

PSCOC Financial Plan Definitions

Sources

SSTB (Revenue Budgeted July) & SSTB (Revenue Budgeted January). SSTB (Supplemental Severance Tax Bond) are issued and sold by the New Mexico State Board of Finance upon receiving a Resolution signed by the Chair of the PSCOC certifying the need to sell bonds pursuant to the Public School Capital Outlay Act (the "Act"). Amounts are budgeted by the Public School Facilities Authority (PSFA) into the Public School Capital Outlay Fund (the "Fund"). Amounts reported for prior fiscal years are actuals. Amounts in the current fiscal year and out-years are the most current/available capacity estimates prepared bi-annually by the Board of Finance.

Project & Operating Reversions / Advance Repayments. Project reversions are proceeds budgeted in the Fund from prior SSTB sales for PSCOC project phase awards that have been identified by PSFA staff as available for new project awards or other uses permitted pursuant to the Act. Amounts are determined based on unexpended award balances from projects that are financially closed-out through a post project financial audit performed by the PSFA on an ongoing basis. Operating reversions are unexpended amounts from PSFA's annual operating budget. Advance repayments are amounts remitted back to the PSFA and deposited into the Fund from school districts for advances of funds for districts share amounts on PSCOC projects. Amounts reported for prior fiscal years are actuals. Other amounts are estimates prepared and updated by PSFA on a quarterly basis.

Uses

Capital Improvements Act (SB-9), Lease Payment Assistance Awards, Master Plan Assistance Awards, PSFA Operating Budget, CID Inspections & Project Encumbrance Needs are uses subject to funding availability and permitted pursuant to the Public School Capital Outlay Act and Capital Improvements Act unless otherwise indicated.

Capital Improvements Act (SB-9) are amounts are for distributions to school districts through the Public Education Department (PED). Transfer amounts from the PSCO Fund are calculated annually and administered by and budgeted to the PED.

CID Inspections are amounts that may be approved annually by the PSCOC for transfer from the PSCO Fund to the Regulation and Licensing Department for expedited inspection services by the Construction Industries Division at PSCOC project sites.

PSFA Operating Budget are amounts that may be approved annually by the Legislature for transfer from the PSCO Fund to the PSFA Operating Fund for administration and oversight of PSCOC projects and carrying out duties pursuant to the Public School Capital Outlay Act.

Lease Payment Assistance Awards are amounts that may be approved annually for reimbursing school districts and charter schools for leasing K-12 facilities.

Master Plan Assistance Awards are amounts that may be approved annually for the state share of the cost of updating a school district or charter schools five year facility master plans.

Project Closeouts are projected amounts that may be reimbursed to the districts upon the completion of financial audits for previously awarded projects. In order to align the total project expenditures to adequacy with the MOU match percentages, amounts may be due to the district if the State share of the expenditures is less than the MOU State match percentage. During the transition from FIFO (pooled funds) to project-specific budgets, projects which had reached construction completion may not have been assigned a budget, and this line item will be used to make those reimbursements. PSFA anticipates the need for this line item allocation in FY15 and FY16 for a combined total of \$12million, but does not anticipate additional need in the out years.

Project Encumbrance Needs are amounts that may be approved annually for entering into contracts for the state share to adequacy for PSCOC awarded projects. Encumbrance needs are phase award estimates prepared and updated by PSFA on a quarterly basis.

Project Awards Schedule

Amounts in the Schedule are the total state share phase award amounts grouped by award year and phase (Design & Construction). Design phases are indicated with the color blue; construction phase(s) are indicated with the color green. Uncertified phases are indicated in italics. Partially certified phases are indicated with italics and an asterisk (*). Funding needs are estimated by phase and across fiscal years based on project schedules. Phase award amounts and schedules are estimates prepared and updated by PSFA on a quarterly basis.

I. **PSCOC Meeting Date(s):** July 25, 2016
 II. **Item Title:** PSCOC Financial Plan
 III. **Name of Presenter(s):** Denise A. Irion, CFO

Item No. II.

Summary of PSCOC Financial Plan Changes since 6/28/2016

PSCOC ACTION - OUT-OF-CYCLE, EMERGENCY, ADDITIONAL FUNDING

Socorro - P12-011 - San Antonio ES - Phase 2 Funding	Award Amount
	\$4,390,543
Total Net Awards: \$4,390,543	

PROJECT AWARD SCHEDULE DETAIL ADJUSTMENTS (CROSSING FISCAL YEARS)

Project	FY16	FY17	FY18
	\$0	\$0	\$0

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - MODIFICATIONS

Potential Council Action Projects - Agenda:	FY	Previous FP Estimate	Current FP Estimate	Change Fav (Unfav)
Alamogordo - P15-001 - Combined School Phase 1	17	\$1,301,851	\$1,301,851	\$0
FY17 Subtotal		\$1,301,851	\$1,301,851	\$0

