

New Mexico Counties

Advancing Counties through Service, Education, Advocacy and Leadership



NEW MEXICO COUNTY INSURANCE AUTHORITY

Board of Directors Meeting

March 13, 2024, 8:00 a.m

**NMC Office
444 Galisteo Street
Santa Fe, NM 87501**

Serving New Mexico's Counties for More than 75 Years

**New Mexico Counties
444 Galisteo Street
Santa Fe, NM 87501
1-877-983-2101
505-983-2101
www.nmcounties.org**

Harnessing the winds of change...

Our Mission

The NMCI insurance Pool delivers superior, comprehensive and sustainable insurance and risk management services to New Mexico counties with a culture focused on leadership, innovation and integrity to save counties money and keep their citizens & employees safe

We collaboratively partner with our members through...

- Flexible and affordable insurance programs
- Efficient claims processing with specialized services
- Targeted education
- Advocacy for good legislation
- Strategic partnerships
- Comprehensive loss prevention services
- Legal bureau
- Networking opportunities
- Sound technology platforms
- Diversification of our membership
- Consistent communication

Our Bold Steps

- Hold member NMCI workshops at summer conference & district meetings
- Perform Capital Adequacy Assessment process
- Articulate our core values & mission
- Educate board about the Captive & discuss strategy
- Create a comprehensive history archive & condensed version
- Develop a communication & marketing plan
- Develop a plan to approach non-county entities
- Change process to elect board members earlier
- Develop a member services strategy
- Develop an internal succession plan

Our Vision

It's 2025 and...

- We anticipate & adapt to changes, are responsive to our members' needs and provide innovative education for members, board and staff
- Our growing membership value their ownership of the pool, are invested in NMCI's long term success & meet their responsibilities
- We are financially stable and invest our growing capital to meet the coverage needs of our members over the long term
- Our board and staff equip future leaders to steer NMCI forward, informed by our history and core values

2022 NMCI Board Retreat



**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 1.	<u>Item Title:</u> Call to Order /Roll Call / Pledge of Allegiance/ Introductions
<u>Presenter (s):</u> Lance Pyle, Chair Cynthia Stephenson, Risk Management Specialist	
Call to order time:	



NMCIA Board of Directors 2024

Officers

Chair	Vice-Chair	NMC Representative
Lance Pyle <i>Curry County Manager</i> 417 Gidding, Suite 100 Clovis, NM 88311 Work (575) 763-6016 Cell (575) 799-1405 lpyle@currycountynm.gov	Gregory S. Shaffer <i>County Manager</i> 142 Palace Ave., 3 rd Floor Santa Fe, NM 87504 Work 505-986-6200 gshaffer@santafecountynm.gov	Michael Meek <i>County Commissioner</i> 1500 Idalia Rd., Building D Bernalillo, NM 87004 Work (505) 414-6147 Cell (505) 999-7844 mmeek@sandovalcountynm.gov

GROUP I, GEOGRAPHICAL DIRECTORS

Term Expires 1/2025

NORTHWEST	NORTHEAST	SOUTHWEST
Jhonathan Aragon <i>Valencia County Commissioner</i> PO Box 1119 Los Lunas, NM 87031 Home: (505) 916-0538 Cell: (505) 610-0870 jhonathan.aragon@co.valencia.nm.us Cibola, Los Alamos, McKinley, Rio Arriba, Taos, Torrance, Valencia	Lance Pyle <i>Curry County Manager</i> 417 Gidding, Suite 100 Clovis, NM 88311 Work (575) 763-6016 Cell (575) 799-1405 lpyle@currycountynm.gov Colfax, Curry, Guadalupe, Harding, Mora, Quay, San Miguel, Union	Charlene Webb <i>Grant County Manager</i> PO Box 898 Silver City, NM 88062 Work (575) 574-0008 Cell (575) 574-8675 cwebb@grantcountynm.gov Catron, Grant, Hidalgo, Luna, Sierra, Socorro

SOUTHEAST
Amber Hamilton <i>Roosevelt County Manager</i> 109 W. 1 st Street Portales, NM 88130 Work (575) 356-5307 Cell (575) 607-5797 ahamilton@rooseveltcountry.com Chaves, De Baca, Eddy, Lea, Lincoln, Otero, Roosevelt

GROUP II, CLASS A DIRECTORS

Term Expires 1/2024

BERNALILLO	BERNALILLO	DOÑA ANA
Lisa Sedillo-White <i>Deputy County Manager for General Services</i> 415 Silver SW Albuquerque, NM 87102 Work (505) 468-7013 Cell (505) 264-9440 lswhite@bernco.gov	Shirley Ragin <i>Deputy County Manager for Finance</i> 415 Silver SW Albuquerque, NM 87102 Work (505) 468-7308 Cell (505) 250-4621 sragin@bernco.gov	Diana Murillo <i>County Commissioner</i> 875 N. Motel Blvd. Las Cruces, NM 8807 Work (915) 352-5238 dmurillo@donaanacounty.org
SAN JUAN	SANDOVAL	SANTA FE
Cynthia Singleton <i>Claims Manager</i> 100 South Oliver Drive Aztec, NM 87410 Work (505) 334-4509 Cell (505) 419-6059 cynthia.singleton@sjcounty.net	Michael Meek <i>County Commissioner</i> 1500 Idalia Rd., Building D Bernalillo, NM 87004 Work (505) 414-6147 Cell (505) 999-7844 mmeek@sandovalcountynm.gov	Gregory S. Shaffer <i>County Manager</i> 142 Palace Ave., 3 rd Floor Santa Fe, NM 87504 Work (505) 986-6200 gshaffer@santafecountynm.gov

GROUP III, POPULATION DIRECTORS

Term Expires 1/2024

SMALL COUNTY	MID-LEVEL-LOW COUNTY	MID-LEVEL-HIGH COUNTY
Brandy Thompson <i>Union County Manager</i> 200 Court St. / PO Box 430 Clayton, NM 88415 Work (575) 374-8896 ext. 4 Cell (575) 207-8896 brandy.thompson@unionnm.us Catron, Colfax, De Baca, Guadalupe, Harding, Hidalgo, Mora, Quay, Sierra, Torrance and Union	Kate Fletcher <i>Cibola County Manager</i> 700 Roosevelt Ave., Suite 50 Grants, NM 78020 Work (505) 285-2590 Cell (505) 285-8052 kate.fletcher@co.cibola.nm.us Cibola, Grant, Lincoln, Los Alamos, Luna, Roosevelt, San Miguel, Socorro and Taos	Danny Monette <i>Valencia County Manager</i> 444 Luna Ave. Los Lunas, NM 87031 Work (505) 866-2014 danny.monette@co.valencia.nm.us Chaves, Curry, Eddy, Lea, McKinley, Otero, Rio Arriba and Valencia

EX Officio Directors

President	President Elect	Attorney Affiliate Representative
Mark Cage <i>Eddy County Sheriff</i> 101 Green St. Carlsbad, NM 88220 Work: (575) 887-7551 Ext 7002 Cell: (575) 200-7498 mcage@co.eddy.nm.us	Annie Hogland <i>Curry County Clerk</i> 417 Giddings St. Clovis, NM 88101 Work: (575) 763-5591 Cell: (505) 918-7533 ahogland@currycounty.org	Michael Eshleman <i>Sandoval County Attorney</i> 1500 Idalia Rd. Bernalillo, NM 87004 Work: (505) 404-5812 meshleman@sandovalcountynm.gov

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 2.	<u>Item Title:</u> Approval of Agenda
<u>Presenter (s):</u> Lance Pyle, Chair	
<div style="display: flex; justify-content: space-between; margin-top: 10px;"><div>Motion by:</div><div>Seconded by:</div></div>	



**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

March 13, 2024, 8:30 a.m. *

In Person

NMC Santa Fe Office
444 Galisteo St.
Santa Fe, NM 87501

AGENDA

* In accordance with the New Mexico Open Meetings Act, the New Mexico County Insurance Authority Board of Directors (NMCIA Board) may recess and reconvene this meeting on March 14, 2024, at 8:30 a.m. If the NMCIA Board does, in fact, recess and reconvene this meeting, notice of the date, time, and place of the reconvened meeting will be posted (1) on or near the door of the place where the original meeting was held (if any); (2) at New Mexico Counties' offices (444 Galisteo Street Santa Fe NM 87501); and (3) on New Mexico Counties' website (<https://www.nmcountries.org/services/insurance>).

If the NMCIA Board completes the agenda on March 13, 2024, it will not meet on March 14, 2024.

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|--|----------------|--------|
| 1. Call to Order / Roll Call / Pledge of Allegiance / Introductions | Lance Pyle | Pg. 3 |
| 2. Approval of Agenda | Lance Pyle | Pg. 7 |
| 3. Approval of Minutes of December 21, 2023 | Lance Pyle | Pg. 10 |
| 4. Board Action Items | | |
| A. Elect NMCIA Officers (Chair, Vice Chair, NMC Rep) | Lance Pyle | Pg. 16 |
| 5. 8:45 a.m. Executive Session – Pending and Threatened Litigation for Bernalillo, Dona Ana and Santa Fe Counties Per New Mexico Open Meetings Act 10-15-7-H(7) | Lance Pyle | Pg. 17 |
| 6. Board Discussion | | |
| A. October 9-10 Board Meeting and Retreat Location Options | Taylor Horst | Pg. 18 |
| B. July 22-25 CRL Pool Board Governance Conference Attendees (Louisville, KY) | Taylor Horst | Pg. 19 |
| 7. Board Presentations | | |
| A. Executive Director Update | Joy Esparsen | Pg. 25 |
| B. Gallagher Update | John Chino | Pg. 39 |
| C. Financial Reports | Richard Garcia | Pg. 40 |
| D. Discuss Capital Adequacy Assessment and Fund Balance | Taylor Horst | Pg. 56 |

8. Board Action Items

A. Approve Revised Capital Adequacy Assessment Funding	Taylor Horst	Pg. 62
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9. Board Reports

A. Legal Bureau Update	Grace Philips	Pg. 63
B. Risk Management Update	Taylor Horst	Pg. 64
C. Loss Prevention Update	Greg Rees	Pg. 76
D. Workers' Compensation Update	Kamie Denton	Pg. 84
E. Multi-Line Update	Robin Martinez	Pg. 102
F. CRL Update	Taylor Horst	Pg. 107
G. NMCRé Update	Taylor Horst	Pg. 125

10. Other Business

Lance Pyle	Pg. 130
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11. Adjournment

Lance Pyle	Pg. 131
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**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 3.	<u>Item Title:</u> Approval of Minutes of December 21, 2023
<u>Presenter (s):</u> Lance Pyle, Chair	
<div style="display: flex; justify-content: space-between; width: 80%; margin-left: 20px;"><div>Motion by:</div><div>Seconded by:</div></div>	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING**

December 21, 2023, 8:00 a.m.

Hotel Encanto
705 S. Telshor Blvd.
Las Cruces, NM 88011

MINUTES

Call to Order/Pledge of Allegiance/Roll Call/Introductions

Chair Lance Pyle called the meeting to order at 8:03 a.m. Cynthia Stephenson called the roll and announced that a quorum was not present.

Board Members Present

Jhonathan Aragon, NMC President, Valencia County Commissioner
Michael Eshleman, Attorney Affiliate Representative
Amber Hamilton, Roosevelt County Manager
Michael Meek, Sandoval County Commissioner
Danny Monette, Valencia County Manager
Lance Pyle, Chair, Curry County Manager
Shirley Ragin, Bernalillo Deputy County Manager of Finance
Shannon Reynolds, Dona Ana County Commissioner
Lisa Sedillo-White, Bernalillo Deputy County Manager of General Services
Gregory S. Shaffer, Vice Chair, Santa Fe County Manager
Brandy Thompson, Union County Manager
Charlene Webb, Grant County Manager

Board Members Absent/Excused

Mark Cage, NMC President Elect, Eddy County Sheriff
Kate Fletcher, Cibola County Manager
Cynthia Singleton, San Juan County Claims Manager

NMC Staff Present

Richard Garcia, Finance Director
Taylor Horst, Risk Management Director
Brandon Huss, Legal Bureau Chief
Trish Lovato, RM Data Analyst
Greg Rees, Loss Prevention Manager
Cynthia Stephenson, Risk Management Specialist

Guests Present

John Chino, Area Vice President, Gallagher
Nasreen Kopecky, Account Manager, Gallagher
Steven Mauer, Dona Ana County Risk Manager
Diana Murillo, Dona Ana County Commissioner
Carol Ritchie, Felker, Ish, Ritchie, Greer & Winter, P.A.

Approval of Agenda

Amber Hamilton made a motion to approve the agenda and Danny Monette seconded the motion, which passed unanimously.

Approval of Minutes of October 11 and November 13, 2023

Amber Hamilton made a motion to approve the October 11 and November 13, 2023 minutes and Shirley Ragin seconded the motion, which passed unanimously.

Board Action Items

Approval of 2024 Coverage Agreement

Amber Hamilton made a motion to approve the 2024 Coverage Agreement and Danny Monette seconded the motion, which passed unanimously. Greg Shaffer inquired about listing reinsurance limits in the agreement. Greg Shaffer made a motion to reconsider the motion and Amber Hamilton agreed. After further discussion, Greg Shaffer made a motion to approve the 2024 coverage agreement with directive to staff to have coverage counsel review and give an opinion on listing reinsurance limits and aggregates in the agreement. Danny Monette seconded the motion, which passed unanimously.

Approve 2024 Property Coverage Agreement

Taylor Horst presented two changes to the property coverage agreement. Amber Hamilton made a motion to approve the 2024 Property Coverage Agreement and Charlene Webb seconded the motion, which passed unanimously.

Approve 2024 Multi-Line and Law Enforcement Reinsurance and Other Coverage

Taylor Horst presented captive reinsurance options, noting no change to reinsurance coverage offered by New Mexico County Reinsurance Inc. (NMCRe) for Law Enforcement and proposing \$2 million in Multi-Line coverage at the \$1 million attachment point, reducing the Pool's self-insured retention (SIR) from \$2 million to \$1 million, explaining NMCI's risk is low. Taylor clarified for members NMCI would cover \$3 million per claim up to \$5 million after the reinsurance layer is exhausted, leaving coverage limits unchanged from 2023. Brandy Thompson made a motion to approve option 1 of \$1MM excess \$1MM for Multi-Line reinsurance provided by NMCRe and Shirley Ragin seconded the motion, which passed unanimously. Charlene Webb made a motion to approve Law Enforcement reinsurance provided by NMCRe and Amber Hamilton seconded the motion, which passed unanimously.

John Chino presented other coverage renewal quotes including cyber, crime and flood. Greg Shaffer made a motion to approve all other coverages and Amber Hamilton seconded the motion, which passed unanimously.

Approve 2024 Multi-Line and Law Enforcement Contributions

Greg Shaffer made a motion to approve option 1 of the Multi-Line contribution options presented by Taylor Horst and Jhonathan Aragon seconded the motion. Chair Lance Pyle called for a roll call vote: Shirley Ragin (no), Amber Hamilton (yes), Danny Monette (yes), Charlene Webb (yes), Brandy Thompson (yes), Shannon Reynolds (no), Lisa Sedillo-White

(no), Jhonathan Aragon (yes), Mike Meek (no), Greg Shaffer (yes), Lance Pyle (yes). The motion passed.

Shirley Ragin made a motion to approve option 4 of the Law Enforcement contribution options and Shannon Reynolds seconded the motion. Chair Lance Pyle called for a roll call vote and the motion passed unanimously.

Approve 2024 Budget

Danny Monette made a motion to approve the 2024 budget and Amber Hamilton seconded the motion

Approve Capital Adequacy Policy

Brandy Thompson made a motion to approve the capital adequacy policy and Shirley Ragin seconded the motion, which passed unanimously.

Approve 2024 Assessment for Capital Adequacy Levels

Taylor Horst reviewed with members a three-year and five-year capital adequacy funding plan with members, noting the finance committee had met and reviewed the options. He indicated that \$10 million is needed to meet the threshold established in the policy. Greg Shaffer indicated the plan as approved and recommended by the finance committee is based on exposure and the underwriting committee discussed if the funding is based on contributions, then all aspects are considered. Amber Hamilton stressed the importance of board members explaining the plan to members. Taylor indicated staff will send invoices in April or May and will get personalized letters to board members one or two months prior. Shannon Reynolds made a motion to approve the five-year funding plan as presented and to invoice members separately each year. Shirley Ragin seconded the motion, which passed unanimously.

Approve Procurement of Policy Development Tool for Sheriff Offices

Greg Rees let members know he met with sheriffs regarding their interest in using the tool and had positive feedback from all, as the tool will help them keep on top of changing laws and updates to their policies and procedures. Amber Hamilton made a motion to approve the tool and Lisa Sedillo-White seconded the motion, which passed unanimously. Greg Shaffer was not present for the vote.

Executive Session – Pending and Threatened Litigation for Bernalillo, Eddy and Quay Counties Per New Mexico Open Meetings Act 10-15-7-H(7)

Amber Hamilton made a motion to go into executive session to discuss pending litigation in accordance with the Open Meetings Act 10-15-7-H(7) for Bernalillo, De Baca, Quay and Valencia Counties. Shirley Ragin seconded the motion, which passed via a roll call vote: Jhonathan Aragon, Lance Pyle, Charlene Webb, Amber Hamilton, Lisa Sedillo-White, Shirley Ragin, Shannon Reynolds, Michael Meek, Greg Shaffer, Brandy Thompson and Danny Monette. Lance Pyle certified that the only things discussed were pending and threatened litigation for Bernalillo, De Baca, Quay and Valencia Counties in accordance with the Open Meeting Act. Amber Hamilton made a motion to come out of executive session and Jhonathan Aragon seconded the motion. Amber Hamilton made a motion to authorize the amounts as discussed by the Board in cases 2023-12-1, 2023-12-2, 2023-12-3 and 2023-12-4 and Shirley Ragin seconded the motion, which passed unanimously.

Board Presentations

Executive Director Report

Joy Esparsen was not present at the meeting. Taylor Horst let the board know that Talia Storch had left the organization and staff was working on legislative committees. Richard Garcia said staff is getting ready for the January Legislative Conference and that the New Mexico Municipal League would rent space in NMC's Albuquerque office. He said NMC is seeking a new tenant for the Santa Fe office and has all permits for small construction to be done with exterior egress.

Lance Pyle introduced Diana Murillo, Dona Ana County Commissioner who will take Shannon Reynold's place on the Board, noting she is also the mayor of the City of Anthony. He also introduced Dona Ana County Risk Manager Steven Mauer, also present at the meeting, both having recently arrived.

Financial Reports

Richard Garcia presented the NMCIA October 31, 2023, unaudited financials. Total current assets are down, at \$12 million from \$29.1 million the prior year. Richard noted he moved cash and cash equivalents into bonds, resulting in the decrease. Total assets for the same period increased from \$100.7 million to \$118.8 million. The total net position increased from \$41.9 million to \$42.9 million. The budget statement indicates income at 85% at \$30.5 million with total expenses at 85% at \$32.9 million. Total investments in the period were \$84.4 million with an unrealized loss of \$9.2 million.

Board Action Items

Approve NMCIA Board 2024 Open Meetings Act Resolution

Amber Hamilton made a motion to approve the 2024 Open Meetings Act Resolution and Danny Monette seconded the motion, which passed unanimously. Greg Shaffer was not present for the vote.

Board Reports

Legal Bureau Update

Grace Philips was not present at the meeting.

Risk Management Update

Taylor Horst referred to a law enforcement article in the meeting book and reviewed the findings of an independent claims audit performed on Multi-Line and Law Enforcement claims. He then presented the loss ratio summaries as of November 30, 2023, noting the Law Enforcement 10-year average of 100.35% with a few more members in the red than is normal. Chair Lance Pyle asked Taylor to touch on this at the NMCIA annual membership meeting in January. Taylor indicated the Multi-Line loss ratios are now presented with property broken out separately to provide more visibility.

Loss Prevention Update

Greg Rees summarized for members a memo in the book detailing the 2023 COPS grant spending plan for the \$58,611 award. He noted the funding will continue to support the Law Enforcement Accreditation Program, noting that Lea, Otero, Chaves, Eddy, Dona Ana, Santa Fe and Sandoval have applied for and are working towards accreditation. He indicated the program was previously managed by the New Mexico Municipal League and Valencia County is the only accredited sheriff office.

Workers' Compensation Update

Kamie Denton was not present at the meeting. Taylor Horst noted all Workers' Compensation members are enrolled in the Company Nurse program and that since inception of the Pool, NMCI has handled more than 27,000 claims with \$166 million incurred.

Multi-Line Update

Robin Martinez was not present at the meeting. Taylor Horst stated the volume of claims has been very heavy in the past couple of months, noting new hire Tara Veretto handles more than 100 claims. He added there are no vacancies in the department.

CRL Update

Taylor Horst reminded members that 17 associations are members of CRL, receiving at least one line of coverage and that NMCI receives workers' compensation and property, noting that the Multi-Line program was non-renewed years ago for liability. He stated the Pool paid a 66% increase in property premium, noting NMCI is a member of the CRL Property Plus program which is the second layer of reinsurance with \$154 million in assets. He stated the market did not want to attach below \$25 million and the Property Plus program fills that gap, noting CRL attached years ago at \$2 million.

NMCI Re Update

Taylor Horst let members know the captive board of directors met that Tuesday, December 19 via Zoom. He said the IRS private letter ruling stated the captive is not required to pay federal income tax. He said Gallagher Re is helping to market the captive to find a reinsurance partner and that three companies may submit a proposal for a three-year term. He stated he moved the checking account from UBS to Wells Fargo which streamlined the check-writing process and puts that account at the same institution as the invested funds.

Other Business

Lance Pyle stated there were incomplete or no reports from staff members and asked Taylor Horst to address the issue.

Adjournment

Amber Hamilton made a motion to adjourn the meeting and Danny Monette seconded the motion. The meeting was adjourned at 12:35 p.m.

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> <p style="text-align: center;">4.A.</p>	<u>Item Title:</u> Elect NMCIA Officers (Chair, Vice Chair, NMC Rep)
<u>Presenter (s):</u> Lance Pyle, Chair	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Chair Motion by:</p> <p>Vice Chair Motion by:</p> <p>NMC Rep Motion by:</p> </div> <div style="width: 45%;"> <p>Seconded by:</p> <p>Seconded by:</p> <p>Seconded by:</p> </div> </div>	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> <p style="text-align: center;">5.</p>	<u>Item Title:</u> Executive Session – Pending and Threatened Litigation for Bernalillo, Dona Ana and Santa Fe Counties, Per New Mexico Open Meetings Act 10-15-7-H(7)						
<u>Presenter (s):</u> Lance Pyle, Chair							
<p>A motion may be made to go into Executive Session to discuss pending and threatened litigation in accordance with the Open Meetings Act.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> Motion In by: Roll Call Vote </td> <td style="width: 50%; vertical-align: top;"> Seconded by: </td> </tr> <tr> <td style="vertical-align: top;"> Motion Out by: </td> <td style="vertical-align: top;"> Seconded by: </td> </tr> <tr> <td style="vertical-align: top;"> Certified by: </td> <td style="vertical-align: top;"> ... that the only thing discussed was pending and threatened litigation </td> </tr> </table>		Motion In by: Roll Call Vote	Seconded by:	Motion Out by:	Seconded by:	Certified by:	... that the only thing discussed was pending and threatened litigation
Motion In by: Roll Call Vote	Seconded by:						
Motion Out by:	Seconded by:						
Certified by:	... that the only thing discussed was pending and threatened litigation						
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Motion by:	Seconded by:						

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 6.A.	<u>Item Title:</u> October 9-10 Board Meeting and Retreat Location Options
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 6.B.	<u>Item Title:</u> July 22-25 CRL Pool Board Governance Conference Attendees (Louisville, KY)
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	

Tentative Schedule for 2024 CRL Pool Board Governance Conference

County Reinsurance, Limited
Pool Board Governance Conference
Monday, July 22nd - Thursday, July 25th, 2024
The Seelbach Hilton Hotel, 500 Fourth Street, Louisville, KY 40202

Schedule of Events Overview

Monday, July 22nd - Opening Reception

6:00 PM - 8:00 PM Opening Reception – The Oakroom

Tuesday, July 23rd - General Sessions

6:00 AM – 8:00 AM Breakfast Buffet

8:00 PM – 12:00 PM General Sessions

Wednesday, July 24th – Breakout Sessions, Keynote and General Sessions

6:00 AM – 8:00 AM Breakfast Buffet

8:00 AM – 10:00 AM Breakout Sessions

10:00 AM – 10:30 AM Morning Break - Foyer

10:30 AM – 12:00 PM General Session

12:00 PM – 2:00 PM Lunch/Break

2:00 PM – 3:30 PM Keynote Speaker

3:30 PM – 4:15 PM Afternoon Break - Foyer

4:15 PM – 5:00 PM General Session

Reception and Dinner

6:00 PM – 7:00 PM Reception – The Rathskeller

7:00 PM – 9:00 PM Dinner – The Rathskeller

Thursday, July 25th - Departures

**Please note that this is a tentative agenda and subject to change.*

Rooms and locations are subject to change.

Individual Options to Explore Kentucky

Activities in Louisville:

Kentucky Derby Museum – 704 Central Avenue

Ph: 502-637-111; Hours: M-S 9-5; Sun 12-5

Website: derbymuseum.org

Louisville Mega Cavern – 1841 Taylor Avenue

Ph: 877-614-6342

Website: louisvillemegacavern.com

Museum Row

Muhammad Ali Center – 144 N. 6th Street

Ph: 502-584-9254

Website: alicenter.org

Frazier History Museum – 829 W. Main Street

Ph: 502-753-5663

Website: fraziermuseum.org

Louisville Slugger Museum & Factory – 800 W Main Street

Ph: 877-775-8443

Website: sluggermuseum.com

Mint Julep Tours – 210 W. Liberty Street

Ph: 502-583-1433

Website: sluggermuseum.com

Kentucky Bourbon Boys – Pickup and Dropoff from the Seelbach Hotel

Ph: 502-777-0761

Website: kentuckybourbonboys.com

Whiskey Row (7distilleries)

Angel's Envy

Evan Williams

Kentucky Peerless

Michter's

Old Forester

Rabbit Hole

Copper & Kings

Food Tours

Multiple options of different walking tours

Website: louisvillefoodtours.com

Individual Options to Explore Kentucky

Activities Outside of Louisville:

Distillery tours:

Distillery	City	Tour prices	Website	How far away	When should you book
Heaven Hill	Bardstown	\$18-\$40	heavenhilldistillery.com	42 miles / 50 minutes	90 days out
Maker's Mark	Loretto	\$24-\$220	makersmark.com	60 miles / 1 hr 15 minutes	60 days out
Woodford Reserve	Versailles	\$25 - \$500	woodfordreserve.com	60 miles / 1 hour	90 days out
Buffalo Trace	Frankfort	\$0 - \$239	buffalotrace.com	56 miles / 1 hr	Dates released weekly on Wednesdays eight weeks out
Castle & Key	Frankfort	\$30 - \$500	castleandkey.com	60 miles / 1 hr	Closed on Tuesdays
Four Roses	Lawrenceburg	\$16 - \$380	fourrosesbourbon.com	60 miles / 1 hr	Closed on Tuesdays
Wild Turkey	Lawrenceburg	Contact for pricing	wildturkeybourbon.com	60 Miles / 1 hr	Closed on Tuesdays
Bluegrass Distillers	Lexington	\$10 - \$15	bluegrassdistillers.com	77 miles / 1 hr. 15 minutes	
Jonabell Farm	Lexington	\$34.50	darleyamerica.com	74 miles / 1 hr 15 minutes	Closed on Tuesdays
Three Chimneys Farm	Versailles	\$15 - \$30	threechimneys.com	67 Miles / 1 hr, 10 minutes	Any time

All Inclusive Coordinated Tour Options – Contact Lisa Lopez to Schedule

Below are the options that each pool may want to consider as they determine how to spend their **free time** during the Conference. This is not a CRL or CRL Pool Board Governance Conference event. We are offering this information as a courtesy and with enough advanced notice for those interested to meet the very tight deadlines.

Bourbon Tours (bourbontours.com) is offering four options for groups of 20 or more. They were the most responsive vendor and they provided the most comprehensive options, which includes roundtrip chauffeured transportation with driver gratuity; a boxed Lunch; soft drinks, waters, and various snacks en-route, and the actual tour tickets at the selected spots. The prices below are quoted based upon volume discounts, which means the minimums must be met to keep the cost lower.

The four tours offered are (1) **Woodford Reserve** – 40 ppl , (2) **Maker's Mark** – 20 ppl, (3) **Horse Farm** - 30 ppl and (4) **one other bourbon tour** since Jim Beam is closed on Tuesdays (one of the following: Buffalo Trace, Stitzel Weller, Castle and Key, Willett or Heaven Hill) – 48 ppl.

For it to be cost effective at all, you will have to have a 20 person MINIMUM.

The sweet spot to get the \$175 per person rate that was quoted will be if at least 61 people sign up.

Full Pricing Breakdown:

Minimum 20 people = \$235 per person
21-40 people = \$220per person
41-60 people = \$200 per person
61-100 people = \$175 per person
101 plus people = \$150 per person

***These prices reflect winter savings rates for the slower limo season and will be 15% higher if booked after February 28, 2024.**

Also, there is a 50%, NON REFUNDABLE DEPOSIT (for any reason on the client's end) ASAP, equal to either the monies of AT LEAST 45 people booking, (which is \$9,000), BEFORE they can guarantee that the amount of vehicles and tours listed for the full amount of people (138) can actually be secured, OR, if it is decided that there is a lesser amount of people signing up, then the deposit needs to be 50% of that number of people. The remaining 50% of the first 45 people, AS WELL AS the FULL balance of ANY and ALL others over the first 45 that sign up,, will be due and payable Two (2) WEEKS PRIOR to the scheduled date of service. NO REFUNDS of any monies once collected at that 2-week prior date, unless for in the very unlikely event that bourbontours.com cannot fulfill its promised services.

