

**New Mexico  
Public Schools Insurance Authority**



**Board of Directors Meeting  
May 4, 2023**



# New Mexico Public Schools Insurance Authority

## Board of Directors Meeting

### Board of Directors

Al Park, President, Governor Appointee  
Chris Parrino, Vice President, NM Association of School Business Officials  
Trish Ruiz, Secretary, Educational Entities at Large  
Denise Balderas, Governor Appointee  
Tim Crone, American Federation of Teachers NM  
Travis Dempsey, NM Superintendents Association  
Pauline Jaramillo, NM School Boards Association  
Bethany Jarrell, National Education Association - New Mexico  
K.T. Manis, Public Education Commission  
David Martinez, Jr., National Education Association - New Mexico  
Sammy J. Quintana, Governor Appointee

### In-Person & Virtual

#### **In-Person:**

Poms & Associates  
201 3rd Street, Suite 1400  
Albuquerque, New Mexico 87102

#### **Virtual:**

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**Thursday, May 04, 2023**

**9:00 a.m.**

### Agenda

**Draft**

- |   |             |
|---|-------------|
| 1. Call to Order  | A. Park     |
| 2. Roll Call  | M. Lugo     |
| 3. Introduction of Guests                                     | P. Sandoval |
| 4. Citizens to Address the Board ( <b>Five-Minute Limit</b> ) | A. Park     |
| 5. Approval of Agenda ( <b>Action Item</b> )                  | A. Park     |

- 6. Approval of April 2023 Minutes **(Action Item)** A. Park
- 7. Executive Session to Discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 **(Action Item)** A. Park
  - A. RFP# 342-2023-04 Anonymous Reporting System A. Park
  - B. RFP# 342-2023-07 Insurance Broker, Consulting, Administrative Services and Loss Prevention Services A. Park
  - C. RFP# 342-2023-09 Driving Record Information, Retrieval and Dissemination Services A. Park
  - D. RFP# 342-2023-10 General Legal Counsel Services A. Park
  - E. RFP# 342-2023-12 Workers' Compensation Third-Party Dedicated Claims Administration Services A. Park
  - F. Any action on the Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6)NMSA 1978 **(Action Item)** A. Park
- 8. Administrative Matters
  - A. Staff Update P. Sandoval
  - B. COVID-19 Update M. Quintana
- 9. Financial Matters
  - A. Approval of March 2023 Financials **(Action Item)** P. Gonzales
  - B. Approval of Budget Adjustment Request for Risk Fund **(Action Item)** P. Sandoval
  - C. FY24 Operating Budget **(Action Item)** P. Gonzales
  - D. Approval of Contract for Independent Public Accountant for FY23 Audit **(Action Item)** P. Sandoval
  - E. Investment Performance Review for the Quarter Ended March 31, 2023 E. Clark
  - F. Rebalancing of Long Term Investments **(Action Item)** E. Clark
- 10. Benefits Matters
  - A. United Concordia Updates T. Holtz
  - B. Approval of Presbyterian Contract Amendment **(Action Item)** M. Quintana
  - C. Wellness Update C. Archuleta
- 11. Risk Matters
  - A. Approval of Contract for Property and Liability Claims Administration Services **(Action Item)** P. Sandoval
  - B. TPA Reports
    - 1. Property & Liability Monthly Claims Report S. Vanetsky
    - 2. Property & Liability Large Losses S. Vanetsky
    - 3. Workers' Compensation Monthly Claims Report J. Mayo

- |   |                      |
|---|----------------------|
| 4. Workers' Compensation Large Losses   | J. Mayo              |
| C. Loss Prevention Update   | L. Vigil / J. Garcia |
| 12. General Discussion  | A. Park              |
| 13. Next Meeting Date and Location: Thursday, June 8, 2023 ( <b>Action Item</b> ) | A. Park              |
| Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option      |                      |
| 14. Adjournment ( <b>Action Item</b> )  | A. Park              |

**NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES**

**In-Person: Poms & Associates  
201 3rd Street, Suite 1400  
Albuquerque, NM 87102**

**Virtual: <https://meet.goto.com/621220605>  
Dial in +1 (408) 650-3123  
Access Code: 621-220-605**

**Thursday, April 06, 2023**

**DRAFT**

**1. Call to Order**

Mr. Al Park, NMPSIA Board President, called the NMPSIA Board Meeting to order at 9:01 a.m. on Thursday, April 6, 2023.

**2. Roll Call**

Ms. Charlette Probst called roll.

**Board Members Present:**

Al Park, President	In-Person (Left at 10:19 a.m.)
Chris Parrino, Vice President	In-Person
Trish Ruiz, Secretary	In-Person
Denise Balderas	Virtual
Tim Crone	Virtual
Pauline Jaramillo	Virtual
Bethany Jarrell	In-Person
K.T. Manis	Virtual
David Martinez, Jr.	Virtual
Sammy Quintana	In-Person

**Board Members Absent:**

Travis Dempsey

**NMPSIA Staff Members Present:**

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Cyndi Archuleta, Benefits/Wellness Manager	In-Person
Kaylei Jones, Benefits/Wellness Program Coordinator	In-Person
Claudette Roybal, Risk Program Coordinator	Virtual
Charlette Probst, HR/Finance Manager	In-Person
Natasha Ortiz, Financial Specialist	Virtual

**Audience Present:**

Lisa Guevara	BCBSNM	In-Person
Lisa Sullivan	BCBSNM	Virtual
Samantha Mensay	BCBSNM	Virtual
Steve Vanetsky	CCMSI	In-Person
Vanessa Devine	CCMSI	Virtual
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	In-Person
Richard Cangiolosi	CCMSI	In-Person
Courtney Barela	CCMSI	In-Person
Daniel Warner	Cigna	Virtual
David Lauck	CVS	Virtual
Bree Nelson	CVS	Virtual
Sam Garcia	Davis Vision	In-Person
Cathy Fenner	Davis Vision	In-Person
Albert Rhodes	Delta Dental	In-Person
Rich Bolstad	Delta Dental	In-Person
Kathy Payanes	Erisa Administrative Services	In-Person
C. S. Hwa	Erisa Administrative Services	Virtual
Michelle Alarid	Erisa Administrative Services	Virtual
Amy Bonal	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	In-Person
John Michael Keyes	I Love You Guys Foundation	Virtual
Joseph Simon	Legislative Finance Committee	Virtual
Steve Valdez	Presbyterian	In-Person
Justin Shirey	Presbyterian	In-Person
Kevin McDonald	Poms & Associates	In-Person
Tamie Pargas	Poms & Associates	In-Person
Larry Vigil	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	In-Person
Karen Mestas-Harris	Poms & Associates	Virtual
Nura Patani	Segal	Virtual
Melissa Krumholz	Segal	Virtual
Greg Archuleta	The Standard	In-Person
Jennifer Oswald	The Standard	Virtual
Stephanie Anthony	United Concordia	Virtual

**3. Introduction of Guests**

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Mr. John Michael Keyes with I Love You Guys Foundation, Dr. Nura Patani from Segal and Mr. Steve Valdez from Presbyterian.

**4. Citizens to Address the Board (Five-Minute Limit)**

There are no citizens to address the Board.

5. **Approval of Agenda (Action Item)**

Mr. Park noted that item 7A would need to be removed from the agenda.

A motion was made to approve the agenda as amended.

**MOTION:** T. Ruiz

**SECONDED:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

6. **Approval of March 2023 Minutes (Action Item)**

A motion was made to approve the March 2, 2023 Minutes.

**MOTION:** T. Ruiz

**SECONDED:** B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes

David Martinez, Jr. Yes  
Sammy Quintana Yes

**Vote carried unanimously.**

7. **Executive Session to Discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 (Action Item)**

7. **B. RFP# 342-2023-03 Bundled Payment Arrangement for Surgical Services**

A motion was made to go into executive session to discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978.

**MOTION:** D. Martinez, Jr.

**SECONDED:** T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President Yes  
Chris Parrino, Vice President Yes  
Trish Ruiz, Secretary Yes  
Denise Balderas Yes  
Tim Crone Yes  
Travis Dempsey Absent  
Pauline Jaramillo Yes  
Bethany Jarrell Yes  
K.T. Manis Yes  
David Martinez, Jr. Yes  
Sammy Quintana Yes

**Vote carried unanimously.**

A motion was made to come out of executive session. No action was taken during the executive session. Only items listed were discussed.

**MOTION:** D. Martinez, Jr.

**SECONDED:** T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President Yes  
Chris Parrino, Vice President Yes  
Trish Ruiz, Secretary Yes  
Denise Balderas Yes



Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**7. C. Any Action on the Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 (Action Item)**

A motion was made to approve the committee's selected vendor A and enter into contract negotiations and bind a contract.

**MOTION:** T. Ruiz

**SECONDED:** B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**8. Administrative Matters**

**8. A. Staff Update**

Mr. Sandoval provided the staff update. Mr. Sandoval notified the Board that Ms. Lisa Jennings resigned from NMPSIA and will be replaced by Mr. Phillip Gonzales. Ms. Maria Luego has been hired as the CPO. Ms. Leslie Garcia has been hired to fill the Benefits Analyst position. All three new employees' start date will be April 17.

## 8. B. Legislative Update

Mr. Sandoval provided the legislative update. HB27, Breast Exam Health Coverage, was passed. The bill requires the plan to cover diagnostic and supplemental breast exams at no cost. Breast exams are currently covered at no cost under the NMPSIA plan as a preventative service. This bill simply expands coverage for any extra exams. HB53, Delivery of Necessary Diabetic Resources, caps cost sharing for diabetic supplies. This bill was signed by the governor. Currently, NMPSIA covers generic and preferred formulary insulins, meters, and supplies at no cost share for members to choose from. This will have minimal impact on the plan. HB533 would align the NMPSIA contribution tiers with the GSD contribution tiers. Schools received funding from HB2 for \$32 million. Higher educational institutions did not receive any additional funding in HB2 and are being asked to cover the cost with a 1% I&G funding. This bill was also signed. HB2 section 4 included the following language: "Other state funds appropriation to the Public Schools Insurance Authority is contingent on the authority contracting with an independent third party consultant to conduct a claims payment integrity review files in the year 2022 and 2023 by all health systems and hospitals." NMPSIA has asked the executive to void this language before signing HB2. NMPSIA still plans to comply with HB2.

## 8. C. COVID-19 Update

Ms. Martha Quintana, Deputy Director NMPSIA, provided the COVID-19 update. As of March 2020, there have been 243,919 claims totaling \$47,431,988. For the month of February 2023, there were 1,381 claims totaling \$264,783.

## 8. D. IBAC Update

Ms. Kaylei Jones, Benefits/Wellness Program Coordinator NMPSIA, provided the IBAC update. The IBAC met on Wednesday, March 8th. The committee heard a presentation from Abbett Lockbox which delivers innovative solutions for better health outcomes. This service integrates data to audit claims, optimize and design provider networks and benchmark the plan. Cigna updated the committee on rebranding from Cigna to "Cigna Group" and Evernorth Health Services which is the new solutions plan. BCBS, Express Scripts, and CVS all shared that they have been working to meet the deadlines of the RxDC reporting that will be submitted in June. Presbyterian shared that they have signed a letter of intent with Unity Point Health stating that this change will not affect members. Delta Dental shared the Mouth Guard Community Initiative and reminded the committee that this item was presented to the BAC and Board last month. United Concordia shared an update on charitable funds for the under and uninsured, Mission of Mercy initiatives, and denture fittings. The IBAC agencies all shared that they have been very busy with open Request For Proposals and the Legislative session.

## 8. E. Annual Meeting

Ms. Jones provided an update pertaining to dinner venues for the Annual Meeting. The NMPSIA coordinators have been collecting estimates from dinner locations for the Annual Meeting. We have looked into Double Eagle, La Posta, Pecan Grill and Cattle Baron all located in the Las Cruces area.

Three of these venues have been placed on a courtesy hold for the NMPSIA group while we consult with the Board. These venues are La Posta, Pecan Grill and Cattle Baron. Double Eagle is sitting at the highest price with a room rate of \$2,000 and entrée plates \$35 and up.

La Posta is willing to waive the room rental for two hours however the menu is quite limited and would be set up as a self-serve buffet. The buffet price starts at \$25 for the most basic menu options. Pecan Grill room rate is \$150/hr. and entrees are at a median price of \$25 and up. Pecan Grill offers accommodations of customized menus and menu items. Cattle Baron does not charge a room fee however our group would not be offered a private dining area. Entrees are comparable to Pecan Grill. Mr. Park asked if Ms. Jones had any particular preference. She responded that based on the responsiveness and offerings, Pecan Grill has been the most accommodating thus far.

**9. Approval of February 2023 Financials (Action Item)**

Mr. Sandoval, presented the Statement of Revenues and Expenditures for period ending February 28, 2023, for the Employee Benefits Fund. Mr. Sandoval reported revenue of \$28,545,989.13 and expenses of \$26,426,728.18, which resulted in a gain of \$2,119,260.95 for the month of February.

Mr. Sandoval presented the Statement of Revenues and Expenditures for period ending February 28, 2023, for the Risk Fund. Mr. Sandoval reported revenue of \$7,521,671.18 and expenses of \$7,443,491.78, which resulted in a gain of \$78,179.40 for the month of February.

Mr. Sandoval presented the Statement of Revenues and Expenditures for period ending February 28, 2023, for the Program Support Fund. Mr. Sandoval reported revenue of \$127,465.44 and expenses of \$110,656.65, which resulted in a net gain of \$16,808.79 for the month of February.

Mr. Sandoval presented the Balance Sheet for the Agency for the period ending February 28, 2023. Program Support had total assets of \$1,072,731.16, total liabilities of \$222,194.58, and total fund equity of \$850,536.58. Employee Benefits had total assets of \$54,054,195.35, total liabilities of \$33,017,498.74, and total fund equity of \$21,036,696.61. Risk had total assets, of \$131,331,887.19, total liabilities of \$118,811,028.54, and total fund equity of \$12,520,858.65. The total fund equity for the Agency through the month of February was \$34,408,091.84.

A motion was made to approve the Financial Reports for February 2023 as presented.

**MOTION:** T. Ruiz

**SECONDED:** S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent
Trish Ruiz, Secretary	Yes

Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**10. Risk Matters**

**10. A. Approval to enter into a Memorandum of Understanding with the Public Education Department (Action Item)**

Mr. Sandoval informed the committee of a meeting with the Public Education Department (PED) regarding a position to coordinate the activities and functions of the selected anonymous reporting system, which is currently out to RFP. On March 10, 2023, PED informed NMPSIA they do not have funding for the position. NMPISA staff believes it's imperative to have one position to serve as a coordinator. The position would help coordinate the deployment of the anonymous reporting system, and after it is deployed, the position would monitor reporting and statistics. Staff would like to request to enter into a Memorandum of Understanding (MOU) with the PED to pay for the funding of the position needed. The amount being requested is approximately \$114,000 which includes benefits.

A motion was made to approve entering into an MOU with PED.

**MOTION:** T. Ruiz

**SECONDED:** B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**10. B. TPA Reports**

**1. Property & Liability Monthly Claims Report**

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of February 2023. Property had 74 open claims, 5 new claims, and 3 claims were closed. Liability had 393 open claims, 46 new claims, and 36 claims were closed. Reserves were at \$62,185,850.83 and payments were \$33,494,930.39 for a total of \$95,680,781.22.

**2. Property & Liability Large Losses**

Mr. Vanetsky reported large losses. On the property side, one large loss at Estancia Schools, where a geothermal closet at the middle school had an overhead waterline rupture, flooding the closet, soaking the electrical panels, and nearby light fixtures. Remediation was expected to exceed \$50,000.

On the liability side, in Las Cruces, there was a potential criminal sexual contact case, involving perhaps multiple current and former students. No formal claims have been presented yet. One out of Eastern New Mexico University, a volunteer trainer and husband to the women's basketball coach is being accused of inappropriate physical contact with members of the women's basketball team. We did receive an IPRA request from an attorney in Santa Fe and from a local news agency regarding the complaint. In Raton, we had notice of a Tort Claim from a law firm alleging an unlawful sexual relationship between a school faculty member and a high school student. An update was given on the bus accident that occurred on October 5, 2022, out of Roswell, CCMSI received updated medical records from a student who has incurred over \$250,000 in medical treatments thus far, the family has retained an attorney, and a lawsuit is being filed.

**3. Workers' Compensation Monthly Claims Report**

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of February 28, 2023. During the month of February, there were 962 open claims, 304 new claims, 26 claims were re-opened, and 308 claims were closed. Reserves were at \$13,903,743.67 and payments were \$47,861,683.74 for a cumulative total of \$61,765,427.41.

**4. Workers' Compensation Large Losses**

Mr. Mayo reported a large loss at Gadsden which a person tripped and fell resulting in the need for surgery on the right shoulder. Medical indemnity was increased to \$50,210.

**10. C. I Love You Guys Foundation**

Mr. John Michael Keyes is the Executive Director of the I Love You Guys Foundation. He presented how the foundation works with schools and districts, agencies, school safety, law enforcement, and crisis response teams.

The foundation was started ten days after his daughter was killed in a school shooting. The foundation provides standard response protocols, and re-unification training materials at no cost to any entity that would like to use them. All materials are based on age levels. They have materials for higher education and business versions as well. The training materials are available in 10 different languages. Mr. Parrino noted that he was moved by the foundation and believes the message is powerful and has a lot of potential. Ms. Julie Garcia with Poms and Associates added that these materials are being utilized currently.

#### **10. D. Loss Prevention Update**

Mr. Larry Vigil, Poms and Associates, presented the Loss Prevention Abatement Report for February 2023. In February there were 781 total recommendations, total non-capital were 744. Corrected non-capital were 689 which resulted in a 92.61% abatement. Mr. Vigil also reported at ENMU, due to drought and weather conditions some trees have died and are at risk of breaking or toppling. Some trees have been cut down and the University is working on a plan to address any remaining trees.

#### **11. Benefit Matters**

##### **11. A. End of State and Federal COVID Emergency Update**

Dr. Nura Patani, Segal, provided the End of State and Federal COVID Emergency Update. Dr. Patani noted that there are two different emergencies, the Public Health Emergency (PHE) and the Nation Emergency (NE). Provisions sunsetting with the elimination of the PHE include covering COVID tests without cost-sharing, free over the counter (OTC) tests, and coverage of preventative services and vaccines both in and out of network. There is no obligation to cover out of network vaccines. Coverage for testing and treatment can be determined by the plan after May 11. The obligations of the NE have already been addressed by NMPSIA. Pertaining to OTC tests, introducing cost sharing would reduce the average cost of COVID tests to Health Plans from \$120 to \$98. Pertaining to vaccines, government funding of the COVID vaccine will run out in the summer/fall of 2023. Plans will then carry the cost of the vaccine. NMPSIA currently only covers the administration of vaccines.

Ms. Quintana noted that Ms. Cyndi Archuleta is comparing notices, that were provided to our members back in 2020, to the end of the PHE notice requirements to assist with the notification to members. She added that Erisa was administering the requirements of the NE. A notification is planned to be sent to our members advising of the changes and deadlines. Mr. Sandoval asked Ms. Quintana to clarify that OTC tests would no longer be covered, vaccines will be covered under preventative service in-network, COVID testing received in a clinic would be billed according to the facility it was received and this would be the same for treatment out of pocket costs. Ms. Quintana confirmed.

## 11. **B. Stewardship Report**

Dr. Patani shared some highlights from the last four-year contract term. Segal has helped NMPSIA complete 20 Fiscal Impact Reports in the last year alone, supported NMPSIA through several key staff transitions, provided guidance in navigating the COVID-19 pandemic, had notable success with the PBM audit of Express Scripts, continued contemplation of clinic feasibility and helped evaluate new health legislation, policies and regulations. Dr. Patani highlighted several members of the Segal team that are instrumental in the partnership. The pandemic accelerated change however the public school system has not been able to shift in the same way other industries have. Dr. Patani highlighted different expectations from both employers and employees and how they impact benefits. Some of these include support of a more holistic approach to wellbeing, disease prevention rather than treatment and turning to prescriptions as a last resort. Looking to the future, some topics of discussion have already begun. These include additional audits, clinic feasibility, Mental Health Parity and Addiction Equity Act (MHPAEA) Quantitative Treatment Limitations (QTL) and Non-Quantitative Treatment Limitations (NQTL) review and Centers Of Excellent Network for Surgical Bundles.

## 11. **C. Presbyterian Collaboration with Unity Point**

Mr. Steve Valdez and Mr. Justin Shirey with Presbyterian updated the committee that a letter of intent has been signed between Presbyterian and Unity Point Health. The intent is to explore the formation of a new healthcare organization which will make greater investments in clinical excellence, digital innovation, workforce development, and value-based care while lowering overall administrative costs. Presbyterian plans to continue to actively hire and retain delivery systems and health plan. Ms. Ruiz requested confirmation that the local board will remain composed of local members. Mr. Shirey confirmed. Mr. Valdez added that the ownership will be an equal 50/50 share.

## 12. **General Discussion**

Mr. Sandoval informed the Board the NMPSIA and Poms are participating in a New Mexico Safe School Summit. A tentative date has been set for November 6-8. Mr. Sandoval also thanked staff for the work they have contributed to the legislative session and other day-to-day tasks. Mr. Parrino echoed the appreciation. Mr. Martinez Jr. thanked Segal and NMPSIA staff for their assistance on the RFP.

## 13. **Next Meeting Date and Location: Thursday, May 4, 2023 (Action Item)**

**Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, May 4, 2023 at 9:00 a.m. located at Poms & Associates to be offered in-person and virtually.

A motion was made to approve the next meeting date and location.

**MOTION:** T. Ruiz

**SECONDED:** B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Absent
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**14. Adjournment (Action Item)**

A motion was made to adjourn the meeting at 10:39 am.

