

**Public School Facilities Authority – Agency 94000  
Public School Capital Outlay Oversight Task Force**

**Financial Plan and Timeline**

July 29, 2019  
Room 307  
9:10 AM

*PSEA Presenters:*

**Jonathan Chamblin, Executive Director  
Randy Evans, Chief Financial Officer**

Partnering with New Mexico's communities to provide quality, sustainable school facilities for our students and educators.

# Agenda

- Public School Capitol Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Background
- Four Primary Functions of PSFA
- Financial Plan Summary
- PSFA Operating Budget Limitation
- Timeline and Schedule
- Appendix

# PSCOC and PSFA Background

- Current standards-based public school capital outlay program and the Public School Capital Outlay Fund (PSCOF) was developed and established in response to the 1998 Zuni lawsuit
- New Mexico public school capital outlay process seeks to establish and implement a uniform funding system for capital improvements
- Public school capital outlay funding is both a local and state responsibility in New Mexico
- Public School Capital Outlay Council (PSCOC) manages the allocation of the Public School Capital Outlay Act Fund (PSCOF) to public school facilities statewide

# PSCOC Members

## **Nine Member Public School Capital Outlay Council**

- Joe Guillen, PSCOC Chair – NM School Boards Association
- Raul Búrciaga, PSCOC Vice-Chair – Legislative Council Service
- David Abbey – Legislative Finance Committee
- David Robbins – Public Education Commission
- Rachel Gudgel – Legislative Education Study Committee
- Marguerite Salazar – Regulation & Licensing Division
- Olivia Padilla-Jackson – Department of Finance & Administration
- Antonio Ortiz – Public Education Department
- Stephanie Kean – Governor's Office

# Four Primary Functions of PSFA

## Staff to PSCOC

Role defined by NM Administrative Code  
Provide research and analysis to decision-makers on PSCOC

## Funding Administration

Distribution of state funding to all school districts in compliance with statute

## Project Management

Partner with school districts on planning, design, and construction projects (including technology infrastructure) to provide project management support and technical expertise

## Facility Information Management

Assess, gather, and organize facility information for all schools in NM  
Calculate the WNNMCI score to produce the statewide ranking of public schools  
Assist districts in monitoring and improving maintenance and energy performance

# PSCOC Financial Plan Summary

- The PSCOF has a dedicated funding stream from Supplemental Severance Tax bonds (SSTBs)
- SSTBs are issued by New Mexico Board of Finance, paid for by revenue derived from taxes levied on natural resource products severed and saved from the soil

Sources	FY19	FY20 est.	FY21 est.	FY22 est.	FY23 est.
Cash Balance from Prior Year	43.2	181.5	105.8	44.8	(23.2)
Totals (millions of dollars)	298.6	140.4	231.8	202.7	216.4
Uses					
Totals (millions of dollars)	160.3	216.1	292.8	270.7	227.9
Estimated Uncommitted Balance	181.5	105.8	44.8	(23.2)	(34.7)

Handwritten annotations: checkmarks and arrows pointing from the 'Totals' row to the 'Estimated Uncommitted Balance' row for each year.

# PSFA Operating Budget Update FY 2020

- FY20 Budget Appropriation is \$4,688,000 (amount is a 9.35% decrease from FY19 operating budget or \$483,800).
- PSFA made adjustments to accommodate the operating budget shortfall for FY 2020, but will be requesting a short-term fix for the second half of FY 2020 and a long-term fix to mitigate this risk in the future.
- FTE's: 49.0 PERM 1.0 TEMP, to include 43 Reg. approved to fill, 1 Temp approved to fill, and 6 FTE to remain vacant. This leave us with a 12% vacancy rate. We are critically under-staffed given the number of projects and the volume of work needed on each project.
- An increase of \$163,886 is related to 200 Category Personal Services and Benefits. The increase is due to estimated salary and benefits costs and no increase in FTE.
- A decrease of \$26,700 is related to the Category Contractual Services. The decrease is due to a reduction in other services, Attorney services and IT Consulting services.
- A decrease of \$620,986 is related to the Category Other Costs. The decrease is due in large part to the shift of E-builder and Dude solutions for the projects fund for FY20. Decreases in general office supplies, IT supplies and IT equipment make up the remainder of the cuts.

