User Name or Password ?
Sarah.C.Miller@state.mn.us



3/20/2023

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55

Health & Safety Website Entries

Health & Safety Website Entries – Scenarios:

**FY 24-25
Biennium**

Fiscal Year	District Number	Project Code	Finance Code	Project Description	State Approval	Approval Amount	Proposed Amount	Last Date Entered
23	9999	9991	347	Districtwide Physical Hazards	yes	84392	0	7/15/2023
23	9999	9992	349	Districtwide OTHER HAZARDOUS MATERIALS	yes	31000	0	7/15/2023
23	9999	9993	352	Districtwide ENV H&S MANAGEMENT	yes	250850	0	7/15/2023
23	9999	9994	358	Districtwide ASBESTOS	yes	10000	0	7/15/2023
23	9999	9995	363	Districtwide FIRE SAFETY	yes	67636	0	7/15/2023
23	9999	9996	366	Districtwide INDOOR AIR QUALITY (IAQ)	yes	40650	0	7/15/2023
23	9999	9997	358	SCM Elementary Asbestos \$100,000 or over PAYGO	ye1	150000	0	7/15/2023
24	9999	9998	347	Districtwide Physical Hazards	yes	85000	0	7/15/2023
24	9999	9999	349	Districtwide OTHER HAZARDOUS MATERIALS	yes	32000	0	7/15/2023
24	9999	10000	352	Districtwide ENV H&S MANAGEMENT	yes	160000	0	7/15/2023
24	9999	10001	358	Districtwide ASBESTOS	yes	15000	0	7/15/2023
24	9999	10002	363	Districtwide FIRE SAFETY	yes	68000	0	7/15/2023
24	9999	10003	366	Districtwide INDOOR AIR QUALITY (IAQ)	yes	41000	0	7/15/2023
24	9999	10004	366	High School IAQ \$500,000 or more PAYGO	ok1	500000	0	7/15/2023
25	9999	10005	347	Districtwide Physical Hazards	yes	85000	0	7/15/2023
25	9999	10006	349	Districtwide OTHER HAZARDOUS MATERIALS	yes	32000	0	7/15/2023
25	9999	10007	352	Districtwide ENV H&S MANAGEMENT	yes	160000	0	7/15/2023
25	9999	10008	358	Districtwide ASBESTOS	yes	15000	0	7/15/2023

**FY 25
23PAY24 Levy**

State Approval	Project Description
ye1 or ok1	PAYGO Project \$100,000 - \$499,999 PAYGO Project \$500,000 or more

State Approval	Project Description
yeb or okb	Bonded Project \$100,000 - \$499,999 Bonded Project \$500,000 or more

1) 10-Year Expenditures

Health and Safety Website – FY 24 Example

Minnesota Health and Safety FY 2022, FY 2023, FY 2024

For these projects, please contact Sarah Miller at Sarah.C.Miller@state.mn.us or (651)582-8370.

Add New Project

Web Instructions: [Click Here](#)

Capital Expenditure Report

Fiscal Year	Finance Code	Building Name	State Approval	Approved Amount
District 0152	Project Number	Project Description		Proposed Amount
22	347	Districtwide	yes	38299.88
Update	17850	Physical Hazards		0.00
22	349	Districtwide	yes	12739.35
Update	17846	Other Hazardous Materials		0.00
22	352	Districtwide	yes	47112.75
Update	17847	Environmental Health & Safety Management		0.00
22	358	Asbestos Removal	yes	250.00
Update	19384	Asp and Hopkins Block Wall Inspection		0.00
22	363	Districtwide	yes	48498.98
Update	17848	Fire Safety		0.00
22	366	Districtwide	yes	2645.72
Update	17849	Indoor Air Quality		0.00
23	347	Districtwide	yes	17000.00
Update	19476	Physical Hazards		0.00
23	349	Districtwide	yes	7700.00
Update	19484	Other Hazardous Materials		0.00
23	352	Districtwide	yes	45469.00
Update	19463	Environmental Health & Safety Management		0.00
23	358	Districtwide	...	0.00
Update	GEN.	Asbestos		0.00
23	363	Districtwide	yes	23000.00

