

New Mexico



LFC Budget Hearing FY23

Jeremy J. Romero, Chairman

Janice Y. Maniaci, Executive Director

Cynthia Ortega, CFO and ASD Director

Lydia VanOrman, Audit and Compliance Director

Terry McGaha, Enforcement Director

Craig Telle, Licensing Supervisor

Fiscal Year Information: FY99-FY22

Categories	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY17	FY18	FY19	FY20	FY21	FY22	
200 - Personal Services	1,845.3	2,780.3	2,952.6	2,955.7	2,995.9	3,279.6	3,358.6	3,801.8	3,984.6	4,218.3	4,359.2	4,245.7	3,928.8	3,631.8	3,784.1	3,838.6	3,961.1	3,964.6	3,714.2	3,671.6	3,525.6	3,828.9	4,030.1	3,614.0	
300 - Contractual Services	2,224.8	726.3	510.0	535.0	629.3	652.6	620.4	737.3	732.8	740.7	740.7	784.6	731.9	729.3	766.9	775.1	771.8	806.1	768.0	783.7	809.8	811.8	75.9	54.4	
400 - Other Services	865.4	787.3	879.7	959.6	1,004.9	1,004.1	1,051.0	1,320.8	1,431.7	1,373.6	1,370.6	1,245.4	929.0	866.1	916.5	964.2	991.6	1,029.5	975.7	702.4	866.6	896.1	1,702.1	1,581.6	
Total	4,935.5	4,293.9	4,342.3	4,450.3	4,630.1	4,936.3	5,030.0	5,859.9	6,149.1	6,332.6	6,470.5	6,275.7	5,589.7	5,227.2	5,467.5	5,577.9	5,724.5	5,800.2	5,457.9	5,157.7	5,202.0	5,536.8	5,808.1	5,250.0	
FY09 HB10 Reduction											(161.8)														
FY10 Exec Order (Furlough)												(72.2)													
FY10 5% Reduction												(314.2)													
FY11 ~ 3.2435% HB Sec 4												0.0	(181.3)												
FY11 SBF Loan													177.9												
FY12 Retirement Rate Red.														(47.0)											
FY16 Budget reduction																		(34.70)							
FY17 5.5% Budget reduction																			(300.20)						
FY20 4% Budget reduction																							(328.50)		
FY22 5% Budget Reduction																								See Note	
Total Budget	4,935.5	4,293.9	4,342.3	4,450.3	4,630.1	4,936.3	5,030.0	5,859.9	6,149.1	6,332.6	6,308.7	5,889.3	5,586.3	5,180.2	5,467.5	5,577.9	5,724.5	5,765.5	5,157.7	5,157.7	5,202.0	5,536.8	5,479.6	5,250.0	
Operating Budget Reversion amount								52.9	87.0	59.4	16.4	22.9	97.7	396.1	241.7	339.2	246.2	147.9	77.6	111.96	73.4	**430.8	72.4		
FTE	60	57	57	57	57.5	57.5	59.5	61.5	63.5	63.5	63.5	63.5	63.5	62.5	58	57	57	57	57	55	52	52	52	52	
Vacancies												5	9	13	21	8	13	10	11	15	13	9	10	12	13
Vacancy Rates (based on FTE not \$)								3.7%	9.6%	6.4%	7.9%	13.4%	19.7%	32.8%	13.8%	22.8%	17.5%	19.3%	26.3%	23.6%	17.3%	19.2%	23.1%	25.0%	

FY22 - 13 vacant positions as of 10/26/21 (1 Gov Ex and 12 classiffed):

