

Quarterly Update as of March 2018
Outstanding Local Capital Outlay Appropriations
\$300,000 to \$999,999

BACKGROUND

- The LFC tracks local capital projects funded by \$300,000 but less than \$1 million with data derived from the Capital Project Monitoring System (CPMS) operated and maintained by the Department of Finance and Administration (DFA).
- “Local” capital projects are sponsored by individual legislators or the governor and funded with allocations set aside for these types of projects. In some years, individual legislators may also support funding for state-owned facilities such as museums and universities.
- Grantees responsible for oversight of the project are required to update CPMS monthly; state agencies are required to update quarterly.
- There continues to be a number of discrepancies and contradictions between the entity and agency updates. 30 did not have current updates to CPMS as required by executed grant agreements, up from 17 projects last quarter. (See red-bordered items on Attachment B). Agencies had not provided updates for 15 projects, local updates were lacking for nine projects, and six projects were not updated by either the agency or local entity.

REPORTS

- **Attachment A** is a summary “by county” for all 858 outstanding local projects authorized between 2014 and 2017. Outstanding balances total \$74.7 million, 59.2 percent of the appropriation total.
- Counties highlighted in “red” have a high percentage of unspent funds, which total 30.7 percent of 2014 funding, 57.8 percent of 2015 funding, 65 percent of 2016 funding, and 94.7 percent of 2017 funding.
- Of funds authorized in 2014, six counties had at least 60 percent unspent: Catron, Lincoln, Mora, Otero, Union, and Valencia. Of funds authorized in 2015 or 2016, five counties had at least 80 percent unspent: Catron, Eddy, Lea, McKinley, and San Juan.
- Of the 94 local projects funded for \$300 thousand but less than \$1 million, about \$23.9 million is unexpended; 18 projects are coded red due to no activity or because the bonds have not sold and 25 projects are coded yellow, indicating the projects are behind schedule or have little activity.
- Since the December 2017 quarterly report, 14 projects funded for \$300 thousand but less than \$1 million closed with more than \$6.9 million expended or reverted. These figures include eight projects that were not fully expended, but closed due to reauthorization during the 2018 legislative session; these reauthorized projects had balances totaling almost \$3.5 million as of December 2017.

MAJOR PROJECTS COMPLETED WITHIN THE LAST QUARTER

➤ Albuquerque Fire Dept. Rescue Squad Vehicle (2015 STB)	\$441,100
➤ Bernalillo County Fire Dept. Fire Engine (2016 STB)	\$500,000
➤ Bernalillo County Public Safety Officers’ Memorials (2016 STB)	\$345,000
➤ Roswell Air Center Repairs (2016 STB)	\$488,822
➤ Hobbs Sewer Lines/Manholes Improvements (2016 STB)	\$431,000
➤ San Juan College CDL Training Lot (2015 STB)	\$500,000
➤ Gabaldon MDWCA Water System Improvements (2014 STB)	\$750,000

HIGHLIGHTS OF SELECT PROJECTS

Bernalillo County Paradise Hills Community Center Improvements (14-1835)

- **Line 6**, \$825,000 (2014 STB) minimal expenditures for a 2014 project (and no expenditures in the last quarter), but the project was reauthorized for time extension through fiscal year 2020. A purchase order for project construction was issued in March 2018, so construction should start soon.

Ramah Chp. Mountain View Water System Improvements (14-1607)

- **Line 25**, \$500,000 (2014 STB) low expenditures for a 2014 project, but the local entity and agency recently reported additional spending of \$134 thousand (for total expenditures of \$160 thousand) that has not been processed for reimbursement. The funds were not reauthorized during the 2018 session, but the local entity reports construction on Phase I is nearing completion and Phase II will be completed using a 2017 TIF allocation of \$470 thousand for water system expansion.

Las Cruces Public Schools Field of Dreams Lighting/Irrigation/Bleachers (16A4036)

- **Line 42**, \$339,000 (2016 STB) no expenditures to date; the district completed the project with its own funds but failed to comply with the process for obligating funds, and is therefore unlikely to receive reimbursements before the June 30, 2018 reversion date.

Navajo Nation Tse Daa K'aan Chp. Irrigation System (16A4074)

- **Line 72**, \$594,000 (2016 STB) the project's reauthorization for time extension was vetoed; construction has not yet started, and it is unlikely to occur due to the time constraints (the funds are set to revert at the end of the fiscal year).

Willard Sewer System Improvements (14-1734)

- **Line 88**, \$840,000 (2014 STB) has a balance of \$562 thousand and is set to expire at the end of FY18. The project is in construction and is expected to be completed in May. The balance of the grant will be expended prior to the expiration date.