

Public School Capital Outlay Council (PSCOC) and PSFA Fiscal Year 2015 Annual Report and 2016 Update

**Public School Capital Outlay Oversight Task Force
June 10, 2016**

Presenters:

David Abbey, Director, Legislative Finance Committee, PSCOC Chair

Robert Gorrell, Director, Public School Facilities Authority

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



FY 15 Annual Report – Highlights

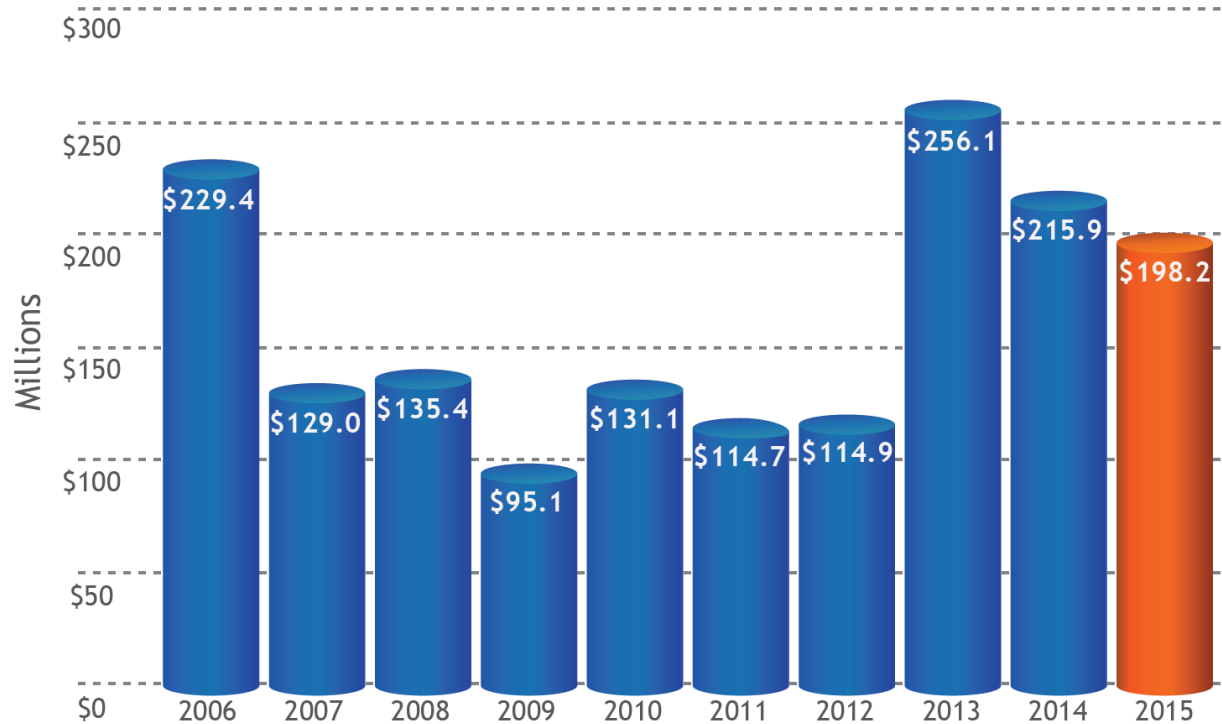
- PSCOC awarded a total \$198.2 million for 63 individual school projects throughout New Mexico.
- 80 percent of project funds were under contract within 15 months from date of award – a 5 point increase from FY 2014.
- The 2015 state average Facilities Condition Index (FCI) for public schools is 36.2 percent, which has remained roughly flat since FY 2010.
- The Facility Maintenance Assessment Report (FMAR), a tool introduced in FY 13 to measure maintenance effectiveness indicates a statewide average of 60% (Poor).

