

# Public School Capital Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Update

## Public School Capital Outlay Oversight Task Force (PSCOOTF)

August 16, 2021

*Presenter:*

**Jonathan Chamblin, Executive Director**



**New Mexico Public School Facilities Authority**

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

# PSCOC and PSFA Background

- Current public school capital funding process was developed and established in response to the 1998 Zuni lawsuit.
- New Mexico public school capital outlay process seeks to establish and implement a uniform funding system for capital improvements.
- Public school capital outlay funding is a local and state responsibility in New Mexico.
- Public School Capital Outlay Council (PSCOC) manages the allocation of the Public School Capital Outlay Act Fund (PSCOF) to public school facilities in New Mexico's 89 school districts and 2 special schools (School for the Deaf and School for the Blind and Visually Impaired).
- PSCOOTF provides oversight of PSCOC.
- PSFA is staff to the PSCOC.

# PSCOC Current Members

## **Public School Capital Outlay Council**

1. Joe Guillen, PSCOC Chair – NM School Boards Association
2. Raul Búrciaga, PSCOC Vice-Chair – Legislative Council Service
3. David Abbey – Legislative Finance Committee
4. David Robbins – Public Education Commission
5. Rachel S. Gudgel – Legislative Education Study Committee
6. Mariana Padilla – Governor's Office
7. Antonio Ortiz – Public Education Department
8. Clay Bailey – Construction Industries Division
9. Ashley Leach – Department of Finance & Administration

# Four Primary Functions of PSFA

## Staff to PSCOC

Role defined by NM Administrative Code.

Provide research and analysis to decision-makers on PSCOC.

## Funding Administration

Distribution of state funding to all school districts, in compliance with statute.

## Project Management

Partner with school districts on planning, design, and construction projects (including technology infrastructure) to provide project management support and technical expertise.

## Facility Information Management

Assess, gather, and organize facility information for all schools in NM.

Calculate the wNMCI score to produce the statewide ranking of public schools.

Assist districts in monitoring and improving maintenance and energy efficiency.

*Services provided to school districts*

# Capital Funding for Schools in NM

## **Local and state capital funding responsibility in NM:**

- Protects local autonomy and authority of school districts.
- State funding supplements local funding to ensure uniformity.

**Between 1999-2004, in response to the Zuni lawsuit and the need to create a uniform system for capital improvements, the State formulated a new “Standards-Based” capital funding program by:**

1. Assigning the source for the Public School Capital Outlay Fund, supplemental severance tax bond proceeds.
2. Formulating the Phase 1 State/Local match calculation.
3. Designating the administrative and oversight bodies.
  - PSCOOTF → PSCOC → PSFA
4. Creating the Statewide Adequacy Standards, funding program.

# Sources of Public School Capital Funding in NM

## State Sources \*

Direct Legislative Appropriation

NM Finance Authority Loan

Public School Capital Outlay Act

*PSCOC award process that distributes funds from the Public School Capital Outlay Fund*

**\* Federal sources supplement state and local funding in some districts:**

- Impact aid
- Forest reserve funds
- Department of Energy
- Department of Defense

## Local Sources \*

SB-9 (2 mill levy)

HB-33 (up to 10 mill levy)

Local General Obligation Bonds

Lease Purchase Act

Educational Technology Equipment Act

Public Building Energy Efficiency and Water Conservation Act



# PSCOC Funding Programs in FY22

		Start of Program	Month Awarded in 2021, 2022
1)	Standards-Based (Large Projects)	2004	July 2021
2)	Systems-Based (Small Projects)	2017	July 2021, on-going
3)	Pre-Kindergarten Classroom Facilities	2018	on-going
4)	Broadband Deficiencies Correction	2014	on-going
5)	Facilities Master Plan	2003	December 2021
6)	Lease Assistance	2005	Sept, Oct 2021
7)	Roofing	2010	<i>April 2022 est.</i>
8)	Teacher Housing	2021	<i>April 2022 est.</i>

# Current Funding Programs Timeline

## **Standards, Systems, Pre-K applications and awards.**

- Jan 12, 2021: Statewide ranking of schools posted by PSFA.
- Feb 1: Pre-applications sent to districts.
- Feb 12: Pre-applications due to PSFA.
- Feb 19 – Mar 11: PSFA site visits to pre-applicant districts.
- Apr 13: Full applications sent to pre-applicant districts.
- May 21: Full applications due to PSFA.
- June 14: District presentations to PSCOC.
- July 12, 2021: PSCOC funding awards (FY22).

