

# LESC HEARING

## September 26, 2018



**STATE OF NEW MEXICO**  
**GENERAL**  
**SERVICES**  
**DEPARTMENT**

**Risk**  
**Presentation**

# FY'20 Allocation Draft

v1: Med Mal Rateable Limit: \$1.5M, All other coverage: \$1.0M

(version 1.06 - 15 - 18)

Base Premium (unadjusted) is 5-year average of limited incurred losses (see [9.2] of regulations)

Base Premium's Loss and Exposure components set by Director's ratios (see [10.2])

Base Premiums to be apportioned to individual entities based on their share of Losses / Exposures (see [10.2])

2.8%

Coverage	Incurred Losses <sup>(1)</sup>							Adjustments					Weights		Base Premiums			
	2013	2014	2015	2016	2017	5-Yr Tot	5-Yr Avg	Loss Dev. <sup>(2)</sup>	Insurance <sup>(3)</sup>	Admin <sup>(4)</sup>	2.8% CPI	Other <sup>(5)</sup> Scenario D	Total Prem	Loss %	Exposure %	Loss	Exposure	Total
12 Workers Compensation	13,901,937	11,263,195	11,383,881	12,551,189	9,650,005	58,750,208	11,750,042	3,801,322	0	2,000,000	491,438	1,882,933	19,925,734	90	10	17,933,161	1,992,573	19,925,734
21 General Liab	5,832,077	5,510,365	4,325,867	3,293,417	2,158,944	21,120,670	4,224,134	1,689,654	0	2,000,000	221,586	676,913	8,812,287	70	30	6,168,601	2,643,686	8,812,287
22 Law Enforcement	813,323	5,250,155	923,020	428,948	113,578	7,529,023	1,505,805	344,095	0	0	51,797	241,304	2,143,061	70	30	1,500,100	642,900	2,143,001
23 Medical Malpractice	11,159,801	11,727,474	6,874,773	5,629,390	1,005,664	36,397,102	7,279,420	2,632,185	0	0	277,525	1,166,520	11,355,650	70	30	7,948,955	3,406,695	11,355,650
24 Civil Rights	16,864,843	14,172,785	12,108,995	5,300,678	1,544,487	49,991,788	9,998,358	3,226,889	0	0	370,307	1,602,227	15,197,780	70	30	10,638,446	4,559,334	15,197,780
35 Auto Liability	542,485	1,590,281	710,894	805,324	638,242	4,287,226	857,445	224,677	4,251	0	30,418	137,405	1,254,196	70	30	877,937	376,269	1,254,196
Aircraft Liability	0	0	0	0	0	0	0	0	19,120	0	985	0	19,655	n/a	n/a	0	0	19,655
38 Railroad Liability	116,849	320,705	49,870	7,932	0	495,357	99,071	39,629	0	0	3,884	15,876	158,460	70	30	110,922	47,538	158,460
41 Auto Physical Damage	990,307	1,620,215	826,801	1,730,152	1,367,526	6,535,001	1,307,000	18,117	0	0	37,103	0	1,362,220	30	70	408,666	953,554	1,362,220
50 Fidelity Bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0
71 Blanket Property	2,103,552	5,035,589	3,555,137	3,215,426	2,429,501	16,339,205	3,267,841	50,216	2,838,000	1,000,000	200,370	0	7,356,427	30	70	2,206,928	5,149,499	7,356,427
80 Fine Arts	16,547	0	0	88	0	16,635	3,327	0	226,575	0	6,437	533	236,872	30	70	71,062	165,811	236,872
90 Boiler	0	101,825	59,462	0	0	161,286	32,257	0	157,632	0	5,317	5,169	200,375	30	70	80,113	140,263	200,375
92 Money & Securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0
Aircraft Hull	0	0	0	0	0	0	0	0	203,668	0	5,703	0	209,371	n/a	n/a	0	0	209,371
Crime	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a	0	0	0
<b>Total</b>	<b>52,341,722</b>	<b>56,592,589</b>	<b>40,818,699</b>	<b>32,962,544</b>	<b>18,907,947</b>	<b>201,623,501</b>	<b>40,324,700</b>	<b>12,026,783</b>	<b>3,449,246</b>	<b>5,000,000</b>	<b>1,702,420</b>	<b>5,728,880</b>	<b>68,232,029</b>			<b>47,924,891</b>	<b>20,078,112</b>	<b>68,232,029</b>



Mujtaba Datoos has over 30 years experience providing actuarial services within the insurance and risk management fields. He has spent over 10,000 hours just in the last decade preparing actuarial reports, and thus qualifies as an expert according to the 10,000-hour rule popularized by Malcolm Gladwell in his bestselling book Outliers.