# FY 2020 Budget Shortfall and Requested Correction

- Staffing positions held vacant 6 FTE \$566,665
- Operating Costs reduced in FY20 \$530,000
  - Additional Budget needed for FY20 \$1,096,665
- Request for emergency supplemental in January 2020 \$235,000
  - Staffing positions second half of FY20 \$265,000
  - Operating costs restored for FY20 \$500,000
- Total

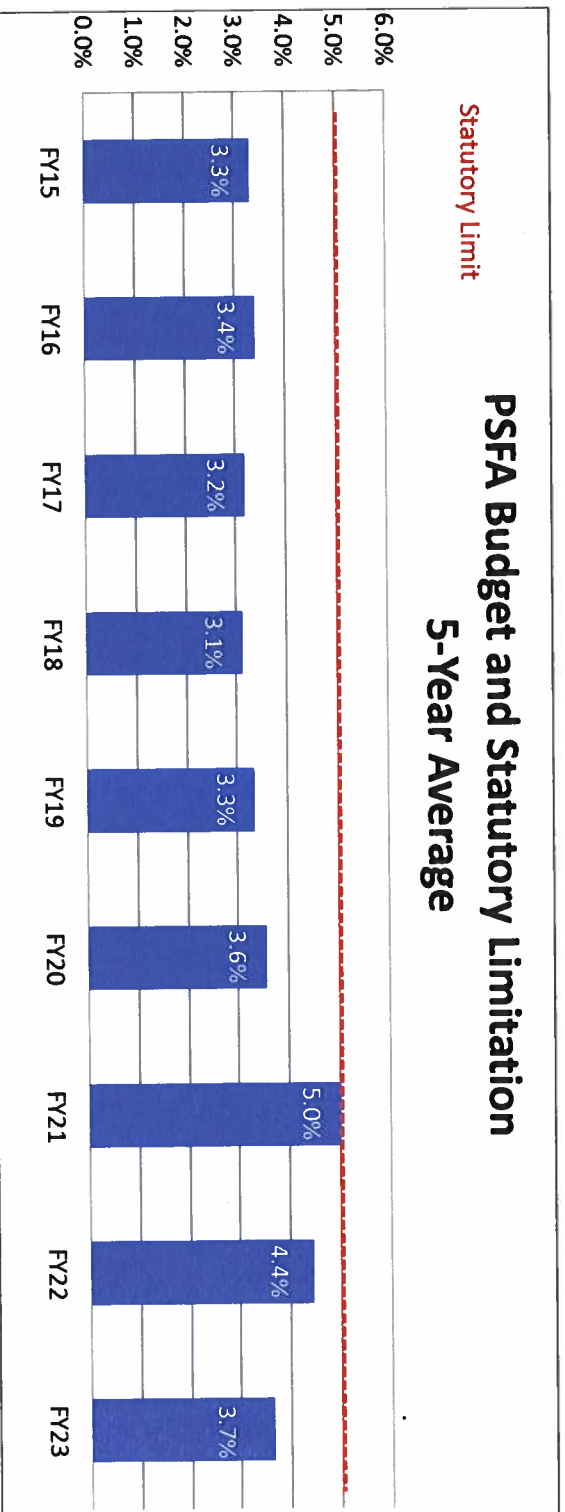
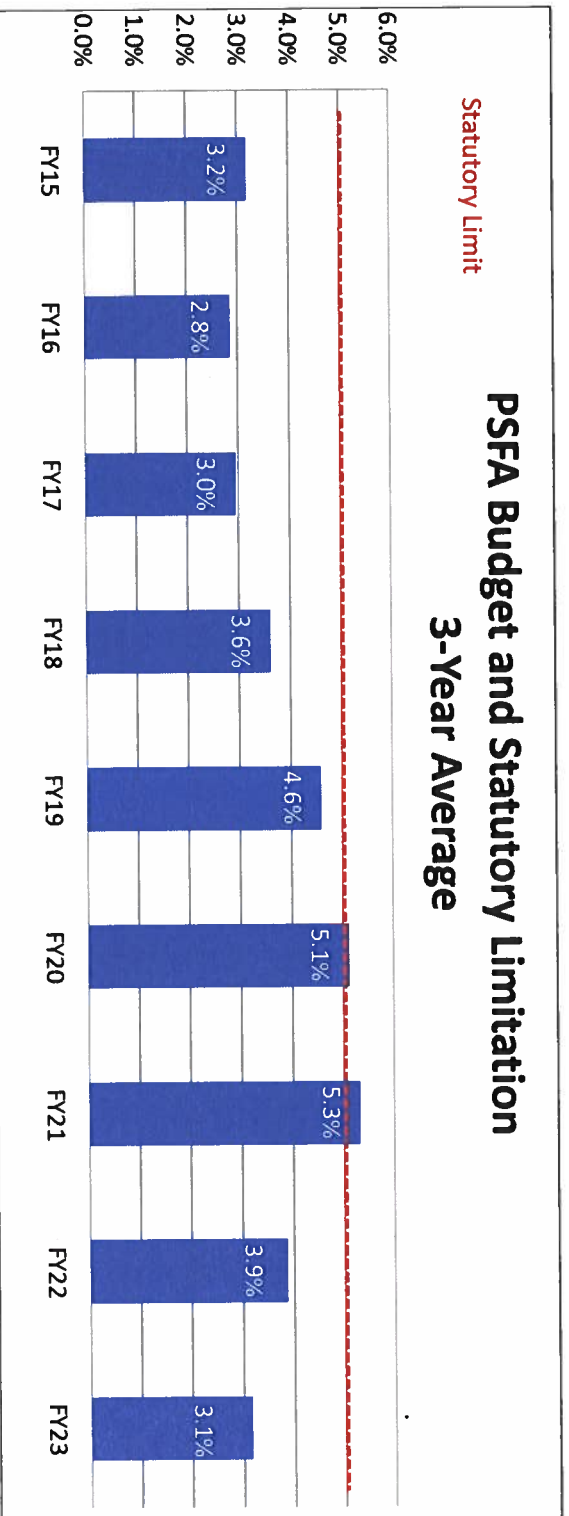


