

# New Mexico Counties

Advancing Counties through Service, Education, Advocacy and Leadership



## NEW MEXICO COUNTY INSURANCE AUTHORITY

### Board of Directors Meeting

**May 21, 2025, 8:30 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](http://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
- Articulate our core values & mission
- Develop a communication & marketing plan
- Educate board about the Captive & discuss strategy
- Perform Capital Adequacy Assessment process
- Create a comprehensive history archive & condensed version
- 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**

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





# NMCIA Board of Directors 2025

## Officers

Chair	Vice-Chair	NMC Representative
<b>Lance Pyle</b> <i>Curry County Manager</i>	<b>Gregory S. Shaffer</b> <i>Santa Fe County Manager</i>	<b>Michael Meek</b> <i>County Commissioner</i>

## GROUP I, GEOGRAPHICAL DIRECTORS

**Term Expires 1/2027**

NORTHWEST	NORTHEAST	SOUTHWEST
<b>Jhonathan Aragon</b> <i>Valencia County Deputy Manager</i>	<b>Lance Pyle</b> <i>Curry County Manager</i>	<b>Charlene Webb</b> <i>Grant County Manager</i>
Cibola, Los Alamos, McKinley, Rio Arriba, Taos, Torrance, Valencia	Colfax, Curry, Guadalupe, Harding, Mora, Quay, San Miguel, Union	Catron, Grant, Hidalgo, Luna, Sierra, Socorro

SOUTHEAST
<b>Roberta Gonzales</b> <i>Eddy County Finance Director</i>
Chaves, De Baca, Eddy, Lea, Lincoln, Otero, Roosevelt



## GROUP II, CLASS A DIRECTORS

**Term Expires 1/2026**

<b>BERNALILLO</b> <b>Lisa Sedillo-White</b> <i>Deputy County Manager for General Services</i>	<b>BERNALILLO</b> <b>Shirley Ragin</b> <i>Deputy County Manager for Finance</i>	<b>DOÑA ANA</b> <b>Steven Mauer</b> <i>Risk Manager</i>
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SAN JUAN	SANDOVAL	SANTA FE
<b>Cynthia Singleton</b> <i>Claims Manager</i>	<b>Michael Meek</b> <i>County Commissioner</i>	<b>Gregory S. Shaffer</b> <i>County Manager</i>

### GROUP III, POPULATION DIRECTORS

**Term Expires 1/2026**

SMALL COUNTY	MID-LEVEL-LOW COUNTY	MID-LEVEL-HIGH COUNTY
<b>Brandy Thompson</b> <i>Union County Manager</i>	<b>Kate Fletcher</b> <i>Cibola County Manager</i>	<b>Anthony Dimas, Jr.</b> <i>McKinley County Manager</i>
Catron, Colfax, De Baca, Guadalupe, Harding, Hidalgo, Mora, Quay, Sierra, Torrance and Union	Cibola, Grant, Lincoln, Los Alamos, Luna, Roosevelt, San Miguel, Socorro and Taos	Chaves, Curry, Eddy, Lea, McKinley, Otero, Rio Arriba and Valencia

## EX Officio Directors

President	President Elect	Attorney Affiliate Representative
<b>Annie Hogland</b> <i>Curry County Clerk</i>	<b>Terri Fortner</b> <i>San Juan County Clerk</i>	<b>Michael Eshleman</b> <i>Sandoval County Attorney</i>



# NMCIA Committees

## LITIGATION CLAIMS COMMITTEE

<b>Lisa Sedillo-White</b> <i>Bernalillo Deputy County Manager for General Services</i>  415 Silver SW Albuquerque, NM 87102 Work: 505-468-7013 Cell: 505-264-9440 <a href="mailto:lswhite@bernco.gov">lswhite@bernco.gov</a>	<b>Kate Fletcher</b> <i>Cibola County Manager</i>  700 Roosevelt Ave., – Suite 50 Grants, NM 78020 Work (505) 285-2590 Cell (505) 285-8052 <a href="mailto:kate.fletcher@co.cibola.nm.us">kate.fletcher@co.cibola.nm.us</a>	<b>Gregory S. Shaffer</b> <i>Santa Fe County Manager</i>  102 Grant Ave. Santa Fe, NM 87504 Work (505) 986-6200 <a href="mailto:gshaffer@santafecountynm.gov">gshaffer@santafecountynm.gov</a>
<b>Charlene Webb</b> <i>Grant County Manager</i>  PO Box 898 Silver City, NM 88062 Work (575) 574-0008 Cell (575) 574-8675 <a href="mailto:cwebb@grantcountynm.gov">cwebb@grantcountynm.gov</a>	<b>Alternate:</b> <b>Cynthia Singleton</b> <i>San Juan County Claims Manager</i>  100 South Oliver Drive Aztec, NM 87410 Work (505) 334-4509 Cell (505) 419-6059 <a href="mailto:cynthia.singleton@sjcounty.net">cynthia.singleton@sjcounty.net</a>	

## FINANCE AND AUDIT COMMITTEE

<b>Gregory S. Shaffer</b> <i>Santa Fe County Manager</i>  102 Grant Ave. Santa Fe, NM 87504 Work (505) 986-6200 <a href="mailto:gshaffer@santafecountynm.gov">gshaffer@santafecountynm.gov</a>	<b>Brandy Thompson</b> <i>Union County Manager</i>  200 Court St. / PO Box 430 Clayton, NM 88415 Work (575) 374-8896 ext. 4 Cell (575) 207-8896 <a href="mailto:brandy.thompson@unionnm.us">brandy.thompson@unionnm.us</a>	<b>Shirley Ragin</b> <i>Bernalillo Deputy County Manager of Finance</i>  415 Silver SW Albuquerque, NM 87102 Work (505) 468-7308 Cell (505) 250-4621 <a href="mailto:sragin@bernco.gov">sragin@bernco.gov</a>
<b>Lisa Sedillo-White</b> <i>Bernalillo Deputy County Manager for General Services</i>  415 Silver SW Albuquerque, NM 87102 Work: 505-468-7013 Cell: 505-264-9440 <a href="mailto:lswhite@bernco.gov">lswhite@bernco.gov</a>	<b>Alternate:</b> <b>Lance Pyle</b> <i>Curry County Manager</i>  417 Gidding, Suite 100 Clovis, NM 88311 Work (575) 763-6016 Cell (575) 799-1405 <a href="mailto:lpyle@currycounty.org">lpyle@currycounty.org</a>	

## UNDERWRITING COMMITTEE

<p><b>Lisa Sedillo-White</b> <i>Bernalillo Deputy County Manager for General Services</i></p> <p>415 Silver SW Albuquerque, NM 87102 Work: 505-468-7013 Cell: 505-264-9440 <a href="mailto:lswhite@bernco.gov">lswhite@bernco.gov</a></p>	<p><b>Gregory S. Shaffer</b> <i>Santa Fe County Manager</i></p> <p>102 Grant Ave. Santa Fe, NM 87504 Work (505) 986-6200 <a href="mailto:gshaffer@santafecountynm.gov">gshaffer@santafecountynm.gov</a></p>	<p><b>Lance Pyle</b> <i>Curry County Manager</i></p> <p>417 Gidding, Suite 100 Clovis, NM 88311 Work (575) 763-6016 Cell (575) 799-1405 <a href="mailto:lpyle@currycounty.org">lpyle@currycounty.org</a></p>
<p><b>Cynthia Singleton</b> <i>San Juan County Claims Manager</i></p> <p>100 South Oliver Drive Aztec, NM 87410 Work (505) 334-4509 Cell (505) 419-6059 <a href="mailto:cynthia.singleton@sjcounty.net">cynthia.singleton@sjcounty.net</a></p>	<p><b>Alternate:</b> <b>Kate Fletcher</b> <i>Cibola County Manager</i></p> <p>700 Roosevelt Ave. – Suite 50 Grants, NM 78020 Work (505) 285-2590 Cell (505) 285-8052 <a href="mailto:kate.fletcher@co.cibola.nm.us">kate.fletcher@co.cibola.nm.us</a></p>	



## STRATEGIC PLANNING COMMITTEE

<b>Jhonathan Aragon</b> <i>Valencia County Deputy Manager</i>  PO Box 1119 Los Lunas, NM 87031 Home: (505) 916-0538 Cell: (505) 610-0870 <a href="mailto:jhonathan.aragon@co.valencia.nm.us">jhonathan.aragon@co.valencia.nm.us</a>	<b>Brandy Thompson</b> <i>Union County Manager</i>  200 Court St. / PO Box 430 Clayton, NM 88415 Work (575) 374-8896 ext. 4 Cell (575) 207-8896 <a href="mailto:brandy.thompson@unionnm.us">brandy.thompson@unionnm.us</a>	<b>Lisa Sedillo-White</b> <i>Bernalillo Deputy County Manager for General Services</i>  415 Silver SW Albuquerque, NM 87102 Work (505) 468-7013 Cell (505) 264-9440 <a href="mailto:lswhite@bernco.gov">lswhite@bernco.gov</a>
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**Staff:**

**Grace Philips**  
*Risk Management Director*

**Cynthia Stephenson**  
*Risk Management Specialist*

**Lori Urban**  
*Asst. Risk Management Director*

## DETENTION COMMITTEE

<b>Shirley Ragin</b> <i>Bernalillo Deputy County Manager for Finance</i>  415 Silver SW Albuquerque, NM 87102 Work: 505-468-7308 Cell: 505-250-4621 <a href="mailto:sragin@bernco.gov">sragin@bernco.gov</a>	<b>VACANT</b>	<b>Name</b> <i>Detention Affiliate Representative</i>  Street Address City/State/Zip Work (xxx) xxx-xxxx Cell (xxx) xxx-xxxx email
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**Staff:**

**Grace Philips**  
*Risk Management Director*

**Greg Rees**  
*Loss Prevention Manager*

**Mark Allen**  
*General Counsel*

**Clay Corn**  
*Loss Prevention Specialist*

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

<b><u>Item Number:</u></b>  2.	<b><u>Item Title:</u></b>  Approval of Agenda
<b><u>Presenter (s):</u></b> Lance Pyle, Chair	
<div style="display: flex; justify-content: space-between; margin-top: 20px;"><div>Motion by:</div><div>Seconded by:</div></div>	



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

**May 21, 2025, 8:30 a.m. \***

**AGENDA**

**In Person**

NMC Office

444 Galisteo St., Santa Fe, NM 87501

\* 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 May 22, 2025, 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 May 21, 2025, it will not meet on May 22, 2025.

<b>1.</b>	<b>Call to Order / Pledge of Allegiance / Roll Call / Introductions</b>	Lance Pyle	Pg. 3
<b>2.</b>	<b>Approval of Agenda</b>	Lance Pyle	Pg. 9
<b>3.</b>	<b>Approval of Minutes of March 26, 2025</b>	Lance Pyle	Pg. 12
<b>4.</b>	<b>8:40 a.m. Executive Session – Pending and Threatened Litigation Per New Mexico Open Meetings Act 10-15-7-H(7)</b>	Lance Pyle	Pg. 19
	<ul style="list-style-type: none"><li>• Estate of Monica Garcia v Socorro County</li><li>• Estate of Michael Gabaldon v Valencia County</li><li>• MDC Appeal of One Occurrence Application – Arbitration Update</li><li>• Estate of Wyatt James Franzoy v Luna County</li><li>• Tracy Henderson v Quay County</li></ul>		
<b>5.</b>	<b>Board Presentations</b>		
	A. Gallagher Update	John Chino	Pg. 20
<b>6.</b>	<b>Board Action Items</b>		
	A. Approve Workers' Compensation Budget	Grace Philips	Pg. 52
	B. Approve 2025-2026 Workers' Compensation Reinsurance	Grace Philips	Pg. 54
	C. Approve 2025-2026 Workers' Compensation Contributions	Grace Philips	Pg. 62
<b>7.</b>	<b>Board Presentations</b>		
	A. Workers' Compensation Update	Kamie Denton	Pg. 63
	B. WCA Audit Status Update	Grace Philips	
		Mark Allen	Pg. 81
	C. Executive Director Update	Joy Esparsen	Pg. 92



D.	Financial Reports	Richard Garcia	Pg. 106
<b>8.</b>	<b>Board Action Items</b>		
A.	Approve Meeting/Retreat Location and Dates	Isaiah Rodriguez	Pg. 128
B.	Discussion of Prior Board Authorization of Settlement Authority in Estate of Wyatt James Franzoy v Luna County	Grace Philips	Pg. 131
<b>9.</b>	<b>Board Reports</b>		
A.	General Counsel Update	Mark Allen	Pg. 132
B.	Risk Management Update	Grace Philips	Pg. 135
C.	Loss Prevention Update	Greg Rees	Pg. 142
D.	CRL Update	Grace Philips	Pg. 149
E.	NMCRe Update	Grace Philips	Pg. 152
F.	Review 2025-2026 NMC Budget	Richard Garcia	Pg. 154
<b>10.</b>	<b>Other Business</b>	Lance Pyle	Pg.159
<b>11.</b>	<b>Adjournment</b>	Lance Pyle	Pg.160

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

<b><u>Item Number:</u></b>  3.	<b><u>Item Title:</u></b>  Approval of Minutes of March 26, 2025
<b><u>Presenter (s):</u></b> Lance Pyle, Chair	
<div style="display: flex; justify-content: space-between; margin-top: 20px;"><div>Motion by:</div><div>Seconded by:</div></div>	

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

**March 26, 2025, 8:30 a.m.**

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

**MINUTES**

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

Chair Lance Pyle called the meeting to order at 8:30 a.m. Cynthia Stephenson called the roll and announced that a quorum was present.

**Board Members Present**

Jhonathan Aragon, Valencia County Manager  
Michael Eshleman, Attorney Affiliate Representative, Sandoval County Attorney  
Kate Fletcher, Cibola County Manager  
Michael Meek, Sandoval County Commissioner  
Steven Mauer, Dona Ana County Risk Manager  
Lance Pyle, Chair, Curry County Manager  
Shirley Ragin, Bernalillo Deputy County Manager of Finance  
Lisa Sedillo-White, Bernalillo Deputy County Manager of General Services  
Gregory S. Shaffer, Vice Chair, Santa Fe County Manager  
Cynthia Singleton, San Juan County Claims Manager  
Brandy Thompson, Union County Manager  
Charlene Webb, Grant County Manager

**Board Members Absent/Excused**

Anthony Dimas, Jr., McKinley County Manager  
Terri Fortner, NMC President Elect, San Juan County Clerk  
Roberta Gonzales, Eddy County Finance Director  
Annie Hogland, NMC President, Curry County Clerk

**NMC Staff Present**

Mark Allen, General Counsel  
Kamie Denton, Workers' Compensation Claims Manager  
Joy Esparsen, Executive Director  
Richard Garcia, Finance Director  
Velma Herrera, Sr. Multi-Line Claims Examiner  
Grace Phillips, Risk Management Director  
Robin Martinez, Multi-Line Claims Manager  
Greg Rees, Loss Prevention Manager  
Cynthia Stephenson, Risk Management Specialist

**Guests Present**

Armany Mansour, Bernalillo County Risk Management Administrator  
Jared Najjar, Virtue & Najjar, PC  
Gina Ortega, Bernalillo County Risk Management Director



### **Approval of Agenda**

Charlene Webb made a motion to approve the agenda, and Jhonathan Aragon seconded the motion, which passed unanimously.

### **Approval of Minutes of December 4, 2024**

Brandy Thompson made a motion to approve the January 23, 2025 minutes and Michael Meek seconded the motion, which passed unanimously.

## **Board Presentations and Action Items**

### **Strategic Asset Alliance: Proposed Investment Policy Updates**

Nathan Simon presented their proposed NMCIa/NMCRe asset allocation proposal, noting the combined net position as of December 31 was \$18,062,642. Nathan said SAA's recommendation for risk asset volatility should be capped at 25% risk assets to net position across the two programs, representing approximately \$4.5M combined in risk assets exposure. He added the 25% risk assets/net position threshold provides materiality while maintaining a conservative overall profile. He said the current combined risk asset position of \$1.6M represents 1.4% of the total combined portfolio, allowing an additional \$2.9M in risk assets to be invested. He said the current asset allocation is held via mutual fund by NMCIa and recommends \$2.6M should be held by NMCRe. This would represent a total position of 20%, below the target and representing approximately 11.3% as a percentage of the NMCRe portfolio.

### **Wells Fargo Advisors: Proposed Implementation of Investments**

Ryan Salmon began his presentation with a summary of the U.S. economy and markets, indicating tariffs were unexpected and could lead to a recession with a 30-40% chance predicted by the market. He said the economy is slowing though unemployment is still low at 4.1% and inflation has moderated in the last few years. He then detailed invested assets by program, with the Law Enforcement program investments having a market value of \$38,328,770. Assets for the three programs total \$98,659,449 in market value. Ryan noted that in November and December NMCIa paid a higher-than-normal number of claims. He then reviewed his proposed implementation of investments including a summary of proposed changes to NMCIa's investment policy.

### **Approve SAA Recommendation to Terminate Moreton Capital**

Nathan Simon said NMCIa is not in compliance with its investment policy, as Moreton Capital does not meet the description of investment partner, detailing language in the policy and describing the ways Moreton does not meet the standards. He said he spoke with investment managers at Moreton who asked NMCIa to consider adjusting the investment policy to accommodate them. Nathan does not recommend doing that, as their brokerage structure puts liability on NMCIa, with the finance director approving all transactions.

Greg Shaffer made a motion to approve SAA's recommendation to terminate Moreton Capital and Charlene Webb seconded the motion, which passed unanimously.

### **Approve SAA Recommendation to Convert to a Discretionary Management Agreement with Wells Fargo Advisors**

Grace Philips noted that Wells Fargo Advisors would reduce its stated advisory fee of 0.17% to 0.15% because the Board voted to terminate Moreton Capital and WFA would manage those funds. Brandy Thompson made a motion to approve SAA's recommendation to convert to a discretionary management agreement with Wells Fargo Advisors. Kate Fletcher seconded the motion, which passed unanimously.

### **Approve Updated NMCIA Investment Policy**

Nathan Simon reviewed the recommended language changes to the NMCIA investment policy with members, noting the policy adds language that puts the investment manager to the test with performance benchmarks. Asked for his input, Richard Garcia said it was a well thought-out policy and he was in agreement with the recommended changes. Jhonathan Aragon made a motion to approve the updated NMCIA investment policy and Shirley Ragin seconded the motion, which passed unanimously.

### **Executive Session – Pending and Threatened Litigation Per New Mexico Open Meetings Act 10-15-7-H(7)**

- Estate of Oscar Najera v. Chaves County
- Estate of Elijah Hadley v. Otero County
- Treasure Hazen v. Dona Ana County
- Estate of Michael Gabaldon v. Valencia County

Michael Meek 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 the above-named claims. Charlene Webb seconded the motion, which passed via a roll call vote: Jhonathan Aragon, Lance Pyle, Charlene Webb, Kate Fletcher, Steve Mauer, Shirley Ragin, Lisa Sedillo-White, Greg Shaffer, and Brandy Thompson. Lance Pyle certified that the only things discussed were pending and threatened litigation in accordance with the Open Meeting Act. Michael Meek made a motion to come out of executive session and Brandy Thompson seconded the motion. Brandy Thompson made a motion to authorize the amounts as discussed by the Board in cases 2025-3-1, 2025-3-2 and 2025-3-3. Jhonathan Aragon seconded the motion, which passed unanimously.

### **Board Action Items**

#### **Approve New Medical Malpractice Coverage Policy**

Grace Philips presented the new medical malpractice policy. The policy documents the practice already in place and defines how members purchase coverage for certain employed medical professionals. Brandy Thompson made a motion to approve the new medical malpractice coverage policy and Kate Fletcher seconded the motion, which passed unanimously.

#### **Approve Exclusion and Endorsement for Medical Malpractice in Revised 2025 Liability Coverage Agreement**

Grace Philips reviewed proposed language changes with members, noting the addition of a list of medical professional titles that the Pool will cover to include nurse practitioner,

clinical nurse specialist and physician assistant. Kate Fletcher made a motion to approve the exclusion and endorsement for medical malpractice in the revised 2025 liability coverage agreement. Jhonathan Aragon seconded the motion, which passed unanimously.

### **Approve San Juan County into the Multi-Line and Law Enforcement Coverage Programs (Pending BCC action on 3.24.25)**

Grace Philips let members know that on March 24 the San Juan County commission voted to remain with Travelers.

## **Board Discussion**

### **Discuss Coverage For County JPA Entities**

Mark Allen reiterated his legal opinion on NMCIA's ability to provide coverage to JPA entities, stating participants cannot sign NMCIA's JPA and without a vote and no seat at the board, NMCIA would be selling insurance. He said NMCIA cannot have participants. He said the New Mexico Municipal League provides coverage to others but gives them a seat at the table. Board members discussed various JPAs their counties participate in, noting the entities need insurance as they are separate legal entities from the county. Grace indicated NMCIA is providing coverage to a Sandoval County JPA and is charging for the coverage. Lisa Sedillo-White indicated Bernalillo County's JPA with UNMH, a state agency, to provide healthcare in the jail will remain in effect for 2026, as they have received a quote for coverage, but is unsure about coverage beyond that. John Chino indicated there is coverage in the market and he will provide a quote requested by Dave Pato for Sierra County. He will let the board know once he knows the price. Cynthia Singleton said she sits on the board of a few county JPAs and can provide their coverage pricing also. Lance Pyle asked them both to present that information at the Board's October retreat.

### **Board Succession Planning**

Grace Philips suggested the Board consider a board succession plan that included mentoring new members and that it could be a retreat discussion in October.

## **Board Presentations**

### **Executive Director and Legislative Update**

Joy Esparsen gave the Board a summary of the 60-day legislative session that was convened on January 20, including details on HB2 of \$5 million in detention reimbursement funding, \$20 million requested for courthouse funding and \$2-\$3 million for 700 MHz radios. She discussed constitutional amendments to veteran exemptions that passed during the November election and the bills presented to the Legislature. She discussed NMC's efforts to amend the Inspection of Public Records Act (IPRA) through HB342, which NMCIA board member Michael Eshelman diligently worked to educate legislators about the significant burden of the current Act through the introduction of HB139 and HB497 Revise Inspection of Public Records Act. Joy indicated NMC would host four regional meetings with legislators to review the session on April 16 in Chaves County, April 17 in Sierra County, April 23 in Bernalillo County and April 24 in San Miguel County.

Grace Philips said she attended the NACo conference and met with congressional staff to try to persuade the public safety committee to propose a cap on federal civil rights claims.



She worked on a resolution and rallied counties but was not able to present it because she is a staff member and does not represent a county. In May she will get a co-sponsor and will provide presentations in July at the annual NACo conference.

### **Gallagher Update**

John Chino said he did not have an update, as NMCI is in between renewals, but did say that Gallagher would update the NMCI-NMCI reinsurance treaty if the captive provided coverage for the July 1, 2025 policy year.

### **Financial Reports**

Richard Garcia reviewed financial reports as of January 31, 2025 noting a \$17 million increase in cash and cash equivalents due to member contributions. He noted a \$6.2 million decrease in the captive reinsurance equity, a nearly \$25 million increase in total liabilities from the same period in 2024, and a decrease in total net pool position from \$37,049,783 to \$18,585,498 during the same period. In reviewing the income budget statement, Richard noted the 2025 budget for member contributions of \$54,722,687. He noted NMCI collected capital adequacy funding from members for year one, noting the second half of that payment is due from members on March 31 and he received \$1.6 million to date of the \$2.27 million invoiced. He reviewed the investment statement, noting total invested of \$116,260,867.

### **Risk Management Update**

Grace Philips let the Board know that the workers' compensation attorney fee cap in HB66 increased from \$22,500 to \$30,000 and will be implemented incrementally over three years. She said she and Steve Mauer attended the AGRiP conference and asked Steve to give members an overview of his takeaways from the conference. Steve discussed the AI sessions he attended, noting the various tools that he learned of including Notebook LM that he said is like Google on steroids. He said attendees were advised to begin their AI journey by implementing an AI policy. Richard Garcia indicated he attended the SAA investment conference with Grace and Steve Kopelman, describing some of the sessions including an investing 101 workshop that included case studies and role playing, AI for insurance and a session about commercial real estate which is a common investment. Richard was particularly impressed with the AI information he learned. Shirley Ragin indicated NACo has many AI resources and that there can be liability with AI on body cameras.

### **CRL Update**

Grace Philips said she asked for quota share pricing for the July 1 workers' compensation renewal and would have the numbers prior to the Board's May 21 meeting.

### **NMCI Update**

Grace Philips said at its March 19 meeting, the NMCI board approved the Wells Fargo discretionary management agreement, tabled the investment policy decision until after the NMCI March 26 meeting and approved the NMCI-NMCI reinsurance agreement. She also gave a summary of Utah legislative updates NMCI board member Johnnie Miller provided at that meeting that pertain to the captive's operations.

## **Board Reports**

### **Loss Prevention Update**

Greg Rees gave members an update on Lexipol for sheriffs, noting six agencies were in the final stages and were sending policies to staff for review. He indicated a chart in the meeting book detailing the steps each agency needs to take in the process and where each sheriff office was in completing the series. He reminded members he introduced the risk mitigation tool to them at the fall retreat, indicating membership participation was on target, with all surveys out, most returned and Clay Corn scheduled to do interviews with four offices on their 65-question survey responses. He indicated Benchmark advised rolling the program out to groups of detention centers, but Greg rolled out to all and is pleased with the response. Grace Philips indicated she wanted Benchmark Analytics to present their dashboard and other data to members at this year's fall board retreat.

### **Workers' Compensation Update**

Kamie Denton said the Workers' Compensation Administrator auditor emailed her to say he no longer needed Origami access to view claims data, but did not provide her with any updates on the ongoing audit.

### **Other Business**

No other business was discussed.

### **Adjournment**

Charlene Webb made a motion to adjourn the meeting and Jhonathan Aragon seconded the motion. The meeting was adjourned at 2:17 p.m.

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

<p><b><u>Item Number:</u></b></p> <p style="text-align: center; margin-top: 20px;"><b>4.</b></p>	<p><b><u>Item Title:</u></b></p> <p>Executive Session – Pending and Threatened Litigation Per New Mexico Open Meetings Act 10-15-7-H(7)</p> <ul style="list-style-type: none"> <li>Estate of Monica Garcia v Socorro County</li> <li>Estate of Michael Gabaldon v Valencia County</li> <li>MDC Appeal of One Occurrence Application – Arbitration Update</li> <li>Estate of Wyatt James Franzoy v Luna County</li> </ul>		
<p><b><u>Presenter (s):</u></b></p> <p style="text-align: center;">Lance Pyle, Chair</p>			
<p style="text-align: center;">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;"> <p>Motion In by:</p> <p>Roll Call Vote</p> <p>Motion Out by:</p> <p>Certified by:</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Seconded by:</p> <p>Seconded by:</p> <p>... that the only thing discussed was pending and threatened litigation</p> </td> </tr> </table>		<p>Motion In by:</p> <p>Roll Call Vote</p> <p>Motion Out by:</p> <p>Certified by:</p>	<p>Seconded by:</p> <p>Seconded by:</p> <p>... that the only thing discussed was pending and threatened litigation</p>
<p>Motion In by:</p> <p>Roll Call Vote</p> <p>Motion Out by:</p> <p>Certified by:</p>	<p>Seconded by:</p> <p>Seconded by:</p> <p>... that the only thing discussed was pending and threatened litigation</p>		
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Motion by:</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Seconded by:</p> </td> </tr> </table>		<p>Motion by:</p>	<p>Seconded by:</p>
<p>Motion by:</p>	<p>Seconded by:</p>		

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

<b><u>Item Number:</u></b>  5.A.	<b><u>Item Title:</u></b>  Gallagher Update
<b><u>Presenter (s):</u></b> John Chino, Area Vice President Nasreen Kopecky, Account Manager	



# Proposal of Insurance

## New Mexico County Insurance Authority

444 Galisteo Street  
Santa Fe, NM 87501

Presentation Date: May 8, 2025

Arthur J Gallagher Risk Management Services, LLC  
A/JG License Nos. IL 100292093 / CA 0D69293



**Gallagher**

Insurance | Risk Management | Consulting

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## Your Gallagher Team

Your Gallagher team is a true partner. We have the expertise to understand your business and we're here to service and stay alongside you, every step of the way.

<i>Service Team</i>	<i>Role</i>	<i>Email</i>	<i>Phone</i>
<b>John Chino</b> Senior Area Vice President	Area Senior Vice President	john_chino@ajg.com	(949) 349-9827 (p)
<b>Nasreen Kopecky</b> Account Executive	Account Executive	Nasreen_Kopecky@ajg.com	(949) 349-9857 (p) (949) 235-0169 (c)

## Program Structure

## Named Insured

Named Insured	Excess Workers' Compensation
New Mexico County Insurance Authority	X

**Note:** Any entity not named in this proposal may not be an insured entity. This may include affiliates, subsidiaries, LLCs, partnerships, and joint ventures.

### Excess Workers' Compensation Members:

Bernalillo County	Luna County
Catron County	McKinley County
Chaves County	Mora County
Cibola County	Quay County
Colfax County	Rio Arriba County
Curry County	Roosevelt County
De Baca County	San Juan County
Eddy County	San Miguel County
Grant County	Santa Fe County
Guadalupe County	Sandoval County
Harding County	Sierra County
Hidalgo County	Socorro County
Lea County	Taos County
Lincoln County	Torrance County
Los Alamos County	Union County
	Valencia

## Market Review

We approached the following carriers in an effort to provide the most comprehensive and cost effective insurance program.

<i>Line Of Coverage</i>	<i>Insurance Company ** (AM Best Rate/Financial Strength)</i>	<i>Market Response *</i>	<i>Admitted ***</i>
Excess Workers' Compensation	Safety National Casualty Corporation (A++ XV)	Recommended Quote	Admitted

\*If shown as an indication, the actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\*\*Gallagher companies use AM Best rated insurers and the rating listed above was verified on the date the proposal document was created.

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A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. Best's Credit Ratings™ are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings™ and Guide to Best's Credit Ratings, visit the AM Best website at <http://www.ambest.com/ratings>.

\*\*\*If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

## Full Program Details

### Excess Workers' Compensation

Carrier Information	Expiring	Proposed
Policy Term	7/1/2024 – 7/1/2025	7/1/2025 - 7/1/2026
Carrier	Safety National Casualty Corporation	Safety National Casualty Corporation
A.M. Best Rating	A++ XV	A++ XV
Admitted/Non-Admitted	Admitted	Admitted
Payment Plan	Payment due upon receipt	Payment due upon receipt
Payment Method	Agency Bill	Agency Bill

Premium & Exposures	Expiring	Proposed
Premium	\$303,247.00	\$302,752.00
Exposure / Payroll	\$604,078,592	\$615,349,533
Rate	.0502	0.0492
TRIA	Included	Included
Minimum Type	Minimum Premium	Minimum Premium
Minimum Amount / Description	\$272,922	\$272,477
<b>Estimated Cost</b>	<b>\$303,247.00</b>	<b>\$302,752.00</b>

States
States Covered: NM
States Excluded: OH, ND, WA, WY
Extraterritorial Jurisdictions:

Standard Coverages	Expiring	Proposed
Specific Limit - All Other	Statutory	Statutory
Specific Limit - Aircraft Per Employee	\$1,000,000 subject to a maximum of \$5,000,000	\$1,000,000 subject to a maximum of \$5,000,000
Employers Liability Limit - Per Occ	\$1,000,000	\$1,000,000

Deductibles/SIR	Expiring	Proposed
Self-Insured Retention	\$3,000,000	\$3,000,000

Endorsements (including but not limited to)
Maximum Limit Of Liability - 0251 02 0503 (XWC)
Broad Form All States For Employee Travel - 0276 02 0408 (XWC)
Voluntary Compensation Endorsement - Boards & Commissions - 0291 01 0708 (XWC)
Insured Members Of Association - 0411 00 0196 (XWC)
Revisions To Service And Administration Section - Quarterly - 0420 00 0296 (XWC)
New Mexico Mandatory Endorsement(S), If Applicable
Terrorism Risk Insurance Program Reauthorization Act Endorsement - 6000 00 0121 (XWC)

**Exclusions (including but not limited to)**

Any obligation imposed by a workers' compensation or occupational disease law, or any similar law.

Bodily Injury to an Employee While Employed in Violation of Law

Bodily Injury Intentionally Caused by Insured

Longshore & Harbor Workers' Act

**Subject to Audit: Voluntary****Auditable Exposures:**

State	Class Code	Description	Expiring Rate per \$100	Expiring Exposure	Rate per \$100	Exposure
-	-	Total Payroll			\$0.0492	\$615,349,533

**Binding Requirements:****Description**

Subject to

Completed Aircraft and Pilot Supplemental Applications / Subject to receipt, review and acceptance of information contained in SNCC's Employee Concentration Supplemental Information (08/04) form prior to binding.

Quotation is subject to receipt of signed and completed Program Commitment Agreement within 60 days of effective date.

## Premium Summary

The estimated program cost for the options are outlined in the following table:

Line of Coverage		Expiring	Proposed
			Safety National Casualty Corporation
<b>Excess Workers' Compensation</b>	Premium	\$303,247.00	\$302,752.00
	<b>Estimated Cost*</b>	<b>\$303,247.00</b>	<b>\$302,752.00</b>
	Change (\$)		-\$495.00
	Change (%)		-.16%
	Exposure / Payroll	\$604,078,592	\$615,349,533
	Rate	.0502	0.0492
	Rate Change		-2%
<b>Total Program Cost</b>		<b>\$303,247.00</b>	<b>\$302,752.00</b>

\*Estimated Cost includes all taxes, fees, surcharges and TRIA premium (if applicable)

Quote from **Safety National Casualty Corporation** is valid until **7/2/2025**

Premiums are due and payable as billed and may be financed, subject to acceptance by an approved finance company. Following acceptance, completion (and signature) of a premium finance agreement with the specified down payment is required. Note: Unless prohibited by law, Gallagher may earn compensation for this optional value-added service.