Mr. Datoos has extensive experience in ratemaking, loss reserve and funding studies for self-insured workers compensation and liability programs, particularly for pooling programs. His experience has included tenures in a commercial carrier, rating bureaus and consulting. He is currently a Director and Actuary at Aon Global Risk Consulting, leading the public entity actuarial practice.

He has presented before various organizations, including PRIMA, CAJPA, CASBO, PARMA, AGRIP, APTA, STRIMA, NLC and Conference of Consulting Actuaries. A frequent speaker to Pool Boards he has presented extensively on understanding actuarial reports and its findings, financial measures and cost allocations. He is the cornerstone of the financial boot camps of the Aon Pooling Conference.

He has authored several articles on actuarial topics, and a primer on understanding your actuarial report – soon to be published. Mr. Datoos attended Columbia University and holds the professional designation Associate of the Casualty Actuarial Society and is a Member of the American Academy of Actuaries and a Fellow of the Conference Consulting Actuaries.

## Mujtaba Datoos Aon Risk Solutions Actuarial Practice Leader



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# RATE Development Detail

Supported by AON  
Actuarial Services



# RMD Legal Defense Expenditures

**FY12 \$11,940,273.74**

**FY13 \$10,437,774.32**

**FY14 \$10,651,323.36**

**FY15 \$10,132,627.09**

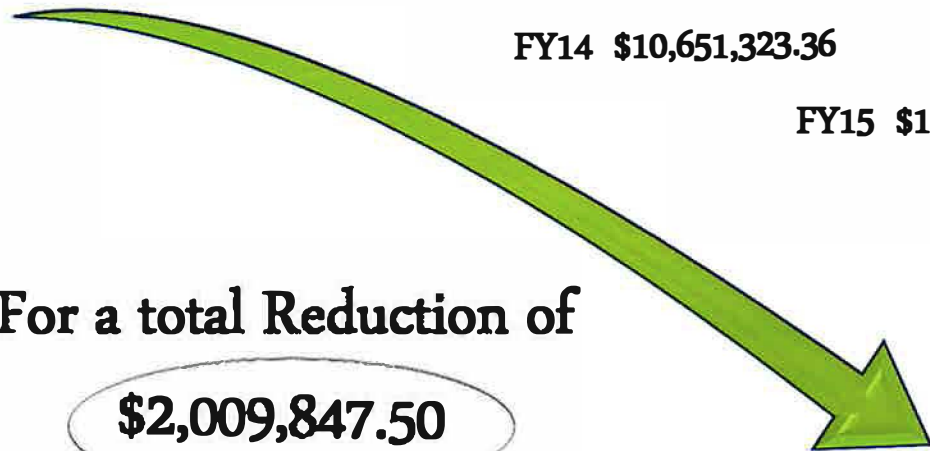
**FY16 \$10,175,921.85**

**FY17 \$10,222,307.96**

**FY18 \$8,212,460.46**

**For a total Reduction of**

**\$2,009,847.50**



# Liability Claims $\geq$ \$250,000 by Agency

Slide 8: Liability Claim Count  $\geq$  \$250,000 (FY2010-FY2018)

