

ADMINISTRATIVE REPORT

DATE: May 18, 2023
TOPIC: 8.4 - Approval of Resolution authorizing inclusion of Northeast Metro's Long Term Facility Maintenance projects in the 2023 Payable 2024 Levy for South Washington County Schools
PRESENTER: Dan Pyan, Executive Director of Finance and Operations
REFERENCE TO POLICY/STATUTE: Policy 701, 702


A. PURPOSE OF REPORT

- a. Intermediate districts are eligible for Long Term Facility Maintenance Revenue through the LTFM process administered by the Minnesota Department of Education.
- b. For taxes payable in 2023, Northeast Metro 916's LTFM total levy is \$ 431,950. South Washington County Schools' portion of that levy is \$ 82,268.
- c. It is recommended to approve the attached resolution so that Northeast Metro 916 can collect LTFM revenue and students from South Washington County Schools can benefit from improved health and safety conditions in Northeast Metro 916 facilities.
- d. The attached resolution approves Intermediate District 916's LTFM budget and authorizes inclusion of a proportionate share of those projects in the application for LTFM revenue.

B. RECOMMENDATION

- a. Approval of the attached resolution.



 Division of School Finance 400 NE Stinson Blvd Minneapolis, MN 55413		Long-Term Facility Maintenance Ten-Year Expenditure Application (LTFM) - Fund 01 and Fund 06 Projects Only										ED - 02478-08	
Instructions: Enter estimated, allowable LTFM expenditures (Fund 01 and/or Fund 06 only) under Minnesota Statutes 2021, section 123B.595, subd. 10. Enter by Uniform Financial and Accounting Reporting Standards (UFARS) finance code and by fiscal year in the cells provided.													
District Info.		Enter Information			District Info.		Enter Information						
District Name:		Northeast Metro 916 Intermediate School District			Date:								
District Number:		916			Email:		mkumlien@916schools.org						
District Contact Name:		Mark Kumlien											
Contact Phone #:		651-415-5650											
Fiscal Year (FY) Ending June 30													
Expenditure Categories		2023 (base year)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
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	\$20,650	\$36,650	\$37,150	\$38,650	\$33,650	\$38,650	\$33,650	\$38,650	\$33,650	\$46,150	\$46,150	
349	Other Hazardous Materials	\$8,500	\$11,500	\$12,000	\$14,500	\$8,500	\$8,500	\$11,500	\$11,500	\$14,500	\$12,500	\$12,500	
352	Environmental Health and Safety Management	\$60,800	\$93,800	\$94,800	\$95,800	\$96,800	\$97,800	\$98,800	\$99,800	\$100,800	\$109,300	\$109,300	
358	Asbestos Removal and Encapsulation	\$0	\$0	\$2,000	\$0	\$0	\$2,000	\$0	\$0	\$2,000	\$2,500	\$2,500	
363	Fire Safety	\$20,250	\$26,900	\$28,400	\$24,100	\$28,600	\$22,000	\$24,400	\$26,600	\$22,000	\$31,300	\$29,600	
366	Indoor Air Quality	\$7,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	
Total Health and Safety Capital Projects		\$117,700	\$181,350	\$186,850	\$185,550	\$180,050	\$181,450	\$180,850	\$189,050	\$185,450	\$214,250	\$212,550	
Health and Safety - Projects Costing \$100,000 or more per Project/Site/Year													
Finance Code	Category (2)												
358	Asbestos Removal and Encapsulation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
363	Fire Safety	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
366	Indoor Air Quality	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Health and Safety Capital Projects \$100,000 or More		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Remodeling for Approved Voluntary Pre-K Projects		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Accessibility													
Finance Code	Category (4)												
367	Accessibility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Accessibility Projects		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Deferred Capital Expenditures and Maintenance Projects													
Finance Code	Category (5)												
368	Building Envelope	\$10,500	\$21,500	\$24,500	\$21,500	\$196,500	\$196,500	\$21,500	\$21,500	\$21,500	\$28,500	\$28,500	
369	Building Hardware and Equipment	\$0	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	
370	Electrical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
379	Interior Surfaces	\$4,800	\$28,100	\$80,100	\$97,700	\$22,700	\$22,700	\$97,700	\$137,700	\$97,700	\$73,700	\$73,700	
380	Mechanical Systems	\$0	\$15,000	\$107,500	\$0	\$160,000	\$20,000	\$20,000	\$0	\$0	\$0	\$0	
381	Plumbing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
382	Professional Services and Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
383	Roof Systems	\$12,000	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000	\$614,000	\$14,000	\$14,000	\$17,000	\$17,000	
384	Site Projects	\$6,000	\$15,000	\$15,000	\$15,000	\$15,000	\$65,000	\$50,000	\$15,000	\$15,000	\$15,000	\$15,000	
Total Deferred Capital Expense and Maintenance		\$33,300	\$97,600	\$245,100	\$152,200	\$412,200	\$322,200	\$807,200	\$192,200	\$152,200	\$138,200	\$138,200	
Total Annual 10-Year Plan Expenditures		\$151,000	\$278,950	\$431,950	\$337,750	\$592,250	\$503,650	\$988,050	\$381,250	\$337,650	\$352,450	\$350,750	
Fund Balance Section													
Fund 01													
Beginning Fund Balance 01-467-XX		\$96,963	\$260,999	\$415,651	\$321,451	\$575,951	\$487,351	\$971,751	\$364,951	\$321,351	\$336,151	\$334,451	
LTFM Fiscal Year Revenue - Levy		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LTFM Fiscal Year Revenue - AID if Applicable		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LTFM Fiscal Year Revenue Other		\$277,298	\$431,950	\$337,750	\$592,250	\$503,650	\$988,050	\$381,250	\$337,650	\$352,450	\$350,750	\$468,750	
LTFM Transfer IN from Fund 06 if applicable (see transfer guidance tab)		\$0	\$0	\$0	\$0	\$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	\$0	\$0	\$0	\$0	
LTFM Transfer OUT if applicable - Special Legislation		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LTFM Estimated Fiscal Year Expenditures		\$113,262	\$277,298	\$431,950	\$337,750	\$592,250	\$503,650	\$988,050	\$381,250	\$337,650	\$352,450	\$350,750	
Ending Fiscal Year Fund Balance 01-467-XX		\$260,999	\$415,651	\$321,451	\$575,951	\$487,351	\$971,751	\$364,951	\$321,351	\$336,151	\$334,451	\$452,451	

