

# LEGISLATIVE FINANCE COMMITTEE

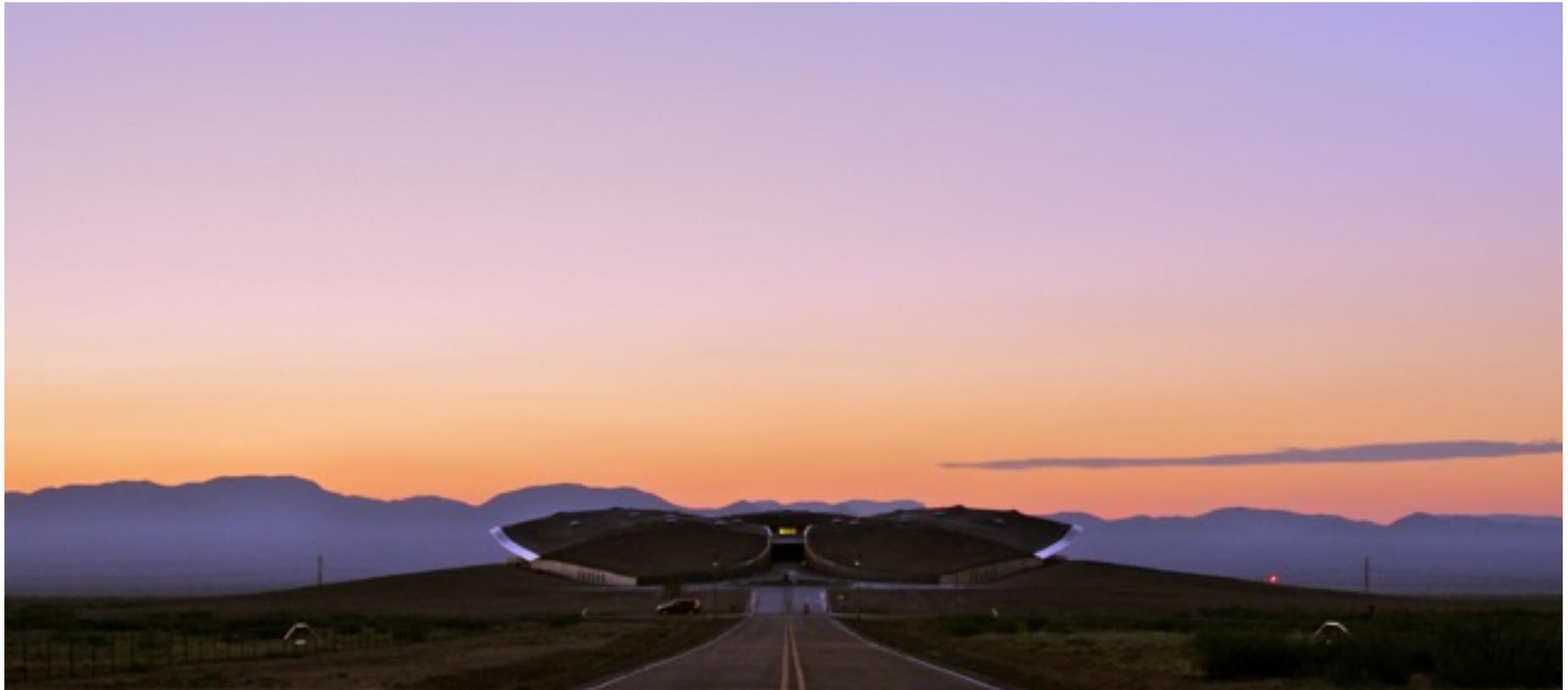
October 23, 2013

**CHRISTINE ANDERSON**  
Executive Director  
New Mexico Spaceport Authority



**SPACEPORT** AMERICA

where we offer the world an invitation to space



*join us*

# SPACEPORT AMERICA SNAPSHOT



- **SPACEPORT AMERICA IS BELOW THE 2007 AUTHORIZED PROJECT TOTAL OF \$225M AT \$212M**
- **NMSA HAS CARVED OUT \$8.1M FOR THE SOUTHERN ACCESS ROAD EVEN THOUGH IT WAS NEVER INCLUDED IN THE BUDGET**
- **NMSA HAS BEEN PAYING THE MAJORITY OF ITS OPERATIONAL COSTS INCLUDING STATE EMPLOYEE SALARIES FROM REVENUE FOR THE PAST THREE YEARS**
- **SPACEPORT AMERICA IS HOST TO TWO OF THE LARGEST AND MOST WELL RESPECTED COMMERCIAL SPACE COMPANIES**