If you have an interest in pursuing these options, please contact Lisa Lopez (Cell or Text (502) 819-7568 or email (lisanike24@gmail.com) and she will handle all the details.

One other item to mention, is that for each tour group going out to any of the four optional places, will also get one of these BONUS stops: 1) Jim Beam and Maker's Mark groups will have a drive by visit with a photo opportunity at Churchill Downs, 2) Woodford groups will have a scenic drive through pretty horse country with a stop at the famous inventors of bourbon balls, the Rebecca Ruth Candy Shop, and 3) the horse farm group will either do a quick stop for a bourbon or local wine tasting.

All Inclusive Coordinated Tour Options – Contact Lisa Lopez to Schedule

Lisa Lopez will personally be on site at the Seelbach Hotel before noon on Tuesday, July 23, 2024, if there is enough of a group interest to assist your members getting on the correct buses for their respective tour destinations, and making sure that they all get their boxed lunches and depart in a timely manner.

Below are comments from Lisa regarding the deposit and costs:

“As far as the deposit goes, I realize that it is a lot of money and that you probably want each individual state to pay their own portion, I can maybe get the company to let me collect a bit lesser amount, but unfortunately, until I have enough of a deposit to cover the full cost of pre purchasing all of the tour tickets and reserving the limo buses, the company will not let me do those things, and then we are at risk if two things happening... one, the larger vehicles that I need may not be available any longer(just because they are today, doesn't mean that in an hour from now they might not be rented and no longer available), and the same with the tour tickets... because you have such a limited timeframe for your attendees to go out that day, there are very few distilleries that can 1, accommodate such large groups, and 2, they only have a limited number of time slots that will even work for you, given the drive time to get there and back etc...so, it's of MAJOR importance that I am able to collect enough of a deposit ASAP to be able to go ahead and secure the vehicles and the tour times we need. We can do that by individual state, it just needs to be in as quick a fashion as we can get them.

As I stated, the vehicle prices I have been quoted to come up with these per person prices, will already be going up 15% after February 28th, and that's not my company doing that, it's the limo operators... this is their slow season, so they offer a discount to incentivize getting their vehicles booked early for summer.

Also, we cannot wait very much longer to secure the tour tickets, because the distilleries are booking up regularly more than 90 days out. It's crazy, but true. There is not enough supply for the demand, and if I get any closer than 90 days to the date, we risk the tour times being filled and no longer available.”

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 7.A.	<u>Item Title:</u> Executive Director Update
<u>Presenter (s):</u> Joy Esparsen, Executive Director	

Memorandum

Date: March 13, 2024
To: NMCA Board of Directors
From: Joy Esparsen
Re: Executive Director Update

The 2024 New Mexico Counties Legislative Conference was hosted in Santa Fe, January 15-18, 2024. This year's conference totals reflect 918 registrants and gross revenues of \$329,215. With increased costs for food and beverage, transportation, and security, anticipated net revenues are \$120,000. This conference was particularly challenging due to the December vacancy in the Conference & Events Manager position. The Administrative Services Department stepped up to fill in the gap and successfully implemented final details.

Immediately following the Legislative Conference, NMC hosted a county lobbyist meeting to include contract lobbyists for the counties, as well as several county managers. This annual meeting provides an ideal opportunity to delve further into the key initiatives for each county, discuss overarching legislative concerns, and develop a strategy for NMC priorities.

Throughout the legislative session, the NMC legislative team hosted daily meetings at 7:30 a.m. to update county members and lobbyists. Additionally, the NMC Executive Committee met weekly to review and take positions on legislation and the Board of Directors met in early February, after final bill introductions, to review and act on all relevant legislation.

NMC was very effective during the 2024 legislative session in advancing a number of appropriation priorities in House Bill 2: Appropriations Act of 2024:

- Detention & Corrections Recruitment - \$25 Million
- Firefighter & EMT Recruitment - \$25 Million
- EMS Bureau - \$11 Million (subsequent distributions to the Bureau will come from 10% of the health premium tax revenues to ensure future consistent funding)
- Courthouse Funding - \$10 Million + \$15 Million for Bernalillo County
- DoIT 700 MHz Radios - \$2.5 Million
- Detention Reimbursement Fund - \$5 million (we were not successful in securing an increase to \$7.5 million)

Other critical legislation included HB236: PERA Public Safety Return to Work, which was a prior-year priority. Although there are significant guardrails in this legislation, we anticipate that it will be helpful in addressing public safety vacancies statewide including detention and corrections officers, law enforcement, 911 dispatch, court security, CYFD investigators, etc. The final bill was supported by both the unions and the Governor, and we anticipate that it will be signed.

444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
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Fax: 505-983-4396

NMCOUNTIES.ORG

NMC pursued legislation to increase the statutory cap on elected officials' salaries that had not been increased since 2018. When the legislation was not deemed germane, NMC introduced a Constitutional Amendment SJR16: County Elected Officials Salary Cap to remove this authority from the legislature. SJR16 successfully passed both chambers and will be on the ballot in November for voter consideration.

SB148: Removal of Taxation & Revenue Administrative Fees sought to remove the 3% fee that is charged to counties and municipalities for the collection and distribution of gross receipt taxes. These fees have grown exponentially with the changes to destination sourcing and the fee to counties alone in FY23 are approximately \$26 million. Combined charges to local governments are well over \$50 million. The legislation passed both chambers with a two-year delay for implementation and a phase-out of 1% each subsequent year.

As with any legislative session, a large portion of the NMC legislative team's time is spent behind-the-scenes working to educate legislative members on problematic bills, make bad bills better, and protect overall county interests. Some of the initiatives that did not pass, but we anticipate will return next year include efforts to increase the liquor excise taxes and restructure the local DWI programs, the Paid Family Medical Leave Act, Constitutional Amendments for environmental protections, and efforts to prohibit counties from contracting with federal ICE facilities.

The majority of this year's legislative victories are still pending final signature by the Governor, possible vetoes, and successful implementation over the next few years. It was a very good year for local governments, and we are extremely grateful for the work of our county members who routinely reached out to their local legislators to share insights and explain how legislation would affect their communities. Collectively, counties have a very powerful voice!

The National Association of Counties (NACo) Legislative Conference was held February 10-13 with approximately 50 county elected officials and staff in attendance. President Biden was the featured speaker during the event along with many other congressional and federal agency leaders. New Mexico delegate events included an evening reception and Congressional breakfast. This year, there were several first-time participants from New Mexico and a renewed interest in participating in NACo's eleven steering committees. If Board members are interested in joining one of the committees, please contact Government Relations Manager Aelysea Webb at awebb@nmcountries.org.

Internal personnel changes include the hiring of a new Conference & Events Manager Isaiah Rodriguez in February. Mr. Rodriguez served as the Communications and Marketing Director for the Santa Fe Chamber for the past five years. Risk Management Director Taylor Horst announced at the end of February that he plans to retire on June 30th. In consultation with NMCI Chair Lance Pyle we will facilitate an internal search for a replacement for a two-week period before considering an external search.

The NMML has signed a lease agreement for the additional space in the Albuquerque office and anticipates moving in by the beginning of May. We have had difficulty in identifying a contractor willing to complete the interior renovations for the Santa Fe office due to the current market and small scale of the project.

NMC hosted a Zoom meeting on behalf of the Clerks' Affiliate in collaborations with the Sheriffs, Managers, Attorneys, Fire & Emergency Managers, Secretary of State, Federal Bureau of Investigation, and Department of Public Safety to discuss election security prior to the

upcoming primary and general elections. There were 145 participants and the feedback was overwhelmingly positive. It is anticipated that there will be one or two additional sessions during the summer and fall.

NMC has released the 2024-2025 Wildfire Risk Reduction Grant Program. Funding is anticipated at \$514,000 for local governments, tribal entities, and non-profits to complete Community Wildfire Protection Plan Updates, fuel reduction projects, and outreach and education activities. The deadline for applications is April 5th. For more information, please visit our website at www.nmcounties.org and click on the link for Programs.

NMC will be hosting four regional post-legislative session briefings statewide. This is an ideal opportunity to learn more about the recent legislative session and bills affecting county governments. All legislators and county members are invited to attend. To register, please visit <https://web.cvent.com/event/4a0776fd-a886-480b-9095-63ef46a636e3/summary>.

- Wednesday, March 20, 2024 - Sandoval County
- Thursday, March 21, 2024 - San Miguel County
- Wednesday, March 27, 2024 - Sierra County
- Thursday, March 28, 2024 - Chaves County

Additional Meetings & Initiatives:

NACo Legislative Conference
BLM Solar Energy Development EIS
Federal Financial Accounting and Transparency Act Reporting
Federal Lands Access Program Meeting
NM Finance Authority/Water Trust Board
NM Fire Planning Task Force
NMFA Finance & Disclosure and Public Lending Committees
NMFA Colonias Project Review Committee
NMC Annual Conference Wrap-Up
NMC Legislative Regional Meeting Logistics
NMC Senior Staff Meeting
NMCIA Claims Committee Meeting
Conference & Events Manager Hiring Process
Legislative Research & Briefing Sheet Development
Commissioners' Affiliate Banking Discussion
Origami Training

Please reach out to me if I may be of any assistance to you. I can be reached on my cell phone at (505) 660-9629 or via email at jesparsen@nmcounties.org at any time.



SJR16 — (Constitutional Amendment) County Commissioners to Determine County Officers' Salaries

Legislative Objective

New Mexico Counties supports legislation to amend Article 10, Section 1, of the New Mexico State Constitution to authorize a board of county commissioners, rather than the Legislature, to set the annual salary of county officers. Clarifies that all fees collected by a county official are to be paid into the county treasury.

History

Historically, counties have had to request legislation to raise county elected officials' salaries occurred every three to four years (1994, 1998, 2002, 2006, 2009, 2013, 2018).

2023	HB410	Raises County Officials Salaries	Passed HGEIC (6-0), HJC (9-0), Not Scheduled on House Floor
2022	HB219	Increase Elected County Officials Salaries	Passed H (66-0) S (38-0), Pocket Vetoed
2018	HB69	Increases Elected County Officials' Salary Caps	Enacted
2013	HB334	County Officials Salary Limit Increases	Enacted
2009	SB587	County Classification & Salaries	Enacted
2006	SB376	Salary Raises for Elected County Officials	Enacted
2002	SB41	Increase Elected County Officers' Salaries	Enacted

Key Points

- ♦ County official salaries are capped by statute (Chapter 4, Article 44)
- ♦ Only county officials are capped by statute, not municipalities
- ♦ The last time the cap was raised was in 2018
- ♦ Approximately 1/3 of the 33 counties are at the cap
- ♦ The Commission already determines whether to provide increases based on budgetary limitations
- ♦ 27 Assessor, Clerk, Sheriff, and Treasurer chief deputies make more than their respective elected official (\$40k+ in some cases)
- ♦ Has always been a nonpartisan issue
- ♦ Would allow the voters to decide whether or not to remove the cap

Timing is critical this year due to the General Election in 2024. If not implemented, the next increase would not be implemented until 2027.

Removing this arbitrary cap could benefit approximately 302 county elected officials over the next four years:

Assessors	33
Clerks	33
Commissioners/	137
Councilors	
Treasurers	33
Sheriffs	33
Probate Judges	33

Total County Officials	302
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**COUNTY ELECTED OFFICIALS
CAPS AMOUNTS (As of 10.2023)**

COUNTY	CLASSIFICATION	COMM CAP	COMMISS	CLERK CAP	CLERK	CLERK CHIEF DEPUTY
Bernalillo	A	\$ 39,106.00	\$ 39,105.00	\$ 86,626.00	\$ 86,625.00	\$ 116,584.00
Catron	B-Intermediate	\$ 21,534.00	\$ 17,227.00	\$ 64,844.00	\$ 51,875.00	\$ 44,093.00
Chaves	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 75,733.00	\$ 71,926.00
Cibola	B-High	\$ 30,196.00	\$ 30,195.00	\$ 75,733.00	\$ 75,733.00	\$ 68,160.00
Colfax	B-High	\$ 30,196.00	no response	\$ 75,733.00	no response	no response
Curry	B-High	\$ 30,196.00	\$ 27,059.00	\$ 75,733.00	\$ 67,870.00	\$ 67,977.00
DeBaca	B-Intermediate	\$ 21,534.00	\$ 18,720.00	\$ 64,844.00	\$ 44,033.00	\$ 38,875.00
Dona Ana	A	\$ 39,106.00	\$ 39,106.00	\$ 86,626.00	\$ 86,626.00	\$ 82,264.00
Eddy	B-High	\$ 30,196.00	\$ 26,257.00	\$ 75,733.00	\$ 75,733.00	\$ 71,946.00
Grant	B-High	\$ 30,196.00	\$ 25,334.00	\$ 75,733.00	\$ 63,585.60	\$ 60,403.00
Guadalupe	B-Intermediate	\$ 21,534.00	\$ 21,534.00	\$ 64,844.00	\$ 64,844.00	\$ 51,875.00
Harding	B-Intermediate	\$ 21,534.00	\$ 18,850.00	\$ 64,844.00	\$ 55,766.00	\$ 54,566.00
Hidalgo	B-Intermediate	\$ 21,534.00	\$ 17,873.00	\$ 64,844.00	\$ 46,968.00	\$ 39,923.00
Lea	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 75,733.00	\$ 79,148.00
Lincoln	B-High	\$ 30,196.00	\$ 27,953.00	\$ 75,733.00	\$ 70,110.00	\$ 66,604.00
Los Alamos*	H	\$ 15,844.00	\$ 15,844.00	\$ 75,733.00	\$ 75,733.00	n/a
Luna	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 66,485.00	\$ 63,170.00
McKinley	B-High	\$ 30,196.00	\$ 30,181.00	\$ 75,733.00	\$ 64,064.00	\$ 65,915.00
Mora	B-Intermediate	\$ 21,534.00	\$ 17,063.00	\$ 64,844.00	\$ 42,823.00	\$ 43,056.00
Otero	B-High	\$ 30,196.00	\$ 26,257.00	\$ 75,733.00	\$ 65,855.00	n/a
Quay	B-Intermediate	\$ 21,534.00	\$ 19,381.00	\$ 64,844.00	\$ 58,360.00	\$ 52,524.00
Rio Arriba	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 75,733.00	\$ 64,373.00
Roosevelt	B-High	\$ 30,196.00	\$ 25,115.00	\$ 75,733.00	\$ 60,125.00	\$ 55,916.00
San Juan	A	\$ 39,106.00	\$ 39,106.00	\$ 86,626.00	\$ 86,626.00	\$ 101,524.00
San Miguel	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 75,733.00	\$ 68,160.00
Sandoval	A	\$ 39,106.00	\$ 39,106.00	\$ 86,626.00	\$ 75,327.00	\$ 79,768.00
Santa Fe	A	\$ 39,106.00	\$ 39,104.00	\$ 86,626.00	\$ 86,626.00	\$ 92,186.00
Sierra	B-High	\$ 30,196.00	\$ 21,534.00	\$ 75,733.00	\$ 67,584.00	\$ 60,826.00
Socorro	B-Intermediate	\$ 21,534.00	\$ 18,392.92	\$ 64,844.00	\$ 53,394.00	\$ 45,844.00
Taos	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 75,733.00	\$ 71,947.20
Torrance	B-High	\$ 30,196.00	\$ 27,570.00	\$ 75,733.00	\$ 69,148.00	\$ 67,776.00
Union	B-Intermediate	\$ 21,534.00	\$ 20,996.00	\$ 64,844.00	\$ 61,602.00	\$ 55,442.00
Valencia	B-High	\$ 30,196.00	\$ 30,196.00	\$ 75,733.00	\$ 75,733.00	\$ 64,376.00

*Los Alamos: Council Chair salary is \$15,844 and other Councilors receive \$12,674, Assessor pay is adjusted for part time cap, no elected Treasurer per charter, Sheriff is adjusted to part time cap.

** Assessors can receive additional pay for certifications per statute

COUNTY ELECTED OFFICIALS
CAPS AMOUNTS (As of 10.2023)

COUNTY	ASSESSOR CAP	ASSESSOR**	ASSESSOR CHIEF DEPUTY	TREASURER CAP	TREASURER	TREASURER CHIEF DEPUTY
Bernalillo	\$ 86,626.00	\$ 86,625.00	\$ 116,584.00	\$ 86,626.00	\$ 86,625.00	\$ 116,604.00
Catron	\$ 64,844.00	\$ 51,875.00	\$ 44,094.00	\$ 64,844.00	\$ 51,875.00	\$ 44,094.00
Chaves	\$ 75,733.00	\$ 75,733.00	\$ 71,926.00	\$ 75,733.00	\$ 75,733.00	\$ 71,926.00
Cibola	\$ 75,733.00	\$ 75,733.00	\$ 68,160.00	\$ 75,733.00	\$ 75,733.00	\$ 68,160.00
Colfax	\$ 75,733.00	no response	no response	\$ 75,733.00	no response	no response
Curry	\$ 75,733.00	\$ 67,870.00	\$ 65,766.00	\$ 75,733.00	\$ 67,870.00	\$ 67,351.00
DeBaca	\$ 64,844.00	\$ 50,648.00	\$ 38,875.00	\$ 64,844.00	\$ 44,033.00	\$ 38,875.00
Dona Ana	\$ 86,626.00	\$ 86,626.00	\$ 82,264.00	\$ 86,626.00	\$ 86,626.00	\$ 82,264.00
Eddy	\$ 75,733.00	\$ 75,733.00	\$ 80,946.00	\$ 75,733.00	\$ 75,733.00	\$ 71,946.00
Grant	\$ 75,733.00	\$ 63,585.60	\$ 60,403.00	\$ 75,733.00	\$ 63,585.60	\$ 60,403.00
Guadalupe	\$ 64,844.00	\$ 64,844.00	\$ 51,875.00	\$ 64,844.00	\$ 64,844.00	\$ 51,875.00
Harding	\$ 64,844.00	\$ 57,063.00	\$ 55,863.00	\$ 64,844.00	\$ 55,766.00	\$ 54,566.00
Hidalgo	\$ 64,844.00	\$ 53,821.00	\$ 45,747.00	\$ 64,844.00	\$ 46,968.00	\$ 39,923.00
Lea	\$ 75,733.00	\$ 75,733.00	\$ 83,560.00	\$ 75,733.00	\$ 75,733.00	\$ 79,148.00
Lincoln	\$ 75,733.00	\$ 70,110.00	\$ 66,604.00	\$ 75,733.00	\$ 70,110.00	\$ 66,604.00
Los Alamos*	\$ 7,922.00	\$ 7,922.00	n/a	\$ 75,733.00	n/a	n/a
Luna	\$ 75,733.00	\$ 75,733.00	\$ 71,947.00	\$ 75,733.00	\$ 66,485.00	\$ 63,170.00
McKinley	\$ 75,733.00	\$ 68,723.00	\$ 58,157.00	\$ 75,733.00	\$ 64,064.00	\$ 60,320.00
Mora	\$ 64,844.00	\$ 60,388.00	\$ 46,051.00	\$ 64,844.00	\$ 42,823.00	\$ 41,600.00
Otero	\$ 75,733.00	\$ 65,855.00	n/a	\$ 75,733.00	\$ 65,855.00	n/a
Quay	\$ 64,844.00	\$ 58,360.00	\$ 52,524.00	\$ 64,844.00	\$ 58,360.00	\$ 52,524.00
Rio Arriba	\$ 75,733.00	\$ 75,733.00	\$ 64,373.00	\$ 75,733.00	\$ 75,733.00	\$ 64,373.00
Roosevelt	\$ 75,733.00	\$ 66,150.00	\$ 61,520.00	\$ 75,733.00	\$ 60,125.00	\$ 55,916.00
San Juan	\$ 86,626.00	\$ 86,626.00	\$ 104,949.00	\$ 86,626.00	\$ 86,626.00	\$ 91,915.00
San Miguel	\$ 75,733.00	\$ 75,733.00	\$ 68,160.00	\$ 75,733.00	\$ 75,733.00	\$ 68,160.00
Sandoval	\$ 86,626.00	\$ 86,626.00	\$ 84,760.00	\$ 86,626.00	\$ 75,327.00	\$ 79,773.00
Santa Fe	\$ 86,626.00	\$ 86,623.00	\$ 112,251.00	\$ 86,626.00	\$ 86,626.00	\$ 103,251.00
Sierra	\$ 75,733.00	\$ 67,854.00	\$ 60,826.00	\$ 75,733.00	\$ 67,584.00	\$ 60,826.00
Socorro	\$ 64,844.00	\$ 60,652.00	\$ 51,554.00	\$ 64,844.00	\$ 53,394.00	\$ 45,844.00
Taos	\$ 75,733.00	\$ 79,232.66	\$ 79,456.00	\$ 75,733.00	\$ 75,733.00	\$ 71,947.20
Torrance	\$ 75,733.00	\$ 69,148.00	\$ 67,776.00	\$ 75,733.00	\$ 69,148.00	\$ 67,776.00
Union	\$ 64,844.00	\$ 63,223.00	\$ 56,901.00	\$ 64,844.00	\$ 61,602.00	\$ 55,442.00
Valencia	\$ 75,733.00	\$ 75,733.00	\$ 71,947.00	\$ 75,733.00	\$ 75,733.00	\$ 64,376.00

**COUNTY ELECTED OFFICIALS
CAPS AMOUNTS (As of 10.2023)**

COUNTY	SHERIFF CAP	SHERIFF	UNDER SHERIFF	PROBATE CAP	PROBATE
Bernalillo	\$ 90,338.00	\$ 90,337.00	\$ 145,974.00	\$ 38,114.00	\$ 38,143.00
Catron	\$ 67,814.00	\$ 54,251.00	\$ 2.25	\$ 15,098.00	\$ 12,078.00
Chaves	\$ 78,952.00	\$ 78,952.00	\$ 75,005.00	\$ 26,482.00	\$ 26,478.00
Cibola	\$ 78,952.00	\$ 78,952.00	\$ 71,053.00	\$ 26,482.00	\$ 26,482.00
Colfax	\$ 78,952.00	no response	no response	\$ 26,482.00	no response
Curry	\$ 78,952.00	\$ 70,781.00	\$ 92,721.00	\$ 26,482.00	\$ 23,749.00
DeBaca	\$ 67,814.00	\$ 53,352.00	\$ 49,712.00	\$ 15,098.00	\$ 12,792.00
Dona Ana	\$ 90,338.00	\$ 90,338.00	\$ 86,683.00	\$ 38,114.00	\$ 38,114.00
Eddy	\$ 78,952.00	\$ 78,952.00	\$ 123,094.00	\$ 26,482.00	\$ 26,482.00
Grant	\$ 78,952.00	\$ 66,248.00	\$ 62,290.00	\$ 26,482.00	\$ 22,535.20
Guadalupe	\$ 67,814.00	\$ 67,814.00	\$ 51,875.00	\$ 15,098.00	\$ 15,098.00
Harding	\$ 67,814.00	\$ 59,676.00	\$ 48,000.00	\$ 15,098.00	\$ 13,286.00
Hidalgo	\$ 67,814.00	\$ 56,286.00	\$ 58,476.00	\$ 15,098.00	\$ 12,531.00
Lea	\$ 78,952.00	\$ 78,952.00	\$ 136,500.00	\$ 26,482.00	\$ 26,482.00
Lincoln	\$ 78,952.00	\$ 68,952.00	\$ 68,952.00	\$ 26,482.00	\$ 23,128.00
Los Alamos*	\$ 7,922.00	\$ 7,922.00	n/a	\$ 4,636.00	\$ 4,363.00
Luna	\$ 78,952.00	\$ 78,952.00	\$ 74,984.00	\$ 26,482.00	\$ 26,482.00
McKinley	\$ 78,952.00	\$ 70,138.00	\$ 91,379.00	\$ 26,482.00	\$ 26,478.00
Mora	\$ 67,814.00	\$ 53,741.00	\$ 52,000.00	\$ 15,098.00	\$ 15,098.00
Otero	\$ 78,952.00	\$ 68,654.00	n/a	\$ 26,482.00	\$ 23,028.00
Quay	\$ 67,814.00	\$ 61,033.00	\$ 54,929.00	\$ 15,098.00	\$ 13,588.00
Rio Arriba	\$ 78,952.00	\$ 78,952.00	\$ 67,109.00	\$ 26,482.00	\$ 26,482.00
Roosevelt	\$ 78,952.00	\$ 71,500.00	\$ 66,495.00	\$ 26,482.00	\$ 20,024.00
San Juan	\$ 90,338.00	\$ 90,338.00	\$ 132,508.00	\$ 38,114.00	\$ 38,114.00
San Miguel	\$ 78,952.00	\$ 78,952.00	\$ 71,057.00	\$ 26,482.00	\$ 26,482.00
Sandoval	\$ 90,338.00	\$ 90,338.00	\$ 91,800.00	\$ 38,114.00	\$ 38,114.00
Santa Fe	\$ 90,338.00	\$ 90,338.00	\$ 137,384.00	\$ 38,114.00	\$ 38,114.00
Sierra	\$ 78,952.00	\$ 70,829.00	\$ 67,288.00	\$ 26,482.00	\$ 18,103.00
Socorro	\$ 67,814.00	\$ 63,430.00	\$ 53,915.00	\$ 15,098.00	\$ 14,122.00
Taos	\$ 78,952.00	\$ 78,952.00	\$ 75,045.40	\$ 26,482.00	\$ 26,482.00
Torrance	\$ 78,952.00	\$ 72,164.00	\$ 80,000.00	\$ 26,482.00	\$ 24,180.00
Union	\$ 67,814.00	\$ 66,148.00	\$ 62,840.00	\$ 15,098.00	\$ 14,721.00
Valencia	\$ 78,952.00	\$ 78,957.00	\$ 86,840.00	\$ 26,482.00	\$ 26,478.00

PROJECTED FY25 LIQUOR EXCISE TAX COLLECTION

By statute (Section 7-1-6.40) 45% of the Liquor Excise Tax collected annually goes to the Local DWI Fund (Administered by DFA), \$20,750 per month goes to Class A County Municipalities with populations between 30,000—60,000, 5% to the Administrative Office of the Courts for drug courts, and the remainder of approximately 50% goes to the state General Fund.

“Liquor Excise Tax Act (Section 7-17.1-12) imposes an excise tax on wholesalers who sell alcoholic beverages.

**Liquor Excise Tax
Approximately
\$50.7 Million**

~50% to General Fund \$25.35 Million
Municipality in Class A County \$0.25 Million
5% to Administrative Office of the Courts \$2.5 Million
45% Local DWI Fund \$22.8 Million

FY 25 LOCAL DWI FUND PROJECTIONS

\$5.6 Million Initial Carve Out (Section 11-6A-3.C)

**\$2.8 Million
Detox Funding
6 Counties**

**\$600,000
LDWI Admin Fee
DFA LGD**

**\$300,000
Ignition Interlock
Indigent Fund**

**\$1.9 Million
Competitive Grant
+Reversion**

Remainder By Formula to 33 Counties

**\$17.2 Million
33 County Distribution Fund**

Detox Grants

\$1.7 million	Bernalillo County
\$300,000	San Juan County
\$300,000	Santa Fe County
\$200,000	Rio Arriba County
\$150,000	Sandoval County
\$150,000	Socorro County

FY23 Local DWI Funding Expenditures

Treatment	\$7,347,793.75	34%
Prevention	\$4,434,792.38	20%
Compliance Monitoring/Tracking	\$4,463,073.38	20%
Coordination, Planning & Evaluation	\$2,953,344.66	14%
Alternative Sentencing	\$1,839,950.61	8%
Law Enforcement	\$864,689.01	4%
Screening	\$56,549.58	0%
	\$21,960,193.37	100%

LDWI Distribution Formula New Mexico Counties DWI Affiliate Feedback

Current Limitations

- * The formula provides a set amount for the counties' distribution without an option to apply for a different amount which may be more relevant to match local gaps/needs in an individual county.
- * The formula includes outdated statistics (2000-2002)
- * 4th Quarter final distributions received, which may include additional funding above award due to TRD transfers, often result in under utilization due to year-end closures.

Recommendations

- * Eliminate the Formula
- * Open application process for true competitive application to be used for gaps and needs in new restructured components of alternative sentencing services and community wellness which includes education, recovery, aftercare services.
- * Continue to be overseen by the DFA and current DWI Grant Council with restructured guidelines to match broader reach within communities.
- * Update and restructure current guidelines to provide opportunities for broader services to include a whole person approach and community wellness.

Comments

- * Current requirement for funding— 65% of overall GRANT awarded to local communities shall be used for alcohol related treatment and detoxification programs.
- * Local programs must work in collaboration with local county health and DWI planning councils

FY23 DWI Grant Council Awards

County Grantee	Distribution Awards	Grant Awards
Bernalillo	\$5,141,062	
Catron	\$81,500	\$45,000
Chaves	\$463,048	\$52,500
Cibola	\$265,808	\$40,000
Colfax	\$115,978	\$20,000
Curry	\$279,845	\$209,100
De Baca	\$81,500	\$45,100
Dona Ana	\$1,325,944	\$200,000
Eddy	\$524,778	\$67,900
Grant	\$210,293	\$90,000
Guadalupe	\$85,711	\$75,900
Harding	\$81,500	
Hidalgo	\$81,500	\$25,000
Lea	\$526,306	\$355,000
Lincoln	\$209,526	
Los Alamos	\$81,500	\$25,000
Luna	\$172,072	\$74,500
McKinley	\$859,116	
Mora	\$81,500	\$15,000
Otero	\$357,296	
Quay	\$113,278	
Rio Arriba	\$362,096	\$370,000
Roosevelt	\$126,285	\$99,600
San Juan	\$1,186,464	\$428,000
San Miguel	\$253,743	
Sandoval	\$581,505	\$299,000
Santa Fe	\$1,456,662	
Sierra	\$97,691	\$49,000
Socorro	\$121,921	\$73,000
Taos	\$353,209	\$50,000
Torrance	\$100,827	\$95,000
Union	\$81,500	
Valencia	\$439,036	\$97,900
	\$16,300,000	\$2,901,500

Total Awards \$19,201,500

LOCAL DWI FUNDING & PROGRAMS

**9,022
individuals
currently
being monitored
in our
communities
by county DWI
programs
statewide**

Alternative Sentencing & Compliance Monitoring

All **33** counties provide alternate sentencing within their communities. These alternative programs work with specific populations and provide specialized curricula and electronic monitoring services which address the needs with more individualized care and focus and reduce incarceration. These individuals are functioning and receiving services within their communities, in lieu of sitting in the detention centers.