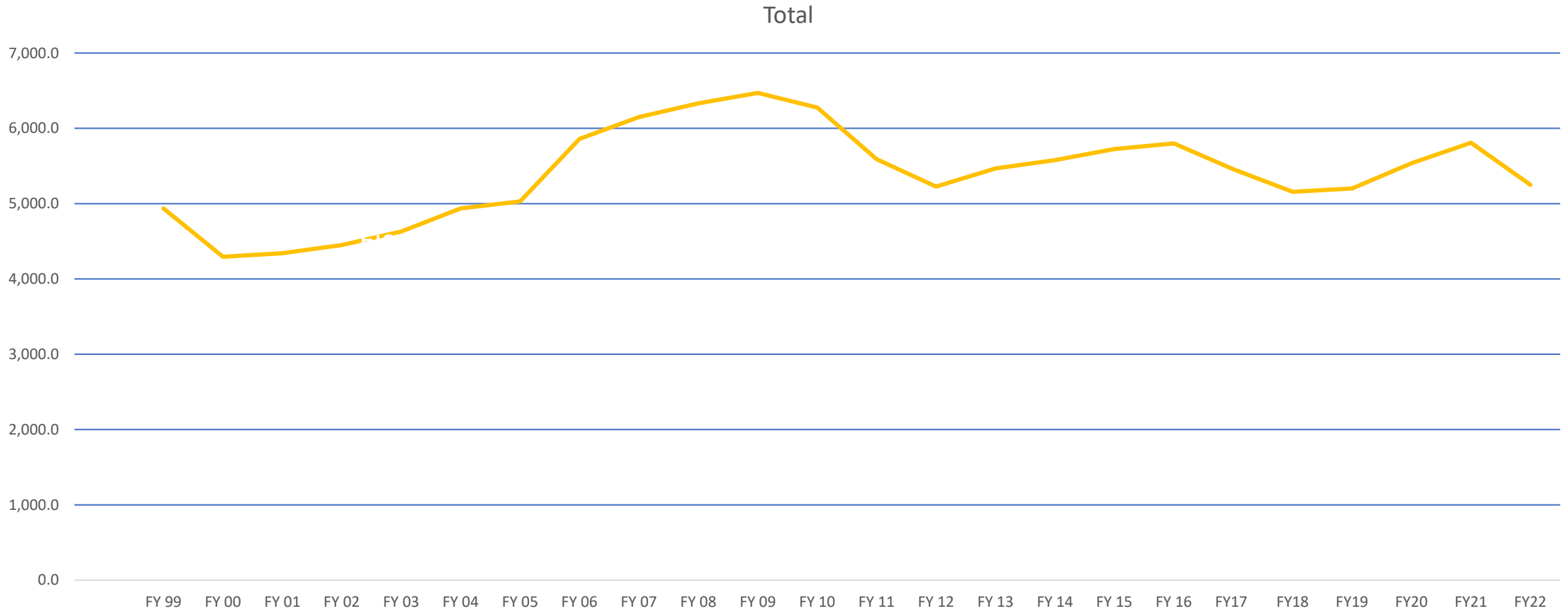
Position	Perm#	Notes
Management Analyst - A	46550	Management Analyst - Office of the ED (vacant 04/01/2020)
General Counsel	45519	Governor Exempt Position (vacant 01/17/15)
Admin Serv Coord - A	46691	Admin Services Coord - ASD (vacant 7/01/21)
A/O II	46424	Licensing Director (vacant 06/16/21) Recruitment in process
Compliance Officer - Supervisor	46927	Licensing Supervisor (vacant 9/05/20)
Acct & Auditor- A	70843	Auditor - Audit & Compliance Div (vacant 03/27/21)
Acct & Auditor- A	46607	Auditor - Audit & Compliance Div (vacant 8/07/21)
Office & Admin Support - A	46606	Admin - Enforcement Division (vacant 03/13/21)
Special Agent	46427	Agent - Enforcement Diviison (vacant 06/19/21)
IT CIO I or Tech Manager	46141	IS Director/CIO - Is Division (vacant 10/01/21)
IT End User Support II	46741	IT End Uer Support II (vacant 07/14/20)
Oper Research Analyst - A	46848	Operatons Analyst - IT (vacant 03/21/20)
Attorney III	45816	Senior Staff Attorney - Legal (vacant 06/08/21)

Note: All agencies were required to submit their FY22 budget request with a reduction of 5%, therefore our budget was reduced by \$273,900

Reversion for FY20:

**We applied a credit of \$406,000 that we had with a vendor against one of our contracts, thus increasing our reversion to \$430,800.