# SPACEPORT AMERICA COMPLETED PROJECTS



- ✓ Virgin Galactic Gateway to Space
- ✓ 12,000 ft runway
- ✓ Spaceport Operations Center
- ✓ Fuel Storage Depot
- ✓ Wastewater Treatment Plant
- ✓ 1.3M gallon Water Storage Facility and Booster Station
- ✓ Communication/Security System
- ✓ Internal Roads
- ✓ Fencing and Gates
- ✓ Electrical Substation and 7 miles of distribution line
- ✓ Automated Weather Observing System

# “VIRGIN GALACTIC GATEWAY TO SPACE”



# SPACEPORT OPERATIONS CENTER



# SPACEPORT AMERICA SELF-CONTAINED “CITY”



**FUEL STORAGE DEPOT**



**12,000 FT SPACEWAY 16-34**



**WASTEWATER TREATMENT PLANT**



**1.3M GAL WATER STORAGE &  
BOOSTER STATION**



**COMMUNICATIONS SYSTEM**



**AWOS III WEATHER STATION**

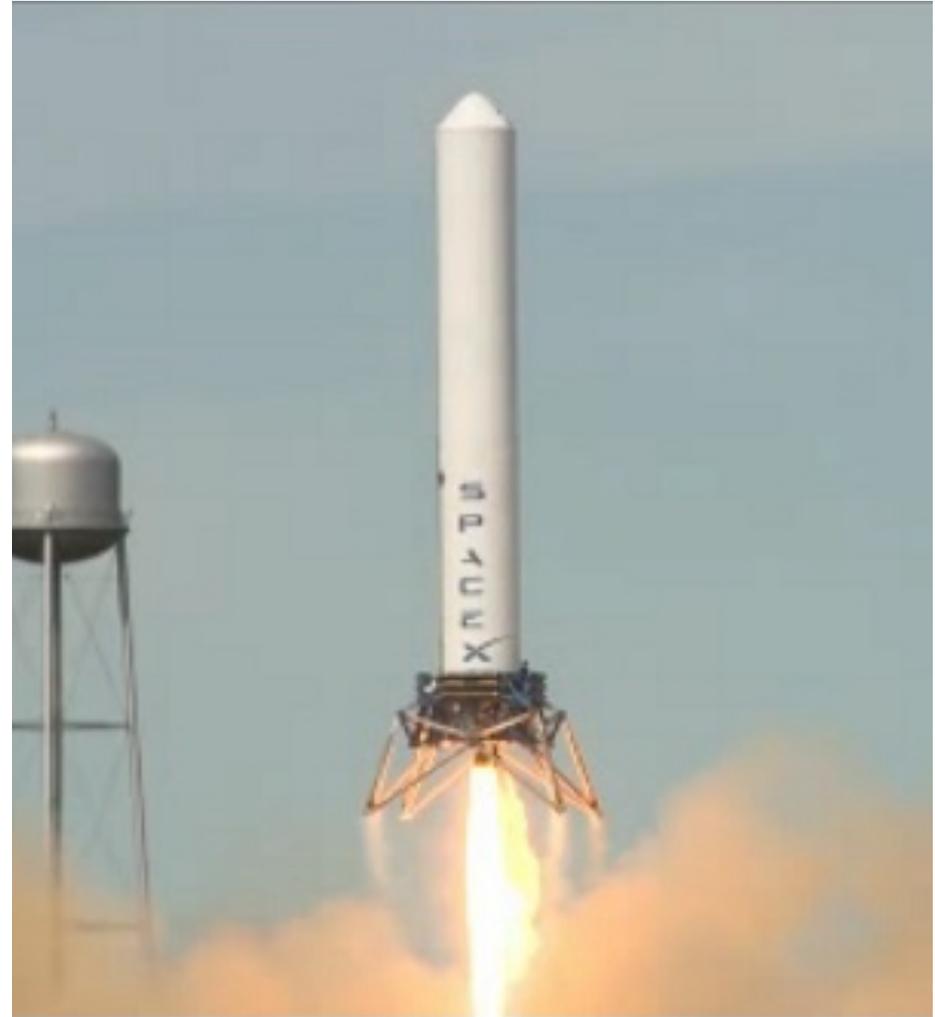


- **RECENT SL-7 FLIGHT ON JUNE 21**
- **NASA FLIGHT OPPORTUNITIES PROGRAM**  
First flight to reach space
- **NASA, DoD, FAA, AND NM STUDENT PAYLOADS**
