

STRATEGIC PLAN 2025-2027



NEW MEXICO
FINANCE AUTHORITY



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About NMFA

The New Mexico Finance Authority was founded in 1992 by the New Mexico Legislature to deliver low-cost capital to New Mexico public entities. Today, NMFA oversees 25 programs, each of which is designed to deliver capital to meet the needs of various entities and achieve specific goals for the state.

NMFA was created by the New Mexico Finance Authority Act to provide financing to public entities and expanded by the Statewide Economic Development Finance Act to provide financing to private entities. These two legislative acts provide the statutory authority under which NMFA operates. The New Mexico Finance Authority Act that created NMFA is a powerful tool that allows for a wide range of financing in the state to meet the needs of public entities, large and small. With a AAA bond rating, NMFA can obtain low-cost capital through the public bond market and use the capital to provide low-interest loans to entities throughout the state, effectively passing NMFA's low cost of borrowing money to its borrowers to achieve their goals for their communities. The Statewide Economic Development Finance Act (SWEDFA) adopted in 2005 created a vehicle through which NMFA could deploy capital to private entities in partnership with the New Mexico Economic Development Department to achieve economic development goals of the state.

NMFA's last strategic plan was adopted in late 2019. Since that time, the structure of NMFA has undergone significant changes. Long known as a reliable and trusted source of funds for public lending, NMFA established its mettle and potential for increased private lending with the implementation of recovery programs designed to assist New Mexico's small business during the Covid-19 pandemic. By quickly standing up new technology and creating new systems, NMFA demonstrated it has the capability and can-do attitude to effectively and efficiently deliver capital to public and private entities across New Mexico.

NMFA is New Mexico's partner in building economic prosperity and stronger communities and believes that lasting change comes by working with strategic partners to achieve common goals. Goals include creating needed public infrastructure, improving school facilities to better serve students, increasing available housing for working-class and low-income New Mexicans, financing development to attract businesses and provide economic development, increasing accessibility to quality primary care and behavioral healthcare for those in need, increasing childcare options for parents, providing capital for business owners to start and grow their businesses, and more.

The synergistic effect of statutory authority, dedicated staff in an effectively organized structure, and strategic partnerships puts NMFA in a position to create lasting impact for the state. Created by the NMFA Board of Directors and staff, with input from every NMFA staff member, and adopted by the NMFA Board in October 2024, this new strategic plan charts a course for the next three years. We look forward to its implementation.



NMFA Statutory Authority

Active?	Funded	FY	Program Name	Statute
✓	✓	1992	Public Project Revolving Fund	6-21-6.0
✓		1994	Primary Care Capital Fund	24-1C-4
✓	annually	1997	Drinking Water State Revolving Loan Fund	6-21A-4
		1999	Water and Wastewater Grant Fund	6-21-6.3
✓	annually	2001	Water Project Fund	72-4A-9
✓	✓	2002	Local Government Planning Fund	6-21-6.4
✓		2003	Economic Development Revolving Fund (Smart Money)	6-25-6.1
	✓	2003	Child Care Revolving Loan Fund	24-24-4.0
		2004	Acequia Project Fund	72-4A-9.1
✓		2004	Behavioral Health Capital Fund	6-26-04
		2005	Energy Efficiency & Renewable Energy Bonding Act	6-21D-5
		2005	Local Transportation Infrastructure Fund	6-21-6.8
✓	✓	2006	New Markets Tax Credit	6-25-6.1
		2007	Local Government Transportation Fund	6-21-6.12
✓	annually	2010	Colonias Infrastructure Project Fund	6-30-1.0
	✓	2011	Collateral Support Participation Program	6-25-13
✓		2021	Essential Services Working Capital Program	6-25-13
✓		2021	New Markets Tax Credit Small Loan Pool	6-21-6.12
✓		2021	Small Business Recovery Loan Fund	6-32-1
		2021	New Mexico LEDA Recovery Grants	5-10-16
✓		2022	Cannabis Microbusiness Program	6-25-06
✓	✓	2022	Venture Capital Fund	6-33-3
✓	✓	2022	Charter School Facility Revolving Fund	6-21-6.16
✓	✓	2022	Opportunity Enterprise Revolving Fund	6-34-12
✓	✓	2024	SSBCI Capital Access Program	6-25-06
✓	✓	2024	Housing Development Revolving Fund	6-34-1





MISSION

New Mexico's partner in building economic prosperity and stronger communities

VALUES

- **Integrity** — We are honest, ethical, and reliable.
- **Client Focus** — We help clients reach their goals with respect, timeliness, and creativity.
- **Professionalism** — We promote a culture of accountability, quality, continuous learning, and adaptability.
- **Great Place to Work** — Our employees are our greatest asset. We provide a diverse, rewarding, respectful, and collaborative work environment.