1) 10-Year Expenditures

Health and Safety Website – FY 24 Example

Updating the Health and Safety Database
<p>The Minnesota Department of Education (MDE) will continue to use the existing Health and Safety (H&S) database (located on the MDE website under MDE > Districts, Schools and Educators > Business and Finance > Data Submissions, select Health and Safety) to drive levy processing for fall levies. Districts enter summary data by finance code, consistent with the summary data for Fiscal Year (FY) 2022, FY 2023 and FY 2024 included on the district's ten-year plan expenditure spreadsheet. Detailed information by project will still be required for asbestos removal and encapsulation, fire safety and indoor air quality projects costing \$100,000 or more per project, per site, per year since those generate additional revenue over and above the Long-Term Facilities Maintenance (LTFM) formula allowance. Do not enter information for deferred maintenance or accessibility finance codes. The Health and Safety amounts provide an accurate calculation of the hold harmless revenue estimate on the levy and aid entitlement reports, and either add to revenue or show complete information for persons who seek levy information.</p> <p>When comfortable with data and assumptions, a district should enter the total health and safety cost from the expenditure spreadsheet in the hold harmless section of the revenue spreadsheet and the Health and Safety Data Submission System. Hold harmless revenue depends on the year's H&S costs plus deferred maintenance revenue for districts that did not qualify for alternative facilities revenue. Hold harmless for an alternative facilities school district is health and safety plus an amount to fund the other ten-year plan projects. For FY 2022 and later, MDE is asking school districts to enter totals by finance code from the expenditure spreadsheet in the Health and Safety Data Submission System (instructions on how to enter H&S data on the data submissions website may be found on the LTFM webpage under MDE > Districts, Schools and Educators > Business and Finance > School Finance > Facilities and Technology > Long-Term Facilities Maintenance, then select "Health and Safety Website Instructions" (these instructions may also be found on the Health and Safety Data Submission System). MDE uses the submission system to load the prior law calculation H&S amount into the Levy Limitation and Certification system and LTFM Aid Entitlement system. Without this step, the levy shows zero in the health and safety line under the old law revenue and the calculation is inaccurate. An alternative facilities school district should not include the amount in both the Health and Safety Data Submission System and in the revenue amount entered for deferred maintenance ten-year plan projects levy as the H&S levy will be doubled. In the Health and Safety Data Submission System, enter the H&S finance totals, six in all (if all are included in the ten-year planned projects) from the expenditure spreadsheet plus separately enter each individual project (asbestos removal and encapsulation, fire safety or indoor air quality) costing \$100,000 or more for H&S. Only H&S finance codes are entered in the Health and Safety Data Submission System, no deferred maintenance finance codes should be entered.</p> <p>Note: School Districts should continue to update H&S expenditures in the Health and Safety Data Submission system on a regular basis to accurately cost estimate decreases or increases for applicable fiscal years.</p> <p>Make sure to update the system for final, audited UFARS H&S financial data (reference the 21-22 UFARS Turnaround Report titled Expenditure by Finance Code Report on the Minnesota Funding Reports (MFR) webpage located at Data Center > Data Reports and Analytics, locate the School Finance Reports section, select Minnesota Funding Reports (MFR). Enter your school name, view all reports, select UFARS Turnaround Reports category, select 21-22 school year, under Report select "All" and then List Reports.</p> <p>End of Worksheet</p>
<div><div><</div><div>></div><div>Expenditure Spreadsheet</div><div>Instructions</div><div>Additional Documentation</div><div>Update Health & Safety Database</div><div>Transfer Guidance</div></div>

1) 10-Year Expenditures

LTFM FY 25 Ten-Year Spreadsheet Example Categories 1 - 3

Category 01


- 347 – Physical Hazards
- 349 – Other Hazardous Materials
- 352 – Environmental H&S Mgmt.
- 358 – Asbestos Removal
- 363 – Fire Safety
- 366 – Indoor Air Quality