- **OCTOBER LAUNCH DELAYED DUE TO GOVERNMENT SHUTDOWN**

19 Vertical launches to date from Spaceport America

# NEW TENANT: SPACE X

- **3 YEAR LEASE (PLUS TWO 1 YEAR OPTIONS) SIGNED APRIL 24 2013**
- **FLIGHT TESTING OF GRASSHOPPER VERTICAL TAKEOFF & LANDING VEHICLE**



# ANCHOR TENANT: VIRGIN GALACTIC

- **VG CONTINUES TESTING IN MOJAVE**
- **SECOND HOT FIRE INTEGRATED ROCKET TEST WITH FEATHER MANEUVER ON SEPT 5 2013**
- **VG CONTINUING GATEWAY FIT-OUT**
- **PREPARING FOR FLIGHTS FROM NM**



# EMERGENCY RESPONSE VEHICLES



Left to Right: Brush Truck, ARFF, Ambulance, (Pumper on order)

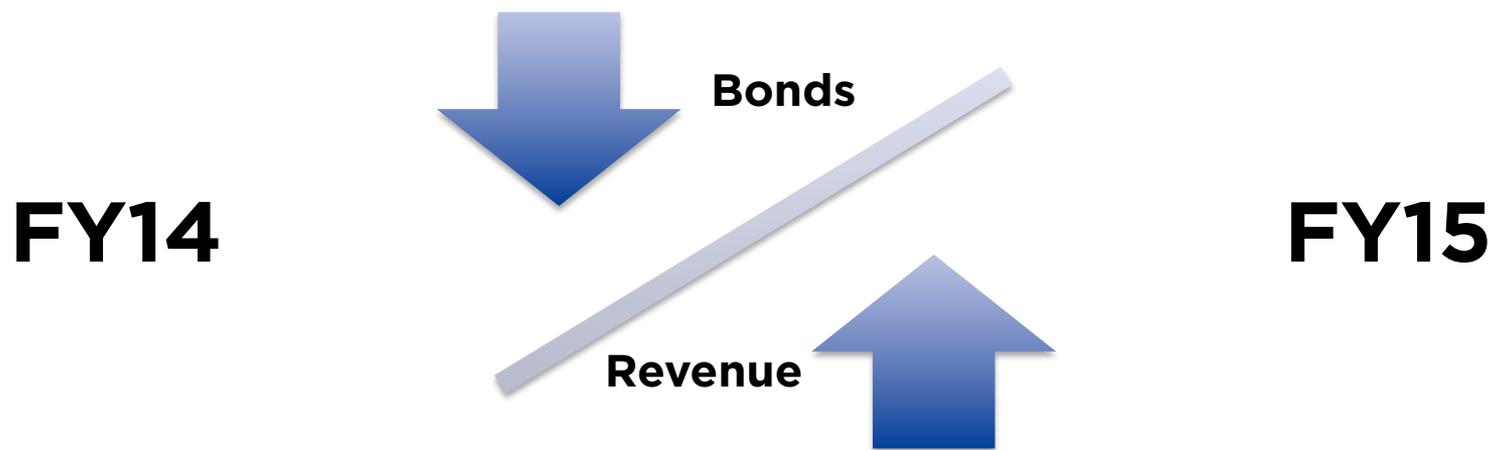
- **CONSTRUCTION / PRE-OPERATIONAL BUDGET**
  - General Fund/Severance Tax Capital Funds
  - Gross Receipts Tax Capital Funds (Doña Ana & Sierra Counties)
- **OPERATIONAL BUDGET\* (DAY TO DAY OPERATIONS)**
  - Appropriated Operational Funds
  - NMSA Revenue
  - GRT Excess Pledged Bond Revenue

