

**New Mexico  
Public Schools Insurance Authority**



**Board Meeting  
September 2, 2021**



# 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  
Pauline Jaramillo, Secretary, NM School Boards Association  
Denise Balderas, Governor Appointee  
Sammy J. Quintana, Governor Appointee  
Bethany Jarrell, National Education Association NM  
David Martinez, Jr., National Education Association NM  
Tim Crone, American Federation of Teachers NM  
Daniel Benavidez, NM Superintendents Association  
K. T. Manis, Public Education Commission  
Trish Ruiz, Educational Entities at Large

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Thursday, September 2, 2021  
9:00 A.M.

**Draft**

### Agenda

- |  |            |
|--|------------|
| 1. Call to Order                                     | A. Park    |
| 2. Roll Call   | P. Vigil   |
| 3. Introduction of Guests                            | R. Valerio |
| 4. Citizens to Address the Board (Five-Minute Limit) | A. Park    |
| 5. Approval of Agenda (Action Item)                  | A. Park    |
| 6. Approval of July 29, 2021 Minutes (Action Item)   | A. Park    |
| 7. Approval of August 19, 2021 Minutes (Action Item) | A. Park    |

## 8. Administrative Matters

- |   |            |
|---|------------|
| A. Investment Policy Review Committee   | A. Park    |
| B. Rules & Regulations Review Committee   | A. Park    |
| C. Loss Prevention Committee  | A. Park    |
| D. COVID-19 Update  | R. Valerio |
| E. Legislative Update   | R. Valerio |
| F. Out-of-State Travel Request to Attend 2021 National Comp Conference<br>October 20-22, 2021 – Las Vegas, NV (Action Item) | R. Valerio |

## 9. Financial Matters

- |  |             |
|--|-------------|
| A. Financial Reports for June 2021 (Action Item) | P. Sandoval |
| B. Financial Reports for July 2021 (Action Item) | P. Sandoval |

## 10. Benefits Matters

- |  |            |
|--|------------|
| A. Employee Benefits Fund Actuarial Analysis as of June 30, 2021 (Action Item) | N. Patani  |
| B. New Mexico Tech Request to Add Life and Disability Insurance (Action Item)  | R. Valerio |
| C. Interagency Benefits Advisory Committee Update                              | R. Valerio |
| D. COBA Health Surgical Care   | D. Willden |
| E. Wellness Update   | K. Chavez  |

## 11. Risk Matters

- |   |                             |
|---|-----------------------------|
| A. Risk Fund Actuarial Analysis as of June 30, 2021 (Action Item)                           | A. Hillebrandt/<br>M. Meade |
| B. 2021-2022 MOCL024 General & Automobile Liability Memorandum of Coverage<br>(Action Item) | R. Valerio                  |
| C. 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                     |
| D. Workers' Compensation and Property/Liability Claims Audit – 2021 (Action Item)           | T. Farley                   |
| E. Loss Prevention Update   | J. Garcia/<br>L. Vigil      |

## 12. General Discussion

A. Park

**13. Next Meeting Date and Location**

**A. Park**

**October Meeting – Thursday, October 7, 2021  
Location: TBD**

**14. Adjournment (Action Item)**

**A. Park**

**New Mexico Public Schools Insurance Authority  
Board of Directors In Person/Virtual Meeting Minutes**

**In Person:**

**La Posada de Santa Fe  
330 East Palace Avenue  
Santa Fe, NM 87501  
Montana Ballroom**

**Virtual:**

**<https://global.gotomeeting.com/join/223942245>**

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Access Code: 223-942-245**

**Thursday, July 29, 2021**

**DRAFT**

**1. Call to Order**

Mr. Al Park, President, called the NMPSIA Board Meeting to order at 9:08 a.m. on Thursday, July 29, 2021. Mr. Park thanked NMPSIA staff for all their hard work over the last year and a half during this tough pandemic.

Mr. Park welcomed Lieutenant Governor Howie Morales to the NMPSIA Board Meeting and thanked him for attending.

**2. Roll Call**

Ms. Pamela Vigil, called roll.

Alfred Park, President  
Chris Parrino, Vice-President  
Pauline Jaramillo, Secretary  
Denise Balderas (**virtual attendee**)  
Daniel Benavidez  
Bethany Jarrell (**arrived after roll call**)  
Sammy Quintana  
K.T. Manis  
David Martinez Jr.  
Trish Ruiz

**Absent:**

Tim Crone

**Staff Members Present:**

Richard Valerio, Executive Director  
Patrick Sandoval, Deputy Director  
Martha Quintana, Chief Financial Officer  
Melissa Rael, Human Resource/Finance Manager  
Katherine Chavez, Benefits/Wellness Operations Manager  
Pamela Vigil, Risk Program Coordinator  
Jessica Brand, Benefits/Wellness Operations Coordinator  
Claudette Roybal, Chief Procurement Officer  
Dion Romero, Accountant **(virtual attendee)**  
J. Andrew Arellano, Benefits Management Analyst

**Audience:**

Howie Morales	Lieutenant Governor of New Mexico
Martina C de Baca	Guest of Lieutenant Governor
Kelley Riddle	BAC Member, Western NM University
Martin Esquivel	Esquivel & Howington
Aaron Hillebrandt	Pinnacle Actuarial Consultant
Ellen Clark	PFM <b>(virtual attendee)</b>
Joseph Simon	LESC
David Poms	Poms & Assoc.
Julie Garcia	Poms & Assoc.
Larry Vigil	Poms & Assoc.
Richard Cangiolosi	CCMSI
Louise Carpenter	CCMSI <b>(virtual attendee)</b>
Kim Trimble	CCMSI <b>(virtual attendee)</b>
Kevin Sovereign	CCMSI
Jerry Mayo	CCMSI
Steve Vanetsky	CCMSI
Dr. Nura Patani	Segal
Daniel Warner	Cigna
Harris Zeyae	ESI
Maureen Sergel	BCBS
Lisa Guevara	BCBS
Lisa Sullivan	BCBS
Marlene Mier	BCBS <b>(virtual attendee)</b>
Sam Garcia	Davis Vision
Rich Bolstad	Delta Dental
JoLou Trujillo-Ottino	Delta Dental
Stephanie Anthony	United Concordia
Steve Valdez	Presbyterian
Cynthia Grajeda-James	Presbyterian <b>(virtual attendee)</b>
Lia Gainey	Presbyterian <b>(virtual attendee)</b>
Kathy Payanes	Erisa
Lourdes Rael	Erisa <b>(virtual attendee)</b>

Mike Barrios  
Michelle Alarid  
Greg Archuleta

Erisa (**virtual attendee**)  
Erisa (**virtual attendee**)  
The Standard

### **3. Introduction of Guests**

Mr. Park asked the audience, virtual audience and NMPSIA Board to provide a brief introduction.

The audience and Board introduced themselves to one another and provided some background history.

Lt. Governor Morales thanked the NMPSIA Board for including him in the meeting. He stated he looks forward to collaborating with NMPSIA on the important work being done.

Ms. Martha Quintana, Chief Financial Officer, NMPSIA, relayed a brief introduction from Board Member Denise Balderas. Ms. Balderas was present virtually.

### **4. Citizens to Address the Board (five- minute time limit)**

There were no citizens to address the Board.

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

Mr. Richard Valerio, Executive Director, NMPSIA, requested that item 10.D (HB128 School Personnel Background and Training) be placed after item 6 (Approval of the Minutes).

A motion was made to approve the agenda as amended.