Category 02 – Additional \$\$

- 352 – Asbestos Removal
- 363 – Fire Safety
- 366 – Indoor Air Quality

Category 03

- 355 – Remodeling VPK

	Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266	Long-Term Facility Maintenance T			
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes, section 123B.595, subdivision 10. Enter by Uni					
District Info.		Enter Information		District Info.	Enter Information
District Name:		ABC		Date:	7/15/2023
District Number:		9999		Email:	DirectorofBusinessAffairs.com
District Contact Name:		Director of Business Affairs			
Contact Phone #		(999) 999-9999			
Expenditure Categories					
Health and Safety - this section excludes project costs in Category 2 of \$100,000 or more for which additional revenue is requested for Finance Codes 358, 363 and 366.					
Finance Code	Category (1)		2023 (base year)	2024	2025
347	Physical Hazards		\$20,000	\$20,000	\$20,000
349	Other Hazardous Materials		\$10,000	\$10,000	\$10,000
352	Environmental Health and Safety Management		\$25,000	\$25,000	\$25,000
358	Asbestos Removal and Encapsulation		\$15,000	\$15,000	\$15,000
363	Fire Safety		\$10,000	\$5,000	\$4,000
366	Indoor Air Quality		\$5,000	\$0	\$0
Total Health and Safety Capital Projects			\$85,000	\$75,000	\$74,000
Health and Safety - Projects Costing \$100,000 or more per Project/Site/Year ADDITIONAL \$\$					
Finance Code	Category (2)				
358	Asbestos Removal and Encapsulation		\$0	\$150,000	\$0
363	Fire Safety		\$0	\$0	\$120,000
366	Indoor Air Quality		\$0	\$0	\$0
Total Health and Safety Capital Projects \$100,000 or More			\$0	\$150,000	\$120,000
Remodeling for Approved Voluntary Pre-K under Minnesota Statutes, section 124D.151					
Finance Code	Category (3)				
355	Remodeling for prekindergarten (Pre-K) instruction approved by the commissioner.		\$0	\$0	\$0
Total Remodeling for Approved Voluntary Pre-K Projects			\$0	\$0	\$0

1) 10-Year Expenditures

LTFM FY 25 Ten-Year Spreadsheet – Categories 4 - 5

Category 04

367 - Accessibility

Category 05

368 – Building Envelope

369 – Building Hardware & Equip.

370 – Electrical

380 – Mechanical Systems


A

381 – Plumbing

382 – Professional Services & Salary

383 – Roof Systems

384 – Site Projects

		Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266		Long-Term Facility Maintenance T	
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes, section 123B.595, subdivision 10. Enter by Uni					
District Info.		Enter Information		District Info.	
District Name:	ABC	Date:	7/15/2023		
District Number:	9999	Email:	DirectorofBusinessAffairs.com		
District Contact Name:	Director of Business Affairs				
Contact Phone #	(999) 999-9999				
Expenditure Categories			2023 (base year)	2024	2025
Accessibility					
Finance Code	Category (4)				
367	Accessibility		\$20,385	\$15,000	\$15,000
	Total Accessibility Projects		\$20,385	\$15,000	\$15,000
Deferred Capital Expenditures and Maintenance Projects					
Finance Code	Category (5)				
368	Building Envelope		\$354,372	\$354,372	\$354,372
369	Building Hardware and Equipment		\$537,686	\$537,686	\$537,686
370	Electrical		\$105,216	\$105,216	\$105,216
379	Interior Surfaces		\$766,322	\$766,322	\$766,322
380	Mechanical Systems		\$374,433	\$374,433	\$374,433
381	Plumbing		\$146,475	\$146,475	\$146,475
382	Professional Services and Salary		\$1,319,780	\$1,319,780	\$1,319,780
383	Roof Systems		\$904,826	\$904,826	\$904,826
384	Site Projects		\$60,000	\$60,000	\$60,000
	Total Deferred Capital Expense and Maintenance		\$5,586,839	\$6,986,839	\$7,322,233
Total Annual 10-Year Plan Expenditures			\$6,803,330	\$7,226,839	\$7,531,233

ORG Site - 005

ORG Site – Specific to Bldg.
\$ 2 million or more site/year

NARRATIVE ?

B

LTFM Finance Code 380 – Mechanical Systems

A

380 Mechanical Systems (Funds 01 and 06)

Record expenditures related to replacement and deferred maintenance of building mechanical systems including heating, ventilation and air-conditioning (HVAC) and control system, fire suppression and alarm system, electronic door controls and control software, fuel systems and distribution, and ventilation systems not related to HVAC. For upgrades to HVAC systems to meet ASHRAE standards, use Finance Code 366; for upgrades to fire systems to comply with state fire marshal orders, use Finance Code 363; and for upgrades to ventilation to remove hazardous fumes, use Finance Code 349. Expenditures in this code apply to Balance Sheet Code 467, Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) ([Minn. Stat. 123B.595, subd. 12 \[2021\]\]](#)).

