

# Update on Recent PSCOC Programs and Awards

Public School Capital Outlay Oversight Task Force

October 14, 2020

*Presenters:*

**Joe Guillen, PSCOC Chair**

**Jonathan Chamblin, Director**

**Randy Evans, CFO**



**New Mexico Public School Facilities Authority**

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

# Agenda

- Summary of Recent PSCOC Actions: Chair Joe Guillen
- PSCOC and PSFA Description
- PSCOC Awards History
- PSCOC Funding Awards in FY21
- PSCOC Financial Plan Summary
- Questions

# PSCOC Members

Nine members, assigned by statute:

- Joe Guillen, PSCOC Chair – NM School Boards Association
- Raul Búrciaga, PSCOC Vice-Chair – Legislative Council Service
- David Abbey – Legislative Finance Committee
- David Robbins – Public Education Commission
- Rachel S. Gudgel – Legislative Education Study Committee
- Clay Bailey – Construction Industries Division
- Debbie Romero – Department of Finance & Administration
- Antonio Ortiz – Public Education Department
- Victor Reyes – Governor's Office

# PSCOC and PSFA Background

- Current public school capital funding process was developed and established in response to the 1998 Zuni lawsuit.
- NM public school capital outlay process seeks to establish and implement a uniform funding system for capital improvements.
- Public school capital outlay funding is both a local and state responsibility in New Mexico.
- PSCOC makes awards and manages the allocation of funding from the Public School Capital Outlay Fund (PSCOF) for capital projects in public school facilities in New Mexico's 89 school districts and 2 special constitutional schools.
- Public School Facilities Authority (PSFA) was created in 2003 as a permanent State agency to staff the Public School Capital Outlay Council (PSCOC) pursuant to the Public School Capital Outlay Act.

# 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 for capital projects and expenditures.

## Project Management

Partner with school districts on planning, design, and construction projects (including internet technology, building system, and security projects) 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 performance.

*Services provided to school districts for capital projects*

# PSCOC Funding Programs in FY21

		Start of Program	Month Awarded in FY21
1)	Standards-Based (Large Projects)	2004	August
2)	Systems-Based (Small Projects)	2017	August
3)	Broadband Deficiencies Correction	2014	on-going
4)	Pre-Kindergarten Classroom Facilities	2018	August
5)	Facilities Master Plan	2003	December
6)	Lease Assistance	2005	Aug, Oct
7)	Capital Expenditures for Impact Aid	2020	August

# Annual PSCOC Funding Program Awards

Year	Number of Awards	Number of Programs	State Funding for New Awards Each Year
FY11	138	4	\$228.6 M
FY12	133	4	\$99.1 M
FY13	163	5	\$137.8 M
FY14	162	4	\$47.6 M
FY15	145	4	\$119.4 M
FY16	127	4	\$54.3 M
FY17	124	4	\$23.8 M
FY18	133	5	\$48.3 M
FY19	<b>369</b>	<b>6</b>	<b>\$200.2 M</b>
FY20	<b>273</b>	<b>7</b>	<b>\$156.5 M</b>
<b>FY21</b>	<b>117</b>	<b>7</b>	<b>\$246.2 M</b>
Averages *	174	5	\$123.8 M

} Low years  
} High years (surge)

\*FY11 – FY18: average number of awards per year = 141  
 average funding for new awards per year = \$92.9

# FY21 PSCOC Awards Year-to-Date

## All Funding Programs

Award Type	Number of Awards	FY21 State Funding	Out-Year (Future) State Funding	Total State and Local Funding
Standards	7	\$2,007,372	\$195,865,577	\$277,448,238
Systems	5	\$2,270,637	\$2,748,691	\$8,764,858
Pre-Kindergarten	3	\$5,455,610	\$0	\$8,493,908
Lease Assistance	101	\$16,532,532	N/A	N/A
Capital Expenditures in Impact Aid Districts	23	\$18,867,000	\$0	\$18,867,000
<b>Total Awards</b>	<b>139</b>	<b>\$45,133,151</b>	<b>\$198,614,268</b>	<b>\$313,574,004</b>

\* FY21 awards for broadband projects and facility master will be made later this year.

# Standards-based Program FY16 – FY 21

- PSCOC has restored the standards-based program to historic rates of awards for the last 3 years, following 3 years of few new awards.

Award Year	FY16	FY17	FY18	FY19	FY20	FY21
Number of New Standards-based Awards	3	1	0	11	9	7
State Funding for New Standards-based Awards <i>(millions of dollars)</i>	\$ 33.4	\$ 0.1	\$ 0.0	\$ 149.8	\$ 106.7	\$ 197.9