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PSCOC Awards History

PSCOC Standards-Based Awards History

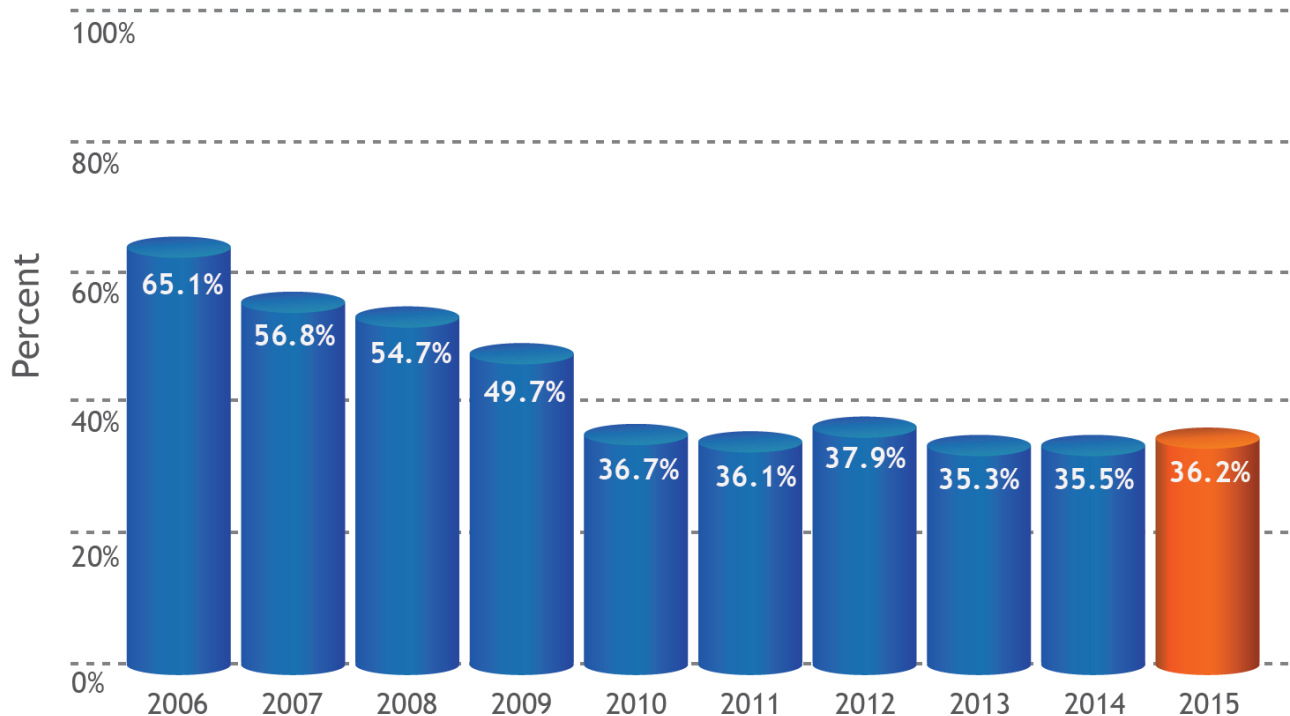


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Facility Condition Index (FCI)

Annual Facilities Condition Index (FCI)* for All New Mexico Schools



A key performance measure for public school building condition is the average FCI. The current FCI stands at 36.2 percent – an increase of 0.7 points from FY 2014.