\*All funds are non-reverting, per Spaceport Development Act §58-31-1 - §58-31-17

Eventually NMSA will only have one budget: Operational Budget

# FY14 TO FY15 TRANSITION YEAR

- **PRE-OPERATIONS TO OPERATIONS**
- **BONDS TO REVENUE**
- **ASSUMPTIONS**
  - VG flies at SA Aug 2014
  - VE opens at SA Dec 2014



Goal: Spaceport America is self-sustaining

# PRE-OPERATIONAL EXPENSES



<u>Contractor</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Protective Services	\$1,039,481	\$2,066,835	\$2,860,763
General Services	\$2,056,111	\$1,954,815	\$1,225,636
IT Services	\$168,546	\$164,911	\$117,000
Space Operations Services	\$332,817	\$353,477	\$182,000
Financial Management	\$164,300	\$55,640	-
Program Management	\$170,491	\$54,000	-
Environmental	\$195,655	\$161,000	\$164,220
Legal	\$295,724	\$500,000	\$400,000
Total	\$4,423,125	\$5,310,678	\$4,949,619

- **FY13 AND FY14 PAID VIA GRT TAX BONDS**
- **FY15 PAID VIA REVENUE IN OPERATIONAL BUDGET**

# BONDS: \$212M

- **GENERAL FUND/SEVERANCE TAX CAPITAL FUNDS (\$135.6M)**  
Managed by DFA/SBOF
- **GROSS RECEIPTS TAX CAPITAL FUNDS (DOÑA ANA & SIERRA COUNTIES) (\$76.4M)**  
Managed by NMFA
- **UNENCUMBERED BOND BALANCES AS OF SEPT 15 2013**  
Severance Tax Bonds: \$9.3M  
GRT Bonds: \$6.7M

