

## June 2018 Quarterly Update

### Quarterly Status of Outstanding Capital Funds

- As of June 2018, approximately \$433.4 million from all funding sources for 1,406 projects remains outstanding, including \$58.5 million of earmarked fund balances for water (\$25.9 million), colonias (\$15 million), and tribal (\$17.6 million) infrastructure projects. Additionally, about \$197 million remains outstanding from supplemental severance tax bonds for public schools.
- Since the March 2018 quarterly report, 298 projects closed and approximately \$83.8 million was expended or reverted. These figures include 78 projects that were not fully expended, but closed due to reauthorization during the 2018 legislative session. The \$35.6 million of reauthorized balances will return on the next quarterly report. Excluding reauthorizations, 220 projects closed and about \$48.2 million was spent or reverted.
- STBs make up 56 percent of the total unexpended balance, while GOBs account for 32.3 percent, and other state funds (OSF) 11.9 percent.

### 2009-2017 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	240	\$137.2	\$114.8	\$22.4	83.7%
2015	446	\$199.6	\$97.6	\$102.0	48.9%
2016	587	\$397.4	\$117.1	\$280.3	29.5%
2017	132	\$35.2	\$7.1	\$28.1	20.2%
<b>Total</b>	<b>1,406</b>	<b>\$779.4</b>	<b>\$346.0</b>	<b>\$433.4</b>	<b>44%</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, \$121.5 million for state-owned projects and \$61.9 million for local projects remains unexpended. The table below demonstrates the amount and percent expended by state and local entities by year.

### 2009-2017 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	*
2014	5	\$12.8	\$12.7	\$0.1	99.1%	103	\$30.4	\$27.4	\$3.0	90.0%
2015	101	\$98.4	\$46.6	\$51.8	47.4%	261	\$34.6	\$15.8	\$18.8	45.6%
2016	41	\$106.2	\$45.3	\$60.8	42.7%	338	\$52.4	\$21.1	\$31.3	40.2%
2017	13	\$12.3	\$4.2	\$8.2	33.7%	95	\$10.7	\$1.9	\$8.7	18.0%
<b>Total</b>	<b>161</b>	<b>\$239.7</b>	<b>\$118.2</b>	<b>\$121.5</b>	<b>49.3%</b>	<b>797</b>	<b>\$128.1</b>	<b>\$66.1</b>	<b>\$61.9</b>	<b>51.6%</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 180 projects which totaled \$918.7 million at the end of June 2018. The unexpended balances for those projects is \$376.7 million, or 87 percent, of all unexpended funds. Since the March 2018 report, 21 appropriations totaling \$67.8 million were fully expended or reverted. Additionally, 16 of these major projects with balances of \$29.4 million were reauthorized.

### **HIGHLIGHTS OF SELECT PROJECTS**

#### **Energy, Minerals and Natural Resources Department (16A2236 to 17B4043)**

- **Line 142**, \$1 million, (2016 STB; 2017 reauthorization), to the Oil Conservation Division (OCD) for site improvements and to plan, design, construct, equip and furnish the oil conservation division district office in Artesia. The agency reports that a land purchase agreement is pending, however land acquisition may not be permitted by the appropriation language.

#### **Economic Development Department (06-0227 to 07-6194 to 10-1299 to 14-2266 to 16A4032 to 17B4065)**

- **Line 221**, \$5 million (2006 STB, multiple reauthorizations), to acquire land and water rights and for infrastructure improvements for Cannon Air Force Base. Originally appropriated in 2006, the project has been reauthorized five times and still has a balance of \$805.6 thousand. A vertical easement to provide security to Cannon and the Melrose Air Force Range was recently finalized.

#### **Public Education Department (14-2176 and 16A2635 to 18C4137)**

- **Lines 244 and 245**, \$2.5 million and \$5 million (2014 and 2016 Public School Capital Outlay Fund), appropriations for pre-kindergarten classrooms statewide have made minimal progress. The 2014 appropriation expired at the end of FY18 with a remaining balance of \$1.8 million.

#### **2014 Senior Center Projects (multiple appropriations)**

- **Line 8**, \$16.4 million (2014 GOB), for code compliance, renovations, equipment, and vehicles ended FY18 with \$2.4 million unexpended pending closeout and final reimbursements.