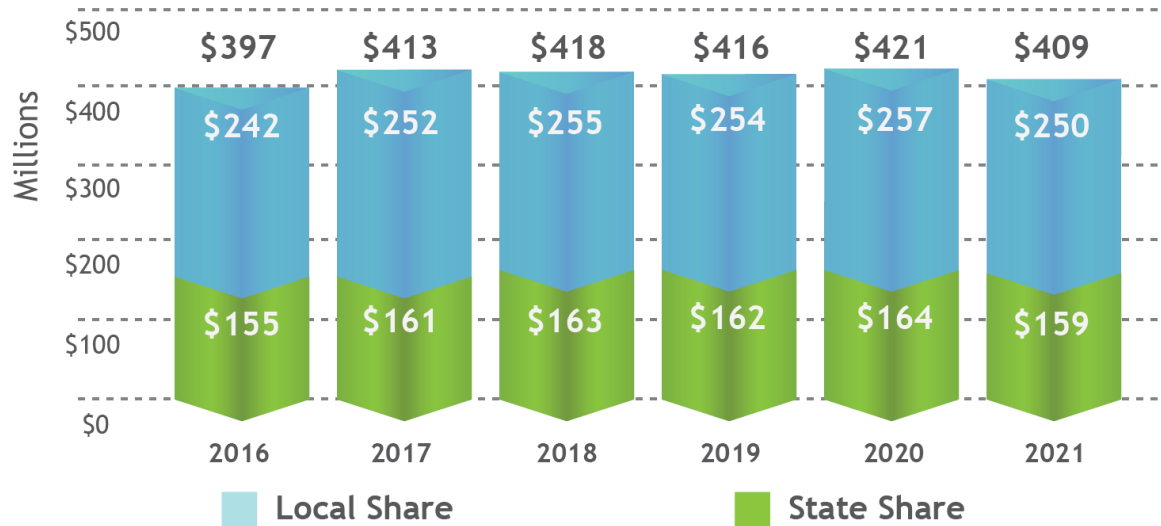
*FCI indicates the level of repair needed for a facility. The lower the percentage, the lower amount of money required for repairs.

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What We Need to Maintain the FCI

Estimated Funds Required to Maintain the Current FCI



To maintain the FCI over the next six years, it is estimated that an average of \$409 million dollars would need to be invested in school facilities, annually. State funding currently represents 39 percent of school construction, so funds from the state share needs require an average of \$159 million per annum over the next six years.

At lower funding levels, degradation exceeds renovation/repair and facilities start to decline.

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FCI versus wNMCI

Long term bricks and mortar are measured by the FCI.

- Old facilities that still have clean, dry, conditioned classrooms might have an “ok” wNMCI score but poor FCI score.
- New facilities that are overcrowded or have leaking roofs might have an “ok” FCI score but poor wNMCI score because they cannot support learning.

2016 Updates

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PSCOC Funding

PSCOC Financial Plan

(millions of dollars)

June 28, 2016

I. SOURCES & USES						
SOURCES:		FY16 est.	FY17 est.	FY18 est.	FY19 est.	FY20 est.
1	Uncommitted Balance (Period Beginning)	41.7	0.2	(0.0)	(0.0)	20.8
2	SSTB Notes (Revenue Budgeted July)	59.9 *	100.9	96.8	84.3	69.4
3	SSTB Notes (Revenue Budgeted January)	23.2 *	26.2	52.4	71.4	94.2
4	Long Term Bond	60.0	21.0	0.0	0.0	0.0
5	SSTB Recertification Revenue	14.9				
6	Project & Operating Reversions / Advance Repayments	11.4	4.9	7.1	9.3	9.5
7	Subtotal Sources :	211.1	153.2	156.2	164.9	193.9
USES:						
8	Capital Improvements Act (SB-9)	20.2	11.6 *	20.4	20.4	20.4
9	Lease Payment Assistance Awards	15.0	14.6	14.6	14.6	14.6
10	Master Plan Assistance Awards	0.9	0.4	0.4	0.4	0.4
11	BDCP Awards	5.0	6.8	8.9	10.0	
12	PED (Pre-K) SB1/HB219	1.0	2.0		3.0	
13	PED (School Buses) SB1/HB219	4.0	7.0			
14	PSFA Operating Budget	6.1	6.0	6.0	6.0	6.0
15	CID Inspections	0.3	0.3	0.3	0.3	0.3
16	Emergency Reserve for Contingencies YTD	8.5	0.0	0.0	0.0	0.0
17	Emergency Reserve for Contingencies YTD Planned	0.7	3.0	5.0	5.0	5.0
18	Project Closeouts	0.0	5.0			
19	Awards YTD	145.7				
20	Awards Planned 2016_Q2	3.5				
21	Awards Planned in Out Years		96.5	100.6	84.4	100.0
22	Subtotal Uses :	210.9	153.3	156.3	144.1	146.8
23	Estimated Uncommitted Balance Period Ending	0.2	0.0	0.0	20.8	47.1

* Capital Improvements Act (SB-9) estimate adjusted for balances on previous distributions \$8.8m.