**MOTION:** T. Ruiz

**SECONDED:** C. Parrino

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

### **6. Approval of June 3, 2021, Virtual Board Minutes (Action Item)**

A motion was made to approve the June 3, 2021 Virtual Board Minutes as presented.

**MOTION:** P. Jaramillo

**SECONDED:** T. Ruiz

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

## **10.D HB128 School Personnel and Background Training**

Lt. Governor Morales joined Ms. Julie Garcia, Poms & Associates at the table to discuss and review components of HB128 School Personnel and Background Training.

Ms. Garcia reviewed the following in detail:

- New Definition of Ethical Misconduct.
- New application Questions, a complete list of former employers and necessary waiver language.
- New list of mandatory reporters and new lines for reporting.
- New training requirements.
- Deletion of information sharing restrictions that can be shared with future employers.

Mr. Park thanked Ms. Garcia for all the hard work that has gone into HB128. He expressed his frustrations and disgust with paying settlements because of sexual molestation claims and sexual predators that prey upon children.

Lt. Governor Morales stated he continues to offer support to districts with this difficult subject. He stated it is a responsibility and duty to protect the children of New Mexico.

Mr. Parrino asked if the application requirement change would go into effect this year.

Ms. Garcia stated that the Board has been provided a draft for review. She is recommending the application requirement take effect next year.

There was further discussion with respect to HB128.

Mr. Park thanked Lt. Governor Morales for joining the discussion on HB128 and Ms. Garcia for all her hard work on this.

## **7. Administrative Matters**

### **7. A Recognition of Ricky Williams for His Dedicated Service to the NMPSIA Board**

Mr. Park stated Mr. Ricky Williams could not be present for this presentation and recognition of his dedicated service to the NMPSIA Board and thanked him for his service.

Mr. Valerio presented a plaque that will be given to Mr. Williams.

### **7. B Board Member Update**

Mr. Park reported Mr. Daniel Benavidez, Superintendent, Central Consolidated Schools, will replace Mr. Williams on the NMPSIA Board.

Mr. Benavidez thanked the Board for welcoming him.

## **7. C Staff Update**

Mr. Valerio reported the vacant Financial Specialist has been filled at NMPSIA. He stated the agency is now fully staffed.

## **7. D COVID-19 Update**

Mr. Valerio reported through the end of May 2021 the COVID-19 costs were \$16.9 million dollars for testing, treatment, and vaccinations. Mr. Valerio stated he is still working with DFA and FEMA to possibly receive federal funding.

## **7. E COVID Telework and Return-to-Work Policies Update**

Mr. Valerio presented the COVID Telework and Return-to-Work Policies for review. He stated these policies reflect the Telework and Return-to-Work Policies drafted by the New Mexico State Personnel Department.

## **7. F 2021-2022 Open Meetings Act Resolution**

Mr. Valerio presented the 2021-2022 Open Meetings Act Resolution for review and approval.

A motion was made to approve the 2021-2022 Open Meetings Act Resolution as presented.

**MOTION:** T. Ruiz

**SECONDED:** P. Jaramillo

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

## **8. Financial Matters**

### **8. A Financial Reports for May 2021 (Action Item)**

Mr. Patrick Sandoval, Deputy Director, NMPSIA, reviewed the statement of revenues and expenditures for the Employee Benefits Fund for the period 5/1/2021 through 5/31/2021. The Benefits Fund had revenues in the amount of \$27,144,161.75; expenditures in the amount of \$27,388,252.61; resulting in a loss of \$244,090.86. The Employee Benefits Fund year to date actuals were revenue of \$298,907,157.59; expenditures of \$292,166,613.88 resulting in a net gain of \$6,740,543.71.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Risk Fund for the period 5/1/2021 through 5/31/2021. The Risk Fund had revenues in the amount of \$7,050,205.51; expenditures in the amount of \$3,263,351.43 resulting in a gain of \$3,786,854.08. The Risk Fund year to date actuals were revenue of \$78,581,836.11; expenditures of \$84,384,095.04 resulting in a net loss of \$5,802,258.93.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Program Support Fund for the period 5/1/2021 through 5/31/2021. The Program Support Fund had revenues in the amount of \$116,750.00; expenditures in the amount of \$103,024.67; resulting in a gain of \$13,725.33. The Program Support Fund year to date actuals were revenue of \$1,284,250.00; total expenditures of \$1,127,224.59 resulting in a net gain of \$157,025.41.

Mr. Sandoval reviewed the balance sheet for the period 5/1/2021 through 5/31/2021. Program Support had total assets of \$986,531.06, total liabilities of \$117,012.76, and fund equity of \$869,518.30. Employee Benefits had total assets of \$70,389,033.54, total liabilities of \$32,044,850.67, and fund equity of \$38,344,182.87. Risk had total assets of \$105,654,108.38, total liabilities of \$104,333,995.60, and a total fund equity gain of \$1,320,112.78. Total fund equity for the agency was \$40,533,813.95.

A motion was made to approve the Financial Reports for May 2021 as presented.

**MOTION:** T. Ruiz

**SECONDED:** S. Quintana

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

#### **8. B Fiscal Year 2023 Appropriation Request (Action Item)**

Mr. Sandoval presented the Fiscal Year 2023 Appropriation Request. He stated for Program Support staff is requesting an increase of 3.64% in Personnel Services. In Contractual Services we are requesting a decrease of 1.65%. In Other Costs requesting a decrease of 1.75%. Overall, for Program Support, NMPSIA is requesting an increase of 2.58%.

Mr. Sandoval stated for Employee Benefits for Contractual Services, NMPSIA is requesting an increase of 10.13%, for Other Transfers requesting to increase by 2.57% for a total of 10.11%.

Mr. Sandoval stated for the Risk Fund for Contractual Services, NMPSIA is requesting an increase of 16.04%, for Other Transfers requesting to increase by 2.59% for a total of 15.92%

Overall for the agency under Personal Services & Employee Benefits an increase of 3.64%, Contractual Services an increase of 11.27%, Other Costs decrease of 1.75% and Other Transfers an increase of 2.58% for an overall agency total increase of 11.22%

Mr. Valerio stated this request sets NMPSIA's expenditure authority and is not a direct appropriation from the General Fund.

A motion was made to approve the Fiscal Year 2023 Appropriation Request as presented.

**MOTION:** C. Parrino

**SECONDED:** T. Ruiz

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

## **8. C Investment Performance Review for The Quarter Ended June 30, 2021**

Ms. Ellen Clark, PFM Asset Management, reported earlier in the month of July, PFM entered into an agreement with U.S. Bank Corp. Asset Management. She stated U.S. Bank Corp. Asset Management purchased PFM Asset Management LLC under its subsidiary, U.S. Bank Corp Asset Management. Ms. Clark stated PFM will continue to operate as a separate entity and will continue to provide services as provided in the past. The acquisition is expected to be completed by December 2021.

Ms. Clark reported on the Investment Performance Review for the Quarter Ended June 30, 2021. She reviewed the Markets and Economy in detail. The U.S. Stock Market has been strong and since the decline in March 2020, the Market has roared back. This can be attributed to people starting to travel and dine in again. Ms. Clark reported we are clearly out of the recession caused by the pandemic. She reviewed the Market Index Performance in Detail. U.S. Stocks are up 15%. International Stocks have not fared as well up approximately 9%.

Ms. Clark reported there have been negative returns in Fixed Income. Long-Term rates fell in the quarter despite the strong economic news and higher inflationary measures.

