

INDEPENDENT SCHOOL DISTRICT 271  
Bloomington, Minnesota

**REQUEST FOR SCHOOL BOARD ACTION**

DATE OF BOARD MEETING: May 28, 2019

SUBJECT: Long-Term Facility Maintenance Program Ten Year Budget

ORIGINATING DEPARTMENT: Finance

APPROVAL OF ADMINISTRATIVE CABINET MEMBER: Rod Y. Zivkovich, Executive Director of Finance and Support Services *ryz*

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**RESOLUTION FOR BOARD TO ADOPT:**

RESOLVED, that the School Board of Independent School District 271 approves the attached Ten Year Long-Term Facility Maintenance Program Budget and authorizes the current amount to be included in the District's long-term facility maintenance projects application for long-term facility maintenance revenue.

**RECOMMENDATION OF SUPERINTENDENT:**

Approve. *[Signature]*

**DETAILED BACKGROUND:**

Change in legislation in 2015 requires the School Board to approve a ten year long-term facility maintenance program budget for its facilities to be able to levy for the Alternative Facilities pay-as-you-go, Debt Service on Alternative Facilities Bonds and Health and Safety funding for the 2020-21 school year.

Minnesota Statute 123B.571 requires any school district testing for the presence of radon must present results to the School Board. In 2018 the District tested Kennedy, Hillcrest, Ridgeview, and Southwood. Only Southwood had one room exceed the EPA action level. This room was retested with a continuous monitor that measures radon concentrations hour by hour. Results from the continuous monitor indicated when the room was occupied radon levels were below the EPA action level.



## Fiscal Year (FY) 2020 Application for Long-Term Facilities Maintenance Revenue Statement of Assurances

**General Information:** Minnesota school districts, intermediate school districts and cooperatives applying for Long-Term Facilities Maintenance (LTFM) revenue under Minnesota Statutes, section 123B.595 must annually complete the Application for Long-Term Facilities Maintenance Revenue – Statement of Assurances (ED-02477-04). The application must be submitted to the Minnesota Department of Education (MDE) by July 31, 2018. Submit to: Attention Sarah C. Miller (MDE.Facilities@state.mn.us) along with other required LTFM documentation.

### Identification Information

Name of District or Cooperative: <b>ISD 271 Bloomington Schools</b>	District Number and Type: <b>271</b>	Date Submitted: <b>06/25/2019</b>
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### Statement of Assurances