PSCOC Funding

II. PROJECT AWARD SCHEDULE SUMMARY		Total	FY16 est.	FY17 est.	FY18 est.	FY19 est.	FY20 est.	Total
24	Prior Year Awards	67.4	52.8	14.6	0.0	0.0	0.0	67.4
25	2010-2011 Awards Cycle (Construction) :	9.9	9.9	0.0	0.0	0.0	0.0	9.9
26	2011-2012 Awards Cycle (Construction) :	6.2	3.5	0.0	0.0	2.7	0.0	6.2
27	2012-2013 Awards Cycle (Construction) :	17.1	14.6	2.5	0.0	0.0	0.0	17.1
28	2013-2014 Awards Cycle (Design) :		1.0	0.0	0.4	0.0	0.0	1.4
29	2013-2014 Awards Cycle (Construction) :	99.0	66.7	23.1	3.7	4.2	0.0	97.8
30	2014-2015 Awards Cycle (Design) :		0.0	1.3	0.0	0.0	0.0	1.3
31	2014-2015 Awards Cycle (Construction) :	83.6	0.8	48.8	33.5	0.0	0.0	82.3
32	2015-2016 Awards Cycle (Design) :		0.2	3.1	0.0	0.0	0.0	3.3
33	2015-2016 Awards Cycle (Construction) :	33.9	0.5	1.8	28.3	0.0	0.0	30.6
34	2016-2017 Awards Scenario (Design) :		0.0	1.3	0.0	0.0	0.0	1.3
35	2016-2017 Awards Scenario (Construction) :		0.0	0.0	18.7	0.0	0.0	18.7
36	2016-2017 Systems Awards Scenario :	20.0	0.0	0.0	0.0	0.0	0.0	0.0
37	2017-2018 Awards Scenario (Design) :		0.0	0.0	6.0	0.0	0.0	6.0
38	2017-2018 Awards Scenario (Construction) :		0.0	0.0	0.0	54.0	0.0	54.0
39	2017-2018 Systems Awards Scenario :	70.0	0.0	0.0	10.0	0.0	0.0	10.0
40	2018-2019 Awards Scenario (Design) :		0.0	0.0	0.0	8.5	0.0	8.5
41	2018-2019 Awards Scenario (Construction) :		0.0	0.0	0.0	0.0	76.5	76.5
42	2018-2019 Systems Awards Scenario :	100.0	0.0	0.0	0.0	15.0	0.0	15.0
43	2019-2020 Awards Scenario (Design) :		0.0	0.0	0.0	0.0	8.5	8.5
44	2019-2020 Awards Scenario (Construction) :		0.0	0.0	0.0	0.0	0.0	0.0
45	2019-2020 Systems Awards Scenario :	23.5	0.0	0.0	0.0	0.0	15.0	15.0
46	Subtotal Uses :	530.6	149.2	96.5	100.6	84.4	100.0	530.6