**MOTION:** S. Quintana

**SECONDED:** B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Absent
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**APPROVED:**

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Mr. Alfred Park, President

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Date



# Public Schools Insurance Authority



**Board Meeting**

**Fiscal Year 2023**

**March 2023 Financial Reports**

**May 4, 2023**

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Employee Benefits Fund**  
**From 3/1/2023 Through 3/31/2023**

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
<b>Revenue</b>						
Premiums (Health Insurance Assessments)	27,521,390.23	29,120,241.56	5.81	244,701,625.73	254,881,329.41	4.16
Interest Income (Wells Fargo, LGIP)	3,446.83	88,012.02	2,453.42	29,691.90	482,599.45	1,525.36
Investment Income (SIC)	154,700.34	455,209.24	194.25	(638,444.37)	1,564,502.32	(345.05)
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	0.00	0.00	0.00	40,587.76	0.00	(100.00)
<b>Total Revenue</b>	<b>27,679,537.40</b>	<b>29,663,462.82</b>	<b>7.17</b>	<b>244,133,461.02</b>	<b>256,928,431.18</b>	<b>5.24</b>
<b>Expenditures</b>						
Medical Claims Expense	25,743,105.60	21,222,179.38	(17.56)	199,725,189.21	183,628,323.36	(8.06)
Prescription Claims Expense	5,857,137.76	3,584,430.35	(38.80)	34,522,041.39	32,534,105.02	(5.76)
Dental Claims Expense	1,378,401.89	1,492,308.97	8.26	10,066,383.43	10,407,723.71	3.39
Premiums (Life, Vision)	1,117,814.78	1,273,850.00	13.96	9,600,022.36	10,531,586.92	9.70
Claims Administration Fees (Medical, Dental, Rx)	1,415,058.58	1,321,394.54	(6.62)	13,564,913.71	10,662,634.09	(21.40)
Contractual Services (Erisa, Segal, Legal, Etc)	216,859.63	200,883.05	(7.37)	1,977,165.18	2,077,587.55	5.08
Other Expenses	0.00	0.00	0.00	52,200.00	0.00	(100.00)
Transfer to Program Support	59,166.00	63,333.00	7.04	532,502.00	570,001.00	7.04
<b>Total Expenditures</b>	<b>35,787,544.24</b>	<b>29,158,379.29</b>	<b>(18.52)</b>	<b>270,040,417.28</b>	<b>250,411,961.65</b>	<b>(7.27)</b>
<b>Net Revenue &amp; Expenditures</b>	<b>(8,108,006.84)</b>	<b>505,083.53</b>	<b>(106.23)</b>	<b>(25,906,956.26)</b>	<b>6,516,469.53</b>	<b>(125.15)</b>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Risk Fund**  
**From 3/1/2023 Through 3/31/2023**

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
<b>Revenue</b>						
Premiums (Risk Insurance Assessments)	7,246,967.00	7,737,270.00	6.77	65,217,883.07	69,635,474.00	6.77
Interest Income (Wells Fargo, LGIP)	10,571.60	308,091.63	2,814.33	79,324.16	1,880,796.91	2,271.03
Investment Income (SIC)	123,093.91	352,766.30	186.58	(214,599.76)	1,215,108.70	(666.22)
Miscellaneous Income (Penalties, Subros, Etc)	0.00	0.00	0.00	0.00	1.04	100.00
<b>Total Revenue</b>	<b>7,380,632.51</b>	<b>8,398,127.93</b>	<b>13.79</b>	<b>65,082,607.47</b>	<b>72,731,380.65</b>	<b>11.75</b>
<b>Expenditures</b>						
Property - Liability Claims Expense						
Property Claims	1,324,464.54	849,754.90	(35.84)	6,536,953.74	8,925,520.94	36.54
Liability Claims	446,663.41	2,235,113.99	400.40	17,363,415.77	15,055,599.74	(13.29)
P-L Provisions for Losses	645,671.99	2,156,373.58	233.97	(844,305.37)	6,086,770.72	(820.92)
P-L Excess Recoveries	(771,220.52)	(1,608,905.79)	108.62	(7,850,412.31)	(12,443,312.71)	58.51
P-L Excess Recoveries Distributed to Schools	0.00	0.00	0.00	0.00	3,883,645.42	100.00
<b>Total Property - Liability Claims Expense</b>	<b>1,645,579.42</b>	<b>3,632,336.68</b>	<b>120.73</b>	<b>15,205,651.83</b>	<b>21,508,224.11</b>	<b>41.45</b>
Workers' Compensation Claims Expense	767,008.48	1,369,059.41	78.49	7,459,107.25	8,567,555.41	14.86
Property Excess Coverage Premium	2,374,974.00	2,586,540.00	8.91	21,374,760.00	23,278,868.00	8.91
Liability Excess Coverage Premium	1,622,917.00	1,771,250.00	9.14	14,606,249.00	15,941,250.00	9.14
Workers' Compensation Excess Coverage Premium	39,098.00	39,900.00	2.05	351,473.00	359,109.00	2.17
Student Catastrophic Insurance Premium	18,092.00	18,240.00	0.82	162,833.47	164,168.62	0.82
Equipment Breakdown Insurance Premium	31,280.00	34,196.00	9.32	281,532.60	307,768.62	9.32
Property - Liability Claims Administration Fees	91,147.15	94,196.10	3.35	820,324.35	847,873.12	3.36
Workers' Compensation Claims Administration Fees	100,651.65	104,051.99	3.38	906,097.89	936,587.56	3.36
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	237,004.80	250,918.04	5.87	3,226,568.25	3,335,183.25	3.37
Transfer to Program Support	59,158.00	63,340.00	7.07	532,426.00	570,080.00	7.07
<b>Total Expenditures</b>	<b>6,986,910.50</b>	<b>9,964,028.22</b>	<b>42.61</b>	<b>64,927,023.64</b>	<b>75,816,667.69</b>	<b>16.77</b>
<b>Net Revenue &amp; Expenditures</b>	<b>393,722.01</b>	<b>(1,565,900.29)</b>	<b>(497.72)</b>	<b>155,583.83</b>	<b>(3,085,287.04)</b>	<b>(2,083.04)</b>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Program Support Fund**  
**From 3/1/2023 Through 3/31/2023**

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
<b>Revenue</b>						
Transfers from Other Funds (Benefits, Risk)	118,324.00	126,673.00	7.06	1,064,928.00	1,140,081.00	7.06
Miscellaneous Income	0.00	0.00	0.00	0.00	818.94	100.00
Total Revenue	<u>118,324.00</u>	<u>126,673.00</u>	<u>7.06</u>	<u>1,064,928.00</u>	<u>1,140,899.94</u>	<u>7.13</u>
<b>Expenditures</b>						
Contractual Services (Professional, Audit, Legal, Etc)	2,751.16	2,906.03	5.63	60,064.54	79,055.65	31.62
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	6,136.87	7,772.77	26.66	96,684.07	108,444.35	12.16
Per Svc/Ben (Salaries, Fringe Benefits)	85,299.54	94,008.97	10.21	824,934.70	780,443.70	(5.39)
Total Expenditures	<u>94,187.57</u>	<u>104,687.77</u>	<u>11.15</u>	<u>981,683.31</u>	<u>967,943.70</u>	<u>(1.40)</u>
Net Revenue & Expenditures	<u>24,136.43</u>	<u>21,985.23</u>	<u>(8.91)</u>	<u>83,244.69</u>	<u>172,956.24</u>	<u>107.77</u>

**NM Public Schools Insurance Authority**

Balance Sheet  
As of 3/31/2023

	Program Support	Employee Benefits	Risk	Total
<b>ASSETS</b>				
Cash (Wells Fargo/State Treasurer)	715,255.82	429,256.96	399,481.26	1,543,994.04
Short-term Investments (LGIP)	0.00	12,196,856.86	75,920,260.60	88,117,117.46
Long-term Investments (SIC)	0.00	24,055,997.90	18,659,820.55	42,715,818.45
Receivables (LGIP Int., W/C Excess Carrier)	0.00	7,593,846.00	15,983,211.72	23,577,057.72
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	13,350,378.00	13,350,378.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	249,846.47	6,510,954.00	256,000.00	7,016,800.47
<b>Total ASSETS</b>	<b>965,102.29</b>	<b>50,786,911.72</b>	<b>124,569,152.13</b>	<b>176,321,166.14</b>
<b>LIABILITIES</b>				
Accounts Payable (Admin Fees)	0.00	1,523,846.36	449,166.13	1,973,012.49
Case Reserves (P/L, W/C)	0.00	0.00	40,081,681.83	40,081,681.83
IBNR (Incurred But Not Reported)	0.00	22,533,576.00	49,392,898.00	71,926,474.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	5,104,279.12	478,637.81	5,582,916.93
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	67,020.61	23,211,810.00	23,278,830.61
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	92,580.48	16,409.48	0.00	108,989.96
<b>Total LIABILITIES</b>	<b>92,580.48</b>	<b>29,245,131.57</b>	<b>113,614,193.77</b>	<b>142,951,905.82</b>
<b>FUND EQUITY</b>				
Beginning Fund Equity	699,565.57	15,025,310.62	14,040,245.40	29,765,121.59
Net Revenue & Expenditures (Year-to-Date)	172,956.24	6,516,469.53	(3,085,287.04)	3,604,138.73
<b>Total FUND EQUITY</b>	<b>872,521.81</b>	<b>21,541,780.15</b>	<b>10,954,958.36</b>	<b>33,369,260.32</b>

## New Mexico Public Schools Insurance Authority

### Risk Fund

Statement of Revenue & Expenditures/Projections  
July 1, 2022 - June 30, 2023

	Current Month Actual March 2023	YTD Actual	Projected	FY23 Grand Total	Budget Authority	
					FY23 Approved Budget	FY23 Projected Budget Rev/Exp
<b>Revenue</b>						
Premiums (P/L, W/C)	7,737,270	69,635,474	23,211,810	92,847,284	87,199,100	92,847,284
Interest Income (Wells Fargo Bank, LGIP)	308,092	1,880,797	12,498	1,893,295	50,000	1,893,295
Long-term Investment Income (Gains/Losses)	352,766	1,215,109	0	1,215,109	0	1,215,109
General Fund	0	0	0	0		
Misc Income (Subrogations/Recoveries)	0	1	0	1	0	1
<b>Total Revenue</b>	<b>8,398,128</b>	<b>72,731,381</b>	<b>23,224,308</b>	<b>95,955,689</b>	<b>87,249,100</b>	<b>95,955,689</b>
<b>Expenditures</b>						
Claims (P/L, W/C, WC Mgmt Fees)	2,517,322	22,862,059	16,404,628	39,266,687	26,818,755	39,266,687
Claims Loss Reserve	2,484,074	7,213,720	0	7,213,720	0	7,213,720
Premiums (Excess Coverage-P/L, W/C)	4,450,126	40,051,164	13,350,378	53,401,542	52,292,534	53,401,542
Claims Processing Fees	198,248	1,784,461	594,744	2,379,205	2,366,710	2,379,205
Other Contractual/ Misc. (Audit, Appraisal, Atty.,etc.)	250,918	3,335,183	973,202	4,308,385	5,011,001	4,308,385
Transfer to State General Fund	0	0	0	0	0	0
<b>Total Expenses</b>	<b>9,900,688</b>	<b>75,246,588</b>	<b>31,322,952</b>	<b>106,569,540</b>	<b>86,489,000</b>	<b>106,569,540</b>
Admin Transfer to Program Support	63,340	570,080	190,020	760,100	760,100	760,100
Expenditures Plus Admin Transfer	9,964,028	75,816,668	31,512,972	107,329,640	87,249,100	107,329,640
<b>Net Gain/Loss</b>	<b>(1,565,900)</b>	<b>(3,085,287)</b>	<b>(8,288,664)</b>	<b>(11,373,951)</b>	<b>0</b>	<b>(20,080,540)</b>

S-8 OPBUD by Fund Level

BU PCode Department  
34200 0000 0000000000

(Dollars in Thousands)

		FY23 OPBUD	FY23 PCF Projection	FY24 GAA OPBUD with Transfers	FY24 Comp Package	FY24 Other Adjustments	FY24 OPBUD-3	FY24 Other Recurring	Final FY24 OPBUD
112	Other Transfers	1,520.1	0.0	1,581.1	0.0	0.0	1,643.5	0.0	1,643.5
130	Other Revenues	442,095.8	0.0	467,117.4	0.0	0.0	467,117.4	0.0	467,117.4
150	Fund Balance	0.0	0.0	5,491.4	62.4	0.0	5,553.8	0.0	5,553.8
		<b>443,615.9</b>	<b>0.0</b>	<b>474,189.9</b>	<b>62.4</b>	<b>0.0</b>	<b>474,314.7</b>	<b>0.0</b>	<b>474,314.7</b>
	<b>REVENUE</b>	<b>443,615.9</b>	<b>0.0</b>	<b>474,189.9</b>	<b>62.4</b>	<b>0.0</b>	<b>474,314.7</b>	<b>0.0</b>	<b>474,314.7</b>
<b>EXPENSE</b>									
200	Personal Services and Employee Benefit	1,244.4	1,125.5	1,305.4	62.4	0.0	1,367.8	0.0	1,367.8
300	Contractual services	440,666.1	0.0	471,118.1	0.0	0.0	471,118.1	0.0	471,118.1
400	Other	185.3	0.0	185.3	0.0	0.0	185.3	0.0	185.3
500	Other financing uses	1,520.1	0.0	1,581.1	0.0	0.0	1,643.5	0.0	1,643.5
	<b>EXPENDITURES</b>	<b>443,615.9</b>	<b>1,125.5</b>	<b>474,189.9</b>	<b>62.4</b>	<b>0.0</b>	<b>474,314.7</b>	<b>0.0</b>	<b>474,314.7</b>
	<b>EXPENSE</b>	<b>443,615.9</b>	<b>1,125.5</b>	<b>474,189.9</b>	<b>62.4</b>	<b>0.0</b>	<b>474,314.7</b>	<b>0.0</b>	<b>474,314.7</b>
<b>FTE POSITIONS</b>									
810	Permanent	11.00	11.00	12.00	0.00	0.00	12.00	0.00	12.00
	<b>FTE POSITIONS</b>	<b>11.00</b>	<b>11.00</b>	<b>12.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12.00</b>	<b>0.00</b>	<b>12.00</b>

Public School Insurance Author

State of New Mexico  
**S-8 OPBUD by Fund Level**  
 (Dollars in Thousands)

BU PCode Fund Fund Name  
 34200 P630 35000 Employee Benefits

		FY23 OPBUD	FY23 PCF Projection	FY24 GAA OPBUD with Transfers	FY24 Comp Package	FY24 Other Adjustments	FY24 OPBUD-3	FY24 Other Recurring	Final FY24 OPBUD
130	Other Revenues	354,846.7	0.0	367,093.0	0.0	0.0	367,093.0	0.0	367,093.0
150	Fund Balance	0.0	0.0	4,682.4	31.2	0.0	4,713.6	0.0	4,713.6
		<b>354,846.7</b>	<b>0.0</b>	<b>371,775.4</b>	<b>31.2</b>	<b>0.0</b>	<b>371,806.6</b>	<b>0.0</b>	<b>371,806.6</b>
<b>REVENUE</b>		<b>354,846.7</b>	<b>0.0</b>	<b>371,775.4</b>	<b>31.2</b>	<b>0.0</b>	<b>371,806.6</b>	<b>0.0</b>	<b>371,806.6</b>
<b>EXPENSE</b>									
300	Contractual services	354,086.7	0.0	370,984.4	0.0	0.0	370,984.4	0.0	370,984.4
500	Other financing uses	760.0	0.0	791.0	0.0	0.0	822.2	0.0	822.2
	<b>EXPENDITURES</b>	<b>354,846.7</b>	<b>0.0</b>	<b>371,775.4</b>	<b>0.0</b>	<b>0.0</b>	<b>371,806.6</b>	<b>0.0</b>	<b>371,806.6</b>
<b>EXPENSE</b>		<b>354,846.7</b>	<b>0.0</b>	<b>371,775.4</b>	<b>0.0</b>	<b>0.0</b>	<b>371,806.6</b>	<b>0.0</b>	<b>371,806.6</b>

Public School Insurance Author

State of New Mexico  
**S-8 OPBUD by Fund Level**  
 (Dollars in Thousands)

BU PCode Fund Fund Name  
 34200 P631 35100 Risk Related Coverages

		FY23 OPBUD	FY23 PCF Projection	FY24 GAA OPBUD with Transfers	FY24 Comp Package	FY24 Other Adjustments	FY24 OPBUD-3	FY24 Other Recurring	Final FY24 OPBUD
130	Other Revenues	87,249.1	0.0	100,024.4	0.0	0.0	100,024.4	0.0	100,024.4
150	Fund Balance	0.0	0.0	809.0	31.2	0.0	840.2	0.0	840.2
		<b>87,249.1</b>	<b>0.0</b>	<b>100,833.4</b>	<b>31.2</b>	<b>0.0</b>	<b>100,864.6</b>	<b>0.0</b>	<b>100,864.6</b>
<b>REVENUE</b>		<b>87,249.1</b>	<b>0.0</b>	<b>100,833.4</b>	<b>31.2</b>	<b>0.0</b>	<b>100,864.6</b>	<b>0.0</b>	<b>100,864.6</b>
<b>EXPENSE</b>									
300	Contractual services	86,489.0	0.0	100,043.3	0.0	0.0	100,043.3	0.0	100,043.3
500	Other financing uses	760.1	0.0	790.1	0.0	0.0	821.3	0.0	821.3
	<b>EXPENDITURES</b>	<b>87,249.1</b>	<b>0.0</b>	<b>100,833.4</b>	<b>0.0</b>	<b>0.0</b>	<b>100,864.6</b>	<b>0.0</b>	<b>100,864.6</b>
<b>EXPENSE</b>		<b>87,249.1</b>	<b>0.0</b>	<b>100,833.4</b>	<b>0.0</b>	<b>0.0</b>	<b>100,864.6</b>	<b>0.0</b>	<b>100,864.6</b>

Public School Insurance Author

State of New Mexico  
**S-8 OPBUD by Fund Level**

BU PCode Fund Fund Name



		FY23 OPBUD	FY23 PCF Projection	FY24 GAA OPBUD with Transfers	FY24 Comp Package	FY24 Other Adjustments	FY24 OPBUD-3	FY24 Other Recurring	Final FY24 OPBUD
112	Other Transfers	1,520.1	0.0	1,581.1	0.0	0.0	1,643.5	0.0	1,643.5
		<b>1,520.1</b>	<b>0.0</b>	<b>1,581.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1,643.5</b>	<b>0.0</b>	<b>1,643.5</b>
<b>REVENUE</b>		<b>1,520.1</b>	<b>0.0</b>	<b>1,581.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1,643.5</b>	<b>0.0</b>	<b>1,643.5</b>
<b>EXPENSE</b>									
200	Personal Services and Employee Benefit	1,244.4	1,125.5	1,305.4	62.4	0.0	1,367.8	0.0	1,367.8
300	Contractual services	90.4	0.0	90.4	0.0	0.0	90.4	0.0	90.4
400	Other	185.3	0.0	185.3	0.0	0.0	185.3	0.0	185.3
<b>EXPENDITURES</b>		<b>1,520.1</b>	<b>1,125.5</b>	<b>1,581.1</b>	<b>62.4</b>	<b>0.0</b>	<b>1,643.5</b>	<b>0.0</b>	<b>1,643.5</b>
<b>EXPENSE</b>		<b>1,520.1</b>	<b>1,125.5</b>	<b>1,581.1</b>	<b>62.4</b>	<b>0.0</b>	<b>1,643.5</b>	<b>0.0</b>	<b>1,643.5</b>

## STATE OF NEW MEXICO AUDIT CONTRACT

**NM Public School Insurance Authority**

hereinafter referred to as the "Agency," and

**Kubiak, Melton & Associates, LLC**

hereinafter referred to as the "Contractor," agree:

**As required by the Audit Rule, Section 2.2.2.1 NMAC *et seq.*, Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to Section 2.2.2.8 NMAC, and whether the Contractor is eligible to enter into this Contract despite the restriction.**

**1. SCOPE OF WORK** (Include in Paragraph 25 any expansion of scope)

A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year **2023** in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act, Sections 12-6-1 through 12-6-15, NMSA 1978, and the Audit Rule (Section 2.2.2.1 NMAC *et seq.*).

**2. DELIVERY AND REPRODUCTION**

A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the documents to the State Auditor on or before the deadline set forth for the Agency in Section 2.2.2.9 NMAC.

B. Reports uploaded to OSA Connect by the Agency's due date will be considered received by the due date for purposes of Section 2.2.2.9 NMAC. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with Section 2.2.2.13 NMAC. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.

C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor in accordance with Section 2.2.2.9 NMAC.

D. Pursuant to Section 2.2.2.10 NMAC, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.

E. After its review of the audit report pursuant to Section 2.2.2.13 NMAC, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, and any other required electronic schedule (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver **25** copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

**3. COMPENSATION**

A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed **\$44,986.00** including applicable gross receipts tax.

B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.

C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	<b>\$38,750.00</b>
(2) Federal single audit	<b>\$0.00</b>
(3) Financial statement preparation	<b>\$3,000.00</b>
(4) Other nonaudit services, such as depreciation schedule updates	<b>\$0.00</b>
(5) Other (i.e., component units, specifically identified)	<b>\$0.00</b>

Gross Receipts Tax = **\$3,236.00**

Total Compensation = **\$44,986.00** including applicable gross receipts tax

D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.

E. The State Auditor may authorize progress payments to the Contractor by the Agency; pursuant to Section 2.2.2.8(M)(3) NMAC; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. If requested by the State Auditor, the Agency shall provide a copy of the progress billings. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. **TERM.** Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the latest date on which it is signed.

5. **TERMINATION, BREACH AND REMEDIES**

A. This Contract may be terminated:

1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to Section 2.2.2.8 NMAC, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. **THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.**

6. **STATUS OF CONTRACTOR**

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **ASSIGNMENT**

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. **SUBCONTRACTING**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to Section 2.2.2.8 NMAC, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the State Auditor from entering into such a contract.

9. **RECORDS**

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. **RELEASE**

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. **CONFIDENTIALITY**

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

12. **PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE**

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. For District Courts and District Attorneys only, the contractor agrees that the Financial Control Division of the Department of Finance and Administration (DFA) is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report and that the Contractor's audit report may be relied upon during the audit of the statewide Comprehensive Annual Financial Report, if applicable. However, DFA should not provide to any third party, other than the Comprehensive Annual Financial Report auditor, the District Courts' or District Attorneys' draft audit reports or their opinion letters or findings.

### 13. **CONFLICT OF INTEREST**

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

### 14. **INDEPENDENCE**

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards*, issued by the Comptroller General of the United States, and Section 2.2.2.8 NMAC. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

### 15. **AMENDMENT**

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

### 16. **MERGER**

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to Section 2.2.2.10 NMAC, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

### 17. **APPLICABLE LAW**

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

### 18. **AGENCY BOOKS AND RECORDS**

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

### 19. **APPROPRIATIONS**

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

### 20. **PENALTIES FOR VIOLATION OF LAW**

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for certain violations. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

### 21. **EQUAL OPPORTUNITY COMPLIANCE**

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

### 22. **WORKING PAPERS**

A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

### 23. **DESIGNATED ON-SITE STAFF**

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is **Daniel Trujillo**. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. **INVALID TERM OR CONDITION**

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. **OTHER PROVISIONS**

**SIGNATURE PAGE**

This Contract is made effective as of the date of the latest signature.

**AGENCY**

**NM Public School Insurance Authority**

**CONTRACTOR**

**Kubiak, Melton & Associates, LLC**

PRINTED  
NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

PRINTED  
NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**AUDIT QUOTE**

May 2, 2023

**Patrick Sandoval, Executive Director  
New Mexico Public Schools Insurance Authority  
410 Old Taos Highway  
Santa Fe, New Mexico 87501  
505-988-2736**

Dear Mr. Sandoval:

Kubiak Melton & Associates, LLC (KMA CPAs) is pleased to present our updated quote to NMPSIA for the year ended June 30, 2023. The trigger of this quote stems from increased labor costs for our firm as well as the general economic environment and inflation. We are proposing a \$10/hour increase over the hourly rate we charged during 2016-2022 (\$115/hour).

Our blended hourly fee was \$115/hour for conducting your audits 2016-2022. Given the current economic conditions, we need to increase the blended hourly fee to \$125.