FINANCIAL PLAN ASSUMPTIONS and SUMMARY:

- The Financial Plan SSTB revenue estimates (line 2) were adjusted to \$104.1M per BOF supplemental sponge note sizing sold on June 30, 2016. Out year estimates are not revised until BOF releases the FY17 Bonding Capacity Estimate in August 2016.
- Items highlighted in orange in the uses section are permissive expenditures under 22-24-4.
- Capital Improvement Act (SB-9) in FY17 adjusted by \$8.8m for balances on previous distributions based upon PED's worksheet.
- Reserve for Contingency (line 17) FY16 remaining balance of \$700K was carried forward to FY17.
- FY17 Award Year amounts (line 34) are estimates. Amount derived for FY17 awards or systems initiative to be determined by pre-applications and funding availability with PSCOC consent.

Financial Plan Variance Between Months

(in millions)	FY16	FY17	FY18	FY19	FY20
Uncommitted Balance (June 28,2016)	0.2	-	-	20.8	47.0
Uncommitted Balance (July 25,2016)	1.0	0.1	0.1	20.9	47.1
Variance Favorable (Unfavorable)	0.8	0.1	0.1	0.1	0.1

Variance Analysis:

FY16 change .7:

Reserve for Contingency - Carry Forward Balance	700,000	0.7
Socorro - P12-011 - San Antonio ES - PSCOC amended motion	100,000	0.1
Socorro - P12-011 - San Antonio ES - offset adjustment	24,000	0.0
	<hr/>	
	824,000	0.8

FY17 change 0:

Beginning Balance for FY16 change	824,000	0.8
Reserve for Contingency - Carry Forward Balance	(700,000)	(0.7)
BDCP Awards adjustment	-	-
	<hr/>	
	124,000	0.1

FY18 change 0:

Beginning Balance for FY17 change	124,000	0.1
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	124,000	0.1

FY19 Change 0:

Beginning Balance for FY18 change	124,000	0.1
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	124,000	0.1

FY20 Change 0:

Beginning Balance for FY18 change	124,000	0.1
	<hr/>	
	124,000	0.1

PSCOC Financial Plan

(millions of dollars)

July 25, 2016

I. SOURCES & USES						
SOURCES:						
	FY16 est.	FY17 est.	FY18 est.	FY19 est.	FY20 est.	
1	Uncommitted Balance (Period Beginning)	41.7	1.0	0.1	0.1	20.9
2	SSTB Notes (Revenue Budgeted July)	59.9 *	104.1 *	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	61.0	20.0	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 :	212.1	156.2	156.3	165.1	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	0.0	2.0	3.0	
13	PED (School Buses) SB1/HB219	4.0	7.0			
14	PSFA Operating Budget	6.1	6.0	6.1	6.1	6.1
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	0.0	4.7	2.9	5.0	5.0
18	Project Closeouts	0.0	5.0			
19	Awards YTD	150.1				
20	Awards Planned 2016_Q3		37.5			
21	Awards Planned 2016_Q4, 2017Q1 & 2017Q2		62.2			
22	Awards Planned in Out Years			100.6	84.4	100.0
23	Subtotal Uses :	211.1	156.2	156.2	144.2	146.8
24	Estimated Uncommitted Balance Period Ending	1.0	0.1	0.1	20.9	47.1
* Capital Improvements Act (SB-9) estimate adjusted for balances on previous distributions \$8.8m.						