# PSCOC Awards July 2021

Application Type	Number of Awards	FY22 State Funding	Out-Year (Future) State Funding	Total State and Local Funding
Standards	6	\$1,085,329	\$86,772,370	\$183,145,693
Systems	11	\$1,692,594	\$2,080,536	\$8,755,473
<b>Total Applications</b>	<b>17</b>	<b>\$2,777,923</b>	<b>\$88,852,906</b>	<b>\$191,901,166</b>

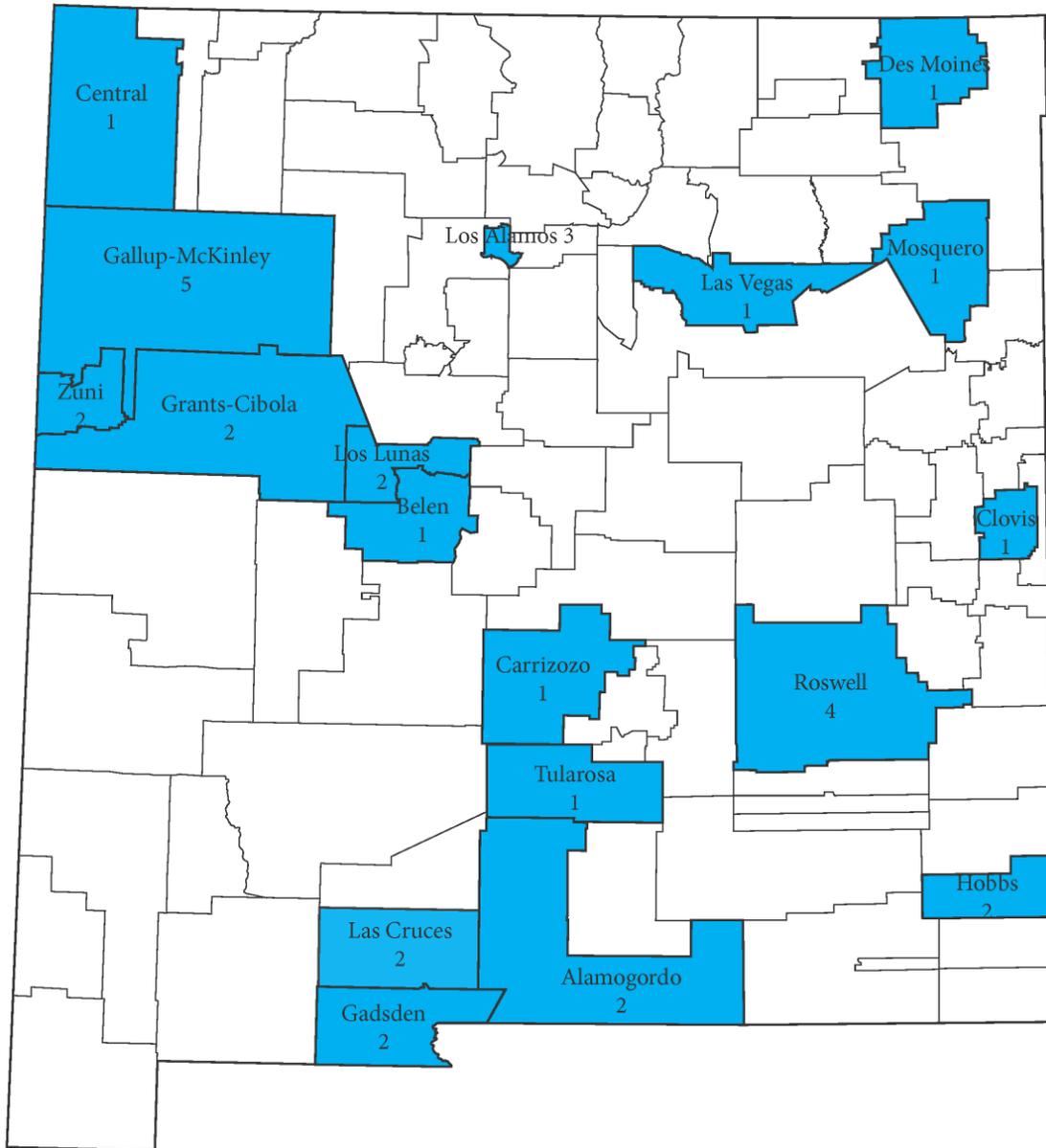
- 6 applications from 4 districts for standards-based awards.
- 11 applications from 7 districts for systems-based awards.
  - Includes 3 applications for demolition of unused school campuses or unused buildings on occupied campuses.

