



Introduction to Long-Term Facilities Maintenance Revenue

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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.



- Prior to the implementation of the Long-Term Facilities Maintenance (LTFM) Program in the 2016-17 school year (FY17), districts that were not considered “Alternative Facilities” (largest districts in the state):
 - Received Deferred Maintenance Revenue, and
 - Participated in the Health & Safety Program
- The *Deferred Maintenance Revenue Program* was equalized, meaning some revenue could be state aid and some (or all) may be levy
- The *Health & Safety Program* was also equalized, though at a lesser rate than Deferred Maintenance Revenue

Deferred Maintenance Revenue and Health & Safety

- In the last year before converting to the LTFM Program, the following was spent on Deferred Maintenance Revenue and Health & Safety (H&S) for districts not in the Alternative Facilities Program:

FY 2016	Def Main Aid	Def Main Levy	H&S Aid	H&S Levy
n/a	3,252,000	23,833,000	501,000	61,603,000

Data from 2015 school finance for legislators, House Research

- In the last year of the Deferred Maintenance Program, eligible districts could receive a maximum of \$64 per pupil unit, prorated down if average building age for the district was less than 35 years.

Alternative Facilities

- Districts who met pupil grade level and building square footage requirements could participate in the Alternative Facilities Program that allowed for annual levies, bonded debt levies, and Health & Safety levies to fund projects within their 10 year plan without voter approval.
- In the last year before incorporating Alternative Facilities into the LTFM Program, funding for eligible districts were the following:

FY 2016	Alt. State Aid	Alt. Gen. Levy	Alt. Debt Levy	Alt. H&S
n/a	19,287,000	81,086,000	80,185,000	48,119,000

Data from 2015 school finance for legislators, House Research

LTFM Program - Purpose

- Beginning in FY 2017 (2016-17 school year), districts participating in the LTFM Program were still broken out into:
 - Traditional districts, receiving annual per pupil funding and approved H&S project funding over \$100,000, and
 - Alternative Facilities districts, that grandfathered in the ability to fund projects in their 10-year plan along with grandfathered state aid to provide for their annual projects.
- Traditional districts had an annual phased funding would include general Deferred Maintenance Revenue and Health & Safety

LTFM Phase In	FY 2017	FY 2018	FY 2019 and later
n/a	\$193 per APU	\$292 per APU	\$380 per APU

LTFM Program – Funding

- **Per Pupil Districts (\$380) + H&S**

- Must have 10-year plan
- May reserve unused LTFM revenue
- May go into deficit in LTFM
- May get approval for additional H&S funding for projects over \$100,000
 - HVAC, Asbestos, Fire Marshall

- **Alterative Facilities Districts**

- Must have 10-year plan
- May not reserve unused LTFM revenue
- May get approval for all eligible projects not limited to \$380 per PU
- Must annually reconcile funding to actual completed projects

Thank You

For questions:

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