COMPETENCIES

- Create access to low-cost capital for infrastructure and economic development.
- Attract investor capital to New Mexico.
- Respond to challenges with a dedicated, solutions-focused Board and staff and agile, effective systems.
- Provide trusted stewardship and effective oversight of programs and funds.





GOALS






































Advance community and economic development








Strengthen New Mexico's infrastructure to promote healthy communities

Maximize community impact by leveraging strategic partnerships

Optimize organizational effectiveness and efficiency

STRATEGIC PLAN | 2025-2027

GOALS	Impact Categories	New	Amended	Policy	Funding
GOAL ONE Advance community and economic development					
Objective Effectively deploy funds from the State Small Business Credit Initiative (SSBCI).		✓			
Objective Obtain funding for Behavioral Health Capital Fund, Primary Care Capital Fund, and Childcare Revolving Fund.	  		✓	✓	✓
GOAL TWO Strengthen New Mexico's infrastructure to promote healthy communities					
Objective Improve water systems through regionalization, and technical assistance.	 	✓		✓	✓
Objective Meet the need for capital for infrastructure.	    	✓	✓	✓	✓
GOAL THREE Maximize community impact by leveraging strategic partnerships					
Objective Establish a system of determining needs and priorities of strategic partners.	      	✓			
Objective Assist strategic partners in meeting their goals.	      	✓			
Objective Complete a metric study of NMFA's impacts and partners' impacts to inform future objectives.	      	✓	✓	✓	✓
GOAL FOUR Optimize organizational effectiveness and efficiency					
Objective Implement the Integrated Business Application.		✓		✓	
Objective Maintain/improve financial reporting standards; implement risk rating system.		✓		✓	
Objective Maximize use of technology.		✓			✓
Objective Improve data collection and reporting.		✓			✓
Objective Modernize document and data management to support increased scale.					✓

Impact Category Key:			
 Efficiency and Quality	 Drinking Water	 Economic Development	 Housing
 Health	 Community Facilities	 Safety	

OBJECTIVES TO MEET GOALS

NMFA commits to understanding community needs and responding to them. In order to do this, NMFA needs more data. Many of the objectives below address how data will be collected and for what purposes. Once needs are clarified, benchmarks will be established and goals can be calibrated. The collected data will not only inform the current strategic plan but will also be foundational for future strategic plans.

Goal One: Advance Community and Economic Development

- **Effectively deploy funds from the State Small Business Credit Initiative (SSBCI)**

A partnership with the New Mexico Economic Development Department has created the opportunity for NMFA to increase access to capital for New Mexico's small businesses. With federal funding from the SSBCI program of the U.S. Department of Treasury, NMFA will partner with banks, credit unions, and community development financial institutions to reduce their risk of lending to borrowers that may not otherwise qualify for a loan. NMFA's SSBCI initiatives include a Loan Participation Program and a Capital Access Program. Both programs will have an impact on economic development in New Mexico, which will be measured by tracking the SSBCI reporting requirements.

- **Obtain funding for the Behavioral Health Capital Fund, Primary Care Capital Fund, and Childcare Revolving Fund**

The programs above have an immediate and direct impact on the well-being of New Mexicans. By providing financing for facilities, equipment, and working capital including salaries, NMFA helps increase and improve healthcare and childcare in the state, which will help people gain access to these critical services that will improve their quality of life. NMFA will work with the New Mexico Department of Health, the New Mexico Healthcare Authority, and the New Mexico Early Childhood Education and Care Department to understand their goals for the programs and how best NMFA can help meet those goals. Once these goals are known, NMFA will analyze the need for future funding, including the amount and type of funding, then identify potential funding sources from current and new NMFA programs.