II. PROJECT AWARD SCHEDULE SUMMARY							
	Total	FY16 est.	FY17 est.	FY18 est.	FY19 est.	FY20 est.	Total
25	Prior Year Awards	67.4	52.8	14.6	0.0	0.0	67.4
26	2010-2011 Awards Cycle (Construction) :	9.9	9.9	0.0	0.0	0.0	9.9
27	2011-2012 Awards Cycle (Construction) :	7.1	4.4	0.0	2.7	0.0	7.1
28	2012-2013 Awards Cycle (Construction) :	17.1	14.6	2.5	0.0	0.0	17.1
29	2013-2014 Awards Cycle (Design) :		1.0	0.0	0.4	0.0	1.4
30	2013-2014 Awards Cycle (Construction) :	99.0	66.7	23.1	3.7	4.2	97.8
31	2014-2015 Awards Cycle (Design) :		0.0	1.3	0.0	0.0	1.3
32	2014-2015 Awards Cycle (Construction) :	83.6	0.0	48.8	33.5	0.0	82.3
33	2015-2016 Awards Cycle (Design) :		0.2	3.1	0.0	0.0	3.3
34	2015-2016 Awards Cycle (Construction) :	33.9	0.5	1.8	28.3	0.0	30.6
35	2016-2017 Awards Scenario (Design) :		0.0	4.5	0.0	0.0	4.5
36	2016-2017 Awards Scenario (Construction) :		0.0	0.0	18.7	0.0	18.7
37	2016-2017 Systems Awards Scenario :	23.2	0.0	0.0	0.0	0.0	0.0
38	2017-2018 Awards Scenario (Design) :		0.0	0.0	6.0	0.0	6.0
39	2017-2018 Awards Scenario (Construction) :		0.0	0.0	0.0	54.0	54.0
40	2017-2018 Systems Awards Scenario :	70.0	0.0	0.0	10.0	0.0	10.0
41	2018-2019 Awards Scenario (Design) :		0.0	0.0	0.0	8.5	8.5
42	2018-2019 Awards Scenario (Construction) :		0.0	0.0	0.0	76.5	76.5
43	2018-2019 Systems Awards Scenario :	100.0	0.0	0.0	0.0	15.0	15.0
44	2019-2020 Awards Scenario (Design) :		0.0	0.0	0.0	8.5	8.5
45	2019-2020 Awards Scenario (Construction) :		0.0	0.0	0.0	0.0	0.0
46	2019-2020 Systems Awards Scenario :	23.5	0.0	0.0	0.0	15.0	15.0
47	Subtotal Uses :	534.7	150.1	99.7	100.6	84.4	100.0
*Actual SSTB Sale							534.7

Legend	
Purple Text	Awarded Design
Purple Highlight	Pending Design Award
Green Text	Awarded Construction
Green Highlight	Pending Construction Award
<i>\$1,000,000</i>	<i>Numbers in italics indicate bonds have not been certified.</i>

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL

July 25, 2016

Current
Quarter

FY 2016

FY 2017

FY 2018

FY 2019

FY 2020

				Ph.2 100% Yr. 2. 100%																							
FY17 AWARDS SCENARIO				Phase 1	Phase 2	Total	2015_Q3	2015_Q4	2016_Q1	2016_Q2	2016_Q3	2016_Q4	2017_Q1	2017_Q2	2017_Q3	2017_Q4	2018_Q1	2018_Q2	2018_Q3	2018_Q4	2019_Q1	2019_Q2	2019_Q3	2019_Q4	2020_Q1	2020_Q2	
			SB Design	\$4,491,448		\$4,491,448					\$4,491,448																
			SB Construction		\$18,701,768	\$18,701,768									\$18,701,768												
			Systems Initiative		\$0	\$0																					
						\$23,193,216	\$0	\$0	\$0	\$0	\$4,491,448	\$0	\$0	\$0	\$18,701,768	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
							\$0				\$4,491,448				\$18,701,768					\$0				\$0		\$0	

				Ph.2 100% Yr. 2. 100%																							
FY18 AWARDS SCENARIO				Phase 1	Phase 2	Total	2015_Q3	2015_Q4	2016_Q1	2016_Q2	2016_Q3	2016_Q4	2017_Q1	2017_Q2	2017_Q3	2017_Q4	2018_Q1	2018_Q2	2018_Q3	2018_Q4	2019_Q1	2019_Q2	2019_Q3	2019_Q4	2020_Q1	2020_Q2	
			SB Design	\$6,000,000		\$6,000,000									\$6,000,000												
			SB Construction		\$54,000,000	\$54,000,000													\$54,000,000								
			Systems Initiative		\$10,000,000	\$10,000,000									\$10,000,000												
						\$70,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,000,000	\$0	\$0	\$0	\$54,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
							\$0				\$0	\$0			\$16,000,000				\$54,000,000						\$0	\$0	

				Ph.2 100% Yr. 2. 100%																							
FY19 AWARDS SCENARIO				Phase 1	Phase 2	Total	2015_Q3	2015_Q4	2016_Q1	2016_Q2	2016_Q3	2016_Q4	2017_Q1	2017_Q2	2017_Q3	2017_Q4	2018_Q1	2018_Q2	2018_Q3	2018_Q4	2019_Q1	2019_Q2	2019_Q3	2019_Q4	2020_Q1	2020_Q2	
			SB Design	\$8,500,000		\$8,500,000													\$8,500,000								
			SB Construction		\$76,500,000	\$76,500,000																	\$76,500,000				
			Systems Initiative		\$15,000,000	\$15,000,000													\$15,000,000								
						\$100,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,500,000	\$0	\$0	\$0	\$76,500,000	\$0	\$0	\$0	\$0
							\$0				\$0	\$0			\$0	\$0			\$23,500,000				\$76,500,000			\$0	\$0