Our individual county programs also provide misdemeanor compliance monitoring services for DWI, alcohol involved offenses and other misdemeanor offenses. The magistrate, municipal and some district courts in the state rely on these services to ensure offenders complete their court ordered sanctions and programing while reducing recidivism. Without these programs, thousands of misdemeanants would not be supervised, and therefore, would not receive support to complete their sentencing requirements and receive rehabilitation services.

Counties also provide alternate sentencing services to domestic violence and other misdemeanor offenses with alcohol and substance use issues who receive therapy through our treatment programs

- ✓ Evidence-based supervision practices
- ✓ Risk assessments and re-assessments utilized

Many of these programs operate the county community services program which is mandatory for some offenses; however, they give the justice-involved individual an opportunity to give back to their communities.

Many county programs provide:

- * Pre-trial services giving the offender an opportunity to start receiving services in lieu of being incarcerated awaiting hearings/sentencing.
- * Victim-impact panels which provides education on the consequences of actions
- * Education classes which encourage provide high school education equivalency diplomas and continued education for the justice-involved individual
- * Teen Court Programs—Alternative sentencing and education programs for youths

Treatment and Community Wellness Services

23 counties utilize funding for treatment wellness services. Evidence-based services utilized within components with licensed/certified individuals provided to an individual and their families

- Motivational Interviewing
- Matrix Model
- Moral Reconation Therapy
- Cognitive Behavioral Therapy
- CRAFT Community Reinforcement Approach Family Training
- CSO Concerned Significant Others
- Life Skills

Counties are moving towards community wellness as a whole-person approach.

- * Expanding the amount of treatment providers and services
- * Modifying preventionist positions to community wellness coordinators in health and wellness. The coordinator can still provide DWI prevention but the move allows us to broaden our reach to more people in need of wellness and education services.
- * Case management for safety-net services to enhance our therapy services. These services assist clients to overcome shortfalls or assist with gaps/needs in their life which could keep the individual from being successful in treatment.

Community wellness education which includes:

- * Alcohol and substance use education
- * Youth risk factor reduction
- * Mentoring programs
- * Focused evidence-based curriculums and classes

CLIENT DEMOGRAPHICS

35 Average Age
70% Male
45% Hispanic
27% Native American*
79% 12 grade education
30% Income ≤ \$10,000
18% Income \$10,001 to \$20,000

**The largest ethnic group in McKinley, San Juan, and Cibola Counties*

Drug Courts/RNR Program

Many county programs work with their local drug/treatment courts to provide the actual treatment and supervision services for drug court participants.

- ✓ Risk assessments
- ✓ Case planning
- ✓ Weekly monitoring/supervision

Drug/treatment courts are not available in all counties. Justice-involved individuals who do not qualify for drug courts programming are supervised by the county programs' alternative sentencing services.

**3,804
individuals
currently
receiving
treatment
and wellness
services in
county
programs**

**There are 117 treatment providers
utilized state-wide by county programs**

71 of the total providers are county employees, cutting funding would eliminate these positions when the state already does not have enough providers.

Alcohol Detoxification & Treatment Examples

Bernalillo County Example:

Of the \$1.7 million Bernalillo receives each year, 100% is expended for personnel, benefits, and contractual services related to the operations and services provided for detox. Bernalillo County Detox Program operates a FREE 24/7 program. Through this program, an introduction to the evidence-based Community Reinforcement Approach (CRA) modality is used. Clients can stay up to (10) days and warm handoffs are provided for those who desire longer treatment. It costs Bernalillo County \$3.6 million to offer these services and the grant covers 47% of the total cost. Bernalillo County contributes the remaining funding and the required match of \$500,000. Comprehensive Services include:

- ◆ Detox services, average length of stay is 3.24 days
- ◆ In FY23, 11,007 individuals received detoxification services
- ◆ Of these, 1,164 individuals do not reside in Bernalillo County
- ◆ Of the 3,126 individuals who received short-term detox services, 933 chose to transfer to an extended detox program. Another four individuals transferred to the Supportive After-Care Program
- ◆ Supportive Aftercare Community – short-term transitional recovery housing
- ◆ Crisis Stabilization Unit for individuals experiencing behavioral health crisis
- ◆ Medical Observation and Treatment Services provided by UNM Health Sciences Center

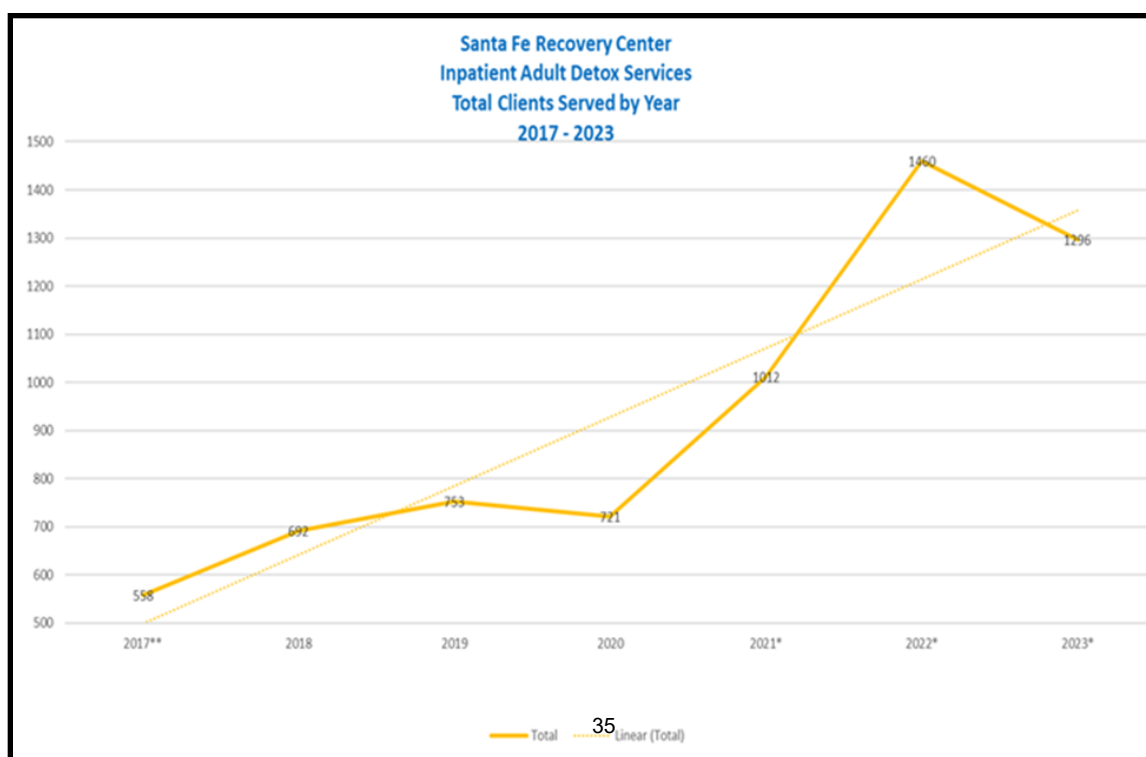
In the over 20 years of funding from this grant, Bernalillo County has not reverted any unspent funds and have not had any concerns or finding in their audits, internal or external.

Santa Fe County Example:

Santa Fe County receives approximately \$300,000 a year for detox and community services are provided through a competitive bid process:

- ◆ Currently contracted with the Santa Fe Recovery Center
- ◆ Operates out of Santa Fe County's La Sala Center in partnership with New Mexico Solutions
- ◆ Serves approximately 1,400 people a year
- ◆ Provides medically-managed detox services

Number of People Served Thru Detox at La Sala



Detoxification and Intervention Treatment Program Admissions

DWI treatment services are available for any offender convicted of a DWI or an alcohol-related offense who is sentenced by the court to the county misdemeanor compliance program. In FY23, **68%** of the DWI and Detoxification Grant funds were awarded statewide for treatment. In FY23, **2,484** offenders were referred to alcohol abuse treatment. Detoxification Grants help to fund detox or treatment services for any community member seeking assistance for alcohol abuse. The Rio Arriba, Sandoval and Socorro Detoxification Grant supports their on-going outpatient treatment sessions clients with substance abuse issues.

Education Curricula

Power of Youth
Protecting You, Protecting Me
Alive at 25
SMART Recovery
Botvin Life Skills
Power of Parents
Drivers' Ed Risky Behavior Course
Above the Influence
Envision Your Future
All Star Prevention
Too Good for Drugs
Dare to Be You
Positive Action
Keep a Clear Mind
Alcohol Literacy Challenge

Alternative Activities

Girls Circle
Boys Council
Alcohol Free Events
(prom, graduation, etc.)
Underage Prevention Committee
Student Assistance Programs
Capacity Building

Information Dissemination

Health Fairs
Alcohol Community Education
Red Ribbon Week
Newsletters & Newspaper Articles
PSAs (Radio, Internet, TV)
Social Media Postings
Be "Above the Influence"
Social Health Marketing Campaign

Successful Completions

2,427 Community Service
2,202 DWI School
2,153 Ignition Interlock
2,908 Court-Ordered Sanctions

Prevention

Prevention activities include educating children, adolescents, families, and communities by directly addressing risk factors for DWI and alcohol-related incidents.

- Follows the Center for Substance Abuse Prevention (CSAP) and the Strategic Prevention
- Framework (SPF) Guidelines
- Evidence-Based Curriculum for Students and Adults
- School-Based Curricula
- Collaborate with Partners to Effectively Influence Communities
- Prevention Messaging is Increasingly Effective to Reach a Large and Diverse Audience
- Organize Safe Ride Programs (designated driver services)

Admissions

6,688 Bernalillo County Public Inebriate Intervention Program
3,106 Bernalillo County Detox Facility
1,381 Santa Fe County Detox Facility
76 San Juan County Jt. Intervention Program

300 Admissions to the Bernalillo County Community Custody Program with a 62.5% success rate

668 Admissions to the Bernalillo County Addiction Treatment Program (ATP) jail-based program with 2,691 hours of treatment provided

33 Admissions to the Bernalillo County Assisting Youth Under the influence of Drugs and Alcohol (AYUDA) program

212 Clients successfully completed their term on electronic and/or alcohol monitoring devices

292 Admissions to the San Juan County jail-based treatment facility with a 97% successful completion rate

Coordination, Planning, & Evaluation

The LDWI Program has an ongoing statewide evaluation system through its screening and tracking program, which houses data collected on the demographics cited above. Many of the county DWI programs have hired local evaluators who assist in reviewing components such as prevention, treatment, and compliance monitoring.

In FY23, **24** DWI programs in New Mexico provided screening and tracking services for Native American DWI offenders and several programs provided services directly to Native American communities. To reach this population, the McKinley County DWI program provides prevention education to chapter houses. Media campaigns, which are an effective way to reach the large and diverse county, are delivered in English, Navajo, and Zuni. The checkerboard of county and tribal lands make enforcement challenging for McKinley County. The McKinley County DWI Taskforce has continued cross-commissioning between the McKinley County Sheriff's Office, NM State Police, Navajo Nation, Zuni, Ramah-Navajo, and Gallup Police departments, which is beneficial to the whole community.

Law Enforcement	No. of Activities	Arrests
Directed Patrols	447	171
Underage Enforcement	38	11
Checkpoints	22	8
Other	15	36

County DWI program Evaluators Include:

- * UNM - Institute for Social Research (ISR)
- * NMSU - Crimson Research
- * SBS Evaluation & Program Development Specialists
- * Concha Montano Education and Evaluation Consulting Team
- * Juntos Consulting
- * Prevention Works Consulting

The New Mexico Resources Frequently Used Include:

- * Youth Risk and Resiliency Survey, (YRRS) directed by the Department of Health
- * (DOH), Public Education Department and University of New Mexico
- * New Mexico Substance Abuse Epidemiology Reports
- * New Mexico Community Survey, conducted by the Office of Substance Abuse
- * Prevention and Partnerships for International Research and Education (PIRE)
- * Indicator Based Information System, (IBIS) maintained by the DOH
- * Locally collected data including the screening and tracking database



Senate Bill 151 / House Bill 258: Adequate Funding for Emergency Medical Services

Senator Pete Campos, Senator Pat Woods, Senator Crystal Diamond Brantley, Senator Bill Burt

Representative Gail Armstrong, Representative Mark Duncan, Representative Harlan Vincent, Representative Jason Harper

Senate Bill 151 / House Bill 258 distributes an additional \$22 million to the Emergency Medical Services Fund to support EMS services across the state

- Currently, the EMS Fund receives approximately \$2.9 million annually, which is insufficient to support critical emergency services across the state
- The fund distributed approx. \$3.9 million in FY10, but distributions have decreased nearly every year since then
- Local EMS services receive an average of ~\$8,000 annually, a small portion of annual operational costs (see examples in chart)
- EMS service is critical for communities across the state, providing lifesaving interventions, transportation to healthcare facilities, overdose response, and support for disaster response, as well as for the state's growing outdoor recreation industry
- EMS services statewide are chronically underfunded, leaving departments without adequate numbers of trained personnel and hindering timely care for patients
- EMS capital costs are very high (see examples in sidebar) and increasing

EMS Service	Current EMS Fund Act Distribution	Annual Operational Costs
Clayton	\$ 13,000	\$ 210,000
Clovis	\$ 16,568	\$ 4,723,910
Dexter	\$ 7,500	\$ 35,000
Farmington	\$ 17,200	\$ 9,500,406
Las Cruces	\$ 25,000	\$ 12,175,000
Portales	\$ 15,773	\$ 2,304,109
Raton	\$ 16,695	\$ 1,200,000
Sunland Park	\$ 20,000	\$ 1,733,727

EMS Capital Cost Examples

- Ambulance – \$250,000+
- Power Gurney and load system – \$40,000+
- Multi-platform cardiac monitor / defibrillator / pacemaker – \$30,000+
- Advanced life support ventilator – \$10,000+

SB151/HB258 adjusts the distribution of Health Insurance Premium Tax Revenues, directing 10 percent to the EMS Fund, similar to a distribution enacted in 2023 to the Law Enforcement Protection Fund

- SB151/HB258 directs monies currently going to the General Fund to the EMS Fund starting in FY26; for FY25, the bill includes a one-time \$22 million General Fund appropriation to the EMS Fund
- In 2023, SB491 directed 10 percent of Health Insurance Premium Tax Revenues to the LEPF, increasing funding for law enforcement by approximately \$22 million annually
- Redirection of Health Insurance Premium Tax revenues would not increase taxes on insurance providers or consumers; the bill simply redirects money currently going to the General Fund

Overview of EMS Fund

- The EMS Fund distributes approximately \$2.9 million annually, through a General Fund appropriation to NMDOH
- 75% of funding goes to local EMS services (nearly 300 EMS services statewide), based on call volume, population, and service coverage area
 - Services receive minimum funding amounts based on level of service provided
 - Eligible expenditures: establishment or enhancement of local EMS; operational costs other than salaries and benefits; purchase, repair and maintenance of EMS vehicles, equipment and supplies; implementation of prevention programs; and training and licensing of local EMS personnel
- 22% goes to systemwide projects (18% to special projects, including purchase of vehicles, funded on a competitive application basis, and 4% for trauma system development) and 3% is used for administration



Senate Bill 148: Removal of Improper Tax Fees on Local Governments

Senator Daniel Ivey-Soto, Representative Ryan Lane

An administrative fee on tax distributions for local governments costs cities and counties approximately \$50 million annually

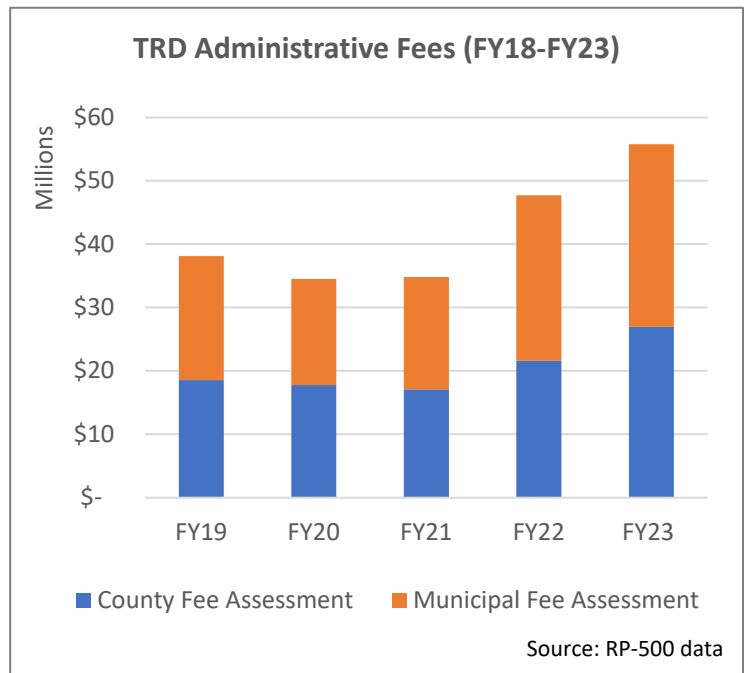
- Statute currently allows an administrative fee of 3 percent on local option gross receipts tax (GRT) and compensating tax revenues distributed to cities and counties (Section 7-1-6.41 NMSA)
- In FY22, fees on counties and municipalities were approximately \$50 million; FY23 fees were approximately \$55 million
- Revenue from the administrative fees goes to the general fund

The fees taken from local governments represent significant funding that could be used for critical local services

- Albuquerque was charged almost \$10 million in FY23, Santa Fe almost \$2.6 million, and Las Cruces \$2.2 million, representing millions of dollars that could be spent on public safety, road maintenance, and services for residents
- While smaller communities are charged less, the fee amounts are still significant, relative to budgets. For example, Las Vegas was charged \$221 thousand in FY23, representing 3 percent of the city's general fund gross receipts tax revenues; funding could be used to hire multiple police officers or firefighters

Senate Bill 148 removes administrative fees on collection and distribution of several taxes and fees

- The bill removes fees for collecting and distributing fees and taxes to local governments, as well as collecting and distributing solid waste assessment fees, boating fees, and water conservation fees
- Removing fees does not impact TRD's operating budget, as fee revenue does not currently remain with TRD
- The bill provisions take effect on July 1, 2025, providing time for TRD to make necessary changes to GenTax



**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 7.B.	<u>Item Title:</u> Gallagher Update
<u>Presenter (s):</u> John Chino, Senior Area Vice President Nasreen Kopecky, Account Manager	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 7.C.	<u>Item Title:</u> Financial Reports
<u>Presenter (s):</u> Richard Garcia, Finance Director	



New Mexico County Insurance Authority Pool

Administered by New Mexico Counties

Statement of Financial Position (Unaudited)

12/31/2023

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 7,087,874	\$ 11,423,437
Accounts Receivable - Members	32,160	310,765
Accounts Receivable - Deductibles	235,143	542,967
Accounts Receivable - LE Accreditation Fee	-	-
Accounts Receivable - Reinsurance	-	-
Accounts Receivable - Hi Ded Counties	31,854	44,221
Accounts Receivable - Other	3,751	4,005,704
Note Receivable	1,306,280	1,394,013
Prepaid Expenses	2,247,966	1,460,171
Total Current Assets	10,945,027	19,181,279
Investments		
Exchange Traded Funds	55,159,648	55,400,760
US Government Bonds	15,859,271	854,348
Mutual Funds	20,593,490	24,237,587
Unrealized Gain/Loss	(6,248,488)	(8,045,698)
County Reinsurance Pool Equity	736,928	736,928
County Reinsurance Property Plus Equity	2,050,478	2,050,478
Captive Reinsurance	19,596,145	15,872,071
Total Investments	107,747,472	91,106,473
Total Assets	\$ 118,692,499	\$ 110,287,752
Liabilities and Pool Net Position		
Current Liabilities		
Accounts Payable	\$ 95,959	\$ 4,023,398
Accounts Payable-NMAC Legal Bureau Atty Fees	231,509	179,662
Unearned Membership Contribution	4,739,163	3,530,185
Total Current Liabilities	5,066,631	7,733,245
Long Term Liabilities		
Reserve for Future Claims		
Multi-Line Program	12,832,577	11,263,491
Law Enforcement Program	43,587,888	26,049,053
Workers' Compensation Program	19,678,774	20,640,215
Total Long Term Liabilities	\$ 76,099,239	\$ 57,952,759
Total Liabilities	\$ 81,165,870	\$ 65,686,004
Fund Balance	44,601,748	58,375,794
Current Year Pool Net Position	(7,075,119)	(13,774,045)
Total Pool Net Position	\$ 37,526,629	\$ 44,601,748
Total Liabilities and Net Position	\$ 118,692,499	\$ 110,287,752



New Mexico County Insurance Authority Pool

Administered by New Mexico Counties

Income/Budget Statement (Unaudited)

12/31/2023

	2023 Budget		Jan 01, 2023 through Dec 31, 2023	100% of Budget
<u>Income</u>				
Members' Contributions	\$ 36,020,582	\$	36,872,756	102%
Accreditation Fees			11,000	
Total Income	\$ 36,020,582	\$	36,883,756	102%
<u>Expenses</u>				
<u>Claims & Claim Adjusting Expense</u>				
Paid Claims	\$ 25,200,336	\$	29,726,050	146%
Pool Portion - Group 1 (up to \$5MM for IMM)	610,486		-	0%
Pool Additional - Group 1 (up to \$5MM for IMM)	484,000		-	0%
Adjustment to ULAE			865,436	
Nurse Case Manager			(122,875)	
Claims Reserves			17,280,680	
Recoveries - Deductibles			(4,562,374)	
Recoveries - Reinsurance			(4,099,654)	
Recoveries - County Settlements			(506,470)	
Recoveries - Subrogation & Salvage			(176,225)	
Reinsurance	6,306,417		4,425,650	70%
Brokerage Fees	160,000		120,000	75%
Total Claims & Claim Adjusting	\$ 32,761,239	\$	42,950,219	131%
<u>Risk Mitigation Expense</u>				
Administrative Fee-NMAC	\$ 553,143	\$	553,134	100%
Special Projects	80,000		67,434	84%
EDGE Detention Scholarships	15,000		4,000	27%
Online Training Tool	141,750		47,875	34%
Loss Incentive Program	50,000		35,000	70%
Legal Advice Program	45,000		18,387	41%
Law Enforcement Accreditation	76,000		59,611	78%
Total Risk Mitigation Expense	\$ 960,893	\$	785,440	82%
<u>Administrative & Other</u>				
Administrative Fee-NMAC	\$ 3,982,428	\$	3,982,437	100%
Actuary	42,000		46,550	111%
Financial Audit	34,500		30,499	88%
Claims Audit	25,000		12,960	52%
Payroll Audit	50,000		46,336	93%
Fund Balance Analysis	60,000		75,731	126%
Legal Bureau Operations	200,000		-	0%
Property Appraisal Fees	100,000		123,800	124%
Legal Expense	42,500		9,976	23%
Software Support, Licensing, Training	346,000		364,563	105%
Board Training & Education	28,750		5,428	19%
Board D&O Insurance	97,500		43,625	45%
Miscellaneous	13,000		355	3%
Total Admin & Other	\$ 5,021,678	\$	4,742,261	94%
Total Expenses	\$ 38,743,810	\$	48,477,920	125%
Operating Income	\$ (2,723,228)	\$	(11,594,164)	
Investment Income	1,530,769		2,990,289	
Net Change in Fair Value of Investments	-		1,605,518	
Interest Income on Note Receivable	-		54,164	
Earnings from Investment in Captive Reinsurance	-		(130,926)	
Total Non-Operating Revenue	\$ 1,530,769	\$	4,519,045	
Net Position	\$ ⁴² (1,192,459)	\$	(7,075,119)	



New Mexico County Insurance Authority Pool
Administered by New Mexico Counties
12/31/2023

Cash		Current Average			
		<u>Yield</u>		<u>Amount</u>	<u>Interest</u>
Banks, Money Market Accts & State Treas LGIP		0.0765%		\$ 7,087,874	\$ 5,423
<u>Securities</u>	<u>Est. Ann. Yld</u>	<u>Ending Market Val</u>		<u>Cost</u>	<u>Market Gain/Loss *</u>
Exchange Traded Funds	3.48%	50,700,190		55,159,648	(4,459,458)
Certificates of Deposit	0.00%	-		-	-
Government Bonds	1.51%	15,307,789		15,057,814	249,975
Govt Asset Backed Sec	5.03%	339,044		801,457	(462,413)
Mutual Funds	4.72%	19,016,898		20,593,490	(1,576,592)
Total Investments	3.39%	\$ 85,363,920		\$ 91,612,409	\$ (6,248,488)
Total Cash & Investments	3.12%	\$ 92,451,794		\$ 98,700,283	
Estimated Annual Income on Cash & Investments		\$ 2,895,431			
By Institution:					
Wells Fargo/Salmon Hauger Wealth Mgmt.		85%		\$ 83,511,009	
Fidelity#2/First American Financial Advisors		14%		13,599,277	
First National Santa Fe		2%		1,586,924	
State Treasurers LGIP		0%		3,072	
		100%		\$ 98,700,283	

* Investments are purchased based on "yield to maturity." Market fluctuations do not affect the yield to maturity unless a premature sale is made

Law Enforcement Program Financials



Law Enforcement Program
Administered by New Mexico Counties
Statement of Financial Position (Unaudited)
12/31/2023

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 1,926,138	\$ 2,103,193
Accounts Receivable - Members	-	10
Accounts Receivable - Deductibles	45,078	155,570
Prepaid Expenses	14,604	9,005
Total Current Assets	<u>1,985,821</u>	<u>2,267,779</u>
Investments		
Exchange Traded Funds	\$ 23,187,842	\$ 23,306,764
US Government Bonds	4,906,204	239,362
Mutual Funds	7,477,737	9,503,954
Unrealized Gain/Loss	(2,314,522)	(3,063,983)
Captive Reinsurance	<u>19,596,145</u>	<u>15,872,071</u>
Total Investments	<u>52,853,406</u>	<u>45,858,167</u>
Total Assets	<u>\$ 54,839,226</u>	<u>\$ 48,125,946</u>
Liabilities and Surplus		
Current Liabilities		
Accounts Payable	\$ 32,450	\$ 4,000,829
Accounts Payable-NMAC Legal Bureau Atty Fees	<u>137,309</u>	<u>115,775</u>
Total Current Liabilities	<u>169,759</u>	<u>4,116,604</u>
Long Term Liabilities		
Reserve for Future Claims		
Fund Year 19 - 2013	\$ -	\$ 18,907
Fund Year 20 - 2014	-	17
Fund Year 22 - 2016	297,249	546,458
Fund Year 23 - 2017	2,182,820	1,269,504
Fund Year 24 - 2018	43,142	178,813
Fund Year 25 - 2019	1,098,880	2,072,159
Fund Year 26 - 2020	6,189,480	3,549,696
Fund Year 27 - 2021	8,005,006	8,895,088
Fund Year 28 - 2022	11,806,196	8,277,980
Fund Year 29 - 2023	11,889,501	-
Claims Mgmt Fees-Future	<u>2,075,614</u>	<u>1,240,431</u>
Total Long Term Liabilities	<u>\$ 43,587,888</u>	<u>\$ 26,049,053</u>
Total Liabilities	<u>\$ 43,757,647</u>	<u>\$ 30,165,657</u>
Fund Balance	\$ 17,960,289	\$ 24,074,731
Current Year Net Position	<u>(6,878,709)</u>	<u>(6,114,442)</u>
Total Net Position	<u>\$ 11,081,580</u>	<u>\$ 17,960,289</u>
Total Liabilities and Net Position	<u>\$ 54,839,226</u>	<u>\$ 48,125,946</u>



Law Enforcement Program
Administered by New Mexico Counties
Income/Budget Statement (Unaudited)
12/31/2023

	2023 Budget	Jan 01, 2023 through Dec 31, 2023	100% of Budget
<u>Income</u>			
Members' Contribution	\$ 18,398,541	\$ 18,412,744	100%
Accreditation Fees		11,000	
Total Income	\$ 18,398,541	\$ 18,423,744	100%
<u>Expenses</u>			
<u>Claims & Claim Adjusting Expense</u>			
Paid Claims	\$ 12,227,481	\$ 12,414,976	187%
Pool Portion - Group 1 (up to \$5MM for IMM)	610,486	-	0%
Pool Additional - Group 1 (up to \$5MM for IMM)	484,000	-	0%
Adjustment to ULAE		835,183	
Claims Reserves		16,703,288	
Recoveries - Deductibles		(1,757,961)	
Recoveries - Reinsurance		(3,000,000)	
Recoveries - County Settlements		(289,328)	
Reinsurance - all (up to \$2MM for IMM)	3,300,000	-	0%
Brokerage Fees	70,000	30,000	43%
Total Claims & Claim Adjusting Expense	\$ 16,691,967	\$ 24,936,158	149%
<u>Risk Mitigation Expense</u>			
Administrative Fee-NMC	\$ 148,290	\$ 148,150	100%
Special Projects	40,000	67,434	169%
EDGE Detention Scholarships	15,000	4,000	27%
Online Training Tool	50,000	15,958	32%
Legal Advice Program	30,000	18,387	61%
Law Enforcement Accreditation	76,000	59,611	78%
Loss Incentive Program	15,000	-	0%
Total Risk Mitigation Expense	374,290	313,540	84%
<u>Administrative & Other Expense</u>			
Administrative Fee-NMC	\$ 1,607,040	\$ 1,607,180	100%
Actuary	15,000	14,650	98%
Financial Audit	12,500	10,166	81%
Fund Balance Analysis	25,000	25,244	101%
Claims Audit		6,480	
Legal Bureau Operations	200,000	-	0%
Legal Expense	20,000	8,808	44%
Software Support, Licensing, Training	110,000	108,963	99%
Board Training and Education	7,500	-	0%
Board D&O Insurance	30,000	14,543	48%
Miscellaneous	4,000	-	0%
Total Admin & Other Expense	\$ 2,031,040	\$ 1,796,034	88%
Total Expenses	\$ 19,097,297	\$ 27,045,731	142%
Operating Income	\$ (698,756)	\$ (8,621,987)	
Investment Income	711,599	1,215,526	
Net Change in Fair Value of Investments		658,677	
Earnings from Investment in Captive Reinsurance		(130,926)	
Total Non-Operating Revenue	\$ 711,599	\$ 1,743,278	
Net Position	\$ 12,843	\$ (6,878,709)	