Gallagher is responsible for the placement of the following lines of coverage:

### **Excess Workers' Compensation**

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.



## Payment Plans

<i>Carrier / Payable Carrier</i>	<i>Line Of Coverage</i>	<i>Payment Schedule</i>	<i>Payment Method</i>
<b>Safety National Casualty Corporation (Tokio Marine Holdings, Inc.)</b>	Excess Workers' Compensation	Payment due upon receipt	Agency Bill

## Proposal Disclosures

## Proposal Disclosures

The following disclosures are hereby made a part of this proposal. Please review these disclosures prior to signing the Client Authorization to Bind or e-mail confirmation.

### ***Proposal Disclaimer***

IMPORTANT: The proposal and/or any executive summaries outline certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. The insurance policies themselves must be read to fully understand the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract of insurance. Policy forms will be made available upon request. We make no warranties with respect to policy limits or coverage considerations of the carrier.

### ***Compensation Disclosure***

1. Gallagher Companies are primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-out form.
3. Gallagher Companies may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher Companies may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

### ***TRIA/TRIPRA Disclaimer***

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

TRIPRA is set to expire on December 31, 2027. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2027. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

## **Terms and Conditions**

It is important that we clearly outline the nature of our mutual relationship. The following terms and conditions (these "Terms") govern your relationship with Gallagher unless you have separately entered into a written services agreement with Gallagher relative to the policies and services outlined in this Proposal, in which case that services agreement will govern and control with respect to any conflicts with these Terms. These Terms will become effective upon your execution of the Client Authorization to Bind Coverage (the "CAB") included in this Proposal and shall survive for the duration of your relationship with Gallagher relative to the policies placed pursuant to the CAB or otherwise at your request.

## **Services**

Gallagher will represent and assist you in all discussions and transactions with insurance companies relating to the lines of insurance coverage set forth in the CAB and any other lines of insurance coverage with which you request Gallagher's assistance. Gallagher will consult with you regarding any matters involving these or other coverages for which you have engaged Gallagher. You have the sole discretion for approving any insurance policies placed, as well as all other material decisions involving your risk management, risk transfer and/or loss prevention needs.

Although you are responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters as required by the terms and conditions of your policies, Gallagher will assist you in determining applicable claim reporting requirements.

## **Treatment of Information**

Gallagher understands the need to protect the confidentiality and security of your confidential and sensitive information and strives to comply with applicable data privacy and security laws. Your confidential and sensitive information will be protected by Gallagher and only used to perform services for you; provided that Gallagher may disclose and transfer your information to our affiliates, agents or vendors that have a need to know such information in connection with the provision of such services (including insurance markets, as necessary, for marketing, quoting, placing and/or servicing insurance coverages). We may also disclose such information as required by applicable data protection laws or the order of any court or tribunal, subject to our providing you with prior notice as permitted by law.

We will (i) implement appropriate administrative, physical and technical safeguards to protect personal information; (ii) timely report security incidents involving personal information to affected parties and/or regulatory bodies; (iii) create and maintain required policies and procedures; and (iv) comply with data subjects' rights, as applicable. To the extent applicable under associated data protection laws, you are a "business" or "controller" and Gallagher is a "service provider" or "data processor." You will ensure that any information provided to Gallagher has been provided with any required notices and that you have obtained all required consents, if any and where required, or are otherwise authorized to transfer all information to Gallagher and enable Gallagher to process the information for the purposes described in this Proposal and as set forth in Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>. Gallagher may update its Privacy Policy from time to time and any updates will be posted to such site.

## **Dispute Resolution**

Gallagher does not expect that it will ever have a formal dispute with any of its clients. However, in the event that one should arise, we should each strive to achieve a fair, expedient and efficient resolution and we'd like to clearly outline the resolution process.

A. If the parties have a dispute regarding Gallagher's services or the relationship governed by this Proposal ("Dispute"), each party agrees to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, you and Gallagher agree to binding arbitration. Each party waives all rights to commence litigation in court to resolve a Dispute, and specifically waives all rights to pursue relief by class action or mass action in court or through arbitration. However, the parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by these Terms.

B. The party asserting a Dispute must provide a written notice ("Notice") of the claim to the other party and to the American Arbitration Association ("AAA") in accordance with its Commercial Arbitration Rules and Mediation Procedures. All Dispute resolutions will take place in Chicago, IL, unless you and Gallagher agree to another location. The parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorneys' fees. All matters will be before a neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes.

C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a memorandum of understanding signed by you, Gallagher and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) must be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither you, Gallagher, nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both you and Gallagher.

## **Electronic Delivery**

In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that Gallagher may be required to deliver to you (including, but not limited to, insurance policies and endorsements, account statements and all

other agreements, forms and communications) in connection with services provided by Gallagher. Electronic delivery of a document to you may be made via electronic mail or by other electronic means, including posting documents to a secure website.

## ***Miscellaneous Terms***

Gallagher is engaged to perform services as an independent contractor and not as your employee or agent, and Gallagher will not be operating in a fiduciary capacity.

Where applicable, insurance coverage placements and other services may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, you will be responsible for the payment of the taxes and/or fees, which Gallagher will separately identify on related invoices.

The Proposal and these Terms are governed by the laws of the State of Illinois, without regard to its conflict of law rules.

If an arbitrator/court of competent jurisdiction determines that any provision of these Terms is void or unenforceable, that provision will be severed, and the arbitrator/court will replace it with a valid and enforceable provision that most closely approximates the original intent, and the remainder of these Terms will remain in effect.

Except to the extent in conflict with a services agreement that you may enter into with Gallagher, these Terms and the remainder of the Proposal constitute the entire agreement between you and Gallagher with respect to the subject matter of the Proposal, and supersede all prior negotiations, agreements and understandings as to such matters.

## Client Signature Requirements

## Coverages for Consideration

### Overview

Gallagher recommends that you consider purchasing the following additional coverages for which you have exposure. A Proposal for any of the coverages below can be provided.

- Terrorism

Please note the recommendations and considerations summarized in this section are not intended to identify all potential exposures. Gallagher is not an expert in all aspects of your business and assumes no responsibility to independently investigate the risks your business faces. Gallagher has relied upon the information you provided in making our insurance Proposals. If you are interested in pursuing additional coverages other than those listed above, please list the additional coverages in the Client Authorization to Bind.

## Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 5/8/2025, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	Coverage/Carrier
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Excess Workers' Compensation - \$302,752</b> Safety National Casualty Corporation
<b>Included*</b>	<b>TRIA – Excess Workers' Compensation</b>

\*For this coverage, TRIA cannot be rejected

### Additional Recommended Coverages

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By checking the box(es) below, you are requesting that Gallagher provide you with a Proposal for this coverage. By not requesting a Proposal for this coverage, you assume the risk of any uncovered loss.

### Other Coverages to Consider

☐ Terrorism

The above coverage(s) does not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those listed in the Additional Recommended Coverages, please list below:

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### Coverage Amendments and Notes:

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### Exposures and Values

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

### Additional Terms and Disclosures

Gallagher is not an expert in all aspects of your business. Gallagher's Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct



and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any of Gallagher's acts or omissions will not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential, reliance or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher's services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of the claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By:

\_\_\_\_\_  
Print Name (Specify Title)

\_\_\_\_\_  
Company

\_\_\_\_\_  
Signature

Date:

\_\_\_\_\_

## Appendix

## Compensation Disclosure Schedule

**Client Name:** New Mexico County Insurance Authority

Coverage	Carrier Name(s)	Wholesaler, MGA, or Intermediary Name <sup>1</sup>	Est. Annual Premium <sup>2</sup>	Gallagher U.S. Owned Wholesaler, MGA, or Intermediary % and/or Fee %
Excess Workers' Compensation	Safety National Casualty Corporation	Risk Placement Services	\$302,752.00	--

1 We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.

2 If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.

**Note:** When placing business with insurance companies, Gallagher Companies receive commission based on negotiated contractual terms with those carriers. The commission rate is a percentage of the premium excluding taxes and fees. Major lines of coverage, and their typical range of commissions are listed below. If you wish to receive more details on actual compensation paid to Gallagher Companies, please contact your Gallagher representative.

- **Accident & Health:** 15-25%
- **Aviation:** 14-15%
- **All Other Commercial:** 10-20%
- **Bonds/Surety:** 30-35%
- **Builders Risk:** 15-18%
- **Casualty:** 14-15%
- **Commercial Auto:** 12.5-15%
- **Inland Marine:** 20-22.5%
- **Ocean Marine:** 15-17.5%
- **Package / Business Owners Package:** 15-16.8%
- **Executive and Professional Liability:** 12-16.5%
- **Property:** 15-22%
- **Excess workers compensation:** 8-11%

**Compensation to Gallagher may also be disclosed in a Client Services Agreement or Consulting Services Agreement.**

## Claims Reporting By Policy

**Immediately report all claims.** Each insurer requires notice of certain types of claims depending on the potential exposure or particular injury types. It is important to thoroughly review your policy to ensure you are reporting particular incidents and claims, based upon the insurer's policy requirements.

If you are using a third party administrator ("TPA"), your TPA may or may not report claims to an insurer on your behalf. Although we will assist you where requested, it is important that you understand whether your TPA will be completing this notification.

### Reporting Direct to Carrier [Only When Applicable]

Coverage(s): <i>Worker's Compensation</i>	Report To:
Insurer: Safety National Casualty Corporation	Insurer/TPA Name: Safety National Casualty Corporation
Policy Period: 07/01/2025 - 07/01/2026	Phone: 877-567-7486
	Fax:
	Email: <a href="mailto:claims@actec.net">claims@actec.net</a>
	Web: <a href="https://tmamerica.com/claims/Default.aspx">https://tmamerica.com/claims/Default.aspx</a>

### Reporting to Gallagher or Assistance in Reporting

Coverage(s):	Report:
Gallagher Claim Center	Phone: 855-497-0578
	Fax: 225-663-3224
	Email: <a href="mailto:ggb.nrcclaimscenter@ajg.com">ggb.nrcclaimscenter@ajg.com</a>

# Gallagher STEP



STEP



## Reduce Your Risk and Simplify Training

Safety training programs and educational materials for employees are critical for reducing accidents, increasing retention, and minimizing your total cost of risk now and in the future.

**Gallagher Safety Training Education Platform (STEP)** is our proprietary learning management system (LMS) that supports your safety program, provides real-time access to your loss control plans and keeps employees up to date with the latest safety standards.

### Key Benefits of Gallagher STEP

- **Register** for up to 10 complimentary modules every year from a library of over 100 training and safety shorts. In addition, monthly bulletins are available, covering topics such as general and environmental safety, human resources, and health and wellness.
- **Save** valuable time by assigning employee training and monitoring their latest progress and completion.
- **Simplify** the process of training to stay in compliance and avoid costly penalties.
- **Onboard and train** an unlimited number of users while enhancing your overall risk control program.
- **Customize** your platform with your company's logo, training content and modules tailored to your business, and personalized procedures and forms for an added fee.

Please visit [ajg.com/us/gallagher-step/](http://ajg.com/us/gallagher-step/) to learn more.

### Most Popular Training Modules

- Sexual Harassment and Discrimination
- Slip, Trip and Fall Training
- Electrical Safety Training
- Back Safety Training
- Bloodborne Pathogens
- Safe Lifting Practices
- Defensive Driving Basics
- Fire Prevention Basics
- Personal Protective Equipment
- GHS Hazard Communication

### Gallagher CORE360®



Gallagher CORE360® is our unique, comprehensive approach of evaluating your risk management program that leverages our analytical tools and diverse resources for custom, maximum impact on six cost drivers of your total cost of risk.



# Sample of Available Training Modules and Safety Shorts

## Human Resources Training

- Americans with Disabilities Act (ADA)
- California Ethics
- California Sexual Harassment & Discrimination—Employees (English and Spanish)
- California Sexual Harassment and Discrimination—Supervisors (English and Spanish)
- Connecticut Sexual Harassment Prevention and Response
- Diversity
- Drug-Free Workplace—Supervisor
- Ethics in Action
- Fair and Accurate Credit Transaction Act (FACTA)
- Family Medical Leave Act (FMLA)
- Interviewing Strategies
- Job Applications
- Maine Sexual Harassment Prevention and Response
- Personnel Files
- Sensitivity Basics: Creating Positive Working Relationships
- Sexual Harassment and Discrimination—Employees
- Sexual Harassment and Discrimination—Supervisors
- New York City Sexual Harassment and Discrimination—Employees (English and Spanish)
- New York City Sexual Harassment and Discrimination—Supervisors (English and Spanish)
- New York State Sexual Harassment and Discrimination—Employees (English and Spanish)
- New York State Sexual Harassment and Discrimination—Supervisors (English and Spanish)
- Smart Hiring
- Smart Risk Management—Core Principles
- Theft
- Unsafe Acts
- Violence Prevention
- Workers Compensation Essentials
- Workplace Investigations Basics
- Wrongful Termination

## Safety Training

- Accident Investigation Techniques
- Asbestos Awareness (General Industry)
- Basic Conveyor Safety
- Bloodborne Pathogens (English and Spanish)
- Creating a Safe Holiday Celebration
- Common Fire and Life Safety Hazards
- Continuity of Operations Planning
- Defensive Driving—Accident Scene Management
- Defensive Driving—Backing Safely, R is for Reverse
- Defensive Driving Basics—Part I (English and Spanish)
- Defensive Driving—Changing Lanes Safely
- Defensive Driving—Driving Safely in School Zones
- Defensive Driving—General Auto Risk Management
- Defensive Driving—Intersections
- Defensive Driving—Reducing Deer-Related Incidents
- Defensive Driving—Safe Following Distance
- Defensive Driving—Spring Weather Conditions
- Defensive Driving—Winter Weather Conditions
- Determining the Root Cause of Accidents
- Disaster Planning 101
- Electrical Safety (English and Spanish)
- Ladder Safety
- Employee and Family Disaster Planning
- Evacuation Planning and Procedures
- Fire Prevention Practices (English and Spanish)
- Forklift Safety Basics for General Industry
- Hazard Communication (English and Spanish)
- Hearing Protection
- Housekeeping—Custodial, Safe Housekeeping Practices
- Identifying Strain and Exertion Exposures (English and Spanish)
- Lead-Based Paint
- Lockdown Procedures
- Lockout/Tagout (English and Spanish)
- Machine Guarding (English and Spanish)
- Means of Egress (English and Spanish)
- Mold
- Office Ergonomics Defined
- Office Ergonomics—Working in Comfort
- Office Workstation Safety
- Office Workstation Safety for Supervisors
- Personal Protective Equipment (English and Spanish)
- Portable Fire Extinguishers I
- Portable Fire Extinguishers II
- Power Tool Safety
- Preparation for Physical Activity
- Preventing Back Injuries (English and Spanish)
- Preventing Slips, Trips and Falls (English and Spanish)
- Preventing Injuries When Lifting, Moving and Transferring Residents
- Safety Pays for Life
- Temp Staffing Services. Employee Safety Orientation (English and Spanish)

## Safety Shorts

Two safety shorts are considered one module selection.

- Bloodborne Pathogens
- Electrical Safety
- Emergency Procedures
- Fire Prevention and Protection
- Hand and Power Tools
- Hazard Communication
- Housekeeping/Custodial—Before You Start
- Housekeeping/Custodial—Cleaning by Hand
- Housekeeping/Custodial—Emptying Trash
- Housekeeping/Custodial—Mopping and Emptying Buckets
- Housekeeping/Custodial—Preventing Slips, Trips and Falls
- Housekeeping—General
- Ladder Safety
- Lockout/Tagout
- Personal Protective Equipment
- Safe Lifting Practices
- Slip, Trip and Fall

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Please visit [ajg.com/us/gallagher-step/](http://ajg.com/us/gallagher-step/) to learn more.

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## Overview and Login Information

The Gallagher eRiskHub® portal provides you with exclusive risk management tools and best practices to improve your organization's cyber risk posture. This important resource serves your cyber risk management strategies by enhancing your capabilities in cyberattack prevention, loss mitigation and cyber risk transfer techniques.

### To access the Gallagher eRiskHub® now:

1. Navigate to <https://eriskhub.com/gallagher>
2. Complete the new user registration at the bottom of the page. Choose your own user ID and password. The access code is **447597**.
3. After registering, you can access the hub immediately using your newly created credentials in the member login box located at the top right of the page.

If you have any questions about the Gallagher eRiskHub®, please reach out the eRiskHub® support staff at [support@eriskhub.com](mailto:support@eriskhub.com)

### Key Features of the Gallagher eRiskHub®

- **Risk Manager Tools**—A collection of tools for risk managers including research of known breach events, information to calculate the potential cost of a breach event, sample policies, breach response planning and more.
- **Learning Center**—An extensive collection of thought leadership articles, webinars, videos and blog posts covering everything from emerging cyber threats to data protection and more.
- **Security and Privacy Training**—Resources for creating an effective security training program for your employees.
- **Strategic Third-Party Relationships and Partner Resources**—Information on third-party vendors that can assist your organization improve your overall cyber risk, as well as access to exclusive Gallagher discounts on tools.

### Gallagher's Cyber Capabilities

Gallagher's Cyber practice has the expertise to deliver a full complement of cyber risk management and insurance services to help your team stay protected. We take a consultative, action-based approach to address the sophisticated and evolving nature of cyber liability to design custom solutions that meet your unique needs. For more information, please contact us.

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The information contained herein is offered as insurance industry guidance and provided as an overview of current market risks and available coverages and is intended for discussion purposes only. This publication is not intended to offer legal advice or client-specific risk management advice. Any description of insurance coverages is not meant to interpret specific coverages that your company may already have in place or that may be generally available. General insurance descriptions contained herein do not include complete Insurance policy definitions, terms, and/or conditions, and should not be relied on for coverage interpretation. Actual insurance policies must always be consulted for full coverage details and analysis.

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## Benefits and HR Consulting to Support Diverse Workforces and Organizational Wellbeing

Your organization's success is powered by your people. When you partner with Gallagher's Benefits & HR Consulting team, we deliver a comprehensive approach to benefits, compensation, retirement, and employee communication that aligns your people strategy with your overall business goals. Let our consultants help you build a workplace that works better, so you can face the future with confidence.

### Gain strategic insights through:

#### Gallagher Better Works<sup>SM</sup> Insights

Expand your perspective on trending HR and benefits topics.

#### Workforce Trends Report Series

Access benchmarking data and insights from thousands of employers.

#### Best-In-Class Benchmarking Analysis

Find out how best-of-the-best employers build a better workplace.

### Access innovative resources at your fingertips.

We provide the tools and experience to deliver actionable insights to your organization.

- Compliance resources
- HR and benefits technology trends
- Workforce evaluation
- Organizational wellbeing polls
- Data warehousing and insights
- Industry-specific resources

#### Health & Benefits

- Compliance Consulting
- Employee Benefits Consulting
- Pharmacy Benefit Management Consulting
- Small Business Consulting
- Voluntary Benefits Consulting

#### Financial & Retirement Services

- Executive Life & Benefits
- Investment Consulting
- Retirement Plan Consulting

#### Human Resources & Compensation

- Communication Consulting
- Compensation and Rewards Consulting
- Data & Research
- Human Resources Consulting
- HR Technology Consulting
- Multinational Benefits & HR Consulting
- Executive Search & Leadership Advisors

#### FACTS AND FIGURES\*

# 7,500+

Benefits & HR Consulting employees worldwide

# 300+

Benefits & HR Consulting offices worldwide

# 90+

Countries with client Benefits & HR Consulting capabilities

### Specialized experience in:

- Energy
- Equity M&A
- Healthcare
- Hospitality and Restaurant
- Nonprofit
- Public Sector and K-12 Education
- Religious

\*Gallagher Benefit Services, Inc.



## Gallagher Better Works™ Builds a Better Workplace

Gallagher Better Works™ is a holistic approach to attracting, engaging, and retaining the talent you need to help your organization grow. We work with you to develop benefits and HR programs at the right cost to optimize your annual talent investment, mitigate organizational risk, and build a wellbeing-centric culture that allows your people to thrive. Best of all, you'll be able to face the future with confidence, having gained a competitive advantage from a workplace that simply works better.

### Physical & Emotional Wellbeing Solutions

- Legislative compliance guidance
- Employee health plan design and total rewards
- Pharmacy benefit plan design, RFP, and cost optimization
- Voluntary benefit plan design, employee education, and enrollment solutions
- Small business and emerging markets benefits and compensation

### Career Wellbeing Solutions

- Internal employee experience communications
- Total rewards consulting
- Internal employee surveys and external stakeholder research
- Human resources policy, management, and strategy
- HR technology strategy, sourcing, implementation, and optimization
- Global benefits and HR strategy, and duty of care
- Talent search, organizational strategy, and leadership development

### Financial Wellbeing Solutions

- Executive planning strategies for attracting, retaining, and rewarding key talent
- Fiduciary and institutional investment consulting to optimize plan assets for improved retirement outcomes
- Retirement plan design, fiduciary compliance, employee financial wellbeing education, coaching, and planning

### Organizational Wellbeing Outcomes

- Unique workplace culture
- Improved employee retention
- Robust recruiting efforts
- Reduced organizational risk
- Enhanced employee experience



**Gallagher Fiduciary Advisors, LLC ("GFA")** is an SEC Registered Investment Advisor that provides retirement, investment advisory, discretionary/named and independent fiduciary services. **GFA** is a limited liability company with Gallagher Benefit Services, Inc. as its single member. **GFA** may pay referral fees or other remuneration to employees of AJG or its affiliates or to independent contractors; such payments do not change our fee. Neither Arthur J. Gallagher & Co., **GFA**, their affiliates nor representatives provide accounting, legal or tax advice.

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## Business Continuity and Resilience

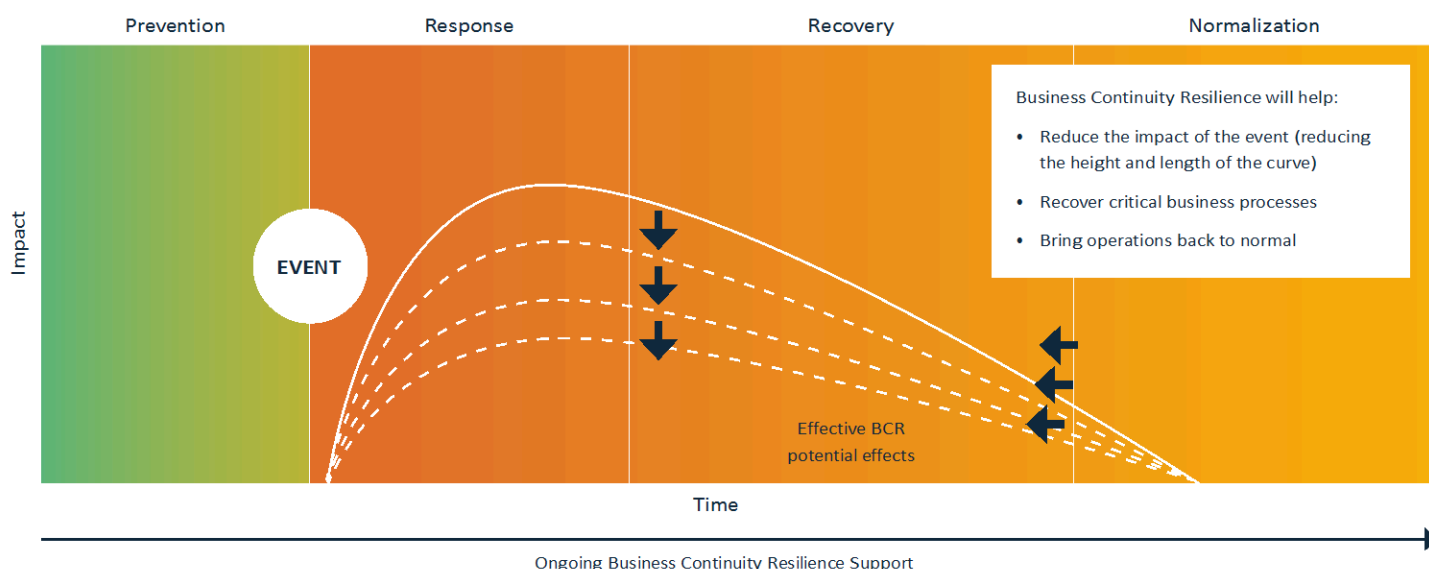
Organizations today must navigate an ever-changing business landscape and be prepared to respond to an increasing range of threats, such as:

- Supply Chain Disruptions
- Cyber Attacks
- Employee Misconduct
- Changing Regulatory Requirements
- Climate Change
- Geo-Political Unrest
- Digitization

Any of these risks could quickly escalate into a crisis and threaten your business. Without adequate planning and preparation, even a seemingly minor incident has the potential to escalate, and impact operations, brand reputation and financial results.

In light of the current market volatility and range of challenges, insurance companies are increasingly requiring organizations to have a Business Continuity Plan in place to demonstrate their resilience and readiness to respond and recover critical business operations. Resiliency planning will ensure you can identify, assess and manage risks and vulnerabilities of any kind, being more prepared to reduce the impact of an event. Having a plan in place builds confidence among key stakeholders such as employees, regulators, customers, investors, insurers and the public.

As a trusted partner and advisor, Gallagher's Business Continuity and Resilience Practice works with organizations in virtually every industry vertical. We offer tailor made solutions to assess your level of business resilience, develop custom plans for improvement, and then embed them into the organization through training programs. Additionally, we offer a free Resilience Ready assessment that enables you to assess your business's resilience score and pinpoint potential areas for future improvement.



## Gallagher Offers A Variety Of Business Continuity And Resilience Service Offerings

### Business Continuity

“All Hazard” business continuity plans reduce the operational impact of an incident by directly targeting the recovery of an organization’s value drivers — business processes that directly drive revenue and reputation. This enables an organization to recover more efficiently and effectively following a major business disruption or crisis. No matter the extent of your resources and infrastructure for business continuity, we are here to support your organization by offering planning guidance and training tailored to your specific needs.

### Crisis Management

Crisis management plans prevent or mitigate risks to people, brands, reputations, and financial results and provide the overarching framework for all response and recovery activities within the organization.

### Crisis Communications

Crisis communication plans communicate promptly, accurately, and confidently to all stakeholders during an incident or actual crisis and enable businesses to better coordinate internal and external global communications with media, employees, regulators, customers, investors, and the public at large.

### Supply Chain

Supply chain risk management plans help assess and manage third-party risks and vulnerabilities to ensure that products and services continue to be delivered both during and following major disruptions.

### Leaders Where It Counts

Gallagher was founded on a culture of service and a common interest doing what’s in our clients’ best interest. We understand the importance of leading with value-based decisions and exemplifying an overall commitment to integrity.

## A Next Generation Engagement Solution

**Gallagher Insight** is a user-friendly web portal that allows secure, real-time collaboration between you and your Gallagher team. It empowers Clients with 24/7 access to their summary insurance information and an array of materials needed to run your risk management program, all at your fingertips on any device. Gallagher Insight is a password-protected portal accessible through any browser on your mobile phone, tablet or PC. Insight offers a modern design, robust features and upgraded functionality, including:

- Secure web-based document libraries for our clients
- Policy and document sharing with your Gallagher account team
- A private social network between your global team and ours
- Stewardship through goals, events and tasks set up by you and your Gallagher team
- Access to Gallagher's resource library
- Submission and tracking of service requests

Insight can be accessed from any electronic device using a secure ID and password to login.



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# Contractual Risk Compliance



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## Mitigate contractual risk with confidence

There is more to managing compliance than just collecting your third-party vendors' certificates. **Gallagher Verify**<sup>SM</sup> ensures you are tracking all the information you need to keep your company organized, compliant and properly protected. Take advantage of our intelligent technology and experienced compliance experts to gain insight into your level of risk, giving you the freedom to focus on your day-to-day operations.



### Verified Testimonial

Gallagher Verify monitors expiration dates, insurance limits and other details across thousands of COIs. In addition, their team delivers a very consultative, custom approach, which has allowed us to significantly improve our overall risk exposure.

### Protect your business from unknown risk

A majority of organizations face unknown risk. In fact, research shows that most organizations average only 20% compliance for vendor insurance. Gallagher Verify limits your unknown risk and significantly improves compliance. Most companies that use Gallagher Verify average over 80% compliance.\*

### Track more than just certificates of insurance (COIs)

Our cloud software has the capability to track and verify compliance for any type of document your business is required to keep on file. These documents can include but are not limited to:

W-9 forms	OSHA mod rates	Background checks
MVRs	Contracts	Certifications and licenses

### Gallagher Verify brings big benefits to your business

- Increased profitability due to reduced internal administrative costs
- Insurance consulting with a risk advisor
- Reports and dashboards to manage compliance trends
- Ongoing monitoring of A.M. Best insurance carrier ratings and vendor compliance with A.M. Best ratings
- Easy-to-use cloud software used to track and record incoming COIs
- Proactive compliance calls to vendors
- Industry-specific software configurations

\*Tier 2 model.



### Learn More About CORE360®

Gallagher Verify is part of Gallagher **CORE360**, our unique, comprehensive approach to evaluating your risk management program that leverages our analytical tools and diverse resources for custom, maximum impact on six cost drivers of your total cost of risk.

We consult with you to understand your **contractual liability**, and how to mitigate risks and associated costs.

This will empower you to know, control and minimize your total cost of risk, and improve your profitability.

### Tiers of service tailored to the needs of your organization

	Tier 1	Tier 2
Gallagher Verify cloud software	✓	✓
Dedicated implementation project managers (includes data entry and software configuration)	✓	✓
Automated COI endorsement and document compliance verification	✓	✓
Automated noncompliance and renewal notifications to vendors	✓	✓
Client access to software support	✓	✓
Customizable daily, weekly and monthly reports, and historical compliance dashboard widgets	✓	✓
Risk management consulting for clients (insurance requirement exception guidance)		✓
Outgoing vendor compliance enforcement and educational phone calls (up to four phone calls per certificate of insurance)		✓
Weekly or monthly client stewardship calls with a risk advisor		✓
Unlimited phone support for vendors with insurance and contract-related questions		✓

### Verified Testimonial

When we initially implemented Gallagher Verify, our third-party insurance compliance was less than 20%. Today, compliance is more than 90%. The aggressive tracking of insurance requirements and vendor compliance mitigates financial exposure, should there be a claim.