Payment Description – XXS317 LTFM AID FY

1) 10-Year Expenditures

LTFM Narrative Verification – Def. Maintenance \$2million > FY 24 Example



★

ABC School District - FY 24 LTFM Plan Deferred Maintenance Projects - Verification								
				FY 23		FY 24		NOTES
Finance Code	Project Category	FY 23 Budgeted Project Amount	FY 24 Budgeted Project Amount	YES (X) \$2 Million or More Per Project/ Site/Year	NO (X) Not \$2 Million or More Per Project/Site/Year - At Several Sites in District	YES (X) \$2 Million or More Per Project/ Site/Year	NO (X) Not \$2 Million or More Per Project/Site/Year - At Several Sites in District	Yes Response Needs a Narrative - see LTFM Guidance Below
368	Building Envelope	NA	NA					
369	Building Hardware and Equipment	NA	NA					
370	Electrical	NA	NA					
379	Interior Surfaces	NA	NA					
380	Mechanical Systems	NA	NA					
381	Plumbing	NA	NA					
	Professional Services and Salary	NA	NA	B				This area, of course, may be included in another Deferred Maintenance Category so it could increase, for instance, the Mechanical Systems at one
382	Roof Systems	NA	NA					
383	Site Projects	NA	NA					
384	Site Projects	\$ 2,319,780	\$ 3,500,000	X			X	
				FY 23 and FY 24		\$2,000,000 or more per project,		
				per site, per year, include a narrative describing the scope and cost of each project. In the narrative, discuss the deferred capital and maintenance criteria that make the project eligible for LTFM revenue and the work necessary to prevent further erosion of facilities. Describe the scope of work in sufficient detail to indicate the change in condition of the facility and provide an indication of the improvement to useful life. Indicate the level of deferred maintenance work needed for the facility before and after the project will be completed. Include an architect or consultant cost estimate detailing categories of work and associated cost including an estimate of fees.				
				"YES" X REQUIRES A NARRATIVE				

1) 10-Year Expenditures

LTFM Balance Sheet Section – See “Instructions” Tab

Fund Balance Section: Fund 01 - General Fund LTFM Project Expenditures and Fund 06 - Building Construction Project Expenditures (LTFM Only - Bonded or \$2 million or more per project/site/year (see transfer guidance).


To begin, enter previous fiscal year ending fund balances for Fund 01-467-XX in cell C59 and Fund 06-467-XX in cell C69. Beginning and Ending Fund Balances are input/calculated as negative balances = (\$100,000), or as positive balances = \$100,000 (UFARS Compliance Reports per applicable fiscal year). Revenues, expenditures and transfer IN and OUT are all entered as positive numbers. The fiscal year ending fund balance calculation formula includes the revenues/transfer IN entries as positive numbers added to the fiscal year beginning fund balance. The fiscal year ending fund balance calculation formula includes the expenditures/transfer OUT entries as negative numbers subtracted from the beginning fiscal year fund balance. Special Legislation (Fund 01 only) LTFM transfers IN/OUT if applicable in legislation. **If both Funds 01 and 06 are utilized, you will have to input a formula to divide up the total expenditures in Cells C-M 45 - if any or all of these cells apply.**

End of Worksheet

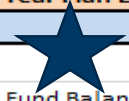
Expenditure Spreadsheet **Instructions** Additional Documentation Update Health & Safety Database Transfer Guidance