# OPERATING BUDGET ASSUMPTIONS



- **FY14**

- Feb 2014 - VG starts flight operations at the spaceport

- Dec 2013 - Visitor Experience opens, attracts many tourists

- **FY15**

- Aug 2014 - VG starts flight operations at the spaceport

- Dec 2014 - Visitor Experience opens, attracts many tourists

- **SA MITIGATION MEASURES TO ACCOMMODATE DELAYS**

- Convert some contractual work to FTE

- Slow the pace of expenditures

- Find efficiencies in operations

- Reprogram \$6.9M from southern road (GRT Bonds) for SA pre-ops

- Build road in two phases: Phase 1 \$8.1M, Phase 2: \$6.9M

- Seek \$6.9M capital outlay



# **FY15 NMSA OPERATIONAL BUDGET**

# OPERATING BUDGET



- **FY15 ASSUMPTIONS**

VG flights begin in Aug. 2014

Visitor Experience facilities open in Dec. 2014

NMSA is requesting flat-line budget (\$459.9k). Revenue covers remainder

# FY15 NMSA PROJECTED REVENUE



- **MAJOR REVENUE**

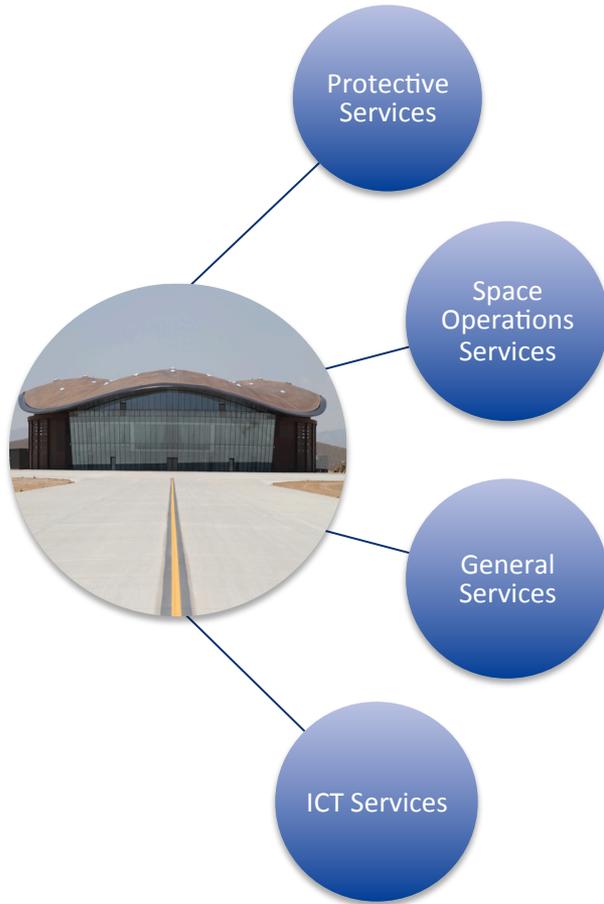
- VG first operational flights Aug 2014; \$2.2M
- VG Facilities Lease and Ground Rent; \$1.0M
- 132,980 Tourists; \$1.6M
- Excess Pledged Revenue; \$739K
- Other Launch customers revenue; \$400K
- Utilities cost share; \$212K
- Lease of Spaceport for special events; \$150K



