



New Mexico Board of Finance

Emergency Operating Fund Grant/Loan Request

REQUEST REQUIREMENTS

This guide is intended to assist public entities in complying with SBOF Emergency Funding Policy 11-03 and providing standard information and documentation needed for consideration. **Only public entities are eligible for emergency funding.** Please reference the policy in its entirety along with this checklist to ensure you are following all requirements.

Refer to the policy in its entirety when preparing this application.

<https://www.nmdfa.state.nm.us/board-of-finance/emergency-loans/>

A. SUBMITTING A REQUEST

To submit a request for a loan or grant, the public entity must provide all required information and documents under Section B. Incomplete requests will cause a delay in consideration. To submit a request, email one (1) bookmarked PDF file with all documents to: BOF.Administrator@dfa.nm.gov.

!!! Prior to submitting a request, the entity MUST reach out to the Board of Finance administrator indicating its interest or plan to request emergency funds.

B. REQUIRED INFORMATION/DOCUMENTS

The public entity must provide all the following required information to be considered for an emergency loan or grant.

- **Summary Request Letter** addressed to the Director of the Board of Finance and includes:
 - A summary of the emergency describing the nature of the emergency, nature of the request, and other pertinent and detailed information that will provide staff a full picture of the situation and request
 - Whether a grant or loan is being requested
 - A list of all other funding options explored and whether entity is seeking funding elsewhere
 - The amount of grant/or loan funding being requested and the basis for the amount
 - The community being impacted and governing body that is seeking the grant/loan
 - Statement that the public entity will agree to submit completed quarterly reports on SBOF authorized forms.
- **Emergency Funding Application Form & Requirements**
Form must be completed and submitted with all the required information in sufficient detail
- **Financial Information Supplement**
Supplement form must be completed and submitted with all the required information and attachments in sufficient detail
- **Signed Resolution of the Governing Body***
Resolution must be signed and must include the details of the emergency, the type of funding (loan/grant), the amount of funding being requested, and a statement of approval to request the type and amount of emergency funding from the Board of Finance
- **Environment Department Recommendation**
For emergency requests related to water, wastewater, natural disasters, and other environmental emergencies, the entity should submit evidence that the NM Environment Department has been notified of the emergency and recommends the project for funding.

*Requirement not applicable to State agencies requesting emergency funds

The Board of Finance typically meets monthly. We understand that the request is for an emergency situation. Staff will work diligently to have the request considered at the next Board meeting. We cannot, however, guarantee consideration at the next immediate meeting, depending on the timing in which the request is received and application contents and status of review. For a schedule of Board meetings, visit: <https://www.nmdfa.state.nm.us/board-of-finance/monthly-meetings/>.



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APPLICATION FORM & REQUIREMENTS

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Refer to the policy in its entirety when preparing this application.

<https://www.nmdfa.state.nm.us/board-of-finance/emergency-loans/>

ENTITY INFORMATION

Public Entity _____ Date _____
Submitted by _____ Email _____ Phone Number _____

INSTRUCTIONS

The public entity must attach a PDF document to this cover page that includes **DETAILED** responses to the following required information. This form and the attachment should be provided in the overall request packet with all other required information and documents. Please refer to the Emergency Operating Fund Grant/Loan Request Requirements for more information.

REQUIRED INFORMATION

If any information below is not applicable to the public entity or its request, please state so in the PDF for each item that is not applicable.

DESCRIPTION OF THE EMERGENCY

- ◆ Provide a DETAILED description of the emergency. The description must include (but should not be limited to) when the emergency began or was identified, the nature of the emergency, what governmental services are not being delivered, and the effect of the failure of the service on the public health, safety, and welfare of the community and its individuals. The entity must note the current/immediate impacts to the community and be clear as to whether the impacts are a cessation of services, a reduction in services, or an impact of another nature.
- ◆ Identify the number of individuals affected by the emergency and the geographic area impacted.
- ◆ Provide a DETAILED explanation of why the situation is an unforeseen circumstance. The response must also address why the emergency could not reasonably have been addressed with funding from a past legislative session.
- ◆ Describe in DETAIL how the emergency is affecting the community/entity. This must include (but should not be limited to) how individuals are being affected by the emergency and what would happen should this emergency funding not be provided. What are the 3-month, 6-month, and 1-year impacts of the emergency should funding not be received?
- ◆ Describe in DETAIL if and how the emergency is impacting the functioning of the public entity's operations or other functions of the entity.
- ◆ Provide a DETAILED description of how the public entity responded to the emergency. This must include (but should not be limited to) a timeline evidencing when the emergency began, when public entity became aware of the emergency, when various actions were taken to address the emergency (including when other funding sources were sought, if applicable), and any other information on how the public entity has addressed or dealt with the emergency.

- ◆ Provide a list of ALL austerity measures explored and exhausted that the public entity has taken to fund a response to the emergency.
- ◆ Provide an EXHAUSTIVE LIST OF ALL other funding explored and exhausted. This should include an evaluation of the public entity's current assets, budget, and reserves as well as external funding sources, both loans and grants. For any funding explored but not sought, the entity must describe why it did not seek the funding.
 - ~ *Note that significant priority will be given to entities that have thoroughly explored other funding sources and are utilizing other funding sources for a portion of the emergency.*
- ◆ Describe why the emergency cannot reasonably await funding from the next legislative session and why it cannot await other available funding sources (loans or grants from other entities/organizations).