1) 10-Year Expenditures

LTFM 10-Year Expenditures Spreadsheet Fund 01 Balance Sheet Section

		Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266		Long-Term Facility Maintenance Ten-Year Expenditure			
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes, section 123B.595, subdivision 10. Enter by Uniform Financial and Accounti							
District Info.		Enter Information		District Info.		Enter Information	
District Name:	ABC	Date:	7/15/2023				
District Number:	9999	Email:	DirectorofBusinessAffairs.com				
District Contact Name:	Director of Business Affairs						
Contact Phone #	(999) 999-9999						
Expenditure Categories				Fisc			
		2023 (base year)	2024	2025	2026		
380	Mechanical Systems	\$374,433	\$374,433	\$374,433	\$0		
381	Plumbing	\$146,475	\$146,475	\$146,475	\$0		
382	Professional Services and Salary	\$1,477,730	\$1,477,730	\$1,477,730	\$0		
383	Roof Systems	\$504,826	\$904,826	\$60,000	\$0		
384	Site Projects	780	\$2,319,780	\$3,500,000	\$0		
	Total Deferred Capital Expense and Maintenance	839	\$6,986,839	\$7,322,233	\$0		
	Total Annual 10-Year Plan Expenditures	330	\$7,226,839	\$7,531,233	0,000		
Fund Balance Section							
		Fund 01		Revenue Projection Model FY 23 & 24		Revenue Proj. 10-year Spreadsheet FY 25 - FY 33	
	Beginning Fund Balance 01-467-XX	\$49,741	\$5,211	\$232,041	\$700,808		
	LTFM Fiscal Year Revenue - Levy	\$6,495,518	\$7,173,099	\$7,767,018	\$8,027,889		
	LTFM Fiscal Year Revenue - AID if Applicable	\$263,283	\$280,570	\$232,982	\$250,810		
	LTFM Fiscal Year Revenue Other	\$0	\$0	\$0	\$0		
	LTFM Transfer IN from Fund 06 if applicable (see transfer guidance tab)	\$0	\$0	\$0	\$0		
	LTFM Transfer OUT from Fund 01 if applicable (see transfer guidance tab)	\$0	\$0	\$0	\$0		
	LTFM Transfer OUT if applicable - Special Legislation FY 20 and FY 21	\$0	\$0	\$0	\$0		
	LTFM Estimated Fiscal Year Expenditures	\$6,803,330	\$7,226,839	\$7,531,233	\$7,000,000		
	Ending Fiscal Year Fund Balance 01-467-XX	\$5,211	\$232,041	\$700,808	\$1,979,507		

**Do not include
levied revenue for
Intermediate
Districts/Coops**



I.

II.

LTFM UFARS Code Review

Districts Levied - Flow Through to Co-ops or Intermediates

LTFM Flow Through Revenue from **School Districts** to **Co-ops or Intermediates**

1. **The District** should code the revenue to Source Code 001, ***NO Finance Code***.
2. **The Co-op or Intermediate** should invoice the District for the portion owed the Co-op.
3. **The District** should code the Co-op or Intermediate invoice to Object Code 390, ***NO Finance Code***
4. **The Co-op or Intermediate** should code the revenue to Source Code 021 with an **LTFM Finance Code** and then code their expenditures to the appropriate **LTFM Finance Codes**.

I.

Use FY 23 and FY 24 LTFM – Revenue Projection Model

Where do we find the Revenue Projection Model?

DATA CENTER > DATA REPORTS AND ANALYTICS, locate the SCHOOL FINANCE SPREADSHEETS SECTION, select **REVENUE PROJECTION MODEL**

School Finance Spreadsheets

Charter Schools



Facilities and Technology

Financial Profile Spreadsheets 1997 - 2010

Financial Trends

General Education

Indirect Cost Rates

Revenue Projection Model

Special Education

Transportation

Revenue Projection Model

The Minnesota Department of Education (MDE) has created a revenue projection model, in Excel format, to a education revenue, state aid revenue and levy revenue. The three revenue types are integrated and summar

The Revenue Projection Model is available here by state fiscal year. While the model has been populated by N district data into the model.

Use the Drop Downs to identify the files of interest

Year:

List files

Reset

Available Files

Year	Document	Data Files	Help Files
2023	FY 2023 Revenue Projection Model	Excel	

LTFM Revenue 10-Year Projection Spreadsheet

FY 25 through FY 33 Revenue

Revenue Projection Ten-Year Spreadsheet

FY 25 Revenue through FY 2033— take from  and input on the FY 25 LTFM Ten-Year Expenditures Spreadsheet **Fund 01 Balance Sheet section.**