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

<b><u>Item Number:</u></b>  <p style="text-align: center;"><b>6.A.</b></p>	<b><u>Item Title:</u></b>  Approve Workers' Compensation Budget
<b><u>Presenter (s):</u></b> Grace Philips, 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

For approval at the May 2025 NMCIA Board Meeting

## 2025 Budget Update

	APPROVED 10/23/24			APPROVED 10/23/24			1/2 APPROVED 5/22/24					
	January 1-December 31, 2025			January 1-December 31, 2025			6 Months		6 Months			
	Law Enforcement	YoY change		Multi-Line	YoY change		Workers' Compensation	YoY change	Workers' Compensation	YoY change	Total	YoY change
<b>INCOME</b>												
Member Contributions	29,512,563	149%		13,620,541	114%		5,450,036	115%	5,723,779	105%	54,306,918	129%
Investment Income	1,387,361	122%		1,009,232	123%		467,706	97%	629,306	135%	3,493,605	120%
<b>TOTAL INCOME:</b>	<b>30,899,924</b>	<b>147%</b>		<b>14,629,773</b>	<b>115%</b>		<b>5,917,742</b>	<b>113%</b>	<b>6,353,084</b>	<b>107%</b>	<b>57,800,523</b>	<b>129%</b>
<b>EXPENSES</b>												
<b>Claims Expenses</b>												
PV of Projected Ultimate Limited Losses (WC-3/31/25)(LE	21,006,159	152%		\$7,167,046	88%		3,594,009	115%	4,230,082	118%	35,997,295	125%
Liability/WC Reinsurance-all members	4,464,639	135%		470,000	100%		523,688	110%	358,207	96%	5,816,534	120%
Liability Reinsurance-Class A \$1MM x \$4MM	638,684	132%									638,684	132%
Liability Reinsurance-Pool Quota Share (xs \$2MM)	667,251	109%									667,251	109%
WC Excess Insurance									151,376		151,376	7%
Property Reinsurance-all members (1/1/25-7/1/25)				1,748,296	184%						1,748,296	184%
Estimated Property Reinsurance (7/1/25-12/31/25)				2,185,369							2,185,369	
Brokerage Fees	35,000	100%		35,000	100%		15,000	100%	15,000	100%	100,000	100%
<b>Subtotal Claims Expenses:</b>	<b>26,811,733</b>	<b>147%</b>		<b>\$11,605,711</b>	<b>107%</b>		<b>4,132,697</b>	<b>114%</b>	<b>4,754,664</b>	<b>113%</b>	<b>47,304,805</b>	<b>128%</b>
<b>Risk Mitigation Expenses</b>												
Administrative Fees to NMC	148,290	100%		122,202	100%		149,882	105%	149,882	105%	570,256	103%
Special Projects	45,000	100%		45,000	100%						90,000	100%
Loss Incentive Program	15,000	100%					17,500	100%	17,500	100%	50,000	100%
EDGE Detention Scholarships	15,000	100%									15,000	100%
Online Training Program	60,000	100%		60,000	100%		35,000	100%	35,000	100%	190,000	100%
Legal Consultation Program	30,000	100%		10,000	100%		5,000	100%	5,000	100%	50,000	100%
Accreditation Programs	76,000	100%									76,000	100%
Lexipol	255,000	100%									255,000	100%
<b>Subtotal Risk Mitigation Expenses:</b>	<b>644,290</b>	<b>100%</b>		<b>237,202</b>	<b>100%</b>		<b>207,382</b>	<b>104%</b>	<b>207,382</b>	<b>104%</b>	<b>1,296,256</b>	<b>101%</b>
<b>Pool Administrative Expenses</b>												
Administrative Fees to NMC	1,737,040	100%		1,333,128	100%		529,507	100%	555,982	105%	4,155,657	101%
Contracted Services:												
Actuarial Studies	20,000	133%		15,000	100%		6,000	100%	7,000	117%	48,000	114%
Financial Audit	30,000	100%		30,000	100%		6,000	100%	6,000	100%	72,000	100%
Claims Audit							10,000				10,000	40%
Payroll Audit (members)							25,000	71%	27,500	110%	52,500	87%
Property Appraisal Fees				180,000	133%						180,000	133%
Legal Expense	20,000	100%		20,000	100%		1,250	100%	1,250	100%	42,500	100%
Software Licensing & Support	130,000	100%		130,000	100%		75,000	100%	75,000	100%	410,000	100%
AI Software & Training									50,000		50,000	
Board D&O Insurance	43,000	100%		43,000	100%		21,500	100%	21,500	100%	129,000	100%
Board Training & Education	7,500	100%		7,500	100%		7,500	100%	7,500	100%	30,000	100%
Miscellaneous	4,000	100%		4,000	100%		2,500	100%	2,500	100%	13,000	100%
Investment Advisor	15,000			15,000					7,500		37,500	
Legal Bureau operations	50,000	20%									50,000	20%
<b>Subtotal Pool Administrative Expenses:</b>	<b>2,056,540</b>	<b>92%</b>		<b>1,777,628</b>	<b>103%</b>		<b>684,257</b>	<b>100%</b>	<b>761,732</b>	<b>111%</b>	<b>5,280,157</b>	<b>99%</b>
<b>TOTAL EXPENSES:</b>	<b>29,512,563</b>	<b>140%</b>		<b>13,620,541</b>	<b>107%</b>		<b>5,024,336</b>	<b>112%</b>	<b>5,723,779</b>	<b>112%</b>	<b>53,881,219</b>	<b>124%</b>
<b>NET INCOME:</b>	<b>1,387,361</b>			<b>1,009,232</b>			<b>893,406</b>		<b>629,306</b>		<b>3,919,304</b>	



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

<b><u>Item Number:</u></b>  <p style="text-align: center;"><b>6.B.</b></p>	<b><u>Item Title:</u></b>  Approve 2025-2026 Workers' Compensation Reinsurance
<b><u>Presenter (s):</u></b> Grace Philips, Risk Management Director	
County Reinsurance Limited quota share with NMCRé and Safety National Reinsurance coverage	
<div style="display: flex; justify-content: space-between; margin-bottom: 20px;"><div style="width: 45%;">Motion by:</div><div style="width: 45%;">Seconded by:</div></div>	

# County Reinsurance, Limited

## Workers' Compensation Renewal Indication

### Coverage Summary

Ceding Entity: New Mexico County Insurance Authority Worker's Compensation Pool  
Coverage Period: Inception Date: 7/1/2025  
Expiration Date: 7/1/2026  
  
Payroll: \$622,353,431  
  
CRL General Account Premium: \$716,413  
CRL General Premium Surcharge: \$0  
**Total Premium: \$716,413**  
General Account Capital Contribution: \$0  
**Net Due + Capital Contribution \$716,413**

### CRL Reinsurance Structure

Ceding Entity's Retention: WC: \$750,000 per Occurrence  
EL: \$750,000 per Occurrence  
Excess Limit: WC: Difference between the Ceding Entity's Retention and \$3,000,000 per Occurrence  
EL: Difference between the Ceding Entity's Retention and \$3,000,000 per Occurrence  
Method: Expenses inside the limit of liability  
Deductibles inside the retention  
  
CRL Rate: 0.1151 (per \$100 in payroll)  
Premium: \$716,413  
Policy: Pending  
Endorsements: CRL WC Certificate Approved 12-27-17  
New Mexico Amendatory Endorsement

**\*This is an indication only. The premium is subject to change based on final payroll.**

New Mexico Worker's Compensation Indication Options-7/1/2025

	SIR to \$1M	\$1M to \$2M	\$2M to \$3M	Total Premium	% Reduction
750K SIR	0.0140	0.0451	0.0343	\$716,413	
25%/75% Quot share				\$571,094	25%
50%/50% Quota share				\$425,774	50%
75%/25% Quota share				\$280,455	75%

# County Reinsurance, Limited

## Workers' Compensation Renewal Indication

### Coverage Summary

Ceding Entity: New Mexico County Insurance Authority Worker's Compensation Pool  
Coverage Period: Inception Date: 7/1/2025  
Expiration Date: 7/1/2026

Payroll: \$622,353,431

CRL General Account Premium: \$502,946  
CRL General Premium Surcharge: \$0

**Total Premium: \$502,946**

General Account Capital Contribution: \$0

**Net Due + Capital Contribution \$502,946**

### CRL Reinsurance Structure

Ceding Entity's Retention: WC: \$750,000 per Occurrence  
EL: \$750,000 per Occurrence  
Excess Limit: WC: Difference between the Ceding Entity's Retention and \$2,000,000 per Occurrence  
EL: Difference between the Ceding Entity's Retention and \$2,000,000 per Occurrence  
Method: Expenses inside the limit of liability  
Deductibles inside the retention  
CRL Rate: 0.0808 (per \$100 in payroll)  
Premium: \$502,946  
Policy: Pending  
Endorsements: CRL WC Certificate Approved 12-27-17  
New Mexico Amendatory Endorsement

**\*This is an indication only. The premium is subject to change based on final payroll.**

CRL Premium: \$571,094  
NMCRé Premium: \$145,319

# Structure of 25/75 Quota Share with CRL

Please note that County Reinsurance Limited (CRL) has only provided a quote; neither the NMCIA Board nor the NMCRé Board has voted to approve any quota share option.

25/75 Quota Share

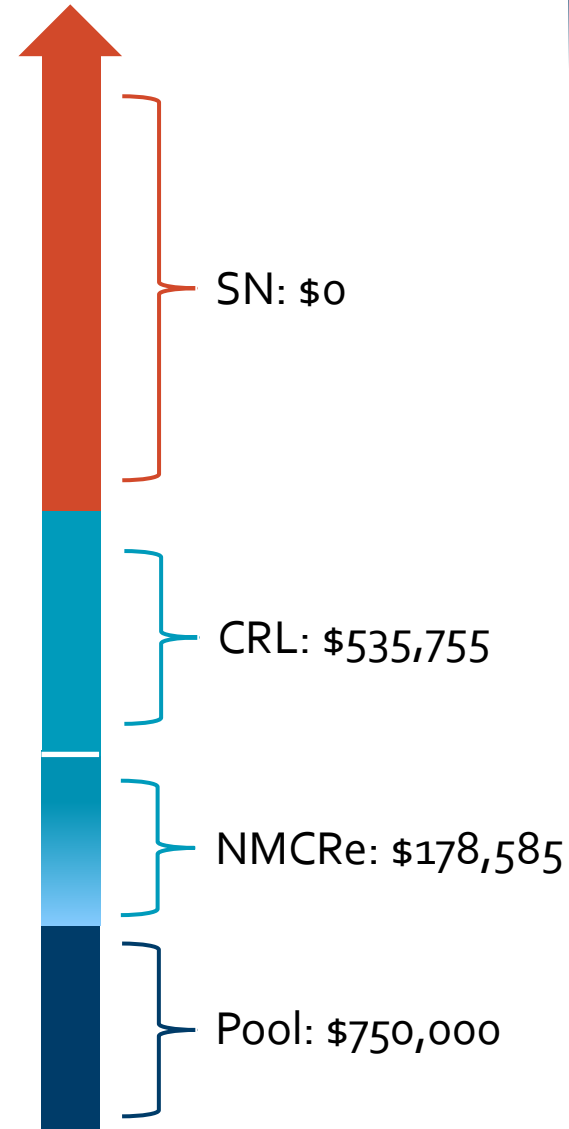
Safety National  
Statutory xs \$3M

\$2.25M xs \$750K

75% Quota  
Share CRL

25% Quota  
Share NMCRé

\$750,000  
2025/26 Pool  
SIR



## Example WC Claim

**DOL:**  
7/1/2025

**Description of Loss:**  
Worker injured lower back while picking up a heavy object.

**Claim Type:**  
PPD

**Paid:**  
\$1,320,000

**Outstanding:**  
\$144,340

**Total Incurred:**  
\$1,464,340

**Member Deductible:**  
\$0

CRL Premium: \$425,774  
NMCRe Premium: \$290,639

# Structure of 50/50 Quota Share with CRL

Please note that County Reinsurance Limited (CRL) has only provided a quote; neither the NMCIA Board nor the NMCRe Board has voted to approve any quota share option.

## 50/50 Quota Share

Safety National  
Statutory xs \$3M

\$2.25M xs \$750K

50% Quota  
Share CRL

50% Quota  
Share NMCRe

\$750,000  
2025/26 Pool  
SIR

SN: \$0

CRL: \$357,170

NMCRe: \$357,170

Pool: \$750,000

## Example WC Claim

**DOL:**

7/1/2025

**Description of Loss:**

Worker injured lower back while picking up a heavy object.

**Claim Type:**

PPD

**Paid:**

\$1,320,000

**Outstanding:**

\$144,340

**Total Incurred:**

\$1,464,340

**Member Deductible:**

\$0

CRL Premium: \$280,455  
NMCRE Premium: \$435,958

# Structure of 75/25 Quota Share with CRL

Please note that County Reinsurance Limited (CRL) has only provided a quote; neither the NMCIA Board nor the NMCRE Board has voted to approve any quota share option.

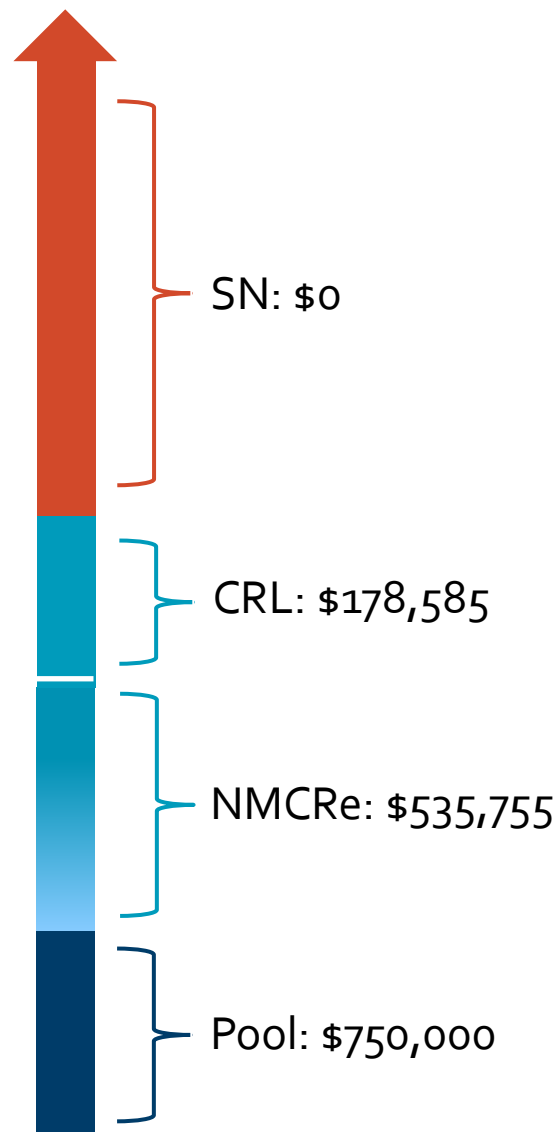
## 75/25 Quota Share

Safety National  
Statutory xs \$3M

\$2.25M xs \$750K  
25% Quota  
Share CRL

75% Quota  
Share NMCRE

\$750,000  
2025/26 Pool  
SIR



## Example WC Claim

**DOL:**  
7/1/2025

**Description of Loss:**  
Worker injured lower  
back while picking up a  
heavy object.

**Claim Type:**  
PPD

**Paid:**  
\$1,320,000

**Outstanding:**  
\$144,340

**Total Incurred:**  
\$1,464,340

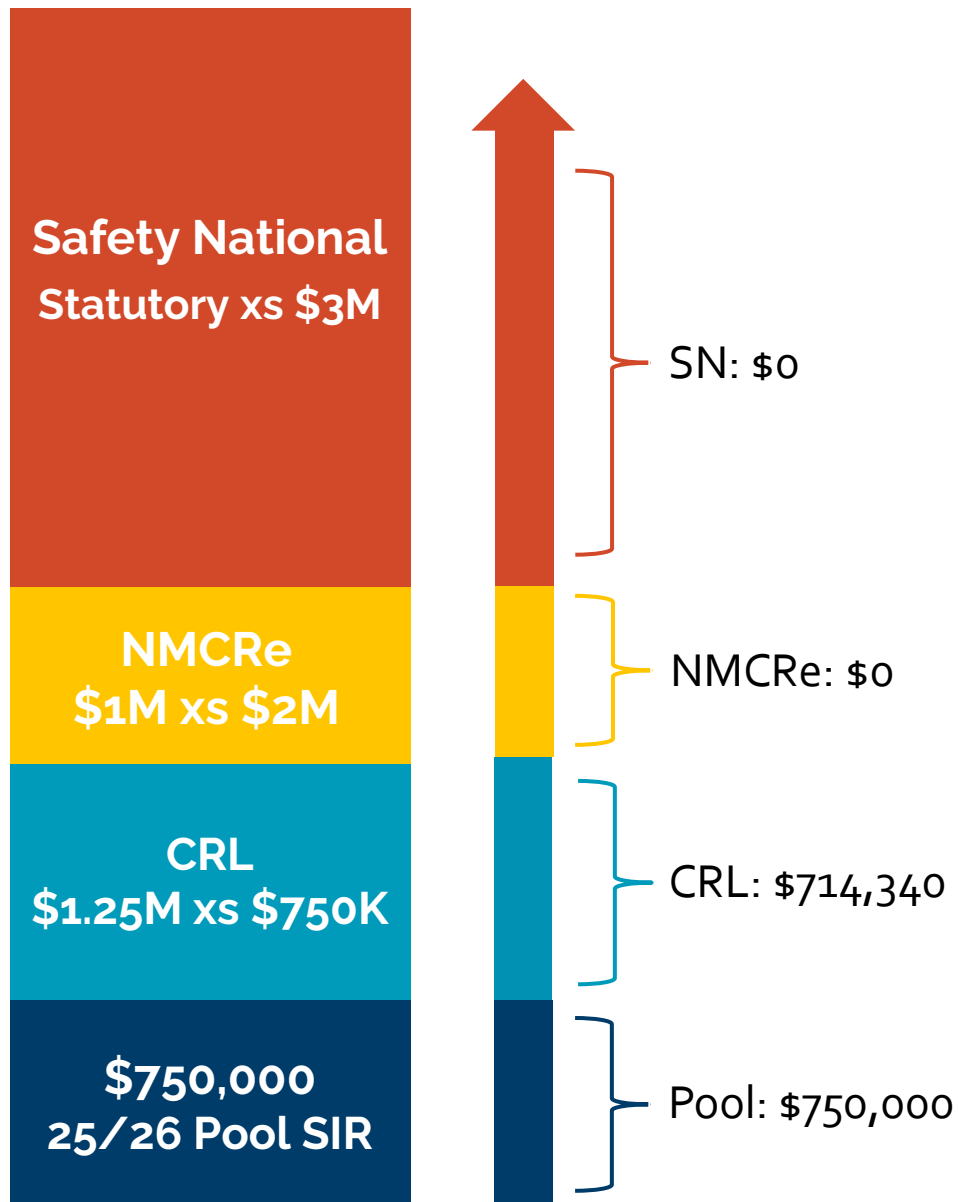
**Member Deductible:**  
\$0

CRL Premium: \$502,946  
NMCRé Premium: \$213,467

# \$2 Million Coverage with CRL & \$1 Million with NMCRé

NMCIA recently requested this additional option from County Reinsurance Limited (CRL) and New Mexico County Reinsurance (NMCRé), and it will be presented to the NMCIA Board at their May 21 meeting.

Please note neither the NMCIA Board nor the NMCRé Board has voted to approve any option.



## Example WC Claim

**DOL:**  
7/1/2025

**Description of Loss:**  
Worker injured lower back while picking up a heavy object.

**Claim Type:**  
PPD

**Paid:**  
\$1,320,000

**Outstanding:**  
\$144,340

**Total Incurred:**  
\$1,464,340

**Member Deductible:**  
\$0



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

<b><u>Item Number:</u></b>  <p style="text-align: center;"><b>6.C.</b></p>	<b><u>Item Title:</u></b>  Approve 2025-2026 Workers' Compensation Contributions
<b><u>Presenter (s):</u></b> Grace Philips, 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**

<b><u>Item Number:</u></b>  7.A.	<b><u>Item Title:</u></b>  Workers' Compensation Update
<b><u>Presenter (s):</u></b> Kamie Denton, Workers' Compensation Claims Manager	

# NMC Workers' Compensation Department Update

Kamie Denton, CWCP

NMC Workers' Compensation Claims Manager

May 2024



NEW MEXICO  
COUNTIES

33 STRONG

## Memorandum

**Date:** May 21, 2025  
**To:** NM Counties Insurance Authority Members  
**From:** Kamie Denton, Workers' Compensation Claims Manager  
**Re:** Workers' Compensation Department Update

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- The New Mexico Workers' Compensation Administration has begun auditing the pool's open workers' compensation claims. The final status of the audit is currently pending.
- Since its inception in 1987, NMC has received 28,909 claims with a total incurred of \$174.4 Million through April 30, 2025.
- As of April 30, 2025, we had 595 open workers' compensation claims (the oldest dating back to 1991) with a total incurred of \$46.7 Million. Of these open claims, 158 were from detention centers, and 123 were from sheriff departments.
  - The top 5 departments by frequency and severity are adult detention, sheriffs, fire, roads, and juvenile detention.
  - The top five causes of injury by classification are strain, fall or slip, struck or injured by an object or person, miscellaneous (this includes exposure/BBP), and motor vehicle accidents. As of April 30, 2025, there were a total of 399 claims involving these causes of injury, with a total incurred of \$31 Million.
  - The most injured body part classification is multiple body parts by frequency and severity, with 144 open claims as of April 30, 2025, and a total incurred of \$14.2 Million.
- As of May 1, 2025, our in-house nurse case manager had 35 open cases. In April 2025, 19 new cases were opened, and 27 cases were closed.
  - Since 2020, our in-house nurse case manager has managed over 1,000 cases, with an average cost per claim of approximately \$1,500.00.
  - She managed 129 cases in 2025 (\*through 4/30/25).

444 Galisteo Street  
Santa Fe, NM 87501

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

- We have two 2008 claims assigned to outside vendors, one in Colorado and one in Florida. The total cost for these services was \$1,362.20. Both injured workers recently moved out of state and required assistance locating a medical provider to establish continued treatment. Both cases are now closed, and additional nurse case management services are not expected.
- All members participating in the NMCI workers' compensation line of coverage are automatically enrolled in the Company Nurse triage program. For any questions about how this program can assist with your county's workers' compensation claims, please contact me or Cynthia Stephenson.
  - 202 incidents were reported to Company Nurse from January through April 2025. Eighteen individuals were triaged to emergency care, and 99 were triaged to self-care.
  - From 2020 to 2024, there were 1,463 calls; of those, 440 were triaged to self-care, and 152 were triaged to emergency care.
- We partnered with Comp IQ for our bill review management needs. They processed 3,071 bills from January 2025 through April 2025; the total amount billed was \$3.1 Million, with a net savings of \$2.1 Million.
  - We partnered with Comp IQ in 2022 with a 3-year agreement and went live with the implementation in July 2022.
- Alius Health provides pharmacy benefit management services for our injured workers. From January to April 2025, 447 prescriptions were filled, with 410 being generic prescriptions, resulting in additional savings. The retail charges for this period totaled \$90K, and we captured a net saving of \$35K.
  - We partnered with Alius Health in 2022 with a 3-year agreement and went live with the implementation in June 2022.
- Our new lost time adjuster, Nicole Frye, who started in January 2025, has been trained in our subrogation recovery strategy to reduce overall claims costs. She will take an active role in pursuing the right of reimbursement when a third party causes an accident resulting in a workers' compensation claim.

444 Galisteo Street  
Santa Fe, NM 87501

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



- 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@nmcounties.org](mailto:kdenton@nmcounties.org)) for questions or if you would like to schedule a training or open claim review.

KD

444 Galisteo Street  
Santa Fe, NM 87501

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

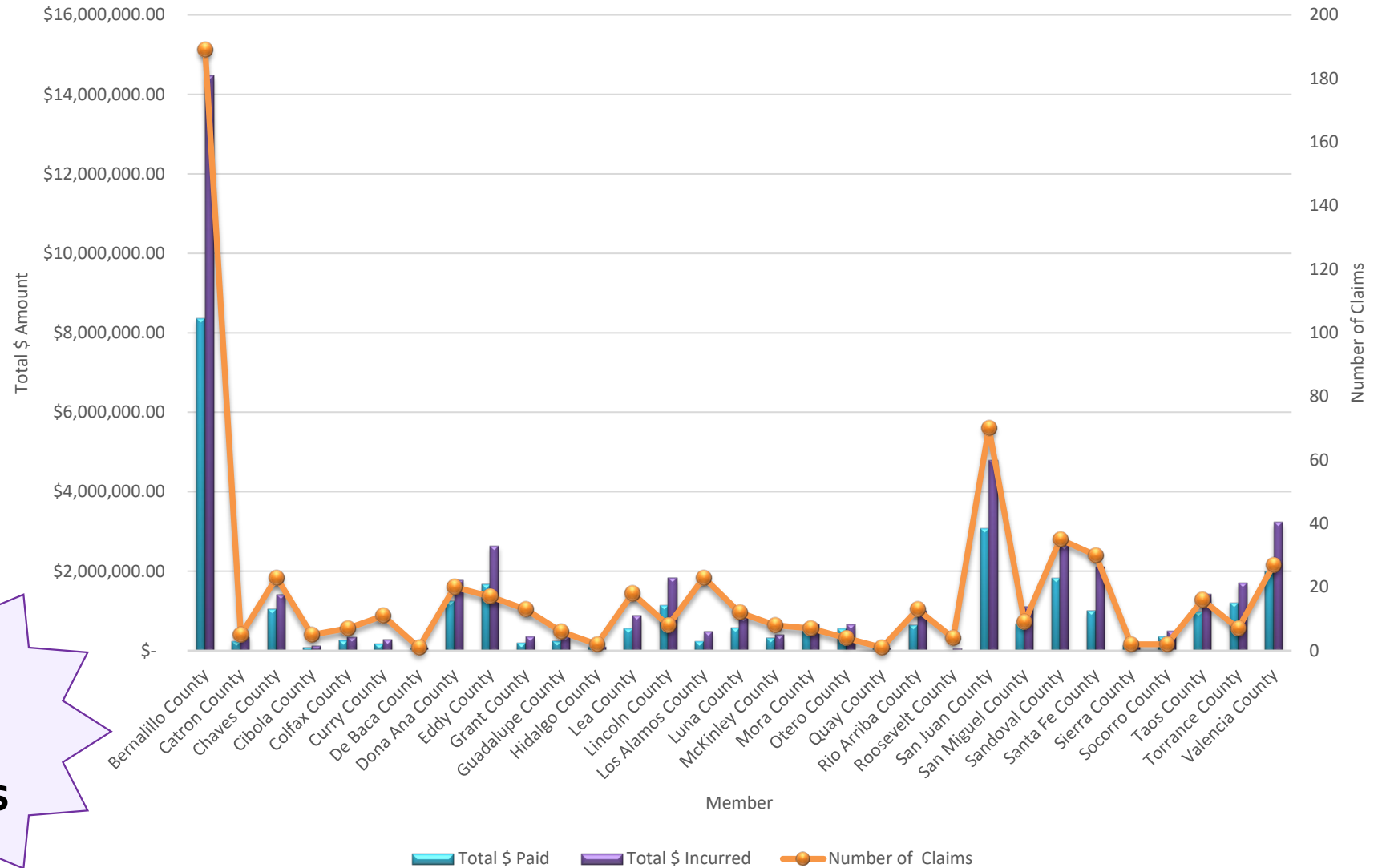
**NMCOUNTIES.ORG**

# Open Workers' Compensation Claims: By Member

as of 4/30/25\*

595  
Open  
Claims

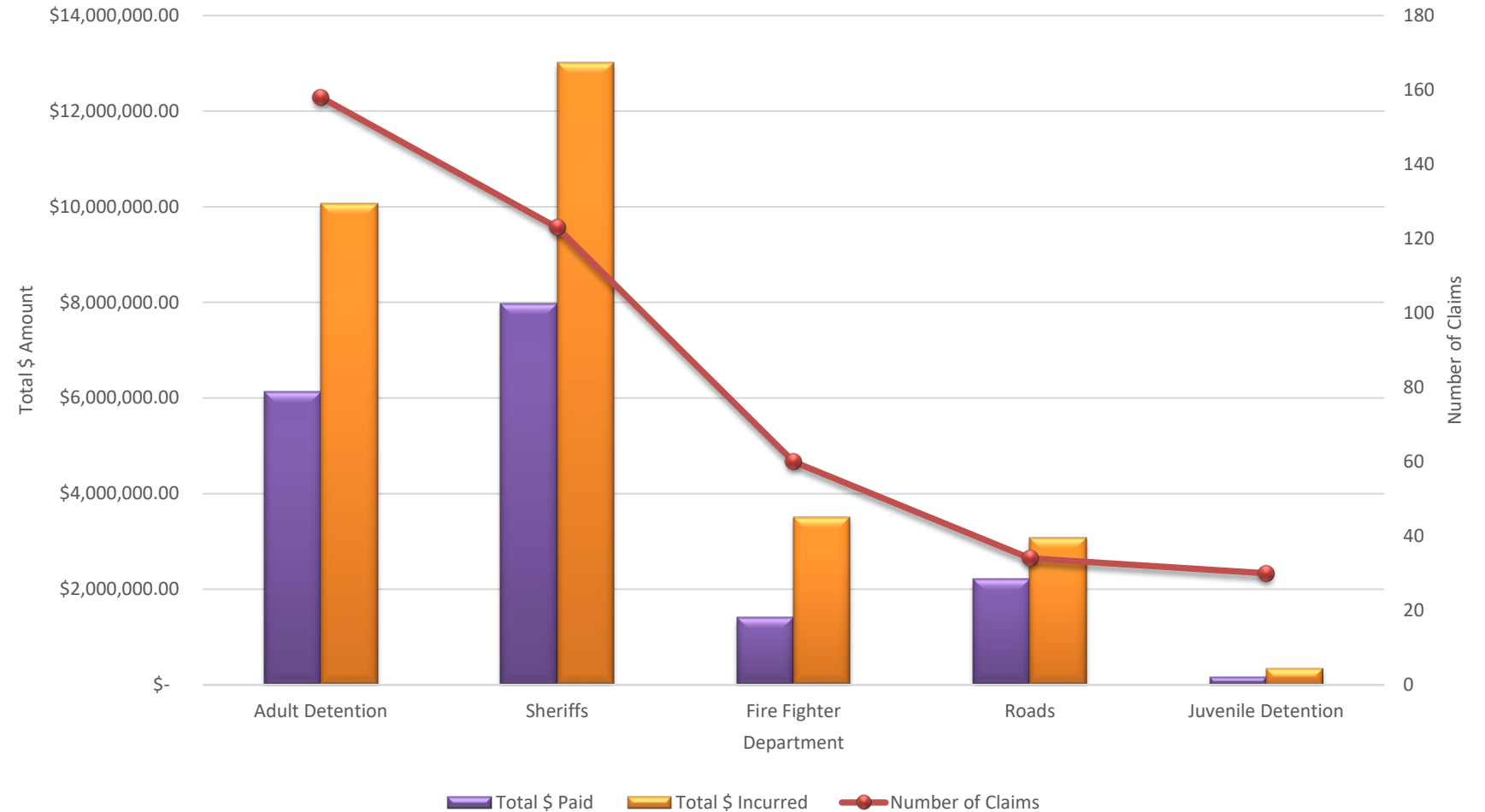
## Open Workers' Compensation Claims By Member as of 4/30/2025



# Open Workers' Compensation Claims – Top 5 Departments

as of 4/30/25\*

Top 5 Departments (Frequency & Severity)  
Open Workers' Compensation Claims  
as of 4/30/2025