Goal Two: Strengthen New Mexico's Infrastructure to Promote Healthy Communities

- **Improve water systems through regionalization and technical assistance**

New Mexico has over 1,000 water systems throughout the state, creating an inefficient, expensive network as systems work to improve their aging infrastructure and meet the needs of their communities. A lack of coordination among overlapping/geographically close systems and no economies of scale are particularly prevalent among small and disadvantaged communities. Recent legislation encourages regionalization of water systems by providing for the use of the Water Trust Fund to pay for necessary documentation and other requirements needed to pursue regionalization. NMFA will help improve water systems by creating a framework of technical assistance that can be used for regionalization, water project execution and individual system planning leading to more secure water infrastructure, more cost efficiencies, and better overall systems.

- **Meet the need for capital for infrastructure**

NMFA will determine the overall capital needs for infrastructure in the state by completing an econometric study and analyzing existing infrastructure information. The organization will then determine the amount of capital needs met by NMFA programs, the amount met by capital outlay funds, federal money, and other capital programs, and the amount of infrastructure needs that are not being met. Once this information is known, NMFA will analyze how it can meet the needs that aren't being met, including by increasing its use of alternative financing tools such as Public Improvement Districts (PIDs) and Tax Incremental Districts (TIDs), and by ensuring that entities know and understand what NMFA's programs can do to meet their financing needs.

Goal Three: Maximize Community Impact by Leveraging Strategic Partners

- **Establish a system of determining needs and priorities of strategic partners**

To determine the needs and priorities of its strategic partners, NMFA will first review who its current partners are and identify new partners for future initiatives. Using a robust feedback process, NMFA will then collaborate with policy and program partners and other stakeholders to better understand strategic impact objectives and how NMFA might help meet those objectives.



- **Assist strategic partners in meeting their goals**

NMFA has programs designed to provide access to low-cost capital that might not otherwise be available to its clients. To determine how well NMFA helps its strategic partners meet their goals, NMFA will measure the percentage of capital needs that are met by NMFA programs. If the goals of our strategic partners are not met, NMFA will analyze why we weren't able to help them. If they are met, but not by NMFA programs, NMFA will analyze if they used programs that were more advantageous (e.g. grant funding, financing with better terms). NMFA will also track how often NMFA staff refers clients to a different program that would better meet their financing needs. Using quantitative and qualitative data, NMFA will gain an understanding of how well it helps its partners.

- **Complete a metric study of NMFA's impacts and partners' impacts to inform future objectives**

Once NMFA knows its strategic partners and understands how it helps these partners meet their goals, the organization will conduct a study to determine the impact NMFA and its partnerships have on the state and New Mexicans. This impact study will inform the creation of objectives and allocation of organizational resources in the future.

Goal Four: Optimize Organizational Effectiveness and Efficiency

- **Implement the Integrated Business Application**

The Integrated Business Application is designed to create a robust organization-wide system running on one or two platforms. NMFA currently operates with multiple systems distinct to each business function, with inefficiencies and opportunity for error as information is managed separately and handed off between departments. The Integrated Business Application will integrate NMFA's disparate systems to seamlessly manage all operations of NMFA.

- **Maintain/improve financial reporting standards; implement risk rating system**

NMFA maintains a high level of financial reporting standards as demonstrated by its clean audits and the Annual Comprehensive Financial Reports it voluntarily produces each year. The organization aims to understand where improvements could be made by using a higher benchmark of financial reporting, after which it will implement measures to reach that higher benchmark. In addition, NMFA will implement a risk rating system that will provide parameters on how to better analyze loan applications and underwrite loans. This system will include scorecards with weighted averages designed to systematically determine the risk for taking on a loan, the necessary loan-loss reserve fund needed based on that level of risk, and how closely and where specifically loans need to be monitored based on their level of risk.

- **Maximize use of technology**

Each department at NMFA strives to operate at a high level and has added technology to its operations as needed to achieve this goal. Because the organization now includes over 70 staff members working in ten specialized departments, the organization has a variety of software that is currently used, some of which may be redundant. NMFA will analyze the software in use across the organization, decide which can be consolidated, and reduce the number of redundant software tools being used. NMFA will also begin the implementation of a Customer Relationship Management system to better serve its clients, better track communications with clients, and track marketing efforts to understand how best to reach clients and which efforts result in deals.

