



Building One Minnesota

Local Jobs and Projects Plan

Governor's 2021 Capital Budget

Critical Needs and Opportunities

Minnesota faces critical needs

- Maintaining and investing in what we have
- Investing in our communities

And opportunities

- Ensuring federal funds come to Minnesota
- Low interest rate environment



Why Borrow Now?

We can afford it

- Low interest rate environment
- AAA-bond rating
- Strong financial position
- Avoid more costly repairs in the future
- Modest state debt level



Well Within Debt Capacity Guidelines



Guideline #1: Total tax-supported principal outstanding as a percent of personal income

Threshold: 3.25%
FY21: 2.17%



Guideline #2: Total amount of tax-supported principal (both issued, and authorized but unissued) as a percent of state personal income

Threshold: 6.00%
FY21: 3.76%



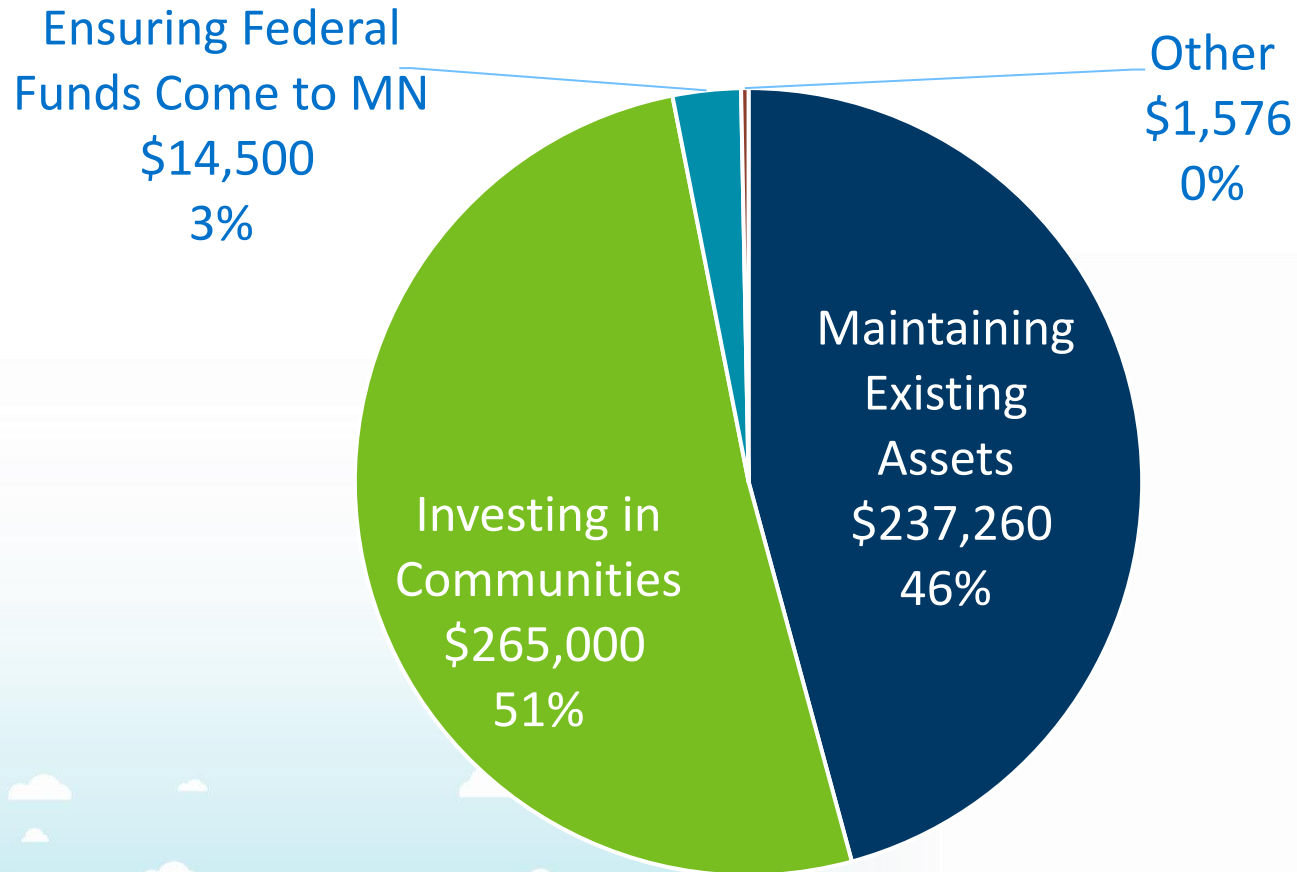
Guideline #3: No less than 40% of G.O. bonds scheduled to mature within five years and 70% of G.O. bonds scheduled to mature within 10 years

Threshold: 40%/70%
FY21: 42.3%/75.0%



Governor's 2021 Local Jobs and Projects Plan

\$518.3 Million Total



Maintaining Existing Assets \$237.3 Million Total (46%)