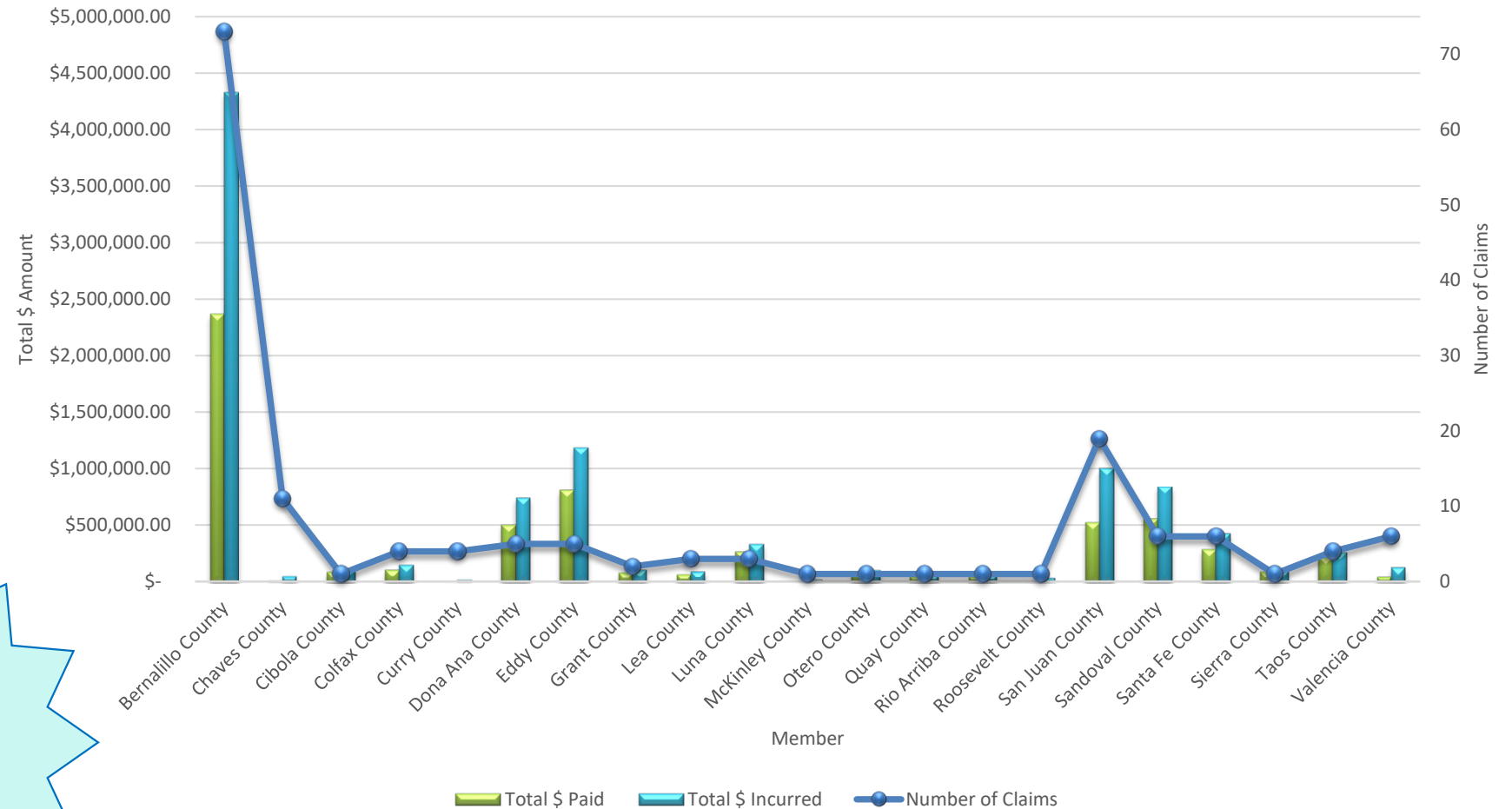


# Open Workers' Compensation Claims: Adult Detention

as of 4/30/25\*

**158  
Open  
Claims**

## Open Workers' Compensation Claims Adult Detention as of 4/30/2025

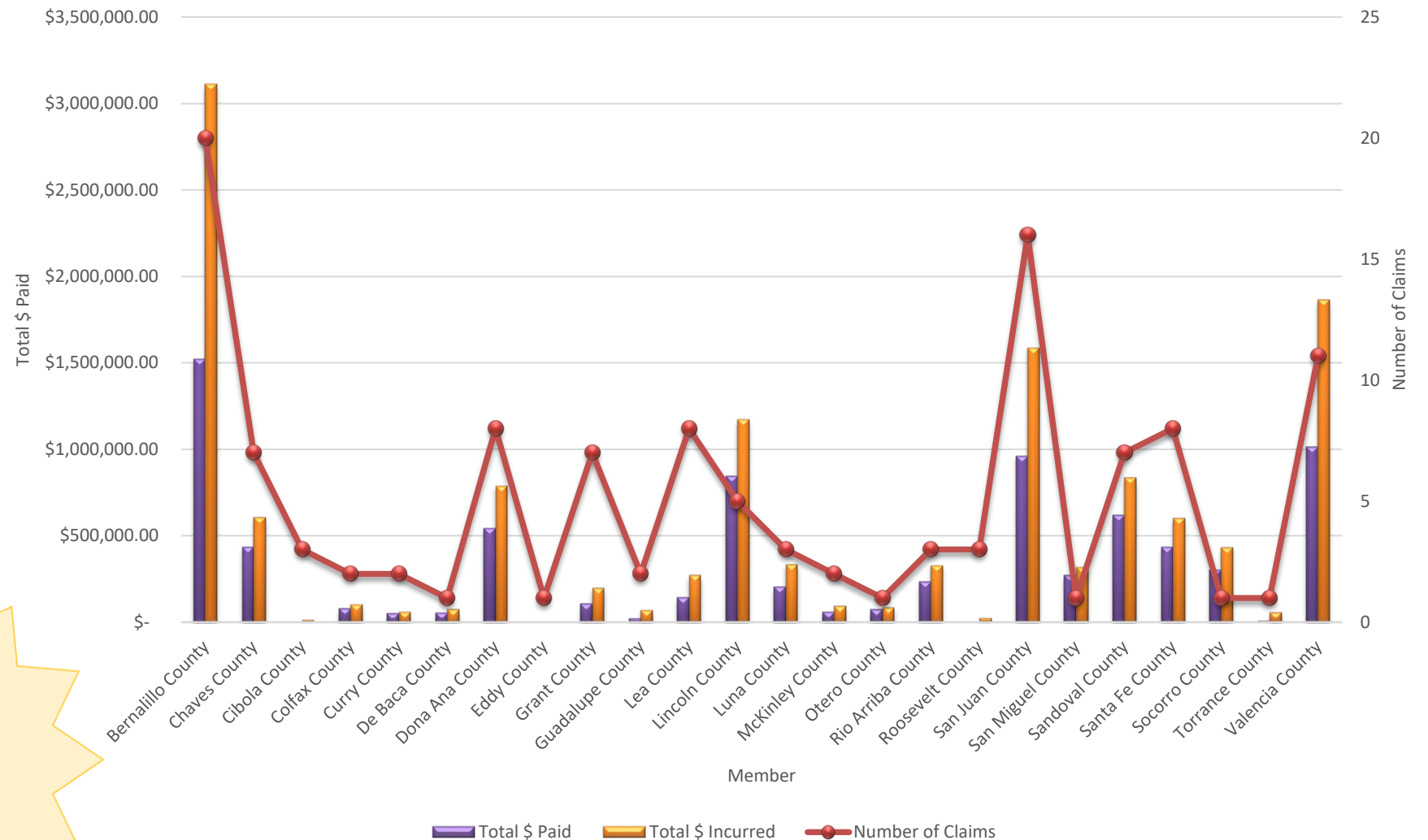


# Open Workers' Compensation Claims: Sheriff

as of 4/30/25\*

**123  
Open  
Claims**

## Open Workers' Compensation Claims Sheriffs as of 4/30/2025

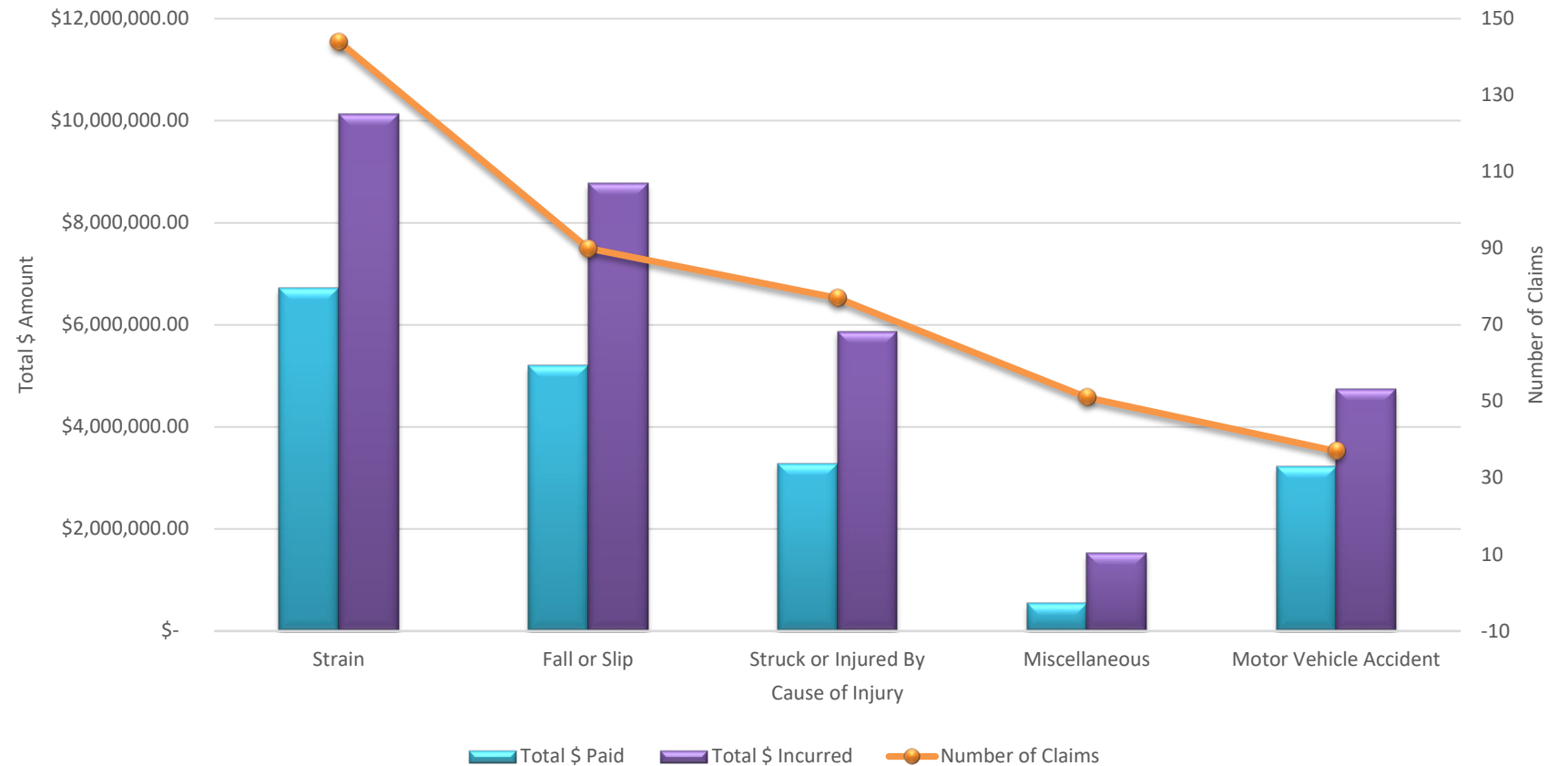


# Open Workers' Compensation Claims:

## Top 5 Causes

as of 4/30/25\*

Top 5 Causes of Injuries  
Open Workers' Compensation Claims  
as of 4/30/2025

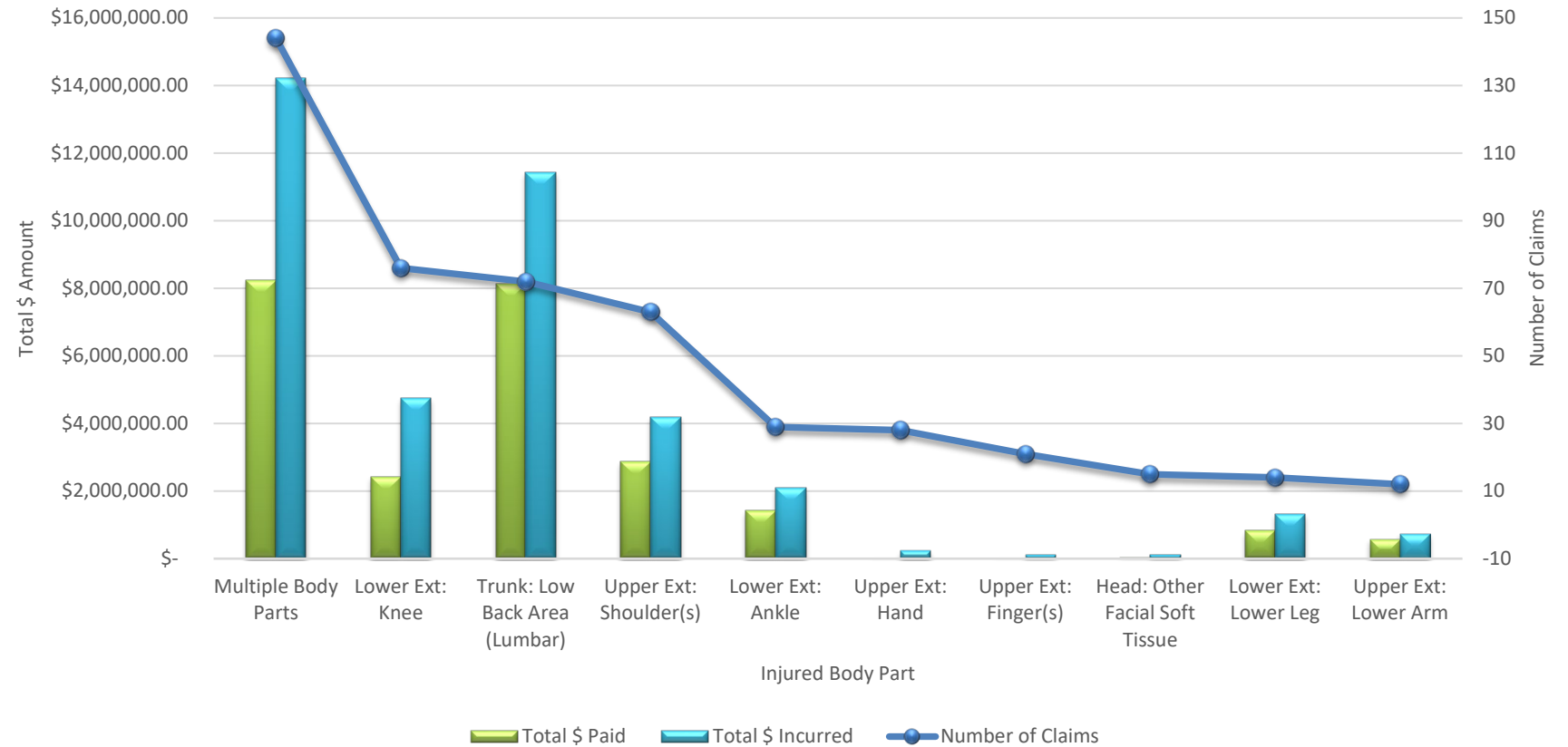


# Open Workers' Compensation Claims:

## Top 10 Body Parts

as of 4/30/25\*

Top 10 Injured Body Parts  
Open Workers' Compensation Claims  
as of 4/30/2025



# Nurse Case Management Utilization

January 2021-  
April 2025

- 🚚 All claims requiring nurse case management services are assigned to our in-house nurse case manager
- 🚚 Our average cost per claim is about \$1,500.00

Year	Number NCM Cases	Total Paid	Average Cost/Claim	Total Claims
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	251	\$348,213.10	\$1,387.30	866
2025	129	\$131,616.00	\$1,020.28	248
<b>Total</b>	<b>862</b>	<b>\$1,317,517.34</b>	<b>\$1,528.44</b>	<b>3181</b>

Opened  
Cases April  
2025:  
**19**

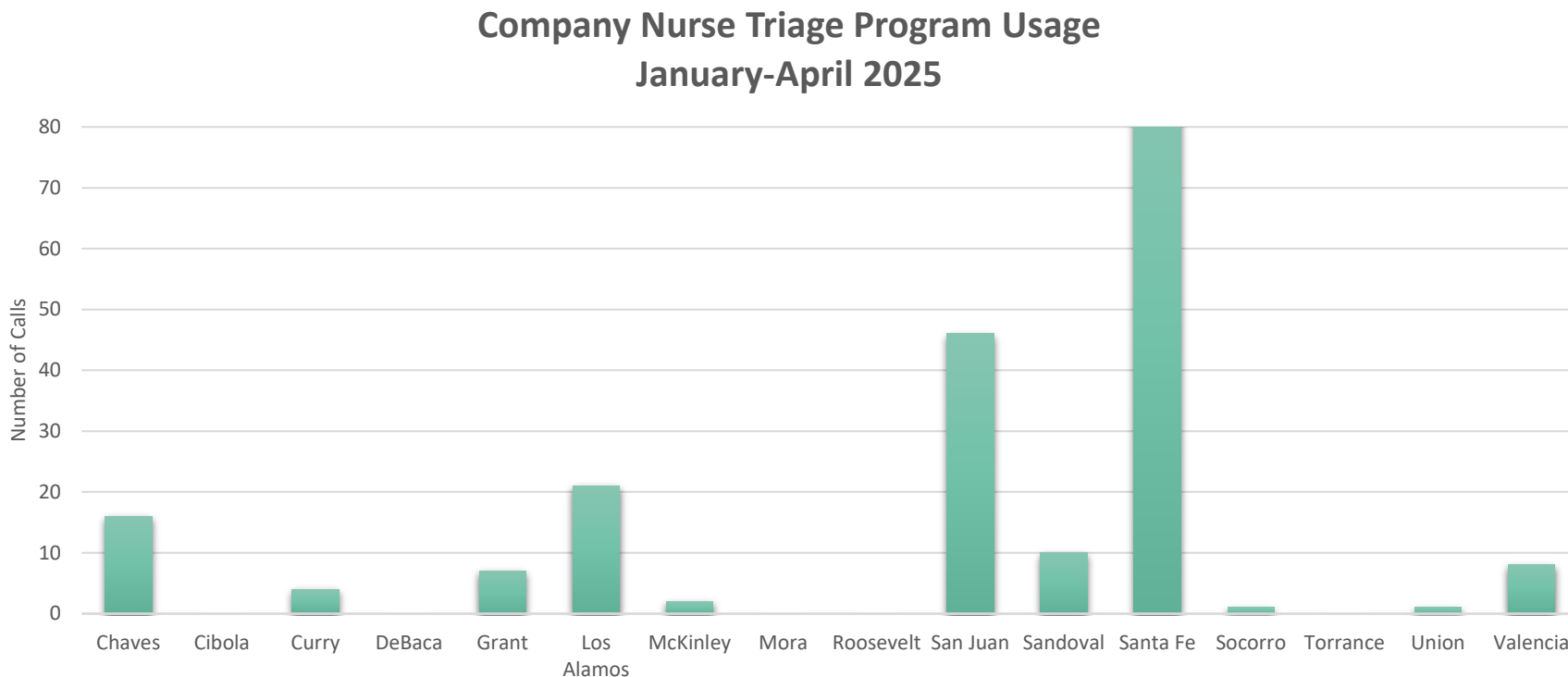
Closed  
Cases April  
2025:  
**27**

Total Open  
Cases as of  
5/1/25:  
**35**



# Company Nurse Triage Program Utilization

January-April 2025



Total  
Incidents  
Reported  
**202**

Triaged  
to ER:  
**17**

Triaged  
to Self  
Care: **99**

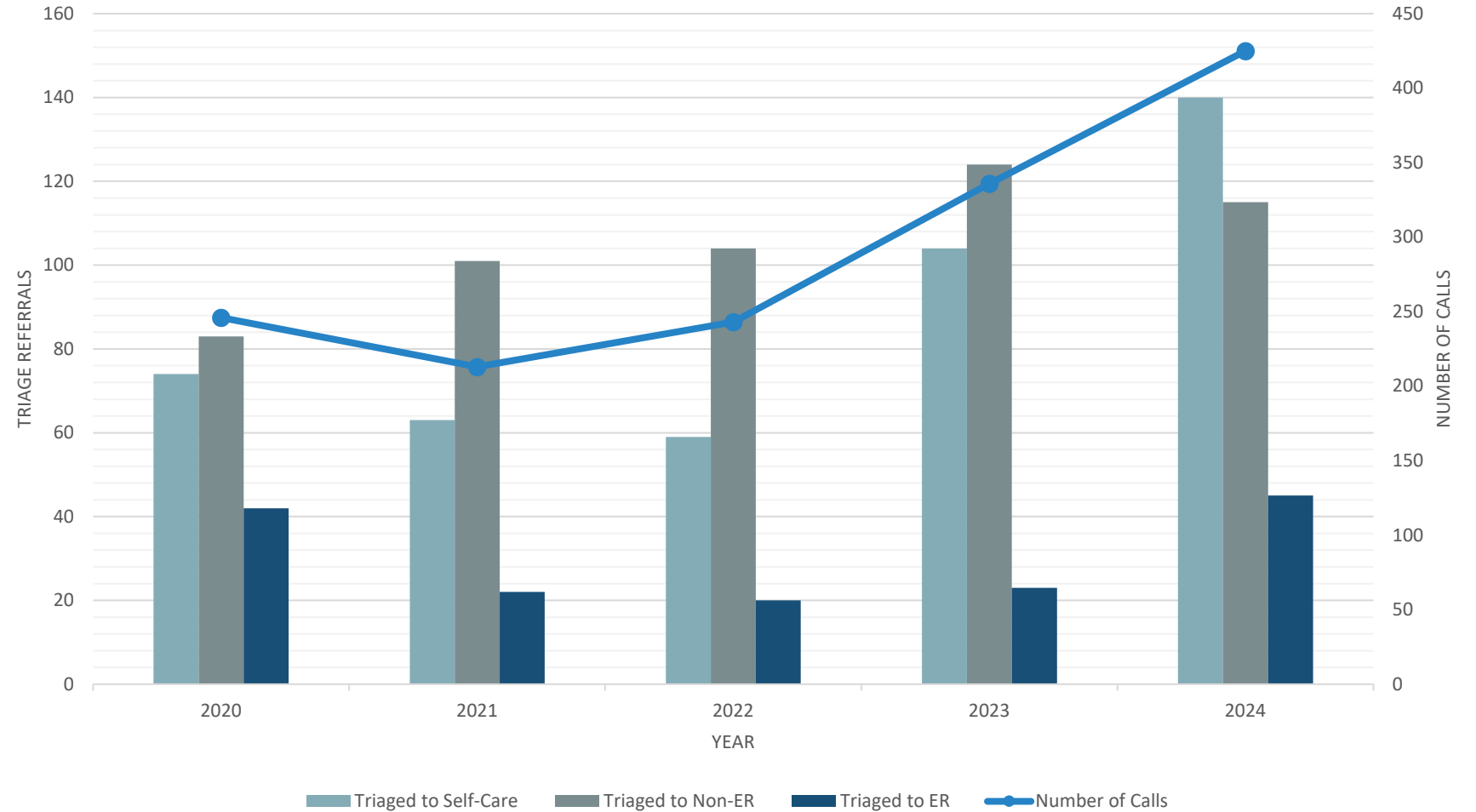
Triaged  
to Non-  
ER Care:  
**38**



# Company Nurse Triage Program Utilization

5-Year Usage  
2020-2024

## Company Nurse Utilization 5-Year View





# Medical Bill Review Update

January-April 2025

Comp IQ Medical Bill Review Services 2025

Month	Number of Bills	Billed Amount	Allowance	Fees	Net Savings
January	693	\$ 393,708.83	\$ 169,192.92	\$ 10,815.08	\$ 213,700.83
February	838	\$ 811,352.86	\$ 276,476.51	\$ 15,185.12	\$ 519,691.23
March	739	\$ 995,506.82	\$ 284,351.41	\$ 17,073.89	\$ 694,081.52
April	801	\$ 949,752.68	\$ 224,183.59	\$ 10,399.74	\$ 715,169.35
<b>Total</b>	<b>3071</b>	<b>\$ 3,150,321.19</b>	<b>\$ 954,204.43</b>	<b>\$ 53,473.83</b>	<b>\$ 2,142,642.93</b>

Total Bills:  
**3,071**

Total Billed:  
**\$3,150,321**

Net Savings:  
**\$2,142,642**





# Pharmacy Benefit Management Utilization

January-April 2025

Alius Health Pharmacy Benefit Management Usage 2025

Month	Retail Charge	Total Billed	Fees	Net Savings	Filled	Generic	Brand
January	\$ 27,641.56	\$ 10,458.85	\$ 4,166.64	\$ 13,016.07	127	117	10
February	\$ 17,936.32	\$ 7,007.46	\$ 4,096.92	\$ 6,831.94	97	92	5
March	\$ 20,608.58	\$ 11,959.92	\$ 3,983.23	\$ 4,665.43	106	95	11
April	\$ 24,261.84	\$ 9,483.15	\$ 4,042.11	\$ 10,736.58	117	106	11
<b>Total</b>	<b>\$ 90,448.30</b>	<b>\$ 38,909.38</b>	<b>\$ 16,288.90</b>	<b>\$ 35,250.02</b>	<b>447</b>	<b>410</b>	<b>37</b>

Total  
Prescriptions  
Filled:  
**447**

Net Savings:  
**\$90,448.30**

# Need Help?

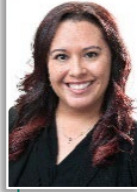


NMC can provide detailed training on any workers' compensation-related issue to your directors, managers, and supervisors.

## 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 processes
- Case law updates
- Claims handling and bad faith
- Return to work programs
- And many other topics...

# NMC Workers' Compensation Department Contacts



Kamie Denton  
Workers' Comp. Claims  
Manager  
[kdenton@nmcounties.org](mailto:kdenton@nmcounties.org)  
505-820-8159

Jamie Dalton-Sr Specialist LT Adjuster  
[jdalton@nmcounties.org](mailto:jdalton@nmcounties.org)  
505-216-3002

AnneMarie Hill-Medical Only Adjuster  
[ahill@nmcounties.org](mailto:ahill@nmcounties.org)  
505-820-8118

Jessica Atkins-Specialist LT Adjuster  
[jatkins@nmcounties.org](mailto:jatkins@nmcounties.org)  
505-820-8115

Ellen Chavez-Nurse Case Manager  
[echavez@nmcounties.org](mailto:echavez@nmcounties.org)  
505-720-6168

Nicole Frye-LT Adjuster  
[nfrye@nmcounties.org](mailto:nfrye@nmcounties.org)  
505-216-3007

Kristen Brown-Administrative Assistant  
[kbrown@nmcounties.org](mailto:kbrown@nmcounties.org)  
505-820-8136

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

<b><u>Item Number:</u></b>  7.B.	<b><u>Item Title:</u></b>  WCA Audit Status Update
<b><u>Presenter (s):</u></b> Grace Philips, Risk Management Director Mark Allen, General Counsel	

**STATE OF NEW MEXICO  
WORKERS' COMPENSATION ADMINISTRATION**

IN THE MATTER OF THE APPLICATION OF NEW )  
**MEXICO COUNTY INSURANCE AUTHORITY** )  
A SELF-INSURANCE POOL OF PUBLIC ENTITIES ) CERTIFICATE NO:

**DIRECTOR'S CERTIFICATE OF POOL SELF-INSURANCE**

The Director of the New Mexico Workers' Compensation Administration (WCA), pursuant to the New Mexico Workers' Compensation Act and Part 10 of WCA rules, FINDS that the New Mexico County Insurance Authority (NMCIA or Pool) meets the statutory and regulatory requirements to act as a governmental self-insurance pool, subject to acceptance by NMCIA of the terms set forth in this Director's Certificate.

**AGREEMENT AS SELF-INSURED GOVERNMENTAL POOL**

By signing and returning the Acceptance appended to the end of this Director's Certificate, and in consideration for the ongoing privilege of certification granted by the Director to NMCIA to act as a New Mexico governmental self-insurance pool, NMCIA agrees to:

1. Be responsible for compliance with the Workers' Compensation and Occupational Disease Disablement Acts and all rules promulgated thereunder, violations of which shall be subject to the jurisdiction and potential sanction by the Director, up to and including fine and revocation of this Certificate.
2. Maintain specific and aggregate occurrence excess insurance or reinsurance for all member entities insured through the pool in a form and in an amount acceptable to the Director. The insurance shall be written by an acceptably rated company admitted to write insurance in the State of New Mexico or a company that is otherwise approved by the Director. The policy must include the New Mexico Amendatory Endorsement.
3. Maintain a fidelity bond or commercial crime policy for any officer, agent or member of the Board of Trustees of NMCIA having signatory authority with respect to the Pool's funds or investments, or as a condition precedent to any Board of Directors action creating or changing such signatory authority, which shall be written at a

minimum of two hundred fifty thousand dollars (\$250,000), unless the Director prescribes a different amount.

4. Provide to the Director upon request the following information and access to supporting records:
  - A) A copy of all specific and aggregate reinsurance or excess insurance agreements;
  - B) An explanation of reserving methodology and accident year claims data on an annual basis;
  - C) Rate change information within (30) thirty days of approval by the Board of Directors of the Pool;
  - D) Loss runs in a format acceptable to the Director within (60) sixty days of receipt by the administrator of the Director's request;
  - E) An annual actuarial opinion provided to the WCA:
    - (1) This opinion shall include actuarially appropriate reserves for (1) known claims and associated expenses; and (2) claims incurred but not reported and associated expenses;
    - (2) This actuarial opinion shall also include a rate adequacy evaluation; and
    - (3) The actuarial opinion shall be given by a member of the American Academy of Actuaries.
  - F) Notification to the Director of any additions or deletions to the Pool's membership roster; additionally, each pool shall provide within 30 days of the end of each calendar quarter a roster of members, including the number of employees employed by each member on the last day of the quarter.
  - G) NMCIA and its members shall cooperate fully with the Director's representatives in any evaluation or audit of the Pool, and resolve, in good faith, issues raised in those evaluations or audits, including the pending audit by the WCA of NMCIA which is ongoing at the time of the issuance of this Director's Certificate.
  - H) Such other information requested by the Director pursuant to WCA statutory and rule authority over governmental self-insurance pools.

## **FINANCIAL RESPONSIBILITY ASSUMED BY POOL AS SELF-INSURED**

The NMCIA shall maintain a loss reserve fund in the amount and manner prescribed by the Director. The loss reserve fund shall be sufficient to provide for prompt payment of existing and projected loss claims.

## **CERTIFICATION AS A NEW MEXICO GOVERNMENTAL SELF-INSURED POOL**

Upon receipt of the signed and notarized acceptance of this agreement, the Director hereby approves NMCIA as a governmental self-insured pool, as authorized by the Director's authority under the Workers' Compensation Act and Part 10 of the agency's rules.

This Certificate shall be continuous until terminated at the request of the self-insured or revoked by the Director.

By accepting the terms of this Certificate, NMCIA understands that it can be modified only by written authorization of the Director.

## **ORDER**

**IT IS NOW ORDERED** by the Director that **New Mexico County Insurance Authority** qualifies as a governmental self-insured pool currently as it meets the requirements established in the Workers' Compensation Act and applicable WCA rules. NMCIA and its members shall be exempt from filing verification of workers' compensation insurance during the period of this certification.

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Date

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**Heather Jordan, NM WCA Director**

**ACCEPTANCE BY NMCIA OF THE DIRECTOR’S CERTIFICATE**

I hereby state upon oath that I have read, and I understand, the foregoing and the statements are true and correct in all respects to the best of my knowledge.

I hereby certify that I am an officer of NMCIA who can bind and obligate NMCIA to the terms and conditions of this Agreement.

\_\_\_\_\_  
BY

\_\_\_\_\_  
TITLE

**NEW MEXICO COUNTY INSURANCE AUTHORITY**  
ENTITY

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The foregoing Agreement between the Workers’ Compensation Administration and New Mexico County Insurance Authority, a self-insurance pool of public entities was acknowledged before me

this \_\_\_\_\_ day of \_\_\_\_\_, **2025** by \_\_\_\_\_.

(Name of Officer)

(Title)

\_\_\_\_\_  
Notary Public

MY COMMISSION EXPIRES: \_\_\_\_\_



## Code of New Mexico Rules

## Title 11. Labor and Workers' Compensation

## Chapter 4. Workers' Compensation

## Part 10. Self-Insurance Pooling of Public Entities (Refs &amp; Annos)

N.M. Admin. Code 11.4.10.8

## 11.4.10.8 POOL SELF-INSURANCE

## Currentness

A. A governmental entity not insured by an insurance company in the voluntary market nor certified as an individually self-insured employer shall be deemed in compliance with [NMSA 1978, Section 52-1-4](#) if the director has issued a certificate of pool self-insurance pursuant to these rules.

B. In order to obtain and maintain a certificate of pool self-insurance a governmental entity shall meet the following requirements:

(1) Within 30 days of the effective date of these rules the governmental entities shall direct the pool's administrator to provide the director with a current membership roster and contact information for each governmental entity insured by the pool. All governmental entities on the roster will be deemed to have applied for a certificate of pool self-insurance.

(2) A governmental entity that has not applied pursuant to Paragraph (1) of Subsection B of 11.4.10.8 NMAC shall apply to the director at least 30 days prior to the desired effective date of the certificate for pool self-insurance, on forms approved by the director.

(3) A governmental entity insured under a certificate of pool self-insurance shall be responsible for compliance with the provisions of Articles 1-5 of the Workers' Compensation Act, NMSA 1978, Chapter 52 and all rules promulgated thereunder and shall be subject to sanction by the director for violations, acts or omissions by itself or by any person or entity acting in an agency relationship with the governmental entity, including its administrator and service company.

(4) Specific occurrence excess insurance or specific occurrence reinsurance for all governmental entities insured through a pool in a form and in an amount acceptable to the director is required. The insurance shall be written by an acceptably rated company admitted to write insurance in the state of New Mexico or a company that is otherwise approved by the director. The policy must include the New Mexico amendatory endorsement.

(5) A fidelity bond or commercial crime policy for any officer, agent or member of the board of trustees of the pool having signatory authority with respect to the pool's funds or investments, or as a condition precedent to any board of trustees action creating or changing such signatory authority, is required and shall be written at a minimum of two hundred fifty thousand dollars (\$250,000), unless the director prescribe a higher amount.

C. Certification and termination:

(1) All governmental entities who have applied for a certificate of pool self-insurance pursuant to Paragraph (1) of Subsection B of 11.4.10.8 NMAC shall be deemed to be eligible for a certificate of pool self-insurance.

(2) The certificate of pool self-insurance shall remain in effect until terminated at the request of the governmental entity or revoked by the director. The director shall not grant the request of any governmental entity to terminate its certificate of pool self-insurance unless the governmental entity has insured or reinsured all incurred workers' compensation and occupational disease and disablement obligations or has otherwise secured payment of their obligation in a manner approved in writing by the director. Such obligations shall include both known claims and associated expenses and claims incurred but not reported and associated expenses.

#### **Credits**

[11-29-97; 11.4.10.8 NMAC --Rn & A, 11 NMAC 4.10.8, 1-14-05]

Current through rules published in the New Mexico Register Volume XXXVI, Issue 5, March 11, 2025. Some sections may be more current, see credits for details.

NMAC 11.4.10.8, NM ADC 11.4.10.8

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End of Document

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**STATE OF NEW MEXICO  
WORKERS' COMPENSATION ADMINISTRATION**

IN THE MATTER OF THE APPLICATION OF  
**NEW MEXICO SELF-INSURERS' FUND,**  
A SELF-INSURANCE POOL OF PUBLIC ENTITIES

) CERTIFICATE NO: P-09-02R  
) DATE: June 25, 2009

**DIRECTOR'S CERTIFICATE OF POOL SELF-INSURANCE**

**NEW MEXICO SELF-INSURERS' FUND** has applied to the Director of the Workers' Compensation Administration of the State of New Mexico for the issuance of a Certificate of Pool Self-Insurance pursuant to the provisions of the New Mexico Workers' Compensation Act and the Rules Governing Self-Insurance Pooling of Public Entities promulgated by the Administration. The Director, pursuant to 11NMAC 4.10.8.3.C(1)., FINDS that the application of this member of a self-insurance pool of public entities is deemed sufficient proof of eligibility, subject to acceptance by this member of the agreements contained herein.

**AGREEMENT AS SELF-INSURED UNDER WORKERS' COMPENSATION ACT**

By signing and returning the Acceptance appended to the end of this Certificate, and in consideration for the privilege of certification as a New Mexico Self-Insurer subject to the Act, this member of a self-insurance pool of public entities has agreed to:

1. Be responsible for compliance with the provisions of Articles 1-5 of the Workers' Compensation Act, Chapter 52, NMSA 1978 and all rules promulgated thereunder, and be subject to sanction by the Director for violations, acts or omissions by itself or by any person or entity acting in an agency relationship with the member entity, including its administrator and service company, if any.
2. Require the pool administrator to maintain specific and aggregate occurrence excess insurance or reinsurance for all governmental entities insured through the pool in a form and in an amount acceptable to the Director. The insurance shall be written by a company admitted to write insurance in the State of New Mexico or a company that is otherwise acceptable to the Director.

3. Require the pool administrator to maintain a fidelity bond for any officer, agent or member of the Board of Trustees of the Pool having signatory authority with respect to the Pool's funds or investments, or as a condition precedent to any Board of Trustees action creating or changing such signatory authority, which shall be written at a minimum of two hundred fifty thousand dollars (\$250,000), unless the Director prescribes a different amount.
4. Require the pool administrator and/or the pool's service company to provide to the Director the following information and access to records:
  - a) a copy of all specific and aggregate reinsurance or excess insurance agreements;
  - b) an explanation of reserving methodology and accident year claims data on an annual basis;
  - c) rate change information within (30) thirty days of approval by the Board of Directors of the Pool;
  - d) loss runs in a format acceptable to the Director within (60)sixty days of receipt by the administrator of the Director's request;
  - e) an annual actuarial opinion;
    1. this opinion shall include actuarially appropriate reserves for (1) known claims and associated expenses, and (2) claims incurred but not reported and associated expenses;
    2. the actuarial opinion shall also include a rate adequacy evaluation;
    3. this actuarial opinion shall be given by a member of the American Academy of Actuaries.
  - f) a copy of any rate adequacy evaluations and reviews of losses and loss adjustment expenses prepared for the Pool by an actuary who shall be a member of the American Academy of Actuaries.
  - g) the member entity, pool, administrator or pool service company, shall cooperate fully with the Director's representatives in any evaluation or audit of the Pool Self-Insurance Program, and resolve, in good faith, issues raised in those evaluations or audits.

## **FINANCIAL RESPONSIBILITY ASSUMED BY POOL AS SELF-INSURED**

The member of a self-insured pool of public entities shall require its administrator and/or service company to establish and maintain a loss reserve fund in the amount and manner prescribed in the Director's Rules and Regulations. The loss reserve fund shall be sufficient to provide for prompt payment of existing and projected loss claims.

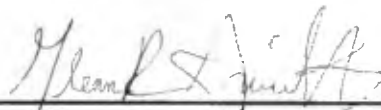
## **CERTIFICATION OF MEMBER AS A NEW MEXICO SELF-INSURED**

Upon receipt of the signed and notarized acceptance of this agreement, the Director hereby approves the application for certification as a member of a self-insured pool or public entities under the Workers' Compensation Act within the State of New Mexico. By issuance of this Certificate, the Director acknowledges the public entity's status as a self-insured under the Act.