Law Enforcement Program
Administered by New Mexico Counties
Schedule of Investments 12/31/2023

Cash		Current Average			
		<u>Yield</u>	<u>Amount</u>	<u>Interest</u>	
Banks, Money Market Accts & State Treas LGIP		0.1210%	\$ 1,926,138	\$ 2,331	
<u>Securities</u>	<u>Est. Ann. Yld</u>	<u>Ending Market Val</u>	<u>Cost</u>	<u>Market Gain/Loss *</u>	
Exchange Traded Funds	3.45%	21,472,352	23,187,842	(1,715,490)	
Certificates of Deposit	0.00%	-	-	-	
Government Bonds	1.41%	4,765,545	4,681,706	83,839	
Govt Asset Backed Sec	5.06%	96,761	224,498	(127,737)	
Mutual Funds	4.76%	6,922,603	7,477,737	(555,135)	
Total Investments	3.43%	\$ 33,257,260	\$ 35,571,783	\$ (2,314,522)	
Total Cash & Investments	3.25%	\$ 35,183,399	\$ 37,497,921		
Estimated Annual Income on Cash & Investments		\$ 1,143,823			
By Institution:					
Wells Fargo/Salmon Hauger Wealth Mgmt.		85%	\$ 32,021,198		
Fidelity#2/First American Financial Advisors		13%	4,755,896		
First National Santa Fe		2%	720,179		
State Treasurers LGIP		0%	647		
		100%	\$ 37,497,921		

* Investments are purchased based on "yield to maturity." Market fluctuations do not affect the yield to maturity unless a premature sale is made

Multi-Line Program Financials



Multi-Line Program
Administered by New Mexico Counties
Statement of Financial Position (Unaudited)
12/31/2023

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,818,502	\$ 1,687,431
Accounts Receivable - Deductibles	190,065	387,397
Accounts Receivable - Other	2,187	4,003,479
Note Receivable	1,306,280	1,394,013
Prepaid Expenses	1,789,328	1,003,082
Total Current Assets	<u>6,106,362</u>	<u>8,475,402</u>
Investments		
Exchange Traded Funds	\$ 18,301,758	\$ 17,876,803
US Government Bonds	3,512,727	369,120
Mutual Funds	3,415,502	4,893,312
Unrealized Gain/Loss	(1,641,291)	(2,172,808)
County Reinsurance Pool Equity	216,701	216,701
County Reinsurance Property Plus Equity	2,050,478	2,050,478
Total Investments	<u>25,855,874</u>	<u>23,233,606</u>
Total Assets	<u>\$ 31,962,237</u>	<u>\$ 31,709,008</u>
Liabilities and Surplus		
Current Liabilities		
Accounts Payable-Trade	\$ 25,596	\$ -
Accounts Payable-NMAC Legal Bureau Atty Fees	94,200	63,887
Total Current Liabilities	<u>119,796</u>	<u>63,887</u>
Long Term Liabilities		
Reserve for Future Claims		
Fund Year 21 - 2009	\$ 1,615	\$ 1,615
Fund Year 23 - 2011	154,273	69,456
Fund Year 26 - 2014	-	127,604
Fund Year 29 - 2017	48,753	153,484
Fund Year 30 - 2018	490,702	619,972
Fund Year 31 - 2019	338,130	667,727
Fund Year 32 - 2020	1,541,593	1,074,930
Fund Year 33 - 2021	2,059,281	2,960,050
Fund Year 34 - 2022	2,407,139	5,052,296
Fund Year 35 - 2023	5,180,016	-
Claims Mgmt Fees-Future	611,075	536,357
Total Long Term Liabilities	<u>\$ 12,832,577</u>	<u>\$ 11,263,491</u>
Total Liabilities	<u>\$ 12,952,373</u>	<u>\$ 11,327,378</u>
Fund Balance	20,381,630	22,014,894
Current Year Net Position	(1,371,766)	(1,633,264)
Total Net Position	<u>\$ 19,009,864</u>	<u>\$ 20,381,630</u>
Total Liabilities and Net Position	<u>\$ 31,962,237</u>	<u>\$ 31,709,008</u>



Multi-Line Program
Administered by New Mexico Counties
Income/Budget Statement (Unaudited)
12/31/2023

	2023 Budget	Jan 01, 2023 through Dec 31, 2023	100% of Budget
<u>Income</u>			
Members' Contributions	\$ 10,866,496	\$ 10,190,664	94%
Total Income	\$ 10,866,496	\$ 10,190,664	94%
<u>Expenses</u>			
<u>Claims & Claim Adjusting Expense</u>			
Paid Claims	\$ 7,103,903	\$ 9,809,064	108%
Adjustment to ULAE		74,718	
Claims Reserves		1,494,368	
Recoveries - Deductibles		(2,419,707)	
Recoveries - Subrogation & Salvage		(159,901)	
Recoveries - Reinsurance		(938,522)	
Recoveries - County Settlements		(217,142)	
Reinsurance	2,200,000	3,477,619	158%
Brokerage Fees	70,000	70,000	100%
Total Claims & Claim Adjusting Expense	\$ 9,373,903	\$ 11,190,498	119%
<u>Risk Mitigation Expense</u>			
Administrative Fee-NMC	\$ 122,202	\$ 122,248	100%
Special Projects	40,000	-	0%
Online Training Tool	50,000	15,958	32%
Legal Advice Program	10,000	-	0%
Total Risk Mitigation Expense	\$ 222,202	\$ 138,206	62%
<u>Administrative & Other Expense</u>			
Administrative Fee-NMC	\$ 1,333,128	\$ 1,333,082	100%
Actuary	15,000	18,450	123%
Financial Audit	10,000	10,166	102%
Claims Audit	15,000	6,480	43%
Fund Balance Analysis	25,000	25,244	101%
Property Appraisal Fees	100,000	123,800	124%
Legal Expense	20,000	1,168	6%
Software Support, Licensing, Training	110,000	135,216	123%
Board Training & Education	7,500	4,371	58%
Board D&O Insurance	30,000	14,540	48%
Miscellaneous	4,000	355	9%
Total Admin & Other Expense	\$ 1,669,628	\$ 1,672,872	100%
Total Expenses	\$ 11,265,733	\$ 13,001,577	115%
Operating Income	\$ (399,237)	\$ (2,810,913)	
Investment Income	406,118	900,082	
Net Change in Fair Value of Investments		484,901	
Interest Income on Note Receivable	-	54,164	
Total Non-Operating Revenue	\$ 406,118	\$ 1,439,147	
Net Position	\$ 50 6,881	\$ (1,371,766)	



Multi-Line Program
Administered by New Mexico Counties
Schedule of Investments 12/31/2023

Cash		Current Average			
		<u>Yield</u>	<u>Amount</u>	<u>Interest</u>	
Banks, Money Market Accts & State Treas LGIP		0.082%	\$ 2,818,502	\$ 2,316	
<u>Securities</u>	<u>Est. Ann. Yld</u>	<u>Ending Market Val</u>	<u>Cost</u>	<u>Market Gain/Loss *</u>	
Exchange Traded Funds	3.50%	16,854,876	18,301,758	(1,446,882)	
Certificates of Deposit	0.00%	-	-	-	
Government Bonds	1.11%	3,237,444	3,163,880	73,564	
Govt Asset Backed Sec	5.32%	115,020	348,847	(233,827)	
Mutual Funds	5.39%	3,381,355	3,415,502	(34,147)	
Total Investments	3.45%	\$ 23,588,695	\$ 25,229,986	\$ (1,641,291)	
Total Cash & Investments	3.09%	\$ 26,407,197	\$ 28,048,489		
Estimated Annual Income on Cash & Investments		\$ 816,196			
By Institution:					
Wells Fargo/Salmon Hauger Wealth Mgmt.		99%	\$ 27,645,267		
First National Santa Fe		1%	402,771		
Fidelity#2/First American Financial Advisors		0%	-		
State Treasurers LGIP		0%	451		
		100%	\$ 28,048,489		

* Investments are purchased based on "yield to maturity." Market fluctuations do not affect the yield to maturity unless a premature sale is made

Workers' Compensation Program Financials



Workers' Compensation Program
Administered by New Mexico Counties
Statement of Financial Position (Unaudited)
12/31/2023

	As of December 31, 2023				As of December 31, 2022			
Assets								
Current Assets								
Cash and Cash Equivalents		\$	2,343,233		\$	7,632,814		
Accounts Receivable-Members			32,160			310,755		
Accounts Receivable-Hi Ded Counties			31,854			44,221		
Accounts Receivable-Other			1,564			2,226		
Prepaid Expenses			444,034			448,083		
Total Current Assets			2,852,844			8,438,099		
Investments								
Exchange Traded Funds	13,670,048				14,217,193			
US Government Bonds	7,440,340				245,866			
Mutual Funds/ETF	9,700,251				9,840,321			
Unrealized Gain/Loss	(2,292,675)	28,517,965			(2,808,907)	21,494,473		
County Reinsurance Limited Equity		520,227				520,227		
Total Investments		29,038,192				22,014,700		
Total Assets		\$	31,891,036		\$	30,452,799		
Liabilities and Surplus								
Current Liabilities								
Accounts Payable		\$	37,914		\$	22,570		
Unearned Membership Contribution			4,739,163			3,530,185		
Total Current Liabilites			4,777,077			3,552,755		
Long Term Liabilities								
Reserves for Future Claims:								
Claims Reserves FY 5 - 1991/92	23,573				23,350			
Claims Reserves FY 6 - 1992/93	23,747				23,523			
Claims Reserves FY 8 - 1994/95	9,240				9,153			
Claims Reserves FY 9 - 1995/96	38,761				38,395			
Claims Reserves FY 11 - 1997/98	17,125				16,963			
Claims Reserves FY 12 - 1998/99	-				28,878			
Claims Reserves FY 14 - 2000/01	11,784				12,463			
Claims Reserves FY 15 - 2001/02	78,904				90,382			
Claims Reserves FY 16 - 2002/03	13,305				18,812			
Claims Reserves FY 18 - 2004/05	298,701				426,299			
Claims Reserves FY 19 - 2005/06	104,968				117,258			
Claims Reserves FY 20 - 2006/07	71,990				53,950			
Claims Reserves FY 21 - 2007/08	465,388	Bernalillo County	Other HDC's		475,939	Bernalillo County	Other HDC's	
Claims Reserves FY 22 - 2008/09	342,605	-	-		352,467	-	-	
Claims Reserves FY 23 - 2009/10	60,523	-	-		22,647	-	-	
Claims Reserves FY 24 - 2010/11	108,913	-	-		155,724	-	-	
Claims Reserves FY 25 - 2011/12	181,141	-	-		93,412	-	-	
Claims Reserves FY 26 - 2012/13	395,537	-	-		419,969	-	-	
Claims Reserves FY 27 - 2013/14	488,839	-	-		636,954	(1,118)	-	
Claims Reserves FY 28 - 2014/15	486,322	(147,716)	-		645,882	(188,980)	-	
Claims Reserves FY 29 - 2015/16	710,887	(37,594)	-		998,054	(128,863)	-	
Claims Reserves FY 30 - 2016/17	681,644	-	-		989,704	-	-	
Claims Reserves FY 31 - 2017/18	538,291	-	(5,239)		1,017,629	-	(8,337)	
Claims Reserves FY 32 - 2018/19	810,150	(10,743)	-		1,230,088	(47,406)	-	
Claims Reserves FY 33 - 2019/20	935,674	-	-		1,498,659	-	-	
Claims Reserves FY 34 - 2020/21	2,676,475	(60,660)	-		3,545,974	(130,686)	-	
Claims Reserves FY 35 - 2021/22	2,231,588	-	(76,573)		4,068,379	-	(76,203)	
Claims Reserves FY 36 - 2022/23	3,970,119	-	(51,399)		3,290,384	-	(62,358)	
Claims Reserves FY 37 - 2023/24	3,489,481	-	(135,388)		-	-	-	
Claims Mgmt Fees-Future	938,410	-	-		982,875	-	-	
Total Reserve for Future Claims	\$ 20,204,086	\$ (256,713)	\$ (268,599)		\$ 21,284,166	\$ (497,053)	\$ (146,898)	
Total Long Term Liabilites		19,678,774				20,640,215		
Total Liabilities		\$ 24,455,851				\$ 24,192,969		
Fund Balance		6,259,829				12,286,170		
Current Year Net Position		1,175,356				(6,026,340)		
Total Net Position		\$ 7,435,186				\$ 6,259,829		
		53						
Total Liabilities and Net Position		\$ 31,891,036				\$ 30,452,799		



Workers' Compensation Program
 Administered by New Mexico Counties
Income/Budget Statement (Unaudited)
 12/31/2023

	<u>Budget 2023</u>		<u>12/31/2023</u>		100%
					<u>% of budget</u>
<u>Income</u>					
Members' Contributions	\$	6,755,545	\$	8,269,348	122%
Total Income	\$	6,755,545	\$	8,269,348	122%
<u>Expenses</u>					
<u>Claims & Claim Adjusting Expense</u>					
Paid Claims	\$	5,868,952	\$	7,502,011	100%
Adjustment to ULAE				(44,465)	
Claims Reserves				(916,976)	
Recoveries- Deductibles				(384,706)	
Recoveries- Reinsurance				(161,132)	
Recoveries- Subrogation				(16,325)	
Nurse Case Manager				(122,875)	
Reinsurance		806,417		948,030	118%
Brokerage Fees		20,000		20,000	100%
Total Claims & Claim Adjusting Expense	\$	6,695,369	\$	6,823,563	102%
<u>Risk Mitigation Expense</u>					
Administrative Fee-NMAC	\$	282,651	\$	282,736	100%
Legal Advice Program		5,000		-	0%
Loss Incentive Program		35,000		35,000	100%
Online Training Program		41,750		15,958	38%
Total Risk Mitigation Expense	\$	364,401	\$	333,694	92%
<u>Administrative & Other Expense</u>					
Risk Management Admin Fees	\$	1,042,260	\$	1,042,175	100%
Actuary		12,000		13,450	112%
Claims Audit		10,000		-	0%
Fund Balance Analysis		10,000		25,244	0%
Financial Audit		12,000		10,166	85%
Payroll Audit		50,000		46,336	93%
Legal Expense		2,500		-	0%
Software Support, Licensing, Training		126,000		120,384	96%
Board Training and Education		13,750		1,057	8%
Board D&O Insurance		37,500		14,543	39%
Total Admin & Other Expense	\$	1,321,010	\$	1,273,355	96%
Total Expenses	\$	8,380,780	\$	8,430,612	101%
Operating Income	\$	(1,625,235)	\$	(161,264)	10%
Interest Income Investments		413,052		874,681	
Net Change in Fair Value of Investments				461,939	
Total Non-Operating Revenue	\$	413,052	\$	1,336,620	
Net Position	\$	(1,212,183)	\$	1,175,356	



Workers' Compensation Program
Administered by New Mexico Counties
Schedule of Investments 12/31/2023

		Current Average		
<u>Cash</u>		<u>Yield</u>	<u>Amount</u>	<u>Interest</u>
Banks, Money Market Accts & State Treas LGIP		0.0331%	\$ 2,343,233	\$ 776
		Est.	Ending	Market
<u>Securities</u>	<u>Ann. Yld</u>	<u>Market Val</u>	<u>Cost</u>	<u>Gain/Loss *</u>
Exchange Traded Funds	3.49%	12,372,962	13,670,048	(1,297,087)
Certificates of Deposit	0.00%	-	-	-
Government Bonds	2.03%	7,304,800	7,212,228	92,572
Govt Asset Backed Sec	4.73%	127,263	228,112	(100,849)
Mutual Funds	4.00%	8,712,940	9,700,251	(987,311)
Total Investments		3.28%	\$ 28,517,965	\$ 30,810,640
Total Cash & Investments		3.03%	\$ 30,861,198	\$ 33,153,873
Estimated Annual Income on Cash & Investments			\$ 935,412	
By Institution:				
Wells Fargo/Salmon Hauger Wealth Mgmt.		72%	\$ 23,844,544	
Fidelity#2/First American Financial Advisors		27%	8,843,381	
First National Santa Fe		1%	463,974	
State Treasurers LGIP		0%	1,974	
		100%	\$ 33,153,873	

* Investments are purchased based on "yield to maturity." Market fluctuations do not affect the yield to maturity unless a premature sale is made

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 7.D.	<u>Item Title:</u> Discuss Capital Adequacy Assessment and Fund Balance
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	



NEW MEXICO COUNTY INSURANCE AUTHORITY POOL
Administered by New Mexico Counties

March XX, 2024

County Manager Name
Member County
Address
Address
Address

Dear Represented Member:

It is a pleasure representing your county on the NMCIA Pool Board. During the membership meeting in Santa Fe this January it was announced that on August 9, 2023, the NMCIA Board approved a policy regarding maintaining an appropriate level of pool capital. I am writing to provide details of this strategic decision.

The NMCIA Board understands that the financial position of the Pool must remain strong for the benefit of its members. Having an appropriate amount of capital available for the payment of claims and demonstrating fiscal prudence to allow for the procurement of reinsurance, is a requirement for any self-insurance pool. The Board made the decision to hire PricewaterhouseCoopers to conduct a capital adequacy assessment for the NMCIA pool.

The lower bound goal per the capital adequacy report adopted by the Board is to fund the unrestricted fund balance to \$54MM. We are currently at \$37.5MM. The goal is to fund the approximately \$16.5MM difference over five years. Your funding obligation would occur over either a three-year or five-year period and is at your discretion. NMC will bill bi-annually with payments due no later than June 30 and December 31 of each year.

Your total obligation for your county's portion is \$XX, based on your county's total exposure in the pool. Depending on the pool's claims experience, ongoing contributions and the performance of the pool investments, the Board may adjust the funding requirement each year. Based on the attached capital adequacy policy, if the fund balance falls below \$31MM, immediate corrective action is required to restore the capital to this minimum level within 12 months.

444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
505-983-2101
Fax: 505-983-4396

NMCOUNTIES.ORG



NEW MEXICO COUNTY INSURANCE AUTHORITY POOL
Administered by New Mexico Counties

I look forward to hearing your feedback, and if you would like to fund over a three-year or five-year period. Please don't hesitate to reach out to me if you have any questions.

Respectfully,

Board Member

444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
505-983-2101
Fax: 505-983-4396

NMCOUNTIES.ORG

	Geographic Rep	Population Rep
Catron	Charlene Webb	Brandy Thompson
Chaves	Amber Hamilton	Danny Monette
Cibola	Jhonathan Aragon	Kate Fletcher
Colfax	Lance Pyle	Brandy Thompson
Curry	Lance Pyle	Danny Monette
De Baca	Amber Hamilton	Brandy Thompson
Eddy	Amber Hamilton	Danny Monette
Grant	Charlene Webb	Kate Fletcher
Guadalupe	Lance Pyle	Brandy Thompson
Harding	Lance Pyle	Brandy Thompson
Hidalgo	Charlene Webb	Brandy Thompson
Lea	Amber Hamilton	Danny Monette
Lincoln	Amber Hamilton	Kate Fletcher
Los Alamos	Jhonathan Aragon	Kate Fletcher
Luna	Charlene Webb	Kate Fletcher
McKinley	Jhonathan Aragon	Danny Monette
Mora	Lance Pyle	Brandy Thompson
Otero	Amber Hamilton	Danny Monette
Quay	Lance Pyle	Brandy Thompson
Rio Arriba	Jhonathan Aragon	Danny Monette
Roosevelt	Amber Hamilton	Kate Fletcher
San Miguel	Lance Pyle	Kate Fletcher
Sierra	Charlene Webb	Brandy Thompson
Socorro	Charlene Webb	Kate Fletcher
Taos	Jhonathan Aragon	Kate Fletcher
Torrance	Jhonathan Aragon	Brandy Thompson
Union	Lance Pyle	Brandy Thompson
Valencia	Jhonathan Aragon	Danny Monette

Capital Adequacy Funding

Exposure, Loss Ratio, and Reinsurance Penetration - 3YR

All calculation based on 2023 Pool financials
Data will be updated annually

	Total	LE	ML	WC
Current Fund Balance (Includes NMCR Balance):	\$37,526,629	\$11,081,580	\$19,009,864	\$7,435,186 (BS 12/31/2023)
Capital Adequacy Policy/Goal:	\$54,000,000			
Amount to Fund:	(\$16,473,371)			
Percentage to Fund:	100%			
Number of Years to Fund:	3			

	LE	ML	WC	Total
2023 Contributions:	18,023,319	9,897,644	9,478,325	37,399,288
Percentage of Total 2023 Contributions	48.2%	26.5%	25.3%	
Portion of Total Funding Goal	(\$7,938,783)	(\$4,359,643)	(\$4,174,945)	(\$16,473,371)
Portion of Year Funding Goal	(\$2,646,261)	(\$1,453,214)	(\$1,391,648)	(\$5,491,124)

Member County	Year 1						Total for Year 1	Due 6/30/2024	Due 12/31/2024
	2023 LE Contribution	LE	2023 ML Contribution	ML	2023 WC Contribution	WC			
Bernalillo	6,946,847	\$1,019,966	2,176,581	\$319,574	1,703,617	\$250,132	\$1,589,673	\$794,836	\$794,836
Catron	39,591	\$5,813	76,309	\$11,204	58,396	\$8,574	\$25,591	\$12,795	\$12,795
Chaves	454,708	\$66,762	353,757	\$51,940	262,007	\$38,469	\$157,171	\$78,586	\$78,586
Cibola	206,222	\$30,278	199,743	\$29,327	83,680	\$12,286	\$71,892	\$35,946	\$35,946
Colfax	102,411	\$15,036	103,624	\$15,214	110,195	\$16,179	\$46,430	\$23,215	\$23,215
Curry	831,426	\$122,074	263,997	\$38,761	166,478	\$24,443	\$185,278	\$92,639	\$92,639
DeBaca	113,757	\$16,702	58,751	\$8,626	61,450	\$9,022	\$34,351	\$17,175	\$17,175
Dona Ana	1,815,469	\$266,555	1,033,349	\$151,720	630,924	\$92,635	\$510,910	\$255,455	\$255,455
Eddy	979,100	\$143,756	432,781	\$63,543	510,232	\$74,914	\$282,213	\$141,106	\$141,106
Grant	457,277	\$67,139	222,961	\$32,736	151,730	\$22,278	\$122,153	\$61,077	\$61,077
Guadalupe	30,296	\$4,448	108,178	\$15,883	80,941	\$11,884	\$32,215	\$16,108	\$16,108
Harding	12,785	\$1,877	40,151	\$5,895	36,845	\$5,410	\$13,182	\$6,591	\$6,591
Hidalgo	291,598	\$42,814	120,511	\$17,694	68,034	\$9,989	\$70,497	\$35,248	\$35,248
Lea					682,379	\$100,190	\$100,190	\$50,095	\$50,095
Lincoln	136,523	\$20,045	319,424	\$46,899	223,750	\$32,852	\$99,796	\$49,898	\$49,898
Los Alamos					508,840	\$74,710	\$74,710	\$37,355	\$37,355
Luna	429,494	\$63,060	336,048	\$49,340	250,681	\$36,806	\$149,206	\$74,603	\$74,603
McKinley	318,500	\$46,764	375,033	\$55,064	298,815	\$43,873	\$145,701	\$72,850	\$72,850
Mora	36,963	\$5,427	179,305	\$26,326	222,374	\$32,650	\$64,403	\$32,202	\$32,202
Otero	409,006	\$60,052	408,651	\$60,000		\$0	\$120,052	\$60,026	\$60,026
Quay	151,705	\$22,274	172,136	\$25,274	51,573	\$7,572	\$55,120	\$27,560	\$27,560
Rio Arriba				\$0	389,151	\$57,137	\$57,137	\$28,568	\$28,568
Roosevelt	363,601	\$53,385	98,031	\$14,393	86,156	\$12,650	\$80,429	\$40,214	\$40,214
San Juan				\$0	681,363	\$100,041	\$100,041	\$50,020	\$50,020
San Miguel	297,865	\$43,734	221,470	\$32,517	161,075	\$23,650	\$99,901	\$49,950	\$49,950
Sandoval	732,497	\$107,548	402,641	\$59,117	413,160	\$60,662	\$227,328	\$113,664	\$113,664
Santa Fe	892,493	\$131,040	675,536	\$99,185	694,570	\$101,980	\$332,204	\$166,102	\$166,102
Sierra	191,486	\$28,115	121,379	\$17,821	43,959	\$6,454	\$52,390	\$26,195	\$26,195
Socorro	293,967	\$43,161	210,551	\$30,914	105,447	\$15,482	\$89,558	\$44,779	\$44,779
Taos	428,810	\$62,960	414,292	\$60,828	275,276	\$40,417	\$164,205	\$82,102	\$82,102
Torrance	140,824	\$20,676	168,688	\$24,767	148,935	\$21,867	\$67,311	\$33,656	\$33,656
Union	24,993	\$3,670	42,016	\$6,169	24,689	\$3,625	\$13,464	\$6,732	\$6,732
Valencia	893,105	\$131,130	561,770	\$82,481	291,604	\$42,815	\$256,425	\$128,213	\$128,213
TOTAL	18,023,319	\$2,646,261	\$9,897,664	\$1,453,214	\$9,478,325	\$1,391,648	\$5,491,124	\$2,745,562	\$2,745,562

WC ONLY

Capital Adequacy Funding

Exposure, Loss Ratio, and Reinsurance Penetration - 5YR

All calculation based on 2023 Pool financials
Data will be updated annually

	Total	LE	ML	WC	
Current Fund Balance (Includes NMCR Balance):	\$37,526,629	\$11,081,580	\$19,009,864	\$7,435,186	(BS 12/31/2023)
Capital Adequacy Policy/Goal:	\$54,000,000				
Amount to Fund:	(\$16,473,371)				
Percentage to Fund:	100%				
Number of Years to Fund:	5				

	LE	ML	WC	Total
2023 Contributions:	18,023,319	9,897,644	9,478,325	37,399,288
Percentage of Total 2023 Contributions	48.2%	26.5%	25.3%	
Portion of Total Funding Goal	(\$7,938,783)	(\$4,359,643)	(\$4,174,945)	(\$16,473,371)
Portion of Year Funding Goal	(\$1,587,757)	(\$871,929)	(\$834,989)	(\$3,294,674)

Member County	Year 1						Total for Year 1	Due 6/30/2024	Due 12/31/2024
	2023 LE Contribution	LE	2023 ML Contribution	ML	2023 WC Contribution	WC			
Bernalillo	6,946,847	\$611,980	2,176,581	\$191,745	1,703,617	\$150,079	\$953,804	\$476,902	\$476,902
Catron	39,591	\$3,488	76,309	\$6,722	58,396	\$5,144	\$15,355	\$7,677	\$7,677
Chaves	454,708	\$40,057	353,757	\$31,164	262,007	\$23,081	\$94,303	\$47,151	\$47,151
Cibola	206,222	\$18,167	199,743	\$17,596	83,680	\$7,372	\$43,135	\$21,568	\$21,568
Colfax	102,411	\$9,022	103,624	\$9,129	110,195	\$9,708	\$27,858	\$13,929	\$13,929
Curry	831,426	\$73,244	263,997	\$23,257	166,478	\$14,666	\$111,167	\$55,583	\$55,583
DeBaca	113,757	\$10,021	58,751	\$5,176	61,450	\$5,413	\$20,610	\$10,305	\$10,305
Dona Ana	1,815,469	\$159,933	1,033,349	\$91,032	630,924	\$55,581	\$306,546	\$153,273	\$153,273
Eddy	979,100	\$86,253	432,781	\$38,126	510,232	\$44,949	\$169,328	\$84,664	\$84,664
Grant	457,277	\$40,284	222,961	\$19,642	151,730	\$13,367	\$73,292	\$36,646	\$36,646
Guadalupe	30,296	\$2,669	108,178	\$9,530	80,941	\$7,130	\$19,329	\$9,665	\$9,665
Harding	12,785	\$1,126	40,151	\$3,537	36,845	\$3,246	\$7,909	\$3,955	\$3,955
Hidalgo	291,598	\$25,688	120,511	\$10,616	68,034	\$5,993	\$42,298	\$21,149	\$21,149
Lea	-	\$0	-	\$0	682,379	\$60,114	\$60,114	\$30,057	\$30,057
Lincoln	136,523	\$12,027	319,424	\$28,139	223,750	\$19,711	\$59,878	\$29,939	\$29,939
Los Alamos	-	\$0	-	\$0	508,840	\$44,826	\$44,826	\$22,413	\$22,413
Luna	429,494	\$37,836	336,048	\$29,604	250,681	\$22,084	\$89,524	\$44,762	\$44,762
McKinley	318,500	\$28,058	375,033	\$33,038	298,815	\$26,324	\$87,420	\$43,710	\$43,710
Mora	36,963	\$3,256	179,305	\$15,796	222,374	\$19,590	\$38,642	\$19,321	\$19,321
Otero	409,006	\$36,031	408,651	\$36,000	-	\$0	\$72,031	\$36,016	\$36,016
Quay	151,705	\$13,364	172,136	\$15,164	51,573	\$4,543	\$33,072	\$16,536	\$16,536
Rio Arriba	-	\$0	-	\$0	389,151	\$34,282	\$34,282	\$17,141	\$17,141
Roosevelt	363,601	\$32,031	98,031	\$8,636	86,156	\$7,590	\$48,257	\$24,129	\$24,129
San Juan	-	\$0	-	\$0	681,363	\$60,024	\$60,024	\$30,012	\$30,012
San Miguel	297,865	\$26,240	221,470	\$19,510	161,075	\$14,190	\$59,940	\$29,970	\$29,970
Sandoval	732,497	\$64,529	402,641	\$35,470	413,160	\$36,397	\$136,397	\$68,198	\$68,198
Santa Fe	892,493	\$78,624	675,536	\$59,511	694,570	\$61,188	\$199,323	\$99,661	\$99,661
Sierra	191,486	\$16,869	121,379	\$10,693	43,959	\$3,873	\$31,434	\$15,717	\$15,717
Socorro	293,967	\$25,897	210,551	\$18,548	105,447	\$9,289	\$53,735	\$26,867	\$26,867
Taos	428,810	\$37,776	414,292	\$36,497	275,276	\$24,250	\$98,523	\$49,261	\$49,261
Torrance	140,824	\$12,406	168,688	\$14,860	148,935	\$13,120	\$40,387	\$20,193	\$20,193
Union	24,993	\$2,202	42,016	\$3,701	24,689	\$2,175	\$8,078	\$4,039	\$4,039
Valencia	893,105	\$78,678	561,770	\$49,489	291,604	\$25,689	\$153,855	\$76,928	\$76,928
TOTAL	18,023,319	\$1,587,757	\$9,897,664	\$871,929	\$9,478,325	\$834,989	\$3,294,674	\$1,647,337	\$1,647,337

WC ONLY

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> <p style="text-align: center;">8.A.</p>	<u>Item Title:</u> Approve Revised Capital Adequacy Assessment Funding
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	
<div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="width: 45%;">Motion by:</div><div style="width: 45%;">Seconded by:</div></div>	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.A.	<u>Item Title:</u> Legal Bureau Update
<u>Presenter (s):</u> Grace Philips, General Counsel	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.B.	<u>Item Title:</u> Risk Management Update
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	

Memorandum

Date: March 13, 2024
To: New Mexico County Insurance Authority Board
From: Taylor Horst, Risk Management Director
Re: Risk Management Department Update

Since our last meeting in Las Cruces in December of 2023, staff has been working on a variety of items, including:

- I announced my retirement from NM Counties, effective June 30, 2024.
- Lori Urban and Cynthia Stephenson have been working to issue an RFP for property appraisal services. The cost for these appraisal services has not changed for NMCIA for several years. The game of professional musical chairs caught up with the appraisal firms this year, so the individuals we have worked with at Kroll have moved on to new firms. I anticipate a LARGE increase in costs for our property appraisals, which will be reflected in the May budget update for the pool.
- It appears as of this writing that the three arbitrators for the arbitration with member Bernalillo County have now been chosen. Jamie Sullivan is representing NMCIA. Ray Vargas will be representing Bernalillo County. And I believe those two individuals have selected Bruce McDonald as the third, independent arbitrator. I will provide updates to this Board via email as the arbitration process takes place.
- The arbitration process for the Quay County bridge claim has taken an interesting turn. NMCIA is now working with Quay County and has been given a stay as a defendant in their lawsuit, in return for participating with them by paying 50% of their attorney costs against the design/build firm and the contractor that was building the bridge. Recall it was the contractor who should have had a builder's risk policy in place for insurance prior to the completion of the bridge, and it was the design/build firm that was supposed to ensure that the contractor did have such an insurance policy.
- NMCIA has had a large increase in law enforcement claims reserves in the past six months, which you will hear about at other times during this meeting, both from Richard Garcia, Finance Director, and Robin Martinez, the Multi-Line Claims Manager.