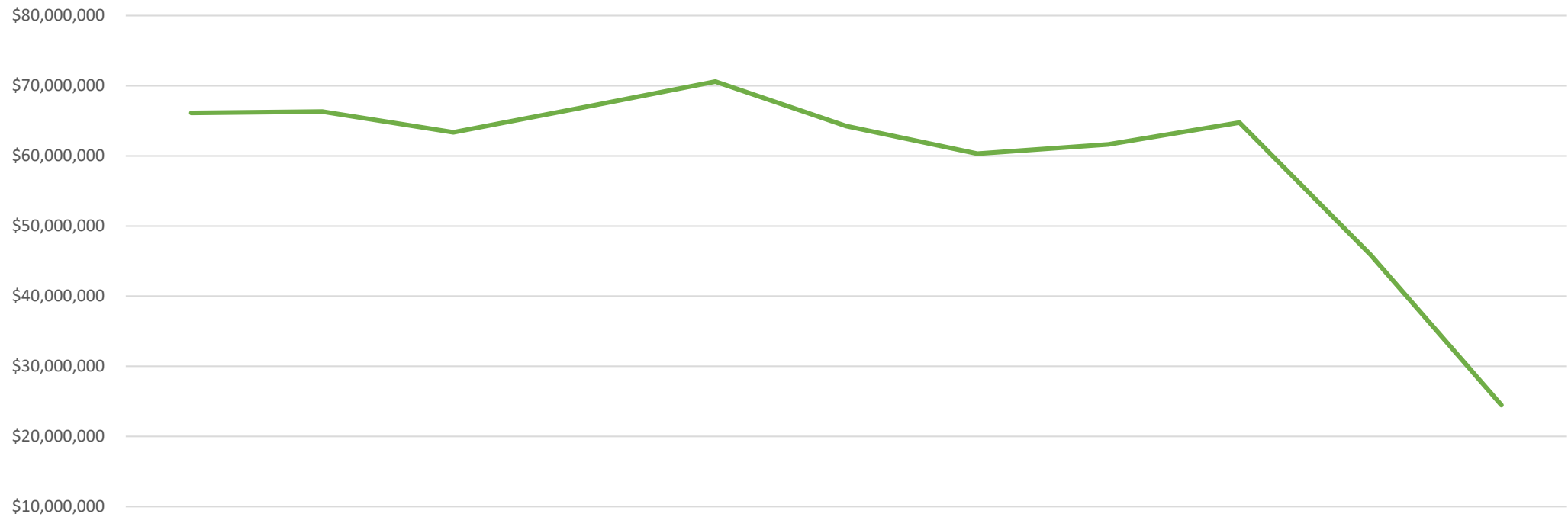
Fiscal Year Information: FY99-FY22



Gaming Tax 2011 – 2021