This Certificate shall be continuous until terminated at the request of the self-insured or revoked by the Director.

**IT IS NOW ORDERED** by the Director that New Mexico Self-Insurers' Fund qualifies as a member of a self-insured pool of public entities, and has fully met the requirements established in the Rules of the Director. This member of a self-insured pool of public entities shall be exempt from filing verification of workers' compensation insurance during the period of the certification.

## **WORKERS' COMPENSATION ADMINISTRATION**



Glenn R. Smith, Director  
2410 Centre Avenue, SE  
P.O. Box 27198  
Albuquerque, NM 87125-7198

6-25-09  
Date

## **ACCEPTANCE BY MEMBER OF A SELF-INSURED POOL OF PUBLIC ENTITIES**

I hereby state upon oath that I have read, and I understand, the foregoing and the statements are true and correct in all respects to the best of my knowledge.

I hereby certify that I am an officer of said member entity of a self-insurance pool of public entities who can bind and obligate the member entity to the terms and conditions of this Agreement.

*[Signature]*  
BY  
*Rick Serpico's Director*  
TITLE

NEW MEXICO SELF-INSURERS' FUND  
MEMBER ENTITY

**ACKNOWLEDGEMENT**

STATE OF *New Mexico*  
COUNTY OF *Santa Fe*

The foregoing Agreement between the Workers' Compensation Administration and the member of a self-insurance pool of public entities as a Self-Insurer was acknowledged before me this *19th* day of *JANUARY*, 20*11* by *Edwin Zende*, *Rick Serpico's Director*  
(Name of Officer) (Title)

*Roger Mahin*  
Notary Public

MY COMMISSION EXPIRES: *1/24/2011*

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

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

## Memorandum

**Date:** May 21, 2024  
**To:** NMCA Board of Directors  
**From:** Joy Esparsen  
**Re:** Executive Director Update

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The 60-day legislative session came to an end on March 22 with the passage of 194 bills and 3 joint resolutions, along with 48 memorials. HB137 which increased the 911 surcharge stalled in House Judiciary towards the end of the session. With an impasse in sight and the need for this critical funding, the 911 surcharge increase was bundled into SB535, a dummy bill by Senator Munoz. This bill included several other critical appropriations and was signed by the Governor. Part of the bill included a Workers' Compensation increase of 30 cents over the next 8 years. Although this is not ideal, it was deemed necessary to maintain the solvency of the fund. The Governor ultimately signed SB535 which will help provide critical funding for 911 infrastructure throughout the state.

The Clerks' Affiliate was actively engaged in advancing legislation specific to their role to include the HB101 Firearm Possession by Commissioned Officer at Polls, HB308 Removing Middle Rio Grande Conservancy from Local Election Act, and SB290 Increase Marriage License Fee. The Clerks have also weighed in on other important legislation impacting their duties to include SB218 Election Code Changes and SB16 Unaffiliated Voters in Primary Elections. All of these bills, with the exception of SB218, were passed and signed by the Governor.

Other critical legislation related to county employment and operations included HB9 Immigrant Safety Act, HB11 Paid Family Medical Leave, HB84 Employee Free Speech Act, HB192 Digital Trunked Radios, HB230 Cannabis: Employee Protections, HB284 Free-Roaming Horses, HB309 Removal of Unlawful Occupant, HB405 Volunteer Firefighter Service and Training, HB417 Liquor Taxes Surtax, HB438 Unpaid Compensatory Time, SB199 Use of Liquor Tax in Local DWI Fund, SB274 Threshold for Disposal of Public Property, SB359 Removal of Unlawful Occupant, and SB505 Nonuse of Body Cameras. On each of these bills, NMC's legislative team worked to advise legislators of NMC positions, provide expert testimony, gather data for fiscal impact reports, draft amendments, and protect county interests. Ultimately, only HB192, SB199, and SB274 were signed by the Governor.

In the final hours of the legislative session, the tax bill HB14, was passed with a significant reduction in the percentage of funding for local DWI programs. The bill would have reduced the amount from 45% to 39%. HB14 also included an additional exemption of medical services from GRT which would have been a substantial reduction for local governments. The Governor did veto HB14 in its entirety on the final day of bill signing.

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Risk Management Director Grace Philips and I participated in the Managers' Retreat and the Commissioners' Retreat in April. With a significant number of new managers, we conducted an orientation and overview of NMC services. Ms. Philips also provided a detailed overview of the NMCIA self-insurance pools. During the Commissioners' Retreat, we provided a summary of the legislative session as well as a presentation on the current market trends for the insurance pool.

NMC hosted four regional post-legislative session briefings in the middle of April in Chaves, Sierra, Bernalillo, and San Miguel Counties. All legislators and county members were invited to attend, and lunch was provided. Each session averaged approximately 30 attendees, and the legislative feedback was positive.

During the May 2<sup>nd</sup> NMC Board of Director meeting, the Board approved the 2025-2026 NMC Budget, the 2025-2026 Wildfire Risk Reduction Grants, the change from Morton Capital Investments to Wells Fargo, and an amendment to the lobbyist contract to include reimbursement for lodging in Santa Fe. Significant budget items include a property tax research study, 3% cost of living increase for staff, and several building repairs for the Albuquerque office and cameras for the Santa Fe office. The Board received a presentation on the Department of Energy NIETC project that will affect several counties along the eastern border of the state. The project proposes a transmission easement ranging from 10-150 miles and the affected counties have raised concerns regarding potential impacts.

The NMC Board also approved the recent audit after receiving a clean, unmodified opinion. Audit recommendations included updating the meeting, events, and travel policies to reduce redundancy and potential conflicts, as well as updating the investment policy. NMC staff has begun reviewing these policies internally through a series of meetings and will be bringing them to the Board for adoption in June.

**Additional Meetings & Initiatives:**

NACo Annual Conference Preparation and Delegate Voting Credentials  
NACo Steering Committee Membership and Presidential Appointments  
NCCAE Monthly Meetings  
DOE NEITC Meeting Requests  
New Mexico Finance Authority Board Meeting & Water Trust Board Meeting  
LFC Meeting on Property Tax Study  
WCA Audit Meetings  
Engagifi Meeting on Membership Software  
CSAC Business Partner Program Review  
NMC Board of Directors Meeting  
NMC Executive Committee Meetings  
NMCIA Claims Committees  
NMC Legislative Conference Wrap-Up  
NMC Annual Conference Planning  
NMC Advisory Council Meeting  
NMC & NMCIA Audits  
NMC Budget Preparation  
NMC Board Elections  
NMC Senior Staff Meeting  
Managers Affiliate Retreat  
Commissioners Affiliate Retreat

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@nmccounties.org](mailto:jesparsen@nmccounties.org) at any time.



## Session Summary

Of the 1,182 bills introduced, legislators passed 194 along with three joint resolutions. Resolutions propose amendments to the constitution and require voter approval. Legislators also passed 48 memorials, which are non-binding formal requests or intentions typically addressed to another governmental body.

Many have said the past 60-day session was like two sessions in one. NMC staff reported a rapid pace in the first weeks starting with key crime legislation. HB 8, Crime Competency, passed early in the session. This omnibus package addressed criminal competency reform; criminalized the possession of weapon conversion devices (Glock Switches); elevated the penalty for threatening to shoot a person, group, or public space from a misdemeanor to a fourth-degree felony; established graduated penalties for trafficking based on quantity; increased auto theft penalties and permitted warrant-based blood draws for misdemeanor investigations; and expanded testing beyond alcohol to include other drugs. HB 12, Extreme Firearm Risk Protection Order Changes, also passed. Other key components of the crime package focused on behavioral health and behavioral health funding. SB 1, Behavioral Health Trust fund, and SB 3, Behavioral Health Reform and Investment Act, also moved through the legislature in the first few weeks and have been signed into law. Several public safety bills, including proposals for criminal justice diversion programs and overdose prevention centers, did not pass.

HB 11, Paid Family Medical Leave, moved quickly through the House during the first half of the session, only to stall in the Senate. It ultimately failed in Senate Finance. Every committee room was filled with advocates on both sides of the issue, often waiting in a line outside to testify.

NMC priority items picked up speed in the second half of the session while others stalled in their originating chambers. HB 283, the IPRA Law Enforcement Records Changes, failed to be heard in the House Judiciary Committee. HB 342, Equitable Disclosure, remained in House Tax and was never heard. Given the many issues threatening county property tax bases battled during the session, this bill was never able to move forward. However, bills to fix the issues caused by the veterans' tax exemptions: HB 47 taking care of necessary technical changes and HB 494, reverting the filing date back to the original timeframe to help counties manage tax rolls, passed, but HB 494 was subsequently vetoed by the Governor.

Speaking of property tax, further dialogue in the interim is needed between stakeholders and legislators to form a greater understanding of how tax cuts and exemptions erode the county property tax base, and often further complicate reaching current and correct property valuations. SB 186, Multifamily Housing Valuation, was a hard-fought battle and win for the counties. The bill was defeated on a 16-23 vote after a 3-hour debate. This bill would have created a significant reduction in property tax values for multifamily housing (apartments). Although amended to limit the reduction of value for existing properties valued prior to 2024 from falling below 40% of current and correct, it forever capped new construction and existing multifamily at point of sale at 40% of current and correct. Given the anticipated impact to county budgets with the recent veteran exemptions, this

additional erosion of the property tax base would have been permanent and costly. NMC staff hope to have continued dialogue around property tax during the interim. Budget priorities remained in HB 2 with \$2M being added for trunked radio subscription fees by Senate Finance in the final days. A recap of final HB 2 priority items is below:

- Law enforcement recruitment and retention - \$1.6 million
- Detention reimbursement fund - \$4.97 million
- The time period for expending the \$25 million appropriated for recruitment grants for state and local fire departments from the general fund in Subsection 36 of Section 5 of Chapter 69 of Laws 2024 is extended through fiscal year 2026. These grants are for the recruitment of firefighters and emergency medical technicians.
- The time period for expending the \$25 million appropriated for recruitment grants for law enforcement, probation, correctional and detention officers in Subsection 42 of Section 5 of Chapter 69 of Laws 2024 is extended through fiscal year 2026.
- Administrative Office of the Courts - \$6 million For improvements, repairs and security infrastructure at court facilities statewide for expenditures in fiscal year 2026.

While not a priority, a key piece of county public safety legislation was SB 137, 911 Act changes, including a critically needed surcharge increase. After sailing through the Senate, SB137 was pulled from the House Judiciary Committee calendar. With just 3.5 days remaining in the Session, Senator Muñoz added the surcharge piece from the bill into his dummy bill, SB 535. It passed both House Appropriations and the House floor on a party line vote but was amended in the final hours of the last night of the session forcing it back to the Senate for concurrence. With just hours remaining on the final day, the Senate concurred with the House floor amendment. This was a hard-fought win by NMC staff, and the members of 911, GIS, and Fire affiliates who testified in support during the late night/early morning for House Appropriations. This is the first surcharge increase since 1989 and is critical to build out NextGen technologies for 911 call centers, update cybersecurity technology, and improve public safety communications to protect all New Mexicans.

Several of the Clerks' Affiliate bills were successful in the final days including SB290 Marriage License Fee Increase and HB101 Firearm Possession by Commissioned Officer at Polls.

Other big issues addressed with successful legislation were CYFD reform creating the Office of the Child Advocate, water primacy granting surface water permitting to the state, and Game and Fish reform. The legislature also established a number of new funds to include wildfire, renewable energy, and water infrastructure.

Will we be going back before the year ends? Earlier in the legislative session, the Governor hinted at calling a special session to address potential state shortfalls from a loss of federal funds. On the session's final day, the Governor stated she was dissatisfied with the legislative efforts to address crime. If these statements are any indication, it seems likely.

Congratulations all on a successful legislative session.

Joy Esparsen Executive Director 505.660.9629 jesparsen@nmcounties.org	Grace Philips Risk Management Director 505.690.6319 gphilips@nmcounties.org	Katherine Carroll Government Relations 505.350.9357 kcrociata@outlook.com
Mark Allen General Counsel 505.313.0103 mallen@nmcounties.org	Hannah Kase Woods Government Relations Specialist 505.820.8102 hwoods@nmcounties.org	

## Priority Bills

### HB 2 General Appropriation Act of 2025

Small, Dixon

General Appropriation Act of 2025, represents the total in appropriations for FY2026. HB2 appropriates a total of \$10,654,027,400 (General Fund (GF)); \$6,097,588,700 (other state funds); \$1,970,887,500 (internal service funds and interagency transfers); and \$14,435,286,300 (federal funds) for a FY2026 grand budget total of \$33,157,789,900. New Mexico Counties Priorities received the following appropriations:

- Law Enforcement Recruitment and Retention Fund \$1.6 million
- Prisoner Reimbursement \$4.97 million
- Courthouse improvements, repairs, and security Infrastructure \$6 million
- DOT Local Government Road Fund \$28 million
- The period of time for expending the \$25 million appropriated from the general fund in Subsection 36 of Section 5 of Chapter 69 of Laws 2024 for statewide and local fire departments, including volunteer departments, for recruitment grants for state and local fire departments for recruitment of firefighters and emergency medical technicians is extended through fiscal year 2026.
- The period of time for expending the \$25 million appropriated from the general fund in Subsection 42 of Section 5 of Chapter 69 of Laws 2024 for statewide and local law enforcement, correctional and detention agencies for recruitment grants for law enforcement, probation, correctional and detention officers is extended through fiscal year 2026.

**Signed by the Governor**

### HB 283 Law Enforcement Records Changes

Chandler, Trujillo

Addresses requests for law enforcement records for commercial use and remedies for denial of requests for records. Creates an Inspection of Public Records Task Force to review procedures related to the inspection of public records and assistance for public bodies and requesters of records. **Died in House Judiciary**

### HB 342 Property Tax Code Changes

Lente

Makes several revisions to the Property Tax Code regarding declared disasters and other matters, provides a temporary limitation of increase in valuation of nonresidential property and puts into statute the increases in the veteran exemptions approved by the electorate in the 2024 general election. **Died in House Taxation and Revenue**

### SB 399 Local Government Border Support Fund

Brantley, Ramos, Terrazas, Thornton

Creates the local Government Border Support Reimbursement Fund to be administered by the Department of Finance and Administration to reimburse local governments for expenses related to emergency medical services, law enforcement response to "unattended deaths," costs associated with supporting federal border patrol efforts and "humanitarian efforts" along the border, which include illegal dumping, state and federal drug trafficking task forces, and state and federal human trafficking task forces. **Died in Senate Health and Public Affairs**

## Appropriations & Finance

### SB 48 Community Benefit Fund

Stewart, Szczepanski

Transfers \$210 million from the GF to the Community Benefit Fund, created by this act. Money in the Community Benefit Fund may be appropriated for projects that address climate change in specified ways. DFA administers the Community Benefit Fund. **Signed by the Governor**

**SB 357 Essential Services Development Act****Hamblen, Thornton, Chandler, Paul**

Cited as the Essential Services Development Act, authorizes state public support for essential services projects that allow access to internet, energy, water, and wastewater services primarily for residential purposes. Provides for local and regional governments to adopt plans for development of essential services and to expend public funds for projects that provide these services. Provides that only the state may provide public support for an essential services project, which shall be specifically authorized by law.

**Signed by the Governor**

## Clerks & Elections

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**HB 101 Firearm at Polling Place for Law Enforcement****Reeb, Chavez, Terrazas**

The Election Code is amended to exclude from the crime of unlawful possession of a firearm at a polling place "commissioned" law enforcement officers with the power to arrest in performance of their official duties or in accordance with the policies of the officer's law enforcement agency. Current law exempts "certified" law enforcement officers under the Law Enforcement Training Act only.

**Signed by the Governor****HB 308 Remove Mid Rio Grande Conservancy District from Local Elections Act****Lente,  
Armstrong, Woods**

Provides timing and other procedures for Middle Rio Grande Conservancy District Elections and removes the Middle Rio Grande Conservancy District (MRGCD) from the Local Election Act.

**Signed by the Governor****SB 16 Non-Major Party Voters in Primary Elections****Figueroa, Wirth, Cates, Parajon, Rubio**

Amends the Election Code to permit voters who have declined to state a party affiliation, or designated affiliation with a party other than a major party, to vote in a primary election by requesting the ballot of one of the participating parties in that primary.

**Signed by the Governor****SB 290 Raise Marriage License Fees****Trujillo**

Raises the fee for a marriage license paid to the County Clerk to \$55, up from \$25. Fees are to be deposited in the County Clerk Recording and Filing Fund, then transferred by the County Treasurer within 15 days of the end of the month as follows: \$15 to the County General Fund; \$20 to the State Treasurer for credit to the Children's Trust Fund; and \$20 to be retained by the County Clerk.

**Signed by the Governor****SJR 11 School Elections Timing, CA****Trujillo, Armstrong, Gallegos**

Proposes to amend Article 7, Sec. 1 of the Constitution to permit school elections to be held at the same time as partisan elections, by removing the constitutional prohibition against doing so.

**Died in House  
Judiciary**

## Detention

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**HB9 Immigrant Safety Act****Chávez, Rubio, Romero, Anaya, Chandler**

Prohibits public bodies from entering into agreements used to detain individuals for federal civil immigration violations and requires any existing such agreements to be terminated; prohibits public agencies from otherwise using public property to assist federal authorities in detaining individuals over federal civil immigration violations.

**Died in Senate Judiciary****HB 533 Solitary Confinement Changes****Lujan**

Would impose stricter limits on solitary confinement in correctional facilities, including raising the minimum age for solitary confinement from 18 to 21 years old and adding a new maximum age of 55 (restrictive housing would be prohibited outside of this age range).

**Died in House Consumer and Public  
Affairs**



## DWI

### SB 199 Administration of Local DWI Grant Program

Jaramillo L.

Increases from \$2.5 million to \$3 million the amount of liquor excise tax revenues that DFA's Local Government Division may use for grants to municipalities and counties. Ups the amount that may be expended in a year for administration of the DWI grant program by \$500,000 and the set aside in the county formula-based distributions by \$200,000. **Signed by the Governor**

## Employment

### HB 6 IRB Minimum Wage

Szczepanski, Stewart, Roybal Caballero, Sanchez, Martinez J.

Amends a section of statutory law relating to Public Works Contracts to require that, for public works projects undertaken by a municipality or a county through the issuance of an industrial revenue bond, contractors and other employers must pay the prevailing wage and comply with provisions of Sec.13-4-11 (prevailing wage and benefit rates determined; minimum wages and fringe benefits on public works; weekly payment; withholding funds). **Signed by the Governor**

### HB 11 Paid Family and Medical Leave Act

Chandler, Stewart, Serrato,  
Roybal Caballero, Martinez J.

Proposes the Paid Family and Medical Leave Act; creates a temporary Paid Family and Medical Leave Implementation Advisory Committee in the Workforce Solutions Department and the Paid Family and Medical Leave Fund. The act's purpose is to compensate employees and self-employed persons taking leave to: bond with a child; take measures to protect an employee, family member or close friend who is a victim of domestic violence, stalking, or sexual assault; provide care for themselves, family members or close friends, experiencing a serious health condition, or following the death of a minor child; or take leave for a family member or close friends on active military duty. Federal employees would not be subject to the program, nor would tribes and pueblos (but tribes and pueblos may elect to participate). **Died in Senate Finance**

### HB 66 Workers' Compensation Changes

Herndon

Relates to workers' compensation and increases the maximum amount the employer shall advance for discovery costs requested by a workers' compensation claimant from \$3,000 to \$3,500 increases the maximum attorney fees that can be collected for a single claim from \$22,500 to \$30,000 in calendar year 2025 (thereafter adjusted annually by the consumer price index). **Signed by the Governor**

### HB 84 Employee Free Speech Act

Chávez, Duhigg, Anyanonu, Gurrola, Silva

Prohibits employers from taking any adverse employment action against an employee for refusing to go to an employer-sponsored political meeting or to listen to a speech or communications about political matters – including labor organizations. **Died in Senate Judiciary**

### HB 230 Cannabis Testing Certain Employees

Szczepanski, Thomson,

### SB 269 Cannabis Testing Certain Employees

López, Pinto

Prohibits random drug testing for cannabis of an employee who is a qualified patient pursuant to the Lynn and Erin Compassionate Use Act. **Died in Senate Judiciary**

### HB 438 Employee Payment for Unused Leave

Lujan, Roybal Caballero

Requires that an employee of the state or of a political subdivision be paid the full value of all unused compensatory leave at the end of each calendar year. **Died on the House Floor**

### **SB 59      Public Works Minimum Wage Definitions**

**Padilla, Chávez**

Amends the Public Works Minimum Wage Act to make prevailing wage and benefit rates and minimum wage and fringe benefits on public works applicable to off-site fabricators or any combination of laborers, mechanics and off-site fabricators. Failure-to-pay provisions resulting in termination of contract also apply. Applicable to proposals, invitations for bid, and other procurement for public works projects issued on or after July 1, 2025. **Signed by the Governor**

### **SB 376      State Employee Health Benefit Contributions**

**Stefanics, Muñoz**

Starting July 1, 2025, sets the state share in the cost of group (term life, medical, or disability income) insurance for employees at 80%. Prohibits certain hospitals from charging or collecting an amount higher than the maximum allowed by an employee's plan. Requires Health Care Authority agency to base its budget request for employee health benefits on actuarially sound rate adjustments and establish a program to make health benefits more affordable for certain employees using appropriations from the Health Care Affordability Fund. Expands purposes of the Health Care Affordability Fund. **Signed by the Governor**

## **Fire & Emergency Management**

### **HB 192      Digital Trunked Radio Communications**

**Hernandez, Nava, Cullen, Block J., Cates**

Directs the Department of Information Technology to report annually by December 1 to the Legislative Finance Committee on the subscriber fees and users for the next fiscal year for the digital trunked radio communications system. Appropriates \$2 million (GF, nonreverting) to the department for use in FY2026 and subsequent years to fund the payment of subscriber fees for the digital trunked radio communications system to municipal, county, and tribal public safety agencies that provide law enforcement, fire, medical, or other emergency services. **Signed by the Governor**

### **HB 220      Ignition-Resistant Construction**

**Lujan, Sanchez**

Relating to property law. Proposes to void any covenant or other restrictions on real estate titles that prohibit or unreasonably restrict ignition-resistant construction or that promote construction or landscaping that is a fire hazard; and amends the Homeowner's Association Act to the same effect. **Died in Senate Judiciary**

### **HB 405      Volunteer Firefighter Training**

**Gonzales, De La Cruz, Sanchez, Hernandez, Abeyta**

Allows volunteer firefighters with their chief's approval to apply for a leave of absence not to exceed 112 hours per calendar year (about 4.67 days) in an effort to retain more volunteer firefighters. **Died on the Senate Floor**

### **HB 439      Public Safety Telecommunicator CPR Training**

**Lujan**

Amends the Public Safety Telecommunicator Training Act to require that dispatcher training include high-quality telecommunicator cardiopulmonary resuscitation using the most current nationally recognized emergency cardiovascular care guidelines. **Signed by the Governor**

### **SB 31      Zero-Interest Natural Disaster Loans**

**Campos, Sanchez, Gonzales, Vincent**

Directs the Department of Finance and Administration to provide zero-interest loans to political subdivisions and electric cooperatives that have been approved for FEMA funding for a federally declared natural disaster. Creates the Natural Disaster Revolving Fund and transfers money from the Appropriation Contingency Fund to it. Creates the Federal Reimbursement Revolving Fund. Appropriates \$150 million (GF, nonreverting) to the Natural Disaster Revolving Fund for use in FY 2025 and subsequent years. Makes changes to the terms of the Appropriation Contingency Fund and provides a new listing for the State Reserves. **Signed by the Governor**

**SB 33 Wildfire Prepared Act****Stefanics, Vincent, Ortiz, Gonzales**

Cited as the "Wildfire Prepared Act," it seeks to strengthen preparedness of structures for wildfires through the newly created Wildfire Prepared Fund and the awarding of grants for a Wildfire Prepared Program.

**Signed by the Governor**

**SB 81 NM Property Insurance Program Association Board****Wirth, Vincent, Gonzales**

Creates the New Mexico Property Insurance Program Association Board to establish and administer the Fair Access to Insurance Requirements Plan (FAIR Plan) to provide property and commercial property insurance to persons unable to obtain insurance in the regular market. Appropriates \$50 million from the GF to the Office of the Superintendent of Insurance to administer the FAIR Plan Act and fire mitigation programs. **Died in House Judiciary**

**SB 137 Rename Enhanced 911 Act****Padilla**

Renames the Enhanced 911 Act the "911 Act"; renames the fund created in the act and related bond act the "911 Emergency Service Fund," and the "911 Bond Act." Makes a number of clarifying and conforming changes throughout the act, including several technical definitions. Increases the 911 surcharge per subscriber access line from \$0.51 to \$1 monthly, deposited in the 911 Emergency Service Fund. Also makes "primary or secondary public safety answering points" as well as local governing bodies, Indian nations, tribes, and pueblos eligible for grants from the fund to provide 911 services. **Died in House Judiciary**

**SB 197 EMS System Improvement Projects Funding****Campos, Vincent**

Grants municipalities and counties the authority to issue bonds against the distributions to the municipality or county from the Emergency Medical Services Fund. Proceeds to be used for emergency medical system improvement projects or emergency medical services vehicles. **Signed by the Governor**

**SB 353 Search and Rescue Emergency Responses****Steinborn, Pinto**

Amends the Search and Rescue Act to establish a search and rescue (SAR) emergency response protocol for federal, state and local agencies when NM Search and Rescue is required in a SAR emergency. Requires the state SAR Resource Officer to establish standard criteria for notifying the state SAR Control Agency (State Police) and to train emergency response personnel in those protocols. Requires consultation with other emergency responder agencies. **Signed by the Governor**

**SB 535 Public Peace, Health, Safety & Welfare State Fees & Funds****Muñoz, Sedillo Lopez**

Raises the rates of two state revenues. Beginning July 1, 2025, increases both the workers' compensation fee paid by employers and the fee paid by employees by \$0.50 per calendar quarter. This hike is phased in over eight years: \$0.25 /quarter on July 1, 2025, \$0.13 on July 1, 2028, and the final \$0.12 on July 1, 2033. Employer fees then will be \$2.80/quarter and the employee fees \$2.50/quarter. **Signed by the Governor**

**SM 2 Wildfire Study Group****Woods**

Asks the Legislative Council to direct the creation of a Wildfire Study Group to study and develop a comprehensive approach to address and mitigate wildfires in New Mexico. Asks that the group include stakeholders to study and develop and make recommendations to the appropriate interim legislative committee for a comprehensive statewide approach to address, avoid, and mitigate wildfires, including recommendations for necessary funding and proposed legislation. **Signed by Officers of the Senate**



## General County Government

### **HB 113      Animal Welfare Trust Fund      Lujan, Szczepanski, Sanchez, Borrego, Cervantes**

Creates the Animal Welfare Program in the Department of Finance and Administration (DFA) to fund projects to support the welfare of domestic cats and dogs. DFA may make grants to municipalities or counties, or contract with nonprofit organizations, for animal shelters and other animal welfare projects. Creates the Animal Welfare Trust Fund and transfers \$10 million (GF, nonreverting) to it; and creates the Animal Welfare Program Fund to receive a reverting annual five percent pour-over from the trust fund for project funding by DFA beginning in FY2029. **Signed by the Governor**

### **HB 143      Lobbying Activity Report      Silva, Steinborn**

Creates a new requirement for a lobbying activity report that includes bills lobbied and the position taken by a lobbyist or the lobbyist's employer and requires that reports be kept for a period of at least ten years. **Vetoed by the Governor**

### **HB 284      Free Roaming Horse & Livestock Code      McQueen, Woods**

Amends the Livestock Code to provide for registration of facilities and qualified free-roaming horse experts by the Livestock Board; provides for state, county or municipal governments to contract for their services and for control and humane management of free-roaming horse herd populations, including fertility management, except where preempted by federal or tribal authority; provides for rulemaking; prohibits slaughter or export for slaughter of free-roaming horses; removes provision for "wild horses" and "Spanish colonial horses" from the code; establishes fines and penalties. **Pocket Vetoed by the Governor**

### **SB 274      Board of Finance Approval for Land Sales      Wirth, Lujan**

Amends the Procurement Code to increase the threshold for State Board of Finance or legislative approval of sales, trades, or leases of property by state agencies, local public bodies, and school districts. Amends the definition of "local public body." **Signed by the Governor**

## Health Care

### **SB 1      Behavioral Health Trust Fund      Stefanics, Muñoz, Woods, Block J., Hochman- Vigil**

Establishes the Behavioral Health Program Fund to provide services and programs related to behavioral health. Transfers \$1 billion from the General Fund to the newly created Behavioral Health Trust Fund. **Signed by the Governor**

### **SB 3      Behavioral Health Reform and Investment Act      Wirth, Stewart, Sharer, Block J., Hochman-Vigil**

Creates the Behavioral Health Reform and Investment Act; directs creation of Behavioral Health regions (geographic area that encompasses one or more counties or judicial districts); in which behavioral health services will be provided—meaning an array of services for the treatment, rehabilitation, prevention and identification of mental illnesses and substance abuse—pursuant to a phased-in regional plan for the continuation and expansion of behavioral health services. The Administrative Office of the Courts (AOC) is charged with designating health regions, coordinating regional meetings, completing resource mapping and coordinating development of regional behavioral health plans. **Signed by the Governor**

### **SB 45      County Health Care Assistance Fund Use      Steinborn, Stefanics**

Amends the Indigent Hospital and County Health Care Act to authorize use of the County Health Care Indigent Fund for all or a portion of the monthly premiums of health insurance policies for indigent patients or for out-of-pocket costs, including copayments and deductibles, incurred by indigent patient insureds pursuant to a health insurance policy. **Signed by the Governor**

### **SB 120      No Behavioral Health Cost Sharing      Hickey, Steinborn**

Amends the Health Care Purchasing Act and the New Mexico Insurance Code to permanently eliminate cost sharing on behavioral health services. **Signed by the Governor**

### SB 219 Medical Psilocybin Act

Steinborn, Hickey, Thomson, Brandt, Romero

Proposes to allow the beneficial use of psilocybin in a regulated system for alleviating qualified medical conditions. (Psilocybin is a psychedelic compound in certain mushrooms.) Creates a Medical Use of Psilocybin Program, an advisory board, and two funds. Provides a gross receipts tax deduction for sale of products sold in accordance with the act. Appropriates a total of \$4 million (GF) to the Department of Health and the two new funds. **Signed by the Governor**

## Inspection of Public Records

### HB 139 Inspection of Public Records Act Changes

Cates

Significant and notable changes are made to almost the entirety of the Inspection of Public Records Act (IPRA). Public bodies are required to appoint custodians to oversee requests for public documents, create procedures for documents and information that include electronic records, and the inspection of records. Provision is made for cost recovery; limits obligation to create and maintain records; specifies general exemptions from disclosure and exemptions for specific types of records. Provides relief for public bodies from "vexatious" requesters. Provides for enforcement. Includes 42 new and restated definitions. **Died in House Government, Elections and Indian Affairs**

### HB 497 Revise Inspection of Public Records Act

Brown

Revises IPRA to provide additional exemptions from inspection; to designate additional records as law enforcement records; to revise the procedures for requesting and denying requests for public records; and to revise provisions for enforcement. **Died in House Government, Elections and Indian Affairs**

### SB 57 Medical Provider Patient IPRA Info

Wirth, Szczepanski, Nava

Excepts from IPRA disclosure of personal identifying information or sensitive information related to the practice of a medical provider employed by a public body who performs medical services related to abortion. **Signed by the Governor**

## Law Enforcement

### HB 12 Extreme Risk Firearm Protection Order

Garratt, Chandler, Duhigg, Berghmans

Amends the Extreme Risk Firearm Protection Order Act to allow a law enforcement officer to file a petition to enjoin a respondent from possessing firearms based on information collected while carrying out official duties. Also requires relinquishment of all firearms in a respondent's possession immediately upon service of the order or as directed by the court (current statute requires relinquishment within 48 hours of service or sooner at the court's discretion). **Signed by the Governor**

### HB 309 Removal of Unlawful Occupants from Real Property

Sanchez, Pettigrew, Brown

### SB359 Removal of Unlawful Occupants from Real Property

Brandt

Provides a process for a property owner to remove persons who are unlawfully occupying the owner's real property. "Unlawfully occupying" is a crime constituting trespassing. **HB 309 died in House Consumer and Public Affairs. SB 359 Died in Senate Judiciary**

### HB 332 Crime of Unlawful Squatting

Cullen, Montoya, Henry

Creates the crime of unlawful squatting; provides penalties; provides for civil damages for injury to property occurring in the course of unlawful squatting. Provides a process for removing an alleged unlawful squatter and for contesting a citation for squatting; requires a trial to determine property rights in a contest between a purported owner and an alleged squatter; providing for damages. **Died House Consumer and Public Affairs**

### **SB 364 Law Enforcement Qualifications**

**Nava, Martinez, Brandt, Padilla, Cervantes**

Allows people who are not U.S. citizens to serve as law enforcement officers if they have work authorization documents from U.S. citizenship and immigration services; makes changes to Sec. 29-1-9, Sec. 29-2-6, and Sec. 29-7-6 to allow this — in effect potentially broadening the recruitment pool for law enforcement. **Signed by the Governor**

### **SB 505 Insurance Tort Liability: Nonuse of Body Cameras by Peace Officers**

**Cervantes**

Strengthens the presumption of bad faith for peace officers who fail to comply with the policies and procedures of the use of body-worn cameras. Amends the definition of "law enforcement agency" to include police departments of public post-secondary educational institutions. **Died on the Senate Floor**

## **Natural Resources & Renewable Energy**

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### **HB 128 Solar Access Fund**

**Szczepanski, Pope, Roybal Caballero, Lujan, Hernandez**

Creates the Local Solar Access Fund in the New Mexico Finance Authority (NMFA) to provide grants for solar energy systems owned and operated by a county, municipality, school district, land grant-merced, or Indian nation, tribe or pueblo. Appropriates \$60 million (GF, nonreverting) to the Energy, Minerals and Natural Resources Department for use in FYs 2026 and beyond for NMFA to carry out the purposes of the fund. **Signed by the Governor**

## **Taxes: GRT & Property**

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### **HB 14 Earned Income Tax Credit**

**Lente, Martínez**

Effective for taxable year 2026, it replaces the working families tax credit with a state Earned Income Tax. The federal earned income tax credit phases out as income rises. So too will the proposed state earned income tax credit, but the phase-out starts at a higher income level than the federal credit and uses a lower phase-out percentage. The effect is that, in addition to the higher credit amounts, more NM households would qualify for some amount of state earned income tax credit than under the existing working families tax credit and also includes a credit for foster parents. The package extends the deduction from gross receipts tax for health care practitioners' receipts of commercial contract services or Medicaid Part C services paid for by a managed care organization or health care insurance provider. There is an increase in the liquor excise tax: on spiritous liquors, from \$1.60 to \$1.92 per liter; on beer, from \$0.41 to \$0.49 per gallon; on wine, from \$0.45 to \$0.54 per liter; on fortified wine, from \$1.50 to \$1.80 per liter; on cider, from \$0.41 to \$0.49 per gallon. Reduces the distribution to the Local DWI Grant Fund from 45% to 39% and terminates the long-standing monthly \$20,750 (\$249,000 annual) distribution to Farmington. Adds a distribution to the Tribal Alcohol Harms which is created as a nonreverting fund administered by the Department of Finance and Administration. Money to be used for alcohol harms prevention, treatment and recovery services to individuals on lands of Indian nations, tribes and pueblos.