1	FY 25 Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection							
2	9999 <= Type in School District Number							
3	ABC School							
4						Change only if requiring levy adjustments	Payable 2023 LLC Certification	
5	Calculations for Ten Year Projection					Pay 22		
6						LLC #	FY 2023	FY 2024
86	56 General Fund Portion of Revenue (non-grandfather districts)							
87	57 Total General Fund Revenue = (34) - (51)					491		6,785,000
88	58 General Fund Equalized Revenue = (43) - (52)					492	II.	1,279,445
89	59 Total General Fund Aid = (46) - (53)					493		285,050
90	60 General Fund Equalized Levy = (58) * (41)					494		994,395
91	61 General Fund Unequalized levy = (57) - (58)					495		5,505,555
92	62 Total General Fund Levy = (60) + (61)					496		6,499,950

Revenue Proj. 10-year Spreadsheet FY 25 - FY 33	
\$232,041	\$700,808
\$7,767,018	\$8,027,889
\$232,982	\$250,810
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$7,531,233	\$7,000,000
\$700,808	\$1,979,507

II.

LTFM Guide – Required Document Submission Mid-Year Revisions

LTFM Mid-Year Revisions

Mid-Year Ten-Year Plan Revisions - LTFM

LTFM Plan Revisions

School's priorities change after the initial plan is approved

1) Plan changes only impact LTFM expenditures

- Eligible projects may be rearranged or substituted in the LTFM expenditure plan
 - Allowed with school board approval
 - Submit **revised** school board approved expenditure plan to MDE
 - Submit board minutes approving the new expenditure plan to MDE – ***signed by the Clerk***

Mid-Year Ten-Year Plan Revisions - LTFM

LTFM Plan Revisions

2) Plan changes impact LTFM revenues

- **Reasons** to submit a new LTFM 10-year plan:
 - Issuance of bonds
 - Addition of a H&S project \$100,000 or more for:
 - ✓ Asbestos
 - ✓ Fire Safety
 - ✓ IAQ
 - Single project **per site** \$2 million or more (Deferred Maintenance)
 - Major plan changes – district to ensure plan can be approved before risking the expenditures

Mid-Year Ten-Year Plan Revisions - LTFM

LTFM Plan Revisions

2) Plan changes impact LTFM revenues (continued)

- District may submit **new** ten-year plan documentation **to MDE**
 - School board approved board minutes *(signed by the Clerk)*
 - Statement of Assurances *(signed by the Superintendent)*
 - **Revised LTFM** ten-year revenue projections, **actual Excel spreadsheet**
 - **Revised LTFM** ten-year expenditure, **actual Excel spreadsheet**
 - **DO NOT SEND Hard copies of the 10-year LTFM plan to MDE**

LTFM RECAP

FY 25 Next LTFM Plan Preparation

Ten-Year Expenditure Plan Excel Spreadsheet – (page 6 of guidance)

Project planning – What should the LTFM Ten-Year plan include or show?

- Health and Safety program is maintained (**Minn. Stat. 123B.56**)
- Accessibility expenditures are reasonable – **based upon 504 plan**
- Planned deferred maintenance project expenditures appropriate for building age and condition of district owned buildings
 - May include **“leased to own facilities”** project expenditures

1) 10-Year Expenditures

LTFM 10-Year Plan Expenditures Categories

**H&S Website
FY 23, 24, 25**

**\$100,000 or >
H&S Website
Indicate if
Bonded or PAYGO**

**VPK Approved
Program**

Category 01

347 – Physical Hazards
349 – Other Hazardous Materials
352 – Environmental H&S Mgmt.
358 – Asbestos Removal
363 – Fire Safety
366 – Indoor Air Quality

Category 02 – Additional \$\$

358 – Asbestos Removal
363 – Fire Safety
366 – Indoor Air Quality

Category 03

355 – Remodeling VPK

Category 04

367 - Accessibility

Category 05

368 – Building Envelope
369 – Building Hardware & Equip.
370 – Electrical
380 – Mechanical Systems
381 – Plumbing
382 – Professional Services & Salary
383 – Roof Systems
384 – Site Projects

**See UFARS
Descriptions
All Categories
and
LTFM Guide for
Allowable
Expenditures**

LTFM Ten-Year Revenue Projection Example

Contact:
Lonn Moe at (651) 582-8569
Lonn.Moe@state.mn.us

LTFM – Process for Submission to Commissioner – use MDE forms

- Costs of **projects only** make up the **expenditure plan**. This also includes **Bond proceeds** spent on projects.
- LTFM Expenditure plan includes only Funds 01- General Fund and 06 – Construction Fund. **Do not include Fund 07 – Debt Service principal and interest payments.**
- The ten-year **revenue projection spreadsheet** provides planning options for funding and aid/levy amounts. **Debt payments** belong on the revenue spreadsheet since LTFM revenue pays the debt and **Pay as you go** should be included.
- Use ten-year expenditure and ten-year revenue in conjunction to summarize the plan and revise annually. **Spreadsheets reflect actual intentions.**