444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
505-983-2101
Fax: 505-983-4396

- As you are aware, CRL is no longer insuring schools and hospitals due to their high exposure. Marsh, the broker for CRL, is working on securing suitable property coverage for county-owned hospitals in Cibola, Guadalupe, Toas, and Union Counties. Our members do not own any schools. Information from Marsh is forthcoming.
- NMC renewed our contract with Origami Risk for an additional 3 years effective 1/1/2024. Our subscription cost increased by approximately 18%. Much of this increase is due to user license costs and annual support hours.
- Staff is completing applications for the Workers' Compensation July 1 renewal and anticipates receiving the draft payroll audit this week, at which time we will begin the underwriting process.

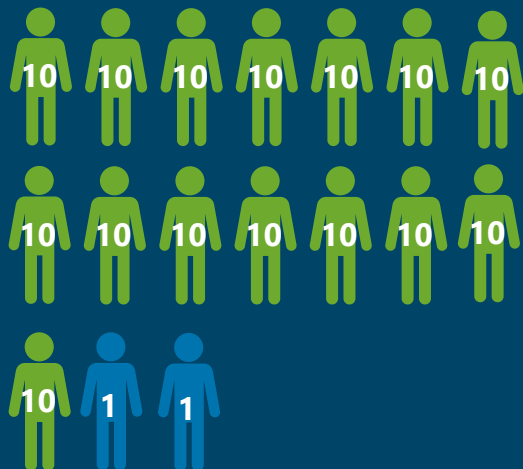
444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
505-983-2101
Fax: 505-983-4396

NMCOUNTIES.ORG



152 Closed Claims
2014 - 2023



No. Of Years

10

Average Paid Minus \$0 Claims

\$267,196

Average Paid

\$166,998

No. of Claims

152

Law Enforcement

Death Claims



61 Closed Claims
2019-2023



No. Of Years

5

Average Paid Minus \$0 Claims

\$417,731

Average Paid

\$219,138

No. of Claims

61

As of 2/29/24

NMCIA LAW ENFORCEMENT LOSS RATIO SUMMARY

COUNTY	FY 20 2014	FY 21 2015	FY 22 2016	FY 23 2017	FY 24 2018	FY 25 2019	FY 26 2020	FY 27 2021	FY 28 2022	FY 29 2023	FY 20-29 Pool Avg.	FY 30 2024
Bernalillo	58.25%	148.39%	61.69%	164.36%	72.93%	98.36%	139.03%	192.22%	258.73%	96.60%	129.06%	33.70%
Catron	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	288.39%	0%	#####	77.17%	292.18%	0.00%
Chaves	13.95%	16.98%	198.73%	209.23%	0.00%	42.38%	357.41%	360.50%	309.58%	80.70%	158.95%	0.00%
Cibola	0.00%	371.15%	557.92%	292.82%	0.00%	0.00%	36.67%	0%	0.00%	0.00%	125.86%	0.00%
Colfax	1064.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4661.00%	0.00%	23.87%	574.93%	0.00%
Curry	124.22%	25.49%	581.52%	0.04%	0.00%	36.50%	30.16%	325%	19.92%	5.74%	114.89%	0.00%
De Baca	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	897.37%	1997.14%	0.00%	0.00%	289.45%	0.00%
Dona Ana	15.72%	41.83%	101.61%	74.45%	4.08%	19.06%	25.17%	86%	56.18%	38.06%	46.19%	27.83%
Eddy	0.00%	545.78%	0.00%	0.00%	0.00%	474.82%	140.82%	379.63%	73.57%	30.64%	164.53%	0.00%
Grant	0.00%	0.00%	407.53%	50.73%	178.58%	25.84%	0.00%	0%	0.00%	9.02%	67.17%	0.00%
Guadalupe	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	151.27%	15.13%	0.00%
Harding	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0%	0.00%	0.00%	0.00%	0.00%
Hidalgo	76.56%	195.96%	0.00%	0.00%	0.00%	251.76%	0.00%	0.00%	0.00%	0.00%	52.43%	0.00%
Lincoln	30.03%	174.43%	0.00%	216.47%	58.67%	97.44%	0.08%	57%	56.31%	67.14%	75.72%	371.23%
Luna	0.00%	0.00%	261.10%	13.90%	3.02%	137.75%	11.79%	73.19%	26.94%	17.78%	54.55%	0.00%
McKinley	0.00%	103.33%	91.82%	0.00%	0.00%	24.43%	0.00%	41%	198.15%	74.58%	53.32%	0.00%
Mora	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Otero	599.57%	28.67%	18.94%	5.01%	547.71%	0.00%	0.00%	31%	8.47%	192.72%	143.22%	100.77%
Quay	0.00%	0.00%	0.00%	95.65%	0.00%	0.00%	0.00%	98.30%	0.00%	0.00%	19.40%	0.00%
Roosevelt	0.00%	268.93%	156.93%	0.00%	956.17%	0.00%	234.68%	0%	58.46%	0.00%	167.52%	0.00%
San Miguel	0.00%	708.37%	151.78%	0.00%	18.07%	16.36%	73.24%	370.61%	0.00%	69.67%	140.81%	0.00%
Sandoval	402.76%	270.30%	40.08%	37.93%	22.59%	46.54%	54.78%	0%	19.00%	6.46%	90.04%	40.80%
Santa Fe	230.00%	139.04%	97.97%	8.34%	6.09%	180.86%	9.48%	55.69%	67.04%	36.66%	83.12%	9.75%
Sierra	840.69%	0.00%	336.26%	0.00%	0.00%	0.00%	25.59%	0%	73.38%	2.65%	127.86%	0.00%
Socorro	0.00%	11.98%	282.88%	725.99%	4.14%	219.75%	0.00%	161.19%	41.69%	62.36%	151.00%	0.00%
Taos	38.63%	211.34%	486.57%	0.00%	0.00%	44.76%	31.85%	158%	18.83%	186.70%	117.67%	0.00%
Torrance	0.00%	190.36%	0.00%	0.00%	6.89%	0.00%	0.00%	251.60%	0.00%	0.00%	44.89%	0.00%
Union	0.00%	0.00%	0.00%	0.00%	0.00%	617.89%	0.00%	0%	0.00%	0.00%	61.79%	0.00%
Valencia	69.65%	83.42%	27.61%	6.31%	45.67%	15.57%	29.72%	30.68%	346.14%	0.00%	65.48%	0.20%
TOTAL	98.72%	138.78%	131.90%	77.62%	55.97%	82.33%	75.57%	169.41%	139.52%	61.58%	103.14%	23.89%

Multi-Line Loss Ratios

(coverage for general liability, property, crime, cyber liability, equipment breakdown, public officials errors and omissions, employment practices liability, automobile liability, etc.)

As of 2/29/24

**NMCIA MULTI-LINE
(Excluding Property & APD)
LOSS RATIO SUMMARY**

COUNTY	FY 31 2019	FY 32 2020	FY 33 2021	FY 34 2022	FY 35 2023	FY 31 - 35 Pool Avg.	FY 36 2024
Bernalillo	78.84%	20.41%	146.53%	76.58%	257.84%	116.04%	86.48%
Catron	0.00%	14.74%	178.59%	0.00%	398.38%	118.34%	0.00%
Chaves	0.00%	50.35%	386.20%	498.35%	29.12%	192.80%	47.60%
Cibola	78.34%	22.85%	0.00%	0.00%	8.74%	21.99%	1696.65%
Colfax	14.67%	2.70%	5.78%	0.00%	223.78%	49.38%	1040.23%
Curry	12.54%	3.27%	7.86%	13.54%	53.18%	18.08%	0.00%
De Baca	196.94%	0.00%	0.00%	68.86%	79.97%	69.15%	0.00%
Dona Ana	1.06%	60.28%	127.45%	70.42%	160.32%	83.90%	28.81%
Eddy	0.00%	20.92%	30.44%	79.02%	483.40%	122.76%	0.00%
Grant	2.99%	0.00%	0.00%	77.03%	437.61%	103.53%	0.00%
Guadalupe	0.00%	1.75%	0.00%	105.85%	0.00%	21.52%	0.00%
Harding	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hidalgo	165.30%	0.00%	0.00%	0.00%	0.00%	33.06%	0.00%
Lincoln	3.54%	23.44%	3.51%	80.21%	6.32%	23.40%	0.00%
Luna	28.33%	0.00%	0.00%	0.00%	674.14%	140.49%	0.00%
McKinley	0.00%	25.35%	0.00%	45.80%	24.49%	19.13%	0.00%
Mora	152.25%	0.00%	710.45%	188.43%	3.20%	210.87%	0.00%
Otero	90.09%	111.39%	553.14%	65.59%	58.71%	175.79%	0.00%
Quay	25.35%	95.23%	2.74%	133.04%	0.00%	51.27%	0.00%
Roosevelt	5.71%	0.00%	0.00%	0.00%	164.93%	34.13%	0.00%
SanMiguel	0.81%	99.63%	0.75%	26.88%	142.53%	54.12%	173.61%
Sandoval	25.25%	39.21%	11.76%	41.03%	259.34%	75.32%	501.33%
Santa Fe	38.22%	319.46%	38.22%	74.94%	214.03%	136.97%	20.03%
Sierra	0.00%	84.27%	423.35%	0.00%	166.31%	134.78%	67.13%
Socorro	0.00%	0.93%	0.00%	17.75%	2.43%	4.22%	0.00%
Taos	2.98%	71.15%	188.03%	1.23%	275.34%	107.75%	197.46%
Torrance	0.00%	7.80%	21.03%	149.33%	224.56%	80.54%	367.18%
Union	0.00%	0.00%	382.46%	0.00%	214.16%	119.33%	0.00%
Valencia	56.50%	37.92%	14.54%	63.51%	257.93%	86.08%	0.00%
TOTAL	36.14%	54.95%	111.64%	73.56%	203.53%	95.96%	80.63%

Note >1 Claim data is by claim, not event resulting in higher claim counts.

As of 2/29/24

NMCIA PROPERTY LOSS RATIO SUMMARY

COUNTY	FY 31 2019	FY 32 2020	FY 33 2021	FY 34 2022	FY 35 2023	FY 31-34 Pool Avg.	FY 36 2024
Bernalillo	0.00%	0.00%	65.01%	73.82%	195.48%	66.86%	25.77%
Catron	0.00%	0.00%	183.50%	0.00%	0.00%	36.70%	0.00%
Chaves	5.39%	0.00%	15.72%	164.34%	68.17%	50.72%	0.00%
Cibola	0.00%	0.00%	4.95%	0.00%	0.00%	0.99%	0.00%
Colfax	1096.92%	0.00%	217.79%	140.13%	0.00%	290.97%	238.24%
Curry	602.51%	0.00%	116.85%	600.54%	1623.96%	588.77%	22.13%
De Baca	249.39%	394.26%	0.00%	21.93%	632.99%	259.71%	143.01%
Dona Ana	0.00%	0.00%	151.61%	0.00%	0.00%	30.32%	0.00%
Eddy	91.46%	0.00%	529.65%	0.00%	0.00%	124.22%	0.00%
Grant	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Guadalupe	210.56%	0.00%	69.25%	1212.14%	1668.00%	631.99%	0.00%
Harding	0.00%	281.87%	94.02%	0.00%	1734.95%	422.17%	0.00%
Hidalgo	95.67%	0.00%	0.00%	0.00%	0.00%	19.13%	0.00%
Lincoln	1.25%	0.00%	37.62%	118.35%	257.00%	82.84%	0.00%
Luna	0.00%	0.00%	0.00%	64.27%	0.00%	12.85%	0.00%
McKinley	155.92%	60.53%	48.10%	27.39%	0.00%	58.39%	0.00%
Mora	0.00%	5.90%	133.20%	466.05%	70.68%	135.16%	0.00%
Otero	25.64%	13.15%	63.57%	0.00%	127.02%	45.88%	0.00%
Quay	0.00%	0.00%	0.00%	0.00%	797.87%	159.57%	0.00%
Roosevelt	0.00%	1481.56%	1258.98%	0.00%	0.00%	548.11%	0.00%
SanMiguel	278.66%	0.00%	3.16%	151.01%	577.60%	202.09%	0.00%
Sandoval	0.26%	0.00%	3.54%	0.00%	0.00%	0.76%	0.00%
Santa Fe	76.72%	38.80%	77.92%	111.89%	0.00%	61.07%	0.00%
Sierra	0.00%	1405.65%	373.79%	0.00%	0.00%	355.89%	0.00%
Socorro	113.09%	0.00%	0.00%	0.00%	436.27%	109.87%	0.00%
Taos	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Torrance	37.00%	0.00%	0.00%	0.00%	0.00%	7.40%	0.00%
Union	0.00%	0.00%	0.00%	1211.59%	0.00%	242.32%	0.00%
Valencia	0.00%	6.14%	137.14%	13.71%	70.51%	45.50%	0.00%
TOTAL	60.09%	42.62%	98.89%	82.72%	172.50%	91.37%	13.25%

Note >1 Claim data is by claim, not event resulting in higher claim counts.

As of 2/29/24

NMCIA Auto Physical Damage (APD) LOSS RATIO SUMMARY

COUNTY	FY 31 2019	FY 32 2020	FY 33 2021	FY 34 2022	FY 35 2023	FY 31-34 Pool Avg.	FY 36 2024
Bernalillo	49.64%	41.20%	83.14%	177.26%	112.46%	92.74%	76.63%
Catron	19.66%	402.27%	307.25%	0.00%	123.98%	170.63%	211.27%
Chaves	287.37%	165.61%	0.00%	19.68%	32.71%	101.08%	0.00%
Cibola	12.49%	9.22%	46.72%	60.20%	70.35%	39.80%	0.00%
Colfax	244.02%	0.00%	17.09%	94.66%	118.13%	94.78%	328.56%
Curry	9.63%	110.33%	72.88%	114.12%	213.84%	104.16%	675.59%
De Baca	200.14%	737.13%	0.00%	0.00%	36.99%	194.85%	0.00%
Dona Ana	10.22%	0.00%	5.38%	210.62%	0.00%	45.25%	0.00%
Eddy	189.97%	169.02%	136.58%	117.36%	192.55%	161.10%	0.00%
Grant	2.31%	58.47%	34.36%	37.61%	43.61%	35.27%	0.00%
Guadalupe	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Harding	0.00%	7.62%	4.77%	0.00%	0.00%	2.48%	0.00%
Hidalgo	0.00%	0.00%	125.86%	0.00%	0.00%	25.17%	0.00%
Lincoln	6.34%	87.20%	117.00%	148.34%	53.04%	82.38%	59.32%
Luna	146.89%	12.06%	0.00%	19.13%	2.88%	36.19%	116.10%
McKinley	62.31%	57.99%	50.13%	780.00%	193.94%	228.87%	118.45%
Mora	0.00%	86.51%	402.29%	57.39%	68.03%	122.85%	0.00%
Otero	50.83%	208.40%	311.11%	33.71%	0.00%	120.81%	0.00%
Quay	18.59%	6.26%	182.03%	0.00%	118.17%	65.01%	0.00%
Roosevelt	34.48%	0.00%	155.94%	0.00%	139.56%	66.00%	90.70%
SanMiguel	40.92%	9.63%	38.20%	18.95%	428.65%	107.27%	157.61%
Sandoval	39.05%	78.92%	110.42%	108.76%	48.01%	77.03%	16.48%
Santa Fe	79.25%	0.34%	41.34%	65.25%	5.12%	38.26%	0.00%
Sierra	33.74%	42.37%	622.33%	423.57%	32.63%	230.93%	31.69%
Socorro	78.39%	0.00%	35.29%	0.00%	14.78%	25.69%	0.00%
Taos	16.09%	56.57%	23.95%	207.24%	8.33%	62.44%	0.00%
Torrance	168.78%	36.88%	16.03%	276.36%	0.00%	99.61%	0.00%
Union	39.83%	0.00%	679.48%	142.78%	541.46%	280.71%	0.00%
Valencia	54.06%	36.25%	26.59%	172.18%	24.74%	62.76%	0.00%
TOTAL	61.74%	56.62%	82.00%	148.45%	76.81%	85.12%	56.69%

Note >1 Claim data is by claim, not event resulting in higher claim counts.

Workers' Compensation Loss Ratios

NMCIA WORKERS' COMPENSATION LOSS RATIO SUMMARY

COUNTY	FY 27 2013-14	FY 28 2014-15	FY 29 2015-16	FY 30 2016-17	FY 31 2017-18	FY 32 2018-19	FY 33 2019-20	FY 34 2020-21	FY 35 2021-22	FY 36 2022-23	FY 27-36 Pool Avg.	FY 37 2023-24
*Bernalillo	316.73%	0.00%	0.00%	109.27%	142.41%	0.00%	542.61%	261.50%	369.23%	346.05%	208.78%	161.67%
Catron	21.38%	10.60%	391.54%	0.41%	366.13%	672.06%	693.31%	1.56%	38.38%	32.00%	222.74%	0.00%
Chaves	23.77%	12.44%	26.89%	89.19%	31.60%	20.87%	20.23%	273.31%	36.55%	51.34%	58.62%	127.87%
Cibola	22.68%	48.14%	111.72%	26.90%	15.90%	0.38%	29.59%	0.14%	1.19%	102.62%	35.93%	21.77%
Colfax	14.60%	4.32%	64.77%	39.93%	5.32%	15.21%	7.38%	5.88%	88.92%	21.04%	26.74%	52.87%
Curry	121.75%	144.60%	99.77%	128.85%	78.49%	111.52%	117.32%	14.30%	36.50%	172.23%	102.53%	45.11%
DeBaca	18.94%	1.05%	39.92%	1.01%	286.47%	86.08%	1.42%	1.56%	5.10%	4.05%	44.56%	31.30%
*Doña Ana	40.30%	37.87%	20.05%	10.15%	17.46%	*	*	114.79%	47.96%	92.09%	47.59%	114.71%
Eddy	62.01%	37.53%	146.96%	12.38%	28.30%	15.47%	68.26%	112.37%	76.34%	50.28%	60.99%	68.11%
Grant	15.53%	78.18%	19.72%	52.04%	49.70%	34.94%	16.68%	136.62%	101.70%	37.08%	54.22%	46.01%
Guadalupe	4.08%	1.59%	85.16%	6.30%	50.08%	527.10%	176.07%	10.19%	8.26%	23.85%	89.27%	165.33%
Harding	0.00%	0.00%	0.00%	0.06%	0.00%	46.62%	2.11%	0.00%	0.00%	0.00%	4.88%	0.00%
Hidalgo	8.79%	60.00%	4.33%	1.40%	11.02%	0.68%	7.01%	39.74%	0.25%	1.69%	13.49%	58.01%
Lea	67.53%	178.10%	103.82%	148.48%	13.10%	39.56%	23.05%	25.77%	3.37%	20.31%	62.31%	14.30%
Lincoln	1.73%	7.50%	310.65%	434.83%	5.26%	21.96%	20.30%	305.07%	42.35%	110.11%	125.98%	150.99%
Los Alamos	*	*	*	*	*	*	*	*	*	77.05%	77.05%	99.26%
Luna	5.82%	94.34%	247.71%	595.62%	71.25%	64.84%	59.80%	94.27%	36.61%	233.19%	150.35%	26.33%
McKinley	12.21%	16.46%	136.09%	36.15%	65.62%	52.88%	33.82%	25.77%	9.57%	41.67%	43.02%	3.52%
Mora	57.98%	3.56%	0.36%	47.80%	0.38%	493.99%	3.52%	1.63%	0.84%	220.22%	83.03%	0.40%
Otero	41.94%	51.58%	178.62%	167.14%	209.27%	*	*	*	*	*	129.71%	*
Quay	51.71%	10.29%	10.60%	7.99%	4.71%	355.65%	5.53%	18.08%	10.33%	44.65%	51.95%	77.30%
Rio Arriba	*	*	*	*	*	182.10%	171.35%	57.18%	102.16%	39.30%	110.42%	34.61%
Roosevelt	109.13%	208.99%	14.53%	22.43%	42.93%	39.25%	206.01%	8.86%	4.78%	14.00%	67.09%	20.65%
*San Juan	28.68%	52.35%	71.24%	88.86%	28.74%	67.61%	125.99%	361.26%	170.27%	88.08%	108.31%	105.22%
San Miguel	148.52%	61.20%	14.28%	1.04%	9.29%	1.26%	142.60%	7.83%	6.29%	53.01%	44.53%	0.00%
*Sandoval	87.09%	28.94%	31.87%	73.29%	2.75%	95.01%	16.61%	29.13%	26.69%	20.60%	41.20%	1.34%
*Santa Fé	175.63%	212.09%	38.53%	87.88%	53.36%	84.14%	*	*	*	18.62%	95.75%	44.04%
Sierra	60.12%	1.88%	11.77%	3.89%	5.99%	1.99%	10.49%	15.97%	0.00%	14.27%	12.64%	72.30%
Socorro	84.86%	12.15%	6.38%	4.07%	19.63%	3.20%	2.52%	0.81%	19.46%	13.62%	16.67%	24.64%
Taos	25.20%	27.92%	20.37%	8.86%	78.14%	60.12%	56.40%	99.40%	89.51%	2.35%	46.83%	33.90%
Torrance	0.16%	5.56%	10.02%	0.09%	13.16%	14.20%	0.52%	3.80%	68.88%	35.46%	15.19%	0.00%
Union	4.65%	13.91%	296.91%	0.00%	2.39%	0.00%	7.16%	0.00%	0.00%	0.00%	32.50%	445.31%
Valencia	25.77%	183.25%	326.63%	185.65%	28.52%	71.88%	4.99%	2.96%	59.46%	29.81%	91.89%	58.34%
TOTAL	71.43%	62.90%	72.71%	79.68%	43.58%	71.13%	69.31%	110.02%	94.46%	103.93%	77.91%	72.35%

*Deductible Structure Program Participation:

Bernalillo County: FY 26 - 34

Dona Ana County: FY 29- 31

Santa Fé County: FY 26 FY 32

San Juan: FY 30- 32

Sandoval: FY 30- 33, FY 35-37

Bernalillo, Dona Ana, Santa Fé, San Juan, Sandoval County Workers' Compensation Structure Analysis

As of 2/29/24

	a	b	c	d	e	f	g	h	i	j	k	l	m
	SIR	Annual	Claim	Total	Open	Claims	Incurred Losses	Incurred Losses Over	Annual Pool	*Loss Fund	WC Pool	Loss	County Total
	(per claim)	Aggregate	Count	Incurred Losses (not net incurred)	Claims	Exceeding SIR	Over SIR	Annual Aggregate	Contributions	Contribution	Incurred YTD	Ratio	Incurred YTD
Bernalillo County											g+h	k/j	d+i-k
FY 27 2013-14	\$400,000	\$1,750,000	286	\$2,873,894	4	1	\$897,994	\$225,900	\$750,437	\$354,840	\$1,123,894	316.73%	\$2,500,437
FY 28 2014 -15	\$400,000	\$1,750,000	273	\$1,600,397	3	0	\$0	\$0	\$765,446	\$239,327	\$0	0.00%	\$2,365,843
FY 29 2015 -16	\$400,000	\$1,750,000	270	\$1,386,167	3	0	\$0	\$0	\$851,941	\$294,014	\$0	0.00%	\$2,238,108
FY 30 2016-17	\$400,000	\$1,750,000	291	\$2,107,797	3	0	\$0	\$357,797	\$949,631	\$327,429	\$357,797	109.27%	\$2,699,631
FY 31 2017-18	\$500,000	\$2,000,000	254	\$2,398,561	4	1	\$143,065	\$255,496	\$879,715	\$279,868	\$398,561	142.41%	\$2,879,715
FY 32 2018-19	\$500,000	\$1,750,000	236	\$1,459,197	1	0	\$0	\$0	\$835,729	\$154,260	\$0	0.00%	\$2,294,926
FY 33 2019-20	\$500,000	\$1,750,000	279	\$2,510,829	6	0	\$0	\$760,829	\$805,055	\$140,216	\$760,829	542.61%	\$2,555,055
FY 34 2020-21	\$50,000	\$1,750,000	193	\$3,014,467	15	16	\$1,612,539	\$0	\$1,250,896	\$616,644	\$1,612,539	261.50%	\$2,018,573
Dona Ana County													
FY 29 2015 -16	\$25,000	\$750,000	99	\$280,757	0	2	\$85,747	\$0	\$589,908	\$427,608	\$85,747	20.05%	\$784,918
FY 30 2016 -17	\$25,000	\$750,000	72	\$272,412	1	3	\$41,187	\$0	\$571,782	\$405,654	\$41,187	10.15%	\$803,007
FY 31 2017 -18	\$25,000	\$750,000	59	\$237,255	0	2	\$77,108	\$0	\$624,926	\$441,500	\$77,108	17.46%	\$785,073
San Juan County													
FY 30 2016 -17	\$10,000	\$0	72	\$577,118	2	10	\$433,996	\$143,122	\$798,917	\$649,480	\$577,118	88.86%	\$798,917
FY 31 2017 -18	\$10,000	\$0	58	\$172,362	0	5	\$51,632	\$120,730	\$750,988	\$599,765	\$172,362	28.74%	\$750,988
FY 32 2018 -19	\$10,000	\$0	74	\$368,003	2	10	\$213,890	\$154,112	\$713,439	\$544,336	\$368,003	67.61%	\$713,439
Sandoval County													
FY 30 2016 -17	\$25,000	\$750,000	67	\$640,104	0	3	\$438,629	\$0	\$692,000	\$598,456	\$438,629	73.29%	\$893,475
FY 31 2017 -18	\$25,000	\$750,000	64	\$178,669	1	3	\$16,974	\$0	\$713,256	\$616,921	\$16,974	2.75%	\$874,951
FY 32 2018 -19	\$25,000	\$750,000	70	\$740,744	1	5	\$540,125	\$0	\$678,087	\$568,492	\$540,125	95.01%	\$878,706
FY 33 2019 -20	\$25,000	\$750,000	43	\$182,730	1	2	\$86,119	\$0	\$627,875	\$518,558	\$86,119	16.61%	\$724,486
FY 35 2021-22	\$25,000	\$750,000	46	\$289,240	5	5	\$102,907	\$0	\$656,492	\$385,546	\$102,907	26.69%	\$842,825
FY 36 2022-23	\$25,000	\$750,000	55	\$226,077	7	2	\$77,274	\$0	\$462,763	\$375,150	\$77,274	20.60%	\$611,566
FY 37 2023-24**	\$50,000	\$750,000	34	\$204,927	31	1	\$2,892	\$0	\$417,387	\$216,264	\$2,892	1.34%	\$619,421
Santa Fé County													
FY 32 2018-19	\$25,000	\$750,000	85	\$822,480	1	7	\$499,177	\$0	\$835,328	\$593,267	\$499,177	84.14%	\$1,158,631

**FY 37 Loss Fund Contribution is pro-rated to 8 months as of 2/29/24.
Loss Fund Contribution = Annual Contribution + Investment Income - Admin. Expenses.