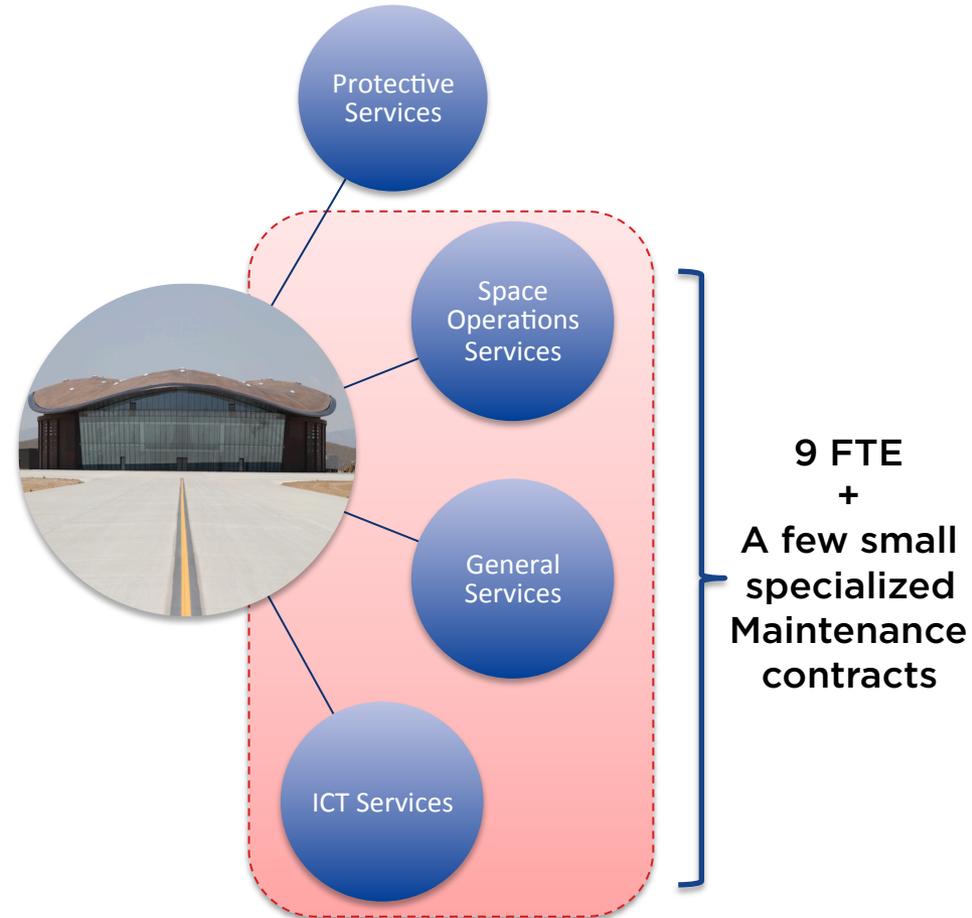
# **FY15 NMSA BUDGETED EXPENSES**

# SPACEPORT PRE-OPERATIONAL SUPPORT

## FY14 Contracted Support



## FY15 Contracted Support



Contractor replacement by FTE saves \$883.1k/year

# EXPANSION 9 FTE POSITIONS

- **MAINTENANCE MANAGER / TECHS (5)**

Performs routine and specialized maintenance of general equipment, buildings and infrastructure. Develops and maintains policies and procedures.

- **IT MANAGER / SUPPORT (2)**

Performs routine and specialized maintenance of IT systems, manages DoIT / CenturyLink relationship, and operates help desk. Develops and maintains policies and procedures.

- **AEROSPACE ENGINEER / FLIGHT OPS (2)**

Assists aerospace customers in space and air operations and coordinates with FAA and WSMR. Develops and maintains policies and procedures.

# FY15 NMSA OPERATIONAL BUDGET (\$K) WITH 9 NEW FTE



SOURCES	Base	Expansion	Total
111 - General Fund	459.9	0.0	459.9
130- Other Revenue	3,933.5	3,272.7	7,206.2
<b>TOTAL</b>	<b>4,393.4</b>	<b>3,272.7</b>	<b>7,666.1</b>

USES	Base	Expansion	Total
200 - Personal	796.2	665.0	1,461.2
300 - Contractual	2,252.5	2,155.6	4,408.1
400 - Other	1,344.7	452.1	1,796.8
<b>TOTAL</b>	<b>4,393.4</b>	<b>3,272.7</b>	<b>7,666.1</b>

FTE POSITIONS	Base	Expansion	Total
810 - Permanent	9.0	9.0	18.0

NMSA requesting flat-line of \$459.9k. Remainder comes from revenue

# FY15 NMSA OPERATIONAL BUDGET (\$K) WITHOUT 9 FTE



SOURCES	Base	Expansion	Total
111 - General Fund	459.9	883.1	1,343.0
130- Other Revenue	3,933.5	3,272.7	7,206.2
<b>TOTAL</b>	<b>4,393.4</b>	<b>4,155.8</b>	<b>8,549.2</b>

USES	Base	Expansion	Total
200 - Personal	796.2	0.0	796.2
300 - Contractual	2,252.5	3,703.7	5,956.2
400 - Other	1,344.7	452.1	1,796.8
<b>TOTAL</b>	<b>4,393.4</b>	<b>4,155.8</b>	<b>8,549.2</b>

FTE POSITIONS	Base	Expansion	Total
810 - Permanent	9.0	0.0	9.0

NMSA requesting budget of \$1,343k. Remainder comes from revenue

# FY15 NMSA OPERATIONAL BUDGET (\$K) WITH FTE (RECOMMENDED)



SOURCES	Base	Expansion	Total
111 - General Fund	459.9	0.0	459.9
130- Other Revenue	3,933.5	3,272.7	7,206.2
<b>TOTAL</b>	<b>4,393.4</b>	<b>3,272.7</b>	<b>7,666.1</b>

USES	Base	Expansion	Total
200 - Personal	796.2	665.0	1,461.2
300 - Contractual	2,252.5	2,155.6	4,408.1
400 - Other	1,344.7	452.1	1,796.8
<b>TOTAL</b>	<b>4,393.4</b>	<b>3,272.7</b>	<b>7,666.1</b>

FTE POSITIONS	Base	Expansion	Total
810 - Permanent	9.0	9.0	18.0

NMSA requesting flat-line of \$459.9k. Remainder comes from revenue

# QUESTIONS?



[WWW.SPACEPORTAMERICA.COM](http://WWW.SPACEPORTAMERICA.COM)

**MONTHLY NEWSLETTER SIGN-UP IN THE FOOTER OF HOMEPAGE**