LTFM Ten-Year Expenditures and Revenues Summary

Using the Revenue and Expenditure Spreadsheets Together

The expenditure spreadsheet should show how the revenue will be spent. Unfunded projects should not be on the spreadsheet. Technically, projects that cannot be funded are deferred beyond the ten years shown. The MDE approval process is based on finance code summary amounts over a ten-year period. Revenue use should show that the district is avoiding financial difficulty. The revenue should not be overspent over time.

A district can generate a deficit, but a district needs to have cash on hand from other sources to cover the cost until LTFM revenue catches up to expenditures.

Fund 01								
	Beginning Fund Balance 01-467-XX	\$1,229,658	\$1,395,415	\$933,030	\$1,028,858	-\$4,780,096	-\$5,888,936	-\$10,480,432
	LTFM Fiscal Year Revenue - Levy	\$561,890	\$583,832	\$646,058	\$273,982	\$269,824	\$276,145	\$411,321
	LTFM Fiscal Year Revenue - AID if Applicable	\$26,406	\$0	\$0	\$261,163	\$261,908	\$259,000	\$385,799
	LTFM Fiscal Year Revenue Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	LTFM Transfer IN from Fund 06 if applicable (see transfer guidance tab)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	LTFM Transfer OUT from Fund 01 if applicable (see transfer guidance tab)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	LTFM Transfer OUT if applicable - Special Legislation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	LTFM Estimated Fiscal Year Expenditures	\$422,539	\$1,046,217	\$550,230	\$6,344,099	\$1,640,573	\$5,126,641	\$4,429,617
	Ending Fiscal Year Fund Balance 01-467-XX	\$1,395,415	\$933,030	\$1,028,858	-\$4,780,096	-\$5,888,936	-\$10,480,432	-\$14,112,929

Monitor
Budget

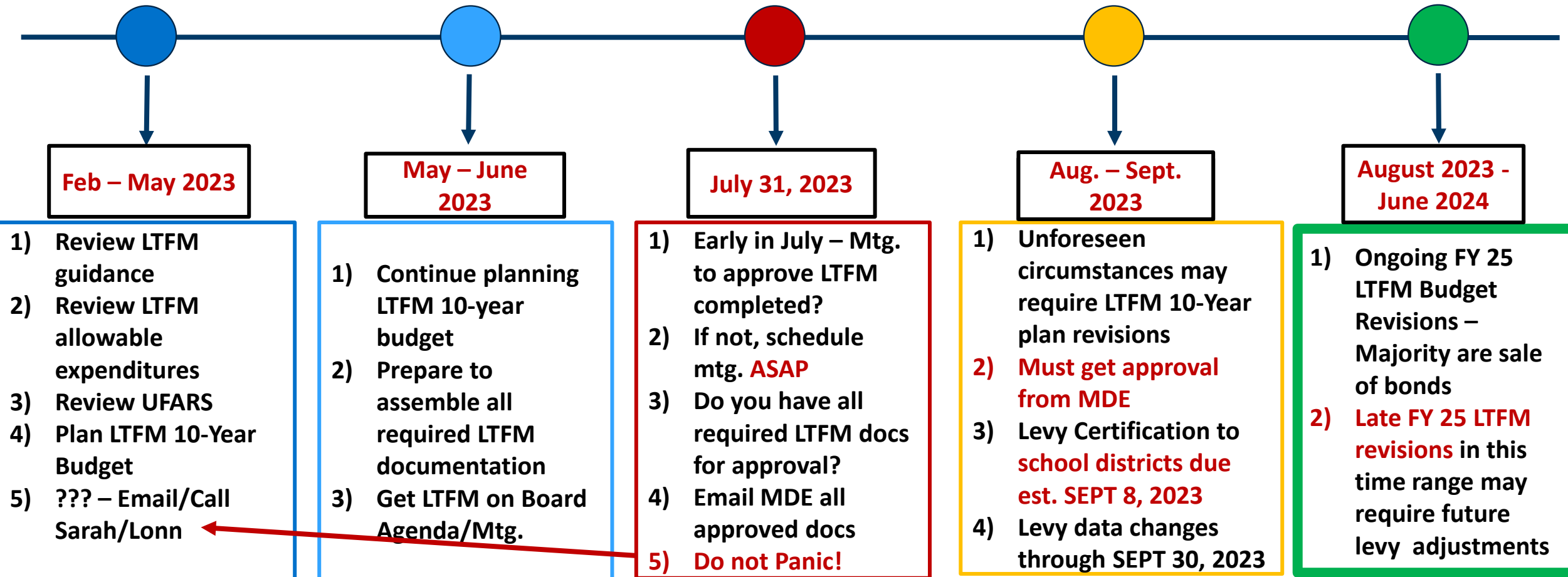
MDE Website Address for Ten-Year LTFM Plan Submissions