1. 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.595, 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.595, subdivision 11.
2. 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.595, subdivision 10, paragraph (a), clauses (1) and (2), and the MDE Long-Term Facilities Maintenance Guide for Allowable Expenditures (June 2018), Section C, Deferred Maintenance Qualifying Criteria or Section D, Disabled Access Qualifying Criteria. None of the estimated expenditures included in the attached Ten Year Plan Expenditure spreadsheet under Accessibility and Deferred Maintenance are for uses prohibited under Minnesota Statutes, section 123B.595, subdivision 11.
3. All actual expenditures to be reported in Uniform Financial Accounting and Reporting Standards (UFARS) for FY 2020 under Finance Codes 347, 349, 352, 358, 363 and 366 will be for allowed health and safety uses under Minnesota Statutes section 123B.595, 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 actual expenditures reported in these finance codes will be for uses prohibited under Minnesota Statutes, section 123B.595, subdivision 11.
4. All actual expenditures to be reported in UFARS for FY 2020 under Finance Codes 367, 368, 369, 370, 379, 380, 381, 382, 383 and 384 for accessibility and deferred maintenance will be for allowed uses under Minnesota Statutes, section 123B.595, 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.595, subdivision 11.
5. The district will maintain a description of each project funded with long-term facilities maintenance revenue that will provide enough detail for an auditor to determine the cost of the project and if the work qualifies for revenue (Minn. Stat. § 127A.411, subd. 3).
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) <b>Les Fujitake</b>	Date: <b>05/29/2019</b>
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 DEPARTMENT OF EDUCATION		Division of School Finance 1500 Highway 38 West Roseville, MN 55113-4266		<b>Long-Term Facility Maintenance Revenue Application – Ten-Year Expenditure</b>									ED - 02478-02	
<b>INSTRUCTIONS:</b> Enter estimated expenditures that are allowable uses of Long-term Facilities Maintenance Revenue under MS 123B.595, Subd. 10, by UFARS Finance Code by fiscal year in the space provided.														
					District Name: <b>Bloomington Public Schools</b>				District # <b>271</b>					
									Date:					
					District Contact for Questions on this Spreadsheet:				E-mail:					
					Name: <b>Tim Rybak</b>				952-806-8766					
Fiscal Year, Ending June 30th -->			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
<b>ESTIMATED EXPENDITURES:</b>														
<b>Health and Safety, Excluding Projects in Finance codes 358, 363 and 366 Costing &gt; \$100,000 per Site</b>														
Finance	Category													
347	Physical Hazards	\$135,845	\$135,845	\$137,200	\$138,600	\$140,000	\$142,000	\$143,500	\$145,000	\$147,000	\$150,000	\$147,500		
349	Other Hazardous Materials	\$71,700	\$71,700	\$72,400	\$74,000	\$75,000	\$76,000	\$77,000	\$78,000	\$80,000	\$80,000	\$80,500		
352	Environmental Health & Safety Management	\$247,500	\$247,500	\$249,900	\$252,400	\$255,000	\$257,500	\$261,000	\$264,000	\$266,000	\$267,500	\$270,000		