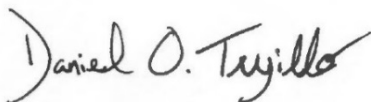
Background:

In 2018 State Audit Rule Training indicated the average hourly fee for audits similar to yours was approximately \$125 an hour. This was over 5 years ago. Last year alone, the inflation in the US was 6.5%. We believe it is safe to say that the average hourly rate for audits similar to yours in New Mexico has increased since 2018 well beyond \$125/hour. We also believe we can agree that it is more cost beneficial for the entity to retain us as your current auditor than it is to have to go through all the first-year nuances. First year processes can take up a significant amount of your time and resources. It is our opinion that this cost-benefit analysis should suffice as consideration of the best obtainable price.

<u>Year Ending:</u>	<u>Hours</u> <u>6/30/2023</u>	<u>Cost</u> <u>6/30/2023</u>
Financial Statement Audit	310.0	\$ 38,750
Financial Statement Preparation	<u>24.0</u>	<u>3,000</u>
<b>Sub-total</b>	<u>334.0</u>	41,750
<b>Gross Receipts Tax (estimated)</b>		<u>3,236</u>
<b>Total Compensation</b>		<b><u>\$ 44,986</u></b>

If you have any additional questions regarding our proposal, please call me at 505-670-9597.

Sincerely,



Daniel O. Trujillo, CPA, CFE, CGFM, CGMA  
Member – Director of Audit



# New Mexico Public Schools Insurance Authority

## Investment Performance Review For the Quarter Ended March 31, 2023

Client Management Team

Ellen Clark, Director  
Matt Smith, CFA, Senior Managing Consultant  
Chrystal Thomas, Analyst

PFM Asset Management LLC

1820 East Ray Road  
Chandler, AZ 85225  
855-885-9621

1735 Market Street  
43rd Floor  
Philadelphia, PA 19103

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# **Markets and Economy**

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
<b>DOMESTIC EQUITY</b>							
S&P 500	7.50%	7.50%	-7.73%	18.60%	11.19%	12.42%	12.24%
Russell 3000 Index	7.18%	7.18%	-8.58%	18.48%	10.45%	11.99%	11.73%
Russell 1000 Value Index	1.01%	1.01%	-5.91%	17.93%	7.50%	9.02%	9.13%
Russell 1000 Growth Index	14.37%	14.37%	-10.90%	18.58%	13.66%	15.01%	14.59%
Russell Midcap Index	4.06%	4.06%	-8.78%	19.20%	8.05%	9.88%	10.05%
Russell 2500 Index	3.39%	3.39%	-10.39%	19.42%	6.65%	9.46%	9.07%
Russell 2000 Index	2.74%	2.74%	-11.61%	17.51%	4.71%	8.55%	8.04%
Russell 2000 Value Index	-0.66%	-0.66%	-12.96%	21.01%	4.55%	7.86%	7.22%
Russell 2000 Growth Index	6.07%	6.07%	-10.60%	13.36%	4.26%	8.74%	8.49%
<b>INTERNATIONAL EQUITY</b>							
MSCI EAFE (Net)	8.47%	8.47%	-1.38%	12.99%	3.52%	6.21%	5.00%
MSCI AC World Index (Net)	7.31%	7.31%	-7.44%	15.36%	6.93%	9.16%	8.06%
MSCI AC World ex USA (Net)	6.87%	6.87%	-5.07%	11.80%	2.47%	5.86%	4.17%
MSCI AC World ex USA Small Cap (Net)	4.70%	4.70%	-10.37%	15.04%	1.67%	5.66%	5.06%
MSCI EM (Net)	3.96%	3.96%	-10.70%	7.83%	-0.91%	4.91%	2.00%
<b>ALTERNATIVES</b>							
FTSE NAREIT Equity REIT Index	2.68%	2.68%	-19.19%	12.08%	6.02%	4.10%	5.97%
FTSE EPRA/NAREIT Developed Index	1.04%	1.04%	-20.61%	7.58%	1.80%	2.15%	3.38%
Bloomberg Commodity Index Total Return	-5.36%	-5.36%	-12.49%	20.82%	5.36%	5.59%	-1.72%
<b>FIXED INCOME</b>							
Blmbg. U.S. Aggregate	2.96%	2.96%	-4.78%	-2.77%	0.90%	0.88%	1.36%
Blmbg. U.S. Government/Credit	3.17%	3.17%	-4.81%	-2.63%	1.16%	1.10%	1.50%
Blmbg. Intermed. U.S. Government/Credit	2.33%	2.33%	-1.66%	-1.28%	1.40%	1.11%	1.32%
Blmbg. U.S. Treasury: 1-3 Year	1.59%	1.59%	0.23%	-0.84%	1.09%	0.81%	0.80%
Blmbg. U.S. Corp: High Yield	3.57%	3.57%	-3.34%	5.91%	3.21%	5.08%	4.10%
Credit Suisse Leveraged Loan Index	3.11%	3.11%	2.12%	8.38%	3.55%	4.57%	3.86%
ICE BofAML Global High Yield Constrained (USD)	3.59%	3.59%	-4.39%	4.58%	1.60%	3.98%	3.31%
Blmbg. Global Aggregate Ex USD	3.06%	3.06%	-10.72%	-4.13%	-3.18%	-1.28%	-0.99%
JPM EMBI Global Diversified	1.86%	1.86%	-6.92%	-0.02%	-0.60%	1.40%	2.01%
<b>CASH EQUIVALENT</b>							
90 Day U.S. Treasury Bill	1.07%	1.07%	2.50%	0.89%	1.41%	1.20%	0.86%

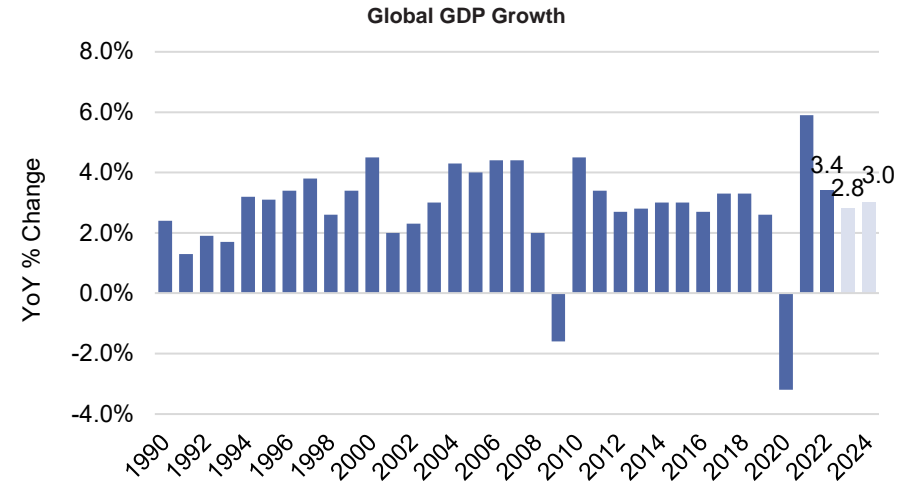
Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

**THE ECONOMY**

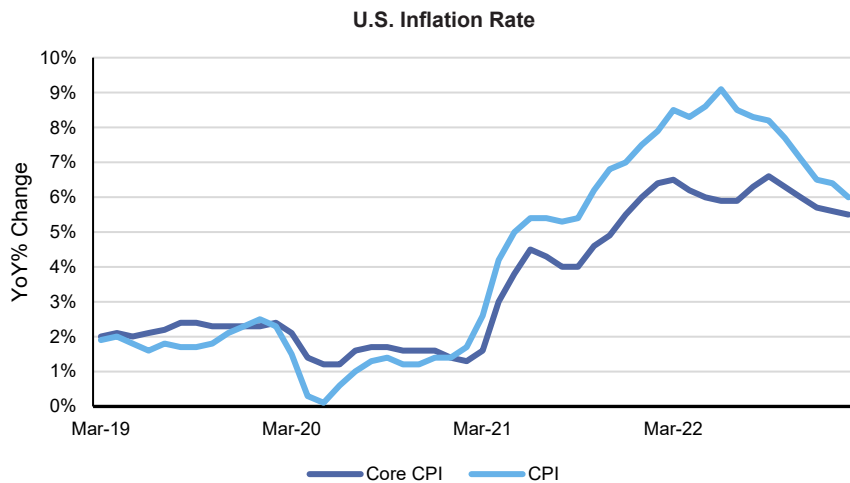
▶ The International Monetary Fund (IMF) revised its global growth outlook downwards, estimating that worldwide gross domestic product (GDP) growth will be 2.8% in 2023 and 3.0% in 2024. This is 10 basis points (bps) lower than the group’s January prediction, as tightening financial conditions and continued geopolitical tensions are expected to drag on growth.

▶ The domestic labor market continued to show strength, with the unemployment rate ending at a flat 3.5%. The labor force participation improved during the quarter, increasing to a pandemic-era high of 62.6% but still below the pre-pandemic rate of 63.3%. Total non-farm employment increased by 1.03 million in the first quarter, up from last quarter’s 853,000. The gains appear to be slowing, with 236,000 jobs added during March, the smallest monthly gain since a decline in December 2020.

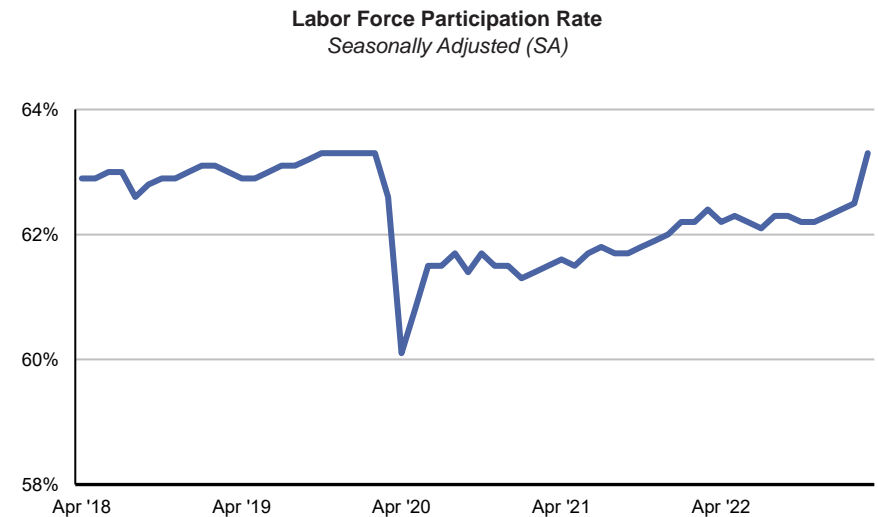
▶ Inflation cooled this quarter as energy prices fell and food prices held flat. Wage growth also slowed, with gains of 4.2% year-over-year at quarter end, compared to nearly 6% one year ago, which are all possible signs of easing inflationary pressures. The headline consumer price index (CPI) gained 5.0% compared to a year earlier in March. While still above the Federal Reserve’s (Fed) target of 2%, the quarter ended with the ninth-straight month of easing price growth on an annual basis.



Source: IMF. Dark blue bars indicate actual numbers; light blue bars indicate forecasted estimates.



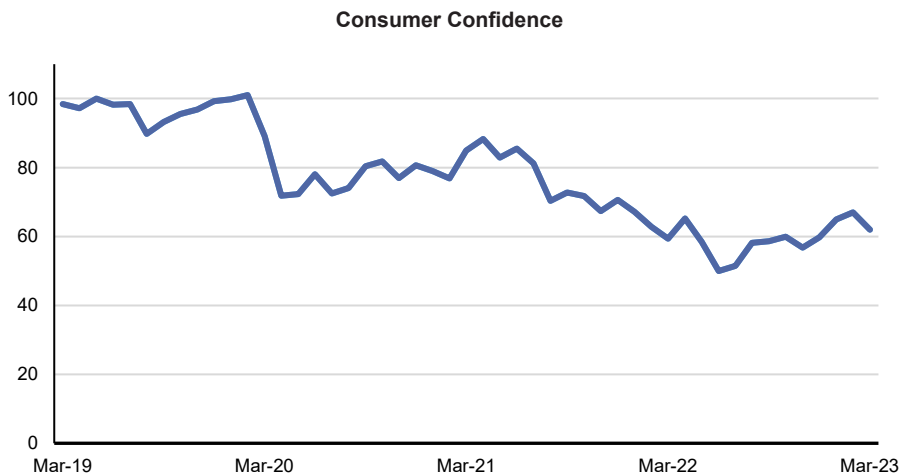
Source: Bureau of Labor Statistics.



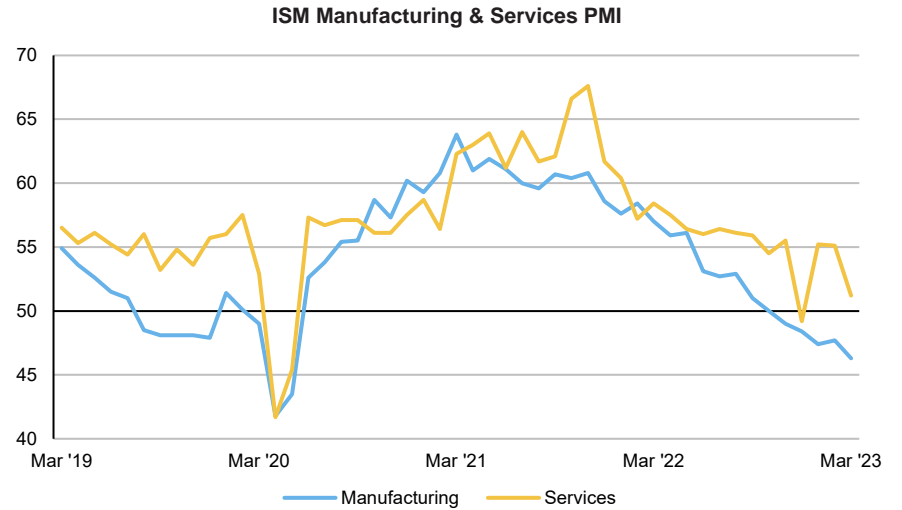
Source: Bureau of Labor Statistics.

**WHAT WE'RE WATCHING**

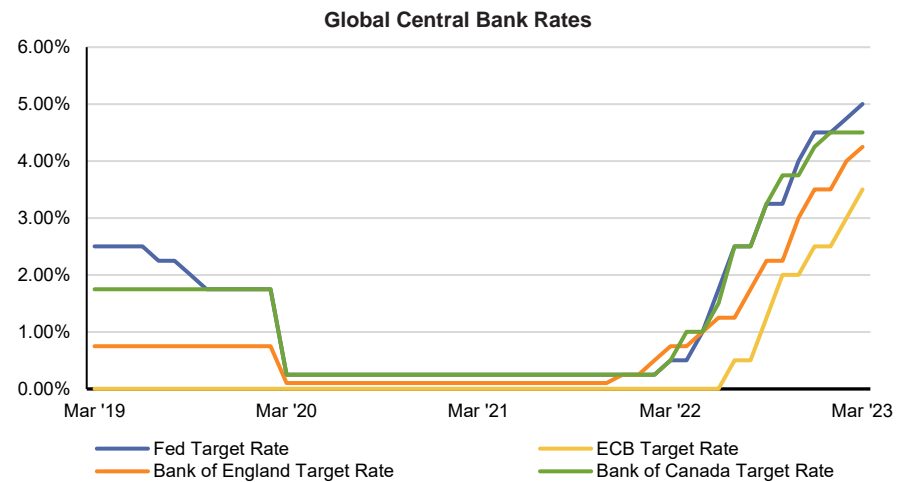
- ▶ During the first quarter, the Fed and the European Central Bank (ECB) both hiked rates in February and March as they continued to tighten monetary policy to tame inflation. Looking forward as inflation cools and central banks are expected to slow or stop interest rate increases, financial markets will have more clarity.
- ▶ The Fed's latest Summary of Economic Projections suggests rates will tick slightly higher in 2023, with the median expectation for the target rate to peak at 5.1% this year. Current market predictions foresee the ECB making a 25-basis point increase at the next meeting, but the ECB remains firmly in meeting-by-meeting mode with no forward guidance on interest rates.
- ▶ Economic indicators have been mixed. U.S. factory activity, as measured by the ISM manufacturing PMI, fell during the quarter to 46.3, the lowest level since May 2020. At the same time, the services sector, which accounts for more than two-thirds of the U.S. economy, continues to indicate growth, with a reading of 51.2 in March.
- ▶ The Michigan Consumer Sentiment Index rose slightly over the quarter, despite the banking turmoil, to 62.0 in March 2023, which was above December's reading of 59.7. Since consumers are increasingly expecting a recession, we continue to monitor this index for negative changes.



Source: Bloomberg.



Source: Bloomberg.



Source: Bloomberg.

**DOMESTIC EQUITY**

▶ The S&P 500 Index (S&P) posted a positive return of 7.50% for the first quarter of 2023. The trailing 1-year return for the index is -7.73%.

▶ In March, volatility increased following the collapse of Silicon Valley Bank and Signature Bank. Before the collapses, as of March 8, the year-to-for the S&P 400 (6.6%) and S&P 600 (6.6%) were outpacing the S&P 500 (4.3%). As investors became more risk-averse they moved to larger companies, hence the S&P 500 (7.5%) finished the quarter ahead of the S&P 400 (3.8%) and S&P 600 (2.5%).

▶ Within S&P, returns were mixed across the 11 GICS sectors. Information Technology (21.82%), Telecommunication Services (20.50%), and Consumer Discretionary (16.05%) were the best performers over the quarter. Financials (-5.56%), Energy (-4.71%), and Healthcare (-4.31%) were the worst performers.

▶ Growth stocks, as represented by the Russell 1000 Growth Index, returned 14.37%, outpaced value stocks, as represented by the Russell 1000 Value Index, which returned 1.01% for the quarter. Over the trailing 12 months, the Value index has outperformed the Growth index by almost five percentage points (-5.91% vs -10.90%).

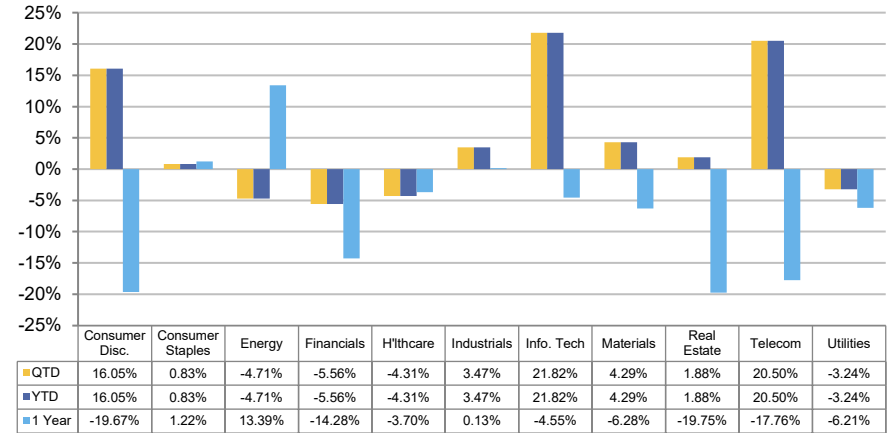
▶ Small-caps, as represented by the Russell 2000 Index, returned 2.74% during the quarter, lagging behind mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 4.06% and 7.46%, respectively.

▶ According to FactSet Earnings Insight (as of March 31, 2023), the expected earnings growth rate for S&P 500 for the quarter is negative 6.6%. If -6.6% is the actual growth rate for the quarter, it will mark the largest decline in earnings since Q2 2020 (-31.8%). Also, according to FactSet, analysts expect earnings declines for the first half of 2023, and earnings growth to return for the second half of 2023. Projected earnings growth for Q1 and Q2 are -6.6% and -4.4%, respectively. Projected earnings growth for Q3 and Q4 are 2.3% and 9.3%, respectively.

▶ As of the end of the quarter, the S&P 500 P/E ratio was 20.17, below its 5-year average of 21.45. By comparison, the S&P 600, which represents small-cap stocks, had a P/E ratio of 14.14, below its 5-year average of 17.54.

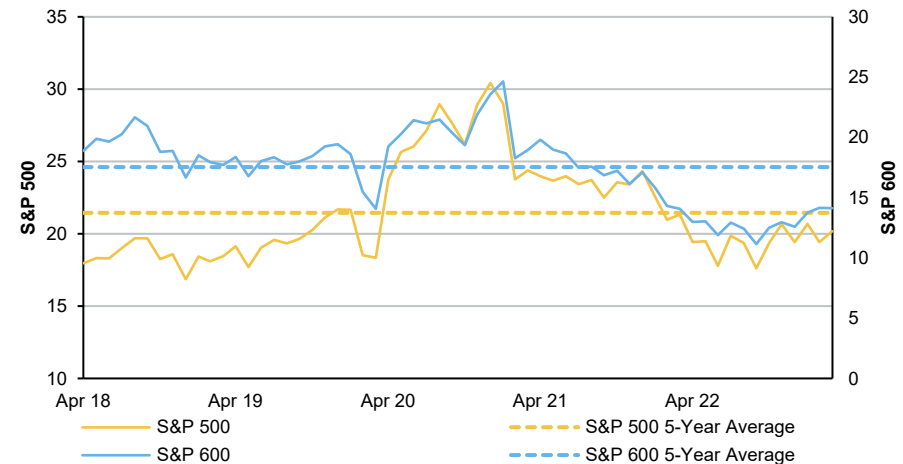
**S&P 500 Index Performance by Sector**

Periods Ended March 31, 2023



Source: Bloomberg.

**P/E Ratios of Major Stock Indices\***



Source: Bloomberg.

\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**NON-U.S. EQUITY**

▶ Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, slightly underperformed their U.S. counterparts, returning 6.87% for the quarter, despite starting the year on a stronger footing. The trailing 1-year return for non-U.S. equity was -5.07%, which outperformed domestic markets.

▶ Nine of the 11 sectors posted strong positive returns for the quarter, with Information Technology (17.24%) and Consumer Discretionary (11.28%) leading the way, followed by Communication Services (11.24%) and Industrials (10.01%). Energy (-0.30%) and Real Estate (-1.70%) were the worst performers this quarter.

▶ Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning 3.95% versus 8.47% for the quarter. MSCI Europe (10.74%) outperformed the MSCI EAFE Index, aided by a milder than expected winter, falling energy prices, and easing inflation across the region.

▶ Within emerging markets, EM Asia Pacific ex-Japan (4.86%) was the top-performing region during the quarter, benefitting from China and Taiwan's strong returns of 4.71% and 14.82%, respectively. India (-6.29%), on the other hand, detracted as corporate governance concerns led to a broad-based selloff in Indian equities.