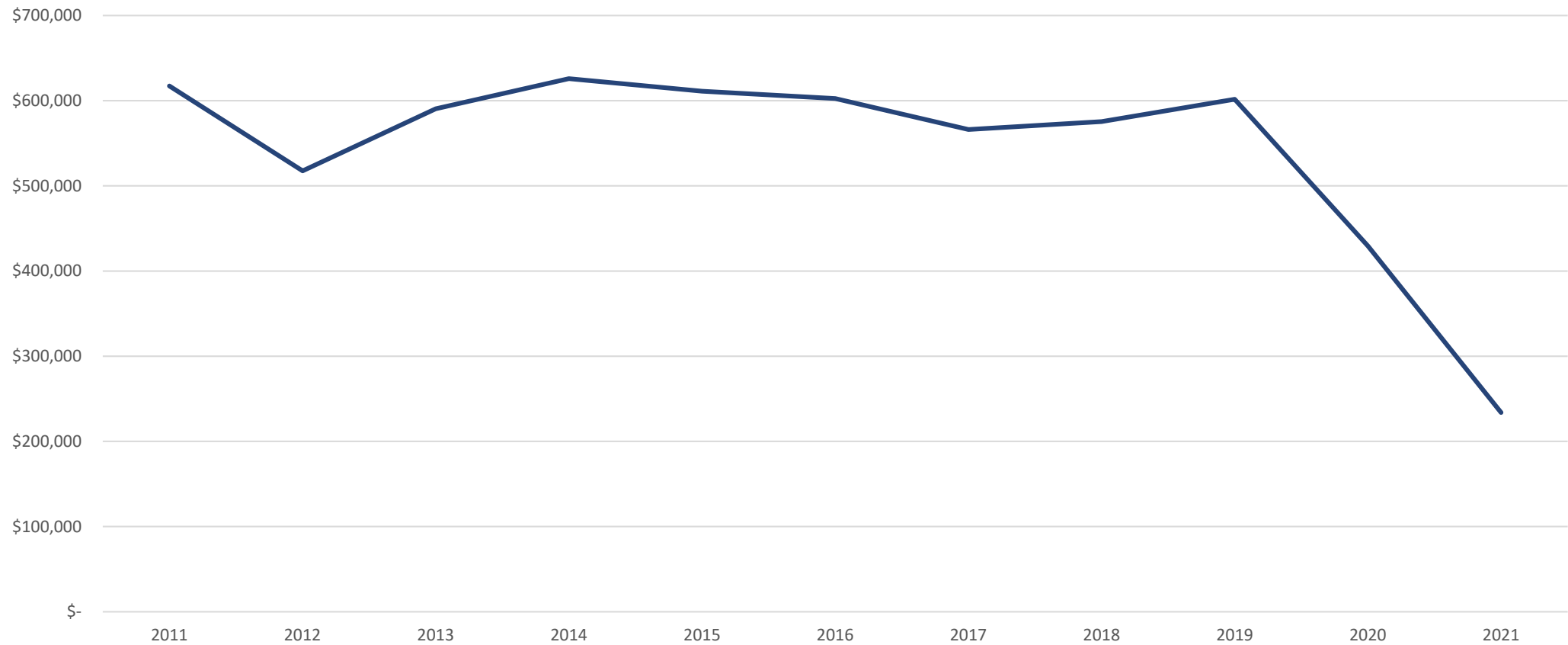
Racetracks, Non-Profits, Manufacturers, and Distributors

