



Article 394

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Character and Teamwork Keep Bus Company in the Family

By Matt Loehman, Development and Special Projects Coordinator, The Loan Fund

The Silver City economy was thriving in 1996 when Christina Montoya bought her family's bus company from her parents and continued its contract with the Cobre Consolidated School District to transport students. In 2001, Montoya approached The Loan Fund for money to finance the replacement of two of Montoya Transportation's older buses.

When two Silver City bus companies announced they were looking for buyers, Montoya secured a loan with local AMBank to buy both fleets and assume their contracts with Silver City schools.



But just as Montoya's business was expanding, the local economy contracted. Starting in 2002, hundreds of mine workers left town after massive layoffs at the Chino copper mine — the area's largest employer. School enrollment shrank, leaving Montoya with lots of buses but fewer young passengers.

"It was a struggle to make it every month," Montoya recalled of those years when she was supporting six children on a shrinking paycheck. "There were times I had nothing left over."

Persistence and Partnerships

Montoya huddled with AMBank and her accountant, William Knuttinen of Morones & Knuttinen LLC, to craft a strategy to save the business that had been in her family since her grandfather started it in 1925. Many members of the AM board of directors knew her father, Montoya said. "They knew he was good at paying his loans off early and was never late on a payment," a practice she continued even before the restructuring request. Based on Christina's character and her previous good repayment record, AMBank was willing to re-structure her payments to a more manageable level.

The Loan Fund was then able to take the lead on the funding of buses that needed to be replaced over the ensuing years. School buses must be replaced every 12 years for safety reasons. Over the last 13 years, The Loan Fund has provided replacement school bus funding in excess of \$1 million. "The Loan Fund has been a lifesaver," said Montoya. "They kept me afloat."

Loan officer Cathy Sorenson of The Loan Fund said, "The partnership between Christina Montoya, William Knuttinen, AMBank, and The Loan Fund was collaboration in its very best

form. In my 30 years of lending, I've never had anyone who exemplifies more than Christina Montoya the essential personal traits of good character, perseverance, and commitment that every business owner should demonstrate in order to be successful."

Better Days

Montoya continues to work with The Loan Fund to finance new buses as needed. Today her company is the largest bus company in the Silver City/Bayard area, with 16 full-time and five part-time employees. When Freeport McMoRan restarted mine operations in 2011, Montoya's buses resumed shuttling the children of mine employees back and forth to school. Today Montoya's buses safely transport more than 2,000 students per day.

Clients like Montoya exemplify the mission of The Loan Fund, a community development financial institution that helps entrepreneurs, business owners and nonprofits secure the loans, training and consultation they might be unable to obtain through traditional lending sources. For more information about The Loan Fund, call (505) 243-3196 or visit www.loanfund.org.

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