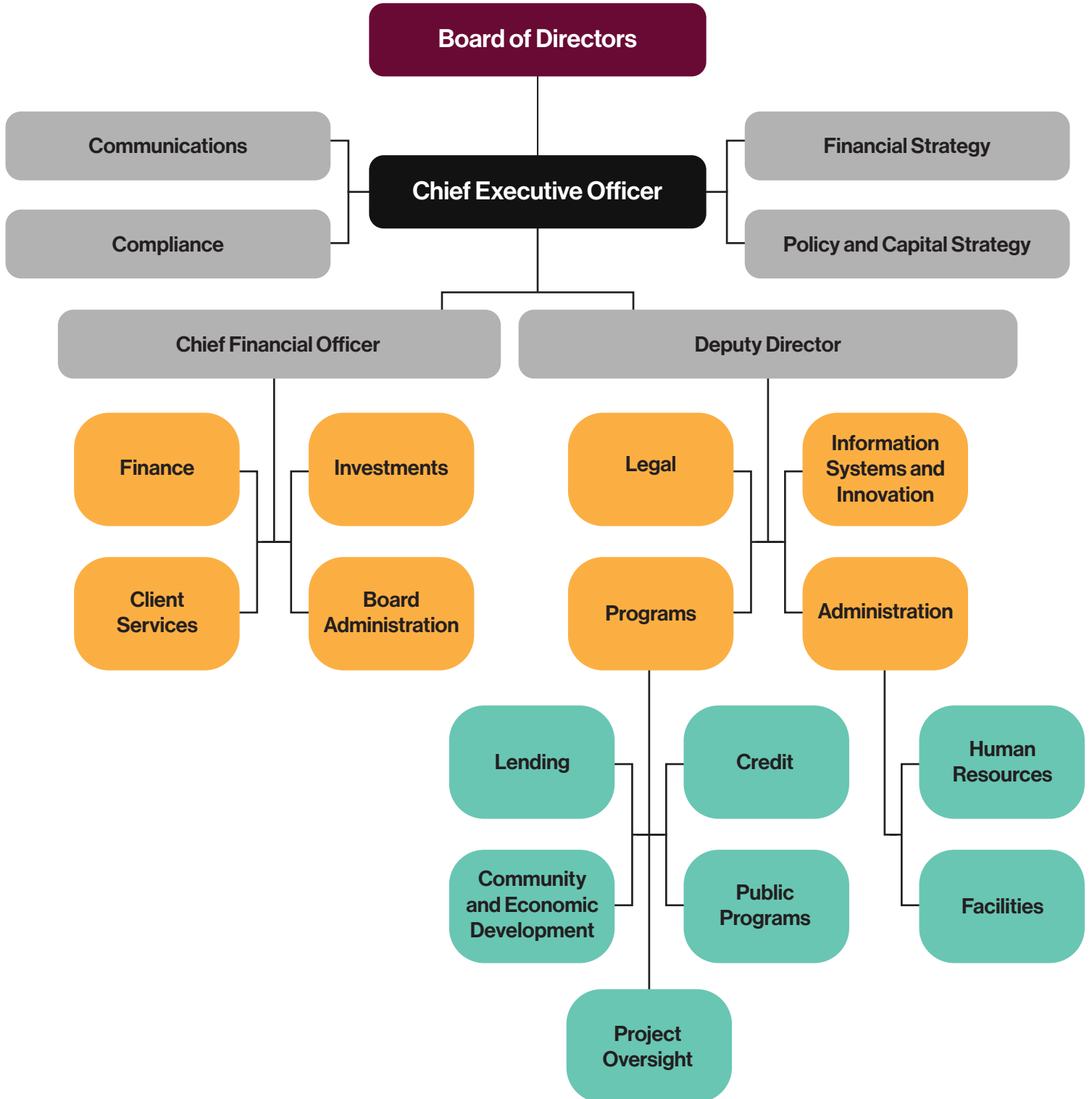
- **Improve data collection and reporting**

