

**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/646914477>
Dial in +1 (571) 317-3122
Access Code: 646-914-477**

Thursday, December 08, 2022

1. Call to Order

Mr. Al Park, NMPSIA Board President, called the NMPSIA Board Meeting to order at 9:04 a.m. on Thursday, December 8, 2022.

2. Roll Call

Ms. Kaylei Jones called roll.

Board Members Present:

Al Park, President	In-Person (Left at 10:05 a.m.)
Chris Parrino, Vice President	In-Person (Left at 9:18 a.m.)
Trish Ruiz, Secretary	In-Person (Left at 9:54 a.m. & joined virtually)
Tim Crone	Virtual
Travis Dempsey	Virtual
Pauline Jaramillo	Virtual
K.T. Manis	Virtual
David Martinez, Jr.	Virtual
Sammy Quintana	In-Person (Became the Chair at 7.A.)

Board Members Absent:

Denise Balderas
Bethany Jarrell

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, Finance/HR Manager	In-Person
Andrew Romero, Chief Procurement Officer	In-Person
Dion Romero, Accountant/Auditor	Virtual
Natasha Ortiz, Financial Specialist	Virtual

Audience Present:

Lisa Guevara	BCBSNM	Virtual
Kathryn Hull	BCBSNM	Virtual
Lisa Sullivan	BCBSNM	Virtual
Samantha Mensay	BCBSNM	Virtual
Steve Vanetsky	CCMSI	Virtual
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	Virtual
Richard Cangioli	CCMSI	In-Person
Daniel Warner	Cigna	Virtual
Mariana Sandoval	Davis Vision	Virtual
Albert Rhodes	Delta Dental	In-Person
Rich Bolstad	Delta Dental	In-Person
Lisa Jennings	DFA	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Mike Barrios	Erisa Administrative Services	Virtual
CS Hwa	Erisa Administrative Services	Virtual
Amy Bonal	Erisa Administrative Services	Virtual
Michelle Alarid	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	Virtual
Ellen Clark	PFM	In-Person
Matt Smith	PFM	In-Person
David Poms	Poms & Associates	Virtual
Rika Martinez	Poms & Associates	Virtual
Kevin McDonald	Poms & Associates	In-Person
Grant Banash	Poms & Associates	In-Person
Tamie Pargas	Poms & Associates	In-Person
Dan Foley	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	Virtual
Karen Mestas-Harris	Poms & Associates	In-Person
Steve Valdez	Presbyterian Health Plan	In-Person
Jennifer Laguna	Segal	Virtual
Nura Patani	Segal	Virtual
Melissa Krumholz	Segal	Virtual
Jennifer Oswald	The Standard	Virtual
Greg Archuleta	The Standard	Virtual
Stephanie Anthony	United Concordia	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Ms. Ellen Clark and Mr. Matt Smith with PFM, Ms. Melissa Krumholz and Ms. Jennifer Laguna with Segal, Mr. Rich Bolstad and Mr. Albert Rhodes with Delta Dental, and Mr. Grant Banash with Poms & Associates.

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 acknowledged that some board members had to leave early and therefore all action items would be moved up on the agenda. A motion was made to approve the agenda as amended.

MOTION: C. Parrino

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

6. Approval of November 3, 2022 Minutes (Action Item)

A motion was made to approve the November 3, 2022 Minutes as presented.

MOTION: T. Ruiz

SECONDED: D. Martinez, Jr.

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

8. Financial Matters

8. A. Financial Reports - August 2022 (Action Item)

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending August 31, 2022 for the Employee Benefits Fund. Ms. Quintana reported revenue of \$26,247,075.34 and expenses of \$33,073,251.29, which resulted in a loss of \$6,826,175.95 for the month of August.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending August 31, 2022 for the Risk Fund. Ms. Quintana reported revenue of \$7,270,593.84 and expenses of \$14,194,677.13, which resulted in a loss of \$6,924,083.29 for the month of August.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending August 31, 2022 for the Program Support Fund. Ms. Quintana reported revenue of \$126,673.00 and expenses of \$101,966.60 which resulted in a net revenue of \$24,706.40 for the month of August.