- **\$119.3 million GO for Higher Education Asset Preservation and Replacement (HEAPR)**
 - University of Minnesota: \$56.9 million
 - Minnesota State: \$62.4 million
- **\$74.9 million GO for State Agency Asset Preservation**
 - Natural Resources \$52.5 million, Corrections: \$9.7 million, Human Services \$4.2 million, Administration: \$3.1 million, Veterans Affairs \$1.9 million, Historical Society \$1.5 million, State Academies \$1.2 million, Perpich Center for Arts Education: \$777 thousand
- **\$43 million for Capitol Complex Security Upgrades**
 - \$31 million GO Bonds and \$12 million GF cash



Investing in Communities

\$265 Million Total (51%)

- **\$100 million for Housing Infrastructure Appropriation Bonds**
 - Statewide
- **\$150 million for Redevelopment Appropriation Bonds**
 - Minneapolis and St. Paul
- **\$15 million GF for Equity Projects**
 - Statewide



Ensuring Federal Funds Come to Minnesota

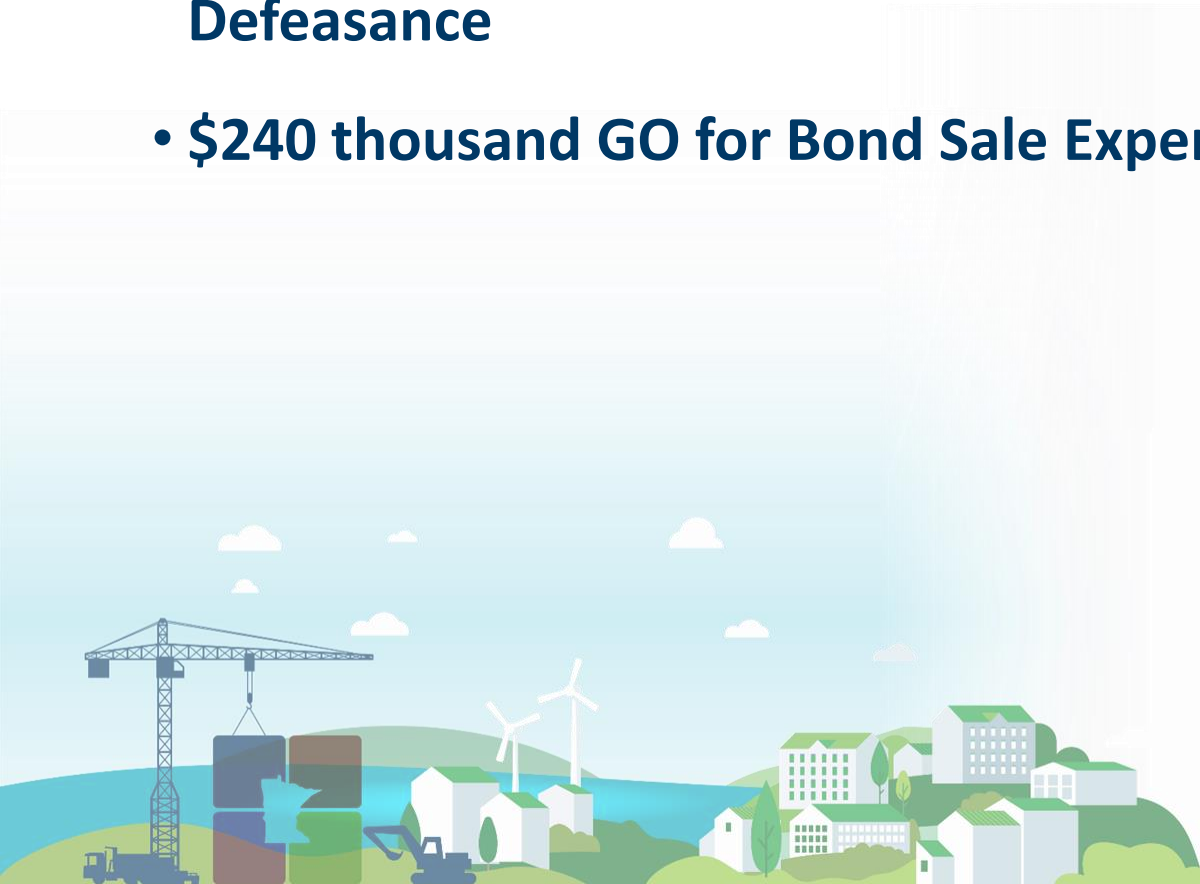
\$14.5 Million Total (3%)

- **\$10 million GO for the MnDOT Passenger Rail Program**
 - Leverages \$44.4 million in federal funds
- **\$4.5 million GO for the MDVA Redwood Falls Cemetery**
 - Leverages \$5.99 million in federal funds



Other \$1.6 Million Total (0%)

- **\$1.1 million GF for Parking Fund Stabilization in FY 2022**
- **\$250 thousand GF for Upper Sioux Agency State Park Bond Defeasance**
- **\$240 thousand GO for Bond Sale Expenses**



Capital Budget Funding Summary

General Obligation Bonds	\$240 million
Other Financing	\$278.3 million
Redevelopment Appropriation Bonds	\$150 million
Housing Appropriation Bonds	\$100 million
Equity focused cash investments	\$15 million
Other state agency cash investments	\$13.3 million
Total	\$518.3 million

