





Written by By Beth Blakeman Associate Editor Friday, 18 September 2020 03:57

Another look at CARES Act funding

The application form for CARES Act funds for local governments in New Mexico has 15 questions. Those 15 questions have caused confusion, even consternation among Gallup leaders.

The Gallup Sun talked to Mayor Louis Bonaguidi (Sept. 1), Sen. George Muñoz, D-Gallup (Sept. 2), Rep. Patricia Lundstrom, D-Gallup (Sept. 9) and they all agreed that they were disappointed with the CARES Act funding Gallup received.

Mayor Bonaguidi expressed confusion about the questions themselves, saying the finance committee didn't know what the criteria was.

"We filled it out as best we could and we were as truthful as we could [be]," he said.

Sen. Muñoz said different answers on the first two questions on the application would have yielded more money.

The first two questions on the application:

- 1. Please provide a detailed statement as to how your government business was affected by the COVID-19 pandemic. Please identify how the New Mexico public health order and any other federal, or local mandates (if any) have impacted your local government operations and economy.
- 2. Was your local government office(s) closed to the public completely for a period of time? \square Yes \square No"

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Bonaguidi said in a follow-up interview with the *Sun* Sept. 9 that when asked if Gallup was open, the answer given was "Yes. We were open."

But he admitted that could have been interpreted in several ways by the state.

In explaining what he meant by being open, the mayor said that even with three lockdowns, the utilities department was operational.

In answer to the first question on the application asking for a detailed statement about how the New Mexico public health order impacted local government operations and the economy, Gallup included information about the lockdowns.

"The Governor invoked the Riot Control Act on May 1 to completely lockdown the City of Gallup in response to an emergency request from the Mayor of Gallup," the city's CARES application stated. "This action completely closed the city to outside visitors in order to stop the spread of COVID-19 to and from the community from May 1-10."

That response did not include a statement of financial losses.

"We were closed down more than anybody else," Bonaguidi said. "All our businesses were closed down for nine weeks, ten weeks."

Still, Bonaguidi acknowledged that the statement the city was open, may have been misinterpreted by the state Legislative Finance Committee, costing the city money.

Rep. Lundstrom, who is vice chair of the LFC, said Gallup was woefully mishandled by the State of New Mexico.

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"My opinion," she said, "I don't think the state was clear on the criteria."

Lundstrom said the questions were broadly written and there was very little time to fill out the application.

In the *Gallup Sun* Sept. 4 issue, *Grants to support local governments* article, Muñoz said the cost alone to reimburse the Gallup Police Department from Jan. 1 to Dec. 31 would amount to roughly \$3.5 million, but the city only received a little over \$918,500 in CARES Act funding in total.

In the application itself, GPD expenditures were listed as more than \$20,000 for staffing the NCI detox facility and over \$15,000 for staffing lockdown checkpoints.

Also listed under the Public Health & Safety section of the application, was the cost of providing emergency meals and meal deliveries to the at-risk senior population (over \$14,000) and the anticipation of more than \$150,000 in COVID-19 sick leave expenses between March and December.

Lundstrom said when it came to police department expenses, the criteria was unclear on the point of whether it was acceptable to include a city's entire police force budget on the application.

Now it's considered okay to do that, she said.

There was also a requirement for receipts to prove the money was needed.

The application stated: Please note that copies of documents for reimbursement (proof of payment/invoice/receipts) will be required. This information is necessary for audit purposes, as

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the State of New Mexico will be responsible for verifying to the federal government that funds were used for COVID-19 related expenses.

But Lundstrom didn't know which receipts were being requested — the receipts for the COVID period, or the receipts for the entire year. She also wasn't sure when the receipts were to be turned in.

"I think our city got the short end of the deal and I don't like it," she said. "One county got a quarter of the [CARES Act] money. Santa Fe County ... that doesn't fly with me ... they didn't have one-tenth the COVID cases we had."

An LFC meeting is scheduled for Sept. 30 and Lundstrom said her intention is to drill down on these issues.

"I think I'll get clearer on the 30th," she said.

She also believes more money could become available after the meeting, but not until November, and not without receipts.

"By then we'll have our receipts ready to go," she said.

Regarding the CARES Act funding for small businesses, Lundstrom thinks the amount Gallup received was completely disproportionate. But that money won't be under discussion Sept. 30.

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