Ms. Quintana presented the Balance Sheet for the Agency for the period ending August 31, 2022. Program Support had total assets of \$999,854.15, total liabilities of \$218,704.24, and total fund equity of \$781,149.91. Employee Benefits had total assets of \$38,738,566.12, total liabilities of \$29,020,481.14, and total fund equity of \$9,718,084.98. Risk had total assets of \$173,032,031.03, total liabilities of \$162,758,105.81, and total fund equity of \$10,273,925.22. Total for the Agency through the month of August, total assets of \$212,770,451.30, total liabilities \$191,997,291.19, for a total fund equity of \$20,773,160.11.

A motion was made to approve the Financial Reports for August 2022 as presented.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

8. B. Financial Reports - September 2022 (Action Item)

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending September 30, 2022 for the Employee Benefits Fund. Ms. Quintana reported revenue of \$25,111,552.27 and expenses of \$22,283,701.91, which resulted in a gain of \$2,827,850.36 for the month of September.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending September 30, 2022 for the Risk Fund. Ms. Quintana reported revenue of \$6,444,296.42 and expenses of \$8,978,362.22, which resulted in a loss of \$2,534,065.80 for the month of September.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending September 30, 2022 for the Program Support Fund. Ms. Quintana reported revenue of \$126,673.00 and expenses of \$89,526.27 which resulted in a net revenue of \$37,146.73 for the month of September.

Ms. Quintana presented the Balance Sheet for the Agency for the period ending September 30, 2022. Program Support had total assets of \$1,041,797.44, total liabilities of \$223,500.80, and total fund equity of \$818,296.64. Employee Benefits had total assets of \$43,662,868.13, total liabilities of \$31,116,932.79, and total fund equity of \$12,545,935.34. Risk had total assets of \$163,567,082.05, total liabilities of \$155,827,222.63, and total fund equity of \$7,739,859.42. Total for the Agency through the month of September, total assets of \$208,271,747.62, total liabilities \$187,167,656.22, for a total fund equity of \$21,104,091.40.

A motion was made to approve the Financial Reports for September 2022 as presented.

MOTION: T. Ruiz

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

8. E. Investment Performance Review for the Quarter ended September 30, 2022 (Action Item)

Mr. Matt Smith and Ms. Ellen Clark presented on the Investment Performance Review for the Quarter that ended September 30, 2022. Mr. Smith presented that there was no opinion from the reviewed NMPSIA Statement Policy and no recommended changes.

The quarter ended on September 30, 2022, showed an abysmal return. Domestic Equities were down about 4.5% for the quarter due to the increase in interest rates. International Equities were down about 10% for the quarter due to the impacts of the Russian invasion of Ukraine. Fixed income was down about 4.75% for the quarter due to the rapid stock sell-off. As of December 6, 2022 portfolios structured as 65% stocks and 35% bonds are up over 8.5% in quarter four. During the quarter inflation came down from 9.1% to 7.7% in October helping drive the recovery.

The Benefits Fund ended the quarter at \$21.2 million which represents a one-quarter return. Year to date the portfolio is down about 22.5% and you must get out to three years to see a positive return due to the historic run by US Equities. The Core Plus Bonds Fund outperformed for the quarter and the rest of the funds were in line with the benchmark.

The Risk Fund ended the quarter at \$16.5 million and since the investments are structured in line to the Benefits Fund the outcomes were the same for the Risk fund.

A motion was made to approve the Investment Performance Review for the Quarter ended September 30, 2022.

MOTION: D. Martinez, Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

8. F. Request to Rebalance Investment Portfolio (Action Item)

Mr. Matt Smith and Ms. Ellen Clark recommended two changes. The first recommendation is change/replacement of the US Equity Active Fund to the Small/Mid Cap US Equity Index fund. This fund will not outperform the index fund on a net of fee basis moving forward. Recommendation to replace the non-US Development Index Fund with the non-US Development Active Fund. Mr. Smith's second recommendation is rebalancing due to economic conditions. The Federal Reserve and other major banks have aggressively raised rates in 2022 to deal with unacceptably high inflation. PFM recommends rebalancing the portfolios to their target weights.

A motion was made to approve the Request to Rebalance the Investment Portfolio.