Total Gaming Taxes

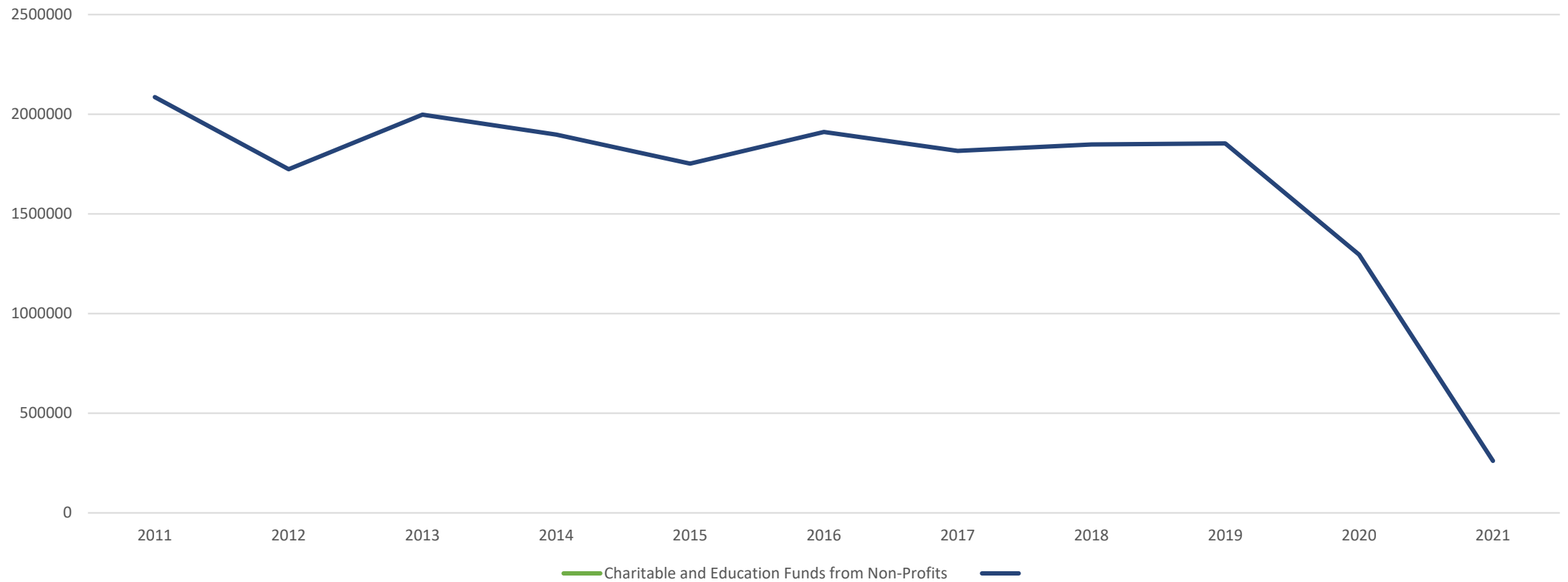


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
— Total Gaming Taxes	\$66,132,864	\$66,329,233	\$63,370,107	\$66,953,238	\$70,609,682	\$64,250,543	\$60,322,556	\$61,649,076	\$64,750,462	\$45,923,052	\$24,467,301