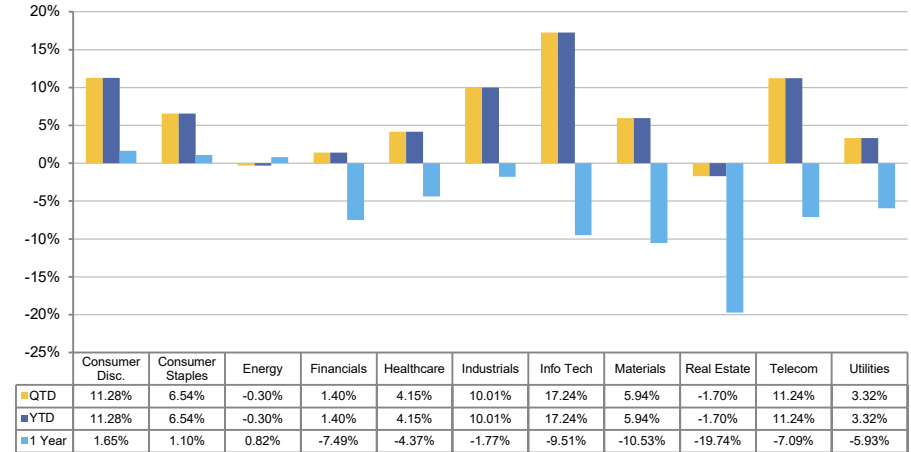
▶ Value stocks underperformed growth stocks for the quarter, a reversal from last year's trend. MSCI AC World ex-USA Value returned 6.87%, while MSCI AC World ex-USA Growth returned 8.02% for the quarter.

▶ Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, underperformed within the international equity markets, returning 4.70% for the quarter.

▶ Valuations remain cheap relative to their long-term average across international equity markets, albeit slightly up from last year end. As of March 31, 2023, MSCI EAFE ended the quarter with a P/E ratio of 13.72 much lower than its 5-year average of 16.07. Similarly, MSCI EM's P/E stood at 12.18 versus a 5-year average of 13.00.

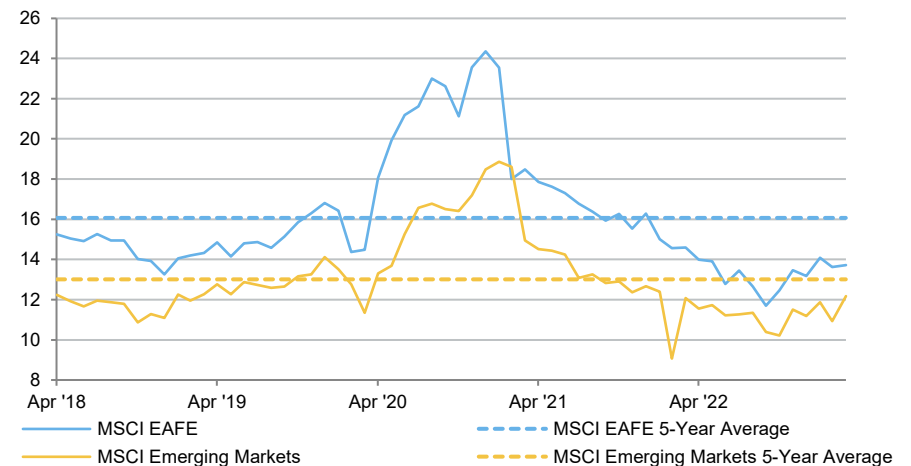
**MSCI ACWI ex-U.S. Sectors**

Periods Ended March 31, 2023



Source: Bloomberg.

**P/E Ratios of MSCI Equity Indices\***



Source: Bloomberg.

\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**FIXED INCOME**

▶ The U.S. bond market represented by the Bloomberg U.S. Aggregate (Aggregate) Index had a strong first quarter, up 2.96%. The trailing one-year period remained negative with a loss of -4.78%.

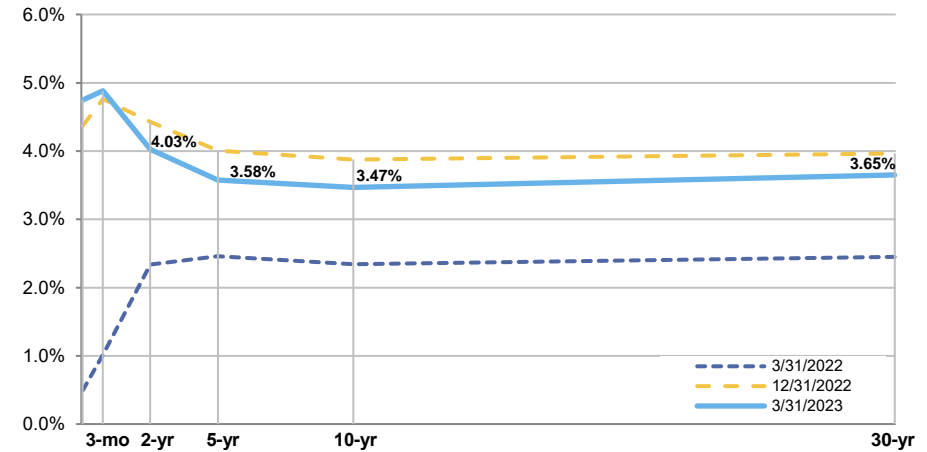
▶ The Treasury market remained volatile as long rates rallied to start the year before backtracking until a mini-banking crisis happened in March. The Bloomberg U.S. Treasury Index closed the quarter with a 3.00% gain. The 2-year mark out to 30 years ended lower by end of March as the market assessed weaker economic conditions, lower expectations of Fed hikes and tightened credit conditions in the aftermath of several bank failures. The 2-year briefly moved above 5% in early March but then dropped 100 bps in the following weeks.

▶ Corporate credit was strong in the first quarter from their higher starting yields, as investment-grade Bloomberg U.S. Corporate (IG Corp) Index gained 3.50%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, posted a similar return at 3.57%. HY was led by lowest quality Caa/CCC-rated. Although spreads widened in March on the banking issues, they remained relatively flat for the full quarter.

▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, also rose in the quarter, up 2.53%. On the commercial side the Bloomberg U.S. Agency CMBS Index gained 2.47%.

▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified index, gained 1.86% in the quarter. The performance in the quarter was led by Asian and Latin American regions.

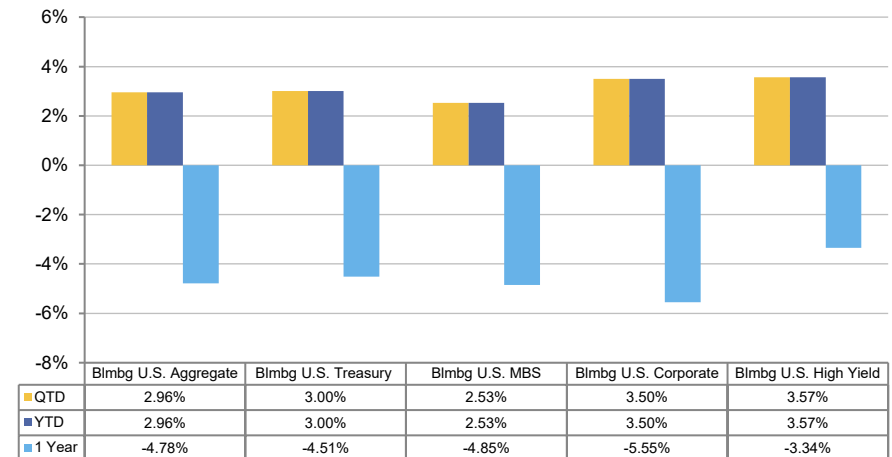
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended March 31, 2023



Source: Bloomberg.

**ALTERNATIVES**

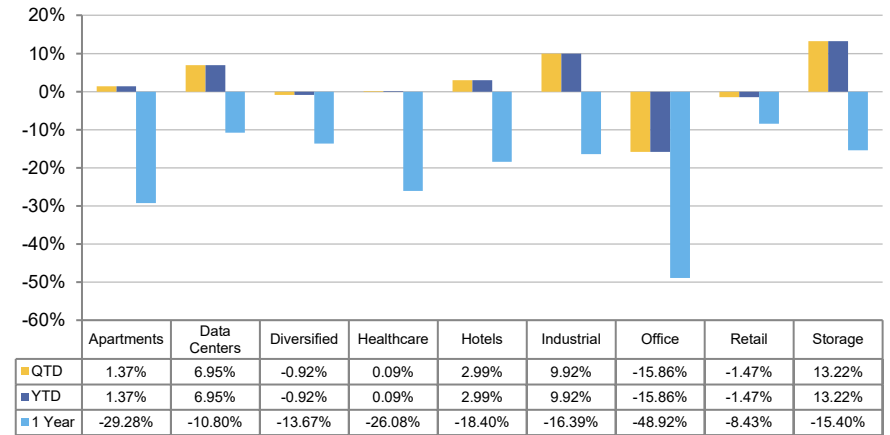
▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, gained 2.68% in the first quarter of 2023, compared to a 5.24% increase in the prior quarter. Most major sectors posted positive returns during the first quarter. The worst performer during the quarter was the Office sector, which has been plagued by concerns surrounding the future of in-person work. The second worst performer during the quarter was Retail, which posted a return of -1.47%, a reversal from the strong returns seen in the fourth quarter of 2022.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, fell -5.36% in the first quarter of 2023. The U.S. Dollar Index (DXY) declined 0.98% during the same period – its second consecutive quarterly loss. Gold had another strong quarter with return of 8.76%, as investors’ demand for the haven asset increased due to heightened recession fears. The West Texas Intermediate (WTI) Crude Oil spot price fell -5.72% from \$80.26 to \$75.67 per barrel due to expectations of weaker demand.

▶ Hedge fund returns were mostly positive in the first quarter of 2023, with the HFRI Fund Weighted Composite Index returning 1.18%. During the same period, the HFRI Macro (Total) Index returned -2.95%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned 3.38% and 1.57%, respectively.

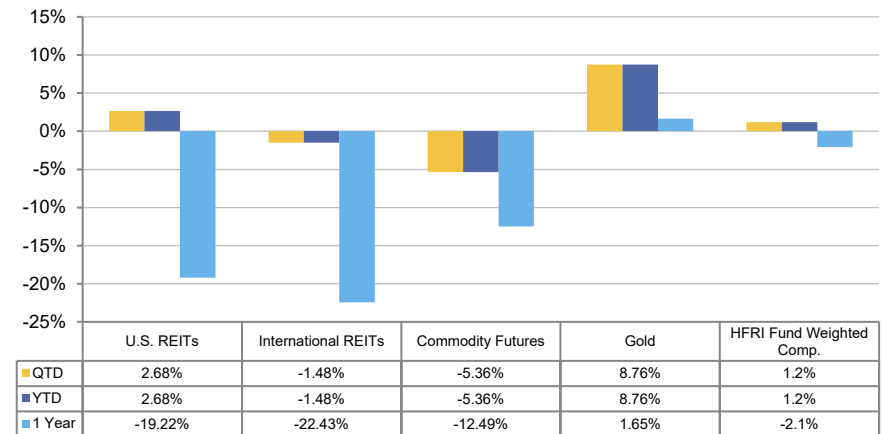
▶ Private real estate, as measured by the NCREIF Property Index, fell -3.50% in the fourth quarter of 2022, resulting in a 5.50% return over the twelve-month period ended December 2022. This was the first negative quarter for the index since Q2 2020. Hotel properties were again the top performers, with a total return of 3.37% in the fourth quarter, while office properties were again the worst performers, with a total return of -4.80%.

**FTSE NAREIT Sectors**  
Periods Ended March 31, 2023



Source: Bloomberg.

**Returns for Liquid and Semi-Liquid Alternative Assets**  
Periods Ended March 31, 2023



Sources: Bloomberg and Hedge Fund Research, Inc.



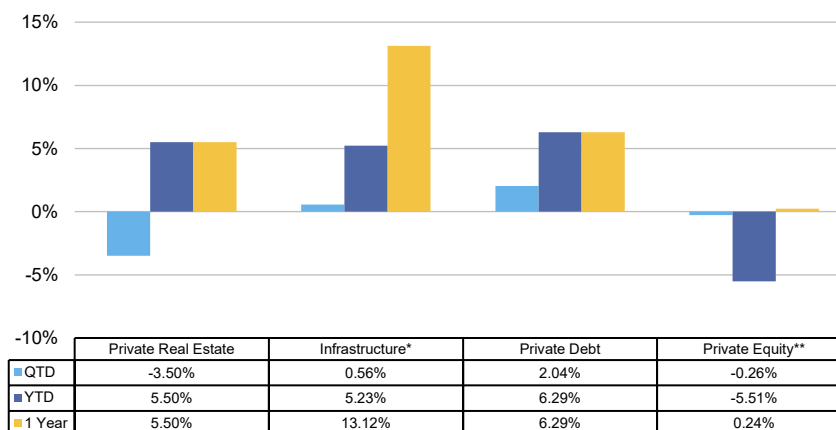
**ALTERNATIVES (continued)**

► In the fourth quarter of 2022, infrastructure funds raised \$9.19 billion, a drop from the prior quarter. Most of the infrastructure capital raised went to riskier value-added and opportunistic funds as opposed to core infrastructure strategies. Infrastructure dry powder has also fallen from previous years and stands at \$287.64 billion as of Q3 2022. Despite macroeconomic headwinds, the asset class remains attractive due to its ability to provide moderate but consistent returns during periods of volatility, inflation and recession. According to PitchBook, infrastructure funds posted a return of 0.56% in Q2 2022. The asset class has generated a return of 10.15% for the 5 years ended Q2 2022.

► In the fourth quarter of 2022, private debt fundraising amounted to \$69.82 billion, a pickup from the prior quarter. Private debt dry powder has fallen to \$395.16 billion, the lowest level in the past four years. Private debt has performed well relative to public fixed income and remains attractive despite the uncertain macroeconomic environment. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, posted a return of 2.04% in Q4 2022. The asset class has also generated a return of 8.29% for the 5 years ended Q4 2022.

► In the fourth quarter of 2022, private capital fundraising was led by private equity funds, which closed on \$113.33 billion. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.25 trillion as of December 2022. Private equity has been a strong performer relative to public equities; however, recent performance has weakened as a result of a slowing economy and market volatility. According to Cambridge Associates, U.S. private equity posted a return of -0.26% in Q3 2022. However, the asset class has generated a return of 19.64% for the 5 years ended Q3 2022.

**Returns for Private Capital Assets**

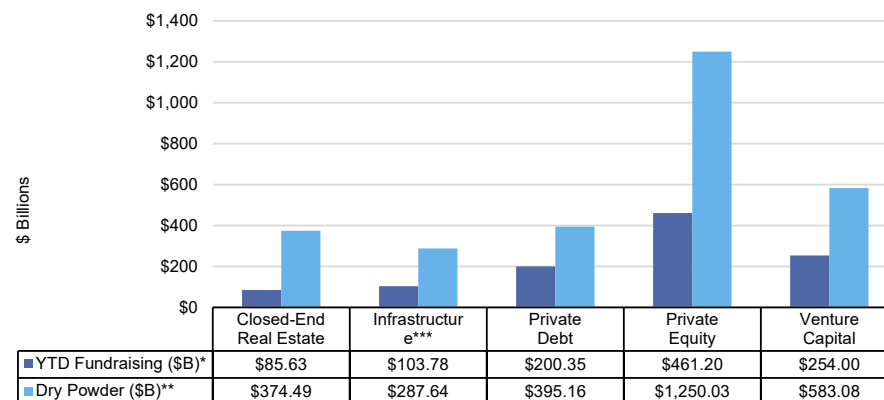


Source: NCREIF, PitchBook, Cliffwater, Cambridge Associates, manual inputs. As of Q4 2022, unless otherwise noted.

\*Data as of Q2 2022.

\*\*Data as of Q3 2022.

**Private Capital Fundraising & Dry Powder**



Sources: Pitchbook.

\* Total capital raised in 2022 as of December 31, 2022.

\*\* Cumulative dry powder as of September 30, 2022, unless otherwise noted.

\*\*\*Cumulative Infrastructure dry powder as of September 30, 2022.

Benefits Fund - Performance Review

## Asset Allocation &amp; Performance

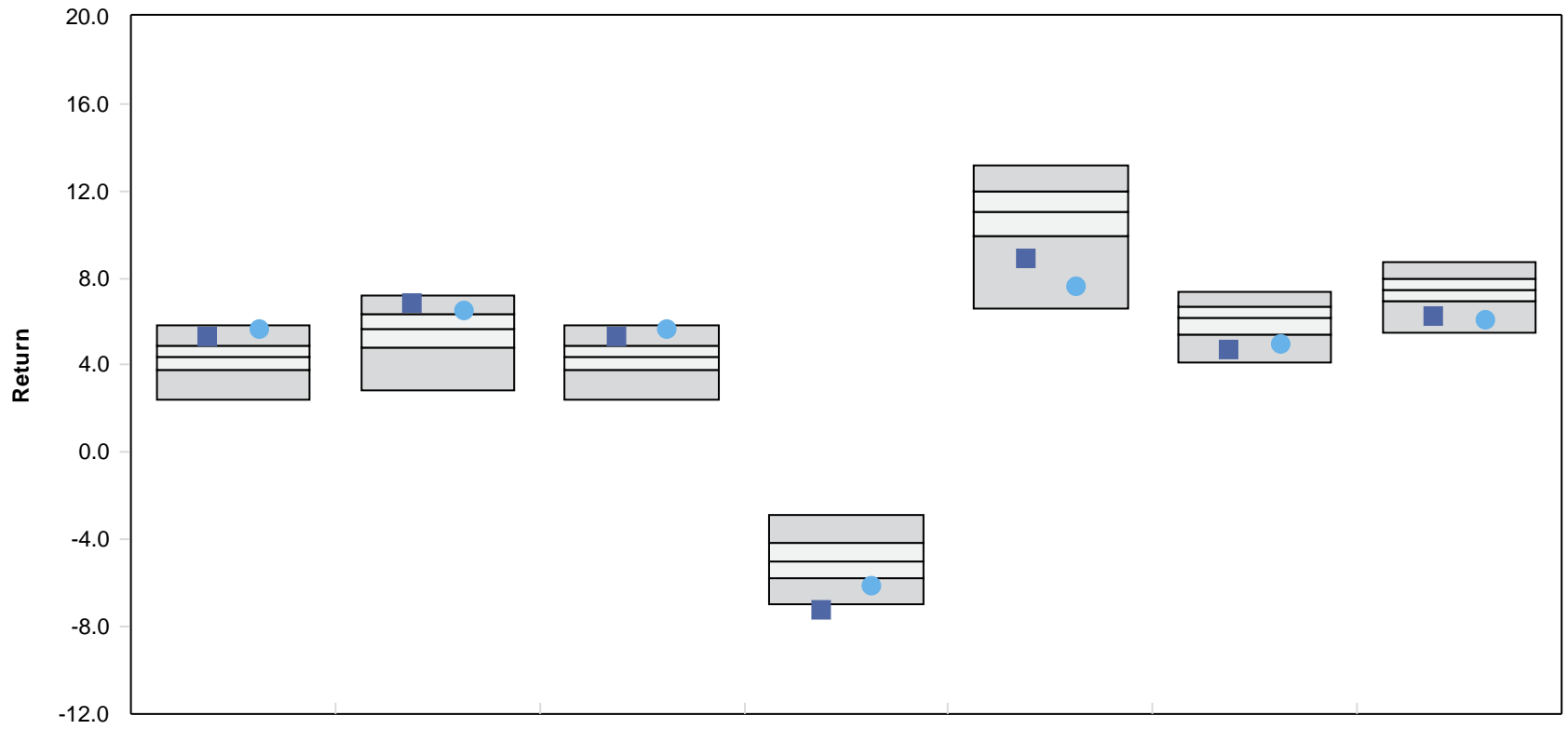
	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>24,055,998</b>	<b>100.00</b>	<b>5.34</b>	<b>6.89</b>	<b>5.34</b>	<b>-7.18</b>	<b>8.88</b>	<b>4.76</b>	<b>6.25</b>	<b>5.27</b>	<b>07/01/2014</b>
<i>Blended Benchmark</i>			5.63	6.54	5.63	-6.13	7.65	5.01	6.07	5.25	07/01/2014
<b>Domestic Equity</b>	<b>10,019,961</b>	<b>41.65</b>									
Large Cap Index	7,971,604	33.14	7.19	9.65	7.19	-8.60	17.39	10.01	11.58	10.21	07/01/2014
<i>Russell 1000 Index</i>			7.46	9.93	7.46	-8.39	18.55	10.87	12.23	10.61	07/01/2014
SMID Cap Alternative	2,048,357	8.51	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-6.34	02/01/2023
<i>Russell 2500 Index</i>			3.39	7.94	3.39	-10.39	19.42	6.65	9.46	-6.01	02/01/2023
<b>International Equity</b>	<b>5,560,994</b>	<b>23.12</b>									
Non US Developed- Active	4,631,760	19.25	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.57	02/01/2023
<i>MSCI AC World ex USA (Net)</i>			6.87	10.03	6.87	-5.07	11.80	2.47	5.86	-1.15	02/01/2023
Non US Emerging	929,234	3.86	1.29	-2.17	1.29	-12.60	8.26	-0.87	N/A	4.42	12/01/2016
<i>MSCI Emerging Markets Index</i>			4.02	1.17	4.02	-10.30	8.23	-0.53	5.31	5.03	12/01/2016
<b>Fixed Income</b>	<b>8,475,043</b>	<b>35.23</b>									
Core Plus Bonds	8,475,043	35.23	4.08	2.14	4.08	-4.51	0.16	1.95	2.54	2.46	07/01/2014
<i>Blmbg. U.S. Aggregate</i>			2.96	-0.09	2.96	-4.78	-2.77	0.90	0.88	1.34	07/01/2014

Returns are net of fees.

Returns are expressed as percentages.

Plan Sponsor Peer Group Analysis

All Public Plans-Total Fund



	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	7 Years
■ Total Fund	5.34 (14)	6.89 (11)	5.34 (14)	-7.18 (98)	8.88 (88)	4.76 (89)	6.25 (87)
● Blended Benchmark	5.63 (9)	6.54 (19)	5.63 (9)	-6.13 (82)	7.65 (95)	5.01 (86)	6.07 (91)
5th Percentile	5.86	7.24	5.86	-2.84	13.21	7.40	8.70
1st Quartile	4.93	6.38	4.93	-4.12	11.97	6.68	7.98
Median	4.34	5.64	4.34	-4.99	11.02	6.18	7.44
3rd Quartile	3.77	4.78	3.77	-5.74	9.90	5.37	6.91
95th Percentile	2.45	2.87	2.45	-6.94	6.61	4.09	5.45
Population	201	199	201	193	187	180	169

Parenteses contain percentile rankings.  
 Calculation based on monthly periodicity.  
 Returns are net of fees and are expressed as percentages.