FUNDING REQUEST

- ◆ Identify whether a loan or grant is being requested and the amount of funding requested.
 - ~ *Priority will be given to requests that can be addressed without reasonably restricting the amount of emergency funding available for other potential requests that may be made through the remainder of a fiscal year.*
 - ~ *Priority will be given to loan requests, except in the case of general-funded state agencies.*
- ◆ Describe in **DETAIL** how the funds would be used. This must include estimates of work to be done or equipment to be purchased. It must also include a timeline of the use of funds, from receipt to completion of the project/use of funds in entirety. If the entity has already encumbered funds, identify the portion of the request that would cover encumbered versus future expenditures.
 - ~ *Invoices or copies of estimates must be provided. If not available, please describe why and how the entity calculated the amount of funding being requested.*

If a grant is requested:

- ◆ Describe in **DETAIL** why the entity cannot request a loan or reasonably afford to repay a loan. This must include a description of the public entity's limitations for repayment for a short-term (less than 5 years) and long-term (more than 5 years) loan.

If a loan is requested:

- ◆ Identify the proposed timeline for repayment, to include whether monthly, quarterly, or annual payments will be made and the repayment term.
 - ~ *Priority will be given to requests where a portion or all of the loan will be repaid in the same fiscal year in which the loan is provided.*
- ◆ Confirm that the public entity will pledge and encumber funds for repayment each fiscal year that the loan is outstanding, in accordance with the repayment schedule proposed by the public entity.
- ◆ Confirm whether or not the entity agrees to pledge its revenues for loan repayment.
 - ~ *Priority will be given to entities that have taken steps or agree to take steps to pledge revenues.*
- ◆ Describe how the public entity will ensure it can meet its loan repayment commitment. This must refer to the public entity's projected budget, and information provided as part of the Financial Information Supplement and budget documents.

OTHER

- ◆ If the public entity is a water association/system: Confirm that the system is a drinking water supply system in common.



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FINANCIAL INFORMATION SUPPLEMENT

This worksheet is intended to assist public entities in complying with SBOF Emergency Funding Policy 11-03 and providing standard information and documentation needed for consideration. Only public entities are eligible for emergency funding. **Refer to the policy in its entirety when preparing the application and the financial information worksheet.**
<https://www.nmdfa.state.nm.us/board-of-finance/emergency-loans/>

ENTITY CONTACT INFORMATION

Submitted by _____ Date _____
Public Entity _____ Email _____ Phone Number _____

INSTRUCTIONS

The public entity must attach a PDF document to this cover page that includes responses to the required information and all required documents listed below. The combined cover page, PDF, and the required documents must be provided in the overall request packet with all other required information and documents. Refer to the Emergency Operating Fund Grant/Loan Request Requirements for more information.

REQUIRED INFORMATION

INFORMATION & DOCUMENTS REQUIRED

- ◆ Provide the public entity’s **budget and actuals for the previous three (3) fiscal years**. This must include the public entity’s beginning and ending balances (if applicable) and budgeted revenues and expenditures alongside actual revenues and expenditures, by budget category. If applicable, the entity may provide the budgets reviewed and approved by the Department of Finance and Administration’s Local Government Division and quarterly revenue and expenditure reports.
- ◆ Provide the public entity’s **projected budget for the next fiscal year**. This must include the projected beginning and ending balances (if applicable) and budgeted alongside actual revenues and expenditures by budget category.
- ◆ Provide the public entity’s current balance sheet that shows assets and liabilities.
- ◆ Describe any budget line items and any reserves or uncommitted funds/balances that have been considered for use in funding the emergency. For example, are there any budgeted balances that could be committed to the emergency, any vacancy savings that could be utilized, or reserve other saving balances that could be tapped? If the public entity has reserves that it is not using for the emergency, it must describe why those reserves cannot be used for the emergency.
- ◆ Describe the entity’s compliance with applicable audit requirements. For local public bodies, this means that the most recent fiscal year audit has been submitted to the State Auditor’s Office. List any material findings in the entity’s most recent audit. *If* the entity is not audit compliant, describe why. Note that if the entity is not audit compliant, the request may not be considered, or the public entity may be required to identify a fiscal agent.
- ◆ Identify and describe any outstanding debt held by the public entity, including bonds, lease purchase agreements, and other loans. This must include (but should not be limited to) when any debt was incurred, the original principal amount of the debt, the terms of the debt (interest and repayment period), current balances owed, and when the debt will be paid in full.

~ *For loan requests, priority will be given to public entities with relatively low outstanding debt and where the requested loan would be on parity with outstanding debt.*

- ◆ Describe the public entity's plan for future financial stability. This must refer to the public entity's projected budget, and information provided as part of the Financial Information Supplement and budget documents.
 - ◆ Provide a DETAILED history of the utility rates charged to customers of the district/association (at least 10 years) and specifically identify the last time rates were increased and by how much.
 - ◆ Provide a DETAILED history of maintenance expenditures related to the utility system. If the emergency is related to deferred maintenance, the public entity must describe why and for what specifically maintenance was deferred.
 - ◆ Provide DETAILED information on revenue collections from district/association customers. This must include (but should not be limited to) the number and percentage of customers delinquent on utility payments and how the entity has sought delinquent payments.
 - ◆ Confirm that, if a drinking water system, that the system is a drinking water supply system in common.