*Actual SSTB Sale



PSCOC Awards Made in Calendar Year 2016

Approval Date	Project Number	School District	Project	Award Type	State Share	Local Share
01/15/16	P07-005	Deming	Deming High School	Phase 2 Construction	\$ 53,600,000	\$ 16,926,315
03/03/16	P11-005	Belen	Rio Grande Elementary School	Phase 1 Design	\$ 978,271	\$ 574,540
03/03/16	E15-002	Cloudcroft	Cloudcroft High School	Emergency Advance Reduction	\$ (500,000)	\$ -
03/03/16	P14-021	NMSBVI	Recreation/Ditzler Auditorium	Phase 2 Construction	\$ 4,525,692	\$ -
03/03/16	*	Bernalillo	Broadband Deficiencies Correction	Fiber Project	\$ 170,000	\$ -
03/03/16	*	Bloomfield	Broadband Deficiencies Correction	Fiber Project	\$ 85,000	\$ -
03/03/16	*	Central	Broadband Deficiencies Correction	Fiber Project	\$ 345,000	\$ -
03/03/16	*	Clovis	Broadband Deficiencies Correction	Fiber Project	\$ 16,000	\$ -
03/03/16	*	Cobre	Broadband Deficiencies Correction	Fiber Project	\$ 225,000	\$ -
03/03/16	*	Farmington	Broadband Deficiencies Correction	Fiber Project	\$ 150,000	\$ -
03/03/16	*	Hondo	Broadband Deficiencies Correction	Fiber Project	\$ 125,000	\$ -
03/03/16	*	Jal	Broadband Deficiencies Correction	Fiber Project	\$ 75,000	\$ -
03/03/16	*	West Las Vegas	Broadband Deficiencies Correction	Fiber Project	\$ 165,000	\$ -
04/22/16	P15-001	Alamogordo	New Combined Elementary School	Award Language Change (300 to 450 students)	\$ -	\$ -
04/22/16	P11-011	Las Cruces	Las Cruces High School	Phase 2 Construction & Advance Repayment	\$ -	\$ 14,991,303
04/22/16	P13-009	West Las Vegas	West Las Vegas Middle School	Phase 2 Construction	\$ 6,636,545	\$ 2,331,757
04/22/16	*	Anthony Charter	Broadband Deficiencies Correction	Fiber Project	\$ 500	\$ -
04/22/16	*	Cimarron	Broadband Deficiencies Correction	Fiber Project	\$ 175,000	\$ -
04/22/16	*	Deming	Broadband Deficiencies Correction	Fiber Project	\$ 200,000	\$ -
04/22/16	*	Gallup	Broadband Deficiencies Correction	Fiber Project	\$ 240,000	\$ -
04/22/16	*	Penasco	Broadband Deficiencies Correction	Fiber Project	\$ 105,000	\$ -
04/22/16	*	San Diego Riverside Charter	Broadband Deficiencies Correction	Fiber Project	\$ 85,000	\$ -
04/22/16	*	Socorro	Broadband Deficiencies Correction	Fiber Project	\$ 105,000	\$ -
04/22/16	*	Walatowa HS Charter	Broadband Deficiencies Correction	Fiber Project	\$ 170,000	\$ -
04/22/16	*	Statewide	Broadband Deficiencies Correction	Category 2 (Equipment) Funding	\$ 7,841,047	\$ 6,229,432
05/18/16	*	Grants-Cibola	Broadband Deficiencies Correction	Fiber Project	\$ 310,000	\$ -
05/18/16	*	The Great Academy	Broadband Deficiencies Correction	Fiber Project	\$ 440	\$ -
05/18/16	*	Coral Community Charter	Broadband Deficiencies Correction	Fiber Project	\$ 440	\$ -
05/18/16	C16-002	Grants-Cibola	Laguna Acoma Mid High School	Additional Funding for Playing Field	\$ 400,000	\$ -
Total					\$ 76,228,935	\$ 41,053,347

* These awards are budgetary "up-to" amounts and will be adjusted to final amounts at a future PSCOC meeting



PSCOC Projects Opening Fall 2016

School District	Project
Bernalillo	Bernalillo High School
Capitan	Capitan Secondary School
Zuni	Dowa Yalanne A:Shiwi Elementary Schools (Shiwi:T'sana)
Gallup-McKinley	Ramah Elementary School
Gallup	Jefferson Elementary School
Reserve	Reserve Combined School
Grants-Cibola	Los Alamos Middle School
NMSBVI	Jack Hall & Health Services
Gadsden	New Elementary School (Yucca Heights ES)
Central	Grace B Wilson/Ruth N Bond Elementary School (Judy Nelson ES)

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PSCOOTF Strategic Issues

- Capital Spending lacking accounting codes
- Funding formula review for equity
- Local facility funding sources and capacities
- Maintenance obstacles
- Inclusions of annually updated Maintenance Plans and IT Plans in the Facilities Master Plans
- Review of Adequacy Standards

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Questions or Comments?

For more information, visit:

www.nmpsfa.org

Or phone: 505-843-6272

THANK YOU!