**Vetoed by the Governor**

### **HB 46 Real Property from Health- Related Equipment**

**Chávez**

Amends the Hospital Equipment Loan Act to remove real property from the definition of "health-related equipment" subject to the Hospital Equipment Loan Program. Imposes restrictions on property tax exemption on real property acquired from bond proceeds issued under the act. **Died in House Taxation and Revenue**

### **HB 47 Veteran Property Tax Exemption**

**De La Cruz, Martinez A., Terrazas**

Brings two veteran-related property tax exemptions into law as a result of constitutional amendments that were approved by voters at the November 5, 2024, General Election relating to veterans. Expands both the veteran exemption at Sec. 7-37-5 and the disabled veteran exemption at Sec. 7-37-5.1. **Signed by the Governor**

### HB 218 Tax Changes

Lente

This 426-page bill makes predominantly minor and technical amendments throughout the tax statutes (other than property tax). More substantive provisions are included as well such as: removing Attorney General approval of closing agreements, rebates and abatements; repealing some little-used credits; allowing any amended return to also constitute a claim for refund; freezing the petroleum product loading fee at \$150 per load; and allowing local governments to change local option gross receipts tax rates only once per year, instead of twice, absent a declaration of emergency. **Signed by the Governor**

### HB 295 Tax On Property Owned by NM RETA

Small, Pajaron

Exempts from property tax the electrical transmission and interconnected storage facilities and all related structures, including leasehold improvements, that are (1) owned by the NM Renewable Energy Transmission Authority (NMRETA) and which qualify as an eligible facility under the New Mexico Renewable Energy Transmission Authority Act but (2) are leased to a nonexempt entity to construct, operate or assist NMRETA in constructing or operating the eligible facility. **Signed by the Governor**

### HB 494 Tax Exemptions for Veterans

Martinez A.

Removes the provision in Sec. 7-38-17 that a disabled veteran or unmarried surviving spouse who provides proof of eligibility for a property tax exemption shall be allowed the exemption for the current tax year, but not for tax due for previous tax years (Sec. 7-38-17.E.) thereby allowing the exemption to be applied generally. **Vetoed by the Governor**

### SB 186 Multifamily Housing Valuation

Wirth, Muñoz, Hernandez

Creates a special method valuation for residential multifamily property that sets its valuation for the current property tax year at the lower of the current and correct value or the actual costs of construction and land. The general 3% cap on year-to-year increases in valuation of residential property applies. No value shall be attributed to amenities or ancillary improvements and the per-unit value shall not exceed the total property value divided by the number of units, multiplied by 40%. **Died on the Senate Floor**

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

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



# New Mexico County Insurance Authority Pool

Administered by New Mexico Counties

## Statement of Financial Position (Unaudited)

4/30/2025

	<u>April 30, 2025</u>	<u>April 30, 2024</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 41,265,881	\$ 11,863,087
Accounts Receivable - Members	-	377,323
Accounts Receivable - Deductibles	710,230	603,029
Accounts Receivable - Capital Adequacy	231,848	-
Accounts Receivable - LE Accreditation Fee	5,000	-
Accounts Receivable - Reinsurance	130,239	14,326
Accounts Receivable - Hi Ded Counties	1,593	19,388
Accounts Receivable - Other	34,500	3,819
Note Receivable	1,183,717	1,276,248
Prepaid Expenses	5,961,200	3,823,170
<b>Total Current Assets</b>	<b>49,524,207</b>	<b>17,980,391</b>
<b>Investments</b>		
Exchange Traded Funds	51,596,372	56,428,179
Certificates of Deposit	3,323,000	-
US Government Bonds	15,514,437	35,412,331
Mutual Funds	4,732,555	8,890,338
Unrealized Gain/Loss	(4,114,473)	(6,255,742)
County Reinsurance Pool Equity	856,467	571,663
County Reinsurance Property Plus Equity	5,457,809	3,502,986
Captive Reinsurance Equity	13,064,435	17,855,737
<b>Total Investments</b>	<b>90,430,603</b>	<b>116,405,493</b>
<b>Total Assets</b>	<b>\$ 139,954,809</b>	<b>\$ 134,385,883</b>
<b>Liabilities and Pool Net Position</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 24,842	\$ 282,390
Unearned Capital Adequacy Contributions	759,249	-
Unearned Member Contributions	28,619,081	23,374,620
<b>Total Current Liabilities</b>	<b>29,403,172</b>	<b>23,657,010</b>
<b>Long Term Liabilities</b>		
Reserve for Future Claims		
Multi-Line Program	11,157,326	13,391,370
Law Enforcement Program	57,247,864	41,224,602
Workers' Compensation Program	18,959,092	19,897,610
<b>Total Long Term Liabilities</b>	<b>\$ 87,364,281</b>	<b>\$ 74,513,582</b>
<b>Total Liabilities</b>	<b>\$ 116,767,453</b>	<b>\$ 98,170,591</b>
Fund Balance	20,281,723	36,916,722
Current Year Pool Net Position	2,905,634	(701,430)
<b>Total Pool Net Position</b>	<b>\$ 23,187,357</b>	<b>\$ 36,215,292</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 139,954,809</b>	<b>\$ 134,385,883</b>

These financial statements are unaudited.



# New Mexico County Insurance Authority Pool

Administered by New Mexico Counties  
Income/Budget Statement (Unaudited)

4/30/2025

	2025 Budget		Jan 01, 2025 through Apr 30, 2025	33% of Budget
<b><u>Income</u></b>				
Member Contributions	\$ 54,722,687	\$	16,687,187	30%
Capital Adequacy Contributions			1,518,496	
Accreditation Fees			10,000	
<b>Total Income</b>	<b>\$ 54,722,687</b>	<b>\$</b>	<b>18,215,683</b>	<b>33%</b>
<b><u>Expenses</u></b>				
<b><u>Claims &amp; Claim Adjusting Expense</u></b>				
Paid Claims	\$ 36,460,482	\$	16,705,694	32%
Pool Portion - Group 1 (up to \$5MM for IMM)	667,251		-	0%
Pool Additional - Group 1 (up to \$5MM for IMM)	638,684		-	0%
Nurse Case Manager			(43,838)	
Claims Reserves			(2,025,913)	
Recoveries - Deductibles			(2,166,635)	
Recoveries - Reinsurance			(155,712)	
Recoveries - County Settlements			(201,600)	
Recoveries - Subrogation & Salvage			(177,630)	
Reinsurance	9,931,276		3,648,059	32%
Brokerage Fees	100,000		33,333	33%
<b>Total Claims &amp; Claim Adjusting</b>	<b>\$ 47,797,693</b>	<b>\$</b>	<b>15,615,758</b>	<b>33%</b>
<b><u>Risk Mitigation Expense</u></b>				
Administrative Fee-NMAC	\$ 555,982	\$	185,324	33%
Special Projects	90,000		27,056	30%
EDGE Detention Scholarships	15,000		-	0%
Online Training Program	190,000		44,099	23%
Loss Incentive Program	50,000		28,000	56%
Legal Advice Program	50,000		8,699	17%
Lexipol	255,000		55,736	22%
Law Enforcement Accreditation	76,000		32,720	43%
<b>Total Risk Mitigation Expense</b>	<b>\$ 1,281,981</b>	<b>\$</b>	<b>381,634</b>	<b>30%</b>
<b><u>Administrative &amp; Other</u></b>				
Administrative Fee-NMAC	\$ 4,129,170	\$	1,376,393	33%
Actuary	47,000		33,870	72%
Financial Audit	72,000		8,790	12%
Investment Advisor Expense	37,500		12,147	
Claims Audit	10,000		-	0%
Payroll Audit	60,000		48,431	81%
Legal Bureau Operations	50,000		-	0%
Property Appraisal Fees	180,000		-	0%
Legal Expense	42,500		-	0%
Software Support, Licensing, Training	410,000		110,791	27%
Board Training & Education	30,000		-	0%
Board D&O Insurance	129,000		9,515	7%
Miscellaneous	13,000		-	0%
<b>Total Admin &amp; Other</b>	<b>\$ 5,210,169</b>	<b>\$</b>	<b>1,599,937</b>	<b>31%</b>
<b>Total Expenses</b>	<b>\$ 54,289,843</b>	<b>\$</b>	<b>17,597,329</b>	<b>32%</b>
<b>Operating Income</b>	<b>\$ 432,844</b>	<b>\$</b>	<b>618,354</b>	
Investment Income	3,532,353		1,279,536	
Net Change in Fair Value of Investments			991,699	
Interest Income on Note Receivable			16,044	
Earnings from Investment in Captive Reinsurance			-	
<b>Total Non-Operating Revenue</b>	<b>\$ 3,532,353</b>	<b>\$</b>	<b>2,287,279</b>	
<b>Net Position</b>	<b>\$ 3,965,197</b>	<b>\$</b>	<b>2,905,633</b>	





New Mexico County Insurance Authority Pool  
Administered by New Mexico Counties  
4/30/2025

<u>Cash</u>	Current Average <u>Yield</u>	<u>Amount</u>	<u>Interest</u>
Banks, Money Market Accts & State Treas LGIP	0.14%	\$ 41,265,881	\$ 56,218

<u>Securities</u>	Est. <u>Ann. Yld</u>	Ending <u>Market Val</u>	<u>Cost</u>	Market <u>Gain/Loss *</u>
Exchange Traded Funds	4.18%	47,978,073	51,596,372	(3,618,299)
Certificates of Deposit	8.66%	3,298,054	3,323,000	(24,946)
Government Bonds	4.37%	14,873,395	14,773,952	99,443
Govt Asset Backed Sec	5.08%	273,338	740,485	(467,147)
Mutual Funds	5.68%	4,629,030	4,732,555	(103,525)
<b>Total Investments</b>	<b>4.29%</b>	<b>\$ 71,051,891</b>	<b>\$ 75,166,364</b>	<b>\$ (4,114,473)</b>
<b>Total Cash &amp; Investments</b>	<b>2.86%</b>	<b>\$ 112,317,772</b>	<b>\$ 116,432,245</b>	

Estimated Annual Income on Cash & Investments \$ 3,107,800

**By Institution:**

Wells Fargo/Salmon Hauger Wealth Mgmt.	96%	\$ 111,503,743
Moreton Capital Markets	2%	1,828,265
First National Santa Fe	3%	3,096,954
State Treasurers LGIP	0%	3,284
	<b>100%</b>	<b>\$ 116,432,245</b>

\* 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**  
**Administered by New Mexico Counties**  
**Statement of Financial Position (Unaudited)**  
**4/30/2025**

	<u>April 30, 2025</u>	<u>April 30, 2024</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 23,314,906	\$ 3,965,681
Accounts Receivable - Deductibles	227,674	196,595
Accounts Receivable - Capital Adequacy	93,560	-
Accounts Receivable - LE Accreditation Fee	5,000	-
Accounts Receivable - Other	32,000	-
Prepaid Expenses	4,324,919	2,458,133
<b>Total Current Assets</b>	<u>27,998,058</u>	<u>6,620,409</u>
<b>Investments</b>		
Exchange Traded Funds	\$ 16,905,064	\$ 23,187,842
Certificates of Deposit	1,162,000	-
US Government Bonds	2,431,168	16,068,635
Mutual Funds	666,930	2,602,585
Unrealized Gain/Loss	(1,314,610)	(2,426,679)
Captive Reinsurance Equity	<u>13,296,275</u>	<u>17,848,012</u>
<b>Total Investments</b>	<u>33,146,827</u>	<u>57,280,394</u>
<b>Total Assets</b>	<u><u>\$ 61,144,885</u></u>	<u><u>\$ 63,900,803</u></u>
<b>Liabilities and Surplus</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 7,987	\$ 180,449
Unearned Capital Adequacy Contributions	375,978	-
Unearned Member Contributions	<u>18,016,441</u>	<u>13,492,127</u>
<b>Total Current Liabilities</b>	<u>18,400,406</u>	<u>13,672,576</u>
<b>Long Term Liabilities</b>		
Reserve for Future Claims		
Fund Year 19 - 2013	\$ -	\$ (239)
Fund Year 21 - 2015	-	1,864
Fund Year 22 - 2016	159,050	216,478
Fund Year 23 - 2017	846,418	2,170,953
Fund Year 24 - 2018	(4,660)	88,794
Fund Year 25 - 2019	647,959	979,074
Fund Year 26 - 2020	854,754	5,604,765
Fund Year 27 - 2021	4,711,956	4,461,281
Fund Year 28 - 2022	10,352,078	8,959,552
Fund Year 29 - 2023	14,327,502	11,716,887
Fund Year 29 - 2024	15,609,486	4,949,579
Fund Year 30 - 2025	6,969,659	-
Claims Mgmt Fees-Future	<u>2,773,663</u>	<u>2,075,614</u>
<b>Total Long Term Liabilities</b>	<u>\$ 57,247,864</u>	<u>\$ 41,224,602</u>
<b>Total Liabilities</b>	<u><b>\$ 75,648,270</b></u>	<u><b>\$ 54,897,178</b></u>
Fund Balance	\$ (15,303,215)	\$ 9,184,429
Current Year Net Position	<u>799,831</u>	<u>(180,804)</u>
<b>Total Net Position</b>	<u><b>\$ (14,503,385)</b></u>	<u><b>\$ 9,003,625</b></u>
<b>Total Liabilities and Net Position</b>	<u><u><b>\$ 61,144,885</b></u></u>	<u><u><b>\$ 63,900,803</b></u></u>



**Law Enforcement Program**  
Administered by New Mexico Counties  
**Income/Budget Statement (Unaudited)**  
4/30/2025

	2025 Budget	Jan 01, 2025 through Apr 30, 2025	33% of Budget
<b><u>Income</u></b>			
Member Contributions	\$ 29,512,563	\$ 9,008,221	31%
Capital Adequacy Contributions		751,956	
Accreditation Fees		7,500	
<b>Total Income</b>	<b>\$ 29,512,563</b>	<b>\$ 9,767,677</b>	<b>33%</b>
<b><u>Expenses</u></b>			
<b><u>Claims &amp; Claim Adjusting Expense</u></b>			
Paid Claims	\$ 21,006,159	\$ 8,825,707	33%
Pool Portion - Group 1 (up to \$5MM for IMMh)	667,251	-	0%
Pool Additional - Group 1 (up to \$5MM for IMMh)	638,684	-	0%
Claims Reserves		(999,057)	
Recoveries - Deductibles		(824,597)	
Reinsurance - all (up to \$2MM for IMMh)	4,464,639	1,923,525	33%
Brokerage Fees	35,000	11,666	33%
<b>Total Claims &amp; Claim Adjusting Expense</b>	<b>\$ 26,811,733</b>	<b>\$ 8,937,244</b>	<b>33%</b>
<b><u>Risk Mitigation Expense</u></b>			
Administrative Fee-NMC	\$ 148,290	\$ 49,427	33%
Special Projects	45,000	25,218	56%
EDGE Detention Scholarships	15,000	-	0%
Online Training Program	60,000	25,344	42%
Law Enforcement Accreditation	76,000	32,720	43%
Legal Advice Program	30,000	8,424	28%
Lexipol	255,000	55,736	22%
Loss Incentive Program	15,000	-	0%
<b>Total Risk Mitigation Expense</b>	<b>644,290</b>	<b>196,869</b>	<b>31%</b>
<b><u>Administrative &amp; Other Expense</u></b>			
Administrative Fee-NMC	\$ 1,737,040	\$ 579,016	33%
Actuary	20,000	13,825	69%
Financial Audit	30,000	2,930	10%
Investment Advisor Expense	15,000	4,049	27%
Legal Bureau Operations	50,000	-	0%
Legal Expense	20,000	-	0%
Software Support, Licensing, Training	130,000	36,770	28%
Board Training and Education	7,500	-	0%
Board D&O Insurance	43,000	3,171	7%
Miscellaneous	4,000	-	0%
<b>Total Admin &amp; Other Expense</b>	<b>\$ 2,056,540</b>	<b>\$ 639,761</b>	<b>31%</b>
<b>Total Expenses</b>	<b>\$ 29,512,563</b>	<b>\$ 9,773,874</b>	<b>33%</b>
<b>Operating Income</b>	<b>\$ -</b>	<b>\$ (6,197)</b>	
Investment Income	1,387,361	487,023	
Net Change in Fair Value of Investments		319,005	
Earnings from Investment in Captive Reinsurance		-	
<b>Total Non-Operating Revenue</b>	<b>\$ 1,387,361</b>	<b>\$ 806,028</b>	
<b>Net Position</b>	<b>\$ 1,387,361</b>	<b>\$ 799,831</b>	



Law Enforcement Program  
Administered by New Mexico Counties  
Schedule of Investments 4/30/2025

		Current Average		
<u>Cash</u>		<u>Yield</u>	<u>Amount</u>	<u>Interest</u>
Banks, Money Market Accts & State Treas LGIP		0.05%	\$ 23,314,906	\$ 10,855
		Est.	Ending	
<u>Securities</u>		<u>Ann. Yld</u>	<u>Market Val</u>	<u>Cost</u>
				<u>Gain/Loss *</u>
Exchange Traded Funds		4.11%	15,758,093	16,905,064
				(1,146,971)
Certificates of Deposit		4.33%	1,153,259	1,162,000
				(8,741)
Government Bonds		4.67%	2,231,065	2,224,697
				6,368
Govt Asset Backed Sec		5.12%	77,429	206,471
				(129,042)
Mutual Funds		7.09%	630,705	666,930
				(36,225)
Total Investments		4.28%	\$ 19,850,552	\$ 21,165,162
				\$ (1,314,610)
Total Cash & Investments		1.99%	\$ 43,165,458	\$ 44,480,068
Estimated Annual Income on Cash & Investments			\$ 860,762	
<b>By Institution:</b>				
Wells Fargo/Salmon Hauger Wealth Mgmt.		95%	\$ 42,461,237	
Moreton Capital Markets		2%	744,871	
First National Santa Fe		3%	1,273,268	
State Treasurers LGIP		0%	692	
		100%	\$ 44,480,068	

\* 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**  
**Administered by New Mexico Counties**  
**Statement of Financial Position (Unaudited)**  
**4/30/2025**

	<u>April 30, 2025</u>	<u>April 30, 2024</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 12,976,336	\$ 5,180,396
Accounts Receivable - Members	-	377,323
Accounts Receivable - Deductibles	482,557	406,434
Accounts Receivable - Capital Adequacy	112,322	-
Accounts Receivable - Other	2,500	832
Note Receivable	1,183,717	1,276,248
Prepaid Expenses	1,259,601	1,122,225
<b>Total Current Assets</b>	<u>16,017,033</u>	<u>8,363,458</u>
<b>Investments</b>		
Exchange Traded Funds	\$ 20,471,638	\$ 19,014,845
US Government Bonds	3,318,306	9,163,269
Mutual Funds	2,609,871	3,477,727
Unrealized Gain/Loss	(1,558,122)	(2,104,488)
County Reinsurance Pool Equity	249,714	167,121
County Reinsurance Property Plus Equity	5,457,809	3,502,986
Captive Reinsurance Equity	(231,840)	7,725
<b>Total Investments</b>	<u>30,317,376</u>	<u>33,229,185</u>
<b>Total Assets</b>	<u><b>\$ 46,334,409</b></u>	<u><b>\$ 41,592,643</b></u>
<b>Liabilities and Surplus</b>		
<b>Current Liabilities</b>		
Accounts Payable - Other	\$ 1,429	\$ 90,533
Unearned Capital Adequacy Contributions	210,854	-
Unearned Member Contributions	9,017,543	8,302,771
<b>Total Current Liabilities</b>	<u>9,229,826</u>	<u>8,393,304</u>
<b>Long Term Liabilities</b>		
Reserve for Future Claims		
Fund Year 14 - 2002	\$ 450	\$ -
Fund Year 16 - 2004	700	-
Fund Year 21 - 2009	1,615	1,615
Fund Year 23 - 2011	194,147	142,630
Fund Year 26 - 2014	10,001	-
Fund Year 29 - 2017	14,413	45,620
Fund Year 30 - 2018	237,693	571,886
Fund Year 31 - 2019	263,250	415,758
Fund Year 32 - 2020	464,615	1,420,230
Fund Year 33 - 2021	654,922	1,570,934
Fund Year 34 - 2022	1,518,052	1,932,445
Fund Year 35 - 2023	2,629,645	4,191,695
Fund Year 36 - 2024	2,474,562	2,487,482
Fund Year 37 - 2025	2,090,503	-
Claims Mgmt Fees-Future	602,756	611,075
<b>Total Long Term Liabilities</b>	<u>\$ 11,157,326</u>	<u>\$ 13,391,370</u>
<b>Total Liabilities</b>	<u><b>\$ 20,387,152</b></u>	<u><b>\$ 21,784,674</b></u>
Fund Balance	24,578,239	20,412,792
Current Year Net Position	1,369,018	(604,823)
<b>Total Net Position</b>	<u><b>\$ 25,947,258</b></u>	<u><b>\$ 19,807,969</b></u>
<b>Total Liabilities and Net Position</b>	<u><b>\$ 46,334,409</b></u>	<u><b>\$ 41,592,643</b></u>

These financial statements are unaudited.



**Multi-Line Program**  
Administered by New Mexico Counties  
**Income/Budget Statement (Unaudited)**  
4/30/2025

	2025 Budget	Jan 01, 2025 through Apr 30, 2025	33% of Budget
<b><u>Income</u></b>			
Member Contributions	\$ 13,620,541	\$ 4,508,772	33%
Capital Adequacy Contributions		421,707	
Accreditation Fees		2,500	
<b>Total Income</b>	<b>\$ 13,620,541</b>	<b>\$ 4,932,979</b>	<b>36%</b>
<b><u>Expenses</u></b>			
<b><u>Claims &amp; Claim Adjusting Expense</u></b>			
Paid Claims	\$ 7,167,046	\$ 5,499,945	33%
Claims Reserves		(1,498,628)	
Recoveries - Deductibles		(1,237,000)	
Recoveries - Subrogation & Salvage		(175,630)	
Recoveries - County Settlements		(201,600)	
Reinsurance	4,403,665	1,365,020	31%
Brokerage Fees	35,000	11,667	33%
<b>Total Claims &amp; Claim Adjusting Expense</b>	<b>\$ 11,605,711</b>	<b>\$ 3,763,774</b>	<b>32%</b>
<b><u>Risk Mitigation Expense</u></b>			
Administrative Fee-NMC	\$ 122,202	\$ 40,734	33%
Special Projects	45,000	1,838	4%
Online Training Program	60,000	18,755	31%
Legal Advice Program	10,000	104	1%
<b>Total Risk Mitigation Expense</b>	<b>\$ 237,202</b>	<b>\$ 61,431</b>	<b>26%</b>
<b><u>Administrative &amp; Other Expense</u></b>			
Administrative Fee-NMC	\$ 1,333,128	\$ 444,376	33%
Actuary	15,000	15,745	105%
Financial Audit	30,000	2,930	10%
Investment Advisor Expense	15,000	4,049	27%
Property Appraisal Fees	180,000	-	0%
Legal Expense	20,000	-	0%
Software Support, Licensing, Training	130,000	36,770	28%
Board Training & Education	7,500	-	0%
Board D&O Insurance	43,000	3,173	7%
Miscellaneous	4,000	-	0%
<b>Total Admin &amp; Other Expense</b>	<b>\$ 1,777,628</b>	<b>\$ 507,043</b>	<b>29%</b>
<b>Total Expenses</b>	<b>\$ 13,620,541</b>	<b>\$ 4,332,248</b>	<b>32%</b>
<b>Operating Income</b>	<b>\$ -</b>	<b>\$ 600,731</b>	
Investment Income	1,009,232	376,915	
Net Change in Fair Value of Investments		375,328	
Interest Income on Note Receivable		16,044	
Earnings from Investment in Captive Reinsurance		-	
<b>Total Non-Operating Revenue</b>	<b>\$ 1,009,232</b>	<b>\$ 768,287</b>	
<b>Net Position</b>	<b>\$ 1,009,232</b>	<b>\$ 1,369,018</b>	



Multi-Line Program  
Administered by New Mexico Counties  
Schedule of Investments 4/30/2025

		Current Average		
<u>Cash</u>		<u>Yield</u>	<u>Amount</u>	<u>Interest</u>
Banks, Money Market Accts & State Treas LGIP		0.003%	\$ 12,976,336	\$ 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	4.22%	19,150,646	20,471,638	(1,320,992)
Certificates of Deposit	0.00%	-	-	-
Government Bonds	4.09%	3,024,470	2,989,766	34,704
Govt Asset Backed Sec	5.36%	93,167	328,540	(235,374)
Mutual Funds	4.87%	2,573,411	2,609,871	(36,461)
Total Investments	4.27%	\$ 24,841,693	\$ 26,399,815	\$ (1,558,122)
Total Cash & Investments	2.81%	\$ 37,818,029	\$ 39,376,151	
Estimated Annual Income on Cash & Investments		\$ 1,061,904		
By Institution:				
Wells Fargo/Salmon Hauger Wealth Mgmt.		97%	\$ 38,161,356	
First National Santa Fe		3%	1,214,313	
State Treasurers LGIP		0%	482	
		100%	\$ 39,376,151	

\* 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**  
Administered by New Mexico Counties  
**Statement of Financial Position (Unaudited)**  
4/30/2025

	As of April 30, 2025			As of April 30, 2024		
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents		\$	4,974,638		\$	2,717,011
Accounts Receivable-Capital Adequacy			25,966			-
Accounts Receivable-Reinsurance			130,239			14,326
Accounts Receivable-Hi Ded Counties			1,593			19,388
Accounts Receivable-Other			-			2,987
Prepaid Expenses			376,680			242,812
<b>Total Current Assets</b>			<u>5,509,115</u>			<u>2,996,524</u>
<b>Investments</b>						
Exchange Traded Funds	14,219,670			14,225,493		
Certificates of Deposit	2,161,000			-		
US Government Bonds	9,764,964			10,180,428		
Mutual Funds	1,455,754			2,810,026		
Unrealized Gain/Loss	(1,241,741)	26,359,646		(1,724,575)	25,491,371	
County Reinsurance Limited Equity		606,753			404,542	
<b>Total Investments</b>		<u>26,966,399</u>			<u>25,895,913</u>	
<b>Total Assets</b>		<u><b>\$ 32,475,514</b></u>			<u><b>\$ 28,892,437</b></u>	
<b>Liabilities and Surplus</b>						
<b>Current Liabilities</b>						
Accounts Payable		\$	15,426		\$	11,408
Unearned Capital Adequacy Contrib			172,417			-
Unearned Member Contributions			1,585,097			1,579,721
<b>Total Current Liabilites</b>			<u>1,772,939</u>			<u>1,591,129</u>
<b>Long Term Liabilities</b>						
Reserves for Future Claims:						
Claims Reserves FY 2 - 1988/89	\$	-		\$	(8)	
Claims Reserves FY 4 - 1990/91		(282)			-	
Claims Reserves FY 5 - 1991/92		124,822			26,211	
Claims Reserves FY 6 - 1992/93		19,602			23,747	
Claims Reserves FY 8 - 1994/95		7,627			9,240	
Claims Reserves FY 9 - 1995/96		23,362			35,657	
Claims Reserves FY 11 - 1997/98		14,135			17,125	
Claims Reserves FY 12 - 1998/99		(742)			(594)	
Claims Reserves FY 14 - 2000/01		281			4,815	
Claims Reserves FY 15 - 2001/02		65,549			76,506	
Claims Reserves FY 16 - 2002/03		20,275			12,256	
Claims Reserves FY 17 - 2003/04		(23,084)			120,703	
Claims Reserves FY 18 - 2004/05		269,379			284,687	
Claims Reserves FY 19 - 2005/06		76,439			100,408	
Claims Reserves FY 20 - 2006/07		52,651			69,084	
Claims Reserves FY 21 - 2007/08	406,939	Bernalillo County	Other HDC's	451,159	Bernalillo County	Other HDC's
Claims Reserves FY 22 - 2008/09	262,395	-	-	327,427	-	-
Claims Reserves FY 23 - 2009/10	4,912	-	-	58,129	-	-
Claims Reserves FY 24 - 2010/11	92,687	-	-	100,667	-	-
Claims Reserves FY 25 - 2011/12	20,826	-	-	178,914	-	-
Claims Reserves FY 26 - 2012/13	275,443	-	-	376,721	-	-
Claims Reserves FY 27 - 2013/14	228,930	-	-	476,343	-	-
Claims Reserves FY 28 - 2014/15	325,633	(74,588)	-	464,532	(147,716)	-
Claims Reserves FY 29 - 2015/16	679,698	(24,417)	-	679,858	(37,594)	-
Claims Reserves FY 30 - 2016/17	561,811	-	-	648,574	-	-
Claims Reserves FY 31 - 2017/18	138,587	-	(4,062)	530,598	-	(5,239)
Claims Reserves FY 32 - 2018/19	610,039	(8,205)	-	786,017	(10,743)	-
Claims Reserves FY 33 - 2019/20	618,900	-	-	891,671	-	-
Claims Reserves FY 34 - 2020/21	1,401,024	(6,824)	-	2,546,532	(60,660)	-
Claims Reserves FY 35 - 2021/22	1,338,438	-	(68,487)	2,102,908	-	(76,573)
Claims Reserves FY 36 - 2022/23	1,631,667	-	-	3,465,120	-	(51,399)
Claims Reserves FY 37 - 2023/24	4,551,373	-	(73,459)	4,619,503	-	(135,388)
Claims Reserves FY 38 - 2024/25	4,816,890	-	(277,423)	-	-	-
Claims Mgmt Fees-Future	880,349	-	-	938,410	-	-
Total Reserve for Future Claims	\$ 19,496,557	\$ (114,034)	\$ (423,431)	\$ 20,422,922	\$ (256,713)	\$ (268,599)
<b>Total Long Term Liabilites</b>		<u>18,959,092</u>			<u>19,897,610</u>	
<b>Total Liabilities</b>		<u><b>\$ 20,732,031</b></u>			<u><b>\$ 21,488,739</b></u>	
Fund Balance		11,006,699			7,319,501	
Current Year Net Position		<u>736,784</u>			<u>84,197</u>	
<b>Total Net Position</b>		<u><b>\$ 11,743,484</b></u>			<u><b>\$ 7,403,698</b></u>	
<b>Total Liabilities and Net Position</b>		<u><b>\$ 32,475,514</b></u>			<u><b>\$ 28,892,437</b></u>	





**Workers' Compensation Program**  
 Administered by New Mexico Counties  
**Income/Budget Statement (Unaudited)**  
 4/30/2025

	<u>Budget 2025</u>		<u>4/30/2025</u>		<u>33%</u> <u>of budget</u>
<u>Income</u>					
Member Contributions	\$	11,589,583	\$	3,170,194	27%
Capital Adequacy Contributions				344,833	
<b>Total Income</b>	<b>\$</b>	<b>11,589,583</b>	<b>\$</b>	<b>3,515,027</b>	<b>30%</b>
<u>Expenses</u>					
<u>Claims &amp; Claim Adjusting Expense</u>					
Paid Claims	\$	8,287,277	\$	2,380,042	31%
Claims Reserves				471,772	
Recoveries- Deductibles				(105,038)	
Recoveries- Reinsurance				(155,712)	
Recoveries- Subrogation				(2,000)	
Nurse Case Manager				(43,838)	
Reinsurance		1,062,972		359,514	34%
Brokerage Fees		30,000		10,000	33%
<b>Total Claims &amp; Claim Adjusting Expense</b>	<b>\$</b>	<b>9,380,249</b>	<b>\$</b>	<b>2,914,740</b>	<b>31%</b>
<u>Risk Mitigation Expense</u>					
Administrative Fee-NMAC	\$	285,490	\$	95,163	33%
Legal Advice Program		10,000		171	2%
Loss Incentive Program		35,000		28,000	80%
Online Training Program		70,000		-	0%
<b>Total Risk Mitigation Expense</b>	<b>\$</b>	<b>400,489</b>	<b>\$</b>	<b>123,334</b>	<b>31%</b>
<u>Administrative &amp; Other Expense</u>					
Administrative Fee-NMAC	\$	1,059,002	\$	353,001	33%
Actuary		12,000		4,300	36%
Claims Audit		10,000		-	0%
Financial Audit		12,000		2,930	24%
Payroll Audit		60,000		48,431	81%
Investment Advisor Expense		7,500		4,049	
Legal Expense		2,500		-	0%
Software Support, Licensing, Training		150,000		37,251	25%
Board Training and Education		15,000		-	0%
Board D&O Insurance		43,000		3,171	7%
Miscellaneous Expenses		5,000		-	0%
<b>Total Admin &amp; Other Expense</b>	<b>\$</b>	<b>1,376,001</b>	<b>\$</b>	<b>453,133</b>	<b>33%</b>
<b>Total Expenses</b>	<b>\$</b>	<b>11,156,739</b>	<b>\$</b>	<b>3,491,207</b>	<b>31%</b>
<b>Operating Income</b>	<b>\$</b>	<b>432,844</b>	<b>\$</b>	<b>23,820</b>	<b>6%</b>
Interest Income Investments		1,135,760		415,598	
Net Change in Fair Value of Investments				297,366	
<b>Total Non-Operating Revenue</b>	<b>\$</b>	<b>1,135,760</b>	<b>\$</b>	<b>712,964</b>	
<b>Net Position</b>	<b>\$</b>	<b>1,568,604</b>	<b>\$</b>	<b>736,784</b>	