# New Standards-based (Large) Projects

District	School	Position in Statewide Ranking	FCI Score	FY22 Local Funding (Planning and Design)	FY22 State Funding (Planning and Design)	Total Project Cost
Gadsden	Gadsden MS	17	56.44%	\$49,700	\$25,300	\$47,469,936
Gadsden	Chaparral MS	174	70.65%	\$22,500	\$52,500	\$38,729,929
Los Alamos	Chamisa ES	78	75.41%	\$1,636,779	\$409,195	\$20,459,743
Los Alamos	Pinon ES	94	67.50%	\$2,005,646	\$501,411	\$25,070,571
Los Lunas	Ann Parish ES	87	76.65%	\$33,000	\$42,000	\$30,845,000
Mosquero	Mosquero Combined	39	63.70%	\$2,002,128	\$54,923	\$20,570,514
<b>Totals</b>				<b>\$5,749,753</b>	<b>\$1,085,329</b>	<b>\$183,145,693</b>

- New large capital projects, awarded by PSCOC in July 2021 (fiscal year 2022).
- Large projects begin with planning, followed by design construction.
- 3-5 years to complete all project phases.

# Districts with New Standards-based Awards



- Number of new standards-based projects awarded per district during the last 4 years. (FY19, FY20, FY21, FY22)
- At least \$487 M in state funding will be directed to these 34 major capital construction projects in communities throughout NM for the next 3 to 5 years.
- Geographic distribution of awards for large projects is a measure of the state's uniform response to the Zuni lawsuit.

# In-Process Standards-based (Large) Projects

District	School	Current Project Phase	Estimated Construction Start	Total Estimated State Funding: Construction
NMSBVI	Garrett Dorm	Construction	FY22 Q1	\$3,300,800
Alamogordo	Holloman ES	Construction	FY21 Q3	\$19,087,929
Belen	Jaramillo ES	Planning	FY22 Q4	\$8,791,279
Gallup	Rocky View/Red Rock ES	Planning	FY23 Q1	\$22,206,929
Gallup	Tohatchi HS	Planning	FY23 Q1	\$22,625,748
Las Cruces	Desert Hills ES	Design	FY22 Q2	\$6,294,619
Las Vegas City	Sierra Vista ES	Planning	FY23 Q1	\$4,026,585
Los Lunas	Peralta ES	Planning	FY23 Q1	\$12,151,916
Roswell	Mesa MS	Design	FY22 Q1	\$10,429,808
Roswell	Nancy Lopez ES	Planning	FY23 Q1	\$6,475,075
Zuni	Zuni MS	Planning	FY23 Q2	\$17,813,829
Socorro	Sarracino MS	Planning	FY23 Q1	\$8,202,591
Alamogordo	Chaparral MS	Design	FY22 Q4	\$19,464,797
Central	Newcomb ES	Design	FY22 Q4	\$13,565,564
Roswell	Mountain View MS	Design	FY23 Q1	\$16,268,730
Hobbs	Southern Heights ES	Planning	FY23 Q1	\$3,300,800
Las Cruces	Columbia ES	Planning	FY23 Q1	\$19,087,929