Ms. Clark reported the Benefits Fund as of June 30, 2021, has a value of \$26.6 million and very good performance across all periods. There has been a 26% return over the last 12 months versus the benchmark of 21%. The portfolio is overweight Domestic and International Equity and underweight Fixed Income. The SIC Portfolio has done very well over the last 12 months with a 4% return. Those numbers pale in comparison to what is being seen in Equity Markets with 44% Domestic, and 35% on the International Side.

Ms. Clark reviewed the Asset Allocation Graph. She stated the Portfolio is overweight with about 40% in US Stock versus the target of 36%, up 22% in International Stock versus a target of 19% and 38% in Fixed Income.

Ms. Clark reported the Risk Fund results are very similar to the Benefits Fund. She stated there is a 26% return over the last 12 months and about a 8.2% return since inception. Ms. Clark reported the Portfolio is overweight Domestic Equity, International Equity and underweight Fixed Income.

Ms. Clark stated staff is not recommending any rebalancing at this time. We remain overweight Domestic and International Equity and underweight Fixed Income.

Mr. Parrino asked if the inflation trend is anticipated to continue.

Ms. Clark reported PFM is calling this inflation rate temporary. She stated there has been an inflation rate of 1.5% over the last few years.

Mr. Park asked if inflation has affected the investment strategy.

Ms. Clark stated it has affected the investment strategy. PFM will continue to look into other investment options.

## **9. Benefits Matters**

### **9. A Temporary Waiver of Premium Payment Penalties and Interest (Action Item)**

Mr. Sandoval reported beginning in April 2020 through July 2021, the Board granted an additional ten-day grace period for Benefit Premium Payments. He stated 16 entities took advantage of the waiver, and out of the 16 entities, four have been late more than once.

It is the recommendation of the BAC and Staff to extend the waiver for an additional three months and revisit in October 2021.

A motion was made to approve the Temporary Waiver of Premium Payment Penalties and Interest for three additional months.

**MOTION:** K.T. Manis

**SECONDED:** C. Parrino

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

### **9. B Amendment to Professional Services Agreement for Benefits and Actuarial Consulting (Action Item)**

Mr. Valerio presented an amendment to Professional Services Agreement for Benefits and Actuarial Consulting.

He reviewed the Transparency Rule and No Surprises Act Compliance Plan. Mr. Valerio stated the amendment will allow the contractor to review the applicable Agency Plan requirements and prepare a Compliance Plan to accomplish implementation on a timely basis.

Mr. Valerio stated it is the recommendation of the BAC to approve the amendment to Professional Services Agreement for Benefits and Actuarial Consulting.

A motion was made to approve the Amendment to Professional Services Agreement for Benefits and Actuarial Consulting

**MOTION:** T. Ruiz

**SECONDED:** S. Quintana

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

**9. C Approval to Issue RFP for Pharmaceutical Benefit Manager Services (Action Item)**

Mr. Valerio requested approval to issue an RFP for Pharmaceutical Benefit Manager Services jointly with the Interagency Benefits Advisory Committee (IBAC).

He stated it is the recommendation of the BAC to approve the request to issue an RFP for Pharmaceutical Benefit Manager Services jointly with the Interagency Benefits Advisory Committee (IBAC).

A motion was made to approve the request to Issue an RFP for Pharmaceutical Benefit Manager Services.

**MOTION:** C. Parrino

**SECONDED:** T. Ruiz

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

**9. D 2021-2022 Part-Time Employee Resolutions (Action Item)**

Mr. Valerio presented the following 2021-2022 Part-Time Employee Resolutions for review and approval:

- Bernalillo Public Schools                      Standard
- Fort Sumner Municipal Schools              Standard
- Penasco Independent Schools                Standard
- Pojoaque Valley Public Schools            Standard
- Roswell Independent Schools                Non-Standard
- Santa Rosa Consolidated Schools         Standard

Mr. Valerio stated it is the recommendation of the BAC to approve the 2021-2022 Part-Time Resolutions as presented.

Mr. Parrino stated this is a standard procedure.

A motion was made to approve the 2021-2022 Part-Time Resolutions as presented.

**MOTION:** K. T. Manis

**SECONDED:** D. Martinez Jr.

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

**9. E School Contractor Access to Online Benefits System (Action Item)**

A motion was made to table this item.

**MOTION:** S. Quintana

**SECONDED:** T. Ruiz

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

### **9. F Technology Leadership High School Domestic Partner Petition (Action Item)**

Mr. Valerio presented a petition from Technology Leadership High School to add Domestic Partner Benefits.

Mr. Valerio stated it is the recommendation of the BAC to approve this request.

Mr. Parrino stated this is a standard procedure.

A motion was made to approve the request from Technology Leadership High School to add Domestic Partner Benefits.

**MOTION:** T. Ruiz

**SECONDED:** P. Jaramillo.

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

### **9. G EVERFI Wellness Center – A BCBSNM Mental Health Initiative**

Ms. Lisa Guevara, BCBSNM, provided a brief presentation on EVERFI Wellness Center – A new no-cost BCBSNM Mental Health Initiative. The Wellness Center is available to all NMPSIA members (staff and students 8th-12<sup>th</sup> grade) to help develop self-awareness and self-management skills for positive mental health. The program for employees is available as of July 2021.

### **9. H Catapult Health Update**

Ms. Guevara also provided an update on Catapult Health - a virtual check-up and home preventive health screening tool for BCBSNM members starting August 2021.

### **9. I Delta Dental Network Update**

Mr. Rich Bolstad, Delta Dental, reported on the Delta Dental Network. He reported Delta Dental of New Mexico has 3 networks:

PPO New Mexico (custom in-state network)  
Delta Dental PPO (nationwide)  
Delta Dental Premier (nationwide)

He reviewed the network differences in detail. NMPSIA will now have access to Delta Dental PPO and Delta Dental Premier in-network provider access which is an increase of 7.8% more providers in New Mexico.

## **9. J Interagency Benefits Advisory Committee Update**

Mr. Valerio reported the IBAC is scheduled to meet on August 11, 2021. Mr. Valerio has been selected by the IBAC to serve as Chairman for the next year.

## **9. K Wellness Update**

Ms. Katherine Chavez, Benefits and Wellness Operations Manager, NMPSIA, provided a brief wellness update to the NMPSIA Board. She reported on the NMPSIA Annual Training that was held July 13<sup>th</sup> through July 15<sup>th</sup>. Ms. Chavez reported there were between 110-138 attendees each day.

Ms. Chavez reported on the new no-cost behavioral health program powered by EVERFI.

Ms. Chavez reported on Working Well with Mindfulness Program. She reported these sessions will be led by Michell DuVal, Director of the Mindful Center.

Ms. Chavez reported on the monthly webinar topic- Financial Wellness.

Ms. Chavez reported on Livongo. She reported enrollment has steadily increased. 20% of all eligible members are enrolled, and 89% of enrolled members activated the program. Ms. Chavez stated there has been a decrease in HbA1c levels in participants enrolled in at least six months and 78% of members actively participated in one or more self-guided activities.

## **10. Risk Matters**

### **10. A Temporary Waiver of Premium Payment Penalties and Interest and Installment Plan (Action Item)**

Mr. Sandoval reported Risk Premiums are due July 31, 2021, with a ten-day grace period before entities incur a 1.5% interest charge for overdue premiums. Staff would like to request an additional ten-day grace period and the approval to grant installment plans for entities that request them. He explained in previous fiscal years NMPSIA has allowed schools to pay over a three-month period when necessary. There has been one charter school that has asked for an installment plan, and smaller schools are usually the ones that benefit the most. In FY21 four entities used the temporary waiver, of the four entities one paid over a three-month period.