Where do we email LTFM documentation (next statutory deadline is July 31, 2023) – *Send Excel spreadsheets for Revenues and Expenditures, not pdfs.*

Submit to: MDE.Facilities@state.mn.us

LTFM Process Timeline – Suggested Planning for Upcoming FY 25

LTFM Suggested Timeline to meet statutory deadline of July 31

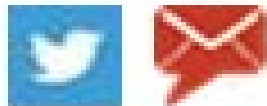


Accessibility Questions

Department of Labor and Industry (DLI)

Karen Gridley, ICC & MN Accessibility Specialist
Construction Code Rep. 2 | Construction Codes and Licensing

Minnesota Department of Labor and Industry
443 Lafayette Road N., St. Paul, MN 55155
Phone: (651) 284-5877 | Web: www.dli.mn.gov



State Fire Marshal Plan Review or Questions

State Fire Marshal Division

Attn: School District's State Fire Marshal Inspector

445 Minnesota St.

Suite 145

St. Paul, MN 5501-5145

Phone: (651) 201-7200

Fax: (651) 215-0525

TTYL: (651) 282-6555

LTFM FAQs – Allowable/Unallowable Project Expenditures

State Fire Marshal and Fire Alarm Systems Requirements

The complete replacement of a fire alarm system will require written orders by the State Fire Marshal Division (SFMD) to substantiate that the existing system is inoperable or not functioning as designed, and cannot be repaired.

- **With SFMD orders to replace a fire alarm system**, a school can then replace existing, inoperable system with a “voice activated” system – **LTFM allowable**
- ***New school construction requires*** installation of a “voice activated” fire alarm system – **unallowable LTFM revenue.....new construction.**

For more information on school fire alarm systems see the SFMD's [Fire Alarms for Educational Occupancies](#) information sheet.



Radon Contact Information

Minnesota Statutes, section 123B.571

Dan Tranter

Indoor Air Unit Supervisor

Minnesota Department of Health

daniel.tranter@state.mn.us

Or

651-201-4618

Radon Testing Plan information at MDH

www.health.state.mn.us/divs/eh/indoorair/schools/radonschool.html

- Currently, radon testing is not mandatory
- School Districts **may include radon testing** as a part of its ten-year LTFM plan under Minnesota Statute, section 123B.595. If included in an approved LTFM plan, ***the district shall conduct the testing according to the radon testing plan developed by the commissioners of health and education***

Minnesota Department of Health (MDH)

Anna Jeanne Schliep

anna.schliep@state.mn.us

651-201-4667

Long-Term Facilities Maintenance - Contacts

LTFM Questions:

Allowed uses of LTFM revenue, process and timelines, LTFM expenditure projection spreadsheet, health and safety data base, LTFM UFARS coding, Facilities Age and Square Footage Reporting - adding new buildings or deleting buildings: contact Sarah C. Miller at sarah.c.miller@state.mn.us or (651)582-8370.

Revenue Projection spreadsheet, Levy Limitation and Certification report adjustments, LTFM aid entitlement and levy calculations, LTFM required debt: contact Lonnn Moe at lonnn.moe@state.mn.us or (651) 582-8569.

Thank you!

Sarah C. Miller

Sarah.C.Miller@state.mn.us

651-582-8370