

# January 2020 Quarterly Update

## Quarterly Status of Outstanding Capital Funds

- As of January 2020, approximately \$1.4 billion from all funding sources for 3,173 projects remains outstanding, including \$87.3 million of earmarked fund balances for water (\$30.7 million), colonias (\$22.6 million), and tribal (\$24.5 million) infrastructure projects. Additionally, about \$264.2 million remains outstanding from supplemental severance tax bonds for public schools.
- Data integrity has improved since the November 2019 \$1 million or greater report, which was the first report using a new data source. LFC staff has worked with the Department of Finance and Administration to ensure the accuracy of the data.
- The majority of the unexpended balance is from 2019 appropriations, over 1,600 projects, totaling \$1 billion, with \$373 million unspent from appropriations in 2016 through 2018.
- About 66 percent of the total unexpended balance is from General Fund projects, GOBs account for 14 percent, STBs are about 8 percent, and other state funds (OSF) are 12 percent.

### 2016-2019 Capital Outlay All Fund Sources

#### "Outstanding" Projects Only

(in millions)

Year	Number of Projects	Amount Appropriated	Amount Expended	Amount Unexpended	Percent Expended for Year
2016	642	\$ 369.1	\$ 266.7	\$ 85.6	72%
2017	12	\$ 5.0	\$ 1.9	\$ 8.1	38%
2018	833	\$ 359.1	\$ 115.6	\$ 284.6	32%
2019	1,686	\$ 1,026.0	\$ 92.5	\$ 1,012.2	9%
<b>Total</b>	<b>3,173</b>	<b>\$ 1,759.2</b>	<b>\$ 476.7</b>	<b>\$ 1,390.5</b>	<b>27%</b>

Note: Data includes projects for water, colonias and tribal earmarked funds; 2009 balances are for Indian water rights matching funds.

Reauthorized projects originally appropriated prior to FY 16 are captured in this chart but are no longer listed by original appropriation year.

Source: Capital Projects Monitoring System

- Of funds authorized from GF and STB, \$593 million is for state-owned projects with the majority of the unspent funds being from 2019 appropriations.

### 2016-2019 Capital Outlay Funding

#### "Outstanding" STB and GF Projects Only

(in millions)

STATE ALLOCATIONS					
Year	Number of Projects	Amount Appropriated	Amount Expended	Amount Unexpended	Percent Expended for Year
2016	68	\$ 90,584,547	\$ 66,496,921	\$ 22,646,792.7	73%
2017	2	\$ 2,235,356	\$ 36,376	\$ 2,188,980.0	2%
2018	86	\$ 79,286,127	\$ 51,894,802	\$ 26,261,430.9	65%
2019	250	\$ 421,061,612	\$ 35,009,091	\$ 385,039,365.9	8%
<b>Total</b>	<b>406</b>	<b>\$ 593,167,642</b>	<b>\$ 153,437,191</b>	<b>\$ 436,136,569</b>	<b>26%</b>

\* Reauthorized projects originally appropriated prior to FY 16 are captured in this chart but are no longer listed by original appropriation year.

Source: Capital Projects Monitoring System

## **\$1 Million and Greater Report**

LFC staff tracks all capital appropriations of \$1 million or more for 213 projects totaling \$1 billion as of January, 2020. The unexpended balances for those projects is \$777 million, or 74 percent, of all unexpended funds. Since the November 2019 report, 4 appropriations totaling \$27.4 million were fully expended or reverted.

### **HIGHLIGHTS OF SELECT PROJECTS**

#### **Department of Information Technology**

- **Lines 42, 43, 48, and 50**, \$25 million, (2016, 2018, 2019 GOB, STB, GF) for upgrading statewide radio infrastructure, including P25 efforts, has a balance of \$15.6 million, or 62 percent, outstanding. For FY21 in the agency's infrastructure capital improvement plan (ICIP), the agency requested an additional \$40 million.

#### **Department of Public Safety**

- **Line 59**, \$11.2 million (2018 STB), the State Police received the helicopter in October 2019 and dedicated it in January 2020. The Airbus helicopter's frame is under warranty for 5 years or 3,000 flight hours from the time of delivery and the engines are under warranty for three years or 2,000 hours.

#### **Eastern New Mexico University - Roswell**

- **Line 65**, \$6 million (2016 GOB), classroom renovations and infrastructure improvements at the Roswell campus are complete. Projects included fire suppression and new equipment.

#### **Economic Development Department**

- **Line 71 and 72**, \$27.6 million (two 2016 STB appropriations), only 47 percent of Local Economic Development Act projects statewide has been expended; \$13 million of the total appropriation. The department's reporting on their own website and to the Capital Projects Management System is not very detailed or current, making tracking the projects difficult.

#### **Department of Game and Fish**

- **Line 97**, Hatchery improvements \$1 million (2018 GFB), the agency continues to spend funds in a timely manner but delays forced the removal of paving projects from the scope of work. LFC staff visited the hatchery in summer 2019 and observed a bridge with a hole in it and the need for driveway repaving. As a result, the department will reduce the contract amount.

#### **New Mexico Finance Authority**

- **Line 170**, 2016 Water Project Fund \$13.4 million (2016 STB and WTF), all funds have been drawn down across 21 projects originally awarded. See attachment D for detail of projects.