## Financial Reconciliation

QTR				
	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2023
Total Fund	22,836,828	(8,208)	1,227,378	24,055,998
Large Cap Index	7,765,918	(350,168)	555,854	7,971,604
Small Mid Cap	2,612,980	(2,612,980)	-	-
SMID Cap Alternative	-	1,997,141	51,216	2,048,357
Non US Developed	4,486,901	(4,486,901)	-	-
Non US Developed- Active	-	4,318,091	313,669	4,631,760
Non US Emerging	1,409,679	(520,258)	39,813	929,234
Core Plus Bonds	6,561,350	1,646,868	266,826	8,475,043

July 1, 2022 To March 31, 2023				
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 03/31/2023
Total Fund	22,506,004	(14,508)	1,564,502	24,055,998
Large Cap Index	7,591,629	(350,355)	730,330	7,971,604
Small Mid Cap	2,483,823	(2,615,664)	131,841	-
SMID Cap Alternative	-	1,997,141	51,216	2,048,357
Non US Developed	4,285,193	(4,487,275)	202,082	-
Non US Developed- Active	-	4,318,091	313,669	4,631,760
Non US Emerging	1,459,493	(520,652)	(9,606)	929,234
Core Plus Bonds	6,685,867	1,644,206	144,971	8,475,043

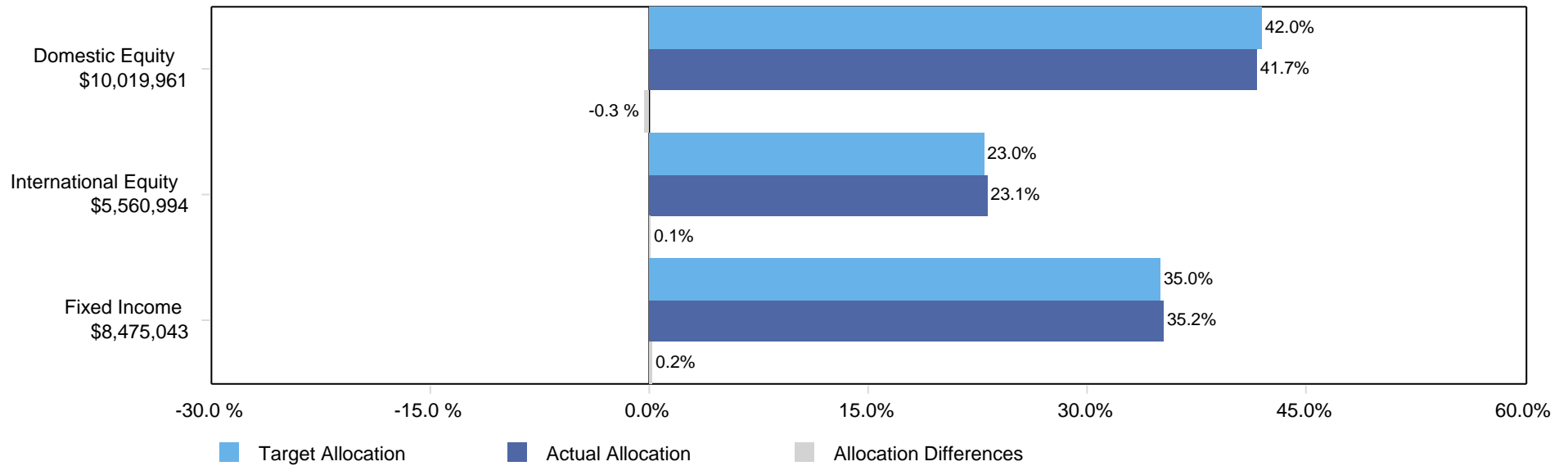
## Financial Reconciliation

<b>YTD</b>				
	<b>Market Value As of 01/01/2023</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value As of 03/31/2023</b>
Total Fund	22,836,828	(8,208)	1,227,378	24,055,998
Large Cap Index	7,765,918	(350,168)	555,854	7,971,604
Small Mid Cap	2,612,980	(2,612,980)	-	-
SMID Cap Alternative	-	1,997,141	51,216	2,048,357
Non US Developed	4,486,901	(4,486,901)	-	-
Non US Developed- Active	-	4,318,091	313,669	4,631,760
Non US Emerging	1,409,679	(520,258)	39,813	929,234
Core Plus Bonds	6,561,350	1,646,868	266,826	8,475,043

<b>1 Year</b>				
	<b>Market Value As of 04/01/2022</b>	<b>Net Flows</b>	<b>Return On Investment</b>	<b>Market Value As of 03/31/2023</b>
Total Fund	25,916,578	(28,802)	(1,831,778)	24,055,998
Large Cap Index	9,107,447	(350,837)	(785,006)	7,971,604
Small Mid Cap	3,000,441	(2,621,686)	(378,755)	-
SMID Cap Alternative	-	1,997,141	51,216	2,048,357
Non US Developed	5,024,097	(4,488,282)	(535,815)	-
Non US Developed- Active	-	4,318,091	313,669	4,631,760
Non US Emerging	1,633,612	(521,583)	(182,796)	929,234
Core Plus Bonds	7,150,980	1,638,354	(314,291)	8,475,043

Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>	<b>N/A</b>	<b>0.0</b>
Domestic Equity	41.7	42.0	27.0	57.0	-0.3
International Equity	23.1	23.0	8.0	38.0	0.1
Fixed Income	35.2	35.0	15.0	55.0	0.2



## Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
<b>Jul-2014</b>	
Russell 1000 Growth Index	20.0
Russell 1000 Value Index	20.0
Russell 2500 Index	10.0
MSCI EAFE (net)	10.0
Blmbg. Intermed. U.S. Government/Credit	35.0
90 Day U.S. Treasury Bill	5.0
<b>Jul-2015</b>	
Russell 3000 Index	36.0
MSCI AC World ex USA (Net)	19.0
Blmbg. U.S. Aggregate	45.0
<b>Dec-2021</b>	
Russell 3000 Index	42.0
MSCI AC World ex USA (Net)	23.0
Blmbg. U.S. Aggregate	35.0



# Risk Fund - Performance Review

## Asset Allocation &amp; Performance

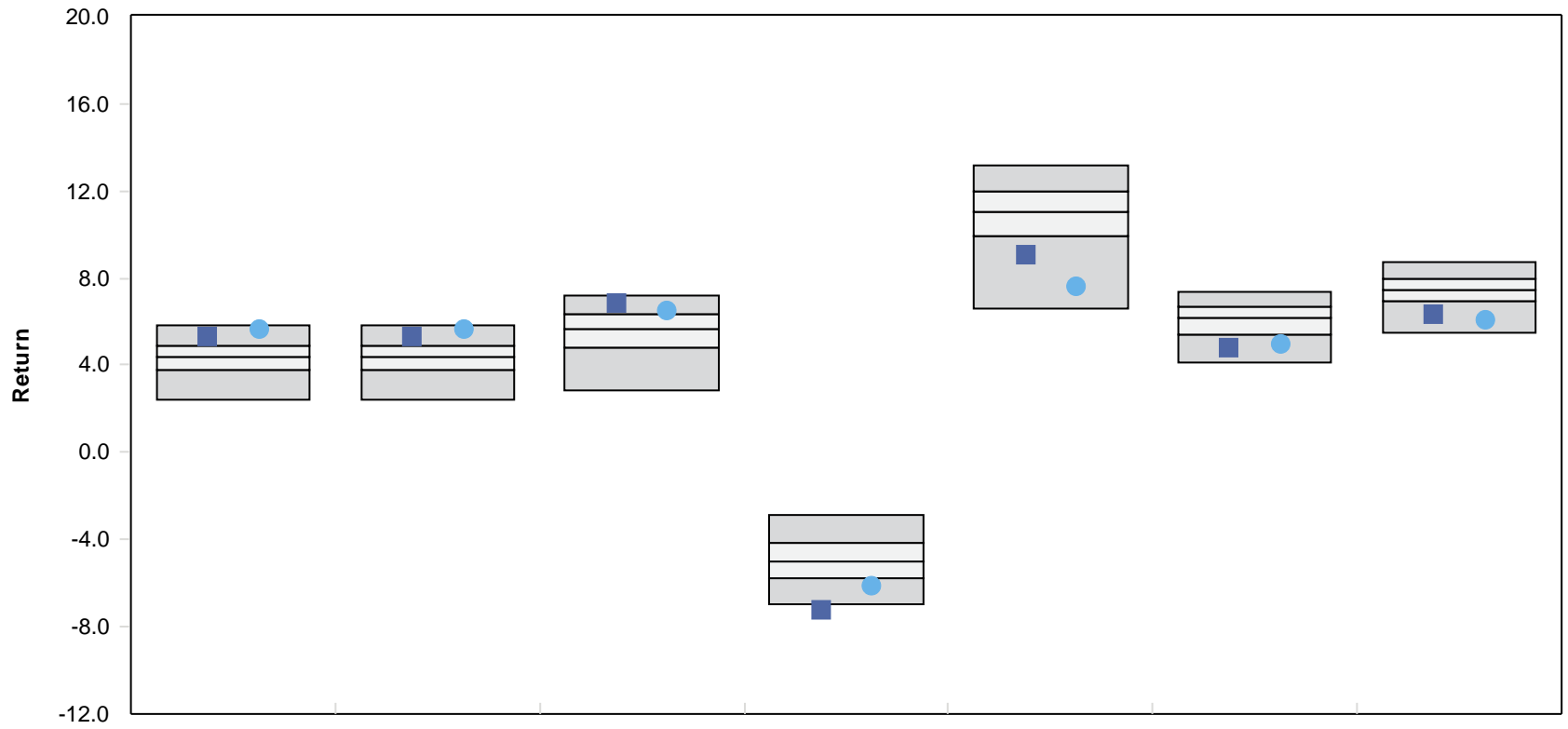
	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>18,659,821</b>	<b>100.00</b>	<b>5.33</b>	<b>6.90</b>	<b>5.33</b>	<b>-7.21</b>	<b>9.06</b>	<b>4.83</b>	<b>5.35</b>	<b>07/01/2014</b>
Blended Benchmark			5.63	6.54	5.63	-6.13	7.65	5.01	5.25	07/01/2014
<b>Domestic Equity</b>	<b>7,766,451</b>	<b>41.62</b>								
Large Cap Index	6,171,631	33.07	7.12	9.58	7.12	-8.66	18.48	10.63	10.58	07/01/2014
Russell 1000 Index			7.46	9.93	7.46	-8.39	18.55	10.87	10.61	07/01/2014
SMID Cap Alternative	1,594,820	8.55	N/A	N/A	N/A	N/A	N/A	N/A	-6.34	02/01/2023
Russell 2500 Index			3.39	7.94	3.39	-10.39	19.42	6.65	-6.01	02/01/2023
<b>International Equity</b>	<b>4,315,729</b>	<b>23.13</b>								
Non US Developed- Active	3,568,991	19.13	N/A	N/A	N/A	N/A	N/A	N/A	-0.57	02/01/2023
MSCI AC World ex USA (Net)			6.87	10.03	6.87	-5.07	11.80	2.47	-1.15	02/01/2023
Non US Emerging	746,738	4.00	1.48	-1.99	1.48	-12.43	6.99	-1.75	2.70	11/01/2016
MSCI Emerging Markets Index			4.02	1.17	4.02	-10.30	8.23	-0.53	4.20	11/01/2016
<b>Fixed Income</b>	<b>6,577,640</b>	<b>35.25</b>								
Core Plus Bonds	6,577,640	35.25	4.13	2.19	4.13	-4.46	-0.27	1.69	2.31	07/01/2014
Blmbg. U.S. Aggregate			2.96	-0.09	2.96	-4.78	-2.77	0.90	1.34	07/01/2014

Returns are net of fees.

Returns are expressed as percentages.

Plan Sponsor Peer Group Analysis

All Public Plans-Total Fund



	1 Quarter	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years
■ Total Fund	5.33 (15)	5.33 (15)	6.90 (11)	-7.21 (99)	9.06 (86)	4.83 (88)	6.35 (86)
● Blended Benchmark	5.63 (9)	5.63 (9)	6.54 (19)	-6.13 (82)	7.65 (95)	5.01 (86)	6.07 (91)
5th Percentile	5.86	5.86	7.24	-2.84	13.21	7.40	8.70
1st Quartile	4.93	4.93	6.38	-4.12	11.97	6.68	7.98
Median	4.34	4.34	5.64	-4.99	11.02	6.18	7.44
3rd Quartile	3.77	3.77	4.78	-5.74	9.90	5.37	6.91
95th Percentile	2.45	2.45	2.87	-6.94	6.61	4.09	5.45
Population	201	201	199	193	187	180	169

Parenteses contain percentile rankings.  
 Calculation based on monthly periodicity.  
 Returns are net of fees and are expressed as percentages.

## Financial Reconciliation

QTR				
	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2023
Total Fund	17,715,175	(6,353)	950,998	18,659,821
Large Cap Index	6,071,418	(330,130)	430,343	6,171,631
SMID Cap Alternative	-	1,554,944	39,876	1,594,820
Small Mid Cap	2,055,787	(2,055,787)	-	-
Non US Developed	3,460,035	(3,460,035)	-	-
Non US Developed- Active	-	3,327,294	241,697	3,568,991
Non US Emerging	1,094,951	(380,207)	31,994	746,738
Core Plus Bonds	5,032,983	1,337,569	207,088	6,577,640

YTD				
	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2023
Total Fund	17,715,175	(6,353)	950,998	18,659,821
Large Cap Index	6,071,418	(330,130)	430,343	6,171,631
SMID Cap Alternative	-	1,554,944	39,876	1,594,820
Small Mid Cap	2,055,787	(2,055,787)	-	-
Non US Developed	3,460,035	(3,460,035)	-	-
Non US Developed- Active	-	3,327,294	241,697	3,568,991
Non US Emerging	1,094,951	(380,207)	31,994	746,738
Core Plus Bonds	5,032,983	1,337,569	207,088	6,577,640

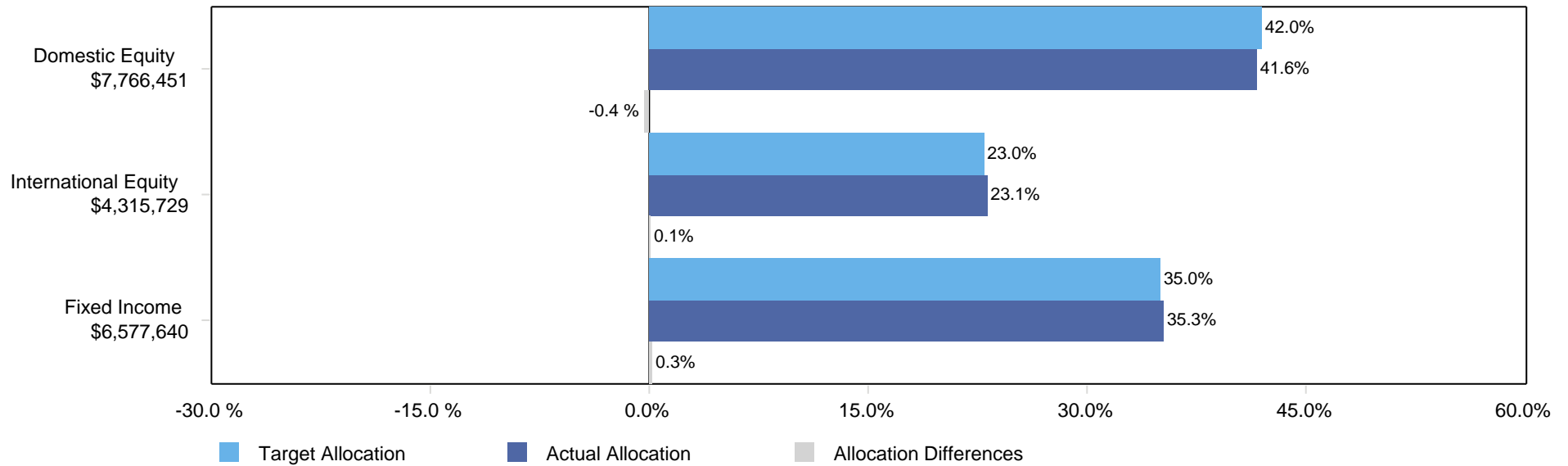
## Financial Reconciliation

July 1, 2022 To March 31, 2023				
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 03/31/2023
Total Fund	17,455,958	(11,247)	1,215,109	18,659,821
Large Cap Index	5,935,158	(330,276)	566,749	6,171,631
SMID Cap Alternative	-	1,554,944	39,876	1,594,820
Small Mid Cap	1,954,171	(2,057,899)	103,727	-
Non US Developed	3,304,490	(3,460,323)	155,834	-
Non US Developed- Active	-	3,327,294	241,697	3,568,991
Non US Emerging	1,133,644	(380,514)	(6,392)	746,738
Core Plus Bonds	5,128,495	1,335,527	113,618	6,577,640

1 Year				
	Market Value As of 04/01/2022	Net Flows	Return On Investment	Market Value As of 03/31/2023
Total Fund	20,109,301	(22,349)	(1,427,131)	18,659,821
Large Cap Index	7,120,229	(330,653)	(617,945)	6,171,631
SMID Cap Alternative	-	1,554,944	39,876	1,594,820
Small Mid Cap	2,360,626	(2,062,637)	(297,989)	-
Non US Developed	3,874,289	(3,461,100)	(413,189)	-
Non US Developed- Active	-	3,327,294	241,697	3,568,991
Non US Emerging	1,268,889	(381,236)	(140,915)	746,738
Core Plus Bonds	5,485,268	1,331,038	(238,666)	6,577,640

Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>	<b>N/A</b>	<b>0.0</b>
Domestic Equity	41.6	42.0	27.0	57.0	-0.4
International Equity	23.1	23.0	8.0	38.0	0.1
Fixed Income	35.3	35.0	15.0	55.0	0.3



## Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
<b>Jul-2014</b>	
Russell 1000 Growth Index	20.0
Russell 1000 Value Index	20.0
Russell 2500 Index	10.0
MSCI EAFE (net)	10.0
Blmbg. Intermed. U.S. Government/Credit	35.0
90 Day U.S. Treasury Bill	5.0
<b>Jul-2015</b>	
Russell 3000 Index	36.0
MSCI AC World ex USA (Net)	19.0
Blmbg. U.S. Aggregate	45.0
<b>Dec-2021</b>	
Russell 3000 Index	42.0
MSCI AC World ex USA (Net)	23.0
Blmbg. U.S. Aggregate	35.0

## IMPORTANT DISCLOSURES

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# Memorandum

**To:** Martha Quintana, Deputy Director  
Board of Directors  
*New Mexico Public Schools Insurance Authority*

**From:** Ellen Clark  
Matt Smith, CFA  
*PFM Asset Management LLC*

**RE:** Benefits Fund and Risk Fund – Recommended Rebalancing

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## **Recommended Rebalancing due to Economic Conditions**

Inflation has continued to moderate over the last several months and the PFMAM Multi-Asset Class Investment Committee (“Committee”) believes this trend will continue. While the Federal Reserve is expected to announce additional rate hike(s) to bring down inflation, the Committee believes we are nearing the end of this rate hike cycle. Within the U.S., economic data has been mixed with a slowdown in manufacturing activity and corporate earnings contrasted by strong labor markets and continued services spending. The U.S. economy has been showing signs of slowdown through 2022 and the Committee expects the economic slowdown to continue, even as the probability of an economic recession has declined. The recent pivot away from COVID-zero policy and economic reopening in China has added to global economic momentum at a time when Europe has skirted recession due to a milder winter and falling energy prices.

Mid-caps and small-caps, as denoted by S&P MidCap 400 Index and S&P SmallCap 600 Index, have been trading at attractive valuations relative to large-caps, as denoted by S&P 500 Index, over the last few years. Currently, the earnings expectations across mid-and small-cap stocks have held up better than that of large-caps. This, combined with the attractive relative valuations, has led the Committee to recommend overweighting this exposure relative to the broad market. Within international equity, the Committee supports increasing exposure to emerging markets to take advantage of the economic reopening in China that is expected to lead a resurgence in consumption of goods and services. This resurgence is expected to benefit several countries across emerging and developed markets, especially the ones that have significant exports to China. Both the Benefits and Risk funds are currently underweight emerging markets due to our previous concerns around China’s economic growth trajectory. However, with the reopening underway, the Committee recommends removing this underweight and bringing emerging market exposure in line with the benchmark.



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As a result, PFMAM recommends rebalancing the portfolios to reflect a slight overweight of the US Mid/Small Cap Index pool as well as the target weight to the Non-US Emerging Markets Index pool. Based on 3/31/23 allocations, this would require a decrease in exposure to the US Large Cap Index pool and the Non-US Developed Markets Active pool, balanced by an equal increase in the allocations to the US Mid/Small Cap Index pool as well as the Non-US Emerging Markets Index pool.

Upon receiving April 30 balances for the Benefits and Risk accounts, PFMAM will provide NMPSIA with a completed rebalance memo, including specific cash flow directives reflecting the aforementioned changes, to be sent to the SIC no later than 05/24/23.

# Teledentistry Services from Teledentix

## What is Teledentix?

- A web-based service from Virtual Dental Care (VDC)
- Facilitates virtual dental consultations for urgent and emergency oral issues
- Enables secure, real-time visits between members and dentists

## Virtual dental visits made easy

- Accessible via smartphone, tablet or computer
- Quick link on **UnitedConcordia.com**
- Covered the same as in-person exam
- Teledentix submits member claims

## Services available to PPO members:

- Limited oral evaluation (D0140)
- Prescriptions for antibiotics/pain medications
- Visual exams
- After-care instructions

[Start Teledentix Visit](#)

*Example of quick link button*



## Benefits of teledentistry

- Reduces ER visits for dental issues
- Access to dental care anytime, anywhere
- Limits travel costs and time off work

## Know your costs before you go

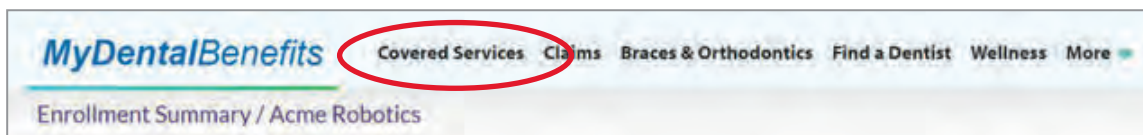
Avoid surprise bills by checking how much you may owe for your dental work. See the potential costs of covered services in your *MyDentalBenefits* account.

Look up estimated treatment prices in your *MyDentalBenefits* account.

Go to **unitedconcordia.com** and log in. If you don't have an account, click on **Create an Account** to get started.



After you log in, click on the **Covered Services** tab. On the next page, you can check the coverage or potential cost of dental services for each person in the family.



Next, click on the **Cost** button.

Look up the procedure using the search bar.

Or click on the **+** to see the list of procedures in each treatment category.

**MyDentalBenefits** Covered Services Claims Braces & Ortho

**Benefits**

JANE 07/02/1985 JOHN 01/10/1985 JAMIE 11/23/2006

**View By**  
View benefits by coverage only or cost details.  
Coverage  **Cost**

**Selected Dentist**  
Beaumont, Igor DDS [Change Dentist](#)

**Your Network** CONCORDIAPLUS PDO CONCORDIAPLUS SPECIALISTS **Status** In Network  Accepting New Patients

Your selected dentist is In-Network. Visiting an In-Network dentist saves you money.

**Search for**  [Print](#)

Policy Information

- + Deductibles and Maximums
- + Coordination and Other Benefits
- + Wellness Benefits

Benefit Details

- + Exams**
- + X-Rays

The expanded chart shows the amount you may owe out of pocket.

*Cost information is provided as an estimate only and is not a guarantee of payment.*

Procedure	Description	Covered	In-Network Coverage % or Copay \$	Allowance	Amount You Owe	Limitation	Applies to Deductible	Applies to Maximum
D0120	Periodic Exam >	Yes	100%	\$23.89	\$0.00	In Network   2 Per Calendar Year   more...	No	No
D0140	Limited Oral Exam >	Yes	100%	\$34.39	\$0.00	In Network   1 Per 12 Months ~ Per Dentist   more...	No	No
D0145	Oral Exam Under Age 3 >	Yes	100%	\$30.88	\$0.00	In Network   2 Per Calendar Year   more...	No	No
D0150	Comprehensive Exam >	Yes	100%	\$35.23	\$0.00	In Network   2 Per Calendar Year   more...	No	Yes
D0160	Extensive Oral Exam >	Yes	50%	\$57.12	\$28.56	In Network   1 Per Lifetime ~ Per Dentist   more...	No	Yes

### Talk with your dentist, too

If you need extensive dental care, ask your dentist for the procedure codes that'll be included in the entire visit. That way, you can get the most accurate idea of your total cost.