# PSFA Operating Budget Limitations

## 3-Year vs 5-Year Average

- FY20 Limitations (5% of Project Awards)
  - 3 yr. average      \$91.8M Average      \$4.7M Budget
  - 5 yr. average      \$131.8 Average      \$6.6M Budget
- FY 21 Limitations (5% of Project Awards)
  - 3 yr. average      \$109.1 Average      \$5.45M Budget
  - 5 yr. average      \$116.0 Average      \$5.8M Budget

# PSFA Operating Budget Statutory Limit



# FY21 Budget Appropriation Request

## (Based on 5 year average allocations)

- FY20 Budget Appropriation Request is \$5,804,597 (amount is a 23.8% increase from FY20 operating budget or \$1,116,597).
- FTE's 51.0 PERM 1.0 TEMP to include 47 Reg. approved to fill, 1 Temp approved to fill and 3 FTE to remain vacant. Our request is to fill 5 of the currently 8 vacant positions for FY21.
- An increase of \$269,909 is related to 200 Category Personal Services and Benefits. The increase is due to estimated salary and benefits costs and no increase in FTE. Budgeted Vacancy Savings of 5.9%, or 3.0 unfilled FTE positions.
- An increase of \$77,000 is related to the Category Contractual Services. The increase is due to additional budget for other services for help in processing required paperwork on standards and systems projects for the field.
- An increase of \$769,686 is related to the Category Other Costs. The increase is due to increases in transportation costs, supplies, subscriptions and dues, and IT equipment. The largest portion of that being subscriptions and dues for two essential software licenses that the budget returned to the PSFA Operational budget and a large increase in IT equipment to replace our existing phone and network system.