# In-Process Standards-based (Large) Projects

District	School	Current Project Phase	Estimated Construction Start	Total Estimated State Funding: Construction
Roswell	Washington Ave ES	Planning	FY23 Q4	\$5,873,263
Des Moines	Des Moines Combined	Planning	FY23 Q2	\$3,583,896
Grants	Bluewater ES	Design	FY23 Q2	\$5,083,430
Zuni	Zuni HS	Planning	FY23 Q3	\$46,709,614
Gallup	Gallup HS	Planning	FY23 Q3	\$54,531,601
Gallup	Crownpoint HS	Planning	FY23 Q3	\$24,496,831
Gallup	Navajo Pine HS	Planning	FY23 Q3	\$16,417,777
Grants	Mesa View ES	Design	FY22 Q3	\$16,164,200
Carrizozo	Carrizozo Combined	Planning	FY23 Q2	\$1,044,142
Hobbs	Heizer MS	Planning	FY23 Q3	\$20,905,830
Gadsden	Gadsden MS	Planning	FY24 Q1	\$33,176,455
Gadsden	Chaparral MS	Planning	FY24 Q1	\$27,058,450
Los Alamos	Chamisa ES	Design	FY23 Q3	\$3,682,754
Los Alamos	Pinon ES	Design	FY23 Q3	\$4,512,703
Los Lunas	Ann Parish ES	Planning	FY24 Q1	\$17,231,200
Mosquero	Mosquero Combined	Planning	FY23 Q3	\$1,110,808
Tularosa	Tularosa MS	Planning	FY24 Q2	\$10,650,000

# Expenditure of Existing Fund Balance

Public School Capital Outlay Fund	Totals
<b>Sources</b>	
Total Funds Available for FY22, Including Estimated Additional Revenue from June/Dec Sales	\$540,500,000
Total Funds Available for FY23, Including Estimated Additional Revenue from June/Dec Sales	\$566,600,000
<b>Uses</b>	
<b>Estimated State Funding Uses in FY22</b>	
Total Estimated State Construction Funding Needed in FY22 (7 projects)	\$162,200,000
Total Funding Needed for All Other Uses FY22	\$62,300,000
Total Uses in FY22	\$224,500,000
<b>Estimated State Funding Uses in FY23</b>	
Total Estimated State Construction Funding Needed in FY23 (22 projects)	\$320,112,781
Total Funding Needed for All Other Uses FY23	\$62,500,000
Total Uses in FY23	\$382,612,781
<b>Estimated Uncommitted Fund Balance at the End of FY23 *</b>	<b>\$183,987,219</b>

\* Estimated uses in FY22 and FY23 do not include funding for new programs, such as teacher housing, or additional state funding for any of the large projects. Approximately \$78M will be needed for large projects starting construction in FY24.