It is the recommendation of the RAC and Staff to approve the temporary waiver of premium penalties and interest and allow for installment plans.

A motion was made to approve the Temporary Waiver of Premium Payment Penalties and Installment Plan.

**MOTION:** T. Ruiz

**SECONDED:** D. Martinez Jr.

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

### **10. B Approval of Agreement for School Misconduct Training Videos (Action Item)**

Mr. Sandoval presented a draft Agreement for School Misconduct Training Videos. Mr. Sandoval reported the RFP for School Misconduct Training Videos was issued on March 25, 2021 and proposals were due on April 21, 2021. He stated Mr. Esquivel, Mr. Valerio, Dr. Linda Paul, Ms. Sienna Flanigan and himself served on the Evaluation Committee. Ms. Claudette Roybal served as the Procurement Manager, Ms. Garcia served as a technical advisor and Ms. Vigil served as a technical advisor. Mr. Sandoval reported two proposals were received and the Evaluation Committee held Oral Presentations on May 20, 2021. After the Oral Presentations were conducted, the Evaluation Committee selected Vendor A and entered into contract negotiations. Mr. Sandoval stated the contract has been reviewed by Staff and NMPSIA General Council. He reported the amount of the contract is based on tiered pricing by the number of users and the anticipated price of contract will be about \$30,000.00 per year. He explained there is a \$2,000.00 fee for courses created by NMPSIA and made available for all entities. This fee is for distribution and hosting of the training material.

Mr. Sandoval stated staff recommends award to VENDOR A.

A motion was made to approve the Agreement for School Misconduct Training Videos and award the contract to Vendor A.

**MOTION:** C. Parrino

**SECONDED:** T. Ruiz

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

Mr. Sandoval announced that VENDOR A is Vector Solutions.

### **10. C TPA Reports**

#### **10.C.1 Workers' Compensation Review**

Mr. Richard Cangiolosi, CCMSI, reviewed workers' compensation statistics with respect to claims management. He reviewed new and closed claim date ranges from 2018 to 2021. He reported on the average cost for all claims in fiscal year and new claim in fiscal year by claim type.

### **10.C.2 Property & Liability Monthly Claims Report**

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report. He stated for the month of June 2021 there were 305 open claims, 33 new claims and 35 claims were closed. Mr. Vanetsky reported reserves were at \$57,967,234.93, payments were \$30,784,251.60 for a total of \$88,751,486.53.

### **10.C.3 Property & Liability Large Losses**

Mr. Vanetsky reported on a large loss at Eastern University in Portales, 2 separate cases at Rio Rancho, 1 case at Los Lunas, 1 case in Las Cruces and 1 case that includes Rio Rancho, Aztec and Central schools.

Mr. Kevin Sovereign, CCMSI, reported on current pending litigation. He stated details would be provided during Executive Session.

### **10.C.4 Workers' Compensation Monthly Claims Report**

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of June 30, 2021. He reported during the month of June there were 836 open claims, 81 new claims, 18 claims were re-opened, and 110 claims were closed. Mr. Mayo reported reserves were at \$14,036,120.59, payments were \$49,426,557.96: for a total of \$63,462,678.55.

Mr. Mayo reported on the Workers' Compensation Monthly Claims Report for Charter Schools as of June 30, 2021. Mr. Mayo reported during the month of June, there were 30 open claims, 2 new claims, 2 claims were re-opened, and 3 claims were closed. Mr. Mayo reported reserves were at \$626,504.44; payments were \$1,375,203.90, for a total of \$2,001,708.34.

### **10.C.5 Workers' Compensation Large Losses**

Mr. Mayo reported there have been some COVID-19 related claims, but they have been denied.

## **10. D HB128 School Personnel Background and Training**

This item was moved after item 6.

## **10. E Loss Prevention Update**

Mr. Larry Vigil, Poms & Associates, provided a brief loss control update. He reported there have been some findings because of school safety audits. Critical Hazard Letters were issued to Springer and Gadsden Schools.

**11. Executive Session to Discuss Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978**

A motion was made to enter into Executive Session to Discuss Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978 at 11:48 a.m.

**11. A Espanola Public Schools**

**11. B Los Lunas Schools**

**11. C Pecos Independent School District**

**11. D Rio Rancho Public Schools**

**11. E Santa Fe Public Schools**

**11. F Southwest Learning Center**

**MOTION:** D. Martinez Jr.

**SECONDED:** T. Ruiz

A roll call vote was taken:

Ms. Vigil called roll.

Denise Balderas (**virtual attendee**)

Daniel Benavidez

Pauline Jaramillo, Secretary

Bethany Jarrell

Sammy Quintana

K.T. Manis (**virtual attendee**)

David Martinez Jr.

Trish Ruiz

Chris Parrino, Vice-President

Alfred Park, President

**Vote carried unanimously.**

A motion was made to come out of Executive Session at 1:13 p.m. The following Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978 was discussed, and no action was taken:

**11. A Espanola Public Schools**

**11. B Los Lunas Schools**

**11. C Pecos Independent School District**

**11. D Rio Rancho Public Schools**

**11. E Santa Fe Public Schools**

**11. F Southwest Learning Center**

**MOTION:** D. Martinez Jr.

**SECONDED:** T. Ruiz

A roll call vote was taken:

Ms. Vigil called roll.

Denise Balderas (**virtual attendee**)

Daniel Benavidez

Pauline Jaramillo, Secretary

Bethany Jarrell

Sammy Quintana

K.T. Manis (**virtual attendee**)

David Martinez Jr.

Trish Ruiz

Chris Parrino, Vice-President

Alfred Park, President

**Vote carried unanimously.**

**12. General Discussion**

There was no general discussion.

**13. Next Meeting Date and Location**

August Meeting – August 19, 2021, at 3:30 p.m., Location – GoToMeeting.

**14. Adjournment (Action Item)**

A motion was made to adjourn the meeting at 1:21 p.m.

**MOTION:** T. Ruiz

**SECONDED:** S. Quintana

**All Board Members present both in-person and virtual voted in the affirmative.**

**Vote carried unanimously.**

**APPROVED:**

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Mr. Al Park, President

**New Mexico Public Schools Insurance Authority  
Board of Directors Special Meeting Minutes**  
<https://global.gotomeeting.com/join/885685213>

Dial in: + 1 (312) 757-3121  
Access Code: 885-685-213

Thursday, August 19, 2021

**1. Call to Order**

**DRAFT**

Mr. Al Park, President, called the NMPSIA Board Meeting to order at 3:32 p.m. on Thursday, August 19, 2021.

**2. Roll Call**

Ms. Pamela Vigil, called roll.