358	Asbestos Removal and Encapsulation	\$198,687	\$198,687	\$196,300	\$198,000	\$201,000	\$193,600	\$184,000	\$210,000	\$219,000	\$213,000	\$211,000		
363	Fire Safety	\$85,355	\$85,355	\$87,200	\$88,000	\$89,000	\$89,900	\$90,500	\$92,000	\$93,000	\$94,500	\$97,500		
366	Indoor Air Quality	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
<b>Total Health and Safety Capital Projects</b>		<b>\$739,087</b>	<b>\$739,087</b>	<b>\$743,000</b>	<b>\$1,051,000</b>	<b>\$760,000</b>	<b>\$759,000</b>	<b>\$756,000</b>	<b>\$789,000</b>	<b>\$805,000</b>	<b>\$805,000</b>	<b>\$806,500</b>		
<b>Health and Safety, Projects Costing &gt; \$100,000 per Site</b>														
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		
<b>Total Health and Safety Capital Projects \$100,000 or More</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		
<b>Remodeling for Pre-K instruction approved under M.S. 124D.151</b>														
Finance	Category													
355	Remodeling for Pre-K instruction approved by the commissioner	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
<b>Accessibility</b>														
Finance	Category													
367	Accessibility	\$11,500	\$40,000	\$250,000	\$250,000	\$17,000	\$11,500	\$13,000	\$15,000	\$11,500	\$15,000	\$15,000		
<b>Deferred Capital Expenditures and Maintenance Projects</b>														
Finance	Category													
368	Building Envelope	\$799,947	\$525,000	\$540,000	\$400,000	\$300,000	\$350,000	\$474,000	\$475,000	\$528,000	\$375,000	\$400,000		
369	Building Hardware and Equipment	\$137,000	\$124,000	\$170,000	\$150,000	\$190,000	\$137,500	\$150,000	\$215,000	\$155,000	\$125,000	\$120,000		
370	Electrical	\$1,133,520	\$2,133,520	\$2,219,000	\$7,478,000	\$4,815,000	\$2,440,000	\$1,500,000	\$1,907,000	\$2,000,000	\$1,750,000	\$2,000,000		
379	Interior Surfaces	\$391,520	\$341,520	\$400,000	\$350,000	\$300,000	\$350,000	\$293,000	\$225,000	\$311,000	\$275,000	\$250,000		
380	Mechanical Systems	\$9,698,624	\$8,150,060	\$8,000,000	\$16,350,000	\$11,150,000	\$7,325,000	\$8,610,000	\$8,450,000	\$8,525,000	\$8,800,000	\$9,000,000		
381	Plumbing	\$1,365,702	\$1,050,000	\$1,000,000	\$1,000,000	\$900,000	\$1,350,000	\$800,000	\$1,300,000	\$1,100,000	\$1,200,000	\$1,000,000		
382	Professional Services and Salary	\$945,000	\$1,095,900	\$1,123,000	\$1,117,000	\$1,127,000	\$1,130,000	\$1,132,000	\$1,130,000	\$1,137,000	\$1,140,000	\$1,145,000		
383	Roof Systems	\$1,771,000	\$1,150,000	\$1,000,000	\$500,000	\$1,035,000	\$1,500,000	\$1,650,000	\$800,000	\$885,000	\$917,000	\$700,000		
384	Site Projects	\$340,000	\$270,000	\$180,000	\$150,000	\$267,000	\$300,000	\$250,000	\$350,000	\$200,000	\$285,000	\$290,000		
<b>Total Deferred Capital Expense and Maintenance</b>		<b>\$16,582,313</b>	<b>\$14,840,000</b>	<b>\$14,632,000</b>	<b>\$27,495,000</b>	<b>\$20,084,000</b>	<b>\$14,882,500</b>	<b>\$14,859,000</b>	<b>\$14,852,000</b>	<b>\$14,841,000</b>	<b>\$14,867,000</b>	<b>\$14,905,000</b>		
<b>Total Annual 10 Year Plan Expenditures</b>		<b>\$17,332,900</b>	<b>\$15,619,087</b>	<b>\$15,625,000</b>	<b>\$28,796,000</b>	<b>\$20,861,000</b>	<b>\$15,653,000</b>	<b>\$15,628,000</b>	<b>\$15,656,000</b>	<b>\$15,657,500</b>	<b>\$15,687,000</b>	<b>\$15,726,500</b>		

Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection - Version Modified by Ehlert for 1A Districts					Revised 6/13/2018	Acronyms:	Prekindergarten (Pre-K)	Voluntary Pre-K (VPK)	Health and Safety (H&S)	Adjusted Net Tax Capacity (ANTC)	Levy Limitation Certification (LLC)	Adjusted Public Unit (APU)	Alternative (Alt)
271	<= Type in School District Number	Updated by District on:		December 10, 2018									
<b>Bloomington Public School District</b>													
<i>Calculations for Ten Year Projection</i>			Change only if requiring levy adjustments	Payable 2018 LLC Certification	Current Estimate								
	LLC #	FY 2018	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1		Type your district number in cell A2 (Minneapolis = 1.2)											
2		Type APU, health and safety and alternative facilities project, and bond estimates in lines 6a, 14, 17 to 18, 20, 21, 26, 27 and 50											
3		Type debt excess, intermediate/coop district, and revenue reduction data in lines 13, 15, 23, 31, and 33											
4		Look-up data from following tabs											
5		<b>Initial Formula Revenue</b>											
6	57		11,260.40	11,338.21	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57
6a				19.00									
6b				11,357.21	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57
7	402		48.65	49.65	50.65	51.65	52.65	53.65	54.65	55.65	56.65	57.65	58.65
8			\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00
9	403			1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
10	404		4,278,952	4,315,741	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977
11													
12	702												
13	756												
14	701												
15	755												
17	703												
18	406												
19	407												
20a	704												
20b	408												
20c													
20d	409			4,315,741	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977
21	410			1,051,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
22				3,677,074	3,561,469	1,489,084	1,489,084	1,489,084	1,489,084	1,489,084	2,607,334	2,546,854	2,414,029
23													
24	762			3,677,074	3,561,469	1,489,084	1,489,084	1,489,084	1,489,084	1,489,084	2,607,334	2,546,854	2,414,029
25	763												
26													
	411			2,544,322	1,650,000	1,910,000	2,315,000	3,160,000	8,310,000	9,500,000	8,500,000	8,900,000	8,000,000
27	414												
27a	703												
27b	705			940,734	940,734	1,882,059	1,882,059	1,882,059	1,882,059	1,882,059	4,008,309	4,022,747	3,941,897

Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection - Version Modified by Ehlers for 1A Districts					Revised 6/13/2018	Acronyms:	Prekindergarten (Pre-K)	Voluntary Pre-K (VPK)	Health and Safety (H&S)	Adjusted Net Tax Capacity (ANTC)	Levy Limitation Certification (LLC)	Adjusted Public Unit (APU)	Alternative (Alt)			
271	<= Type in School District Number	Updated by District on:	December 10, 2018													
	<b>Bloomington Public School District</b>															
<i>Calculations for Ten Year Projection</i>																
	Pay 18 LLC #	Change only if requiring levy adjustments	Payable 2018 LLC Certification	Current Estimate	FY 2018	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
28	Old formula deferred maintenance revenue = (if (22) + (26) = 0, (10) * (\$64 / formula allowance))	417														
29	Total old formula revenue = (21)+(24)+(25)+(26)+(27)+(27a)+(27b)+(28)	418				7,667,147	8,213,130	7,252,203	6,381,143	6,786,143	7,631,143	12,781,143	13,971,143	16,215,643	16,569,601	15,455,926
30	Total LTFM Revenue for Individual District Projects = Greater of (20d) or [(29) + (20c)]	419				7,667,147	8,213,130	7,252,203	6,381,143	6,786,143	7,631,143	12,781,143	13,971,143	16,215,643	16,569,601	15,455,926
31	District Requested Reduction from Maximum LTFM Revenue (to levy less than the maximum). Also enter this amount in the Levy Information System. Stated as positive number	420														
32	District LTFM Revenue (30) - (31)	421				7,667,147	8,213,130	7,252,203	6,381,143	6,786,143	7,631,143	12,781,143	13,971,143	16,215,643	16,569,601	15,455,926
33	LTFM Revenue for District Share of Eligible Cooperative / Intermediate Projects (Unequalized)	422				6,133										
34	<b>Grand Total LTFM Revenue (32) + (33)</b>	<b>423</b>				<b>7,673,280</b>	<b>8,213,130</b>	<b>7,252,203</b>	<b>6,381,143</b>	<b>6,786,143</b>	<b>7,631,143</b>	<b>12,781,143</b>	<b>13,971,143</b>	<b>16,215,643</b>	<b>16,569,601</b>	<b>15,455,926</b>
	<b>Aid and Levy Shares of Total Revenue</b>															
35	For ANTC & APU, three year prior date		2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025			
36	Three year prior Ag Modified ANTC	33	144,733,506	144,733,506	157,215,492	163,504,111	170,044,276	176,846,047	183,919,889	191,276,684	198,927,752	206,884,862	215,160,256			
37	Three year prior Adjusted PU (New Weights)	54	11,290.29	11,290.30	11,388.73	11,290.60	11,338.21	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57	11,302.57			
38	ANTC / APU = (36) / (37)	425	12,819.29	12,819.28	13,804.48	14,481.43	14,997.45	15,646.53	16,272.39	16,923.29	17,600.22	18,304.23	19,036.40			
39	State average ANTC / APU with ag value adjustment	426	7,718.42	7,718.42	8,186.09	8,535.56	8,895.20	9,251.00	9,621.00	10,006.00	10,406.00	10,822.00	11,255.00			
40	Equalizing Factor = 123% of (39)	427	9,493.66	9,493.66	10,068.89	10,498.74	10,941.10	11,378.73	11,833.83	12,307.38	12,799.38	13,311.06	13,843.65			
41	Local (levy) share of Equalized Revenue (lesser of 1 or (38) / (40))	428	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%			
42	State (aid) share of Equalized Revenue (1 - (41))	429	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
43	Equalized Revenue (lesser of (34) or (6) * (8))	424	4,278,952	4,308,521	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977	4,294,977			
44	Initial LTFM State Aid (42) * (43)	430														
45	Old formula Grandfathered Alternative Facilities Aid	432	1,691,323	1,691,323	1,691,323	1,489,084	1,489,084	1,489,084	1,489,084	1,489,084	1,691,323	1,691,323	1,691,323			
46	Total LTFM State Aid (Greater of (44) or (45))	433	1,691,323	1,691,323	1,691,323	1,489,084	1,489,084	1,489,084	1,489,084	1,489,084	1,691,323	1,691,323	1,691,323			
47	Total LTFM Levy (34) - (46) (including coop/intermediate)	436	5,981,957	6,521,807	5,560,880	4,892,059	5,297,059	6,142,059	11,292,059	12,482,059	14,524,320	14,878,278	13,764,603			
48	<b>Debt Service Portion of Revenue (non-grandfather districts)</b>															
49	Subtotal Debt Service Revenue from above = (12) - (13) + (17) + (24)	762+763+703				3,677,074	3,561,469	1,489,084	1,489,084	1,489,084	1,489,084	2,607,334	2,546,854	2,414,029		
50	New LTFM bonds excluding bonds on line 17 (principal + interest)*1.05 - also includes estimates for proposed new FM bonds from Line 63	705		940,734	940,734	1,882,059	1,882,059	1,882,059	1,882,059	1,882,059	4,008,309	4,022,747	3,941,897			
51	Total Debt Service Revenue = (49) + (50)	764		4,617,808	4,502,203	3,371,143	3,371,143	3,371,143	3,371,143	3,371,143	6,615,643	6,569,601	6,355,926			
52	Equalized debt Service Revenue (lesser of (43) or (51))	437		4,308,521	4,294,977	3,371,143	3,371,143	3,371,143	3,371,143	3,371,143	4,294,977	4,294,977	4,294,977			
53	Debt Service Aid = (52) * (42)	438														
54	Equalized Debt Service Levy = (52) - (53)	440		4,308,521	4,294,977	3,371,143	3,371,143	3,371,143	3,371,143	3,371,143	4,294,977	4,294,977	4,294,977			
55	Unequalized Debt Service Revenue and Levy = (Greater of zero or (51) - (50))	441		309,287	207,226							2,320,666	2,274,624	2,060,949		
56	<b>General Fund Portion of Revenue (non-grandfather districts)</b>															
57	Total General Fund Revenue = (34) - (51)	442		3,595,322	2,750,000	3,010,000	3,415,000	4,260,000	9,410,000	10,600,000	9,600,000	10,000,000	9,100,000			
58	General Fund Equalized Revenue = (43) - (52)	443				923,834	923,834	923,834	923,834	923,834						
59	Total General Fund Aid = (46) - (53)	444		1,691,323	1,691,323	1,489,084	1,489,084	1,489,084	1,489,084	1,489,084	1,691,323	1,691,323	1,691,323			
60	General Fund Equalized Levy = (58) * (41)	445				923,834	923,834	923,834	923,834	923,834						
61	General Fund Unequalized levy = (57) - (58)	446		3,595,322	2,750,000	2,086,166	2,491,166	3,336,166	8,486,166	9,676,166	9,600,000	10,000,000	9,100,000			
62	Total General Fund Levy = (60) + (61)	447		3,595,322	2,750,000	3,010,000	3,415,000	4,260,000	9,410,000	10,600,000	9,600,000	10,000,000	9,100,000			
63	<b>Est. debt service levy for proposed Facilities Maintenance Bonds, grandfathered districts (1A)</b>						941,325	941,325	941,325	941,325	941,325	3,067,575	3,082,013	3,001,163		