#### **Secretary of State**

- **Line 254**, Voting Tabulators (2019 GF), 99 percent of the appropriation has been spent and tabulators are being delivered to counties ahead of the elections later this year.

### **MAJOR PROJECTS COMPLETED SINCE LAST REPORT**

<b><u>Agency</u></b>	<b><u>Project Description</u></b>	<b><u>Year</u></b>	<b><u>Fund</u></b>	<b><u>Original Appropriation Amount</u></b>
NMSU	NMSU-Grants Roads Parking and Campus Improvements	2016	GOB	\$ 1,500,000
DPS	State Police Helicopter	2018	STB	\$ 11,172,000
ENV	Taos Ski Valley Wastewater Treatment Plant	2019	GF	\$ 1,300,000
NMFA	2016 Water Project Fund Projects	2016	STB and WPF	\$ 13,407,324

**RED RATED PROJECTS**

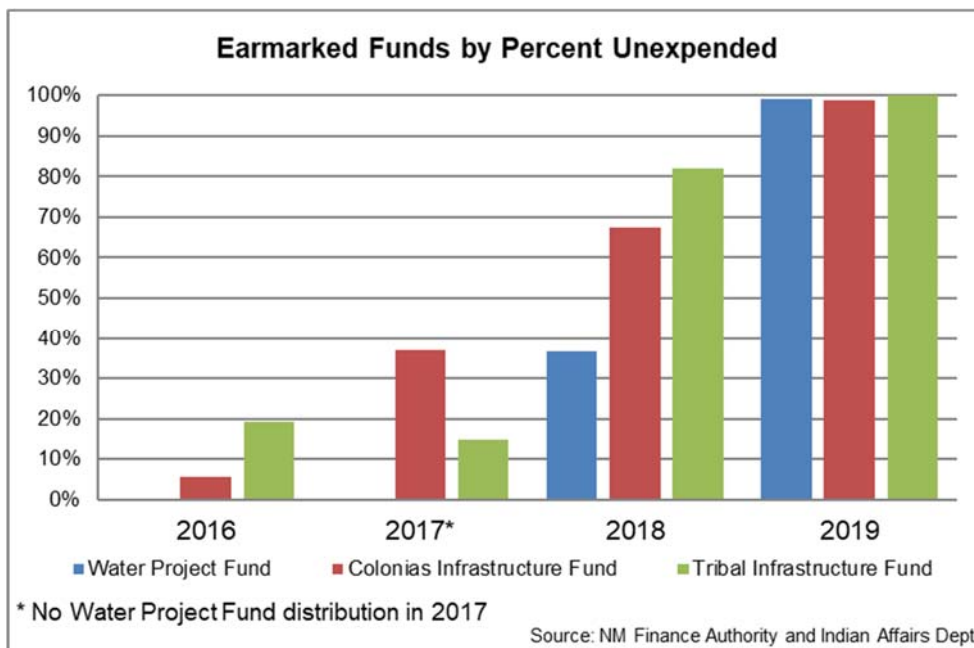
<b>Agency</b>	<b>Project Description</b>	<b>Year</b>	<b>Fund</b>	<b>Appropriation Amount</b>
OSE	San Acacia Reach Levee	2016	WPF	\$ 2,000,000
EDD	LEDA Projects Statewide (2016 HB 219)	2016	STB	\$ 6,000,000
HED	MCC Site Paving & Signage Improvements	2016	GOB	\$ 2,000,000
HED	SIPI Library & Buildings Renovations	2016	GOB	\$ 2,000,000
DCA	DCA Public Library Resource Acquisitions	2016	GOB	\$ 3,000,000
HED	Dine College Math Science Bldg Ph 1	2018	GOB	\$ 5,000,000
NM Tech	NM Tech Brown Hall Renovations / Parking & Safety Lights	2018	GOB	\$ 7,100,000
ENMU	ENMU Roosevelt Science Hall Ph 1	2018	GOB	\$ 8,000,000
PSFA	Reauth - Pre-K Classrooms	2018	PSCOFR	\$ 5,000,000
DGF	Dam Safety Compliance Improvements	2016	GPF	\$ 5,500,000
PRC	Firefighter Training Burn Building - Socorro	2018	FPF	\$ 2,500,000
DGF	Dam Safety Compliance	2018	GPF	\$ 1,000,000

**Authorized but Unissued Status (Attachment A)**

- As of August, only three projects authorized for \$80 thousand remain unissued. All of the projects received appropriations in 2018.

**Status of Earmarked Funds (Attachments B, C and D)**

- The chart below summarizes, by year, the percent of all unexpended awards from earmarked funds (water, colonias, and tribal funds). The 2017 water project fund STB distribution was suspended as part of solvency efforts during the special legislative session.



**Note:** Data for quarterly and \$1 million or greater reports is derived from DFA and the New Mexico Capital Outlay Dashboard, which is operated and maintained by DFA. Data is updated quarterly by state agencies and monthly by local entities responsible for oversight of the projects and includes expenditures, project status, milestones achieved last quarter, and projected milestones. The \$1 million or greater and quarterly reports are posted on the LFC website under "Publications and Reports" at <http://www.nmlegis.gov/lcs/lfc/lfccapital.aspx>.