Deductible Structure Program Participation:
Bernalillo County: FY 22 - 34
Dona Ana County: FY 29- 31
Santa Fé County: FY 23 - FY 26 & FY 32
San Juan: FY 30- 32
Sandoval: FY 30- 33, 35-37

Members that left the WC Program
Dona Ana County left the WC Program in FY 32 and returned in FY 34
Santa Fé County left the WC pool in FY 33 and returned in FY 36

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.C.	<u>Item Title:</u> Loss Prevention Update
<u>Presenter (s):</u> Greg Rees, Loss Prevention Manager	

Memorandum

Date: March 4, 2024
To: NMCIA Board
From: Greg Rees, Loss Prevention Manager
Re: Lexipol Policy Management Solutions Update

The development of Lexipol's New Mexico Law Enforcement Manual is in progress. Lexipol risk management attorneys develop draft policies from best practices, federal and state law, and any other court opinions.

The policies are loaded into an online share point website for review. NMC Loss Prevention attorney, Mark Allen, and I review policies daily. Our recommendations are included in the draft. In addition, we have weekly meetings with Lexipol staff to ensure we have the proper engagement needed.

In addition to the development of the manual, Lexipol Senior Account Executive, Jean Farmer, has interacted with numerous sheriffs. Her objective is to demonstrate the online platform, answer any questions, and have the agency sign a Right to Use contract. Because NMC is paying for Lexipol, the contract serves as a written agreement to promote engagement with the product. So far, she has nine signed agreements.

Finally, NMC applied for and was awarded two separate federal grants by the Department of Justice. The Community Oriented Policing Services (COPS) grants are used to support the New Mexico Sheriff's Law Enforcement Accreditation Program. I am happy to report that \$6,500 from Fiscal Year 2021 and \$32,200 from Fiscal Year 2023 will be paid to NMC to reimburse the cost of the Lexipol Policy Management project.

Please feel free to contact me if you have any additional questions.

444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
505-983-2101
Fax: 505-983-4396

LOSS PREVENTION

**New Mexico County Insurance Authority
Board Meeting March 2024**



**NEW MEXICO
COUNTIES**

33 STRONG

OSHA 30-Hour General Industry Training.

May 13-16,
2024, in
Bernalillo
County



OSHA 30-Hour General Industry Outreach Training

Course Description: The 30-hour General Industry Training Program is designed to educate County employees to recognize, abate, and prevent job-related hazards. Employees will learn general safety and recognition of hazards in their work environment. This training will emphasize hazard identification, avoidance, control, and prevention.

Date: May 13 to May 16, 2024

Time: 8 am to 5 pm (Daily)

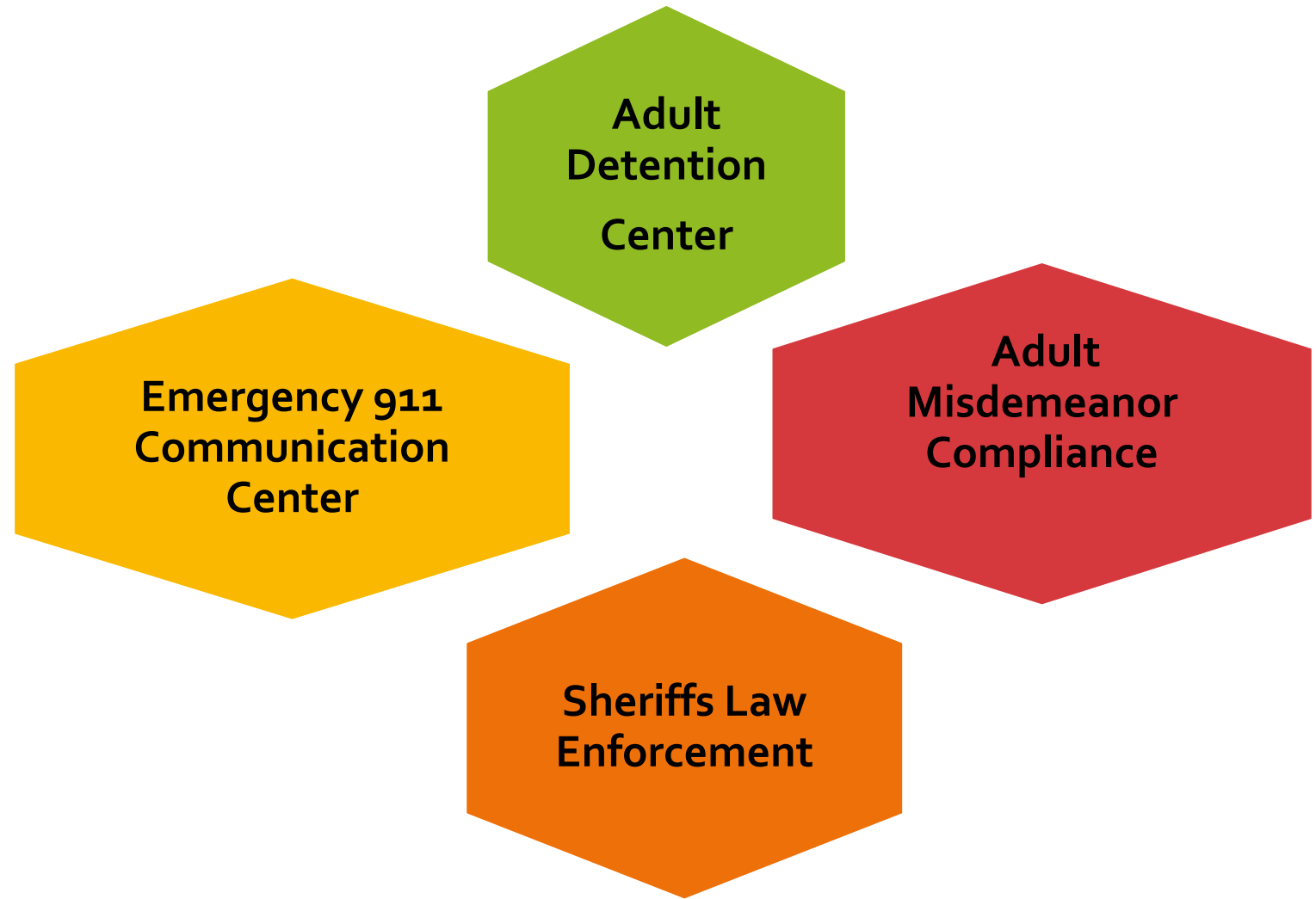
Location: Bernalillo County Alvarado Square 415 Silver SW Albuquerque, New Mexico 87102

Target Audience: Risk Management, Safety & Compliance, Directors/Managers, Roads, Public Works, Parks & Rec, and Maintenance

Course Agenda

Introduction to OSHA – 1 hour
Walking and Working Surfaces – 1 hour
Fall Protection and Ladder Safety – 2 hours
Emergency Action Plan, Fire Exits, Fire Prevention – 2 hours
Hot Works Permit Program & Hazardous Materials – 1 hour Electrical Hazards – 2 hours
Personal Protective Equipment – 1 hour
Materials Handling – 2 hours
Hazard Communication GHS – 1 hour
Machine Guarding – 1hour
Safety and Health Programs – 2 hours
Bloodborne Pathogens – 2 hours
Lock-Out / Tag-Out – 2 hours
Respiratory Protection Programs – 3 hours
WC Basics, OSHA Recordkeeping and Incident Reporting – 2 hours Accident Investigation – 3 hours

Accreditation Programs



Accreditation Programs

Adult Detention

- 190 Standards
- 8 detention centers are currently accredited

Emergency Communications

- 108 standards
- 4 centers are currently accredited

Misdemeanor Compliance

- 121 Standards
- 6 programs are currently accredited

Law Enforcement

- 198 Standards
- Valencia County Sheriff's Office only accredited agency.
- 5 Sheriff's Offices have applied.

Adult Detention	Emergency Communications	Misdemeanor Compliance	Sheriff's Office
Chaves County	Los Alamos County	Curry County	Valencia County
Curry County	Lea County	Lea County	
Doña Ana County	McKinley County	San Juan County	
Roosevelt County	Sandoval County	Sandoval County	
Sandoval County		Santa Fe County	
San Juan County		Valencia County	
Santa Fe County			
Valencia County			

Who is currently accredited through NMC?



**NEW MEXICO
COUNTIES**

33 STRONG

Thank you!

Progress happens
when all 33 come together.



**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.D.	<u>Item Title:</u> Workers' Compensation Update
<u>Presenter (s):</u> Kamie Denton, Workers' Compensation Claims Manager	

Memorandum

Date: March 13, 2024
To: NM Counties Insurance Authority Members
From: Kamie Denton, Workers' Compensation Claims Manager
Re: Workers' Compensation Department Update

- Effective July 1, 2023, NMCIA provides workers' compensation coverage for 32 of the 33 New Mexico counties.
- As of January 31, 2024, we have 619 open workers' compensation claims (the oldest dating back to 1991) with a total incurred of \$48.5 Million. Of these open claims, 157 are from detention centers, and 126 are from the sheriff's departments.
 - The top three causes of injury by classification are strain, struck or injured by an object or person, and fall or slip.
 - The most injured body part classification is multiple body parts with 139 open claims as of January 31, 2024, and a total incurred of \$6.7 Million.
- Since inception (01/01/1987), NMC received a total of 27,421 claims with a total incurred of \$166.1 Million! *as of 01/31/2024.
- Our in-house nurse case manager had 30 open cases as of February 1, 2024; 12 new cases were opened, and 13 cases were closed in January 2024.
 - She managed 42 cases in 2024. The average cost per claim is about \$1,700.00.
- All members participating in the NMCIA workers' compensation line of coverage are enrolled in the Company Nurse triage program effective November 1, 2022. We have been partners with Company Nurse since 2013, and this program helps injured workers as soon as a workplace

444 Galisteo Street
Santa Fe, NM 87501

877-983-2101
505-983-2101
Fax: 505-983-4396

injury occurs. Reports are provided to the member contacts which helps our members know when an incident takes place. Please contact me or Cynthia Stephenson for any questions about how this program can help with your county's workers' compensation claims.

- 125 incidents were reported to Company Nurse from October 2023 through January 2024. Only 17 were triaged to emergency care and 125 were triaged to self-care.
- We partnered with Comp IQ for our bill review management needs. They processed 2,584 bills from October 2023 through January 2024; the total billed was \$2.7 million with a net savings of \$1.9 million.
- Alius Health provides pharmacy benefit management services for our injured workers. There were 469 prescriptions filled from October 2023 through January 2024 with 429 being generic prescriptions providing additional savings. The retail charges for this period were \$44,263.23; our net savings during this period were \$20,427.29.
- Did you know? The largest number of injuries and illnesses are in the service industry by a landslide of 24% (CDC 2023). Slips, Falls, and Trips are responsible for 27 incidents per 1,000 full-time workers. Proper workplace safety measures can help prevent these accidents. (injury Facts 2022). Falls are the 2nd highest injury that led to death in a workplace (CDC 2023). NCMs help with cost containment and ensure resources are used efficiently. Engaging a nurse case manager on a claim can save an average of \$7,100 in medical and indemnity costs (Pulpstream 2023). Fracture or Dislocation - \$60,934 average cost per work injury (Workinjurysource 2023)
- We can provide open claim reviews and training to supervisors, managers, and directors on any workers' compensation-related topic. Please contact Kamie Denton (505-820-8159 or email: kdenton@nmcountries.org) for questions or if you would like to schedule a training or open claim review.

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Santa Fe, NM 87501

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KD
Attachments

NMC Workers' Compensation Department Update

Kamie Denton, CWCP

NMC Workers' Compensation Claims Manager

March 2024



NEW MEXICO
COUNTIES

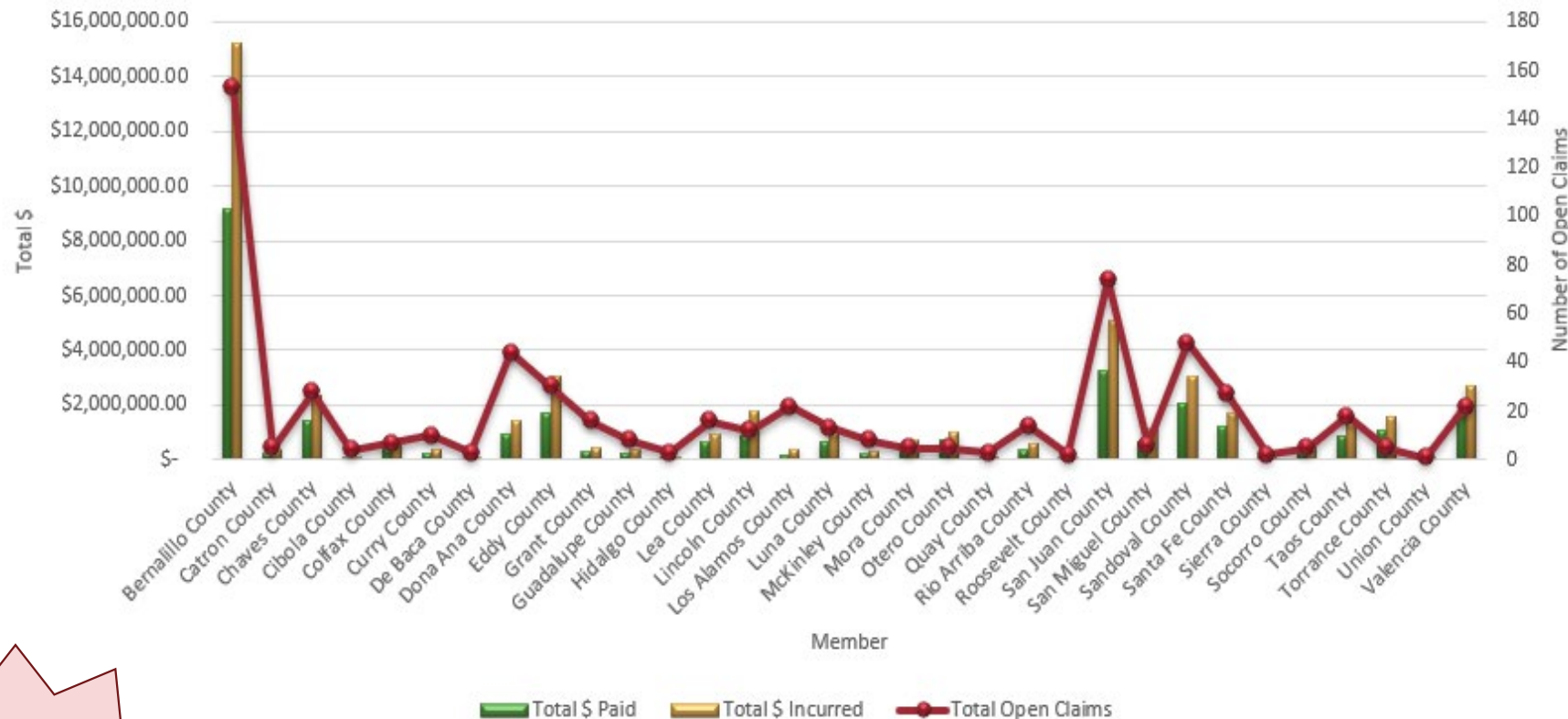
33 STRONG

Open Workers' Compensation Claims

as of 1/31/24*

619
Open
Claims

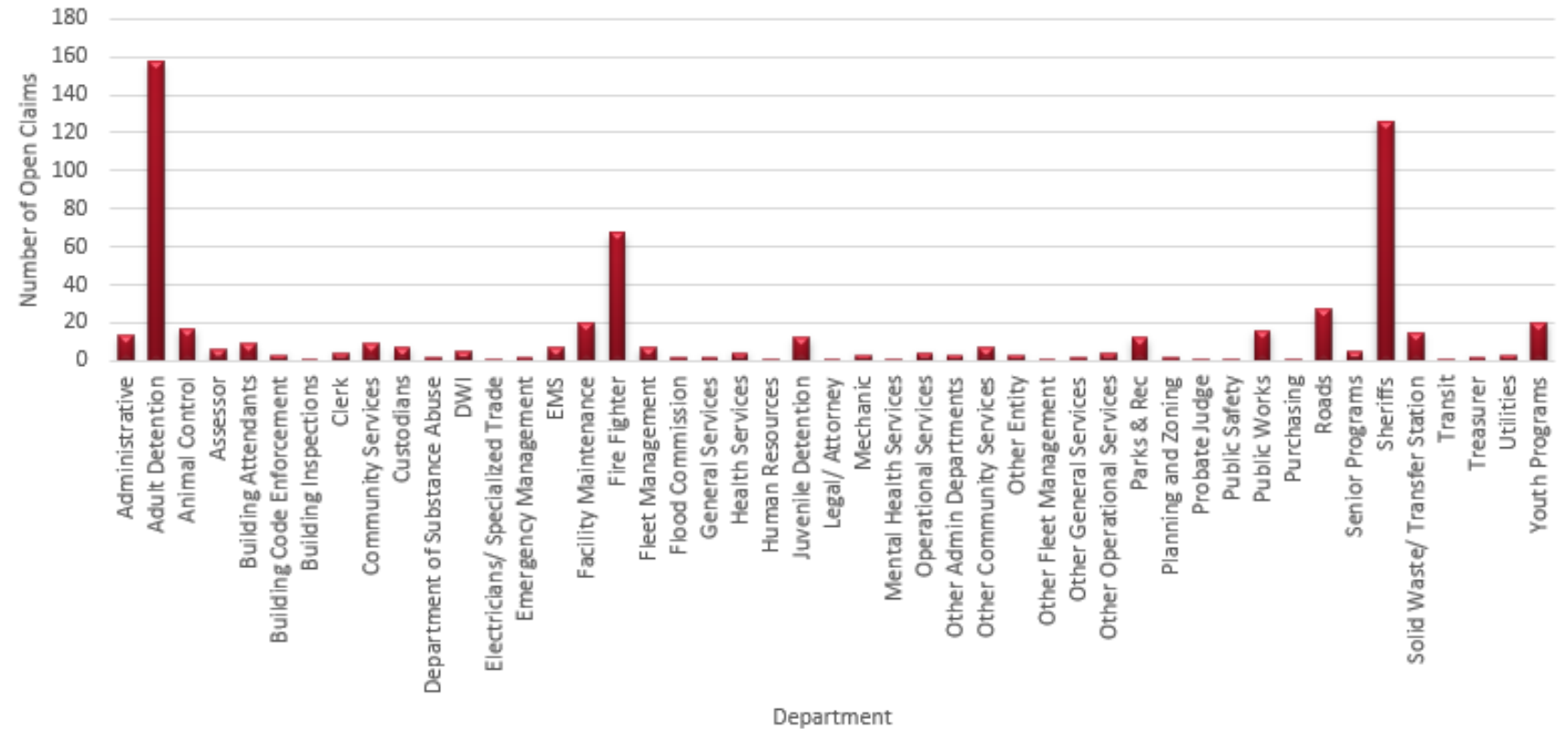
Total Open Work Comp Claims
as of 01/31/2024