Workers' Compensation Program  
Administered by New Mexico Counties  
Schedule of Investments 4/30/2025

		Current Average		
<u>Cash</u>		<u>Yield</u>	<u>Amount</u>	<u>Interest</u>
Banks, Money Market Accts & State Treas LGIP		0.90%	\$ 4,974,638	\$ 44,940
<u>Securities</u>	<u>Est. Ann. Yld</u>	<u>Ending Market Val</u>	<u>Cost</u>	<u>Market Gain/Loss *</u>
Exchange Traded Funds	4.22%	13,069,335	14,219,670	(1,150,335)
Certificates of Deposit	4.33%	2,144,795	2,161,000	(16,205)
Government Bonds	4.35%	9,617,860	9,559,490	58,371
Govt Asset Backed Sec	4.77%	102,742	205,474	(102,732)
Mutual Funds	5.08%	1,424,914	1,455,754	(30,839)
Total Investments	4.33%	\$ 26,359,646	\$ 27,601,387	\$ (1,241,741)
Total Cash & Investments	3.78%	\$ 31,334,285	\$ 32,576,026	
Estimated Annual Income on Cash & Investments		\$ 1,185,134		
<b>By Institution:</b>				
Wells Fargo/Salmon Hauger Wealth Mgmt.		95%	\$ 30,881,150	
Moreton Capital Markets		3%	1,083,394	
First National Santa Fe		2%	609,373	
State Treasurers LGIP		0%	2,110	
		<hr/>		
		100%	\$ 32,576,026	

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

# Unaudited Financial Statements as of December 31, 2024

## **New Mexico County Reinsurance, Inc.**

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**New Mexico County Reinsurance, Inc.**  
**Unaudited GAAP Financial Statements**  
**December 31, 2024**

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**New Mexico County Reinsurance, Inc.**  
**Unaudited GAAP Financial Statements**  
**Balance Sheets**

		<b>Unaudited December 31, 2024</b>	<b>Audited December 31, 2023</b>
<b>Assets:</b>			
Cash & Cash Equivalents	<i>Exhibit 1</i>	\$ 911,171.99	\$ 1,547,120.69
Investments	<i>Exhibit 2</i>	22,428,562.03	18,727,551.04
Accrued Investment Interest		105,319.19	84,086.64
Ceded Unearned Premium Reserve	<i>Exhibit 5</i>	1,983,562.00	-
<b>Total Assets</b>		<b>\$ 25,428,615.21</b>	<b>\$ 20,358,758.37</b>
<b>Liabilities:</b>			
Assumed Incurred But Not Reported		\$ 4,741,281.00	\$ 2,512,525.00
Assumed Outstanding Loss Reserves		6,754,065.00	145,000.00
Recoverable Incurred But Not Reported		(226,126.00)	-
Recoverable Outstanding Losses		(2,000,000.00)	-
Net Unpaid Loss Reserves	<i>Exhibit 6</i>	9,269,220.00	2,657,525.00
Accounts Payable & Accrued Expenses	<i>Exhibit 3</i>	63,484.90	-
Reinsurance Premium Payable	<i>Exhibit 4</i>	1,670,000.00	-
Funds Withheld Account		1,361,475.00	-
<b>Total Liabilities</b>		<b>12,364,179.90</b>	<b>2,657,525.00</b>
<b>Shareholder's Equity:</b>			
Contributed Capital & Surplus		15,600,000.00	15,600,000.00
Retained Earnings		(2,535,564.69)	2,101,233.37
<b>Total Shareholder's Equity</b>		<b>13,064,435.31</b>	<b>17,701,233.37</b>
<b>Total Liabilities and Shareholder's Equity</b>		<b>\$ 25,428,615.21</b>	<b>\$ 20,358,758.37</b>

For Internal Use Only

**New Mexico County Reinsurance, Inc.**  
**Unaudited GAAP Financial Statements**  
**Statements of Operations**

	<i>Current</i>		<i>Prior</i>
	<i>Quarter</i>	<i>Year-to-Date</i>	<i>Year</i>
	<b>October 1, 2024 - December 31, 2024</b>	<b>January 1, 2024 - December 31, 2024</b>	<b>January 1, 2023 - December 31, 2023</b>
Assumed Premium Written	\$ -	\$ 3,726,064.00	\$ 3,855,000.00
Provision for Unearned Assumed Premium Reserve	936,605.00	-	-
Assumed Premium Earned	936,605.00	3,726,064.00	3,855,000.00
Reinsurance Ceded Premium Written	-	(4,000,000.00)	-
Provision for Unearned Ceded Premium Reserve	(1,008,219.00)	1,983,562.00	-
Reinsurance Ceded Premium Earned	(1,008,219.00)	(2,016,438.00)	-
<b>Net Premium Earned</b> <i>Exhibit 5</i>	<b>(71,614.00)</b>	<b>1,709,626.00</b>	<b>3,855,000.00</b>
Interest Expense	(41,666.67)	(83,333.34)	-
<b>Net Ceding Commission</b>	<b>(41,666.67)</b>	<b>(83,333.34)</b>	<b>-</b>
Assumed Losses & Losses Adjustment Expenses Paid	300,000.00	300,000.00	-
Assumed Change in Outstanding Reserves	2,039,015.00	6,609,065.00	145,000.00
Assumed Change in IBNR	4,102,390.00	2,228,756.00	2,266,547.00
Total Assumed Losses Incurred	6,441,405.00	9,137,821.00	2,411,547.00
Ceded Change in Outstanding Reserves	-	(2,000,000.00)	-
Ceded Change in IBNR	(1,469,962.00)	(226,126.00)	-
Total Ceded Losses Incurred	(1,469,962.00)	(2,226,126.00)	-
<b>Net Losses Incurred</b> <i>Exhibit 6</i>	<b>4,971,443.00</b>	<b>6,911,695.00</b>	<b>2,411,547.00</b>
Placement Fees	-	30,000.00	30,000.00
<b>Underwriting Expense</b>	<b>4,971,443.00</b>	<b>6,941,695.00</b>	<b>2,441,547.00</b>
<b>Net Underwriting Profit (Loss)</b>	<b>(5,084,723.67)</b>	<b>(5,315,402.34)</b>	<b>1,413,453.00</b>
Audit and Tax Fees	-	12,300.00	11,500.00
Actuarial Fees	6,500.00	17,750.00	8,000.00
Captive Management	15,000.00	60,000.00	60,000.00
Legal Fee	-	-	26,843.15
License & Fees	-	7,510.00	45,518.00
D&O Insurance Expense	2,207.15	8,780.56	10,906.88
Directors Fees	-	200.00	200.00
Outsourced Service Fees	4,889.53	9,769.21	-
Meeting Expenses	-	-	(164.70)
Bank Fees	-	-	225.00
Miscellaneous Expense	-	-	84.90
<b>Operating Expenses</b>	<b>28,596.68</b>	<b>116,309.77</b>	<b>163,113.23</b>
Investment Income	280,785.90	1,026,424.23	641,712.89
Realized Gain (Loss)	-	6,490.18	3,000.49
Unrealized Gain (Loss)	(591,958.26)	(189,737.41)	212,935.84
Investment Expenses	(14,289.49)	(48,262.95)	(30,428.05)
<b>Other Income (Expense)</b>	<b>(325,461.85)</b>	<b>794,914.05</b>	<b>827,221.17</b>
<b>Net Income (Loss)</b>	<b>\$ (5,438,782.20)</b>	<b>\$ (4,636,798.06)</b>	<b>\$ 2,077,560.94</b>

For Internal Use Only

**New Mexico County Reinsurance, Inc.**  
**Unaudited GAAP Financial Statements**  
**Statement of Cash Flow**  
**For the Period Ended December 31, 2024**

**Reconciliation of Operating Income (Loss) to Net  
Cash Provided (Used) by Operating Activities**

**Net Income (Loss)** \$ (4,636,798.06)

**Adjustment to Reconcile Net Income (Loss) to Net  
Cash Provided (Used) by Operating Activities**

Net Unrealized (Gains) Losses on Investments 189,737.41  
Bond Amortization (33,997.38)

(Decrease) Increase in:

Accrued Investment Interest	(21,232.55)
Ceded Unearned Premium Reserve	(1,983,562.00)
Accounts Payable & Accrued Expenses	63,484.90
Funds Withheld Account	1,361,475.00
Reinsurance Premium Payable	1,670,000.00
Assumed Incurred But Not Reported	2,228,756.00
Assumed Outstanding Loss Reserves	6,609,065.00
Recoverable Incurred But Not Reported	(226,126.00)
Recoverable Outstanding Losses	(2,000,000.00)
Total adjustments	7,701,860.35

**Net Cash Provided (Used) By Operating Activities** 3,220,802.32

**Cash Provided (Used) by Financing Activities**

**Net Cash Provided (Used) by Financing Activities** -

**Cash Provided (Used) by Investing Activities**

Purchase of Investments	(4,866,274.81)
Proceeds from Sale of Marketable Securities	1,016,013.97
Realized (Gain) Loss on Sales of Marketable Securities	(6,490.18)

**Net Cash Provided (Used) by Investing Activities** (3,856,751.02)

**Net Increase (Decrease) in Cash & Cash Equivalents** (635,948.70)

**Cash & Cash Equivalents at Beginning of Period** 1,547,120.69

**Cash & Cash Equivalents at End of Period** \$ 911,171.99

For Internal Use Only

**New Mexico County Reinsurance, Inc.**  
**Unaudited Cumulative Statement of Operations**  
**as of December 31, 2024**

	Assumed			Ceded	Total
	Program Yr. 1 1/1/2022-1/1/2023	Program Yr. 2 1/1/2023-1/1/2024	Program Yr. 3 1/1/2024-1/1/2025	3 Yr Reinsurance 7/1/2024-7/1/2025	
Premium Written	\$ 333,000.00	\$ 3,855,000.00	\$ 3,726,064.00	\$ (4,000,000.00)	\$ 3,914,064.00
Provision for Unearned Premium Reserve	-	-	-	1,983,562.00	1,983,562.00
<b>Net Premium Earned</b>	<b>333,000.00</b>	<b>3,855,000.00</b>	<b>3,726,064.00</b>	<b>(2,016,438.00)</b>	<b>5,897,626.00</b>
Ceding Commission	-	-	-	-	-
Interest Expense	-	-	-	(83,333.34)	(83,333.34)
<b>Net Ceding Commission</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(83,333.34)</b>	<b>(83,333.34)</b>
Losses & Losses Adjustment Expenses Paid	300,000.00	-	-	-	300,000.00
Change in Outstanding Reserves	149,000.00	4,605,065.00	2,000,000.00	(2,000,000.00)	4,754,065.00
Change in IBNR	298,187.00	1,795,880.00	2,647,214.00	(226,126.00)	4,515,155.00
Net Losses Incurred	747,187.00	6,400,945.00	4,647,214.00	(2,226,126.00)	9,569,220.00
Placement fees	-	30,000.00	30,000.00	-	60,000.00
<b>Underwriting Expense</b>	<b>747,187.00</b>	<b>6,430,945.00</b>	<b>4,677,214.00</b>	<b>(2,226,126.00)</b>	<b>9,629,220.00</b>
<b>Net Underwriting Profit (Loss)</b>	<b>(414,187.00)</b>	<b>(2,575,945.00)</b>	<b>(951,150.00)</b>	<b>126,354.66</b>	<b>(3,814,927.34)</b>
Audit and Tax Fees	-	11,500.00	12,300.00	-	23,800.00
Actuarial Fees	-	8,000.00	17,750.00	-	25,750.00
Captive Management	60,000.00	60,000.00	60,000.00	-	180,000.00
Legal Fee	75.00	26,843.15	-	-	26,918.15
License & Fees	6,375.00	45,518.00	7,510.00	-	59,403.00
D&O Insurance Expense	4,137.63	10,906.88	8,780.56	-	23,825.07
Directors Fees	-	200.00	200.00	-	400.00
Outsourced Service Fees	-	-	9,769.21	-	9,769.21
Meeting expenses	164.70	(164.70)	-	-	-
Bank fees	175.00	225.00	-	-	400.00
Miscellaneous Expense	25.00	84.90	-	-	109.90
<b>Operating Expenses</b>	<b>70,952.33</b>	<b>163,113.23</b>	<b>116,309.77</b>	<b>-</b>	<b>350,375.33</b>
Investment Income	8,295.70	641,712.89	1,026,424.23	-	1,676,432.82
Realized Gain (Loss)	-	3,000.49	6,490.18	-	9,490.67
Unrealized Gain (Loss)	-	212,935.84	(189,737.41)	-	23,198.43
Investment Expenses	(692.94)	(30,428.05)	(48,262.95)	-	(79,383.94)
<b>Other Income (Expense)</b>	<b>7,602.76</b>	<b>827,221.17</b>	<b>794,914.05</b>	<b>-</b>	<b>1,629,737.98</b>
<b>Net Income (Loss)</b>	<b>\$ (477,536.57)</b>	<b>\$ (1,911,837.06)</b>	<b>\$ (272,545.72)</b>	<b>\$ 126,354.66</b>	<b>\$ (2,535,564.69)</b>

For Internal Use Only

**New Mexico County Reinsurance, Inc.**  
**Exhibits**  
**For the Period Ended December 31, 2024**

Exhibit 1	<b><u>Cash &amp; Cash Equivalents</u></b>		
		Current Quarter End	Prior Fiscal Year- end
	Wells Fargo Advisors #2932 Investment Account - Cash	\$ 41,700.59	\$ 111,888.75
	Wells Fargo Advisors #2932 Investment Account - Money Market	733,505.42	757,537.42
	Wells Fargo Advisors #1288 Investment Account - Cash	27.61	-
	Wells Fargo Advisors #1288 Investment Account - Money Market	135,938.37	677,694.52
	Total	<u>\$ 911,171.99</u>	<u>\$ 1,547,120.69</u>
Exhibit 2	<b><u>Investments</u></b>	Current Quarter End - Amortized [Original] Cost	Prior Fiscal Year- end - Market Value
		Current Quarter End - Market Value	Prior Fiscal Year- end - Market Value
	Wells Fargo Advisors #2932 Investment Account	\$ 22,405,363.60	\$ 22,428,562.03
	Total	<u>\$ 22,405,363.60</u>	<u>\$ 22,428,562.03</u>
Exhibit 3	<b><u>Accounts Payable &amp; Accrued Expenses</u></b>		
		Current Quarter End	Prior Fiscal Year- end
	Amelie-Rio Ventures, LLC	\$ 1,626.56	\$ -
	Minimum Interest Credit Accrual	\$ 61,858.34	\$ -
	Total	<u>\$ 63,484.90</u>	<u>\$ -</u>
Exhibit 4	<b><u>Ceded Premiums Payable</u></b>		
		Current Quarter End	Prior Fiscal Year- end
	Reinsurer - Three Year Excess of Loss Reinsurance Contract	\$ 1,670,000	\$ -
	Total	<u>\$ 1,670,000</u>	<u>\$ -</u>



**New Mexico County Reinsurance, Inc.**  
**Exhibits**  
**For the Period Ended December 31, 2024**

	A	B	C	D	E	F	G
		Written Prior Fiscal Year	Written Current Fiscal Year	# Days Earned this Year	Premium Earned Current Year-to- date	Current Quarter- End	Prior Fiscal-Year End
<b>Exhibit 5</b>	Policy Effective Date	Policy Premium	Policy Premium			Premium Unearned	Premium Unearned
<b>Premiums</b>							
<b>Grand Total, Policies In Force</b>		<b>\$ 4,188,000.00</b>	<b>\$ (273,936.00)</b>		<b>\$ 1,709,626.00</b>	<b>\$ (1,983,562.00)</b>	<b>\$ -</b>
			<i>Premium written on P&amp;L</i>		<i>Premium earned on P&amp;L</i>	<i>UEPR on balance sheet</i>	<i>UEPR on balance sheet</i>
<u>Assumed Coverage</u>							
Law Enforcement Liability Reinsurance - All counties	1/1/2022	\$ 333,000.00	\$ -	0	\$ -	\$ -	\$ -
Law Enforcement Liability Reinsurance - All counties	1/1/2023	3,375,000.00	-	0	-	-	-
Law Enforcement Liability Reinsurance - Only Bernalillo, Dona Ana, Sandoval & Sante Fe	1/1/2023	480,000.00	-	0	-	-	-
Law Enforcement Liability Reinsurance - All counties	1/1/2024	-	2,824,455.00	366	2,824,455.00	-	-
Law Enforcement Liability Reinsurance - Only Bernalillo, Dona Ana, Sandoval & Sante Fe	1/1/2024	-	367,231.00	366	367,231.00	-	-
Law Enforcement Liability Reinsurance-Inadequate Healthcare/Mental Services	1/1/2024	-	64,378.00	366	64,378.00	-	-
Multi-line Liability Reinsurance-General, Auto, Employment Practices, Employee Benefits, Public Officials E&O	1/1/2024	-	470,000.00	366	470,000.00	-	-
Total		<u>\$ 4,188,000.00</u>	<u>\$ 3,726,064.00</u>		<u>\$ 3,726,064.00</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Ceded Coverage</u>							
Law Enforcement Liability 3 Year Loss Reinsurance - Year 1	7/1/2024	\$ -	\$ (4,000,000.00)	184	(2,016,438.00)	(1,983,562.00)	-
Total		<u>\$ -</u>	<u>\$ (4,000,000.00)</u>		<u>\$ (2,016,438.00)</u>	<u>\$ (1,983,562.00)</u>	<u>\$ -</u>

For Internal Use Only

**New Mexico County Reinsurance, Inc.**  
**Exhibits**  
**For the Period Ended December 31, 2024**

Exhibit 6		A	B (C / A)	C	D	E (C / 365 * D)	F	G (E - F)	H	I	J (E - H - I)	K (I+J)
<u>Losses &amp; Loss Reserves</u>		Inception to Date										
Coverage Description	Policy Effective Date	Full Year Premium	Loss Ratio	Full Year Ultimate	# Days Earned this Year	Ultimate Pro-rata	Prior Year's Pro-rata Ultimate	Current Year-to-Date Provision for Loss	Paid Losses	Case Reserves (OSLR)	IBNR Reserves	Net Unpaid Loss Reserves
<b>Grand Total, Policies In Force</b>		\$ 3,914,064.00	187.6%	\$ 7,343,094.00		\$ 9,569,220.00	\$ 2,657,525.00	\$ 6,911,695.00	\$ 300,000.00	\$ 4,754,065.00	\$ 4,515,155.00	
Prov for Loss per P&L										OSLR on balance sheet	IBNR on balance sheet	Net Unpaid Loss Reserves on balance sheet
<u>Law Enforcement Liability Reinsurance - All Counties</u>												
10% share of \$3,000,000 in excess of \$2,000,000	1/1/2022	\$ 333,000.00	224.4%	\$ 747,187.00	0	\$ 747,187.00	\$ 245,978.00	\$ 501,209.00	\$ 300,000.00	\$ 149,000.00	\$ 298,187.00	\$ 447,187.00
\$2,000,000 Excess of \$2,000,000 &												
50% share of \$2,000,000 Excess of \$2,000,000	1/1/2023	3,375,000.00	171.0%	5,771,829.00	0	5,771,829.00	2,277,853.00	3,493,976.00	-	4,105,065.00	1,666,764.00	5,771,829.00
\$2,000,000 Excess of \$2,000,000	1/1/2024	2,824,455.00	110.5%	3,120,625.00	366	3,120,625.00	-	3,120,625.00	-	2,000,000.00	1,120,625.00	3,120,625.00
Total Assumed Coverage 1	Total	\$ 6,532,455.00	147.6%	\$ 9,639,641.00		\$ 9,639,641.00	\$ 2,523,831.00	\$ 7,115,810.00	\$ 300,000.00	\$ 6,254,065.00	\$ 3,085,576.00	\$ 9,339,641.00
<u>Law Enforcement Liability Reinsurance - Only Bernalillo, Dona Ana, Sandoval &amp; Sante Fe</u>												
50% share of \$1,000,000 Excess of \$4,000,000	1/1/2023	\$ 480,000.00	131.1%	\$ 629,116.00	0	\$ 629,116.00	\$ 133,694.00	\$ 495,422.00	\$ -	\$ 500,000.00	\$ 129,116.00	\$ 629,116.00
50% share of \$1,000,000 Excess of \$4,000,000	1/1/2024	367,231.00	140.8%	516,998.00	366	516,998.00	-	516,998.00	-	-	516,998.00	516,998.00
Total Assumed Coverage 2	Total	\$ 847,231.00	135.3%	\$ 1,146,114.00		\$ 1,146,114.00	\$ 133,694.00	\$ 1,012,420.00	\$ -	\$ 500,000.00	\$ 646,114.00	\$ 1,146,114.00
<u>Law Enforcement Liability Reinsurance-Inadequate Healthcare/Mental Services</u>												
50% share of \$2,000,000 Excess of \$2,000,000	1/1/2024	\$ 64,378.00	1265.4%	\$ 814,629.00	366	\$ 814,629.00	\$ -	\$ 814,629.00	\$ -	\$ -	\$ 814,629.00	\$ 814,629.00
Total Assumed Coverage 3	Total	\$ 64,378.00	1265.4%	\$ 814,629.00		\$ 814,629.00	\$ -	\$ 814,629.00	\$ -	\$ -	\$ 814,629.00	\$ 814,629.00
<u>Multi-line Liability Reinsurance-General, Auto, Employment Practices, Employee Benefits, Public Officials E&amp;O</u>												
\$1,000,000 Excess of \$1,000,000	1/1/2024	\$ 470,000.00	41.5%	\$ 194,962.00	366	\$ 194,962.00	\$ -	\$ 194,962.00	\$ -	\$ -	\$ 194,962.00	\$ 194,962.00
Total Assumed Coverage Package Policy	Total	\$ 470,000.00	41.5%	\$ 194,962.00		\$ 194,962.00	\$ -	\$ 194,962.00	\$ -	\$ -	\$ 194,962.00	\$ 194,962.00
<u>Ceded Law Enforcement Liability Reinsurance - All Counties</u>												
\$2,500,000 per Occurrence	7/1/2024	\$ (4,000,000.00)	111.3%	\$ (4,452,252.00)	184	\$ (2,226,126.00)	\$ -	\$ (2,226,126.00)	\$ -	\$ (2,000,000.00)	\$ (226,126.00)	\$ (2,226,126.00)
Total Ceded Coverage 1	Total	\$ (4,000,000.00)	111.3%	\$ (4,452,252.00)		\$ (2,226,126.00)	\$ -	\$ (2,226,126.00)	\$ -	\$ (2,000,000.00)	\$ (226,126.00)	\$ (2,226,126.00)
<b>Summary by Policy Period</b>		\$ 3,914,064.00	187.6%	\$ 7,343,094.00		\$ 9,569,220.00	\$ 2,657,525.00	\$ 6,911,695.00	\$ 300,000.00	\$ 4,754,065.00	\$ 4,515,155.00	\$ 9,269,220.00
Assumed Policies Incepting on	1/1/2022	\$ 333,000.00	224.4%	\$ 747,187.00		\$ 747,187.00	\$ 245,978.00	\$ 501,209.00	\$ 300,000.00	\$ 149,000.00	\$ 298,187.00	\$ 447,187.00
Assumed Policies Incepting on	1/1/2023	3,855,000.00	166.0%	6,400,945.00		6,400,945.00	2,411,547.00	3,989,398.00	-	4,605,065.00	1,795,880.00	6,400,945.00
Assumed Policies Incepting on	1/1/2024	3,726,064.00	124.7%	4,647,214.00		4,647,214.00	-	4,647,214.00	-	2,000,000.00	2,647,214.00	4,647,214.00
Ceded Policies Incepting on	7/1/2024	\$ (4,000,000.00)	111.3%	\$ (4,452,252.00)		\$ (2,226,126.00)	\$ -	\$ (2,226,126.00)	\$ -	\$ (2,000,000.00)	\$ (226,126.00)	\$ (2,226,126.00)

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

<b><u>Item Number:</u></b>  <p style="text-align: center;"><b>8.A.</b></p>	<b><u>Item Title:</u></b>  Approve Meeting/Retreat Location and Dates
<b><u>Presenter (s):</u></b> Isaiah Rodriguez, Conference & Events Manager	
<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>	

# NMCIA Board Retreat

## October 22-23, 2025

	La Fonda on the Plaza	Fuller Lodge	Hotel Willa	Marriott Pyramid	Macey Center NM Tech
	Santa Fe	Los Alamos	Taos	Albuquerque	Socorro
Room Rate	\$167.00	\$167 - Holiday Inn Express	\$179.00	\$144.00	\$169 - Holiday Inn Express
Resort Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Room Block	20-25 Rooms	20-25 Rooms	20-25 Rooms	15-20 Rooms	20-25 Rooms
Meeting Space	NM Room or Portal Room available. Meeting room fee waived with Room Block	Pajarito Room Anne has approved to waive all costs associated with meeting	The Gallery Room \$1500 a day	Rio Grande Meeting Room Meeting room fee waived	Galena Room - \$1,195.00 for both days that includes AV charges and room setup
Discounted or Per Diem Menu Available	Yes	Will need to be outside caterer.	Custom budgeted menus available - F&B Minimum \$5000	Per diem menus available	In-house catering by Chartwells will be provided - No Minimum
Service Charge	23%	N/A	22%	25%	N/A
Parking	\$30 per night	Complimentary	Complimentary	Complimentary	Complimentary
Concessions	Complimentary wifi  24 Hour Business Center  Group rate 3 days pre and post available	Complimentary Wifi	Complimentary wifi	Complimentary wifi  Complimentary Fitness Center	Complimentary wifi
Contact	Eli Naranjo Sales Manager 505-995-2368 enaranjo@lafondasantafe.com	Yvonne Valencia Senior Office Specialist 505-662-8111 yvonne.valencia@lacnm.us	Siouxzen Kang Sales & Events Manager 233 Paseo del Pueblo Sur 310-663-1540 siouxzen@hotelwilla.com	Khalid Naz Business Relations Manager (505) 798-6441 knaz@legacydm.com	Gloria Gutierrez-Anaya Director Conference Services 575-835-6543 gloria.gutierrez-anaya@nmt.edu

Santa Ana Casino	The Lodge at Santa Fe	Tamaya Resort	Old San Ysidro Church	Buffalo Thunder
Bernalillo	Santa Fe	Santa Ana	Corrales	Santa Fe

Dates Available but Large Conference same days - Manager concerned about noise levels for our meeting	Awaiting Information	Willing to work with us on alternate date. At Capacity that week	Willing to work with us for \$1000 + refundable deposit of \$300 for a two-day rental. Would need to supply/rent own AV.	Willing to work with us to beat or match last years deal if we return. New Sales director and needs more time to meet request.
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***\*\* ALL DETAILS OF ALL PROPOSALS ARE NEGOTIABLE \*\****

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

<b><u>Item Number:</u></b>  <b>8.B.</b>	<b><u>Item Title:</u></b>  Discussion of Prior Board Authorization of Settlement Authority in Estate of Wyatt James Franzoy v Luna County
<b><u>Presenter (s):</u></b> Grace Philips, Risk Management Director	
<div>Motion by:</div> <div>Seconded by:</div>	

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

<b><u>Item Number:</u></b>  9.A.	<b><u>Item Title:</u></b>  General Counsel Update
<b><u>Presenter (s):</u></b> Mark Allen, General Counsel	

## Memorandum

**Date:** May 14, 2025  
**To:** NMCIA Board of Directors  
**From:** Mark Allen, General Counsel  
**Re:** General Counsel Update

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### Whistleblower Protection Act

At the beginning of 2024, the NMC Board authorized and directed NMC to file an *Amicus Brief* in the *Lerma v. State* case pending before the New Mexico Supreme Court. In *Lerma v. State*, the Court of Appeals transformed the Whistleblower Protection Act into the Personal Grievance Protection Act by eliminating the requirements established by *Wills v. Bd. of Regents of Univ. of New Mexico* that the whistleblowing must benefit the public interest and not be part of the employees' normal duties.

Under the *Lerma* decision, the day-to-day supervisory and management decisions (disciplinary actions, transfers, leave denials, training denials, etc.) of public employers may be challenged as an "abuse of authority" and subject to judicial review. Personal disagreements with legitimate management decisions may be subject to costly litigation. Perceived violations of general policies, procedures, rules, or past practices may be fast tracked to district court as an "abuse of authority." The decision made it virtually impossible for Counties to train supervisors and managers on how to avoid "abuse of authority" whistleblower claims divorced from the "public benefit" requirement and actionable in the context of personal grievances.

On May 8, 2025, the New Mexico Supreme Court unanimously reversed the Court of Appeals decision on the issue of public benefit and held that communications that do not pertain to a matter of public concern are not protected whistleblowing activity. *Lerma v. State*, No. S-1-SC-40126, 2025 WL 1340713 (N.M. May 8, 2025). Borrowing from NMC's brief, the Court took serious issue with the Court of Appeals myopic approach in applying the plain meaning rule without considering the actual title of the Act or the intent of the legislature in selecting the title. The Court cited several sources defining the term "whistleblower" which make clear that a whistleblower is a person serving the public interest on a matter of public concern. As argued in NMC's brief, the Court also noted that:

444 Galisteo Street  
Santa Fe, NM 87501

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



[A] public employee who reports a matter that “constitutes gross mismanagement, a waste of funds, an abuse of authority or a substantial and specific danger to the public” as defined in Section 10-16C-2(E)(3) is specifically protected from employer reprisals under Section 10-16C-3(A) for “communicat[ing]” that “unlawful or improper act.” Disclosure of any of these matters would benefit the public, consistent with the definition of the term “whistleblower[.]”

*Id.* at ¶ 26.

The court did not address the issue of whether employee communications made as part of an employee’s job duties are protected under the NMWPA. This is a monumental win for state and local governments.

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Santa Fe, NM 87501

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

[NMCOUNTIES.ORG](http://NMCOUNTIES.ORG)

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

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



## Memorandum

**Date:** May 15, 2025  
**To:** NMCIA Board  
**From:** Grace Philips, NMCIA Risk Management Director  
**Re:** RM Update

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- 10 NMAC staff have been signed up for AI training through AGRiP.
- I met with Stefan Jansen of Applied AI to explore potential resources to assist us in moving forward with incorporating AI into our operations.
- I am continuing to pursue a NACo Resolution to support enactment of a cap on federal civil rights damages.
- I have agreed to serve on the Behavioral Health Executive Committee created by SB3.
- We obtained an opinion from the attorney general regarding the unfunded mandates contained in the medication assisted treatment regulations. Attached.

444 Galisteo Street  
Santa Fe, NM 87501

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

[NMCOUNTIES.ORG](http://NMCOUNTIES.ORG)

May 8, 2025

OPINION  
OF  
RAÚL TORREZ  
Attorney General

Opinion No. 2025-08

To: Dayan Hochman-Vigil, Majority Whip, New Mexico House of Representatives

Re: Attorney General Opinion – 8.325.12 NMAC as applied to county correctional facilities

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### **Questions Presented and Short Answers**

1. Does 8.325.12 NMAC exceed the statutory authority granted to the New Mexico Health Care Authority by Senate Bill 425 (SB 425) from the 2023 Regular Legislative Session and codified in Section 24-1-5.11 (2023)?

No. As to the subject matter addressed, 8.325.12 NMAC does not exceed the statutory authority granted to the New Mexico Health Care Authority by Section 24-1-5.11.

2. Is 8.325.12 NMAC an unfunded mandate that violates Article X, Section 8 of the New Mexico Constitution?

Yes. Unless a county receives sufficient new funding, by grant or direct legislative appropriation, the regulations promulgated in 8.325.12 NMAC constitute an unfunded mandate violating Article X, Section 8 of the New Mexico Constitution.

### **Introduction**

On September 1, 2024, 8.325.12 NMAC issued by the New Mexico Health Care Authority (NMHCA), formerly known as the Department of Human Services, took effect. The Attorney General received a request for an opinion asking whether 8.325.12 NMAC (the Rule), exceeds the statutory authority conferred by Section 24-1-5.11, and whether this rule, as applied to counties, constitutes an unconstitutional unfunded mandate.

As the request pertains to questions of law from a sitting legislator, an Attorney General Opinion is properly entertained. NMSA 1978, Section 8-5-2(D) provides that the “[A]ttorney [G]eneral shall ... give his opinion in writing upon *any question of law* submitted to him by the Legislature

or of any branch thereof, any state official, elective or appointive, or any district attorney on any subject pending before them or under their control with which they have to deal officially or with reference to their duty in office.” (emphasis added). Accordingly, we proceed to opine on the questions of law posed.

### Analysis

As to the first question, to analyze whether 8.325.12 NMAC exceeds the statutory authority given to the NMHCA, we must first construe the statute and determine the authority granted. We use the same canons of statutory construction utilized by the New Mexico courts. *Pirtle v. Legislative Council*, 2021-NMSC-026, ¶ 14 (internal citation omitted). “When construing statutes, our guiding principle is to determine and give effect to legislative intent.” *Southwestern Pub. Serv. Co. v. New Mexico Pub. Regul. Comm’n*, 2024-NMSC-012, ¶ 19. Our analysis of the statute begins with “the plain language of the statute and the context in which it was enacted, taking into account its history and background.” *Pirtle*, 2021-NMSC-026, ¶ 14 (internal citation omitted). “We give effect to the statute as written without room for construction unless the language is doubtful, ambiguous, or ... would lead to injustice, absurdity or contradiction, in which case the statute is to be construed according to its obvious spirit or reason.” *Southwestern Pub. Serv. Co.*, 2024-NMSC-012, ¶ 19.