# PSCOC Funding Programs Timeline

	2018												2019												2020							
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan																
<b>Standards-Based</b>	FY 19 awards made in Oct 2019																FY 20 awards Oct 2020															
	11 awards, \$210 M																8 applications (preliminary)															
<b>Systems-Based</b>	FY 19 awards made in Oct 2019																FY 20 awards Oct 2020															
	24 awards, \$25 M																31 applications (preliminary)															
<b>Security</b>	FY 19 awards made in Oct 2019																FY 20 awards Jul 2020															
	210 awards, \$30 M																211 awards															
<b>Broadband</b>	Projects awarded prior to FY 19																FY 19 applications Mar 2019															
	90 projects, \$40 M																50 applications, \$25 M, federal awards beginning May 2019															
<b>FMP</b>																	FY 19 awards Nov 2019															
																	9 awards, \$0.4 M															
<b>Lease Assistance</b>																	FY 20 awards Nov 2020															
																	Applications due Oct 2020															
<b>Teacher Housing</b>																	FY 20 awards Sep 2019 (estimated)															
																	FY 20 awards made Jun 2019															
<b>Outside Adequacy</b>																	FY 20 awards made Jun 2019															
																	3 awards, \$10 M															
																FY 20 applications Sep 2019																
																Awards Oct 2019 (estimated)																

**Total Number of Projects In-Progress:**

**89 Standards-Based and Systems**  
**210 Security Projects**

# Appendix

# PSCOC Funding Programs

- 1) Standards-Based (Large Projects) (2004)
- 2) Systems-Based (Small Projects) (2017)
- 3) School Security (2018)
- 4) Broadband Deficiencies Correction (2014)
- 5) Pre-Kindergarten Classroom Facilities (2018)
- 6) Facilities Master Plan (2004)
- 7) Lease Assistance (2005)
- 8) Teacher Housing & Outside of Adequacy (2019)

## **Standards-Based (Large Projects) Awards**

- **Program start date: 2004**
- **New schools needed based on an increase in enrollment**
- **Replacement schools based on deficient existing school condition**
- **Renovation of existing school**
- **Additions to existing school**

# 2018-2019 Standards-Based Awards

## Large Project (Standards-Based)

District	School	Total Estimated Project Cost to Adequacy	FY19 Local Match (after offsets)	FY19 State Match (after offsets)	Future Local Match (after offsets)	Future State Match (after offsets)
1 Alamogordo	Holloman ES	\$34,207,757	\$1,299,895	\$2,120,881	\$11,699,053	\$19,087,929 <sup>1</sup>
2 Belen	Jaramillo ES	\$17,136,996	\$32,250	\$42,750	\$7,336,658	\$9,725,338 <sup>2</sup>
3 Gallup-McKinley	Rocky View ES / Red Rock ES	\$30,842,957	\$15,000	\$60,000	\$6,153,591	\$24,614,366 <sup>3</sup>
4 Gallup-McKinley	Tohatchi HS	\$31,424,650	\$15,000	\$60,000	\$6,269,930	\$25,079,720 <sup>4</sup>
5 Las Cruces	Desert Hills ES	\$5,725,000	\$206,100	\$366,400	\$1,854,900	\$3,297,600 <sup>5</sup>
6 Las Vegas	Sierra Vista ES	\$8,441,479	\$396,750	\$447,398	\$3,570,746	\$4,026,585 <sup>6</sup>
7 Los Alamos	Barranca Mesa ES	\$18,798,134	\$9,963,011	\$8,835,123	\$0	\$0 <sup>7</sup>
8 Los Lunas	Peralta ES	\$17,856,749	\$75,000	\$0	\$4,279,620	\$13,502,129 <sup>8</sup>
9 Roswell	Mesa MS	\$16,322,078	\$473,340	\$1,158,868	\$4,260,062	\$10,429,808 <sup>9</sup>
10 Roswell	Nancy Lopez ES	\$10,133,138	\$21,750	\$53,250	\$2,916,860	\$7,141,278 <sup>10</sup>
11 Zuni	Zuni MS	\$19,793,143	\$0	\$75,000	\$0	\$19,718,143 <sup>11</sup>
<b>9</b>	<b>11</b>	<b>\$210,682,081</b>	<b>\$12,498,095</b>	<b>\$13,219,670</b>	<b>\$48,341,420</b>	<b>\$136,622,895</b>



# Systems-Based (Small Projects) Awards

- Program start date: 2017
- Systems-based awards are primarily for school facilities that do not need to be replaced nor to have major renovation
- Building systems are described as roofing, heating, cooling, windows, etc.
- Replacement of building systems are intended to extend the life of a school facility, reduce maintenance costs, and minimize operational costs