### **MAJOR PROJECTS COMPLETED FOR THE QUARTER**

➤ Environment Department – Camino Real Regional Utility Authority (2014 STB)	\$1.75 million
➤ NM Highlands University – Infrastructure Improvements (2014 GOB)	\$5 million
➤ ENMU-Roswell – Marshall Hall Renovation (2014 GOB)	\$4.8 million
➤ Office of the State Engineer – Surface & Ground Water Measurement (2014 STB)	\$3.1 million
➤ UNM – Farris Engineering Center Renovation (2014 GOB)	\$20.5 million

#### **2014 Water Initiative Status**

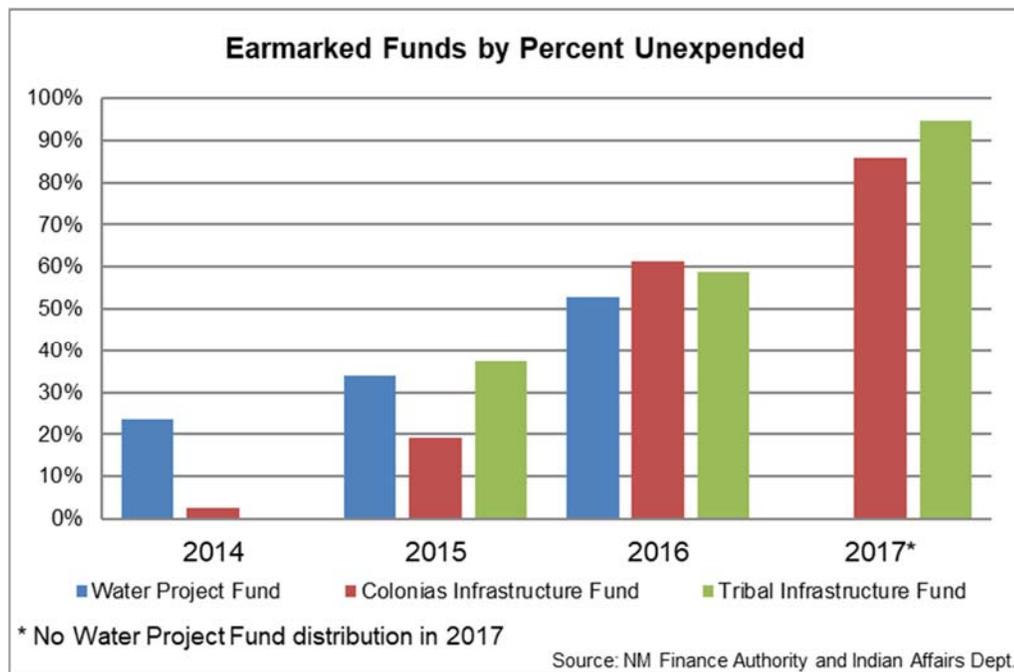
- Four years after \$83.5 million was authorized for 191 water projects statewide in the 2014 capital outlay bill, \$12.5 million (15 percent) was unspent. As of the end of June, 81 percent of the projects were either closed or were deauthorized during the 2016 special session due to inactivity (23 projects totaling \$1.7 million). Thirteen projects closed in the last quarter.
- Most of the unspent funding is from 30 projects totaling nearly \$26.8 million (32 percent of the total) that have been reauthorized to change the purpose or extend the time to spend the funds beyond the original four year period. Thirteen of the 30 reauthorized projects are now closed, and the remaining 17 projects had balances of \$11 million at the end of FY18.
- The largest single project in the package – \$11 million to improve and expand Bradner Dam – still has a balance of \$7.5 million, accounting for 60 percent of the total unspent funds. This project was significantly delayed when the decision was made to replace, rather than repair, the dam. Construction began in the spring of 2018, and the 2018 reauthorization bill extended the reversion date through FY20.

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

- Following the June 2018 bond sale, 60 projects authorized for \$18.3 million remain unissued, including \$11.5 million from a 2016 appropriation to the Local Economic Development Fund and 59 projects authorized in 2018.
- The June sale included five projects totaling \$319.8 thousand that were removed from the March 2018 authorized but unissued list; bonds were sold for two of these projects but three others are now expired after the certification deadline passed at the end of FY18.
- 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 June bond sale included nine of these projects totaling \$601.8 thousand, leaving 14 projects totaling \$834.7 thousand on the reassigned list.