You can also request a **Predetermination of Benefits**. It's an estimate of what you'll owe, and confirmation that your service will be covered. Your dentist will submit the paperwork to us for you, and you'll be notified by mail.



# NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

## Office of Executive Director

410 Old Taos Highway  
Santa Fe, New Mexico 87501  
1-800-548-3724 or 505-988-2736  
505-983-8670 (fax)

## BOARD OF DIRECTORS

- NM School Boards Association
- NM Superintendents Association
- Public Education Commission
- NM School Administrators
- NM National Education Association
- American Federation of Teachers N.M.
- Governor Appointees
- Educational Institutions at Large

**Patrick Sandoval**  
Executive Director

**Martha Quintana**  
Deputy Director

May 4, 2023

Brandon Fryar  
President  
Presbyterian Health Plan, Inc.  
9521 San Mateo Blvd. NE,  
Albuquerque, NM 87113

RE: Amendment - Effective July 1, 2022  
Presbyterian Health Plan, Inc.  
Date of Agreement: July 1, 2020  
Agreement No. 20-014MG-PSIA01

Dear Mr. Fryer:

This letter shall constitute an Amendment to the above-captioned Agreement between the New Mexico Public Schools Insurance Authority, hereinafter referred to as the "Agency," and Presbyterian Health Plan Inc. (PHP) referred to as the "Contractor" and is effective as of the dates shown herein.

The Agency and Contractor wish to amend their Agreement with the amendments set out herein.

### 1. Pursuant to Section 3. Compensation

- A. The Agency shall pay to the Contractor in full, payment for administrative services fees satisfactorily performed at the rates detailed in Exhibit C, and hereby incorporated into and made a part of this Agreement, and the claims payment fees in accordance with this Agreement and the Plan.

The parties agree that gross receipts tax (GRT) is applicable to certain claims fees for the Plan in this Agreement. If during the term of this Agreement, GRT or any new compensating tax is imposed upon Contractor by any government agency on the amount of administrative services fees and/or claims fees payable under this Agreement or the number of persons covered, the parties agree to amend this Agreement to provide that Contractor will be compensated for the associated new taxes and the change will be effective as of the date defined under the applicable tax law. Contractor agrees that it will make best efforts to inform Agency at least ninety (90) calendar days prior to the date effective as of the date defined under applicable tax law, if any new GRT or compensating tax is imposed upon Contractor by any government

agency as specified in this paragraph. Notwithstanding the foregoing, payment of any other taxes for any money received under this Agreement shall be the Contractor's sole responsibility and should be reported under the Contractor's Federal and State tax identification number(s). Contractor shall pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor.

2. Pursuant to Exhibit C- Administrative Service Fees shall be amended to read:

Subrogation Services:	Contractor will retain 15% of amount recovered
Maternity Program:	Contractor will pass through costs to Agency
Transplant Network Access Fee:	Contractor will pass through costs to Agency
Additional Cost Containment Programs Implemented During Contract Period	Contractor will pass through costs to Agency

3. Pursuant to Exhibit F Wellness Program the Exhibit is amended as attached.

4. This Amendment has been signed this 4th day of May 2023 and shall be in effect from July 1, 2022, to June 30, 2024.

**NEW MEXICO PUBLIC SCHOOLS  
INSURANCE AUTHORITY**

By:

**PRESBYTERIAN HEALTH PLAN INC.**

By:

---

Alfred A. Park  
Board President

---

Brandon Fryar  
President

## Exhibit F

### WELLNESS PROGRAM

As indicated in Contractor's response to the IBAC 2019 RFP20-014M. The Solutions Group (TSG) offers a wellness program that can be customized to meet Agency's member needs. The services offered will be determined based on mutual written agreement with Agency and TSG. Particular services may be added or deleted or otherwise adjusted to meet Agency's needs while staying within the stated budget dollars. This ongoing written customization, which may be by e-mail or letter, of the wellness program may be accomplished without an amendment or addendum to this Agreement, provided the fees for these services do not increase or decrease.

- 1) A robust Wellness Program Foundation is included as part of The Solutions Group's (TSG) wellness services. TSG will provide the following as part of the Program Foundation:
  - i) Designated Wellness Coordinator
  - ii) TSG Team Support
  - iii) Custom *Wellness at Work* Dashboard
  - iv) Standard Newsletters
  - v) Monthly Wellness Observances (On Wellness at Work)
  - vi) Standard Reporting
  - vii) Client Management Meetings
  - viii) Organizational Wellness Strategic Planning and Goal Alignment
  - ix) Annual Scope of Work and Budget Review
  
- 2) TSG shall provide services in the areas of Culture, Physical Activity, Good Nutrition, Mindfulness, Positive Behavior and Disease Prevention for Agency Members. The vital focus of the Agency Wellness and Well-being Program is to emphasize the importance of wellness in order to create more awareness and engagement toward ongoing healthy behavior change and overall improved health outcomes for Members. All initiatives will be conducted in collaboration with the Agency Services and deliverables will include:

---

  - i) **Wellness Ambassador Program (Culture of Health)** – Wellness Ambassadors serve as the eyes and ears for Members and the Agency Wellness and Well-being team and provide Members with a direct link to information about wellness resources and activities. TSG will:
    - (a) continue the already established program.
    - (b) update the Program for the current year
    - (c) identify training procedure and schedule meetings throughout the year.
    - (d) coordinate updates to the Wellness Ambassador Toolkit
    - (e) procure the Wellness Ambassador identifier (shirt or lanyard) design and assist in distribution.
    - (f) provide online application, assist Agency in monitoring and evaluating the applications, and then determine which employees to include in the program.
    - (g) assist in recruiting and selecting Ambassadors for the program.
    - (h) provide incentives.
      - (i) for Ambassadors to use in initiatives.
      - (ii) assist with any ambassador run mini challenges
      - (iii) for Ambassador Mini-Grants, if one is awarded



- 
- ii) **Wellness at Work Incentive Campaign (Culture of Health, Good Nutrition, Physical Activity, Positive Behaviors, Disease Prevention)** – Incentive or Rewards campaigns are administered through the *Wellness at Work* portal. Agency will collaborate with TSG to build the individual activities and the value associated with each. TSG will:
- (a) build the Incentive/Rewards campaign in *Wellness at Work* based on the list decided upon by Agency and TSG
  - (b) incorporate any skill builders as one of the monthly activities
    - (i) Upload the monthly skill builder
    - (ii) Award any points upon completion
  - (c) administer the Amazon.com prefunding using the PMPM allotted.
  - (d) report engagement to Agency quarterly, or as needed.
- 
- iii) **PHA Initiative (Culture of Health)** – Personal Health Assessment (“PHA”) is the first step to learning about any risks. TSG will promote a PHA completion initiative with Agency Members eligible for Wellness at Work. TSG will:
- (a) collaborate with Agency for a time frame for the initiative
  - (b) promote the initiative through various avenues (newsletters, emails, direct mail)
  - (c) administer the incentive with the PHA initiative
- 
- iv) **Monthly Newsletter (Culture of Health)** – Agency themed newsletter with information that encompasses the spectrum of Agency’s Wellness program.
- (a) design and distribution of the newsletter
  - (b) updates to the distribution list with the assistance of Agency
- 
- v) **Mindfulness Based Stress Reduction (Mindfulness, Good Nutrition, Disease Prevention)** – Programs are delivered via The Mindful Center and Michele Duval. These programs are online and delivered by videos and downloadable guided meditations. TSG will:
- (a) coordinate with The Mindful Center in the delivery of the programs
  - (b) provide Agency with promotion and registration tool
  - (c) push communication when appropriate through email and direct mail
- 
- vi) **Monthly Webinar Series (Physical Activity, Good Nutrition, Disease Prevention, Positive Behaviors, Mindfulness, Culture of Health)** – Programs are delivered via The Mindful Center and Michele Duval. These programs are online and delivered by videos and downloadable guided meditations. TSG will:
- (a) coordinate with The Mindful Center in the delivery of the programs
  - (b) provide Agency with promotion and registration tool
  - (c) push communication when appropriate through email and direct mail
- 
- vii) **Health Fair (Culture of Health)** - Health fairs are effective opportunities to provide valuable health information and screening services to large numbers of employees in a convenient one-stop shop format. TSG will assist in providing fun and interactive stations. TSG will:
- (a) Collaborate with Agency on the interactive stations
  - (b) assist Agency in planning and executing activities at the health fair.
  - (c) provide incentives for the stations administered by TSG.

- 
- viii) **Regional Trainings (Culture of Health)** – Regional events help promote the Agency Wellness and Well-being program. TSG will:
- (a) collaborate with Agency on the information and any event logistics.
  - (b) provide representation at all regional training events
  - (c) attend other events as requested by Agency
- 
- ix) **Dinner with the Dietitian (Good Nutrition)** - A four-week email-based program. Participants receive weekly emails that include an instructional video, recipes, and a grocery list for the meal of the week plus additional educational handouts. TSG will with:
- (a) provide communication tools with registration and program information
  - (b) assist recruitment, promotion and prizes
  - (c) administer the weekly emails
  - (d) provide an after-program survey and report results to Agency
- 
- x) **Kitchen Confidence (Good Nutrition)** - A four-week email-based program. Participants receive weekly emails that include an instructional video, recipes, and a grocery list for the meal of the week plus additional educational handouts. TSG will with:
- (e) provide communication tools with registration and program information
  - (f) assist recruitment, promotion and prizes
  - (g) administer the weekly emails.
  - (h) provide an after-program survey and report results to Agency
- 
- ii) **Better Health Good Measures (Good Nutrition, Disease Prevention)** Members who enroll will have unlimited access to a Good Measures Registered Dietitians through phone, email, text, or secure video. Participants will have access to the Good Measures App for duration of the program. TSG will:
- (a) assist in recruitment of participants
  - (b) provide communication tools with registration and program information.
  - (c) provide reporting on engagement
  - (d) send direct mail when needed
- 
- viii) **Choose to Lose Weight Loss Challenge (Positive Behaviors, Nutrition)** - This is a 12-week weight loss program that encourages healthier eating, gradual weight loss and increased physical activity. Classes are virtual. Participants receive tools, handouts and recipes. There is pre and post weigh-in, which will be done virtually. TSG will:
- (a) assist in recruitment of participants
  - (b) provide communication tools with registration and program information.
  - (c) administer the pre and post weigh-in (virtually)
  - (d) provide any classroom materials required for the class
  - (e) administer the virtual classes and provide recording
  - (f) provide an after-program survey and report results to Agency
- 
- ix) **Team Step Challenge (Physical Activity, Positive Behavior)** – A step challenge for teams of up to 4. Weekly automated emails provide tips and support. TSG will assist with:
- (a) recruitment, promotion and prizes
  - (b) manage the challenge and administer the weekly emails

(c) provide an after-program survey and report results

---

xi) **Physical Activity Challenge/Program TBD (Physical Activity, Positive Behaviors)**- Additional programs for physical activity will be administered by TSG. TSG will help with:

- (a) recruitment, promotion and prizes
- (b) administration of the program and logistics
- (c) provide an after-program survey and report results to Agency

---

xii) **Be Well Behavior Change (Positive Behaviors)** – 10-week behavior change program with 3 phases covering tools, action and next steps. TSG will:

- (a) Coordinate timeline for program rollout with Agency
- (b) provide communication tools (i.e. flyers and emails)
- (c) facilitate the class/demo
- (d) collaborate with health coaches for enrollment in sessions
- (e) administer email and program communication
- (f) administer and prizes and rewards for program completion
- (g) provide an after-program survey and report results to Agency

---

xiii) **Health Coaching (Positive Behaviors)** – Health coaching addresses lifestyle habits on an individual basis. Members work directly with a health educator, dietitian or exercise specialist. TSG will:

- (a) provide communication tools (i.e. flyers and emails)
- (b) manage enrollment in the coaching program
- (c) provide a before- and after-program survey
- (d) provide reports for engagement to Agency

---

xiv) **Biometric Screenings** – Key data points, including weight and body measurements, blood pressure, blood lipid panel and glucose. TSG will:

- (a) provide communication tools (i.e. flyers and emails)
- (b) provide online signups for appointments
- (c) schedule and administer the biometric screenings
- (d) provide aggregate report when possible

---

3) Other relative programs as deemed necessary, appropriate and within budget constraints.

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Price Component	Scope	Price
<b>Wellness Foundation and Program Management</b>	<ul style="list-style-type: none"> <li>• Designated Program Manager</li> <li>• TSG Team Support</li> <li>• Custom <i>Wellness at Work</i> Dashboard</li> <li>• Standard Newsletters</li> <li>• Monthly Wellness Observances</li> <li>• Standard Reporting</li> <li>• Client Management Meetings</li> <li>• Organizational Wellness Strategic Planning and Goal Alignment</li> <li>• Annual Statement of Work and Budget Review</li> </ul>	<i>\$0.27 PMPM</i>

<b>Wellness Program Platform</b>	The online <i>Wellness at Work</i> platform is designed to be the one-stop for all wellness related activities for Contractor Members.	Platform access is offered at no cost to Contractor Members.
<b>Wellness Offerings</b>	TSG shall provide services in the areas of Culture, Physical Activity, Good Nutrition, Mindfulness, Positive Behavior and Disease Prevention for New Mexico Public Schools Insurance Authority (Agency) Members. The vital focus of the Agency Wellness and Well-being Program is to emphasize the importance of wellness in order to create more awareness and engagement toward ongoing healthy behavior change and overall improved health outcomes for Members. All initiatives will be conducted in collaboration with the Agency.	<i>\$0.57 PMPM</i>
<b>PMPM Fee</b>		<b>\$0.84 PMPM</b>

**Biometric Screenings** Contractor will pass through costs to Agency  
Data points including weight and body measurements, blood pressure, blood lipid panel and glucose.

# Wellness & Wellbeing Update

May 2023

## Wellness Programs

WondrHealth – previously Naturally Slim  
Transform Diabetes Care (TDC) – previously Livongo

## Education/ Resources

Annual Training – In-person

## Wellness Ambassador Program

Accepting applications for 2023-2034 School Year



# WondrHealth

## The 3 stages of Wondr

Our personalized, 100% digital program is built in three simple stages for results that last.

1

### WondrSkills™

Learn simple, repeatable skills through weekly master classes.

2

### WondrUp™

Reinforce and practice WondrSkills through weekly personalized, curriculum.

3

### WondrLast™

Build momentum towards your healthiest self in the maintenance phase of the program.

September 2022 Campaign  
83 Participants/81 mobile app users  
Weight Loss 275lbs  
3,306 Behavior Tools Used  
February 2023 Campaign  
396 Accepted  
April 2023 Campaign  
190 Accepted

# Transform Diabetes Care - TDC

## Early indicators overview for New Mexico Public Schools Insurance Authority (NMPSIA)

Program launch: February 1, 2023 | Data as of: March 2023 | Report date: April 13, 2023

### TDC membership

Member type	Members
Total lives	44,820
Total eligible members with diabetes	3,231
Total eligible members with diabetes with gaps	3,091 96%
Average gaps per member	3.1

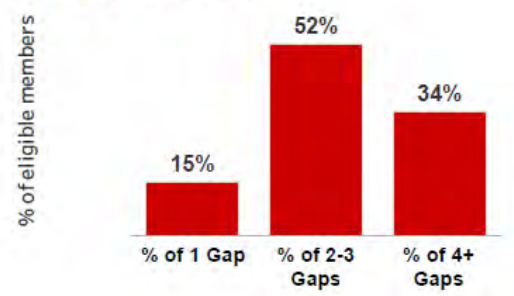
### Comprehensive care gap identification across 5 clinical impact areas

Our advanced analytics uncovers open care gaps for your members beyond the industry standard of just blood glucose monitoring and lifestyle and comorbidity.

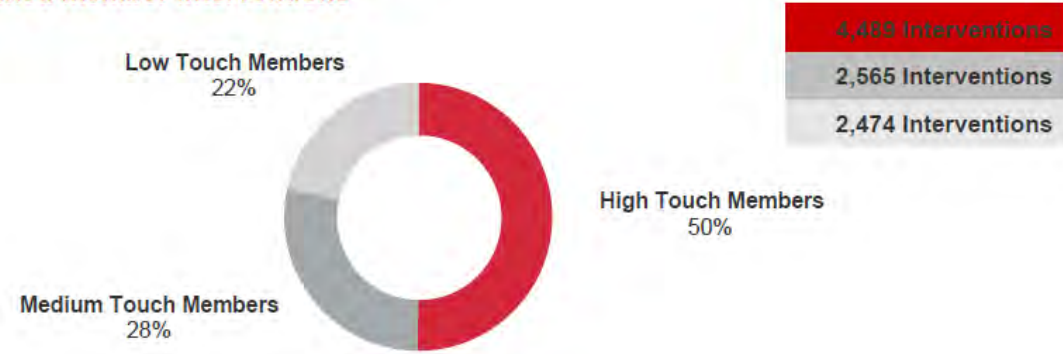
**9,528**  
total gaps identified



### Care gap breakdown



### Planned member interventions



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<https://payorsolutions.cvshealth.com/video/pbm/45-second-memberclient-explainer-video-introduces-our-health-optimizer-app-part-our-diabetes>

# 2023 Annual Training

## WHEN

July 10<sup>th</sup> – Farmington: FMS School Board Room  
July 12<sup>th</sup> – Las Vegas: Luna Community College  
July 13<sup>th</sup> – Roswell: RISD School Board Room  
July 14<sup>th</sup> – Rio Rancho: RRPS Training Center  
July 18<sup>th</sup> – Las Cruces: Administration Complex

## AREAS OF FOCUS

Struggles with Enrollment  
Workers' Compensation  
Why Wellness  
Benefits Smart Consumer  
Online Enrollment  
Ergonomics Assessment

## PRESENTERS

NMPSIA  
EASI  
CCMSI  
Wellness Team  
Poms & Associates

105 registrants to date.





# Wellness Ambassador Program

- PSIA partners with BCBS, PHP and Cigna Wellness Program Coordinators to educate ambassadors on the wellness programs and tools available through enrollment into the benefit plans offered under their employer.
- Importance of the role of an Ambassador:
  - Ambassadors promote and coordinate employee wellness worksite programs.
  - Ambassadors also ensure employees receive important communications and plan information regarding changes or promotions .....
- Recruitment for the 2023-2024 school year is underway
- Received applications received to date: 12; 9 returning and 3 new interests

STATE OF NEW MEXICO

**NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY**

**PROFESSIONAL SERVICES CONTRACT # 342-2023-05**

THIS AGREEMENT is made and entered into by and between the State of New Mexico, **Public Schools Insurance Authority (NMPSIA)**, hereinafter referred to as the “Authority,” and [REDACTED], hereinafter referred to as the “Contractor,” and is effective as of the date set forth below upon which it is executed by the Authority.

IT IS AGREED BETWEEN THE PARTIES:

**1. Scope of Work.**

The Contractor shall investigate, evaluate, process, manage and resolve both first and third-party claims premised upon allegations of negligent or careless acts or omissions and potential claims for money damages or losses of the Authority’s Member for which the Authority’s Member are alleged to be legally responsible. The Contractor will provide Property, Crime, Automobile Physical Damage, Cyber Liability, Automobile Liability, General Liability including Sexual Abuse, Student Accidents, and Errors & Omissions Liability claim administration services. The Contractor will also provide defense and litigation management; in consultation with the Authority’s General Counsel and Executive Director; establish and maintain a statewide panel of attorneys with defense and trial experience; evaluate the attorney’s annually (or as requested by the Authority) and report findings to the Authority; assign and monitor legal counsel in consultation with the Authority’s General Counsel and Executive Director; prepare checks bearing the name of the Authority to third parties; make recommendations to the Authority to update, as needed, the Memorandum of Coverage, claims procedure manual and litigation management guidelines; adhere to excess carrier reporting requirements for all qualified claims and provide electronic generated loss information; identify coverage issues under the Authority’s Memorandum of Coverage and set reserves, and issue reservation of rights letters where appropriate.

In addition, the Contractor will process potential claims involving both Limited Criminal Defense and Limited Individuals with Disabilities Education Act (IDEA) coverages which are self-insured coverages not reinsured by excess carriers. The Contractor must meet all licensure and other legal requirements of both the State of New Mexico and Federal laws applicable to proper claims administration practices. Authority/Contractor claim procedures and litigation management guidelines will be expected to be adhered to. If the claim procedures are not adhered to performance penalties will be enforced. The claim procedures and litigation management guidelines are written to illustrate the expectations between both parties and to ensure timely and efficient adjustment, litigation management and a thorough investigation of claims. They are also used by a claims auditor annually to ensure compliance.

## Summary of Contract Services in General

The Contractor shall aggressively manage and adjust claims in coordination with the Authority's Executive Director, Deputy Director, and/or General Counsel and assigned Attorneys with the objective of resolving claims in a proactive, expeditious, and cost-effective manner. Below are some of the activities expected from the Contractor for all participating Members:

1. Receive timely notice of claims and open claim file (input all claims and incidents) from the Authority's members;
2. Verify coverage;
3. Investigate the underlying facts and circumstances;
4. Accept or reject the claim, or manage the process if approvals are required;
5. Assist in writing Reservation of Rights letter with the Authority's General Council;
6. Set reserves; forecast to the ultimate cost of the claim and likely outcomes;
7. Perform periodic reserve updates and monitor resource process;
8. Determine appropriate payments required for wage reimbursement, medical services and other expenses;
9. Monitor progress of the claim; close out and assign to counsel as necessary;
10. Notify excess carriers timely of all qualified claims per the reporting requirements of the excess carriers;
11. Provide electronic generated loss information to all Members, the Authority and the Authority's Consultant/Broker (RMIS access for all members, currently there are approximately 500 users). The Contractor must ensure accurate data will be entered into the claims management system. There needs to be a process to review and check all financial documentation entered into the claims management system to ensure the financial integrity.
12. Update, if necessary, claim procedure manuals and conduct annual regional orientation meetings, if requested;
13. Maintain files for Memorandum of Coverages and Reinsurance Policies;
14. Attend arbitration and mediation hearings, etc.;
15. Attend monthly Authority Risk Advisory Committee and Board meetings in New Mexico, generally in Albuquerque (first Wednesday and Thursday of each month), meetings dates are subject to change;
16. All Adjusters will be licensed in the State of New Mexico and any other Contractor staff that is required by the State to be licensed;

17. The Authority retains the right to interview, approve the Adjusters and request changes in Adjusters when service standards and requirement are not being met;
18. Maintain a toll-free telephone number;
19. It is imperative the Contractor provide a safe environment to house all claim files, records, correspondence, documents, etc., pertaining to the Authority's account;
20. The Contractor shall adhere to a "back-up" system for all computer records daily. The Contractor shall implement a Data Backup and Disaster Recovery Plan. In addition, it is the responsibility of the Contractor to safely store *all* closed Authority files;
21. Provide weekly written notice of the amounts paid by the Contractor;
22. Provide amounts below and above self-insurance retentions monthly to the Authority;
23. Review the development of the self-insurance claim program periodically with the Authority to identify problems and recommend corrective action;
24. Provide a monthly written Notice of Loss Report to the Authority, General Counsel, and Insurance Broker when reserves exceed \$25,000. Report will include a description of the loss, adjuster's comments, recommendations, etc.;
25. Recommend legal counsel to Executive Director, Deputy Director and/or General Counsel for approval;
26. Require panel attorneys to have a Data Backup and Disaster Recovery Plan;
27. Adhere to the NMPSIA/Contractor claim procedures and litigation management guidelines;
28. Fully cooperate with an annual claims audit performed by an independent claims auditing company selected by the Authority;
29. The Contractor will keep the Authority notified with respect to legislative changes or pending changes in any state statute or regulations as soon as information becomes available. The Contractor will provide a report illustrating the monetary impact on the Authority. In addition, the Contractor will be responsible to inform all members in writing and if deemed necessary by the Authority, perform regional seminars to explain these changes. All associated research costs will be the responsibility of the Contractor;
30. The Contractor shall reimburse the Authority for any penalties assessed to the Authority and/or its Members which is found to be the result of the Contractor's lack of proper claim handling, including late payments and costs incurred due to late/improper notifications, and any payments for legal services that are not within the Litigation Management Guidelines or approved by the Authority. The Contractor shall pay all administrative penalties assessed on claims whether self-imposed or by an Excess Insurance Carrier or Reinsurer.