# 2018-2019 Systems-Based Awards

District	School	Total Estimated Project Cost to Adequacy	FY19 Local Match (after offsets)	FY19 State Match (after offsets)
1 Alamogordo	Buena Vista ES	\$1,071,429	\$407,143	\$664,286
2 Alamogordo	Sacramento ES	\$1,000,000	\$300,000	\$700,000
3 Belen	Dennis Chavez ES	\$2,557,091	\$1,099,549	\$1,457,542
4 Bernalillo	Bernalillo MS	\$4,004,139	\$2,362,442	\$1,641,697
5 Carrizozo	Carrizozo Combined School *	\$75,000	\$75,000	\$0
6 Cloudcroft	Cloudcroft ES	\$429,282	\$429,282	\$0
7 Deming	Chaparral ES	\$2,334,728	\$723,766	\$1,610,962
8 Floyd	Floyd Combined School	\$576,443	\$150,346	\$426,097
9 Las Cruces	Fairacres ES	\$491,429	\$176,914	\$314,515
10 Las Cruces	Highland ES	\$359,171	\$129,302	\$229,869
11 Las Cruces	Hillrise ES	\$61,109	\$21,999	\$39,110
12 Las Cruces	Lynn MS	\$4,248,260	\$1,529,374	\$2,718,886
13 Las Cruces	Mayfield HS	\$383,387	\$138,019	\$245,368
14 Las Cruces	Mesilla Valley Leadership Academy	\$390,000	\$140,400	\$249,600
15 Las Cruces	Oñate HS	\$514,293	\$185,145	\$329,147
16 Las Cruces	Picacho MS	\$220,684	\$79,446	\$141,238
17 Las Cruces	Rio Grande Preparatory Institute	\$1,085,986	\$390,955	\$695,031
18 Las Cruces	Vista MS	\$91,886	\$33,079	\$58,807
19 Los Lunas	Los Lunas MS	\$4,115,790	\$987,790	\$3,128,000
20 Magdalena	Magdalena Combined School	\$608,967	\$205,042	\$403,925
21 Socorro	Sarracino MS **	\$75,000	\$21,000	\$54,000
22 Socorro	Socorro HS ***	\$0	\$0	\$0
23 Tularosa	Tularosa MS **	\$75,000	\$21,750	\$53,250
24 West Las Vegas	Tony Serna Jr. ES	\$1,084,873	\$465,671	\$619,202
<b>13</b>	<b>24</b>	<b>\$25,853,947</b>	<b>\$10,073,414</b>	<b>\$15,780,533</b>

\* Award rejected by district  
 \*\* Funding to complete district-wide feasibility/utilization study to determine options to maximize utilization of the current school facilities. Upon completion, district may return to the PSCOC for out-of-cycle funding.  
 \*\*\* Award consideration is deferred pending the outcome of the district-wide feasibility/utilization study.

# School Security Awards

- Program start date: 2018
- Fundable School Security System Types
  - Fencing, gates, bollards, site access, site lighting, on-site radio infrastructure
  - Doors, door hardware, lock boxes, rapid entry system, secure vestibule, exterior windows, window tinting, impact resistant glazing
  - Emergency notification system, widow shades, counselor or SRO office space, cameras, central camera monitor, hand held radios, visitor ID scanner