Open Workers' Compensation Claims by Department

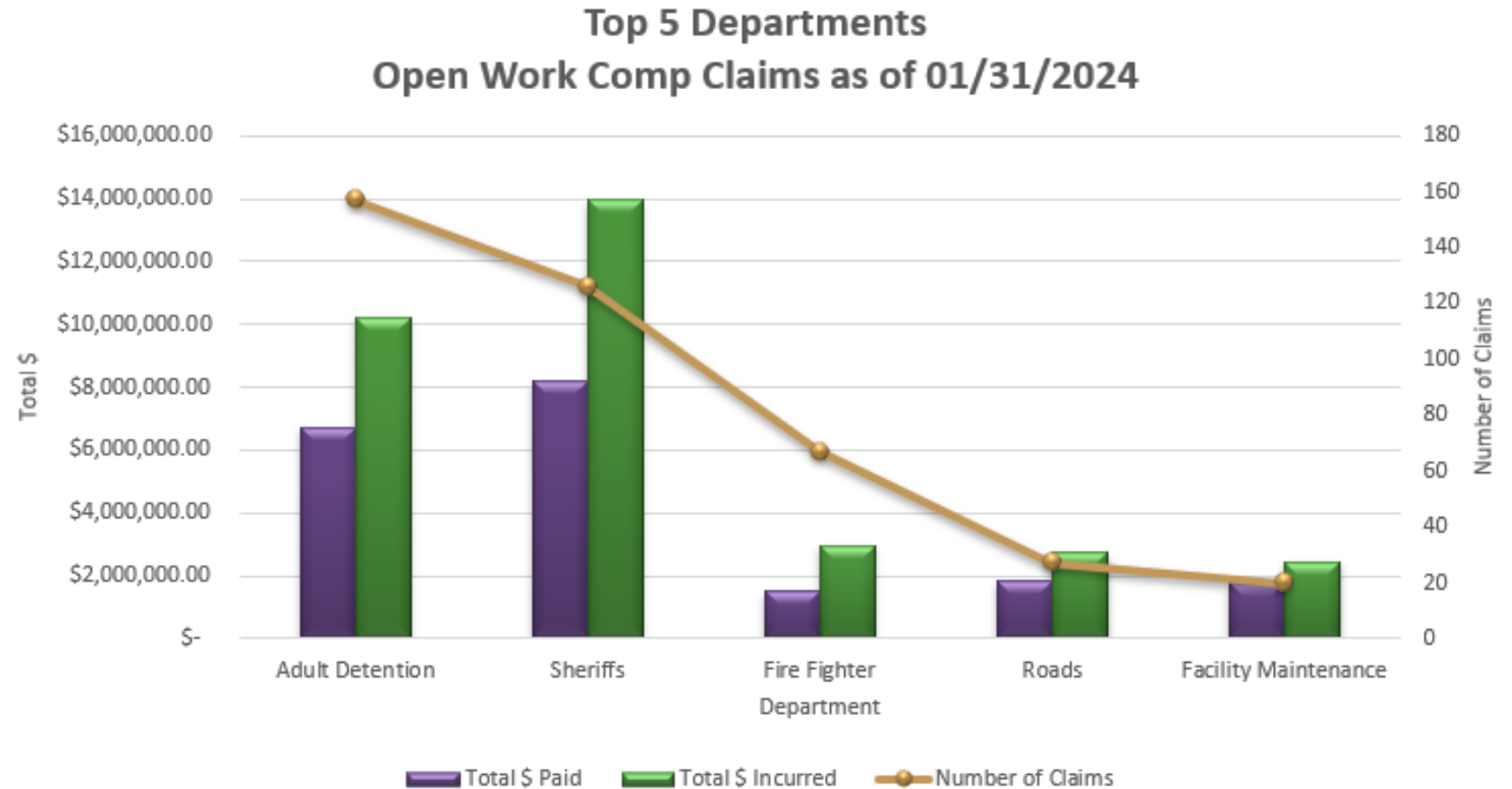
as of 1/31/24*

Total Open Work Comp Claims
by Department as of 01/31/2024



Open Workers' Compensation Claims: Top 5 Departments

as of 1/31/24*

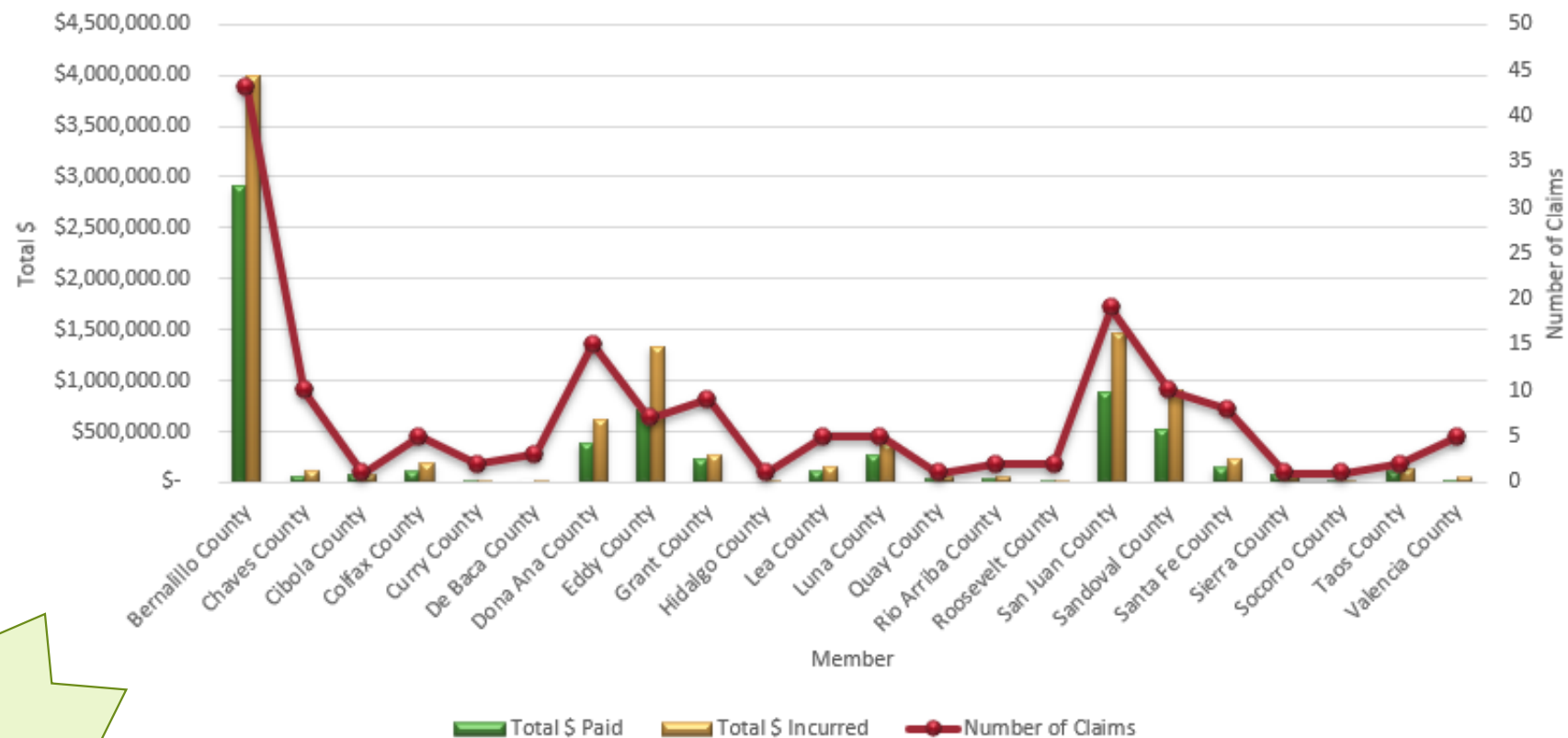


Open Workers' Compensation Claims: Adult Detention

as of 1/31/24*

**157
Open
Claims**

**Total Open Work Comp Claims
Adult Detention as of 01/31/2024**

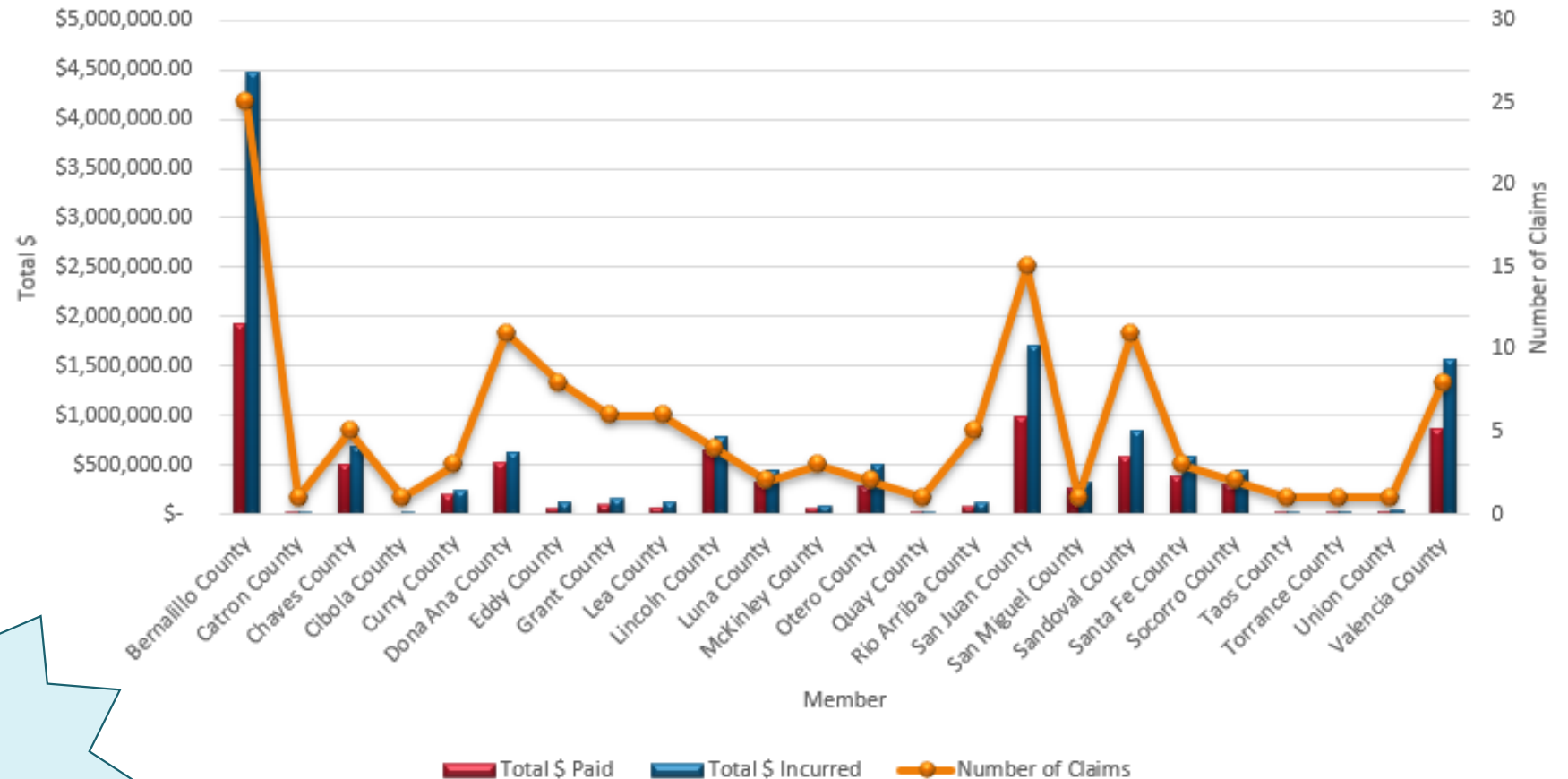


Open Workers' Compensation Claims: Sheriff

as of 1/31/24*

126
Open
Claims

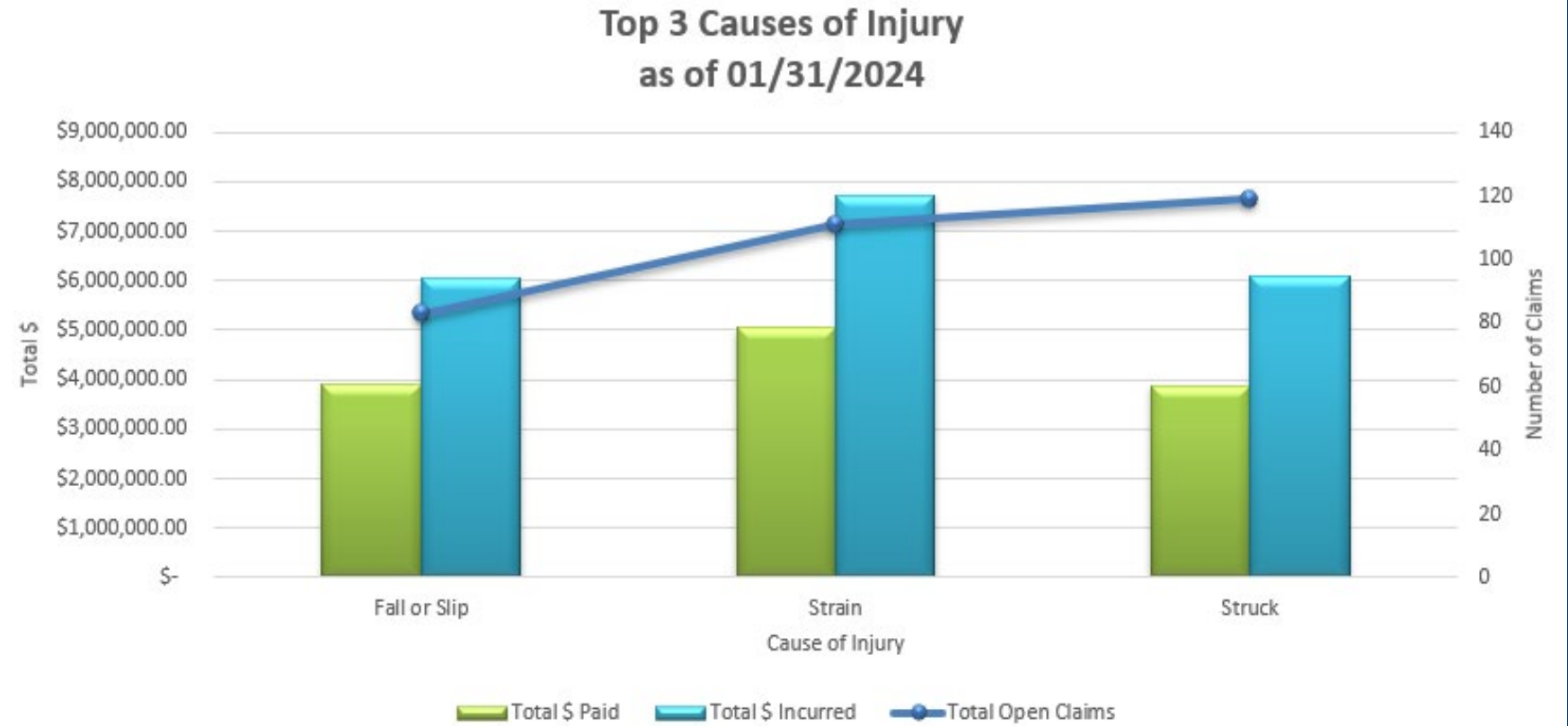
Total Open Work Comp Claims
Sheriff as of 01/31/2024



Open Workers' Compensation Claims:

Top 3 Causes

as of 1/31/24*

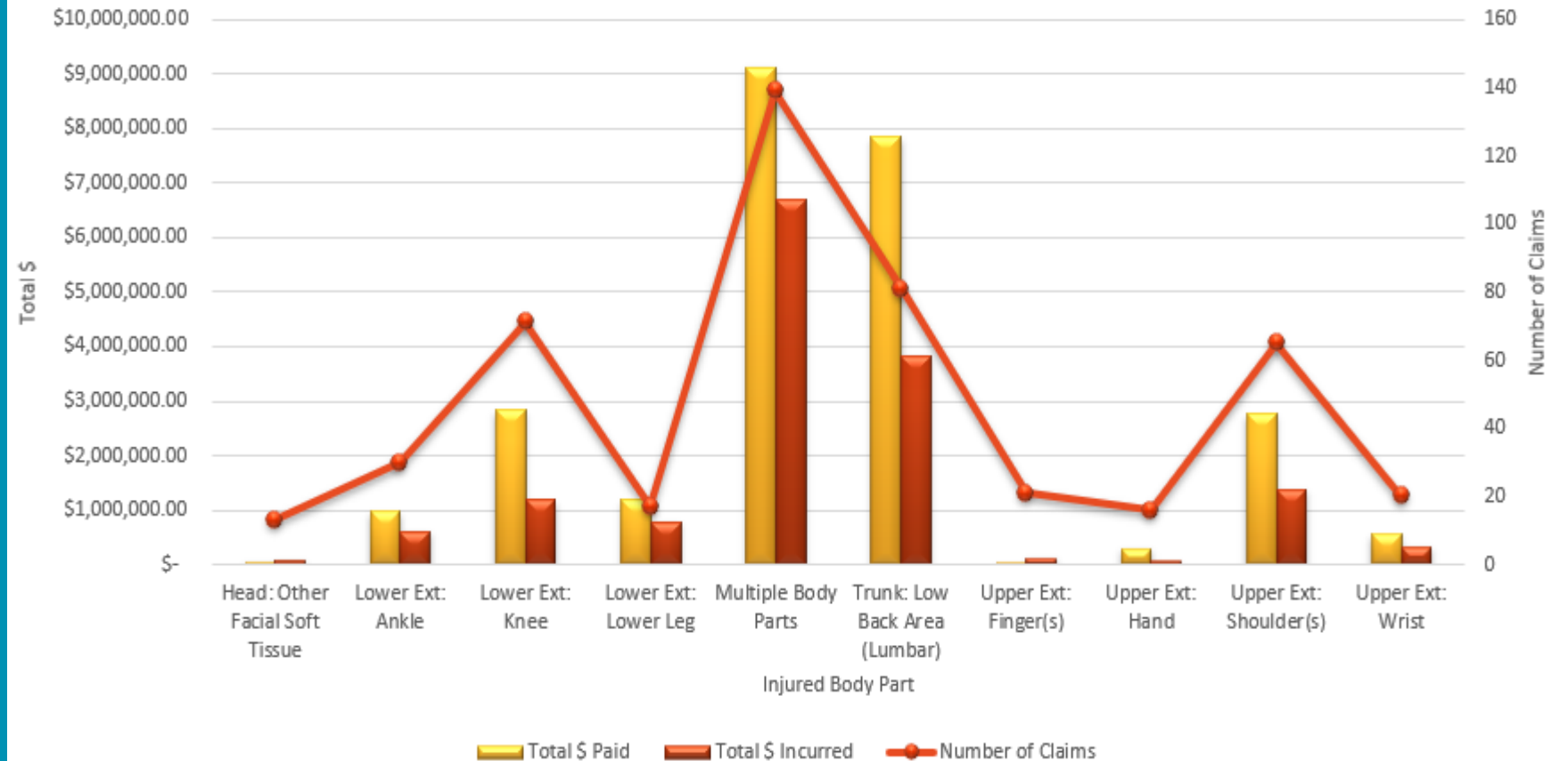


Open Workers' Compensation Claims:

Top 10 Body Parts

as of 1/31/24*

Top 10 Injured Body Parts
as of 01/31/2024

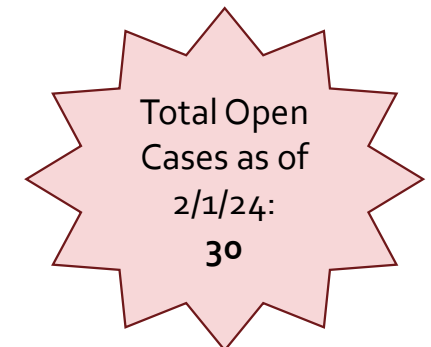


Nurse Case Management Utilization

January 2020-
January 2024

- 🔍 All claims requiring nurse case management services are assigned to our in-house nurse case manager
- 🔍 Our average cost per claim is about \$1,700.00

Year	Number NCM Cases	Total Paid	Average Cost/Claim	Total Claims
2020	153	\$255,171.86	\$1,667.79	670
2021	157	\$284,777.65	\$1,813.87	619
2022	159	\$270,321.14	\$1,700.13	675
2023	166	\$282,589.45	\$1,702.35	773
2024	42	\$16,462.05	\$391.95	65
Total	635	\$1,092,860.10	\$1,721.04	2737





Company Nurse Triage Program Utilization

October 2023-
January 2024

 All members participating in the NMCIA Workers' Compensation line of coverage are automatically enrolled in this program

COMPANY NURSE UTILIZATION OCTOBER 2023-JANUARY 2024



Total
Incidents
Reported
125

Triaged
to ER:
17

Triaged
to Self
Care: **39**

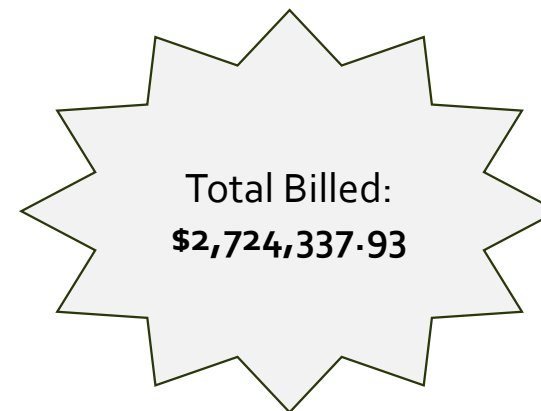
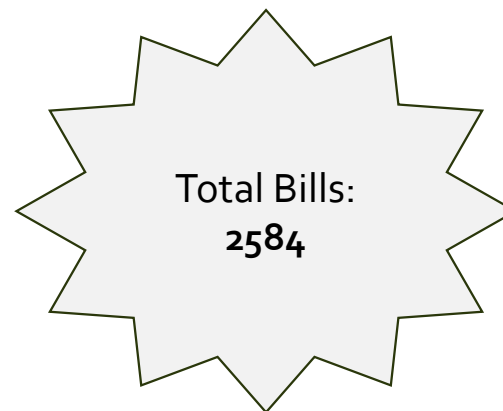
Triaged
to Non-
ER Care:
39



Medical Bill Review Update

October 2023-
January 2024

Month	Number of Bills	Billed Amount	Allowance	Fees	Net Savings
Oct-23	621	\$ 872,776.91	\$ 186,794.12	\$ 12,222.08	\$ 673,760.71
Nov-23	724	\$ 811,208.30	\$ 209,104.18	\$ 10,379.88	\$ 591,724.24
Dec-23	473	\$ 382,702.82	\$ 113,305.61	\$ 6,069.52	\$ 263,327.69
Jan-24	766	\$ 657,649.90	\$ 218,496.32	\$ 13,329.69	\$ 425,823.89
Total	2584	\$ 2,724,337.93	\$ 727,700.23	\$ 42,001.17	\$ 1,954,636.53





Pharmacy Benefit Management Utilization

October 2023-
January 2024

Month	Retail/Fee Schedule	Total Billed	Fees	Net Savings	Filled	Generic	Brand
Oct-23	\$ 23,370.98	\$ 9,566.60	\$ 4,043.79	\$ 9,760.53	123	111	12
Nov-23	\$ 20,892.25	\$ 6,296.96	\$ 3,928.47	\$ 10,666.76	98	92	6
Dec-24	\$ 27,788.35	\$ 10,848.96	\$ 3,993.11	\$ 12,946.25	119	108	11
Jan-24	\$ 26,129.07	\$ 9,357.76	\$ 4,022.72	\$ 12,748.51	129	118	11
Total	\$ 44,263.23	\$ 15,863.56	\$ 7,972.26	\$ 20,427.29	469	429	40

Total
Prescriptions
Filled:
469

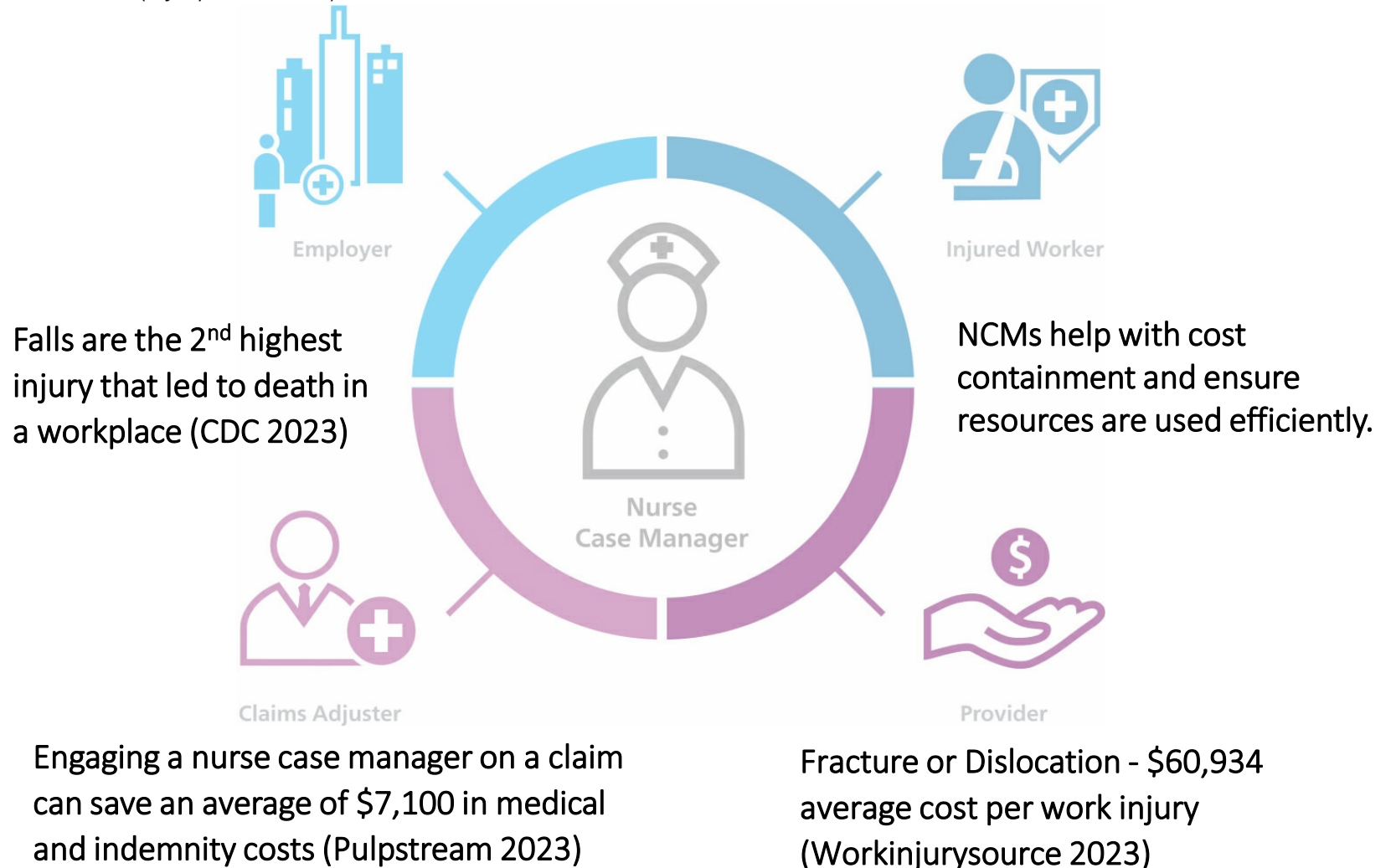
Net Savings:
\$20,427.29

Did You Know?

Slips, Falls, and Trips responsible for 27 incidents per 1,000 full-time workers

Proper workplace safety measures can help prevent these accidents. (injury Facts 2022)

The largest number of injuries and illnesses are in the service industry by a landslide of 24% (CDC 2023)



Need Help?



NMC can provide detailed training on any workers' compensation-related issue to your directors, managers, and supervisors.

Some training topics to consider:

- Prompt reporting of claims
- Workers' compensation benefits and how they work
- Medical care and selection of health care provider
- Litigation
- Case law updates
- Claims handling and bad faith
- Return to work
- And many other topics...

NMC Workers' Compensation Department Contacts



Kamie Denton
Workers' Comp. Claims Manager
kdenton@nmcounties.org
505-820-8159

Pam Lowrance-Adjuster
plowrance@nmcounties.org
505-216-3007

AnneMarie Hill-Adjuster
ahill@nmcounties.org
505-820-8118

Jamie Dalton-Adjuster
jdalton@nmcounties.org
505-216-3002

Ellen Chavez-Nurse Case Manager
echavez@nmcounties.org
505-720-6168

Jessica Atkins-Adjuster
jatkins@nmcounties.org
505-820-8115

Kristen Brown-Administrative Assistant
kbrown@nmcounties.org
505-820-8136

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.E.	<u>Item Title:</u> Multi-Line Update
<u>Presenter (s):</u> Robin Martinez, Multi-Line Claims Manager	

MEMORANDUM

TO: NMCIA Board of Directors

FROM: Robin Martinez, Multi-Line Claims Manager 

DATE: February 28, 2024

RE: Need for additional Claims Examiner


The Multi-Line Department continues to see an increase in the number of claims and litigation filed against NMCIA's member counties. The current total number of claims is 1,156 for ML and LE claims. As you are aware, our most recent hire was Tara Veretto in September 2023, increasing the number of ML Claims Examiners to seven. Tara completed training to work on 1st party auto and property claims and has steadily increased the number of claims she is working on, which is currently 124 claims. The other Claims Examiners are handling 138 to 187 claims. In addition, I am handling 28 claims. Although we are managing the claim load at this time, it is not the ideal situation and can potentially lead to errors and/or burnout of staff.

For these reasons, I would like to add another Claims Examiner position to the department so that claims staff can have a manageable claim load and continue to provide excellent services to our member counties.

I will work with Taylor to budget for another staff member in the May budget cycle.

MEMORANDUM

TO: NMCIA Board of Directors

FROM: Robin Martinez, Multi-Line Claims Manager 

DATE: February 28, 2024

RE: Defense Counsel and Legal Bureau Billing Rates Increase

As you are aware, the Multi-Line Department retains NMC's Legal Bureau and outside defense counsel to defend litigation filed against the pool's member counties, as well as assist with pre-litigation claims. The billing rates which we pay counsel has been competitive until recently when I became aware that State Risk Management Department (RMD) increased their rates significantly. As a result, I contacted the other entities that provide insurance coverage for other governmental agencies, such as NM Municipal League, NM Public School Insurance Authority (NMPSIA), as well as the City of Santa Fe and City of Albuquerque, to compare their billing rates. The comparison of these rates indicates that NMC's rates are lower than RMD, NMPSIA, the City of Santa Fe, and in some cases, the City of ABQ. Please refer to the attached bar graph comparing the rates.

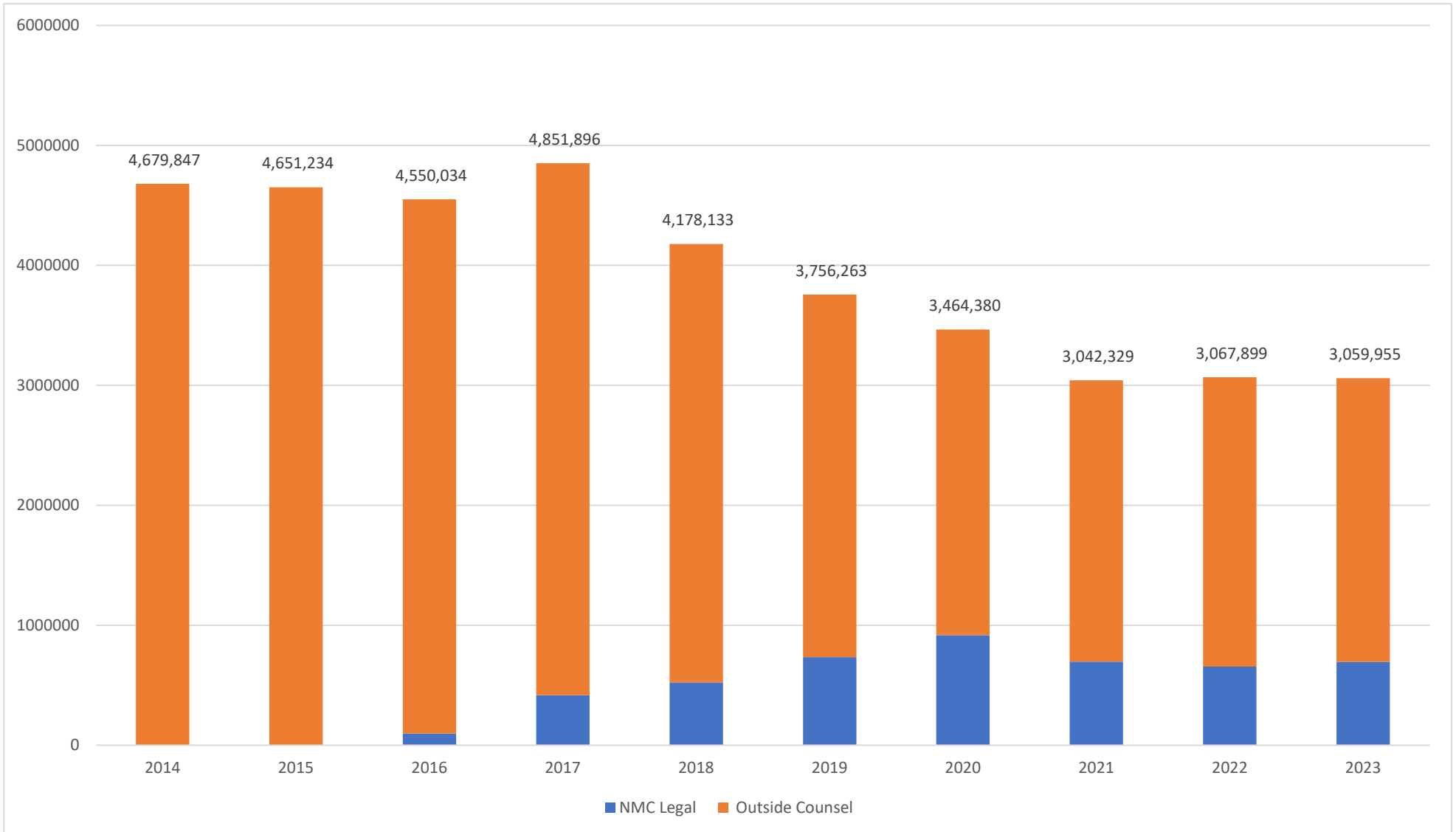
Many of the outside counsel who work with NMC, also work for other entities referenced on the bar graph. You may recall that we raised the rates in 2022 and I did not anticipate the need to increase the rates for several years; however, in order to remain competitive and continue to be the organization that defense counsel prefers to work with, we will be increasing the rates as reflected on the attached bar graph. This increase represents approximately a 21% increase and will apply to outside defense counsel as well as NMC's Legal Bureau attorneys.

The second attachment is a bar graph showing the amounts paid to outside defense counsel and NMC's LB for the past ten years. Note that the LB was established in 2015. We increased the billing rates twice in the last 10 years yet we have managed to reduce the total legal fees paid since 2018. This is attributed to a number of reasons, such establishing the Legal Bureau, Claims Committee meetings, and a proactive Loss Prevention Department.

The anticipated effective date for the rate increase is April 1, 2024.



Total Legal Payments Paid to
Outside Counsel & NMC Legal Bureau
Multi-Line and Law Enforcement Claims
Transaction Dates 1/1/2014 - 12/31/2023



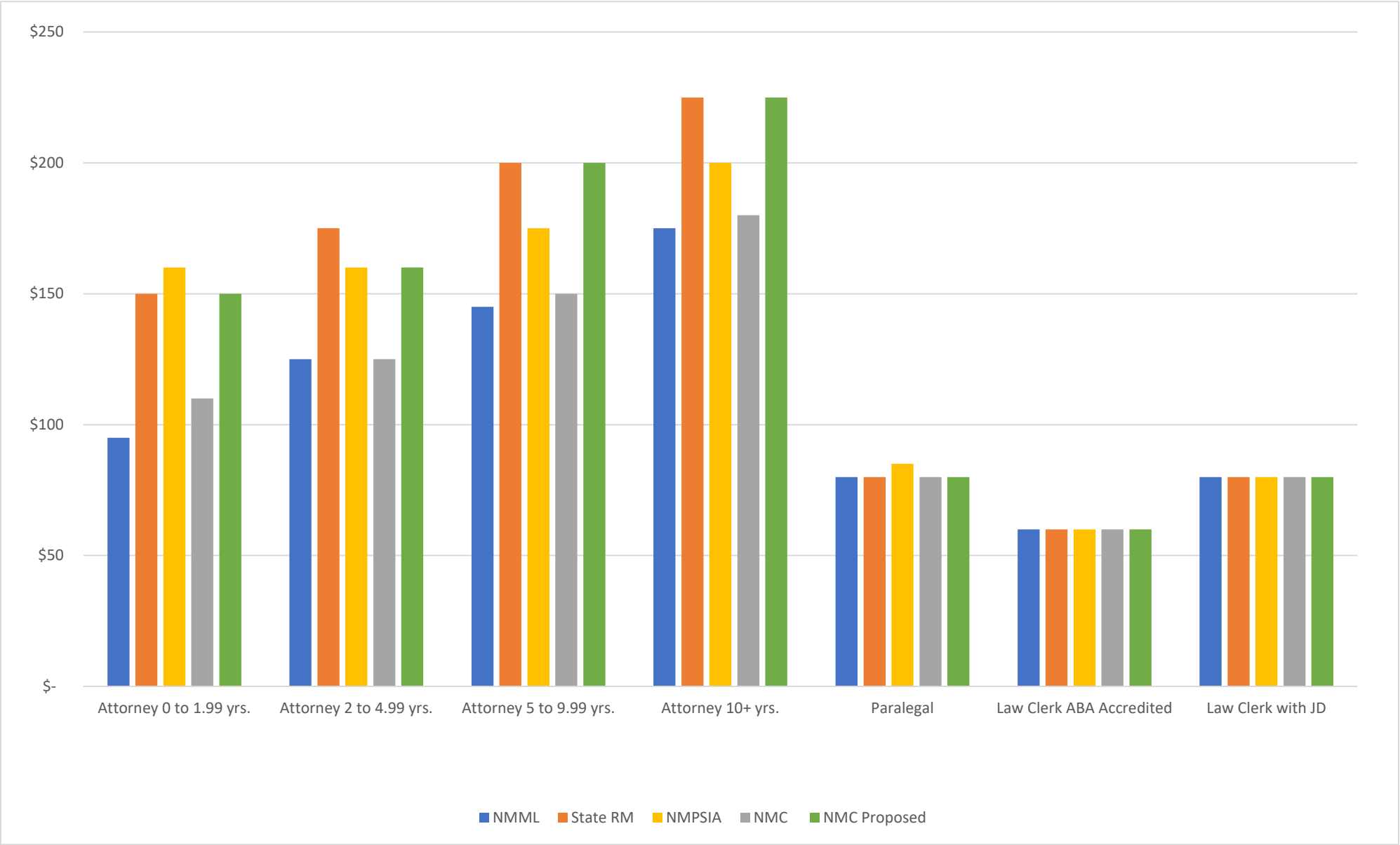
Note 1> Data includes legal paid transactions between 1/1/2014 – 12/31/2023.