EXTRACT OF MINUTES OF MEETING
OF SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 833
(South Washington County)
STATE OF MINNESOTA

Pursuant to due call and notice thereof, a School Board meeting of School District No. 833, State of Minnesota, was held on _____(date), at _____(time), for the purpose, in part, of approving the FY 2025 Long-Term Facility Maintenance budget and authorizing the inclusion of a proportionate share of Northeast Metro 916 Intermediate School District's long-term facility maintenance projects in the district's application for long-term facility maintenance.

Member _____ introduced the following resolution and moved its adoption:

Resolution approving Northeast Metro 916 Intermediate School District's long-term facility maintenance program budget and authorizing the inclusion of a proportionate share of those projects in the district's application for fiscal year (FY) 2025 long-term facility maintenance revenue.

BE IT RESOLVED by the School Board of School District No. 833, State of Minnesota, as follows:

1. The school board of Northeast Metro 916 Intermediate School District has approved a long-term facility maintenance program budget for its facilities for the 2024-2025 school year (Pay 2024 Levy) in the amount of \$431,950.00 of which School District No. 833's proportionate share is \$82,268.00 for pay as you go projects. The various components of this program budget are attached hereto and are incorporated herein by reference. Said budget is hereby approved.
2. Minnesota Statutes, Section 123B.53, subdivision 1, as amended, provides that if an intermediate school district's long-term facility maintenance budget is approved by the school boards of each of the intermediate school district's member school districts, each member district may include its proportionate share of the costs of the intermediate school district program in its long-term facility maintenance revenue application.
3. The proportionate share of the costs of the intermediate school district's long-term facility maintenance program for each member school district to be included in its application shall be determined by utilizing a blended rate where 25% of the rate is determined by multiplying the total cost of the intermediate school district long-term facility maintenance times the ratio of the member school district's net tax capacity to the total net tax capacity of the intermediate school district and 75% of the rate is determined by multiplying the total cost of the intermediate school district long-term facility maintenance times the ratio of ADM utilization by district to the total ADM utilization. The inclusion of this proportionate share in the district's long-term facility

maintenance revenue application for fiscal year 2025 is hereby approved, subject to approval by the Commissioner of Education. Upon receipt of the proportionate share of long-term facility maintenance revenue attributable to the intermediate school district program, the district shall promptly pay to the intermediate school district the applicable aid or levy proceeds.

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

And the following voted against:

WHEREUPON said resolution was approved and adopted by the school board of School District No. 833.

STATE OF MINNESOTA

COUNTY OF _____

I, the undersigned, being the duly qualified and acting Clerk of School District No. 833, State of Minnesota, hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of Independent School District No. 833 held on the date therein indicated, with the original of said minutes on file in my office, and the same is a full, true and complete transcript insofar as the same relates to the approval of Northeast Metro 916 Intermediate School District's long-term facility maintenance program budget and authorizing the inclusion of a proportionate share of the School District's long-term facility maintenance projects in the district's application for long-term facility maintenance revenue.

WITNESS MY HAND officially as such Clerk on _____ (date).

Clerk
Independent School District No. 833