**Present via virtual meeting/telephonic meeting:**

Alfred Park, President  
Chris Parrino, Vice-President  
Pauline Jaramillo, Secretary  
Daniel Benavidez  
Tim Crone  
Bethany Jarrell  
Sammy Quintana  
K.T. Manis  
David Martinez Jr.  
Trish Ruiz

**Absent:**

Denise Balderas

**Staff Members present via virtual meeting/telephonic meeting:**

Richard Valerio, Executive Director  
Patrick Sandoval, Deputy Director  
Martha Quintana, Chief Financial Officer  
Melissa Rael, Human Resource/Finance Manager  
Katherine Chavez, Benefits/Wellness Operations Manager  
Pamela Vigil, Risk Program Coordinator  
Dion Romero, Accountant  
Claudette Roybal, Chief Procurement Officer

**Audience present via virtual/telephonic meeting:**

Martin Esquivel	Esquivel & Howington
Connor Jorgensen	LFC
Joseph Simon	LESC
David Poms	Poms & Assoc.
Rika Martinez	Poms & Assoc.
Tammy Pargas	Poms & Assoc.
Larry Vigil	Poms & Assoc.
Louise Carpenter	CCMSI
Kevin Sovereign	CCMSI
Dr. Nura Patani	Segal
Melissa Krumholz	Segal
Jon Molberg	ESI
Marlene Mier	BCBS
Lisa Sullivan	BCBS
Maureen Sergal	BCBS
Sam Garcia	Davis Vision
Cathy Fenner	Davis Vision
JoLou Trujillo-Ottino	Delta Dental
Genia Chambellan	Delta Dental
Steve Valdez	Presbyterian
Cynthia Grajeda-James	Presbyterian
Kathy Payanes	Erisa
Lourdes Rael	Erisa
Magdiel Barrios	Erisa

**3. Introduction of Guests**

There were no guests.

**4. Citizens to Address the Board (five- minute time limit)**

There were no citizens to address the Board.

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

Mr. Richard Valerio, Executive Director, NMPSIA, requested that item 7.C (2021-2022 MOCL024 General & Automobile Liability Memorandum of Coverage) be changed from an action item to a discussion item.

A motion was made to approve the agenda as amended.

**MOTION:** C. Parrino

**SECONDED:** D. Benavidez

A roll call vote was taken.  
Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**  
Tim Crone – **Yes**  
Pauline Jaramillo, Secretary - **Yes**  
Bethany Jarrell - **Yes**  
Sammy Quintana - **Yes**  
K.T. Manis - **Yes**  
David Martinez Jr. - **Yes**  
Trish Ruiz - **Yes**  
Chris Parrino, Vice-President - **Yes**  
Alfred Park, President – **Yes**

**Vote: Vote carried unanimously.**

## **6. Approval of July 29, 2021, Virtual Board Minutes (Action Item)**

A motion was made to table the approval of the July 29, 2021 Board Minutes to correct an error. The minutes will be brought back for approval at the September Board Meeting.

**MOTION:** C. Parrino

**SECONDED:** D. Martinez Jr.

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**  
Tim Crone – **Yes**  
Pauline Jaramillo, Secretary - **Yes**  
Bethany Jarrell - **Yes**  
Sammy Quintana - **Yes**  
K.T. Manis - **Yes**  
David Martinez Jr. - **Yes**  
Trish Ruiz - **Yes**  
Chris Parrino, Vice-President - **Yes**  
Alfred Park, President – **Yes**

**Vote: Vote carried unanimously.**

## **7. Administrative Matters**

### **7. A Election of Officers (Action Item)**

Mr. Martin Esquivel, NMPSIA General Counsel, stated pursuant to NMPSIA Rules, August is the meeting for the election of the President, Vice-President and Secretary of the NMPSIA Board of Directors which form the Executive Committee. He explained the process is to open nominations for the President, Vice-President and Secretary. A motion is required to close nominations followed by a vote.

A motion was made to open nominations for the NMPSIA Board of Directors President.

**MOTION:** C. Parrino

**SECONDED:** S. Quintana

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**

Tim Crone – **Yes**

Pauline Jaramillo, Secretary - **Yes**

Bethany Jarrell - **Yes**

Sammy Quintana - **Yes**

K.T. Manis - **Yes**

David Martinez Jr. - **Yes**

Trish Ruiz - **Yes**

Chris Parrino, Vice-President - **Yes**

Alfred Park, President – **Yes**

**Vote: Vote carried unanimously.**

A motion was made to retain all three officers in their current positions. Mr. Alfred Park, President, Mr. Chris Parrino, Vice-President, and Ms. Pauline Jaramillo, Secretary.

**MOTION:** T. Ruiz

**SECONDED:** S. Quintana

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**

Tim Crone – **Yes**

Bethany Jarrell - **Yes**

Sammy Quintana - **Yes**

K.T. Manis - **Yes**

David Martinez Jr. - **Yes**

Trish Ruiz - **Yes**

**Vote: Vote carried unanimously.**

Mr. Esquivel asked if there were any other nominations.

Mr. Martinez Jr. asked if Mr. Park, Mr. Parrino, and Ms. Jaramillo accept the nominations to retain their current positions on the NMPSIA Board.

Mr. Park, Mr. Parrino, and Ms. Jaramillo accepted.

A motion was made to close nominations and elect Mr. Park as NMPSIA Board President, Mr. Parrino as NMPSIA Vice-President and Ms. Jaramillo as NMPSIA Board Secretary by acclimation.

**MOTION:** S. Quintana

**SECONDED:** D. Martinez Jr.

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**

Tim Crone – **Yes**

Bethany Jarrell - **Yes**

Sammy Quintana - **Yes**

K.T. Manis - **Yes**

David Martinez Jr. - **Yes**

Trish Ruiz - **Yes**

**Vote: Vote carried unanimously.**

Mr. Park, Mr. Parrino, and Ms. Jaramillo thanked the Board for their continued confidence.

## **7. B COVID-19 Update**

Mr. Valerio reported staff has been monitoring the current situation with respect to COVID-19, including the mask mandates in the schools and suspension of the Floyd School Board. He stated himself and Mr. Esquivel participated in a call with the New Mexico School Boards Association, New Mexico Public Education Department Cabinet Secretary, Incoming Cabinet Secretary and The New Mexico Department of Health. Mr. Valerio stated there was a lot of discussion on the efficacy on masks and vaccinations with respect school aged children. He reported PED is working on an updated tool kit that will be available soon.

Mr. Valerio stated NMPSIA had previously added COVID-19 Liability under the Memorandum of Coverage that falls under the State Tort Claims Act and Limits. This coverage will stay the same and it is included in the MOC's that will be discussed later in the agenda.

Mr. Quintana asked what is happening next with respect to the Floyd School Board Suspension.

Mr. Valerio stated this is still in the courts and PED has not reinstated the Floyd School Board as of yet.

Mr. Martinez Jr. reported he has just learned schools will no longer be closed once there is a rapid response. He asked if there are any liability concerns because of this decision.

Mr. Park asked where this information came from.

Mr. Martinez Jr. stated it just came out on the Channel 4 website.

Mr. Park located the link with this information and stated he would email it to Mr. Valerio and the Board.

Mr. Benavidez stated Mr. Stan Rounds was appointed by PED to oversee the Board functions only. The Superintendent of Floyd was reinstated by PED.

#### **7. C 2021-2022 MOCL024 General & Automobile Liability Memorandum of Coverage.**

Mr. Valerio reviewed the 2021-2022 MOCL024 General & Automobile Liability Memorandum of Coverage. He reported staff has been working with Poms & Associates, CCMSI and Mr. Esquivel in reviewing this document and making updates.

Mr. Valerio stated staff wanted to have discussion with respect to potentially limiting coverage in certain circumstances for perpetrators in sexual molestation claims and other claims where school staff and volunteers act outside their scope of work.

Mr. Esquivel stated staff has spent a significant amount of time reviewing this MOC. He stated the main issue is the frustration over defending and indemnifying employees who make bad decisions with respect to their conduct with students. He stated a lot of discussions have centered around the issue of limiting coverage or not providing coverage if an employee who engages in misconduct with students. He stated Ms. Julie Garcia, Poms & Associates talked about writing in an exclusion related to sexual or ethical misconduct by teachers that we will not provide a defense for that.

