

## December 2018 Quarterly Update

### Quarterly Status of Outstanding Capital Funds

- As of December 2018, approximately \$639.9 million from all funding sources for 1,608 projects remains outstanding, including \$71.5 million of earmarked fund balances for water (\$29.7 million), colonias (\$19.8 million), and tribal (\$21.9 million) infrastructure projects. Additionally, about \$395.8 million remains outstanding from supplemental severance tax bonds for public schools.
- Since the September 2018 quarterly report, 108 projects closed and approximately \$51.7 million was expended or reverted.
- STBs make up 55.6 percent of the total unexpended balance, while GOBs account for 15.3 percent, other state funds (OSF) 17.1 percent, and general fund (GF) 12.1 percent.

### 2009-2018 Capital Outlay All Fund Sources "Outstanding" Projects Only (in millions)

Year	Number of Projects	Amount Appropriated	Amount Expended	Amount Unexpended	Percent Expended for Year
2009	1	\$10.0	\$9.5	\$0.5	94.5%
2014	4	\$6.0	\$2.4	\$3.7	34.0%
2015	294	\$163.6	\$90.3	\$73.3	55.3%
2016	414	\$323.7	\$118.7	\$205.0	32.9%
2017	102	\$29.2	\$9.2	\$20.0	16.3%
2018	793	\$367.8	\$30.5	\$337.2	4.3%
<b>Total</b>	<b>1,608</b>	<b>\$900.4</b>	<b>\$260.5</b>	<b>\$639.9</b>	<b>28.9%</b>

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

Source: Capital Projects Monitoring System

- Of funds authorized from GF and STB only, \$239.7 million for state-owned projects and \$121.7 million for local projects remains unexpended. The table below demonstrates the amount and percent expended by state and local entities by year.

### 2009-2018 Capital Outlay Funding "Outstanding" STB and GF Projects Only (in millions)

Year	STATE ALLOCATIONS					LOCAL ALLOCATIONS				
	Number of Projects	Amount Appropriated	Amount Expended	Amount Unexpended	Percent Expended for Year	Number of Projects	Amount Appropriated	Amount Expended	Amount Unexpended	Percent Expended for Year
*2009	1	\$10.0	\$9.5	\$0.5	94.5%	0	\$0.0	\$0.0	\$0.0	*
2015	65	\$92.2	\$49.6	\$42.6	50.9%	179	\$24.8	\$11.4	\$13.3	46.2%
2016	27	\$87.6	\$32.3	\$55.2	32.6%	212	\$35.3	\$14.3	\$21.0	40.5%
2017	9	\$8.3	\$5.6	\$2.7	26.1%	70	\$8.7	\$1.9	\$6.8	21.7%
2018	70	\$161.0	\$22.3	\$138.6	7.3%	649	\$84.5	\$4.0	\$80.6	4.7%
<b>Total</b>	<b>172</b>	<b>\$359.0</b>	<b>\$119.4</b>	<b>\$239.7</b>	<b>33.2%</b>	<b>1,110</b>	<b>\$153.4</b>	<b>\$31.6</b>	<b>\$121.7</b>	<b>20.6%</b>

\* No allocations made for local projects.

Source: Capital Projects Monitoring System

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

LFC staff tracks all capital appropriations of \$1 million or more, for 147 projects which totaled \$973.3 million at the end of December 2018. The unexpended balance for those projects is \$526.5 million, or 82.3 percent, of all unexpended funds. Since the September 2018 report, seven appropriations totaling \$18.5 million were fully expended or reverted.

### **HIGHLIGHTS OF SELECT PROJECTS**

#### **2015 Senior Center Renovations (multiple appropriations)**

- **Line 6**, \$10,799,950 (2015 STB) Of the 27 projects currently active, one closed this quarter and six projects have not yet expended any funds:
  - Las Vegas Senior Center Code Improvements \$101,100
  - Pueblo Pintado Chapter Senior Center Construction \$100,000
  - Santa Clara Pueblo Senior Center Code Improvements \$72,700
  - Albuquerque Palo Duro Senior Sports Fitness Facility Renovations \$45,000
  - Deming Senior Center Renovations \$34,000
  - Santo Domingo Senior Center Code Improvements \$33,000

#### **State Police Helicopter (18C2598)**

- **Line 47**, \$11,172,000 (2018 STB) New Mexico State Police staff visited the AirBus manufacturing plant in Mississippi to inspect the helicopter build, which is reportedly progressing well and expected for delivery by July 2019. The outgoing administration notified LFC staff that a second, smaller helicopter could help further support DPS's mission, however, this was not included in the agency's official capital outlay request for the 2019 session. According to State Police, the agency is in position to operate two helicopters with three full time pilots and another in training and following the move from Santa Fe to Albuquerque's Double Eagle Airport, which will provide a larger hangar that could accommodate an additional helicopter. DPS estimates a second helicopter would cost about \$6 million.

