



Minnesota School Funding Options

Description	MN Statute	Use of Funds	New \$ to Budget	Voter	Funds	Borrowing Type	New Tax Impact w/ Levy	Maximum Levy	Tax Base	Maximum Term
Referendum / Operating Revenue	126C.17	Day to day operations	Yes	Yes	No	N/A	Yes	Moving cap set by statute	Referendum Market Value	10 yrs
School Building Bonds	475 123B.02	Capital expenditures	Yes	Yes	Yes	General Obligation	Yes	Voter authorized	Net Tax Capacity	30 yrs
Capital Projects Levy	123B.63	Capital expenditures defined in 126C.10 subd 14	Yes	Yes	No	N/A	Yes	Voter authorized	Net Tax Capacity	10 yrs
LTFM Bonds/Levy	123B.595	Capital expenditures defined in 123B.595	No	No	Yes or pay-as-you-go	General Obligation	No	\$380/APU	Net Tax Capacity	30 yrs
LTFM Bonds/Levy over per APU Max	123B.595	Indoor air quality, fire alarm & suppression & asbestos abatement	Yes	No	Yes or pay-as-you-go	General Obligation	Yes	Cost of eligible projects	Net Tax Capacity	30 yrs
Capital Facilities Bonds	123B.62	Capital expenditures defined in 126B.62	No	No	Yes	General Obligation	No	Can't exceed operating capital	Net Tax Capacity	15 yrs
Capital Equipment Notes	123B.61	Capital expenditures defined in 126B.61	No	No	Yes	General Obligation	No	Can't exceed operating capital	Net Tax Capacity	10 yrs
Lease Levy / Capital Levies	126C.40	Capital expenditures defined in 126C.40	Yes	No	Yes	Certificates of Participation (Lease Levy appropriation)	Yes	\$212 per APU	Net Tax Capacity	30 yrs
Lease Purchase / Installment Purchase	465.71	Capital expenditures	No	No	Yes	Certificates of Participation (General Fund appropriation)	No	Paid from General Fund	Net Tax Capacity	30 yrs
Abatement Bond	469.1812 - 469.1815	Parking lots	Yes	No	Yes	General Obligation	Yes	Max 10% NTC or \$200,000	Net Tax Capacity	15 yrs
Cash Flow (Line of Credit)	123B.12	Cash flow purposes	No	No	Yes	Typically Bank Line of Credit	No	95% monthly average exp.	N/A	45 day
Cash Flow (Tax or Aid Anticipation Borrowing)	126C.50 - 126C.56	Cash flow purposes	No	No	Yes	Tax or Aid Anticipation Certificates	No	75% tax levy or state aid	N/A	13 mos

Public Finance Overview

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With a strong focus on school districts, community colleges, municipalities and special taxing districts, PMA has earned a reputation in the public sector for developing financial solutions that work by:

- Providing comprehensive long-range financial planning for capital needs
- Deciphering local, state and federal statutes regarding the issuance of debt
- Delivering straightforward solutions based on quantitative and qualitative models
- Giving ongoing, accessible client support

SERVICES

PMA's Public Finance team offers premium expertise and services:

- Debt structuring and issuance financial advisory services
- Bond and operating referendum analysis
- Capital project funding plans
- Method of sale recommendations provide attractive financial terms for our clients; including negotiated, competitive or direct placement
- Thorough review of available debt capacity, refunding options and long-range debt management
- Preparation of bond offering documentation and facilitation of the debt issuance process
- Credit rating presentation
- Dissemination Agent services for continuing disclosure
- Updates and clarification on regulatory initiatives affecting municipal bond issuers
- Post-issuance compliance assistance
- Referendum consulting services

We help communities grow.

Wealth of Experience

For over 15 years, PMA Securities' Public Finance group has been committed to the success and protection of municipal market clients with a team of highly experienced professionals focused on municipal finance and debt issuance.

PMA is a registered municipal securities dealer and municipal advisor with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). All senior members of the Public Finance Team are registered as municipal advisor representatives with the MSRB and have over 100 collective years of experience in school business management, municipal government, business and accounting.

Public Finance Contacts



Michael Hart

Director, Public Finance - Minnesota
PMA Securities, LLC
612-509-2569
mhart@pmanetwork.com



Kent Johnson

Senior Vice President
Director-Minnesota
612-509-2560
kjohnson@pmanetwork.com



Steve Pumper

Vice President
PMA Securities, LLC
612-509-2565
spumper@pmanetwork.com