MOTION: P. Jaramillo

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

9. Benefit Matters

9. A. Approval of United Concordia Dental Contract Amendment (Action Item)

Ms. Quintana presented the Amendment to the United Concordia Dental Agreement. The agreement was reviewed by NMPSIA's general council and staff is requesting retroactive approval to amend the ASO fees. If approved, the Amendment will be effective immediately. The PMPM for January 1, 2022 through December 31, 2022 shall be \$1.25 and the PMPM will be \$1.45 for the period January 1, 2023 through December 31, 2023. These changes would reflect a decrease from the current fee schedule of \$1.65 PMPM.

A motion was made to approve the United Concordia Dental Contract Amendment.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

9. B. Stop Loss Renewal (Action Item)

Ms. Melissa Krumholz presented key Stop Loss provisions. Segal is looking to re-run the matrix as lasers from the previous period were still included on the renewal despite these individuals no longer being on the NMPSIA plan. Lasers include an existing laser of \$1.2 million, one for \$3.7 million and two for \$3.5 million. Staff is recommending approving the renewal while Segal works on NMPSIA's behalf to get the lasers reconsidered.

A motion was made to approve the Stop Loss Renewal.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

10. Risk Matters

10. A. Approval of Amended Property and Liability Claims Procedures for 7/1/2022 to 6/30/2023 (Action Item)

Mr. David Poms, Poms and Associates presented the proposed amendment. The amendment falls under the responsibilities of reporting. There was a reporting issue that the excess carriers were not notified for several months. There has been other instances of some first party or property claims that have been reported late to the reinsurers. The amendment is to have all property claims and all first party claims, reported to the Excess Carrier in excess of \$50,000. This is the addition to the Property & Liability Claims Procedures under letter "F".

A motion was made to approve the Amended Property and Liability Claims Procedures for 7/1/2022 to 6/30/2023.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

**13. Next Meeting Date and Location: Thursday, February 2, 2023 (Action Item)
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, February 2, 2023 at 9:00 a.m. located at Poms & Associates to be offered in-person and virtually. Mr. Park appointed the following Board Members to serve on the RFP evaluation committees: Property & Liability-Ms. Ruiz and Ms. Balderas, Anonymous Reporting-Ms. Balderas and Mr. Quintana; Workers' Compensation-Ms. Jarrell and Mr. Quintana.

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

MOTION: S. Quintana

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent

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

Vote carried unanimously.

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

12. A. RFP#342-2023-02 Benefits Consulting and Actuarial 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: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent
Trish Ruiz, Secretary	Yes
Denise Baldares	Absent
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Absent
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. Kaylei Jones called roll.

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

Vote carried unanimously.

12. B. Any Action on the Discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to 10-15-1 H (6) NMSA 1978 (Action Item)

Mr. Park recommended Vendor A for Benefits Consulting and Actuarial Services and to enter into contract negotiations, binding and retroactive approval.

A motion was made to approve Vendor A for Benefits Consulting and Actuarial Services and to enter into contract negotiations, binding and retroactive approval.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

7. Administrative Matters

7. A. Staff Update

Mr. Sandoval presented to the Board that the Benefits Analyst position will be closing on December 12, 2022. Lisa Jennings is the new NMPSIA CFO. Ms. Jennings brings experience from the New Mexico Department of Finance and Administration (DFA) in the ACFR unit, and experience from the Office of The State Auditor (OSA). NMPSIA has hired a new Financial/HR Manager, Charlette Probst. Ms. Probst addressed the board with a brief introduction of herself.

7. B. Legislative Update

Mr. Patrick Sandoval presented to the Board that NMPSIA continues to work with the Governor's office, LFC, and the Legislative Staff. Mr. Sandoval and Ms. Quintana attended a Legislative Finance Committee hearing on Nov 15, 2022, and a Legislative Education Study Committee hearing on December 7, 2022.

7. C. IBAC Update

Ms. Cyndi Archuleta, Benefits and Wellness Manager, gave the IBAC Update. The IBAC met on December 9, 2022. Delta Dental notified the IBAC of the 4% increase to the ASO fee schedule and will effect contract years 3 and 4. The IBAC is starting the RFP for Medical, Dental and Vision services. APS will be taking chair ownership of the IBAC and will manage the RFP for the Benefits Consultant to assist the agencies though the Big Bid RFP process. The process will start in February of 2023. Life and LTD RFP was posted on November 23, 2022. Responses are due to New Mexico Retiree Health Care Authority on December 22, 2022.