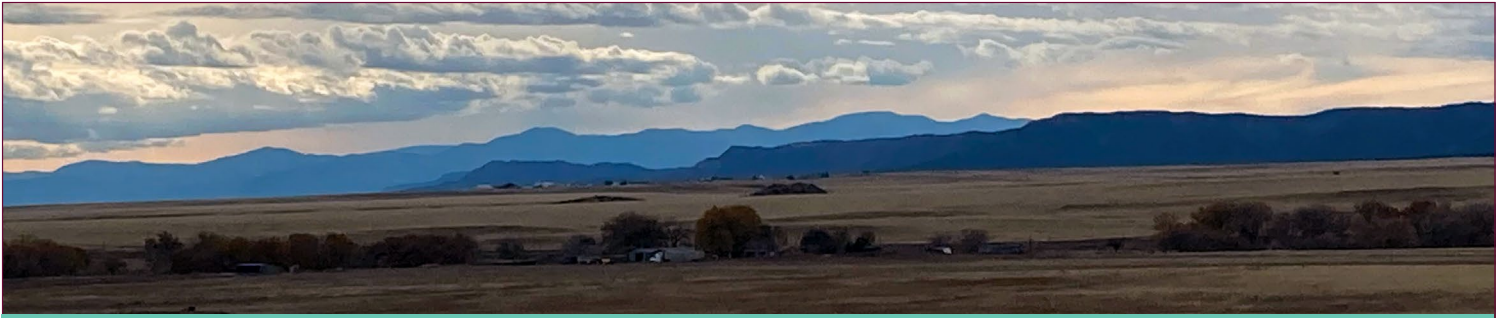
The work of NMFA has an impact on the state and its residents. To better measure this impact and understand how to increase the impact, NMFA first needs better data collection and reporting capabilities. By maximizing its use of technology and implementing the Integrated Business Application, NMFA will be in a position to create systems for accurate data collection and better reporting.

- **Modernize document and data management to support increased scale**

With its growth in both staff and programs, NMFA needs a simpler and more secure environment in which to collaborate on documents and save documents, and an electronic document archive system that meets NMFA's data governance requirements. The implementation of a document and data management project meets these needs and is part of NMFA's larger data governance initiative. The project includes adopting a records retention policy, migration of records from physical locations and local servers to cloud locations, continued implementation of NMFA's use of MS Office 365, and archiving of official document records.







NMFA DEPARTMENT DESCRIPTIONS

Office of the Chief Executive Officer

The Office of the Chief Executive Officer is led by the CEO of NMFA. Responsibilities include agency oversight, strategic direction, legislative and intergovernmental affairs, policy development and impact monitoring, program development, communications and media relations, investor communications, and internal audits.

Finance Department

The Finance Department is led by the Chief Financial Officer. Responsibilities include investment management; treasury management; bond issuance, compliance, and reporting; loan servicing; accounts payable; coordination of loan and grant closings; draw processing initiation; post-approval contact with clients; and Board and Committee facilitation.

Credit and Lending Departments

The Credit and Lending Departments are led by the Chief of Programs and are overseen by the Deputy Director. Responsibilities include client outreach and marketing, loan and grant origination, underwriting credit and portfolio monitoring, and compliance.

Program Administration and Oversight Departments

The Program Administration and Oversight Department is led by the Chief of Programs and is overseen by the Deputy Director. Responsibilities include centralized program application administration and processing, program compliance and reporting, application oversight, project monitoring, Advisory Board staffing and management, system development and integration, and organizational effectiveness.

Information Systems and Innovation

The Information Systems and Innovation Department is led by the Chief of Operations Innovation and the Chief Technology Officer, and is overseen by the Deputy Director. Both departments are overseen by the Deputy Director. Responsibilities include a centralized program application, administration and processing, program compliance and reporting, application oversight, project monitoring, Advisory Board staffing and management, system development and integration, and organizational effectiveness.

Legal and Support Services Departments

The Legal and Support Services Departments are led by the Chief Legal Officer and Chief Administrative Officer, respectively, and are overseen by the Deputy Director. Responsibilities of the Support Services Department include human resources, office management, facility management, IPRA, and records. Responsibilities of the Legal Department include general counsel and transaction documentation.





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