### **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>.

**BOF Official Authorized but Unissued and Reassigned Balances Following 6-28-2018 Bond Sale**

**ATTACHMENT A**

Approp ID	Title	County	Approp Amount	EO Eligibility	Anti-Donation	BOF Status *	Agency	Certification Deadline
A2654	LOCAL ECONOMIC DEVELOPMENT ACT STATEWIDE (\$10 million sold- Partial Amt Requested)	Statewide	11,550,000			Ready	EDD	6/30/2020
C2069	MONTESSORI ELEM & MIDDLE SCHL BLDGS/GROUNDS	Bernalillo	70,000			Missing	PED	6/30/2020
C2070	SAMS ACAD CHRTR SCHL IMPROVE	Bernalillo	51,000			Missing	PED	6/30/2020
C2081	ALBUQUERQUE HIGH SCHL SECURITY	Bernalillo	72,300			Missing	PED	6/30/2020
C2204	J. PAUL TAYLOR ACAD PGRND LAS CRUCES	Dona Ana	65,000			Missing	PED	6/30/2020
C2208	LOVINGTON MSD AUDITORIUM SOUND SYSTEM	Lea	48,000			Missing	PED	6/30/2020
C2209	LOVINGTON MSD SECURITY FENCING	Lea	45,000			Missing	PED	6/30/2020
C2212	MORA ISD TRACK IMPROVE	Mora	50,000			Missing	PED	6/30/2020
C2213	FLOYD MSD ACTIVITY BUS	Roosevelt	50,000			Missing	PED	6/30/2020
C2220	RIO RANCHO PSD ELEM SCHLS SECURITY BOLLARDS PRCHS	Sandoval	278,000			Missing	PED	6/30/2020
C2221	RIO RANCHO PSD MID SCHLS SECURITY BOLLARDS PRCHS	Sandoval	100,000			Missing	PED	6/30/2020
C2223	EL DORADO CMTY SCHOOL DOOR BARRICADE SYSTEM	Santa Fe	12,000			Missing	PED	6/30/2020
C2226	ENOS GARCIA ELEM SCHL PLUMBING TAOS MSD	Taos	50,000			Missing	PED	6/30/2020
C2228	CARLSBAD BRINE WELL REMEDIATION	Eddy	1,958,800			Not Ready	EMNRD	6/30/2020
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 RWWA WASTEWATER SYSTEM	Rio Arriba	50,000	Non-Compliant			NMED	6/30/2020
C2275	EL CRESTON MDWCA WATER SYSTEM IMPROVE	San Miguel	45,000	Non-Compliant			NMED	6/30/2020
C2277	ROWE MDWCA WATER SYSTEM IMPROVE	San Miguel	50,000	Non-Compliant			NMED	6/30/2020
C2286	REGINA MDWCA WATER SYSTEM	Sandoval	50,000	Non-Compliant			NMED	6/30/2020
C2291	LA BAJADA COMMUNITY DITCH & MDWA WATER SYSTEM	Santa Fe	20,000	Non-Compliant			NMED	6/30/2020
C2339	MESCALERO APACHE SCHOOLS ACTIVITY BUSES	Otero	175,000			Missing	IAD	6/30/2020
C2343	NAVAJO NATION EXCAVATOR PRCHS EQUIP	San Juan	87,500			Missing	IAD	6/30/2020
C2353	WHITE ROCK CHP BLDG IMPROVE	San Juan	50,000			Not Ready	IAD	6/30/2020
C2364	SAN ILDEFONSO PUEBLO WWATER SYSTEM/PLANT PH 4	Santa Fe	50,000			Missing	IAD	6/30/2020
C2372	ACEQUIA DE VADO DE JUAN PAIZ IMPROVE	Guadalupe	10,000	Non-Compliant			OSE	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
C2376	ACEQUIA DEL RITO DE DIEGO IMPROVE	Mora	10,000	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
C2379	ACEQUIA DE LOS CHAVEZ PLAN/DESIGN PHASE 1	Rio Arriba	45,000	Non-Compliant			OSE	6/30/2020
C2380	ACEQUIA DE LOS SALAZARES IMPROVE	Rio Arriba	20,000	Non-Compliant			OSE	6/30/2020
C2383	ACEQUIA DE LA PLAZA IMPROVE - DIXON	Rio Arriba	25,000	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

