

Asset Preservation

Taking Care of What We Have



7,753

Buildings

Of which **6,132** are State Buildings,
778 are U of M and **843** are MN State.



25,096

DNR Facilities

DNR Facilities include parks, campsites,
trails, enclosures, picnic areas and
waterways.

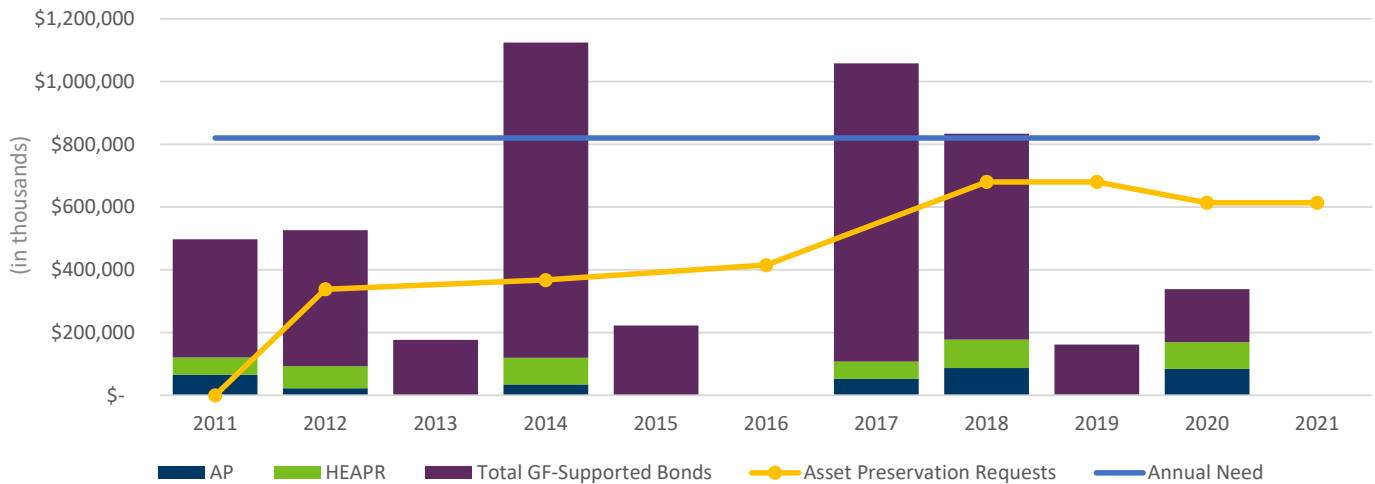


\$34.48B

Current Replacement Value

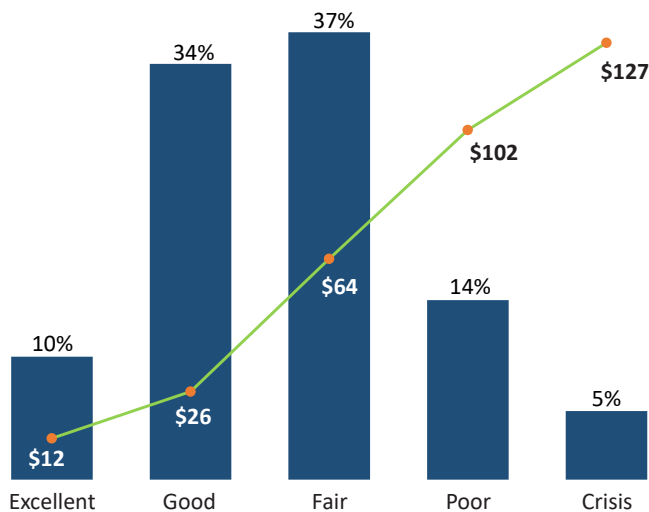
\$11.90B is State Agency
Current Replacement Value

Historically Underfunded



Funds	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
State AP	\$65,815	\$23,000	\$-	\$35,115	\$-	\$-	\$53,000	\$87,581	\$3,149	\$84,529	\$-
Higher ED	\$55,000	\$70,000	\$-	\$85,000	\$-	\$-	\$55,000	\$90,000	\$-	\$84,842	\$-
Total GF-Supported Bond	\$497,578	\$526,483	\$176,795	\$1,124,768	\$222,599	\$-	\$1,057,689	\$656,169	\$158,983	\$169,371	\$-

Cheaper to Maintain than Fix



The cost to maintain a building is cheaper than the cost to repair it. The line on the graph above highlights the **cost** per square foot to repair our state-owned buildings depending on the building condition status. The graph also reflects the **percent** of state-owned buildings within each building status category.