# 2018-2019 School Security Awards

## School Security

District	# of Schools	Total Estimated Project Cost to Adequacy	FY19 Local Match (after offsets)	FY19 State Match (after offsets)
1Alamogordo	4	\$619,769	\$235,512	\$384,257
2Albuquerque	68	\$11,258,145	\$6,743,073	\$4,515,072
3Aztec	1	\$505,900	\$293,422	\$212,478
4Belén	3	\$368,210	\$158,330	\$209,880
5Bernalillo	2	\$586,380	\$345,964	\$240,416
6Central	6	\$1,293,057	\$443,084	\$722,926
7Chama Valley	3	\$65,716	\$59,144	\$6,572
8Cuba	3	\$200,600	\$140,420	\$60,180
9Derning	2	\$40,560	\$12,574	\$27,986
10Española	4	\$451,200	\$171,456	\$279,744
11Farmington	14	\$99,480	\$36,808	\$62,672
12Gadsden	1	\$135,200	\$21,632	\$113,568
13Gallup-Mckinley	23	\$977,000	\$195,400	\$781,600
14Grady	1	\$53,822	\$36,303	\$17,520
15Grants-Cibola	6	\$156,649	\$36,029	\$120,619
16Hagerman	1	\$586,746	\$140,819	\$445,927
17Hobbs	3	\$908,540	\$381,587	\$526,953
18House	1	\$409,500	\$249,795	\$159,705
19Las Cruces	13	\$1,884,400	\$678,384	\$1,206,016
20Las Vegas City	2	\$1,691,848	\$795,169	\$896,680
21Logan	1	\$62,000	\$37,200	\$24,800
22Los Alamos	1	\$77,416	\$41,030	\$36,386
23Los Lunas	5	\$1,996,009	\$491,042	\$1,504,967
24Magdalena	1	\$220,000	\$55,000	\$165,000
25Maxwell	1	\$45,110	\$22,555	\$22,555
26Mora	1	\$66,060	\$44,920	\$21,139
27Moriarty-Edgewood	1	\$639,240	\$332,405	\$306,835
28Pojoaque	5	\$1,489,730	\$357,535	\$1,132,195
29Questa	2	\$105,116	\$94,605	\$10,512
30Raton	1	\$25,210	\$12,101	\$13,109
31Rio Rancho	2	\$566,631	\$566,631	\$0
32Roswell	10	\$1,308,000	\$379,320	\$928,680
33Silver	3	\$577,974	\$341,004	\$236,969
34Socorro	3	\$69,275	\$19,397	\$49,878
35Horizon Academy West	1	\$60,704	\$27,317	\$33,387
36Taos Academy Charter	1	\$168,717	\$75,922	\$92,794
37South Valley Preparatory School	1	\$8,044	\$8,044	\$0
38Tucumcari	2	\$72,020	\$24,487	\$47,533
39Tularosa	4	\$58,224	\$16,885	\$41,339
40West Las Vegas	1	\$446,038	\$147,192	\$298,845
41Zuni	2	\$42,307	\$0	\$42,307

Total # of Districts	Total # of Schools	Total Estimated Project Cost to Adequacy	Total FY19 Local Match (after offsets)	Total FY19 State Match (after offsets)
41	210	\$30,396,545	\$14,269,498	\$16,000,000

# Pre-Kindergarten Classroom Facilities

- Program start date: 2005
- Public Education Department administered from 2006 - 2011 and 2014 - 2015
- PSFA administered in 2013 and 2018
- Plan, design, renovation, and construction of public school pre-kindergarten classrooms statewide

## Pre-Kindergarten Classroom Facilities

District	School	Total Estimated Project Cost to Adequacy	FY18 Local Match (after offsets)	FY18 State Match (after offsets)
1Belen	Rio Grande ES	\$260,878	\$104,351	\$156,527 <sup>11</sup>
2Clovis	Barry ES	\$878,571	\$210,857	\$667,714 <sup>12</sup>
3Gadsden	La Mesa Pre-K Center	\$62,121	\$9,318	\$52,803 <sup>3</sup>
4Gadsden	On Track Pre-K Center	\$169,120	\$25,368	\$143,752 <sup>4</sup>
5Gallup-McKinley	Lincoln ES	\$734,135	\$139,486	\$594,649 <sup>5</sup>
6Gallup-McKinley	Thoreau ES	\$330,903	\$62,872	\$268,031 <sup>6</sup>
7Grants-Cibola	Mesa View ES	\$339,286	\$74,643	\$264,643 <sup>7</sup>
8Grants-Cibola	Milan ES	\$339,286	\$74,643	\$264,643 <sup>8</sup>
9Hagerman	Hagerman ES	\$71,714	\$16,494	\$55,220 <sup>9</sup>
10Los Alamos	Barranca Mesa ES	\$554,468	\$288,323	\$266,145 <sup>10</sup>
11Portales	Brown Early Childhood Center	\$2,254,857	\$589,563	\$1,665,294 <sup>11</sup>
12Roswell	Monterrey ES	\$314,286	\$88,000	\$226,286 <sup>12</sup>
13Roswell	Sunset ES	\$487,857	\$136,600	\$351,257 <sup>13</sup>
14Silver	Opportunity HS	\$53,571	\$30,535	\$23,036 <sup>14</sup>
<b>10</b>	<b>14</b>	<b>\$6,851,053</b>	<b>\$1,851,053</b>	<b>\$5,000,000</b>