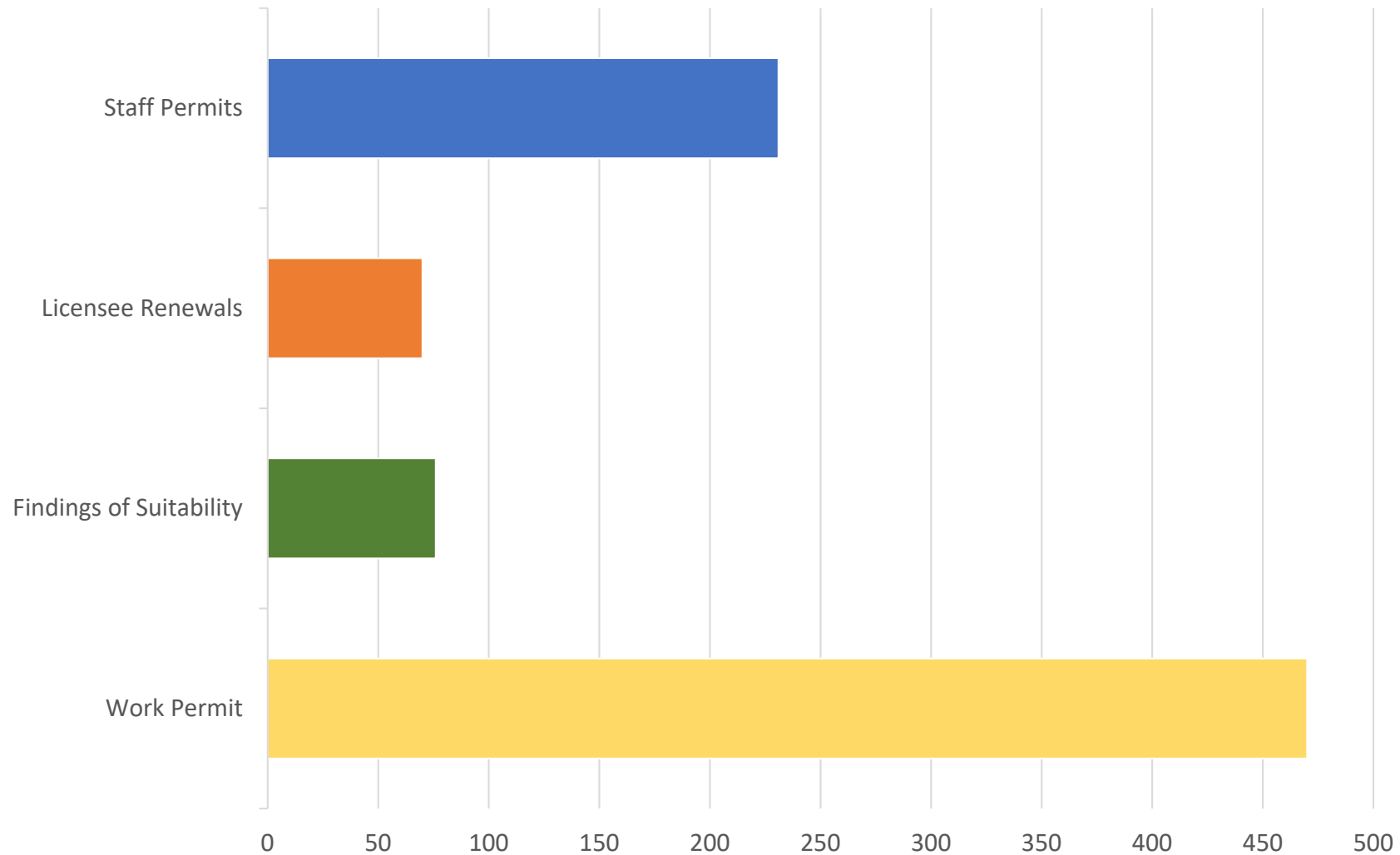
Problem Gambling Funds from Racetracks



Charitable and Education Funds from Non-Profits



Applications Processed: FY21



Current no. of Gaming and Bingo Licenses:
Racetracks Operators 5
Nonprofit Gaming Operators 51
Nonprofit Bingo Operators 47
Total Vendors for Gaming and Bingo 28

Approx. no. of individuals licensed 1600

The Request for an Increased Budget : FY23

- We want to ensure compliance with laws and regulations for our agency.
 - Standard Operating Procedures
- We cannot regulate the state with only 39 employees (25% vacancy). We are seeking to fill vacancies and add 6 additional FTE's.
- We want to better manage workload and retention.
- We want to do more and at the same time develop creative methods to better serve the state:
 - Assign one agent to every racetrack
 - Focus on illegal poker games and online gaming
 - Prosecute our own criminal cases
 - Conduct more risk-based audits of racetrack casinos
 - Conduct software verifications of all nonprofits and racetrack casinos
 - Complete more Bingo risk-based audits
 - Travel the state to put on workshops for racetracks, nonprofit gaming and bingo
 - Research and revise all applications and forms

The Risk of Remaining Status Quo



The pandemic has brought about new challenges in the way we live, work, and play. The entertainment industry has been hit immensely hard, and the gambling and casino industry is no different.

With the effects of COVID remaining fresh in the minds of people as they return to work, it creates risks to the industry that have not been seen at this scale before. Financial and other pressures, require the agency to increase monitoring of transactions, review conflicts of interests, and ensure proper segregation of duties.

Without an increased budget to fill vacant position and hire additional staff the New Mexico Gaming Control Board faces many challenges with enforcing gaming and bingo laws as required by the New Mexico Gaming Control Act, and the New Mexico Bingo and Raffle Act.

Thus, making it especially difficult to expand our vision for the agency to tackle the rapid growing problem of illegal gaming in the state.