Benefits of Increased Statewide Funding

- **Property Stewardship:** Ensure staff, the public, and custodial individuals are kept safe and that functional needs are optimally met
- **Fiscal Stability:** Timely, planned preventative maintenance reduces total cost of ownership, eventually freeing up resources for core program functions
- **Cheaper to Maintain than Fix:** Catching up on backlog and remaining current is efficient budgeting because it costs more to fix breaks and respond to urgencies than to fund planned prevention
- **Saves Energy & Reduces GHG's:** Modern, properly operating buildings help meet EO 19-27 by conserving energy and water, and reducing waste

The Data

The Department of Administration's Enterprise Real Property Program works with state agencies to complete an extensive assessment of building condition and determine current and future investment needs of all state assets. We now know the total investment needed for deferred maintenance "catch-up" and renewal and replacement "keep-up" over the next 10 years. The University of Minnesota and Minnesota State perform similar assessments.

Agency (dollars in thousands)	Current Replacement Value	Adjusted Deferred Maintenance	Renewal & Replacement Over Next 10 Years	10 Year Grand Total	2022 AP Requests
Administration	\$1,882,029	\$58,094	\$172,879	\$230,973	\$10,000
Amateur Sports	\$183,360	\$50,284	\$26,770	\$77,053	\$14,508
Corrections*	\$2,784,003	\$241,731	\$383,694	\$625,425	\$58,133
Historical Society	\$344,709	\$67,169	\$45,696	\$112,865	\$13,585
Human Services*	\$916,388	\$85,820	\$116,473	\$202,293	\$10,000
Military Affairs*	\$640,066	\$55,990	\$93,449	\$149,439	\$-
MN Zoo*	\$195,278	\$24,209	\$30,984	\$55,193	\$17,000
Natural Resources*	\$2,941,632	\$609,343	\$1,035,698	\$1,645,041	\$149,000
Perpich*	\$41,059	\$2,820	\$5,994	\$8,814	\$4,000
Veterans Affairs*	\$349,708	\$45,030	\$147,267	\$192,297	\$13,809
All Other Agencies*	\$283,426	\$24,120	\$50,575	\$74,695	\$3,150
State Agency Total	\$10,561,662	\$1,264,610	\$2,109,479	\$3,374,089	\$293,185
U of M*	\$9,503,408	\$2,319,811**	\$1,762,081	\$4,081,893	\$200,000
MN State*	\$9,410,250	\$1,162,565**	\$1,301,805	\$2,464,370	\$150,000
Higher Ed Total	\$18,913,658	\$3,482,376**	\$3,063,886	\$6,546,263	\$350,000
Grand Total	\$29,475,320	\$4,746,986	\$5,173,365	\$9,920,352	\$643,185

*2022 request also includes separate projects that involve renovation of existing facilities which will reduce deferred maintenance. **Non-adjusted deferred maintenance. Please note: MnDOT values are not included on this data spreadsheet as they do not request AP funds.

Substantial Investment Needed to Begin a Path to Improvement State Agency Forecasted Need

Increased investments in asset preservation are needed to extend the useful life of state infrastructures that Minnesotans have spent millions of dollars to build. Failing to adequately "take care of what we have" increases the cost to heat, cool, maintain, and renovate facilities and will result in unsafe facilities for Minnesotans to work, live and play.

\$1.26 BILLION + **\$2.11 BILLION** = **\$3.37 BILLION**
 needed to catch-up on deferred maintenance 10 year need to renew or replace building systems total need