Mr. David Poms, Poms & Associates reported this is a very difficult conversation because NMPSIA was founded on providing insurance coverage for all its employees. He stated at the beginning there was very few exclusions in the MOC and there was a lot of discussion when the MOC's were first created. He stated as time went on the MOC's were modified because of different issues that have arose. Mr. Poms stated everyone agrees that that sexual abuse claims are getting very costly. He stated that if staff added the inclusion or clarification as an employee, we could get into a lot of subjectivities about what is in the course and scope of employment.

After a lengthy discussion, Mr. Park stated he wants to take some time to review this document. He stated he would like to refer this to the Risk Advisory Committee (RAC) so that they can review in detail and make a recommendation to the Board at the September meeting. Mr. Park asked all of the RAC members to review this document prior to the RAC meeting in September and be ready to discuss.

#### **7. D 2021-2022 MOCP024 Property, Automobile Physical Damage, Crime & Cyber Coverages Memorandum of Coverage**

Mr. Valerio reviewed the 2021-2022 MOCP24 Property, Automobile Physical Damage, Crime & Cyber Coverages Memorandum of Coverage. He reviewed all changes in detail.

A motion was made to approve the 2021-2022 MOCP24 Property, Automobile Physical Damage, Crime & Cyber Coverages Memorandum of Coverage as presented.

**MOTION:** S. Quintana

**SECONDED:** P. Jaramillo

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**

Tim Crone – **Yes**

Pauline Jaramillo, Secretary - **Yes**

Bethany Jarrell - **Yes**

Sammy Quintana - **Yes**

K.T. Manis - **Yes**

David Martinez Jr. - **Yes**

Trish Ruiz – **Yes**

Chris Parrino – **Yes**

Alfred Park, President - **Yes**

**Vote: Vote carried unanimously.**

## **8. General Discussion**

Mr. Park thanked everyone for their hard work. He thanked staff for the successful annual retreat.

Mr. Park stated he sent out an email asking Board members if they would like to join the Investment Policy Review Committee, Rules and Regulation Committee and Loss Prevention Committee. He stated he has heard from some Board members but not all. Mr. Park stated Ms. Ruiz has agreed to be the chair of the Rules and Regulation Committee.

Mr. Park stated the goal is to announce the full committees and chairs at the September meeting.

Mr. Quintana stated he would like to serve on the Loss Prevention Committee. Ms. Ruiz stated that she would also like to serve on the Loss Prevention Committee.

Mr. Parrino asked what the structure of the meetings will be.

Mr. Park stated he would defer to the chairs of the committee to decide.

Mr. Parrino stated he would serve as the Chair of the Investment Policy Review Committee if no one else would like to.

Ms. Jarrell stated she would serve on any of the committees if needed.

## **9. Next Meeting Date and Location**

Mr. Park asked if the Board would like to resume virtual meetings because of the COVID-19 spike.

After discussion, the Board agreed to hold the September meeting virtually.

## **10. Adjournment (Action Item)**

A motion was made to adjourn the meeting at 4:26 p.m.

**MOTION:** C. Parrino

**SECONDED:** S. Quintana

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**

Tim Crone – **Yes**

Pauline Jaramillo, Secretary - **Yes**

Bethany Jarrell - **Yes**

Sammy Quintana - **Yes**

K.T. Manis - **Yes**

David Martinez Jr. - **Yes**

Trish Ruiz - **Yes**

Chris Parrino, Vice-President - **Yes**

Alfred Park, President – **Yes**

**Vote: Vote carried unanimously.**

**APPROVED:**

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Mr. Al Park, President

# Public Schools Insurance Authority



**Board Meeting**

**Fiscal Year 2021**

**June 2021 Financial Reports**

**September 02, 2021**

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Employee Benefits Fund**  
**From 6/1/2021 Through 6/30/2021**

	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)	26,325,229.27	26,831,386.07	1.92	310,180,717.71	320,299,615.15	3.26
Interest Income (Wells Fargo, LGIP)	12,929.39	4,490.51	(65.27)	434,940.15	80,080.10	(81.59)
Investment Income (SIC)	448,815.81	293,627.61	(34.58)	728,046.58	5,656,966.53	677.01
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	46,129.12	11,089.49	(75.96)	331,490.01	11,089.49	(96.65)
Transfers from Other Funds	84,861.48	64,618.15	(23.85)	84,861.48	64,618.15	(23.85)
<b>Total Revenue</b>	<b>26,917,965.07</b>	<b>27,205,211.83</b>	<b>1.07</b>	<b>311,760,055.93</b>	<b>326,112,369.42</b>	<b>4.60</b>
<b>Expenditures</b>						
Medical Claims Expense	14,706,468.43	23,376,152.32	58.95	223,682,629.68	234,683,514.48	4.92
Prescription Claims Expense	2,325,805.78	2,887,354.71	24.14	41,229,215.92	41,143,582.34	(0.21)
Dental Claims Expense	1,486,362.37	1,447,944.07	(2.58)	12,556,985.16	13,920,497.42	10.86
Premiums (Life, Vision)	1,048,225.90	1,060,911.79	1.21	11,698,932.44	12,518,337.80	7.00
Claims Administration Fees (Medical, Dental, Rx)	1,305,217.85	1,488,918.59	14.07	14,716,502.19	17,205,826.12	16.92
Contractual Services (Erisa, Segal, Legal, Etc)	214,011.22	218,152.19	1.93	2,246,721.34	2,531,723.93	12.69
Other Expenses	0.00	12,400.00	100.00	62,230.59	12,840.46	(79.37)
Transfer to Program Support	55,091.00	58,375.00	5.96	661,100.00	700,500.00	5.96
<b>Total Expenditures</b>	<b>21,141,182.55</b>	<b>30,550,208.67</b>	<b>44.51</b>	<b>306,854,317.32</b>	<b>322,716,822.55</b>	<b>5.17</b>
<b>Net Revenue &amp; Expenditures</b>	<b>5,776,782.52</b>	<b>(3,344,996.84)</b>	<b>(157.90)</b>	<b>4,905,738.61</b>	<b>3,395,546.87</b>	<b>(30.78)</b>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Risk Fund**  
**From 6/1/2021 Through 6/30/2021**