Note 2> Financial Type is equal to Legal

Note 3> Coverage is ML and LE

Note 4> NMC Legal Bureau was established in 2015

CURRENT/PROPOSED RATES FOR CONTRACT COUNSEL COMPENSATION



Note 1> The City of Albuquerque is currently paying outside counsel up to \$350 per hour. They do not have set rates based on experience.
 Note 2> Traveler's provides coverage for the City of Santa Fe and pays their defense attorneys \$225.
 Note 3> Data provided by agencies in January of 2024.

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.F.	<u>Item Title:</u> CRL Update
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	



County Reinsurance, Limited

Property Plus Committee Meeting

Agenda

Wednesday, February 21, 2024
12 noon CST

Virtual – MS Teams
(Meeting link sent separately)

1. Call to Order; Roll Call
2. Introductions
3. Update on 7/1/2024 Pricing Tab 1
4. Review of CRL Property Program Changes Tab 2
5. Review of Draft Unaudited CRL Property Plus Financial Statements Tab 3
6. Discussion and Action on CRL Property Plus Premium Surcharge Tab 4
7. Other Business
8. Adjournment



County Reinsurance, Limited

Property Plus Committee Meeting

Agenda Item Summary

Tab 1: Update on 7/1/2024 Pricing
Presenter(s): CRL Staff
<p>Background:</p> <p>The CRL Underwriting Committee convened on February 6, 2024, and reviewed and approved the rates (group and individual) up to the CRL retained limits for each line of coverage. These rates will be presented to the CRL Board for consideration on February 22, 2024.</p> <p>Overall, there is an increase in rates across all lines of coverage - workers' compensation (+8.4%), liability (+3.6%), and property (+19.8% before factoring in individual rates). The expense load remains flat at 17.5%. Each member's pricing for 7/1/2024 will vary depending on their own loss experience and changes in exposures.</p> <p>Other items of note:</p> <ul style="list-style-type: none">• Net decrease in Total Insured Values (TIVs) of approximately 5%. There was a decrease in TIVs of approximately 20% due to the withdrawal of ICRMP and removal of school exposure from the property program. This was offset by increases in TIVs from appraisals and the addition of new counties.• Estimated completion of property program modeling and Risk Finance Optimization (RFO) analysis is April 2024. We anticipate the RFO rates to be similar to last year's rates and are using last year's analysis for these discussions.• For CRL Members with renewal dates in April, May, and June, CRL staff is providing estimates with ranges until such time as pricing is finalized.
Type of Item: Information item.
Recommendation: None.
Reference Material: None.



County Reinsurance, Limited

Property Plus Committee Meeting

Agenda Item Summary

Tab 2: Review of CRL Property Program Changes
Presenter(s): CRL Staff
<p>Background:</p> <p>At its meeting in May 2023, the CRL Board of Directors approved several changes to the property program. Those changes include:</p> <ul style="list-style-type: none">• Increases in minimum retentions each year through 2026.• Increases in deductibles for Tier 1 and New Madrid Earthquake.• Implementation of Severe Convective Storm deductible.• Implementation of 125% Margin Clause. <p>Refer to the attached CRL Property Program Changes – Effective Date Summary for additional details regarding the changes and effective dates of those changes.</p>
Type of Item: Information item.
Recommendation: None.
Reference Material: CRL Property Program Changes – Effective Date Summary chart

CRL Property Program Changes - Effective Date Summary

	Minimum Retentions				Deductibles			125% Margin Clause
	\$350,000	\$400,000	\$450,000	\$500,000	3% Tier 1	2% New Madrid EQ	1% Severe Convective Storm	
Alabama	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2023			1/1/2024
Arkansas	7/1/2023	7/1/2024	7/1/2025	7/1/2026		7/1/2023	1/1/2024	1/1/2024
Arizona	7/1/2023	7/1/2024	7/1/2025	7/1/2026				7/1/2024
Georgia	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2023			7/1/2024
Kansas	7/1/2023	7/1/2024	7/1/2025	7/1/2026			1/1/2024	1/1/2024
Kentucky	7/1/2023	7/1/2024	7/1/2025	7/1/2026		7/1/2023	7/1/2024	7/1/2024
Mississippi	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2023	7/1/2023		4/1/2024
Nebraska	7/1/2023	7/1/2024	7/1/2025	7/1/2026			7/1/2024	7/1/2024
North Carolina	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2023			7/1/2024
New Mexico	7/1/2023	7/1/2024	7/1/2025	7/1/2026				1/1/2024
Ohio	7/1/2023	7/1/2024	7/1/2025	7/1/2026				5/1/2024
Oklahoma	7/1/2023	7/1/2024	7/1/2025	7/1/2026			7/1/2024	7/1/2024
Pennsylvania	7/1/2023	7/1/2024	7/1/2025	7/1/2026				6/1/2024
South Carolina	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2023			7/1/2024
Tennessee	7/1/2023	7/1/2024	7/1/2025	7/1/2026		7/1/2023	7/1/2024	7/1/2024
Texas	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2023		7/1/2024	7/1/2024
Utah	7/1/2023	7/1/2024	7/1/2025	7/1/2026				1/1/2024



County Reinsurance, Limited

Property Plus Committee Meeting

Agenda Item Summary

Tab 3: Review of Draft Unaudited CRL Property Plus Financial Statements
Presenter(s): CRL Staff
<p>Background:</p> <p>A draft of the unaudited CRL Property Plus financial statements is included as reference material. The draft financial statements reflect Incurred But Not Reported (IBNR) and Loss Reserves as of 12/31/2023 prepared by Pinnacle.</p> <p>Note, the unaudited statements are not final and subject to change based on confirmation of investment income. However, they provide a reasonable indication as to the current state of the CRL Property Plus program as of 12/31/2023 and supports discussion regarding the premium surcharge under Tab 4.</p>
Type of Item: Information item.
Recommendation: None.
Reference Material: Draft Unaudited CRL Property Plus Financial Statements



County Reinsurance, Limited

County Reinsurance, Limited Property Plus Unaudited Financial Statements - Statutory Basis December 31, 2023

Prepared By:

AIG Insurance Management Services, Inc.
30 Main Street, Suite 330
Burlington, VT 05401
Tel: (802) 658-9405

Service Team:

Raina Tripp
Brenda Stewart, Manager

raina.tripp@aig.com
brenda.stewart@aig.com

**County Reinsurance, Limited Property Plus
Statutory Basis Unaudited Financial Statements
For the Period Ending December 31, 2023**

Table of Contents

	<u>Page Number</u>
Statutory Statements of Admitted Assets, Liabilities and Equity	2
Statutory Statements of Operations	3
Statutory Statement of Changes in Surplus	4

DRAFT

County Reinsurance, Limited Property Plus
Statutory Statements of Admitted Assets, Liabilities and Equity
December 31, 2023

	2023	December 2022
Admitted Assets		
Cash & Cash Equivalents	\$ 23,519,790	\$ 4,206,918
Debt Securities, at Carrying Value	124,242,711	45,917,103
Equity Securities, at Fair Value	7,865,855	7,109,616
Accrued Investment Income	606,786	222,139
Premiums Receivable	(13,243)	18,254
Total Admitted Assets	\$ 156,221,899	\$ 57,474,030
Liabilities & Members' Surplus		
Liabilities		
Unearned Premiums	51,839,663	5,284,395
Outstanding Loss Reserves	22,201,112	7,421,877
Incurred But Not Reported Loss Reserves	15,539,446	2,768,123
Premium Taxes Payable	33,029	8,127
Total Liabilities	89,613,250	15,482,522
Equity		
Paid in Capital	\$ 38,500,000	\$ 38,500,000
Net Unrealized Gain/(Loss) on Investments	(236,304)	(771,841)
Retained Earnings	28,344,953	4,263,349
Total Equity	66,608,649	41,991,508
Total Liabilities & Equity	\$ 156,221,899	\$ 57,474,030

County Reinsurance, Limited Property Plus
Statutory Statements of Operations
For the Period Ending December 31, 2023

	QTD	YTD
Underwriting Revenue:		
Gross Written Premium	\$ 1,808,404	\$ 103,757,079
Change in Unearned Premiums	24,761,118	(46,555,268)
Net Premiums Earned	26,569,522	57,201,812
Underwriting Expenses:		
Paid Losses and Loss Adjustment Expenses	1,840,750	9,143,694
Change in Outstanding Loss Reserves	(1,068,985)	14,779,235
Change in IBNR Loss Reserves	13,930,303	12,771,323
Premium Tax Expense	434	24,902
Total Expenses	14,702,502	36,719,154
Underwriting Income/(Loss)	11,867,020	20,482,658
Investment Income:		
Investment income - Bonds	742,499	1,873,151
Investment income - Risk Assets	138,088	481,346
Amortization/Accretion expense	585,022	727,798
Investment income - Money Fund	365,663	587,630
Realized Gains/Losses	(5,720)	(70,979)
Total Net Investment Income	1,825,551	3,598,946
Net Income (Loss)	\$ 13,692,571	\$ 24,081,604
Loss ratio	55.3%	64.1%
Expense ratio	0.00%	0.04%
Combined ratio	55.3%	64.2%

**County Reinsurance, Limited Property Plus
Statutory Statement of Changes in Surplus
December 31, 2023**

	2023	December 2022
Balance Beginning of Year	\$ 41,991,508	\$ -
Change in Paid-in Capital	-	38,500,000
Change in Net Unrealized Gain on Investments	535,537	(771,841)
Net Income/(Loss) Year-to-Date	24,081,604	4,263,349
Balance End of Period	\$ 66,608,649	\$ 41,991,508



County Reinsurance, Limited

Property Plus Committee Meeting

Agenda Item Summary

Tab 4: Discussion and Action on CRL Property Plus Premium Surcharge	
Presenter(s): CRL Staff	
<p>Background:</p> <p>The CRL Property Plus rates as of 7/1/2023 included a premium surcharge of \$52MM. This surcharge was needed to maintain the financial viability of the Property Plus program now that the program was assuming more risk with a retention of \$25MM excess of \$5MM. This item is being presented to the CRL Property Plus Committee to determine whether to include a premium surcharge in the 7/1/2024 Property Plus rates.</p> <p>Considerations regarding the premium surcharge:</p> <ol style="list-style-type: none">1. Most significant variable for CRL Property Plus funding.2. Created significant pricing pressure for CRL members.3. Viewed as a one-time charge and not a long-term solution to building surplus.4. Entering wind and hail season which is the most volatile for CRL on property claims.5. Stability in pricing and surplus given the uncertainty property claims. <p>The tables and charts included as reference material show estimates for CRL Property Plus pricing assuming a \$25MM surcharge, a \$12.5M surcharge, and no surcharge. Note, the total premium decreases for the \$12.5MM surcharge and the “no surcharge” options do not match the total decreases. This is due to certain rates being a function of, or percentage of, other rates. As the CRL Property Plus surcharge decreases, CRL Rates also decrease. Examples are:</p> <ul style="list-style-type: none">• CRL Other Rates are 2% of Panel Other Rates• CRL Tiers 1, 2, and 3 Rates are 35% of Panel Tiers 1, 2, and 3 Rates, respectively. <p>CRL staff will guide the Committee through the options and answer questions.</p>	
Type of Item: Action item.	
Recommendation:	Discuss and make recommendation on premium surcharge for 7/1/2024.
Reference Material:	7/1/2024 Surcharge Options at \$25MM, \$12.5MM, and No Surcharge

7/1/24 Funding Model for CRL Property Plus – 25MM Surcharge

	5x5	5x10	5x15	5x20	5x25	Total
Average Loss	7,768,460	3,788,197	2,360,795	1,611,328	1,189,086	16,717,866
Standard Deviation	5,930,240	4,280,184	3,473,281	2,948,446	2,571,098	19,203,249
Total Modeled Prem	13,698,700	8,068,381	5,834,076	4,559,774	3,760,184	35,921,115
Percentage	38.1%	22.5%	16.2%	12.7%	10.5%	100.0%
Premium Surcharge	9,533,877	5,615,347	4,060,339	3,173,464	2,616,973	25,000,000
Total	23,232,577	13,683,728	9,894,415	7,733,238	6,377,157	60,921,115

	Total Premiums			Comments
	2023-24	2024-25	Change	
Alabama	4,779,477	3,660,050	-23.4%	CAT Load
Arkansas	4,127,333	3,530,123	-14.5%	CAT Load offset by additional losses
Arizona	1,371,939	1,262,189	-8.0%	
Georgia	13,563,916	10,037,438	-26.0%	CAT Load
Kansas	3,263,623	2,832,382	-13.2%	
Kentucky	17,115,112	12,283,103	-28.2%	CAT Load
Mississippi	4,259,139	3,471,590	-18.5%	
Nebraska	2,314,366	2,012,938	-13.0%	
New Mexico	3,556,655	3,203,630	-9.9%	
N. Carolina	23,974,430	20,552,540	-14.3%	CAT Load, offset by large Tier 1 TV increase
Ohio	5,313,035	4,868,183	-8.4%	
Oklahoma	4,124,132	3,674,341	-10.9%	
Pennsylvania	5,956,258	4,813,676	-19.2%	
South Carolina	3,098,085	2,958,081	-4.5%	Added Tier 2 and Tier 3 Counties during the year.
Tennessee	17,831,557	7,889,846	-55.8%	Removed \$2BB in School TIV. CAT Load
Texas	35,831,751	26,291,936	-26.6%	CAT Load
Utah	1,748,267	1,575,962	-9.9%	
	152,229,076	114,918,006	-24.5%	

	Composite Rates in Cents		
	2023-24	2024-25	Change
Alabama	19.622	15.026	-23.4%
Arkansas	15.186	12.988	-14.5%
Arizona	4.327	3.981	-8.0%
Georgia	12.435	9.202	-26.0%
Kansas	11.392	10.352	-9.1%
Kentucky	19.115	13.719	-28.2%
Mississippi	14.686	12.207	-16.9%
Nebraska	10.062	8.751	-13.0%
New Mexico	8.201	7.557	-7.9%
N. Carolina	28.720	24.660	-14.1%
Ohio	3.385	3.122	-7.8%
Oklahoma	15.195	13.538	-10.9%
Pennsylvania	7.237	5.848	-19.2%
South Carolina	12.069	11.523	-4.5%
Tennessee	27.789	18.448	-33.6%
Texas	19.431	14.350	-26.1%
Utah	6.538	5.894	-9.9%

7/1/24 Funding Model for CRL Property Plus – 12.5MM Surcharge

	5x5	5x10	5x15	5x20	5x25	Total
Average Loss	7,768,460	3,788,197	2,360,795	1,611,328	1,189,086	16,717,866
Standard Deviation	5,930,240	4,280,184	3,473,281	2,948,446	2,571,098	19,203,249
Total Modeled Prem	13,698,700	8,068,381	5,834,076	4,559,774	3,760,184	35,921,115
Percentage	38.1%	22.5%	16.2%	12.7%	10.5%	100.0%
Premium Surcharge	4,766,939	2,807,673	2,030,169	1,586,732	1,308,487	12,500,000
Total	18,465,639	10,876,054	7,864,245	6,146,506	5,068,671	48,421,115

	Total Premiums			Comments
	2023-24	2024-25	Change	
Alabama	4,779,477	3,251,272	-32.0%	CAT Load
Arkansas	4,127,333	3,209,377	-22.2%	CAT Load offset by additional losses
Arizona	1,371,939	1,158,535	-15.6%	
Georgia	13,563,916	8,864,242	-34.6%	CAT Load
Kansas	3,263,623	2,641,315	-19.1%	
Kentucky	17,115,112	10,928,869	-36.1%	CAT Load
Mississippi	4,259,139	3,149,593	-26.1%	
Nebraska	2,314,366	1,852,316	-20.0%	
New Mexico	3,556,655	2,997,884	-15.7%	
N. Carolina	23,974,430	17,907,502	-25.3%	CAT Load, offset by large Tier 1 TV increase
Ohio	5,313,035	4,259,209	-19.8%	
Oklahoma	4,124,132	3,286,931	-20.3%	
Pennsylvania	5,956,258	4,414,222	-25.9%	
South Carolina	3,098,085	2,657,985	-14.2%	Added Tier 2 and Tier 3 Counties during the year.
Tennessee	17,831,557	7,120,752	-60.1%	Removed \$2BB in School TV. CAT Load
Texas	35,831,751	22,571,480	-37.0%	CAT Load
Utah	1,748,267	1,449,543	-17.1%	
	152,229,076	101,721,026	-33.2%	

	Composite Rates in Cents		
	2023-24	2024-25	Change
Alabama	19.622	13.348	-32.0%
Arkansas	15.186	11.808	-22.2%
Arizona	4.327	3.654	-15.6%
Georgia	12.435	8.126	-34.6%
Kansas	11.392	9.653	-15.3%
Kentucky	19.115	12.206	-36.1%
Mississippi	14.686	11.075	-24.6%
Nebraska	10.062	8.053	-20.0%
New Mexico	8.201	7.071	-13.8%
N. Carolina	28.720	21.486	-25.2%
Ohio	3.385	2.731	-19.3%
Oklahoma	15.195	12.110	-20.3%
Pennsylvania	7.237	5.363	-25.9%
South Carolina	12.069	10.354	-14.2%
Tennessee	27.789	16.650	-40.1%
Texas	19.431	12.320	-36.6%
Utah	6.538	5.421	-17.1%

7/1/24 Funding Model for CRL Property Plus – No Surcharge

	5x5	5x10	5x15	5x20	5x25	Total
Average Loss	7,768,460	3,788,197	2,360,795	1,611,328	1,189,086	16,717,866
Standard Deviation	5,930,240	4,280,184	3,473,281	2,948,446	2,571,098	19,203,249
Total Modeled Prem	13,698,700	8,068,381	5,834,076	4,559,774	3,760,184	35,921,115
Percentage	38.1%	22.5%	16.2%	12.7%	10.5%	100.0%
Premium Surcharge	0	0	0	0	0	0
Total	13,698,700	8,068,381	5,834,076	4,559,774	3,760,184	35,921,115

	Total Premiums			Comments
	2023-24	2024-25	Change	
Alabama	4,779,477	2,842,494	-40.5%	CAT Load
Arkansas	4,127,333	2,888,631	-30.0%	CAT Load offset by additional losses
Arizona	1,371,939	1,054,882	-23.1%	
Georgia	13,563,916	7,691,046	-43.3%	CAT Load
Kansas	3,263,623	2,450,248	-24.9%	
Kentucky	17,115,112	9,574,636	-44.1%	CAT Load
Mississippi	4,259,139	2,827,596	-33.6%	
Nebraska	2,314,366	1,691,694	-26.9%	
New Mexico	3,556,655	2,792,137	-21.5%	
N. Carolina	23,974,430	15,262,464	-36.3%	CAT Load, offset by large Tier 1 TIV increase
Ohio	5,313,035	3,650,235	-31.3%	
Oklahoma	4,124,132	2,899,521	-29.7%	
Pennsylvania	5,956,258	4,014,768	-32.6%	
South Carolina	3,098,085	2,357,889	-23.9%	Added Tier 2 and Tier 3 Counties during the year.
Tennessee	17,831,557	6,351,657	-64.4%	Removed \$2BB in School TIV. CAT Load
Texas	35,831,751	18,851,024	-47.4%	CAT Load
Utah	1,748,267	1,323,124	-24.3%	
	152,229,076	88,524,046	-41.8%	

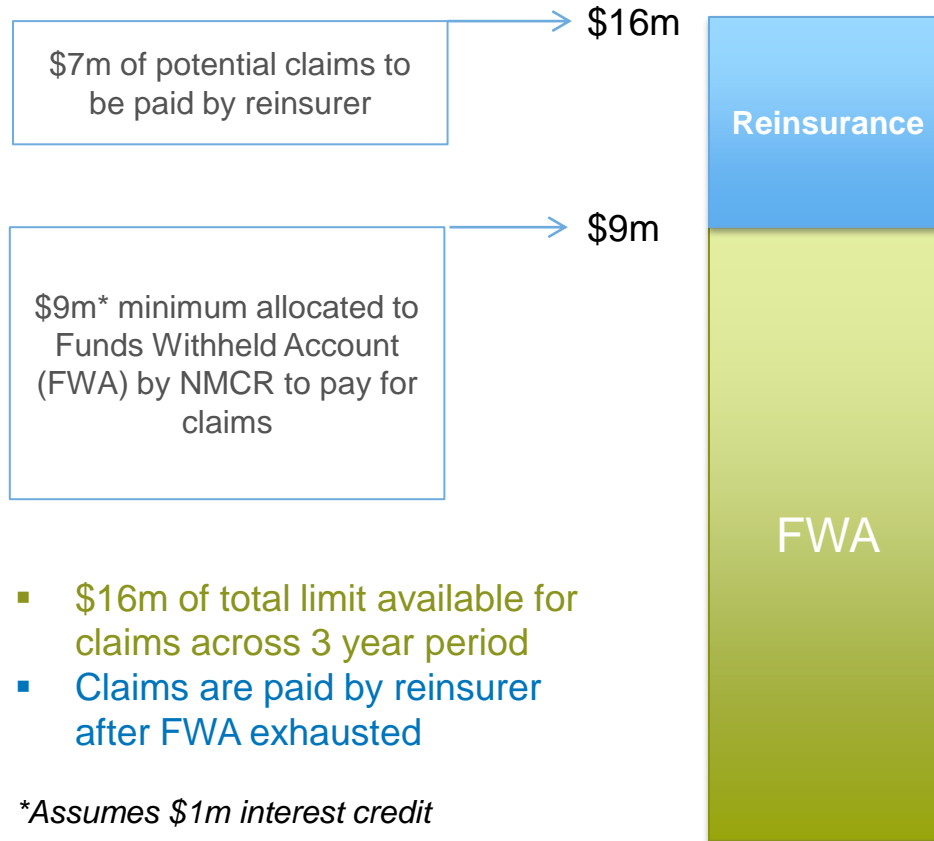
	Composite Rates in Cents		
	2023-24	2024-25	Change
Alabama	19.622	11.669	-40.5%
Arkansas	15.186	10.628	-30.0%
Arizona	4.327	3.327	-23.1%
Georgia	12.435	7.051	-43.3%
Kansas	11.392	8.955	-21.4%
Kentucky	19.115	10.694	-44.1%
Mississippi	14.686	9.943	-32.3%
Nebraska	10.062	7.355	-26.9%
New Mexico	8.201	6.586	-19.7%
N. Carolina	28.720	18.312	-36.2%
Ohio	3.385	2.341	-30.9%
Oklahoma	15.195	10.683	-29.7%
Pennsylvania	7.237	4.878	-32.6%
South Carolina	12.069	9.185	-23.9%
Tennessee	27.789	14.852	-46.6%
Texas	19.431	10.289	-47.0%
Utah	6.538	4.948	-24.3%

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 9.G.	<u>Item Title:</u> NMCRe Update
<u>Presenter (s):</u> Taylor Horst, Risk Management Director	

Structure Loss Examples – 3 Year

Hannover Re Non-Binding Terms – No Loss Scenario



Scenario

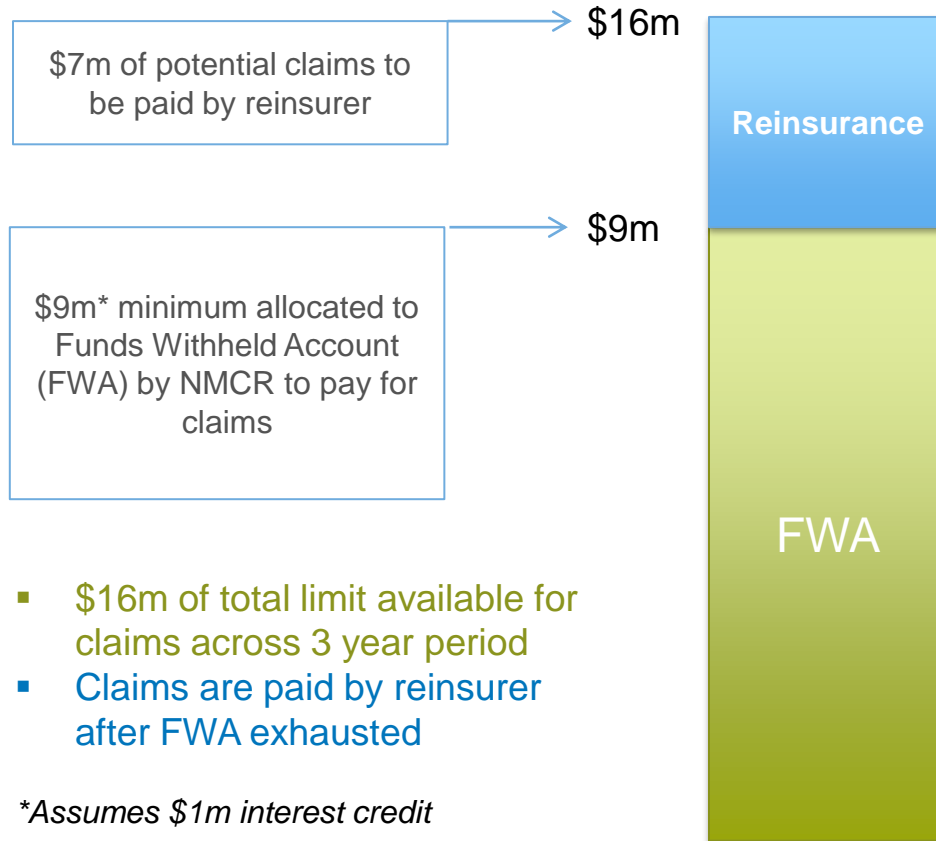
- \$1.33m of premium paid to reinsurer annually
- \$4m of premium paid to reinsurer across 3 years
- \$0 of loss to NMCR

Claims Settlement Summary

- \$0 of loss to reinsurance
- \$9m balance in FWA stays with NMCR in form of Profit Commission

Structure Loss Examples – 3 Year

Hannover Re Non-Binding Terms – Expected Loss Scenario



Scenario

- \$1.33m of premium paid to reinsurer annually
- \$4m of premium paid to reinsurer across 3 years
- \$11.5m of loss ceded to NMCR**

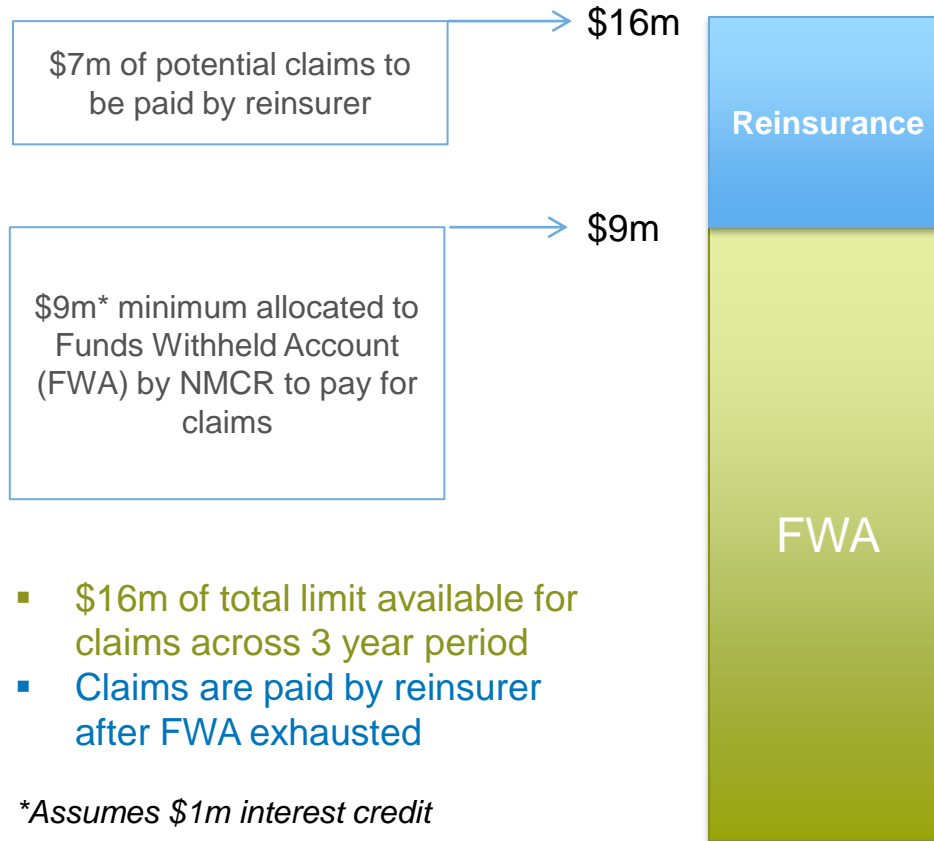
Claims Settlement Summary

- \$9m of loss paid from FWA
- \$2.5m of loss paid by reinsurer

***Expected loss calculated using projected ultimate loss from NMCR actuarial report dated 11-28-22 for years 2024, 2025, and 2026*

Structure Loss Examples – 3 Year

Hannover Re Non-Binding Terms – Full Limit Loss Scenario



Scenario

- \$1.33m of premium paid to reinsurer annually
- \$4m of premium paid to reinsurer across 3 years
- \$16m of loss to NMCR

Claims Settlement Summary

- \$9m of loss paid from FWA
- \$7m of loss paid by reinsurer

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**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> 10.	<u>Item Title:</u> Other Business
<u>Presenter (s):</u> Lance Pyle, Chair	

**NEW MEXICO COUNTY INSURANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY**

<u>Item Number:</u> <p style="text-align: center;">11.</p>	<u>Item Title:</u> Adjournment
<u>Presenter (s):</u> Lance Pyle, Chair	
<div style="display: flex; justify-content: space-between;"><div>Motion to adjourn by:</div><div>Seconded by:</div></div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div>Adjournment time:</div><div></div></div>	