# Overview of All In-Process Projects

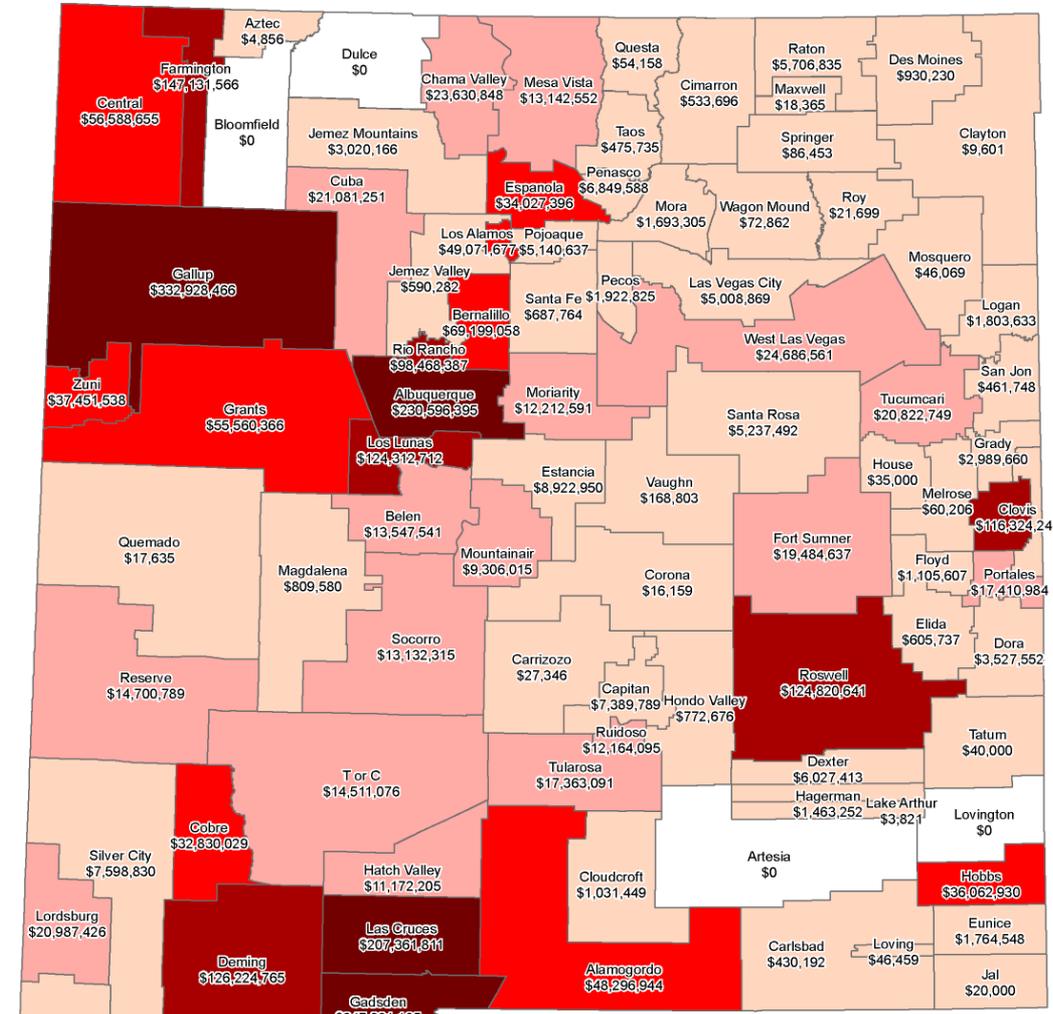
- 375 active, in-process projects statewide.
  - Standards, systems, Pre-K, and security.
  
- 34 standards-based projects.
  - 27 in-process standards-based (large) capital projects awarded in the last 3 fiscal years (FY19, FY20, FY21).
  - 6 new standards-based projects awarded July 2021 (FY22).
  - 1 systems project converted into a standards-based project in FY22.
  
- 35 systems-based projects.
  - Building system replacement projects (HVAC, roofing, fire alarm, doors, windows, finishes, plumbing, electrical, site drainage).
  
- 9 Pre-K projects.
  
- 297 security projects in design or construction.



# Total PSCOC Dollars Awarded

## Total State Funding Awarded per District

- \$332 M – Gallup
- \$247 M – Gadsden
- \$230 M – Albuquerque
- \$207 M – Las Cruces
- \$147 M – Farmington
- \$126 M – Deming
- \$124 M – Roswell
- \$124 M – Los Lunas
- \$116 M – Clovis
- \$0
  - Artesia
  - Lovington
  - Bloomfield
  - Dulce



State Total PSCOC Dollars Awarded  
\$2,576,145,742

Total PSCOC Dollars Awarded as of 6/3/2021



# PSFA FY23 Budget Request

To keep up with the workload from active, in-process projects and developing new funding programs, including Teacher Housing, PSFA is requesting a FY23 agency operating budget as follows:

- FY22 Budget: \$5.789 M.
  - 50 Authorized FTE.
  - 48 FTE filled.
  - 2 FTE held vacant.
  
- FY23 Budget Request: \$6.074 M.
  - 4.9% increase FY22 to FY23.
  - FY23 budget request based on filling all 50 Authorized FTE.
  - Agency budget cap for FY23: \$6.301 M.

# Questions

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