We turn to the relevant statutory text at issue. Section 24-1-5.11(B) requires that

[n]o later than December 1, 2023, the human services department [health care authority department] shall promulgate rules for the operation of medication-assisted treatment programs in correctional facilities in consultation with the corrections department, county corrections administrators and providers who specialize in substance use disorder treatment and have experience working in corrections settings.

For purpose of the statute, a “correctional facility” is defined to “mean[] a prison or other detention facility, whether operated by a government or private contractor, that is used for confinement of adult persons who are charged with or convicted of a violation of a law or an ordinance.” NMSA 1978, § 24-1-5.11(E)(1). Generally, county detention facilities are used for pre-trial detention or post-conviction confinement for offenses with penalties of less than a year of jail time, such as misdemeanors or ordinance violations. *See* §§ 33-3-12, 31-19-1, and 31-20-2. By covering facilities used for both adult pre-conviction detention and post-conviction incarceration, the definition of “correctional facility” addresses all manner of adult facilities, including county detention facilities.

Reading Sections 24-1-5.11(B) and 24-1-5.11(E)(1) together, NMHCA was duly authorized to adopt rules “concerning the operation of medication-assisted treatment programs in correctional facilities,” including county detention facilities. To wit, NMHCA did not exceed the grant of authority in NMSA 1978, Section 24-1-5.11 in promulgating 8.325.12 NMAC.

Turning to the second question presented, whether 8.325.12 NMAC constitutes an unfunded mandate in violation of Article X, Section 8 of the New Mexico Constitution, our analysis of the provision begins with “the plain language of the [provision] and the context in which it was

enacted, taking into account its history and background.” *Pirtle*, 2021-NMSC-026, ¶ 14 (internal citation omitted). In this instance we review the plain language of 8.325.12 NMAC, the plain language and legislative history of Section 24-1-5.11, and the appropriations bills from the 2023, 2024, and 2025 legislative sessions, in light of the restrictions imposed by Article X, Section 8 of the New Mexico Constitution.

The New Mexico Constitution in Article X, Section 8 provides that,

[a] state *rule or regulation* mandating any county or city to engage in any new activity, to provide any new service or to increase any current level of activity or to provide any service beyond that required by existing law, shall not have the force of law, unless, or until, the state provides sufficient new funding or a means of new funding to the county or city to pay the cost of performing the mandated activity or service for the period of time during which the activity or service is required to be performed.

(emphasis added).

Thus, an unfunded mandate occurs when a rule-making authority requires a county or city to provide new or expanded services without corresponding funding. *See* N.M. Cons. art. X, § 8.

Here, the NMHCA issued rule 8.325.12 NMAC (the Rule), requiring *all* correctional facilities to implement medication assisted treatment (MAT) programs including administering substance use disorder (SUD) screening during intake (8.325.12.9(B)(1) NMAC), providing “comprehensive assessment[s] and diagnostic evaluation[s] for SUD” (8.325.12.9(B)(2) NMAC), the “provision of all medications approved by the FDA for the treatment of SUD and withdrawal management” (8.325.12.9(C)(1) NMAC), and ensuring “treatment services, once initiated, are available for the duration of a program participant’s period of incarceration (8.325.12.9(G) NMAC). This goes beyond regulating existing MAT programs. It creates a series of new requirements for correctional facilities, including establishing a MAT program where none currently exists. Because the Rule does not provide any exceptions or contingencies for counties, it constitutes a mandate to provide new activities and services.

Having established that the Rule creates a mandate upon counties, the question becomes whether there is corresponding funding from the Legislature. When first introduced on February 2 of the 2023 regular legislative session, Senate Bill 425 (SB 425) initially proposed the establishment of MAT programs at county detention facilities and included a proposed appropriation of \$10,000,000 to fund the new MAT programs. <https://www.nmlegis.gov/Sessions/23%20Regular/bills/senate/SB0425.pdf>. However, on March 3, 2023, the Senate Finance Committee adopted a committee substitute to SB 425 which removed the references to counties as well as the proposed appropriation. <https://www.nmlegis.gov/Sessions/23%20Regular/bills/senate/SB0425FCS.pdf>. Ultimately, the final bill, as adopted, did not include the appropriation. <https://www.nmlegis.gov/Sessions/23%20Regular/final/SB0425.pdf>.

Similarly, a review of the State’s funding bill for 2023, known as House Bill 2 or HB 2, confirms that no funds were appropriated to counties for MAT programs. The only references to MAT programs in HB 2 are appropriations to the New Mexico Department of Health and the State’s Corrections Department, which does not include county detention facilities. <https://www.nmlegis.gov/Sessions/23%20Regular/final/HB0002.pdf>. Thus, at the time the Rule was adopted it constituted an unconstitutional, unfunded mandate as to counties.

Although no funding was appropriated in 2023, because Article X, Section 8 of the New Mexico Constitution recognizes that the legislature could subsequently “provide[] sufficient new funding or a means of new funding to the county ... to pay the cost of performing the mandated activity or service,” we must review whether the legislature subsequently appropriated funds to support counties in implementing the mandated MAT programs. A review of the bills from the 2024 legislative session shows funding for such programs run by the State’s Corrections Department, but again, there are no funds appropriated for county-run MAT programs. <https://www.nmlegis.gov/Sessions/24%20Regular/final/HB0002.pdf>. Accordingly, for fiscal year 2025, the Rule remains an unconstitutional, unfunded mandate to counties.

In the 2025 legislative session, the funding picture changes. For the first time since the adoption of the Rule, the means to new funds for a county to conduct MAT activities and services becomes a possibility. Section 5(152) of the 2025 version of House Bill 2 appropriates \$10,000,000 to the NMHCA for the following purpose:

For **grants** to counties, municipalities, Indian nations, tribes and pueblos and behavioral health providers based on the submitted regional plans for assisted outpatient treatment, medication assisted treatment including for juveniles, assertive community treatment, other best-practice and evidence-informed outpatient and diversion services, promising practices and community-based wraparound services and resources pursuant to the Behavioral Health Reform and Investment Act for expenditure in fiscal years 2026 through 2029. Any unexpended balance remaining at the end of fiscal year 2029 shall revert to the behavioral health trust fund.

<https://www.nmlegis.gov/Sessions/25%20Regular/final/HB0002.pdf>. (emphasis added).

With that language, rather than making a direct appropriation to counties, the legislature establishes a grant program to be administered by NMHCA to make new funding available to counties for medication assisted treatment beginning in fiscal year 2026, which commences on July 1, 2025. *See* NMSA 1978, § 6-10-1 (designating July 1st as the beginning of each fiscal year).

Even then, the mere establishment of a grant program does not cure the Rule’s constitutional infirmity. For a rule’s mandate to have effect on a county, Article X, Section 8 requires “the state provide[] sufficient new funding or a means of new funding to the county ... to pay the cost of performing the mandated activity or service.” Thinking through the example of the county that does not receive grant funds demonstrates why the Rule’s constitutional issue remains unchanged. In the circumstance of the county not receiving grants funds, Article X, Section 8’s requirement for sufficient new funding or a means of new funding to pay the costs of the mandated service is

unmet. Thus, as to counties not receiving grant funds, the Rule still constitutes an unfunded mandate. For the county receiving grant funds, Article X, Section 8's funding sufficiency requirement comes into play. In the case of a county receiving grant funds, the question becomes whether the grant is sufficient "to pay the cost of performing the mandated activity or service for the period of time during which the activity or service is required to be performed."

At the time of this writing, the mandate to counties in 8.325.12 NMAC is not supported by a corresponding appropriation of funds or means for new funds. As such, the mandate may be characterized as an unfunded mandate in violation of Article X, Section 8 of the New Mexico Constitution.

That being said, when part of a law or regulation is unconstitutional, courts will attempt to sever the unconstitutional part of a statute or regulation to give effect to the valid provision or application. NMSA 1978, § 12-2A-9 (1997).

It is well established in this jurisdiction that a part of a law may be invalid and the remainder valid, where the invalid part may be separated from the other portions, without impairing the force and effect of the remaining parts, and if the legislative purpose as expressed in the valid portion can be given force and effect, without the invalid part, and, when considering the entire act it cannot be said that the legislature would not have passed the remaining part if it had known that the objectionable part was invalid.

*Baca v. New Mexico Dept. of Pub. Safety*, 2002-NMSC-017, ¶ 8, 132 N.M. 282, 47 P.3d 441 (internal citation omitted).

Therefore, upon the initiation of the grant program in July of 2025, the Rule's enforceability as to counties will be conditioned on whether a county receives a grant sufficient to perform the activities and services the Rule mandates.

### **Conclusion**

As discussed above, NMHCA acted within its statutory authority in promulgating 8.325.12 NMAC on the subject matter of MAT programs. However, unless and until sufficient funding is made available to a county to comply with the mandates of 8.325.12 NMAC, the Rule constitutes an unfunded mandate and is unconstitutional as applied to county correctional facilities.

Please note that this opinion is a public document and is not protected by the attorney-client privilege. It will be published on our website and made available to the general public.

RAÚL TORREZ  
ATTORNEY GENERAL



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

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



## Memorandum

**Date:** May 15, 2025  
**To:** NMCIA Board  
**From:** Greg Rees, Loss Prevention Manager  
**Re:** Loss Prevention Update

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The Lexipol Policy Management solutions for Sheriff's Offices' monthly update report is attached. The project is moving along nicely. We have 13 agencies that are completed with the policy implementation process.

Dona Ana County Sheriff's Office still has not engaged in the process. Mark Allen, Rich Pascarella, Lexipol Director of Policy Operations, and I met with the sheriff and discussed the advantages of the product. I am still not completely aware of why the agency is not involved with any of the implementation process.

Thank you in advance.

Greg Rees

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# LEXIPOL (Project Control - Monthly Summary Report)

## GENERAL PROJECT INFORMATION

PROJECT NAME		SR PROJECT MANAGER	OPERATIONS MANAGER
New Mexico Counties (NMC)		Phil Holder	Richard Pascarella
EMAIL	PHONE	ORGANIZATIONAL UNIT(S)	
<a href="mailto:pholder@lexipol.com">pholder@lexipol.com</a> ; <a href="mailto:rpascarella@lexipol.com">rpascarella@lexipol.com</a>	949-226-8074	Lexipol Professional Services	
AGREEMENT EFFECTIVE DATE	PROJECT STATUS REPORT DATES	EXPECTED START DATE	EXPECTED COMPLETION DATE
28-Dec-23	04/01/2025 - 04/30/2025	06/01/2024	02/28/2026

## PROJECT SUMMARY - APRIL 2025

PURPOSE OF PROJECT	Establish and implement constitutionally sound Law Enforcement Policy Manuals for the New Mexico Counties consortium of twenty-nine individual counties supported and delivered using the Lexipol Knowledge Management System.
MONTHLY SUMMARY	<p>Of the 11 Group 1 participants, eight have completed the policy implementation project and have issued their policy manuals. Two agencies are in the final tier of implementation and one is working in tier two as they started the project later than the rest of the group.</p> <p>Group 2 agencies (10 total) have continued with the implementation process; three agencies have now completed the policy implementation project and have issued their policy manuals. Two agencies are working in tier five, three are working in tier three, the remaining two are working in tier two.</p> <p>There are seven participants in Group 3 and all have started their projects. The only agency that has not agreed to this project is Dona Ana CO SO; NMC staff continues to follow up with Dona Ana County staff to inquire about future participation. Of the seven group 3 agencies, two have completed their policy implementation projects already and have issued the policies to their staff. Two other agencies are in tier five and are expected to be completed by late May or June. The other three are progressing well and continue to meet regularly with their assigned project managers.</p> <p>Of the 29 counties, 13 have completed the policy implementation process, while six additional counties are in the final phase of implementation and should be completed in the next couple of months.</p>
TASK(S) COMPLETED	<ul style="list-style-type: none"><li>• There are ten Group 1 projects that are either completed or in tier five and should be completed with the implementation within the next month or two.</li><li>• There are three Group 2 projects that are completed and two additional agencies at the end of tier five review. It is expected these will be done within the next month or two.</li><li>• Two Group 3 projects have been completed, and two others are in tier five currently.</li></ul>

TASK(S) DELAYED	<ul style="list-style-type: none"> <li>• Taos CO cxd every meeting in March and April and has now requested to start again in June due to staffing issues. This is now three months without any progress with this project.</li> <li>• Cibola CO only met once in April due to a call-out and staff meeting. Although the recurring schedule is set to meet once a week, the agency rarely meets each week.</li> <li>• Bernalillo CO was originally set to start in January this year, but recently started the implementation process. Their review &amp; approval process is lengthy and will slow the project down from the original end date.</li> </ul>
UPCOMING TASKS	<ul style="list-style-type: none"> <li>• Continue with updates for each of the Group participants status of implementation monthly.</li> <li>• Follow-up with NMC regarding Dona Ana CO SO to see if they are going to participate in this project.</li> <li>• Assess all projects and update estimated completion dates.</li> <li>• Review project hours and implementation status to update estimated completion date.</li> </ul>
RISK LOG	<ul style="list-style-type: none"> <li>• Continue to reach out to agencies that are missing meetings, not corresponding, or haven't started the process.</li> <li>• Document delays and communicate problems to NMC and customer agencies.</li> <li>• Monitor delays of individual projects - extended time frames to begin or continue should be evaluated and consider moving next project in line to implementation.</li> </ul>
ISSUE LOG	<ul style="list-style-type: none"> <li>• Any issues related to projects have been conveyed to the project manager and PS supervision for resolution.</li> </ul>

#### TENTATIVE SCHEDULE

KEY MILESTONES - GROUP 1 (11 agencies)	START	FINISH
Project Discovery Meeting	06/11/2024	07/20/2024
Existing Content Received / Reviewed	June/July 24	08/01/2024
Finalize Project Plan / Kick Off	Jun-24	Jul-24
Completion of PWG Initial Edits to Tier 1	July/August 24	Mar-25
Completion of PWG Initial Edits to Tier 2	August/Sept 24	In Progress(1/11) Done (10/11)
Completion of PWG Initial Edits to Tier 3	August/Sept 24	In Progress (1/11) Done (10/11)
Completion of PWG Intial Edits to Tier 4	Sept/Oct 24	In Progress (3/11) Done (8/11)
Completion of PWG Initial Edits to Tier 5	Sept/Oct 24	In Progress (2/11) Done (8/11)
Existing Content Cross-Reference (As needed)	July/Oct 24	October
Onboarding / KMS Orientation	July/Oct 24	In Progress
Administrative and End-User Training	July/Oct 24	In Progress
Initial Draft Completion of Procedural Documents	TBD	TBD

Go-Live with KMS	TBD	In Progress - Done (8/11)
<b>KEY MILESTONES - GROUP 2 (10 agencies)</b>	<b>START</b>	<b>FINISH</b>
Project Discovery Meeting	Aug/Sept 24	09/01/2024
Existing Content Received / Reviewed	Aug/Sept 24	10/01/2024
Finalize Project Plan / Kick Off	Jun-24	Jul-24
Completion of PWG Initial Edits to Tier 1	Aug/Sept 24	In Progress (2/10) Done (8/10)
Completion of PWG Initial Edits to Tier 2	TBD	In Progress (4/10) Done (5/10)
Completion of PWG Initial Edits to Tier 3	TBD	In Progress (4/10) Done (4/10)
Completion of PWG Initial Edits to Tier 4	TBD	In Progress (2/10) Done (3/10)
Completion of PWG Initial Edits to Tier 5	TBD	In Progress (2/10) Done (3/10)
Existing Content Cross-Reference (As needed)	Aug/Sept 24	October
Onboarding / KMS Orientation	September	In Progress
Administrative and End-User Training	TBD	In Progress
Initial Draft Completion of Procedural Documents	TBD	TBD
Go-Live with KMS	TBD	In Progress- Done (3/10)
<b>KEY MILESTONES - GROUP 3 (8 agencies)</b>	<b>START</b>	<b>FINISH</b>
Project Discovery Meeting	Nov/Dec 24	In Progress
Existing Content Received / Reviewed	Nov/Dec 24	In Progress
Finalize Project Plan / Kick Off	Jun-24	Jul-24
Completion of PWG Initial Edits to Tier 1	Nov/Dec 24	In Progress (3/8) Done (4/8)
Completion of PWG Initial Edits to Tier 2	TBD	In Progress (1/8) Done (4/8)
Completion of PWG Initial Edits to Tier 3	TBD	In Progress (2/8) Done (3/8)
Completion of PWG Initial Edits to Tier 4	TBD	In Progress (3/8) Done (2/8)
Completion of PWG Initial Edits to Tier 5	TBD	In Progress (2/8) Done (2/8)
Existing Content Cross-Reference (As needed)	Nov/Dec 24	TBD

Onboarding / KMS Orientation	Nov/Dec 24	TBD
Administrative and End-User Training	TBD	TBD
Initial Draft Completion of Procedural Documents	TBD	TBD
Go-Live with KMS	TBD	In Progress - Done (2/8)

## RESOURCES

LEXIPOL PROJECT TEAM	ROLE	RESPONSIBILITY
Phil Holder	Sr Project Manager	Coordinate and facilitate Project Specialists, provide supervisory level support and oversight to each child project and make appropriate edits at direction of the department, overall management of the project.
Richard Pascarella	Director - Policy Operations / Project Sponsor	Oversee project needs and timelines, ensure proper resources are available and appropriately applied. Manage any items or issues escalated by project managers or counties. Maintain the Project Implementation Plan and Monthly Reports and regular contact with parent project. Provide executive level oversight as needed and communicate updates to Lexipol ELT.
Wendy Niebank	Sr Vice President, Professional Services	Provide executive level support and oversight to the Lexipol project management team to ensure goals are attained. Be available to the customer leadership and customer project manager if questions or concerns arise. Provide direction on any escalated risks or issues.
CUSTOMER PROJECT TEAM	ROLE	
Greg Reese	Project Manager	

PREPARED BY	TITLE	DATE
Richard Pascarella	Director - Policy Operations, Professional Services Division	05/12/2025

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

<b><u>Item Number:</u></b>  9.D.	<b><u>Item Title:</u></b>  CRL Update
<b><u>Presenter (s):</u></b> Grace Philips, Risk Management Director	





## Memorandum

**Date:** May 15, 2025  
**To:** NMCIA Board  
**From:** Grace Philips, NMCIA Risk Management Director  
**Re:** CRL Update

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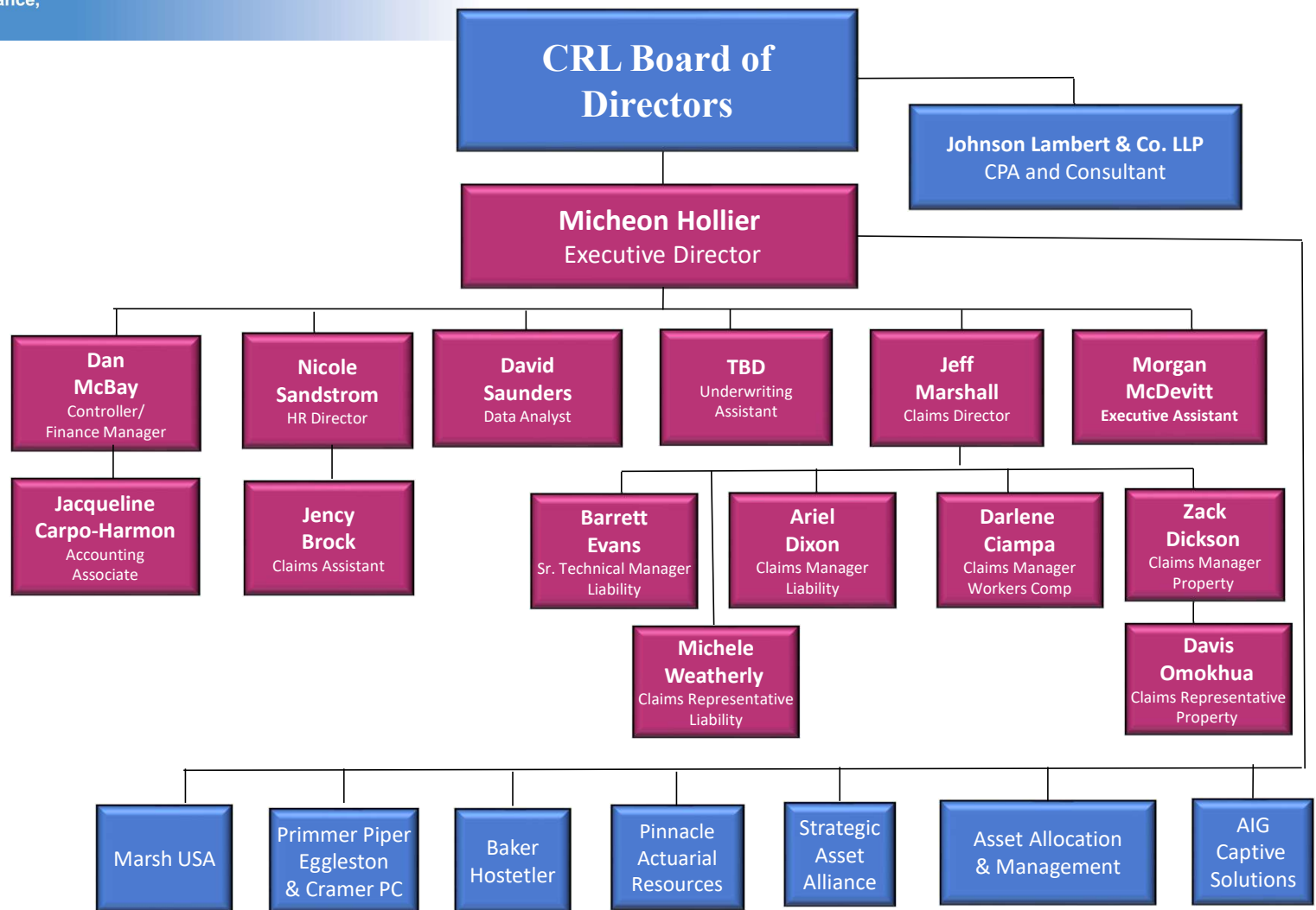
I attended the CRL board meeting and strategic planning session last week.

CRL has significantly expanded their staff over the last 12 months. See attached organizational chart. Staff has identified key threats as 1. Member performance, 2. Lack of Surplus, and 3. LE and Property exposures. They continue to see adverse development of Law Enforcement claims (the liability program was described as a law enforcement program that supports general liability) but the property program may be stabilizing. Over the last 10 years the property program paid \$74M in losses out of surplus but hurricane Helene developed positively and as of last year funding appears to be adequate. They are not planning for surcharges in the renewal. We also heard from the Vermont regulators who endorsed the steps CRL has taken to improve solvency.

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As of 4/1/2025

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

<b><u>Item Number:</u></b>  9.E.	<b><u>Item Title:</u></b>  NMCRe Update
<b><u>Presenter (s):</u></b> Grace Philips, Risk Management Director	



## Memorandum

**Date:** May 5, 2025  
**To:** NMCIA Board  
**From:** Grace Philips, NMCIA Risk Management Director  
**Re:** NMCRE Update

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- NMCRE held a special meeting on April 22 and re-approved the discretionary agreement with Wells Fargo. The board also approved proposed updates to its investment policy presented by Nathan Simon of Strategic Asset Alliance. The proposed updates included reducing the targeted allocation of risk assets from 35% to 25% of combined surplus across NMCIA and NMCRE, as previously reviewed by the Board at its March 18 meeting.
- The Board's next regularly scheduled meeting is June 10.

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

<b><u>Item Number:</u></b>  9.F.	<b><u>Item Title:</u></b>  Review 2025-2026 NMC Budget
<b><u>Presenter (s):</u></b> Richard Garcia, Finance Director	



# NEW MEXICO ASSOCIATION OF COUNTIES

Income/Budget Statement (Unaudited)

for the 9 months ended 3/31/2025

	2024-25 BUDGET	As of Mar 31, 2025	75% of Budget	PROPOSED FY26 BUDGET	Variance
<b>INCOME</b>					
PARTICIPATION FEES-NMAC	\$ 833,435	\$ 625,079	75%	916,779	10%
CONFERENCE INCOME	676,500	378,782	56%	615,800	-9%
GRANT ADMINISTRATIVE FEE	40,000	55,699	139%	45,000	13%
FEDERAL GRANT REV-COPS	32,200	-	0%	30,000	-7%
BUSINESS PARTNERS	55,000	99,000	180%	105,000	91%
ENDORSEMENTS/FEES-NMAC	35,000	44,104	126%	55,000	57%
LOSS PREVENTION TRAINING	500	800	160%	800	60%
WC NURSE CASE MGR REIMB	131,131	136,532	104%	158,000	20%
POOL ADMINISTRATION FEES	4,685,156	3,513,864	75%	4,685,156	0%
<b>TOTAL INCOME</b>	<b>\$ 6,488,922</b>	<b>\$ 4,853,860</b>	<b>75%</b>	<b>\$ 6,611,535</b>	<b>2%</b>
<b>EXPENSES</b>					
<b>PERSONNEL EXPENSES:</b>					
SALARIES & WAGES	\$ 3,392,271	\$ 2,277,234	67%	3,448,084	2%
PAYROLL TAXES	254,420	171,161	67%	258,606	2%
401K-NMAC	339,227	228,729	67%	344,808	2%
HEALTH INSURANCE	547,536	365,595	67%	587,068	7%
WORKERS' COMP	16,200	6,087	38%	16,000	-1%
STAFF TRAINING & OTHER	10,000	4,737	47%	15,000	50%
<b>TOTAL PERSONNEL</b>	<b>\$ 4,559,654</b>	<b>\$ 3,053,543</b>	<b>67%</b>	<b>\$ 4,669,566</b>	<b>2%</b>
<b>PROGRAM EXPENSES:</b>					
LEGISLATIVE EXPENSES	\$ 166,000	\$ 145,858	88%	173,000	4%
CONFERENCE EXPENSES	447,015	276,283	62%	417,000	-7%
NACO CONFERENCE EVENTS	20,000	59,817	299%	68,000	240%
SPECIAL PROJECTS	40,000	36,904	92%	85,000	113%
DUES & FEES	21,000	19,445	93%	27,000	29%
PARTNERSHIPS	5,500	-	0%	5,500	0%
NM EDGE SCHOLARSHIPS		225			
PUBLICATIONS & VIDEOS	54,000	37,200	69%	60,000	11%
<b>TRAVEL &amp; MEETINGS EXPENSES:</b>					
STAFF TRAVEL-IN STATE	\$ 17,085	\$ 10,943	64%	17,000	0%
STAFF TRAVEL-OUT OF STATE	45,876	20,607	45%	29,000	-37%
BOARD TRAVEL-OUT OF ST	25,000	3,848	15%	31,000	24%
BOARD MEETING EXPENSES	100,000	69,200	69%	100,000	0%
MEETINGS & TRAINING EXP	20,000	15,936	80%	17,000	-15%



# NEW MEXICO ASSOCIATION OF COUNTIES

Income/Budget Statement (Unaudited)

for the 9 months ended 3/31/2025

	2024-25 BUDGET	As of Mar 31, 2025	75% of Budget	PROPOSED FY26 BUDGET	Variance
<b>OTHER EXPENSES:</b>					
CONTRACT SERVICES	\$ 151,000	\$ 104,385	69%	152,000	1%
LEGAL & ACCOUNTING	52,000	32,691	63%	46,000	-12%
RENTAL, LEASE & EQUIP MAINT	35,000	23,187	66%	35,000	0%
PRINTING & ADVERTISING	11,500	5,442	47%	10,000	-13%
SUPPLIES & OFFICE EQUIP	35,000	20,062	57%	30,000	-14%
COMPUTER SW,SUPP,SVC	129,200	65,289	51%	110,000	-15%
POSTAGE	20,000	18,105	91%	24,000	20%
TELEPHONE	64,000	42,518	66%	58,500	-9%
UTILITIES	25,000	19,047	76%	26,500	6%
REPAIR, MAINT & JANITORIAL	95,000	38,560	41%	70,000	-26%
PROPERTY TAXES	40,000	34,521	86%	47,500	19%
PAYMENT ON 444 GALISTEO	141,897	106,423	75%	141,897	0%
PAYMENT ON 601 RIO GRANDE	28,600	21,450	75%	28,600	0%
INSURANCE PROP/LIAB	123,000	102,479	83%	150,000	22%
VEHICLE LEASE, SUPP & MAINT	12,000	4,223	35%	8,000	-33%
MISCELLANEOUS EXPENSES	15,000	7,088	47%	15,000	0%
	<b>\$ 1,939,673</b>	<b>\$ 1,341,736</b>	<b>69%</b>	<b>\$ 1,982,497</b>	<b>2%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 6,499,327</b>	<b>\$ 4,395,279</b>	<b>68%</b>	<b>\$ 6,652,064</b>	<b>2%</b>
<b>NET OPERATING INCOME</b>	<b>\$ (10,405)</b>	<b>\$ 458,581</b>		<b>\$ (40,529)</b>	<b>290%</b>
INTEREST INCOME ON INVEST	\$ 50,000	\$ 85,852	172%	52,000	4%
NET CHANGE IN FV OF INVEST		1,086			
RENTAL INCOME	50,508	40,278	80%	55,000	9%
GAIN/LOSS ON ASSET DISPOSAL		8,500			
DEPRECIATION EXPENSE	(190,000)	(117,158)	62%	(160,000)	-16%
	<b>(99,897)</b>	<b>477,139</b>		<b>(93,529)</b>	<b>-6%</b>
PRINCIPAL PAYMENT - 444	93,149	69,512		96,944	4%
PRINCIPAL PYMT - 601	24,579	18,330		25,708	5%
UNREIMBURSED GRANT EXP	-	(241)			
<b>TOTAL CURRENT INCOME</b>	<b>\$ 17,831</b>	<b>\$ 564,740</b>		<b>\$ 29,123</b>	



# New Mexico Association of Counties - Legal Bureau

Income/Budget Statement (Unaudited)

for the 9 months ended 3/31/2025

	2024-25 BUDGET	As of Mar 31, 2025	75% of Budget	PROPOSED FY26 BUDGET	Variance
<b>INCOME</b>					
LB REVENUE-ATTORNEY FEES	\$ 1,075,000	\$ 425,442	40%	\$ 955,884	-11%
<b>TOTAL INCOME</b>	<b>\$ 1,075,000</b>	<b>\$ 425,442</b>	<b>40%</b>	<b>\$ 955,884</b>	
<b>EXPENSES</b>					
<b>PERSONNEL EXPENSES:</b>					
SALARIES & WAGES	\$ 777,797	\$ 416,370	54%	\$ 655,742	-16%
PAYROLL TAXES	58,335	31,386	54%	49,181	-16%
401K-LEGAL BUREAU	77,780	41,710	54%	65,574	-16%
HEALTH INSURANCE	83,739	62,253	74%	103,750	24%
WORKERS' COMP	1,514	1,074	71%	1,500	-1%
STAFF TRAINING & OTHER	6,000	-	0%	6,000	0%
<b>TOTAL PERSONNEL</b>	<b>\$ 1,005,165</b>	<b>\$ 552,793</b>	<b>55%</b>	<b>\$ 881,747</b>	<b>-12%</b>
<b>PROGRAM EXPENSES:</b>					
DUES & FEES	\$ 2,400	\$ 1,625	68%	\$ 2,400	0%
PUBLICATIONS & VIDEOS	14,282	11,084	78%	16,000	12%
CLAIMS EXPENSE	5,985	2,166	36%	5,985	0%
<b>TRAVEL &amp; MEETINGS EXPENSES:</b>					
STAFF TRAVEL-INSTATE	\$ 4,400	\$ 831	19%	4,000	-9%
STAFF TRAVEL-OUT OF ST	3,000	-	0%	3,000	0%
MEETINGS & TRAINING EXP	1,022	1,612	158%	1,000	-2%
<b>OTHER EXPENSES:</b>					
PRINTING & ADVERTISING	\$ 200	\$ -	-	200	0%
PAYMENT ON 601 RIO GRANDE	14,087	10,565	75%	14,087	0%
SUPPLIES AND OFFICE EQUIP	1,000	246	25%	1,000	0%
COMPUTER SW,SUPP,SVC	2,500	2,764	111%	4,000	60%
POSTAGE	500	440	88%	500	0%
TELEPHONE	3,675	2,975	81%	4,000	9%
VEHICLE REPAIR & MAINTENANCE	500	237	47%	500	0%
INSURANCE PROP/LIAB	14,987	11,241	75%	15,000	0%
<b>TOTAL ADMIN EXPENSES</b>	<b>\$ 68,538</b>	<b>\$ 45,786</b>	<b>67%</b>	<b>\$ 71,672</b>	<b>5%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,073,703</b>	<b>\$ 598,579</b>	<b>56%</b>	<b>\$ 953,419</b>	<b>-11%</b>
<b>NET OPERATING INCOME</b>	<b>\$ 1,297</b>	<b>\$ (173,137)</b>		<b>\$ 2,465</b>	<b>90%</b>





## FY 2026 Budget - Non Recurring

### FY 26 Requests

IT HARDWARE / SOFTWARE	\$	-
ABQ ROOF REPAIRS		40,000
ABQ AUTOMATIC GATE		30,000
ABQ HVAC		21,000
SANTA FE SECURITY CAMERAS		9,700
TOTAL CAPITAL EXPENSES	\$	100,700

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

<b><u>Item Number:</u></b>  <b>11.</b>	<b><u>Item Title:</u></b>  Other Business
<b><u>Presenter (s):</u></b> Lance Pyle, Chair	

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

<b><u>Item Number:</u></b>  <p style="text-align: center;"><b>11.</b></p>	<b><u>Item Title:</u></b>  Adjournment
<b><u>Presenter (s):</u></b> 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>	