## **Summary of Property and Liability Services**

1. Review all claim and loss reports made by the Authority or any participating school district or educational entity or any employee thereof to the Contractor and process each claim or loss report in accordance with applicable statutory and administrative notification requirements.
2. Have a member of senior management triage each initial claim received prior to assigning an adjuster.
3. Investigate each reported claim or loss to the extent deemed necessary in the performance of its obligations.
4. Arrange for independent investigations of medical or other experts to the extent deemed necessary in connection with processing any qualified claim or loss.
5. Promptly pay any qualified claim, loss or expense in accordance with fair and equitable claims practice.
6. It is the Authority's position to maintain a conservative reserving practice. If there are any questions in establishing a reserve amount, then it is the Contractor's obligation to discuss the circumstance with the Executive Director, Deputy Director, General Counsel and/or Insurance Broker and mutually agree on a reserve amount.
7. Perform reasonable and necessary administration and clerical work in connection with qualified claims or losses including the preparation of checks. All checks shall bear the name of the Authority and will be drawn on an approved bank located in the State of New Mexico. The account or accounts will be established by the Contractor. Bank reconciliation will be the Contractor's responsibility and shall be provided to the Authority monthly. For instance, the Contractor will be required to calculate outstanding excess carrier(s) recoveries for all claims monthly. In addition, the Contractor will be required to provide all subrogation amounts monthly.
8. Maintain a file for each qualified claim or loss which shall be subject to review by the Authority or its designated agent(s).
9. Notify excess insurers of all qualified claims or losses with respect to which potential losses may exceed the Authority's self-insured retention and, if requested, provide such insurers with necessary information on the status of those claims or losses. Any fines or penalties assessed by the excess insurers due to late reporting is the responsibility of the Contractor.
10. Notify timely all sexual abuse claims and all claims that could exceed 50% of the Self-Insured Retention to the Authority's Broker/Consultant.

11. The Contractor shall recommend legal counsel to the Authority for the defense of claims or losses by the Contractor. The Contractor shall only select counsel skilled in the defense of insurance matters and with trial experience. The Authority's expectation is to assign only skilled and cost-effective counsel. Prior to assigning counsel, the Contractor shall notify the Executive Director, Deputy Director and/or Legal Counsel with a recommendation to defend the Authority or its participating member. Once approval is given by the Executive Director, Deputy Director and/or Legal Counsel, the Contractor shall retain the attorney on behalf of the Authority. The Contractor shall protect and preserve the interest of the Authority and supervise the legal aspects of the Authority's, participating entity's and/or the claimant's obligations. The fees and expenses to be paid by the Contractor shall be no higher than those approved by the Authority. The Contractor is required to request itemized bills, maintain them in each file, and adhere to NMPSIA's litigation management guidelines. In addition, the Contractor must have the computer capability to include a specific code on the loss run that clearly displays that the claim is "in-suit."
12. Accept or reject the claim, or manage the process if approvals are required. Determine when a Reservation of Rights letter is required and prepare such a letter on a timely basis.
13. Assist in the preparation of applicable release agreements and computations resulting from settlements or court awards with a copy of such agreements sent to the Authority. When appropriate, utilize "structured settlements."
14. Assist the Authority's counsel and panel attorney, if requested, to prepare the defense for litigated cases, to negotiate settlements and to prepare for subrogation or contribution actions.
15. Maximum caseload per adjustor will be 150 for General Liability/Property. For property only, the maximum per adjustor will be 100. If the amount changes up or down, the Contractor will notify NMPSIA timely.
16. Use computer programs to furnish to the Authority and all its members, selected loss information reports, as stated below. All reports are required to be mailed or provided on-line within 10 days of the close of each month, for each line of coverage in the following formats, at minimum.
17. Provide the Authority financial Liability Reserve and Recovery and Reimbursement reports with detail and any other financial reports needed by the Authority no later than the 10<sup>th</sup> of the month for the prior month.
18. Provide any reports including ad hoc reports for legislative analysis within a 24-hour period.
19. Assemble and maintain a record of all claimants, defendants, locations and/or departments participating in the Authority's coverages and assign an appropriate code.

The Contractor will also subscribe and participate in the Index Bureau and will file *all* claims. All indexing costs will be charged to the respective file and will not be a Contractor expense.

## **Minimum Report Standards**

### **Required Reports**

1. Authority's loss experience by line of coverage, by year;
2. Each participating member's loss experience, by line of coverage, by year;
3. List of payments/reserves/recoveries during current month, by member, by year;
4. Authority's claim activity during current month, by line of coverage, by year;
5. A list of all reportable claims to the excess carrier(s) by coverage, by year;
6. Accident Loss Analysis Report (List of type, source and cause of accidents; sorted by the top five accidents for the Authority and for each participating member between the most current policy period and the last policy period.)
7. Listing of all Member open and closed claims, by coverage, by year;
8. Loss Analysis Report;
9. List of litigated cases;
10. List of all attorney fees broken down by firm; and
11. Report on the effectiveness of the attorneys utilized.

In addition to the above standard reports, the Contractor must have the capability to produce "ad hoc" reports to the Authority, on an as needed basis. Any costs to produce these reports, shall *not* be passed on to the Authority. Some examples of "ad hoc" reports, are as follows:

12. Provide narrative or analytical reports for all claims which exceed \$25,000;
13. Provide paid and reserve costs for litigation expenses broken down by member;
14. Provide claim reports that illustrate the type, source and nature of loss by line of coverage. In addition, provide claim reports that list the top 20 members who have experienced the highest number of losses and the highest cost;
15. To complete the annual cost allocation formula, the Contractor will provide to the Authority's Executive Director, Deputy Director and/or Legal Counsel and the Authority's Consultant/Broker, the following: a summary of all claims, separated by line of coverage, above and below \$25,000, segregated by member, for the last three policy periods;

16. A report designed to track aggregate limits and aggregate coverage layers, where applicable;
17. Report that differentiates "claims made" and "occurrence" claims;
18. List of all bus accidents; and
19. List of all sexual abuse claims, or any other potential high-cost claims.
20. Update, if necessary, the procedure manual pertaining to claim administration for use by participating entities and the Authority. The manual will be updated and disseminated to the Authority and all participating entities annually. All costs associated with the production of the manual will be the Contractor's responsibility.
21. Participate in the training of the Authority's Members who are directly or indirectly involved in the processing of qualified claims or losses.
22. Meet excess carrier reporting provisions on a timely basis.
23. The Contractor will confer with the Authority during all stages of any legal proceedings to ensure that all facts and investigations are obtained and are timely. The Authority reserves the right to assign a "serious" claim to an independent adjusting firm where, for example, a potential conflict of interest may exist.
24. Pursue subrogation efforts on all claims where applicable.
25. The Contractor will have the ability to evaluate any coverage below the self-insured retention(s). In addition, the Contractor will develop and maintain an agreement with the excess carrier(s) as to how and by whom claims will be adjusted above the self-insured retention. For the benefit of its members, the Authority wants to ensure a consistent and non-interrupted adjustment once a claim falls within any excess layer. The Authority prefers ongoing supervision by the Contractor.
26. The Contractor's computer system must capture minimum information, such as: the participating entity's name; date of loss; date loss was reported to the Contractor; time of loss; gender; identify the applicable line of coverage; condensed description of the incident; payments made; estimated future costs (reserves), including the ability to track reserve changes; claimant's name; claimant's date of birth; defendant's name; defendant's date of birth; employee's occupation or position with the employer; and plaintiff and defense costs, including any additional legal expenses. The Authority prefers the availability of open data fields so that reports can be customized to the Authority's program.
27. The Contractor will maintain a quality control system to ensure claims are coded accurately. In addition, a supervisor or manager from another office, will perform a random audit of at least 50 claims each quarter and provide findings to the Authority.



28. The Contractor will conduct on-site or other requested training and education of the Authority's Member(s) regarding reporting and handling claims.
29. The Contractor will inform the Authority's Consultant/Broker in writing, and carbon copy the Executive Director and Deputy Director, concerning all claims reported to the excess carrier(s) and seek advice or coverage guidance on large or complex claims.
30. The Contractor will meet monthly or as agreed with the Executive Director, Deputy Director and/or Legal Counsel and/or the Authority's Broker to review significant claims and related activities.
31. Maintain a communication system that assures the Authority and Members that the Contractor is available to react to a claim twenty-four (24) hours a day.
32. Effect prompt recovery from other parties, when applicable.
33. Maintain records of all litigated cases and cost for retaining legal counsel, case duration and outcomes. Protect and preserve the interest of the Member and supervise the legal aspects of Member obligations.

## **Performance Measures**

1. Adhere to Performance Measures and Penalties as referenced in Exhibit A. NMPSIA's Claims Auditor will perform an annual audit of the Contractor and provide results to the Executive Director, Deputy Director and to the Board of Directors.

## **2. Compensation.**

A. The Authority shall pay to the Contractor in full payment for services satisfactorily performed in the amounts outlined below in 2.A.1 excluding gross receipts tax.

1.	<u>Fiscal Year</u>	<u>Amount</u>
	2024	\$1,040,000.00
	2025	\$1,071,200.00
	2026	\$1,103,336.00
	2027	\$1,136,436.08

**This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor is responsible for notifying the Authority when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.**

B. Payment in FY24, FY25, FY26, and FY27 is subject to the availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the

parties from year to year pursuant to Paragraph 1, Scope of Work. All invoices **MUST BE** received by the Authority no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date **WILL NOT BE PAID**.

C. The Authority shall at times provide funds adequate for the payment of qualified claims or losses and of allocated loss expenses. At the inception of this Agreement, the Authority shall provide the Contractor the sum of \$106,000.00 to be placed in a trust account, the supervision, care, and custody of which is the responsibility of the Contractor. Detailed records of the fund shall be maintained by the Contractor. Verification of certificate of insurance for the bank shall be provided upon inception of the contract and as requested by the Authority. A bank reconciliation shall be provided to the Authority monthly. From this fund, the Contractor shall pay all qualified claims, losses, costs, and expenses incurred by the Authority and properly payable under the Authority's coverages. The Contractor shall pay the above claims and expenses daily. Upon receipt of notice in writing from the Contractor of the weekly amount paid, and a detailed invoice, from the Contractor, the Authority shall reimburse the Contractor by Electronic Funds Transfer within 72 hours, excluding weekends and holidays. Failure by the Authority to reimburse the Contractor within 72 hours shall result in suspension by the Contractor of all claims payments until such time as reimbursement is received. Upon expiration of this Agreement or any successor Agreement, funds remaining shall be returned to the Authority.

D. It is expressly understood that the Contractor shall not be required to advance its own funds to pay losses or allocated loss expenses or any bank service or interest charges hereunder if the Authority fails to provide adequate funds as herein set forth.

E. The annual maximum compensation amounts include the ongoing handling of all open claim files as well as receipt and processing of all new claims and losses received by the Authority. All allocated expenses such as, but not limited to; legal services, professional photography, independent medical examinations, professional engineering or architectural services, automobile physical damage appraisals, and any costs associated with the use of other adjustment companies, shall be charged to the claim file. Payment for allocated necessary expenses shall not be considered within the maximum compensation amount.

F. The Contractor shall be reimbursed by the Authority for applicable New Mexico gross receipts taxes, excluding interest or penalties assessed on the contractor. The payment of taxes for any money received under this agreement shall be the Contractor's sole responsibility and should be reported under the Contractor's federal and state tax identification numbers.

G. Contractor and all subcontractors shall pay all Federal, State, and local taxes applicable to its operation and any persons employed by the Contractor. The Contractor shall require all subcontractors to hold the Authority harmless from any responsibility for taxes, damages, and interest if applicable, contributions required under Federal and/or State and local laws and regulations and any other costs, including transaction privilege taxes, unemployment compensation insurance, Social Security and Workers Compensation.

**3. Term.**

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE AUTHORITY with a start date of **July 1, 2023**. This agreement shall terminate on **June 30, 2027**, unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with NMSA 1978, § 13-1-150, no contract term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in NMSA 1978, § 13-1-150.

**4. Termination.**

A. **Grounds.** The Authority may terminate this Agreement for convenience or cause. The Contractor may only terminate this Agreement based upon the Authority's uncured, material breach of this Agreement.

B. **Notice; Authority Opportunity to Cure.**

1. Except as otherwise provided in Paragraph (4)(B)(3), the Authority shall give the Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.

2. Contractor shall give Authority written notice of termination at one hundred and eighty (180) days prior to the intended date of termination, which notice shall (i) identify all the Authority's material breaches of this Agreement upon which the termination is based and (ii) state what the Authority must do to cure such material breaches. The contractor's notice of termination shall only be effective (i) if the Authority does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the Authority does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.

3. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the Authority; (ii) if, during the term of this Agreement, the Contractor is suspended or debarred by the State Purchasing Agent; or (iii) the Agreement is terminated pursuant to Paragraph 5, "Appropriations", of this Agreement.

C. **Liability.** Except as otherwise expressly allowed or provided under this Agreement, the Authority's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. **THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE AUTHORITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE Contractor's DEFAULT/BREACH OF THIS AGREEMENT.**

D. **Termination Management.** Immediately upon receipt by either the Authority or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement

without the written approval of the Authority; 2) comply with all directives issued by the Authority in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the Authority shall direct for the protection, preservation, retention or transfer of all property titled to the Authority and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become the property of the Authority upon termination and shall be submitted to the Authority as soon as practicable.

**5. Appropriations.**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, this Agreement shall terminate immediately upon written notice being given by the Authority to the Contractor. The Authority's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the Authority proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

**6. Status of Contractor.**

The Contractor and its agents and employees are independent contractors performing professional services for the Authority and are not employees of the State of New Mexico. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the State of New Mexico unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

**7. Assignment.**

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Authority.

**8. Subcontracting.**

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the Authority. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the Procuring Authority.

**9. Release.**

Final payment of the amounts due under this Agreement shall operate as a release of the Authority, its officers and employees, and the State of New Mexico from all liabilities, claims, and obligations whatsoever arising from or under this Agreement.

**10. Confidentiality.**

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Authority.

**11. Product of Service -- Copyright.**

All materials developed or acquired by the Contractor under this Agreement shall become the property of the State of New Mexico and shall be delivered to the Authority no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

**12. Conflict of Interest; Governmental Conduct Act.**

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with NMSA 1978, § 10-16-4.3, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any Authority employee while such employee was or is employed by the Authority and participating directly or indirectly in the Authority's contracting process;

2) this Agreement complies with NMSA 1978, § 10-16-7(A) because (i) the Contractor is not a public officer or employee of the State; (ii) the Contractor is not a member of the family of a public officer or employee of the State; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the State, a member of the family of a public officer or employee of the State, or a business in which a public officer or employee of the State or the family of a public officer or employee of the State has a substantial interest, public notice was given as required by NMSA 1978, § 10-16-7(A) and this Agreement was awarded pursuant to a competitive process;

3) in accordance with NMSA 1978, § 10-16-8(A), (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the State within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the State whose official act, while in State employment, directly resulted in the Authority's making this Agreement;

4) this Agreement complies with NMSA 1978, § 10-16-9(A) because (i) the Contractor is not a legislator; (ii) the Contractor is not a member of a legislator's family; (iii) the Contractor is not a business in which a legislator or a legislator's family has a substantial interest; or (iv) if the Contractor is a legislator, a member of a legislator's

family, or a business in which a legislator or a legislator's family has a substantial interest, disclosure has been made as required by NMSA 1978, § 10-16-7(A), this Agreement is not a sole source or small purchase contract, and this Agreement was awarded in accordance with the provisions of the Procurement Code;

5) in accordance with NMSA 1978, § 10-16-13, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

6) in accordance with NMSA 1978, § 10-16-3 and § 10-16-13.3, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the Authority.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the Authority relied when this Agreement was entered into by the parties. The contractor shall provide immediate written notice to the Authority if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that the Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the Authority and notwithstanding anything in the Agreement to the contrary, the Authority may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

**13. Amendment.**

A. This Agreement shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the Authority proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

**14. Merger.**

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

**15. Penalties for violation of law.**

The Procurement Code, NMSA 1978 §§ 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

**16. Equal Opportunity Compliance.**

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

**17. Applicable Law.**

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1 (G). By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

**18. Workers Compensation.**

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Authority.

**19. Records and Financial Audit.**

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the Authority, the General Services Department/State Purchasing Division and the State Auditor. The Authority shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the Authority to recover excessive or illegal payments

**20. Indemnification.**

The Contractor shall defend, indemnify and hold harmless the Authority and the State of New Mexico from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable

but no later than two (2) days after it receives notice thereof, notify the legal counsel of the Authority and the Risk Management Division of the New Mexico General Services Department by certified mail.

**21. New Mexico Employees Health Coverage.**

A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed \$250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the state.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage.

**22. Invalid Term or Condition.**

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

**23. Enforcement of Agreement.**

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

**24. Notices.**

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the Authority:  
Patrick Sandoval  
Executive Director  
New Mexico Public Schools Insurance Authority  
410 Old Taos Highway  
Santa Fe, New Mexico 87501  
[Patrick.Sandoval@psia.nm.gov](mailto:Patrick.Sandoval@psia.nm.gov)

Or



Claudette Roybal  
Chief Procurement Officer  
New Mexico Public Schools Insurance Authority  
410 Old Taos Highway  
Santa Fe, New Mexico 87501  
[Claudette.Roybal@psia.nm.gov](mailto:Claudette.Roybal@psia.nm.gov)

To the Contractor:



25. **Authority.**

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

26. **Incorporation by Reference and Precedence.**

If this Agreement has been procured pursuant to a request for proposals, this Agreement is derived from (1) the request for proposal, (including any written clarifications to the request for proposals and any Authority response to questions); (2) the Contractor's best and final offer; and (3) the Contractor's response to the request for proposals.

27. **Succession.**

This Agreement shall extend to and be binding upon the successors and assigns of the parties.

28. **Contractor Personnel.**

A. **Key Personnel.** The contractor's key personnel shall not be diverted from this Agreement without the prior written approval of the Authority. Key personnel are those individuals considered by the Authority to be mandatory to the work to be performed under this Agreement. Key personnel shall be agreed upon by both the Authority and the Contractor.

B. **Personnel Changes.** Replacement of any personnel shall be made with personnel of equal ability, experience, and qualification and shall be approved by the Authority. For all personnel, the Authority reserves the right to require submission of their resumes prior to approval. If the number of Contractor's personnel assigned to the Project is reduced for any reason, Contractor shall, within ten (10) Business Days of the reduction, replace with the same or greater number of personnel with equal ability, experience, and qualifications, subject to Authority approval. The Authority, in its sole discretion, may

approve additional time beyond the ten (10) Business Days for the replacement of personnel. The Contractor shall include status reports of its efforts and progress in finding replacements and the effect of the absence of the personnel on the progress of the Project. The Contractor shall also make interim arrangements to assure that the Project progress is not affected by the loss of personnel.

**29. Arbitration.**

Any controversy or claim arising between the parties shall be settled by arbitration pursuant to NMSA 1978 § 44-7A-1 *et seq.* in Santa Fe, New Mexico.

**IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the NMPSIA Board President below.**

New Mexico Public Schools Insurance Authority

By: \_\_\_\_\_  
Alfred A. Park, Board President, NMPSIA

Date: \_\_\_\_\_

**(Contractor)**

By: \_\_\_\_\_

\_\_\_\_\_

Exhibit A - Performance Measures

	Performance Measure	Measurement Basis	Penalty
1.	<p>Maximum caseloads per adjuster: 150 for General Liability and Property. For Property, only the maximum per adjuster will be no more than 100.</p> <p>The contractor must notify the Authority and Broker of any caseloads above the maximum caseloads and must provide a timeline for when the Contractor will get back to the maximum caseloads.</p> <p>In the event, there are instances with multiple claims because of a single occurrence or major weather-related claims the Contractor may exceed the maximum caseloads by 10%.</p>	<p>Monthly report submitted to the Authority and Broker.</p> <p>Independent Audit</p>	Maximum of \$5,000 for failure to comply.
2.	<p>Within thirty days of any loss of more than \$25,000, the Contractor shall provide a recommended plan of action (POA) defining the insured's (Member) and Contractor's responsibilities to conclude the loss.</p>	Independent Audit	Maximum of \$5,000 for failure to comply even if it is one claim.
3.	<p>Authority and Broker must receive notice of reserve changes over \$25,000 with a plan of action every 30 days. The plan of action must provide detailed reserve comments that ID and support any change.</p>	<p>Report every 30 days</p> <p>Independent Audit</p>	Maximum of \$5,000 for failure to comply even if it is one claim.
4.	<p>Excess Carriers must receive claims reports and reserve increase notifications timely as stated within the Property &amp; Liability Claims Procedures. Any reserve increase must be communicated within 10 working days</p>	<p>Independent Audit</p> <p>Excess Carrier Denial</p>	Maximum of \$5,000 for failure to comply for each late report.
5.	<p>Quarterly meetings with Authority-designated personnel, Broker, and/or General Counsel to discuss the status of open claims and review plans of action, for any new claims over \$100,000 or claims with a reserve change of more than \$50,000.</p> <p>If for any reason the Authority cannot meet or needs to change the date of the quarterly meeting exceeding 92 days from the last meeting the Contractor will not be liable for a performance measure penalty.</p>	Schedule of Meetings	Maximum of \$5,000 for failure to comply by not having a meeting.
6.	<p>The Contractor shall prepare and maintain comprehensive Account Service Instructions designed to establish measurable, specific, written standards of performance for the servicing of NMPSIA's claims.</p>	Independent Audit	Maximum of \$5,000 if the Contractor fails to provide Account service Instructions.
7.	<p>The Contractor shall complete proper coding and cause of claims.</p>	Independent Audit	Maximum of \$500 for each improper claim coding, with a maximum of \$10,000 annually.