				Ph.2 100% Yr. 2. 100%																							
FY20 AWARDS SCENARIO				Phase 1	Phase 2	Total	2015_Q3	2015_Q4	2016_Q1	2016_Q2	2016_Q3	2016_Q4	2017_Q1	2017_Q2	2017_Q3	2017_Q4	2018_Q1	2018_Q2	2018_Q3	2018_Q4	2019_Q1	2019_Q2	2019_Q3	2019_Q4	2020_Q1	2020_Q2	
			SB Design	\$8,500,000		\$8,500,000																	\$8,500,000				
			SB Construction		\$76,500,000	\$76,500,000																	\$76,500,000				
			Systems Initiative		\$15,000,000	\$15,000,000																	\$15,000,000				
						\$100,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,500,000	\$0	\$0	\$0	\$0
							\$0				\$0	\$0			\$0	\$0			\$0	\$0	\$0	\$23,500,000			\$23,500,000		

District Local Match Advances

July 25, 2016

*Repayment Schedule - For
Planning Purposes Only*

				\$13,061,289	\$10,269,349	\$4,914,642	\$7,089,508	\$250,000	\$490,910	\$38,259
District	Project Number	School	Status	Outstanding Balance	FY16	FY17	FY18	FY19	FY20	FY21
Cobre	P11-003	Bayard Elementary	Awarded 6/20/13	\$2,500,000		\$2,500,000	\$0	\$0	\$0	\$0
Jemez Mountain	E07-001	Gallinas Campus	6/2013 Received correspondence from district - discussing repayment options with School Board 7/2013, 9/2013 Followup email to district; no response 11/2013 Will request district to present update at April PSCOC meeting 3/2014 Received statement of financial position; needs continued review; will revisit for May 2014 PSCOC meeting. 7/2015 Requested district to provide advance repayment plan for Council review 10/2015 Jemez is presenting repayment plan to PSCOC for consideration 10/5/15 Council approved a repayment plan; \$75,000 due by 6/30/17; \$50,000 each year thereafter due on or before 6/30 of each fiscal year until paid in full. Council did not reduce the advance amount as requested by Jemez. 11/10/15 sent email and mailed invoice 3/23/16 received email confirmation from Superintendent of intention to pay 1st installment by 6/30/16 4/25/16 \$75,000 payment received.	\$238,259		\$50,000	\$50,000	\$50,000	\$50,000	\$38,259
NMSD	P13-017	Health Center Building	Awarded 05/03/13 December 2013 - NMSD has expressed interest in repaying. Will proceed with project audit to determine repayment	\$277,970	\$277,970					
Capitan	P13-003	Capitan Elemenatary	06/25/14 Awarded. To be repaid by FY2018Q1.	\$6,800,000			\$6,800,000	\$0	\$0	\$0
Cloudcroft	E15-002	Cloudcroft High School - Masonry	12/15/14 Awarded. To be repaid by FY2017Q2. Advance to be repaid in 2 years; district to report back to PSCOC in 1 year with plan to repay the advance. Emergency award in the form of an advance to complete renovations/repairs to the veneer wall repairs at Cloudcroft HS up to \$1,001,791. The district shall pursue legal remedy to recover the costs associated with this emergency work. 3/2/14 Award reduction \$500,000; insurance settlement received by the district to assist in payment of masonry work contracted for replacement.	\$501,791		\$501,791				
Gallup	E15-003	Indian Hills ES - Boilers	1/15/15 Awarded. Emergency award in the form of an advance to replace two failed and two failing boilers in an amount up to \$200,000. The advance may be converted to a grant subject to verification of available district resources.	\$200,000				\$200,000	\$0	\$0
Raton	R15-011	Raton MS Roof	obtaining emergency funding from PED to offset this award amount. District commits to repayment by June 30, 20108 utilizing SB-9 funding. 5/22/15 PED granted the District \$150,000 for the roof.	\$239,508			\$239,508			
Bernalillo	P13-002	Santo Domingo ES/MS - Phase II	11/5/15 Motion approved by Council: Amend the 2012-2013 standards-based award to the Bernalillo Public Schools for Santo Domingo ES/MS, to include phase 1 of 2 construction to adequacy for 375 students, grades K-8, with an increase in the state share amount of \$6,131,127 (42%). The corresponding increase in the local share amount of \$8,466,799 (58%), is reduced by a PSCOC funded local share advance in the amount of \$1,862,851, which shall be repaid by the district in September 2016.	\$1,862,851		\$1,862,851				
Mesa Vista	P14-018	Ojo Caliente ES - Phase II	11/5/15 Motion approved by Council: Amend the 2013-2014 standards based award to the Mesa Vista Consolidated School for Ojo Caliente ES to include construction to adequacy for 135 students, grades K-8, with an increase in the state share amount of \$3,909,137 (46%) and partial waiver of \$666,987 and partial advance of \$440,9410 for district administrative space to be paid back in four years or FY20.	\$440,910					\$440,910	