7. D. COVID-19 Update

Ms. Quintana provided the COVID-19 update. Between March of 2020 and September 30, 2022, there were 215,515 claims for a total of \$44,888,245 in COVID claims spent that includes testing, vaccinations, and treatment. For the month of September there were 5,419 claims for a July total of \$1,009,694.

7. E. Interagency Pharmaceuticals Purchasing Council (IPPC) Update

Ms. Quintana provided the Interagency Pharmaceuticals Purchasing Council (IPPC) Update. Mr. Sandoval, and Ms. Quintana attended the IPPC meeting on November 10, 2022. The State of New Mexico presented an overview of its health and drug plan initiatives to take advantage of pooling smaller groups to find common denominators to consolidate. They will share future plans with the committee to find solutions and savings for stakeholders.

8. Financial Matters

8. C. FY2022 Audit Report Update

Mr. Sandoval reported that NMPSIA had its Audit Exit Conference on October 31, 2022, which Mr. Sandoval, Mr. Park, and Ms. Quintana attended on behalf of NMPSIA along with Daniel Trujillo and Joseph Ortiz from Kubiak and Melton Associates, obtaining authorization to release the FY22 Audit on December 2, 2022. We did receive an unmodified opinion and no audit findings. The audit report will be presented at the next Board meeting in February.

8. D. Long-Term Funds Investment Policy Discussion

Mr. Matt Smith and Ms. Ellen Clark presented on the Long-Term Funds Investment Policy Discussion. There was no recommendation to make any changes to the NMPSIA Investment Policy at this time.

9. Benefit Matters

9. C. BCBS Carrier Update

Ms. Jennifer Laguna from Segal presented the BCBS Carrier Audit Update. Segal is currently waiting on one outstanding response from BCBS. If the response is received by Friday, the draft report can be sent to BCBS on December 22, 2022. Ms. Laguna stated that it typically takes two weeks for the carrier to respond. It is estimated that the draft report would be presented to NMPSIA by January 19, 2023, for approval on February 2, 2023.

9. D. Delta Dental Annual Report

Mr. Bolstad provided the Delta Dental Annual Report. Delta does not lease their network nor do they borrow other provider networks. This helps with provider retention and reduces hidden fees. Delta Dental conducts quarterly audits to keep the list of providers up to date. Delta's NMPSIA enrollment has increased by 277% in the last year. In 2021, 92.8% of claims were considered in-network and 98% were considered in-network for 2022. Total charges (not including invalid claims) were \$6.4 million for a total percentage saved of 31.9%.

9. E. Wellness and Well-Being Update

Ms. Archuleta and Ms. Kaylei Jones provided the Wellness and Well-Being Update. Ms. Archuleta shared before and after pictures from recipients of the Zen Room Grant. Ms. Archuleta presented NMPSIA membership's participation in wellness initiatives as well as engagement in carrier specific platforms and Health Assessments. Overall participation is very low. The NMPSIA team is looking at new and creative ways to encourage the completion of the Health Assessments. Ms. Jones noted that the completion of the Health Assessments is currently incentivized but it is apparent that the membership is still not motivated to take action which has led to discussion of potentially mandating the completion of the assessment upon enrollment.

10. Risk Matters

10. B. TPA Reports

1. NMPSIA Workers' Compensation Claims Comparison with Other New Mexico Public Entities

Mr. Rich Cangiolosi presented on the Workers' Compensation Claims that is provided by the New Mexico Workers' Compensation Administration, they collect all the numbers for all the governmental entities. We are able to compare ourselves to the other governmental entities. He explained that with some of the entities that are smaller, a big claim can change the average. NMPSIA has been steady over the last few years on average is just over \$4,000.00 per claim and is happy to say that we have been able to maintain NMPSIA's cost. Mr. Cangiolosi then presented on the Indemnity Costs per claim, these are higher dollar amounts, and Albuquerque Public Schools (APS) tend to cost the most money. CCMSI took over APS and about 6 years ago and since then their claims have started to level out. Again, when smaller entities have a large claim, it tends to change the average. NMPSIA claims are going down and are steady.

2. Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of September 2022. There were 422 open claims, 43 new claims and 45 claims were closed. Reserves were at \$60,412,675.93 and payments were \$40,843,252.53 for a total of \$101,255,928.46.

3. Property & Liability Large Losses

Mr. Steve Vanetsky reported two large losses. The first is a tort claim received on November 28, 2022 claiming school policy is to blame for negligence and failure to implement proper policies. A student left campus for lunch and was shot by another Las Cruces Public School student from a different school. The second is a property claim out of Moriarty Edgewood, a clear water report, and flood damage to a portable building. A sink was left running over the Thanksgiving holiday and there was a dish blocking the drain causing 2 to 3 feet of standing water in the building. It is expected to be a total loss, and the building will likely need to be replaced.

Mr. Venetsky updated the committee on the Lovington hail loss to the roof, the repairs are 90% done, and they are expecting repairs to be completed by the end of the month. The estimated cost for repairs due to the electrical fire in Springer are about \$561,000. It's not expected to reach the excess layer, but carriers have been placed on notice. A structure fire in Bloomfield, NM was caused by an HVAC unit. The unit was under the service and maintenance of Honeywell's third party contractor. The unit malfunctioned and sparked a fire. Honeywell's third party administrator, Sedgwick accepted liability for the cause of the fire resulting in damages.

Another situation in Las Vegas, NM with a HVAC unit that was being replaced by Honeywell. The unit was removed from the rooftop and due to delays in obtaining a new unit, Honeywell failed to weather seal the open cavity in the roof and Las Vegas experienced monsoon rains. The third-party administrator Sedgwick accepted liability for the damage, but has been unresponsive to mitigation and remediation costs of approximately \$348,000. The committee discussed possible legal options to encourage mitigation.

4. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of September 30, 2022. During the month of September, there were 946 open claims, 280 new claims, 29 claims were re-opened, and 261 claims were closed. Reserves were at \$13,772,734.44 and payments were \$47,045,575.78 for a total of \$60,818,310.22.

5. Workers' Compensation Large Losses

Mr. Mayo reported no large losses for the month of September 2022.

10. C. Maintaining Cybersecurity Insurance Compliance

Mr. Grant Banash, and Justin Perkins from Poms and Associates, along with Demetrius Brandon from Public Education Department did a combined presentation on November 3, 2022, to the Technology Leaders in Education from various school districts. Mr. Banash went through the presentation with the committee. He stated how important it is to try to protect the personal information of the staff and students. Most cyber-attacks are from the outside and the majority are for financial gain. The main goal is how networks are being protected, and how to be able to maintain security and controls. Controls are needed for our cyber insurance carriers so we may continue to have cyber insurance. He stated that Vector Solutions has 4 courses on cyber security that is available to all members. The four courses take about 2 hours to complete.

10. D. Loss Prevention Update

Ms. Julie Garcia, Poms & Associates, reported on the Loss Prevention Abatement Report for October 2022. In October there was a 72.41% abatement for non-capital recommendations. There were 64 total recommendations, total capital recommendations were 6, total non-capital were 58. Corrected non-capital were 42, corrected capital were 2 for a total of 44. The corrected recommendations percentage for October was 68.75%.

10. E. Liability Under Title IX

Ms. Julie Garcia, Poms & Associates, presented that Title IX is changing all the time and it is leaning on having the liability and responsibility on the schools to do their due diligence to complete a thorough investigation for any and all sexual misconduct. This was based on a Supreme Court decision. Schools are responsible for investigating all and any sexual misconduct issues that arise. A thorough investigation must be completed by the Title IX coordinator.

11. General Discussion

Mr. Sammy Quintana opened up the general discussion for the Board. There was no discussion.

14. Adjournment (Action Item)

A motion was made to adjourn the meeting at 11:18 a.m.

MOTION: D. Martinez, Jr.

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

APPROVED:

DocuSigned by:
Alfred A. Park, MPSIA Board President
715C84283502497

Mr. Alfred Park, President

3/13/2023

Date