

## 2023 Fee Report

Report to the Chairs of the Legislative Finance and Appropriations Committees on Fees Collected and Spent by the Minnesota Public Facilities Authority

In Accordance with Minnesota Statutes, Section 446A.04, Subdivision 5(b)

January 2023

### Introduction

The enclosed report is submitted in compliance with Minnesota Statutes, section 446A.04, subdivision 5(b), which requires the Minnesota Public Facilities Authority (MPFA) to "annually report to the chairs of the finance and appropriations committees of the Legislature on: (1) the amount of fees collected under this subdivision for costs incurred by the authority; (2) the purposes for which the fee proceeds have been spent; and (3) the amount of any remaining balance of fee proceeds."

Under Minnesota Statutes, Section 446A.04, Subdivision 5(a), the MPFA may collect up to 2% of each loan repayment as a servicing fee and an application fee up to 0.5% upon execution of certain loan and grant agreements. Credit enhancement applications under Minnesota Statutes, Section 446A.086 are subject to a \$500 application fee.

The enclosed Fee Report reflects the PFA's fee collections and expenditures for the three most recent fiscal years: 2023, 2022, and 2021.

The MPFA's legal authority and financial capacity to pay its administrative expenses and contract for services are necessary to fulfill its obligations and are critical to maintaining the MPFA's AAA bond ratings. The expenditure of fee revenues is governed by federal regulations and / or state law. Both prohibit using the fees for any other purpose, providing another layer of protection considered by the rating agencies in evaluating the long-term management capacity and stability of the Authority.

### For questions or more information about this report, contact:

Jeff Freeman, Executive Director Minnesota Public Facilities Authority 1<sup>st</sup> National Bank Building, Suite W820 332 Minnesota Street Saint Paul, MN 55101-1378

Phone: 651-259-7465 E-mail: <u>jeff.freeman@state.mn.us</u> Website: <u>www.mn.gov/pfa</u>

Note (as required by Minnesota Statutes, section 3.197): Preparation of this report required an estimated 6 hours of staff time for an approximate cost of \$439.

### Minnesota Public Facilities Authority

### **Annual Fee Report**

# For the Fiscal Years ending June 30, 2023, 2022, 2021 (as required by Minnesota Statutes, Section 446A.04 subd. 5(b))

Description			FY 2023	FY 2022	FY 2021
Beginning cash balance			5,896,515	6,056,021	6,480,344
Fees collected during the fiscal year (+ ITC interest)			4,139,883	3,961,093	3,899,033
Expenditures during the	fiscal year:				
Credit Enhancement Program			14,514	26,564	17,415
Clean Water Legacy Programs			29,385	80,528	97,974
Clean Water Revolvin	g Fund:				
Bond related costs (audit, rebate calcs, etc)			48,602	38,719	39,928
Staff and general admin:		B24-MPFA	905,168	732,208	831,321
		R32-MPCA	1,921,798	1,797,961	1,930,049
Drinking Water Revol	ving Fund:				
Bond related costs (audit, rebate calcs, etc)		32,343	31,599	25,733	
Staff and general admin:		B24-MPFA	778,310	638,299	704,845
		H12-MDH	731,098	716,473	634,743
Transportation Revol	ving Loan Fu	und:			
Bond related costs (audit, rebate calcs, etc)			-	2,625	3,987
Staff and general admin:		B24-MPFA	33,989	55,624	37,362
total fee account expenditures			4,495,206	4,120,599	4,323,356
Ending Cash balance *			5,541,192	5,896,515	6,056,021
* balance by program:	Credit Enhancement Program		13,589	14,603	20,167
	Clean Water Legacy Programs		28,466	21,964	85,502
	Clean Water Revolving Fund		3,787,053	3,742,672	3,531,344
	Drinking Water Revolving Fund		1,601,804	2,029,158	2,330,867
	Transpor	tation Revolving Loan Fund	110,280	88,119	88,142
			5,541,192	5,896,515	6,056,021

Agency key: B24-MPFA Public Facilities Authority

R32-MPCA Pollution Control Agency H12-MDH Department of Health

This report presents fiscal year cash-basis activity. Receipts include the fees plus the relatively small amount of ITC investment interest earnings credited to these accounts.