	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)	6,902,429.00	6,922,434.00	0.29	82,829,181.19	83,069,230.00	0.29
Interest Income (Wells Fargo, LGIP)	21,037.80	7,424.82	(64.71)	1,143,516.20	158,465.01	(86.14)
Investment Income (SIC)	191,431.23	126,539.36	(33.90)	309,609.90	2,410,539.28	678.57
Miscellaneous Income (Penalties, Subros, Etc)	(2,000,000.00)	0.00	(100.00)	8,000,002.00	0.00	(100.00)
Transfers from Other Funds	84,861.48	64,618.16	(23.85)	84,861.48	64,618.16	(23.85)
<b>Total Revenue</b>	<b>5,199,759.51</b>	<b>7,121,016.34</b>	<b>36.95</b>	<b>92,367,170.77</b>	<b>85,702,852.45</b>	<b>(7.22)</b>
<b>Expenditures</b>						
<b>Property - Liability Claims Expense</b>						
Property Claims	(218,766.36)	534,429.10	(344.29)	8,437,189.50	9,457,534.33	12.09
Liability Claims	550,404.95	7,943,404.39	1,343.19	26,101,655.55	17,122,113.82	(34.40)
P-L Provisions for Losses	(4,108,079.15)	(656,938.02)	(84.01)	8,232,383.00	13,204,402.34	60.40
P-L Excess Recoveries	(282,547.08)	(7,334,452.06)	2,495.83	(9,343,412.05)	(8,513,647.42)	(8.88)
<b>Total Property - Liability Claims Expense</b>	<b>(4,058,987.64)</b>	<b>486,443.41</b>	<b>(111.98)</b>	<b>33,427,816.00</b>	<b>31,270,403.07</b>	<b>(6.45)</b>
Workers' Compensation Claims Expense	(46,696.01)	516,374.23	(1,205.82)	8,688,606.89	7,770,527.38	(10.57)
Property Excess Coverage Premium	2,074,416.00	2,114,445.00	1.93	24,889,732.13	25,373,347.00	1.94
Liability Excess Coverage Premium	1,324,838.00	1,437,243.00	8.48	15,898,058.00	17,246,916.00	8.48
Workers' Compensation Excess Coverage Premium	48,903.00	49,432.00	1.08	586,844.00	593,194.00	1.08
Student Catastrophic Insurance Premium	20,789.00	19,949.00	(4.04)	228,688.26	219,440.77	(4.04)
Equipment Breakdown Insurance Premium	26,413.00	27,585.00	4.44	331,597.82	331,034.60	(0.17)
Property - Liability Claims Administration Fees	85,147.50	88,095.73	3.46	1,019,968.72	1,057,148.70	3.65
Workers' Compensation Claims Administration Fees	94,047.19	97,306.90	3.47	1,126,765.00	1,167,682.81	3.63
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	268,759.94	233,278.68	(13.20)	3,712,608.33	3,782,337.96	1.88
Other Expenses (Training, Etc.)	0.00	0.00	0.00	0.00	90.70	100.00
Transfer to Program Support	55,091.00	58,375.00	5.96	661,100.00	700,500.00	5.96
<b>Total Expenditures</b>	<b>(107,279.02)</b>	<b>5,128,527.95</b>	<b>(4,880.55)</b>	<b>90,571,785.15</b>	<b>89,512,622.99</b>	<b>(1.17)</b>
<b>Net Revenue &amp; Expenditures</b>	<b>5,307,038.53</b>	<b>1,992,488.39</b>	<b>(62.46)</b>	<b>1,795,385.62</b>	<b>(3,809,770.54)</b>	<b>(312.20)</b>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Program Support Fund**  
**From 6/1/2021 Through 6/30/2021**

	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)	110,182.00	116,750.00	5.96	1,322,200.00	1,401,000.00	5.96
<b>Total Revenue</b>	<b>110,182.00</b>	<b>116,750.00</b>	<b>5.96</b>	<b>1,322,200.00</b>	<b>1,401,000.00</b>	<b>5.96</b>
<b>Expenditures</b>						
Contractual Services (Professional, Audit, Legal, Etc)	9,812.26	5,288.74	(46.10)	81,101.20	72,429.85	(10.69)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)						
Depreciation Expense	12,932.43	6,463.66	(50.02)	12,932.43	6,463.66	(50.02)
Other	200,746.37	163,536.41	(18.54)	309,918.15	263,653.85	(14.93)
Total Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	213,678.80	170,000.07	(20.44)	322,850.58	270,117.51	(16.33)
Per Svc/Ben (Salaries, Fringe Benefits)	83,118.66	104,950.26	26.27	931,180.65	1,064,916.30	14.36
<b>Total Expenditures</b>	<b>306,609.72</b>	<b>280,239.07</b>	<b>(8.60)</b>	<b>1,335,132.43</b>	<b>1,407,463.66</b>	<b>5.42</b>
<b>Net Revenue &amp; Expenditures</b>	<b>(196,427.72)</b>	<b>(163,489.07)</b>	<b>(16.77)</b>	<b>(12,932.43)</b>	<b>(6,463.66)</b>	<b>(50.02)</b>

**NM Public Schools Insurance Authority**

**Balance Sheet**

**As of 6/30/2021**

	<u>Program Support</u>	<u>Employee Benefits</u>	<u>Risk</u>	<u>Total</u>
<b>ASSETS</b>				
Cash (Wells Fargo/State Treasurer)	694,849.62	1,322,354.16	964,671.39	2,981,875.17
Short-term Investments (LGIP)	0.00	32,262,235.97	74,277,439.27	106,539,675.24
Long-term Investments (SIC)	0.00	26,569,965.31	11,330,306.19	37,900,271.50
Receivables (LGIP Int., W/C Excess Carrier)	432.72	13,671.03	12,760,192.60	12,774,296.35
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	0.00	0.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	256,310.13	1,717,279.09	320,618.16	2,294,207.38
<b>Total ASSETS</b>	<b>951,592.47</b>	<b>61,885,505.56</b>	<b>99,653,227.61</b>	<b>162,490,325.64</b>
<b>LIABILITIES</b>				
Accounts Payable (Admin Fees)	12,317.87	1,698,142.31	414,865.34	2,125,325.52
Case Reserves (P/L, W/C)	0.00	0.00	46,356,306.17	46,356,306.17
IBNR (Incurred But Not Reported)	0.00	19,575,106.00	49,356,311.00	68,931,417.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	5,448,776.44	213,143.93	5,661,920.37
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	115,173.08	0.00	115,173.08
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	233,245.37	49,121.70	0.00	282,367.07
<b>Total LIABILITIES</b>	<b>245,563.24</b>	<b>26,886,319.53</b>	<b>96,340,626.44</b>	<b>123,472,509.21</b>
<b>FUND EQUITY</b>				
Beginning Fund Equity	712,492.89	31,603,639.16	7,122,371.71	39,438,503.76
Net Revenue & Expenditures (Year-to-Date)	(6,463.66)	3,395,546.87	(3,809,770.54)	(420,687.33)
<b>Total FUND EQUITY</b>	<b>706,029.23</b>	<b>34,999,186.03</b>	<b>3,312,601.17</b>	<b>39,017,816.43</b>

# Public Schools Insurance Authority



**Board Meeting**

**Fiscal Year 2022**

**July 2021 Financial Reports**

**September 02, 2021**

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Employee Benefits Fund**  
**From 7/1/2021 Through 7/31/2021**

	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)	26,117,845.44	26,690,974.99	2.19	26,117,845.44	26,690,974.99	2.19
Interest Income (Wells Fargo, LGIP)	11,096.76	4,184.63	(62.29)	11,096.76	4,184.63	(62.29)
Investment Income (SIC)	1,020,610.00	169,167.54	(83.42)	1,020,610.00	169,167.54	(83.42)
<b>Total Revenue</b>	<b>27,149,552.20</b>	<b>26,864,327.16</b>	<b>(1.05)</b>	<b>27,149,552.20</b>	<b>26,864,327.16</b>	<b>(1.05)</b>
<b>Expenditures</b>						
Medical Claims Expense	17,435,723.81	22,130,312.43	26.93	17,435,723.81	22,130,312.43	26.93
Prescription Claims Expense	4,016,234.59	6,173,777.13	53.72	4,016,234.59	6,173,777.13	53.72
Dental Claims Expense	1,305,535.31	1,257,482.88	(3.68)	1,305,535.31	1,257,482.88	(3.68)
Premiums (Life, Vision)	1,036,067.95	1,050,442.62	1.39	1,036,067.95	1,050,442.62	1.39
Claims Administration Fees (Medical, Dental, Rx)	1,440,932.34	1,570,999.37	9.03	1,440,932.34	1,570,999.37	9.03
Contractual Services (Erisa, Segal, Legal, Etc)	292,685.48	304,009.20	3.87	292,685.48	304,009.20	3.87
Transfer to Program Support	58,375.00	59,174.00	1.37	58,375.00	59,174.00	1.37
<b>Total Expenditures</b>	<b>25,585,554.48</b>	<b>32,546,197.63</b>	<b>27.21</b>	<b>25,585,554.48</b>	<b>32,546,197.63</b>	<b>27.21</b>
<b>Net Revenue &amp; Expenditures</b>	<b>1,563,997.72</b>	<b>(5,681,870.47)</b>	<b>(463.29)</b>	<b>1,563,997.72</b>	<b>(5,681,870.47)</b>	<b>(463.29)</b>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Risk Fund**  
**From 7/1/2021 Through 7/31/2021**