#### **Statewide Rest Area Improvements (18C5606)**

- **Line 51**, \$4,000,000 (2018 GF) NMDOT will seek an extension on funds until 6/30/2020. The district offices do not expect to expend all of the funds by 6/30/2019. The department has been working closely with State Purchasing Division to establish price agreements and RFPs to avoid violation of the procurement code or financial statute. Without the procurement process in place to avoid potential issues, the department is unable to establish purchase orders. If the extension is not approved, the state road fund balance will need to cover any remaining balances.

#### **Paseo Del Volcan (multiple appropriations)**

- **Line 54**, \$6,328,100 (2014, 2015, 2016, & 2018 STB) Delays were caused by a holdup in ROW process. NMDOT is waiting on titles before they can send out the RFP for appraisal work. Due to staff shortage, NMDOT is looking at outsourcing this process and will request reauthorization for time extension.

#### **Economic Development Grants - LEDA (multiple appropriations)**

- **Line 68**, \$51,950,000 (2015 RIRLF, 2015 & 2016 STB, & 2018 GF) Although the balance of these funds is still high (\$43 million), about \$15.3 million is encumbered. \$11.5 million in 2016 STBs that had not been issued were sold in December 2018.

#### **CYFD - Child Wellness Center (18C4133 & 2018 SB193 funds)**

- **Line 93**, \$20,500,000 (2016 STB & 2018 SOBB) Initial construction is substantially complete and CYFD is on schedule to relocate staff by the end of the month. The majority of funds have been expended or encumbered. One open issue is a required waterline in the street, for which FMD is currently obtaining an estimate. FMD expects to cover the cost of the waterline with the remaining balance, but will use statewide funds to cover any shortage.

**2015 Tribal Infrastructure Fund (earmarked funds)**

- **Line 132**, \$14,273,958 (2015 STB) Per TIF rules, \$964.5 thousand was reverted from 17 projects in 2018 to the severance tax bonding fund. Most of these reversions were of small remaining balances. Two projects had the entire award reverted. See Attachment B for a full list of projects and reversions.

**MAJOR PROJECTS COMPLETED FOR THE QUARTER**

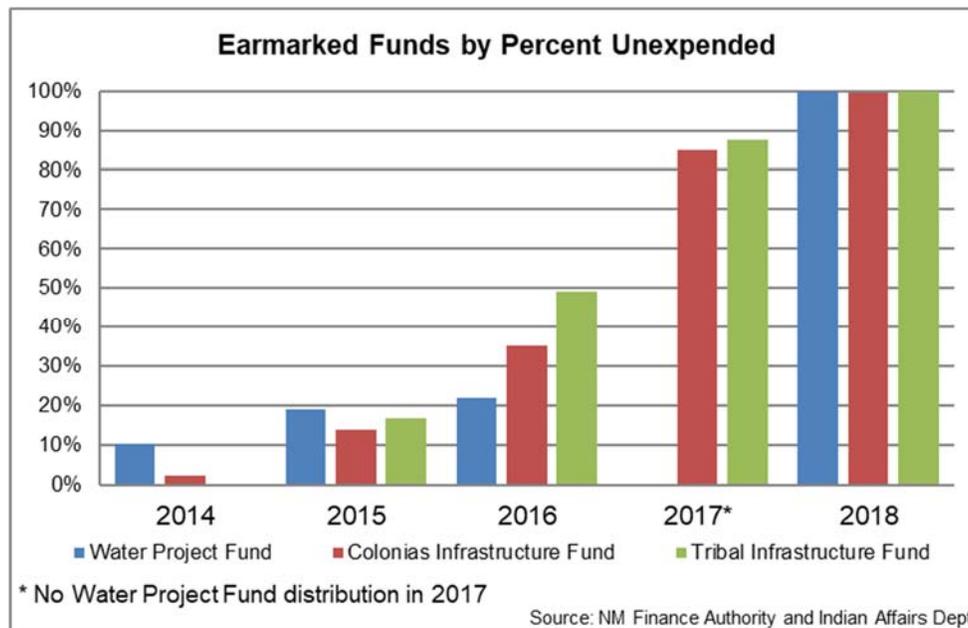
➤ NMSBVI Watkins Education Center (2013 PSCOF ret. 2017 & 2018)	\$5,500,000
➤ DGF Northwest Area Office - New (2015 GPF)	\$4,500,000
➤ Wildfire Mitigation at Urban Forest Interfaces (2015 STB)	\$3,900,000
➤ Clovis Community College - HVAC Upgrades (2016 GOB)	\$2,000,000
➤ DWS - Tiwa Building Improvements (2013 STB ret. 2017 & 2015 STB)	\$1,900,000

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

- Following the December 2018 bond sale, 14 projects authorized for \$857.7 thousand remain unissued, all of which were authorized in 2018.
- The December sale included 46 projects totaling \$17.4 million that were removed from the June 2018 authorized but unissued list.
- In the summer of 2016, BOF reassigned funding for projects if funds were not encumbered or if there were no expenditures within 18 months following issuance of severance tax bonds. This action affected 69 projects totaling \$6.4 million. The December bond sale included five of these projects totaling \$350 thousand, leaving nine projects totaling \$484.7 thousand on the reassigned list on Attachment A.