**BOF Official Authorized but Unissued and Reassigned Balances Following 6-28-2018 Bond Sale**

**ATTACHMENT A**

<b>Approp ID</b>	<b>Title</b>	<b>County</b>	<b>Approp Amount</b>	<b>EO Eligibility</b>	<b>Anti-Donation</b>	<b>BOF Status *</b>	<b>Agency</b>	<b>Certification Deadline</b>
C2391	JEMEZ RIVER BASIN ACEQUIA IMPROVE	Sandoval	15,000	Non-Compliant			OSE	6/30/2020
C2397	RIO EN MEDIO ALTO DITCH IMPROVE	Santa Fe	13,000	Non-Compliant			OSE	6/30/2020
C2400	ACEQUIA DE LOS RANCHOS IMPROVE	Santa Fe	148,070	Non-Compliant			OSE	6/30/2020
C2403	LAS PALOMAS COMMUNITY DITCH REPAIR	Sierra	10,000	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
C2419	2ND JUD DIST CT DOMESTIC VIOLENCE PROTECTED AREAS	Bernalillo	175,000			Missing	DFA	6/30/2020
C2435	ALB MAINSTREET COMMERCIAL KITCHEN	Bernalillo	300,800			Not Ready	DFA	6/30/2020
C2444	ALB REGIONAL CRISIS TRIAGE/RESPONSE CENTER	Bernalillo	102,300			Not Ready	DFA	6/30/2020
C2452	ALB WAREHOUSE 508 RENOVATE/EQUIP	Bernalillo	10,000			Not Ready	DFA	6/30/2020
C2463	LOS RANCHOS DE ALB VETERAN AGRICULTURE EQUIP	Bernalillo	41,000			Not Ready	DFA	6/30/2020
C2480	COLFAX CO DETENTION CENTER/SHERIFF'S DEPT FURNISH	Colfax	75,000			Not Ready	DFA	6/30/2020
C2527	RUIDOSO FIRE MITIGATION	Lincoln	47,650			Not Ready	DFA	6/30/2020
C2541	RIO ARRIBA CO DISABILITIES FCLTY DESIGN REN	Rio Arriba	50,000			Anti-Donation	DFA	6/30/2020
C2550	ROOSEVELT CO SPECIAL HOSPITAL DIST SURGICAL EQUIP	Roosevelt	150,000	Non-Compliant			DFA	6/30/2020
C2553	SAN MIGUEL CO MECHANICAL BIOLOGICAL TREATMENT	San Miguel	30,000			Not Ready	DFA	6/30/2020
C2576	SIERRA CO FLOOD & DRAIN CONTROL	Sierra	400,000			Missing	DFA	6/30/2020
C2577	HILLSBORO CMTY CTR IMPROVE	Sierra	75,000			Missing	DFA	6/30/2020
C2581	TAOS CO VETERANS' CEMETERY	Taos	73,800			Not Ready	DFA	6/30/2020
C2606	BERN CO INDUSTRIAL TRANSLOAD FCLTY ROADS IMPROVE	Bernalillo	605,000			Not Ready	DOT	6/30/2020
C2623	1ST & 2ND STREETS IMPROVE - GRANTS	Cibola	175,000	Non-Compliant			DOT	6/30/2020
C2640	VAUGHN STREETS DRAINAGE	Guadalupe	25,000	Non-Compliant			DOT	6/30/2020
C2656	ROOSEVELT CO ROADS IMPROVE	Roosevelt	100,000			Missing	DOT	6/30/2020
C2660	INDIAN SERVICE RTE 57 GADII/AHI/TO'KOI CHP IMPROVE	San Juan	210,446			Missing	DOT	6/30/2020
C2662	NM HWY 14 SAFETY IMPROVE-MADRID	Santa Fe	81,500			Not Ready	DOT	6/30/2020
<b>TOTAL AUTHORIZED BUT UNISSUED (60 PROJECTS)</b>			<b>\$18,289,976</b>					

**BOF Official Authorized but Unissued and Reassigned Balances Following 6-28-2018 Bond Sale**

Approp ID	Title	County	Approp Amount	Agency	REVERSION Date	EO Eligibility	Anti-Donation	BOF Status *
14-1944	CAPITAN COMMUNITY CENTER RENOVATE (originally \$100k; \$50k reauthorized to 18C4066 in 2018 session, another \$50k reauthorization was vetoed and reverted)	Lincoln	50,000	LGD-DFA	6/30/2018			Reassigned
15-0461	NM SCHL FOR THE ARTS SANTA FE CO	Santa Fe	100,000	PED	6/30/2019			Reassigned
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
15-0733	S. VALLEY YOUTH CRISIS CENTER IMPROVE BERN CO	Bernalillo	40,000	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
15-0957	BELEN ALEXANDER AIRPORT RUNWAY	Valencia	110,000	DOT	6/30/2019			Reassigned
15-1141	NORTH CENTRAL EDD BROADBAND INFRA IMPROVE	Multiple Co.	50,000	LGD-DFA	6/30/2020			Reassigned
<b>TOTAL REASSIGNED (14 PROJECTS)</b>			<b>\$834,730</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.