# Broadband Deficiencies Correction Program

- Program start date: 2014
- Increase Internet Access (IA) and connectivity in public schools statewide
- Provide fiber infrastructure to support scalable, fast and reliable Internet to each school
- In-the-building (internal) network equipment upgrades
- Maximize the federal (E-rate) funding leveraged (~90 cents for every \$1 of upgrades)

Total # of Districts	Total # of Schools	Total Estimated Project Cost	E-rate Funding	Total Estimated Local Match	Total Estimated State Match
55	416	\$22,327,361	\$19,492,137	\$1,003,565	\$1,831,659

## Lease Assistance

- Program start date: 2005
- Lease reimbursement is based on student MEM or the classroom and administration net square footage (NSF) or lease costs, which ever is lower
- Reimbursement to charter schools or school districts may be up to \$733.00 per student MEM based on the certified 40 day count (this number is adjusted by the PSCOC annually)

# 2018-2019 Lease Assistance Awards

District	Charter Type	# of Charters	Maximum Lease Assistance Award
1 Albuquerque	Locally Chartered Charter Schools	28	\$4,788,334 <sup>1</sup>
2 Albuquerque	State Chartered Charter Schools	31	\$5,964,577 <sup>2</sup>
3 Aztec	Locally Chartered Charter Schools	3	\$120,187 <sup>3</sup>
4 Carlsbad	Locally Chartered Charter Schools	1	\$120,182 <sup>4</sup>
5 Cimarron	Locally Chartered Charter Schools	1	\$39,758 <sup>5</sup>
6 Deming	Locally Chartered Charter Schools	1	\$61,785 <sup>6</sup>
7 Espanola	State Chartered Charter Schools	2	\$463,685 <sup>7</sup>
8 Gallup-McKinley	Locally Chartered Charter Schools	1	\$20,459 <sup>8</sup>
9 Gallup-McKinley	State Chartered Charter Schools	3	\$214,249 <sup>9</sup>
10 Jemez Valley	Locally Chartered Charter Schools	1	\$53,511 <sup>10</sup>
11 Jemez Valley	State Chartered Charter Schools	1	\$34,604 <sup>11</sup>
12 Las Cruces	State Chartered Charter Schools	5	\$621,878 <sup>12</sup>
13 Los Lunas	State Chartered Charter Schools	1	\$199,229 <sup>13</sup>
14 Moriarty	State Chartered Charter Schools	2	\$347,414 <sup>14</sup>
15 Questa	State Chartered Charter Schools	2	\$84,043 <sup>15</sup>
16 Rio Rancho	State Chartered Charter Schools	2	\$436,596 <sup>16</sup>
17 Roswell	Locally Chartered Charter Schools	1	\$33,811 <sup>17</sup>
18 Santa Fe	Locally Chartered Charter Schools	1	\$282,352 <sup>18</sup>
19 Santa Fe	State Chartered Charter Schools	6	\$969,684 <sup>19</sup>
20 Silver	State Chartered Charter Schools	1	\$53,746 <sup>20</sup>
21 Socorro	Locally Chartered Charter Schools	1	\$118,305 <sup>21</sup>
22 Taos	Locally Chartered Charter Schools	3	\$351,931 <sup>22</sup>
23 Taos	State Chartered Charter Schools	3	\$382,051 <sup>23</sup>
24 West Las Vegas	Locally Chartered Charter Schools	1	\$37,778 <sup>24</sup>
		<b>102</b>	<b>\$15,800,151</b>

## Lease Payment Assistance



# Teacher Housing and Outside of Adequacy Appropriations

- Legislative appropriation during 2019 Legislature (SB280) for school districts with federal impact aid for tribal lands
- \$10 million for teacher housing facilities (FY2019-2023)
  - PSCOF
  - **Awards made June 2019**
- \$24 million for outside of adequacy (FY2019-2023)
  - General Fund
  - Program development in-process
  - Survey sent to eligible districts regarding potential program guidelines
  - Estimated schedule for awards October 2019