**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 project fund, colonias infrastructure fund, and tribal infrastructure fund). The water project fund’s 2017 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 CPMS, 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>.

## Authorized but Unissued

Approp ID	Title	County	Approp Amount	EO Eligibility	Anti-Donation	BOF Status *	Agency	Certification Deadline
C2261	AGUA PURA MDWC & MSWA WATER SYS IMPROVE	Mora	35,000	Non-Compliant			NMED	6/30/2020
C2267	CANJILON MDWC & MSWA WATER SYSTEM IMPROVE	Rio Arriba	100,000	Non-Compliant			NMED	6/30/2020
C2269	EL RITO RWVA WASTEWATER SYSTEM	Rio Arriba	50,000	Non-Compliant			NMED	6/30/2020
C2373	SANTA ROSA SWAMP DITCH PIPELINE GUADALUPE CO	Guadalupe	10,000	Non-Compliant			OSE	6/30/2020
C2374	EAST PUERTO DE LUNA ACEQUIA PIPE	Guadalupe	30,000	Non-Compliant			OSE	6/30/2020
C2377	ACEQUIA DEL DISTRICTO IMPROVE-CHIMAYO	Multiple Co	13,810	Non-Compliant			OSE	6/30/2020
C2378	ACEQUIA DE CHAMITA IMPROVE	Rio Arriba	10,000	Non-Compliant			OSE	6/30/2020
C2380	ACEQUIA DE LOS SALAZARES IMPROVE	Rio Arriba	20,000	Non-Compliant			OSE	6/30/2020
C2386	ACEQUIA DE LOS SEGURAS IMPROVE SAN MIGUEL CO	San Miguel	20,000	Non-Compliant			OSE	6/30/2020
C2400	ACEQUIA DE LOS RANCHOS IMPROVE	Santa Fe	148,070	Non-Compliant			OSE	6/30/2020
C2408	BERN CO CHILDREN/FAMILY SUPPORT SERVICES FCLTY	Bernalillo	50,000			Not Ready	DFA	6/30/2020
C2410	BERN CO HOMELESS COMMUNITY CENTER	Bernalillo	20,000			Not Ready	DFA	6/30/2020
C2435	ALB MAINSTREET COMMERCIAL KITCHEN	Bernalillo	300,800			Not Ready	DFA	6/30/2020
C2541	RIO ARRIBA CO DISABILITIES FCLTY DESIGN REN	Rio Arriba	50,000			Anti-Donation	DFA	6/30/2020
<b>TOTAL AUTHORIZED BUT UNISSUED (14 PROJECTS)</b>			<b>\$857,680</b>					

## Reassigned

Approp ID	Title	County	Approp Amount	Agency	REVERSION Date	EO Eligibility	Anti-Donation	BOF Status *
15-0476	BELEN HIGH SCHL FOOTBALL STADIUM PRESS BOX	Valencia	150,000	PED	6/30/2019			Reassigned
15-0571	SANTA FE VETERANS AFFORDABLE HOUSING INFRA IMPR	Santa Fe	30,000	LGD-DFA	6/30/2019			Reassigned
15-0659	BERN CO AMISTAD YOUTH CRISIS CTR IMPROVE	Bernalillo	73,920	LGD-DFA	6/30/2019			Reassigned
15-0671	SOUTH VALLEY PUBLIC LIBRARY EXTERIOR & STUCCO	Bernalillo	55,000	LGD-DFA	6/30/2019			Reassigned
15-0714	ALB WELLS PARK COMMUNITY CTR BASKETBALL FLOOR	Bernalillo	25,000	LGD-DFA	6/30/2019			Reassigned
15-0798	LINCOLN CO RESIDENTIAL CARE FCLTY/STORAGE BLDGS	Lincoln	70,810	LGD-DFA	6/30/2019			Reassigned
15-0856	SANTA FE BOYS & GIRLS CLUB HVAC SYS	Santa Fe	30,000	LGD-DFA	6/30/2019			Reassigned
15-0938	CORONA STREETS IMPROVE	Lincoln	25,000	DOT	6/30/2019			Reassigned
15-0945	SHONDEEN DR IMPROVE ROCK SPRINGS CHP	McKinley	25,000	DOT	6/30/2019			Reassigned
<b>TOTAL REASSIGNED (9 PROJECTS)</b>			<b>\$484,730</b>					

\* **BOF Status:** Missing = BOF and bond counsel didn't receive a questionnaire; Not Ready = BOF and bond counsel determined project not ready for bonds to be sold; Reassigned = BOF and bond counsel determined entity failed to meet the 5% encumbrance requirement by having no encumbrances made for a full 18 months following issuance of the bond. Grant agreement is frozen.