	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)	6,922,456.00	7,246,955.00	4.69	6,922,456.00	7,246,955.00	4.69
Interest Income (Wells Fargo, LGIP)	13,290.37	5,618.19	(57.73)	13,290.37	5,618.19	(57.73)
Investment Income (SIC)	435,067.82	72,423.49	(83.35)	435,067.82	72,423.49	(83.35)
<b>Total Revenue</b>	<u>7,370,814.19</u>	<u>7,324,996.68</u>	<u>(0.62)</u>	<u>7,370,814.19</u>	<u>7,324,996.68</u>	<u>(0.62)</u>
<b>Expenditures</b>						
<b>Property - Liability Claims Expense</b>						
Property Claims	677,258.72	202,852.10	(70.05)	677,258.72	202,852.10	(70.05)
Liability Claims	1,395.44	8,855,276.17	...,486.67	1,395.44	8,855,276.17	...,486.67
P-L Provisions for Losses	541,401.59	(5,865,830.62)	(1,183.45)	541,401.59	(5,865,830.62)	(1,183.45)
P-L Excess Recoveries	<u>2,282,594.02</u>	<u>(177,688.44)</u>	<u>(107.78)</u>	<u>2,282,594.02</u>	<u>(177,688.44)</u>	<u>(107.78)</u>
<b>Total Property - Liability Claims Expense</b>	3,502,649.77	3,014,609.21	(13.93)	3,502,649.77	3,014,609.21	(13.93)
Workers' Compensation Claims Expense	591,629.19	474,642.53	(19.77)	591,629.19	474,642.53	(19.77)
Property Excess Coverage Premium	2,114,452.00	2,374,968.00	12.32	2,114,452.00	2,374,968.00	12.32
Liability Excess Coverage Premium	1,437,243.00	1,622,913.00	12.92	1,437,243.00	1,622,913.00	12.92
Workers' Compensation Excess Coverage Premium	49,442.00	38,890.00	(21.34)	49,442.00	38,890.00	(21.34)
Student Catastrophic Insurance Premium	0.00	18,097.47	100.00	0.00	18,097.47	100.00
Equipment Breakdown Insurance Premium	27,599.60	31,292.60	13.38	27,599.60	31,292.60	13.38
Property - Liability Claims Administration Fees	85,147.50	91,147.15	7.05	85,147.50	91,147.15	7.05
Workers' Compensation Claims Administration Fees	94,047.19	100,680.78	7.05	94,047.19	100,680.78	7.05
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	1,173,618.05	1,241,591.79	5.79	1,173,618.05	1,241,591.79	5.79
Transfer to Program Support	<u>58,375.00</u>	<u>59,162.00</u>	<u>1.35</u>	<u>58,375.00</u>	<u>59,162.00</u>	<u>1.35</u>
<b>Total Expenditures</b>	<u>9,134,203.30</u>	<u>9,067,994.53</u>	<u>(0.72)</u>	<u>9,134,203.30</u>	<u>9,067,994.53</u>	<u>(0.72)</u>
<b>Net Revenue &amp; Expenditures</b>	<u>(1,763,389.11)</u>	<u>(1,742,997.85)</u>	<u>(1.16)</u>	<u>(1,763,389.11)</u>	<u>(1,742,997.85)</u>	<u>(1.16)</u>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Program Support Fund**  
**From 7/1/2021 Through 7/31/2021**

	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)	116,750.00	118,336.00	1.36	116,750.00	118,336.00	1.36
Total Revenue	116,750.00	118,336.00	1.36	116,750.00	118,336.00	1.36
<b>Expenditures</b>						
Contractual Services (Professional, Audit, Legal, Etc)	292.09	63.50	(78.26)	292.09	63.50	(78.26)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	875.72	420.29	(52.01)	875.72	420.29	(52.01)
Per Svc/Ben (Salaries, Fringe Benefits)	78,743.20	92,008.10	16.85	78,743.20	92,008.10	16.85
Total Expenditures	79,911.01	92,491.89	15.74	79,911.01	92,491.89	15.74
Net Revenue & Expenditures	36,838.99	25,844.11	(29.85)	36,838.99	25,844.11	(29.85)

**NM Public Schools Insurance Authority**

**Balance Sheet**

**As of 7/31/2021**

	<u>Program Support</u>	<u>Employee Benefits</u>	<u>Risk</u>	<u>Total</u>
<b>ASSETS</b>				
Cash (Wells Fargo/State Treasurer)	694,100.96	2,084,298.32	34,040,259.87	36,818,659.15
Short-term Investments (LGIP)	0.00	31,464,522.18	74,881,563.44	106,346,085.62
Long-term Investments (SIC)	0.00	26,739,132.85	11,402,729.68	38,141,862.53
Receivables (LGIP Int., W/C Excess Carrier)	200.16	36,072.07	14,895,641.78	14,931,914.01
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	44,715,275.93	44,715,275.93
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	<u>256,310.13</u>	<u>64,618.15</u>	<u>320,618.16</u>	<u>641,546.44</u>
<b>Total ASSETS</b>	<b><u>950,611.25</u></b>	<b><u>60,388,643.57</u></b>	<b><u>180,256,088.86</u></b>	<b><u>241,595,343.68</u></b>
<b>LIABILITIES</b>				
Accounts Payable (Admin Fees)	0.00	1,642,801.17	619,841.57	2,262,642.74
Case Reserves (P/L, W/C)	0.00	0.00	40,312,857.46	40,312,857.46
IBNR (Incurred But Not Reported)	0.00	19,575,106.00	49,356,311.00	68,931,417.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	9,693,215.31	8,680,838.51	18,374,053.82
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	160,205.53	79,654,919.00	79,815,124.53
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	<u>218,737.91</u>	<u>0.00</u>	<u>61,718.00</u>	<u>280,455.91</u>
<b>Total LIABILITIES</b>	<b><u>218,737.91</u></b>	<b><u>31,071,328.01</u></b>	<b><u>178,686,485.54</u></b>	<b><u>209,976,551.46</u></b>
<b>FUND EQUITY</b>				
Beginning Fund Equity	706,029.23	34,999,186.03	3,312,601.17	39,017,816.43
Net Revenue & Expenditures (Year-to-Date)	<u>25,844.11</u>	<u>(5,681,870.47)</u>	<u>(1,742,997.85)</u>	<u>(7,399,024.21)</u>
<b>Total FUND EQUITY</b>	<b><u>731,873.34</u></b>	<b><u>29,317,315.56</u></b>	<b><u>1,569,603.32</u></b>	<b><u>31,618,792.22</u></b>