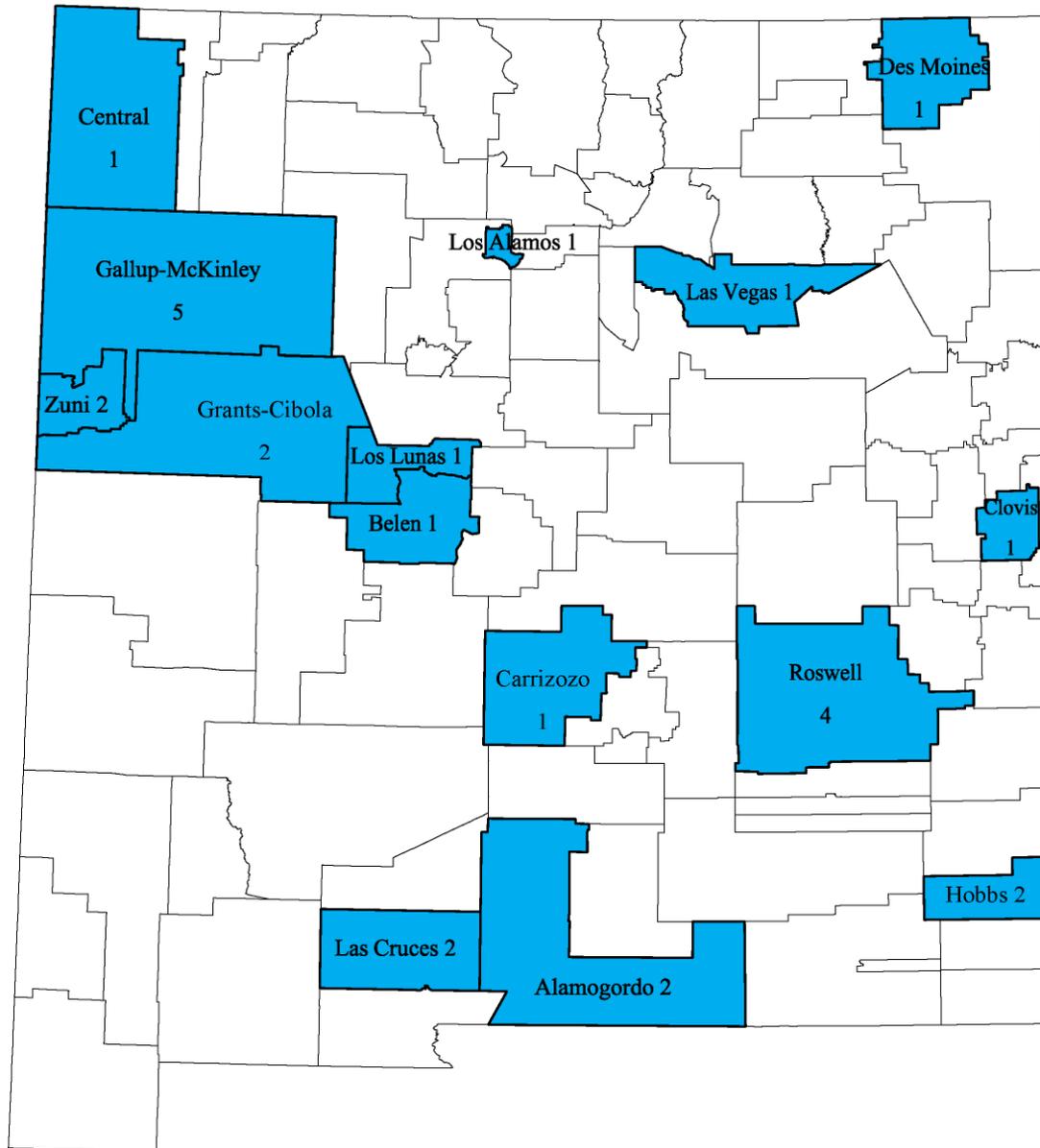
- August 2020, PSCOC made 7 new standards-based awards to 5 school districts.
- Approximately \$454.4 M in state funding will be directed to major capital construction projects in communities throughout NM for the next 3 to 5 years.

# FY21 Standards-Based Awards

District	School	Statewide Ranking	wNMCI Score	Total Estimated Project Cost	FY 21 Local Funding	FY 21 State Funding	Out-Year Local Funding	Out-Year State Funding
Zuni	Zuni HS, Twin Buttes HS	1, 20	64.53, 47.99	\$51,974,571	\$0	\$75,000	\$0	\$51,899,571
Carrizozo	Carrizozo Combined	6	53.02	\$16,012,743	\$75,000	\$0	\$19,120,951	\$1,014,442
Gallup	Gallup HS	29	46.29	\$80,563,886	\$52,550	\$72,450	\$13,614,589	\$58,041,140
Hobbs	Heizer MS, (New MS)	51	41.94	\$55,000,000	\$75,000	\$0	\$29,563,800	\$23,228,700
Gallup	Crownpoint HS	70	40.58	\$33,712,963	\$43,050	\$31,950	\$6,391,213	\$27,246,750
Gallup	Navajo Pine HS	96	37.75	\$22,631,511	\$43,050	\$31,950	\$4,285,737	\$18,270,774
Grants	Mesa View ES	100	37.47	\$27,202,164	\$631,035	\$1,796,022	\$5,679,314	\$16,164,200
<b>5</b>	<b>7</b>			<b>\$277,448,238</b>	<b>\$919,685</b>	<b>\$2,007,372</b>	<b>\$78,655,604</b>	<b>\$195,865,577</b>

\$197.9 M Total State Funding  
(FY21 and in future years)

# Districts with New Standards-based Awards



- Number of new standards-based projects awarded per district during the last 3 years.
- (FY19, FY20, FY21)

# PSCOC Financial Plan Summary

- The PSCOF has a dedicated funding stream from Supplemental Severance Tax Bonds (SSTBs).
- SSTBs are issued by New Mexico Board of Finance, paid for by revenue derived from taxes levied on “natural resource products severed and saved from the soil.”
- Annual uses of funds include: PSCOC funding programs, state match of SB-9, legislative appropriations, and PSFA operating budget.
  - Saved and unexpended funds from any of these uses remain in the PSCO fund for future use on capital projects.

Sources	FY20 est.	FY21 est.	FY22 est.	FY23 est.	FY24 est.	FY25 est.
Cash Balance from Prior Year	181.8	225.7	215.9	106.9	23.4	(39.6)
Totals (millions of dollars)	403.9	363.5	337.1	241.6	174.3	123.8
Uses						
Totals (millions of dollars)	178.2	147.6	230.2	218.3	213.9	201.2
<b>Estimated Uncommitted Balance</b>	<b>225.7</b>	<b>215.9</b>	<b>106.9</b>	<b>23.4</b>	<b>(39.6)</b>	<b>(77.4)</b>

# Questions

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Thank You!