8.	NMPSIA or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards.	Independent Audit	Reduction of the annual fee by a maximum of \$25,000 should the independent technical audit score fall below 90% contingent on the agreement on the criteria used to evaluate the areas of technical performance and that the same criteria be applied to all audits.
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**NMPSIA BOARD REPORT SUMMARY - LIABILITY AND PROPERTY**

03-31-2023

ALL YEARS TOTAL OPEN CLAIMS FOR LIABILITY AS OF MARCH 31, 2023							ALL YEARS TOTAL OPEN CLAIMS FOR PROPERTY AS OF MARCH 31, 2023						GRAND TOTALS	
SCHOOL DISTRICT	NUMBER OF OPEN CLAIMS	NUMBER OF NEW CLAIMS	NUMBER OF CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	NUMBER OF OPEN CLAIMS	NUMBER OF NEW CLAIMS	NUMBER OF CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	TOTAL OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	372	53	55	\$24,514,035.13	\$9,662,695.70	\$34,176,730.83	77	11	3	\$37,311,783.49	\$23,513,133.76	\$60,824,917.25	449	\$95,001,648.08
SUBTOTAL - CHARTER SCHOOLS	23	3	3	\$278,397.04	\$1,393,774.64	\$1,672,171.68	6	2	2	\$82,923.09	\$65,223.79	\$148,146.88	29	\$1,820,318.56
GRAND TOTAL	395	56	58	\$24,792,432.17	\$11,056,470.34	\$35,848,902.51	83	13	5	\$37,394,706.58	\$23,578,357.55	\$60,973,064.13	478	\$96,821,966.64

CHANGE FROM PRIOR MONTH SCHOOL DISTRICT	CURRENT CHANGES LIABILITY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES PROPERTY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES	
	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	2	11	27	\$244,431.71	\$807,236.86	\$1,051,668.57	9	8	1	(\$237,227.55)	\$338,076.83	\$100,849.28	11	\$1,152,517.85
SUBTOTAL - CHARTER SCHOOLS	0	(1)	(5)	(\$15,061.75)	\$8,151.57	(\$6,910.18)	0	0	1	\$9,145.51	(\$13,567.76)	(\$4,422.25)	0	(\$11,332.43)
GRAND TOTAL	2	10	22	\$229,369.96	\$815,388.43	\$1,044,758.39	9	8	2	(\$228,082.04)	\$324,509.07	\$96,427.03	11	\$1,141,185.42

HISTORY Monthly Totals	MONTH TOTAL						MONTH TOTAL CHANGES FROM PRIOR MONTH TOTAL							
	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL		
March - 2023	478	69	63	\$62,187,138.75	\$34,634,827.89	\$96,821,966.64	11	18	24	\$1,287.92	\$1,139,897.50	\$1,141,185.42		
February - 2023	467	51	39	\$62,185,850.83	\$33,494,930.39	\$95,680,781.22	19	(10)	(8)	\$571,024.43	\$1,187,977.05	\$1,759,001.48		
January - 2023	448	61	47	\$61,614,826.40	\$32,306,953.34	\$93,921,779.74	18	29	0	\$361,499.20	(\$175,637.96)	\$185,861.24		
December - 2022	430	32	47	\$61,253,327.20	\$32,482,591.30	\$93,735,918.50	(13)	(30)	(12)	(\$1,886,367.25)	(\$3,797,977.87)	(\$5,684,345.12)		
November - 2022	443	62	59	\$63,139,694.45	\$36,280,569.17	\$99,420,263.62	13	(20)	(17)	\$2,289,852.48	(\$425,745.37)	\$1,864,107.11		
October - 2022	430	82	76	\$60,849,841.97	\$36,706,314.54	\$97,556,156.51	8	39	31	\$437,166.04	(\$4,136,937.99)	(\$3,699,771.95)		
September - 2022	422	43	45	\$60,412,675.93	\$40,843,252.53	\$101,255,928.46	5	(29)	(15)	\$1,683,415.42	\$1,226,358.10	\$2,909,773.52		
August - 2022	417	72	60	\$58,729,260.51	\$39,616,894.43	\$98,346,154.94	15	54	31	\$970,635.92	\$2,352,124.71	\$3,322,760.63		
July - 2022	402	18	29	\$57,758,624.59	\$37,264,769.72	\$95,023,394.31	(6)	(39)	(11)	\$20,243,939.17	\$4,938,782.62	\$25,182,721.79		
June - 2022	408	57	40	\$37,514,685.42	\$32,325,987.10	\$69,840,672.52	27	2	(33)	(\$813,665.77)	\$1,639,986.34	\$826,320.57		
May - 2022	381	55	73	\$38,328,351.19	\$30,686,000.76	\$69,014,351.95	(16)	11	40	(\$5,203,062.14)	\$3,030,181.71	(\$2,172,880.43)		
April - 2022	397	44	33	\$43,531,413.33	\$27,655,819.05	\$71,187,232.38	21	(25)	(7)	\$342,327.71	\$1,366,532.28	\$1,708,859.99		
March - 2022	376	69	40	\$43,189,085.62	\$26,289,286.77	\$69,478,372.39	34	22	6	\$1,481,802.34	\$1,290,433.83	\$2,772,236.17		
February - 2022	342	47	34	\$41,707,283.28	\$24,998,852.94	\$66,706,136.22	15	8	0	\$2,051,510.59	(\$272,536.59)	\$1,778,974.00		
January - 2022	327	39	34	\$39,655,772.69	\$25,271,389.53	\$64,927,162.22	7	4	(17)	(\$2,780,159.39)	(\$279,539.15)	(\$3,059,698.54)		
December - 2021	320	35	51	\$42,435,932.08	\$25,550,928.68	\$67,986,860.76	(14)	(12)	13	\$733,971.22	(\$846,129.80)	(\$112,158.58)		
November - 2021	334	47	38	\$41,701,960.86	\$26,397,058.48	\$68,099,019.34	16	13	(12)	\$428,298.90	(\$140,259.94)	\$288,038.96		
October - 2021	318	34	50	\$41,273,661.96	\$26,537,318.42	\$67,810,980.38	(11)	(17)	(1)	\$387,615.58	\$1,047,331.60	\$1,434,947.18		
September - 2021	329	51	51	\$40,886,046.38	\$25,489,986.82	\$66,376,033.20	1	(2)	7	(\$1,015,326.68)	(\$14,926,877.83)	(\$15,942,204.51)		
August - 2021	328	53	44	\$41,901,373.06	\$40,416,864.65	\$82,318,237.71	13	26	23	(\$6,602,301.51)	\$8,714,729.10	\$2,112,427.59		
July - 2021	315	27	21	\$48,503,674.57	\$31,702,135.55	\$80,205,810.12	10	(6)	(14)	(\$9,463,560.36)	\$917,883.95	(\$8,545,676.41)		
June - 2021	305	33	35	\$57,967,234.93	\$30,784,251.60	\$88,751,486.53	(1)	6	3	(\$7,958,945.25)	\$7,182,105.43	(\$776,839.82)		
May - 2021	306	27	32	\$65,926,180.18	\$23,602,146.17	\$89,528,326.35	(1)	(17)	(12)	(\$3,911,820.87)	\$2,197,081.64	(\$1,714,739.23)		
April - 2021	307	44	44	\$69,838,001.05	\$21,405,064.53	\$91,243,065.58	(4)	(11)	(20)	\$664,221.97	\$850,627.02	\$1,514,848.99		
March - 2021	311	55	64	\$69,173,779.08	\$20,554,437.51	\$89,728,216.59	5	23	29	\$1,736,847.96	(\$1,879,101.28)	(\$142,253.32)		
February - 2021	306	32	35	\$67,436,931.12	\$22,433,538.79	\$89,870,469.91	0	6	5	\$1,663,112.17	\$860,697.63	\$2,523,809.80		
January - 2021	306	26	30	\$65,773,818.95	\$21,572,841.16	\$87,346,660.11	3	3	(7)	\$3,370,469.11	\$580,052.17	\$3,950,521.28		
December - 2020	303	37	37	\$62,403,349.84	\$20,992,788.99	\$83,396,138.83	(10)	(8)	(6)	(\$581,271.80)	\$177,982.64	(\$403,289.16)		
November - 2020	313	31	43	\$62,984,621.64	\$20,814,806.35	\$83,799,427.99	(11)	(1)	(2)	(\$367,874.33)	(\$1,858,671.89)	(\$2,226,546.22)		
October - 2020	324	32	45	\$63,352,495.97	\$22,673,478.24	\$86,025,974.21	(8)	(11)	1	(\$1,061,841.28)	\$338,457.26	(\$723,384.02)		
September - 2020	332	43	44	\$64,414,337.25	\$22,335,020.98	\$86,749,358.23	5	(3)	(6)	\$4,366,893.14	(\$3,456,682.77)	\$910,210.37		
August - 2020	327	46	50	\$60,047,444.11	\$25,791,703.75	\$85,839,147.86	(2)	12	(13)	\$2,049,364.59	\$207,038.63	\$2,256,403.22		
July - 2020	329	34	63	\$57,998,079.52	\$25,584,665.12	\$83,582,744.64	(13)	6	10	\$623,995.55	(\$503,018.35)	\$120,977.20		



NMPSIA BOARD REPORT

ALL YEARS TOTAL														
OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF MARCH 31, 2023														
SCHOOL DISTRICT	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
HISTORY	(32)	930	+0	26	(98)	206	(44)	264	+\$324,401	\$14,228,144.59	+\$65,950	\$47,927,633.81	+\$390,351	\$ 62,155,778.40
MARCH-2023	(32)	930	+0	26	(98)	206	(44)	264	+\$324,401	\$14,228,144.59	+\$65,950	\$47,927,633.81	+\$390,351	\$ 62,155,778.40
FEBRUARY-2023	+22	962	+4	26	+92	304	+53	308	+\$152,151	\$13,903,743.67	(\$6,557)	\$47,861,683.74	+\$145,594	\$ 61,765,427.41
SCHOOL DISTRICT	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
HISTORY	(32)	930	+0	26	(98)	206	(44)	264	+\$324,401	\$14,228,144.59	+\$65,950	\$47,927,633.81	+\$390,351	\$ 62,155,778.40
MARCH-2023	(32)	930	+0	26	(98)	206	(44)	264	+\$324,401	\$14,228,144.59	+\$65,950	\$47,927,633.81	+\$390,351	\$ 62,155,778.40
FEBRUARY-2023	+22	962	+4	26	+92	304	+53	308	+\$152,151	\$13,903,743.67	(\$6,557)	\$47,861,683.74	+\$145,594	\$ 61,765,427.41
JANUARY-2023	(21)	940	(9)	22	+58	212	+54	255	(\$160,549)	\$13,751,592.21	(\$150,749)	\$47,868,241.18	(\$311,299)	\$ 61,619,833.39
DECEMBER-2022	(16)	961	+0	31	(39)	154	(34)	201	(\$67,403)	\$13,912,141.54	+\$336,936	\$48,018,990.62	+\$269,533	\$ 61,931,132.16
NOVEMBER-2022	(11)	977	+6	31	(73)	193	(14)	235	+\$183,112	\$13,979,544.16	+\$140,739	\$47,682,054.64	+\$323,851	\$ 61,661,598.80
OCTOBER-2022	+42	988	(4)	25	(14)	266	(12)	249	+\$23,698	\$13,796,432.07	+\$495,740	\$47,541,316.10	+\$519,438	\$ 61,337,748.17
SEPTEMBER-2022	+48	946	+8	29	+31	280	+5	261	+\$113,539	\$13,772,734.44	(\$36,008)	\$47,045,575.78	+\$77,531	\$ 60,818,310.22
AUGUST-2022	+14	898	+7	21	+191	249	+123	256	+\$245,756	\$13,659,195.34	(\$176,954)	\$47,081,584.06	+\$68,802	\$ 60,740,779.40
JULY-2022	(61)	884	(18)	14	(35)	58	(7)	133	(\$548,564)	\$13,413,439.70	(\$1,038,108)	\$47,258,537.68	(\$1,586,672)	\$ 60,671,977.38
JUNE-2022	(15)	945	+10	32	(114)	93	(59)	140	(\$344,886)	\$13,962,003.26	+\$54,290	\$48,296,645.97	(\$290,596)	\$ 62,258,649.23
MAY-2022	+30	960	(1)	22	+29	207	+18	199	(\$24,133)	\$14,306,889.60	+\$353,763	\$48,242,355.49	+\$329,630	\$ 62,549,245.09
APRIL-2022	+20	930	+1	23	(47)	178	(24)	181	(\$354,710)	\$14,331,022.70	+\$398,883	\$47,888,592.21	+\$44,173	\$ 62,219,614.91
MARCH-2022	+42	910	+7	22	+59	225	+26	205	+\$27,833	\$14,685,732.34	(\$404,683)	\$47,489,709.58	(\$376,850)	\$ 62,175,441.92
FEBRUARY-2022	+2	868	+0	15	+13	166	+10	179	+\$168,625	\$14,657,898.88	(\$178,556)	\$47,894,392.95	(\$9,932)	\$ 62,552,291.83
JANUARY-2022	(1)	866	+2	15	+52	153	(1)	169	+\$204,865	\$14,489,274.20	(\$236,518)	\$48,072,949.17	(\$31,653)	\$ 62,562,223.37
DECEMBER-2021	(56)	867	(9)	13	(67)	101	(54)	170	(\$73,386)	\$14,284,409.04	(\$316,376)	\$48,309,467.44	(\$389,761)	\$ 62,593,876.48
NOVEMBER-2021	(34)	923	(17)	22	(34)	168	+35	224	(\$299,608)	\$14,357,794.86	(\$450,346)	\$48,625,842.94	(\$749,954)	\$ 62,983,637.80
OCTOBER-2021	+52	957	+23	39	(40)	202	(12)	189	+\$756,885	\$14,657,403.06	(\$111,683)	\$49,076,188.93	+\$645,202	\$ 63,733,591.99
SEPTEMBER-2021	+57	905	+2	16	+27	242	+10	201	+\$71,559	\$13,900,518.15	(\$403,273)	\$49,187,872.17	(\$331,714)	\$ 63,088,390.32
AUGUST-2021	+38	848	+1	14	+154	215	+91	191	(\$27,930)	\$13,828,959.45	(\$136,432)	\$49,591,145.27	(\$164,361)	\$ 63,420,104.72
JULY-2021	(26)	810	(5)	13	(20)	61	(10)	100	(\$179,232)	\$13,856,889.02	+\$301,019	\$49,727,577.14	+\$121,788	\$ 63,584,466.16
JUNE-2021	(11)	836	(3)	18	(67)	81	(26)	110	(\$8,065)	\$14,036,120.59	(\$289,351)	\$49,426,557.96	(\$297,416)	\$ 63,462,678.55
MAY-2021	+33	847	+13	21	(40)	148	(1)	136	(\$372,986)	\$14,044,185.65	(\$262,097)	\$49,715,908.54	(\$635,083)	\$ 63,760,094.19
APRIL-2021	+59	814	(4)	8	+63	188	+38	137	(\$26,222)	\$14,417,171.69	+\$34,571	\$49,978,005.34	+\$8,349	\$ 64,395,177.03
MARCH-2021	+38	755	+6	12	+29	125	(5)	99	+\$322,358	\$14,443,393.30	+\$53,478	\$49,943,434.55	+\$375,835	\$ 64,386,827.85
FEBRUARY-2021	(2)	717	(8)	6	+39	96	+19	104	(\$347,549)	\$14,121,035.63	(\$98,645)	\$49,889,956.94	(\$446,193)	\$ 64,010,992.57
JANUARY-2021	(14)	719	+5	14	+8	57	(28)	85	(\$21,541)	\$14,468,584.16	+\$284,394	\$49,988,601.75	+\$262,853	\$ 64,457,185.91



NMPSIA BOARD REPORT

ALL YEARS TOTAL														
OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF March 31, 2023														
CHARTER SCHOOL	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
HISTORY														
MARCH-2023	+4	53	(1)	0	+1	13	(1)	9	+\$30,263	\$ 765,663.80	+\$37,841	\$ 2,016,692.49	+\$68,104	\$2,782,356.29
FEBRUARY-2023	+3	49	+0	1	+5	12	(1)	10	+\$7,382	\$ 735,400.88	+\$37,993	\$ 1,978,851.75	+\$45,375	\$2,714,252.63
CHARTER SCHOOL	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
MARCH-2023	+4	53	(1)	0	+1	13	(1)	9	+\$30,263	\$ 765,663.80	+\$37,841	\$ 2,016,692.49	+\$68,104	\$2,782,356.29
FEBRUARY-2023	+3	49	+0	1	+5	12	(1)	10	+\$7,382	\$ 735,400.88	+\$37,993	\$ 1,978,851.75	+\$45,375	\$2,714,252.63
JANUARY-2023	(3)	46	(1)	1	+0	7	+4	11	(\$22,403)	\$ 728,018.79	(\$34,573)	\$ 1,940,858.92	(\$56,976)	\$2,668,877.71
DECEMBER-2022	+2	49	+2	2	(1)	7	(5)	7	(\$9,378)	\$ 750,421.36	+\$27,437	\$ 1,975,432.31	+\$18,059	\$2,725,853.67
NOVEMBER-2022	(4)	47	+0	0	(3)	8	+5	12	(\$21,224)	\$ 759,799.35	+\$1,554	\$ 1,947,995.10	(\$19,670)	\$2,707,794.45
OCTOBER-2022	+4	51	(2)	0	+1	11	(3)	7	+\$3,404	\$ 781,023.81	+\$37,302	\$ 1,946,440.84	+\$40,706	\$2,727,464.65
SEPTEMBER-2022	+2	47	+2	2	+1	10	+2	10	(\$31,777)	\$ 777,620.22	+\$48,599	\$ 1,909,138.41	+\$16,822	\$2,686,758.63
AUGUST-2022	+1	45	(1)	0	+3	9	(2)	8	+\$13,656	\$ 809,397.01	(\$105,737)	\$ 1,860,539.91	(\$92,081)	\$2,669,936.92
JULY-2022	(3)	44	+0	1	+4	6	+3	10	+\$6,248	\$ 795,741.44	+\$9,746	\$ 1,966,276.84	+\$15,995	\$2,762,018.28
JUNE-2022	(4)	47	+1	1	(9)	2	(7)	7	(\$43,681)	\$ 789,493.43	+\$29,740	\$ 1,956,530.34	(\$13,941)	\$2,746,023.77
MAY-2022	(3)	51	+0	0	+1	11	+10	14	(\$29,616)	\$ 833,174.56	+\$44,892	\$ 1,926,790.51	+\$15,277	\$2,759,965.07
APRIL-2022	+6	54	(2)	0	(6)	10	(5)	4	(\$68,886)	\$ 862,790.36	+\$168,297	\$ 1,881,898.08	+\$99,410	\$2,744,688.44
MARCH-2022	+9	48	+2	2	+11	16	(1)	9	+\$657	\$ 931,676.51	+\$105,793	\$ 1,713,601.47	+\$106,449	\$2,645,277.98
FEBRUARY-2022	(5)	39	(1)	0	+0	5	+6	10	(\$10,262)	\$ 931,019.99	+\$9,860	\$ 1,607,808.58	(\$402)	\$2,538,828.57
JANUARY-2022	+2	44	+0	1	+1	5	(2)	4	(\$57,788)	\$ 941,281.61	+\$15,719	\$ 1,597,948.81	(\$42,069)	\$2,539,230.42
DECEMBER-2021	(1)	42	+1	1	(5)	4	(1)	6	+\$372,644	\$ 999,069.99	+\$11,921	\$ 1,582,229.46	+\$384,565	\$2,581,299.45
NOVEMBER-2021	+2	43	(1)	0	(1)	9	(1)	7	+\$78,324	\$ 626,426.25	(\$25,354)	\$ 1,570,308.41	+\$52,971	\$2,196,734.66
OCTOBER-2021	+3	41	+1	1	+3	10	+5	8	(\$27,115)	\$ 548,101.87	+\$28,569	\$ 1,595,662.06	+\$1,454	\$2,143,763.93
SEPTEMBER-2021	+4	38	+0	0	+0	7	+0	3	(\$14,313)	\$ 575,216.83	+\$44,220	\$ 1,567,093.53	+\$29,907	\$2,142,310.36
AUGUST-2021	+4	34	+0	0	+5	7	+1	3	(\$37,112)	\$ 589,529.88	+\$93,512	\$ 1,522,873.45	+\$56,401	\$2,112,403.33
JULY-2021	+0	30	(2)	0	(1)	2	+0	2	+\$137	\$ 626,641.48	+\$54,157	\$ 1,429,361.01	+\$54,294	\$2,056,002.49
JUNE-2021	+3	30	+1	2	+1	3	+1	2	+\$25,924	\$ 626,504.44	(\$241,619)	\$ 1,375,203.90	(\$215,694)	\$2,001,708.34
MAY-2021	+2	27	+1	1	(8)	2	(7)	1	(\$236,571)	\$ 600,580.03	+\$270,654	\$ 1,616,822.49	+\$34,082	\$2,217,402.52
APRIL-2021	+2	25	(1)	0	+9	10	+6	8	+\$5,731	\$ 837,151.09	(\$21,219)	\$ 1,346,168.99	(\$15,488)	\$2,183,320.08
MARCH-2021	+0	23	+1	1	+0	1	(1)	2	(\$21,294)	\$ 831,419.61	(\$28,199)	\$ 1,367,388.38	(\$49,493)	\$2,198,807.99
FEBRUARY-2021	(2)	23	(1)	0	+1	1	+1	3	(\$50,003)	\$ 852,714.04	+\$33,083	\$ 1,395,586.97	(\$16,921)	\$2,248,301.01
JANUARY-2021	(1)	25	+1	1	(3)	0	(3)	2	(\$12,366)	\$ 902,717.50	+\$21,800	\$ 1,362,504.31	+\$9,434	\$2,265,221.81

NMPSIA Loss Prevention Monthly Abatement Report

March 2023	Total Rec	Total Capital	Total Non-Capital	Corrected Capital	Corrected Non-Capital	Total Corrected
March 2023	830	41	780	21	562	583
<b>Total % Corrected</b>	<b>70.24%</b>	<b>= Total Corrected/Total Recommendations</b>				
<b>% Corrected Capital</b>	<b>51.22%</b>	<b>= Corrected Capital/Total Capital</b>				
<b>% Corrected Non-Capital</b>	<b>72.05%</b>	<b>= Corrected Non-Capital/Total Non-Capital</b>				

SY 2023 YTD	Total Rec	Total Capital	Total Non-Capital	Corrected Capital	Corrected Non-Capital	Total Corrected
July 2022-Mar 2023	2755	126	2627	61	2090	2151
<b>Total % Corrected</b>	<b>78.08%</b>	<b>= Total Corrected/Total Recommendations</b>				
<b>% Corrected Capital</b>	<b>48.41%</b>	<b>= Corrected Capital/Total Capital</b>				
<b>% Corrected Non-Capital</b>	<b>79.56%</b>	<b>= Corrected Non-Capital/Total Non-Capital</b>				