Claim Types: 21, 22, 23, 24, 35, and 38

Dept Code	Department	AUTO LIABILITY	CIVIL RIGHTS	GENERAL LIABILITY	LAW ENFORCEMENT	MEDICAL MALPRACTICE	RAILROAD LIABILITY	Grand Total
0000253	3RD JUDICIAL DISTR ATTY (3RD JDA)	0	1	0	0	0	0	1
0000305	OFC OF ATTORNEY GENERAL (OAG)	0	1	0	0	0	0	1
0000341	DEPT OF FINANCE AND ADMIN (DFA)	0	1	1	0	0	0	2
0000350	GENERAL SERVICES DEPT (GSD)	0	1	0	0	0	0	1
0000352	EDUCATIONAL RETIREMENT BOARD (ERB)	0	1	0	0	0	0	1
0000355	PUBLIC DEFENDER DEPT (USE 0000280)	0	1	0	0	0	0	1
0000356	GOVERNOR'S OFFICE (GO)	0	2	0	0	0	0	2
0000360	LIEUTENANT GOVERNOR'S OFFICE (LGO)	0	1	0	0	0	0	1
0000370	SECRETARY OF THE STATE (SOS)	0	2	0	0	0	0	2
0000419	ECONOMIC DEVELOPMENT DEPT (EDD)	0	2	0	0	0	0	2
0000430	PUBLIC REGULATION COMMISSION (PRC)	0	2	0	0	0	0	2
0000440	SUPERINTENDENT OF INSURANCE (OSI)	0	1	0	0	0	0	1
0000460	NM STATE FAIR COMMISSION (EXPO)	0	0	1	0	0	0	1
0000469	STATE RACING COMMISSION (SRC)	0	1	1	0	0	0	2
0000505	DEPT OF CULTURAL AFFAIRS (DCA)	0	0	1	0	0	0	1
0000550	OFFICE OF THE STATE ENGINEER (OSE)	0	1	0	0	0	0	1
0000624	AGING & LONG-TERM SRVCS DEPT (ALTSO)	0	1	0	0	0	0	1
0000630	HUMAN SERVICES DEPT (HSD)	0	4	0	0	0	0	4
0000631	DEPT OF WORKFORCE SOLUTIONS (DWS)	0	1	0	0	0	0	1
0000644	DIVISION OF VOCATIONAL REHAB (DVR)	0	2	0	0	0	0	2
0000662	MINERS' COLFAX MEDICAL CENTER (MCMC)	0	0	0	0	1	0	1
0000665	DEPT OF HEALTH (DOH)	0	12	3	0	0	0	15
0000667	NM ENVIRONMENT DEPT (NMENV)	0	1	0	0	0	0	1
0000690	CHILDREN YOUTH AND FAMILY DEPT (CYFD)	0	8	0	0	0	0	8
0000705	DEPT OF MILITARY AFFAIRS (DMA)	0	2	0	0	0	0	2
0000770	DEPT OF CORRECTIONS (DOC)	0	9	2	0	0	0	11
0000790	DEPT OF PUBLIC SAFETY (DPS)	1	4	0	8	0	0	13
0000795	DEPT HOMELAND SECUR & EMERG MGT (DHS)	0	1	0	0	0	0	1
0000805	DEPT OF TRANSPORTATION (DOT)	1	3	20	0	0	1	25
0000924	PUBLIC EDUCATION DEPT (PED)	0	1	0	0	0	0	1
0000950	PUBLIC EDUCATION DEPT (PED)	0	1	0	0	0	0	1
0000953	NM STATE UNIVERSITY (NMSU)	1	2	1	0	0	0	4
0000959	NM INSTITUTE OF MINING & TECH (NMIMT)	0	0	2	0	0	0	2
0000969	UNIVERSITY OF NM (UNM)	0	4	2	0	0	0	6
0096901	UNIVERSITY OF NM HOSPITAL (UNMH)	1	1	0	0	71	0	73
<b>Grand Total</b>		<b>4</b>	<b>75</b>	<b>34</b>	<b>8</b>	<b>72</b>	<b>1</b>	<b>194</b>

\*Voided claims omitted from this report\*



# Liability Claim Count $\geq$ \$250,000 by line of coverage

## Slide 9: Liability Claim Count $\geq$ \$250,000 (FY2010-FY2018)

Claim Types: 21, 22, 23, 24, 35, and 38

Description of Liability <input type="checkbox"/>	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
AUTO LIABILITY	3	0	0	0	1	0	0	0	0
CIVIL RIGHTS	11	13	17	13	11	7	3	0	0
GENERAL LIABILITY	3	7	10	6	5	2	1	0	0
LAW ENFORCEMENT	1	3	3	0	1	0	0	0	0
MEDICAL MALPRACTICE	7	11	12	15	11	10	5	1	0
RAILROAD LIABILITY	0	1	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>25</b>	<b>35</b>	<b>42</b>	<b>34</b>	<b>29</b>	<b>19</b>	<b>9</b>	<b>1</b>	<b>0</b>

\*Voided claims omitted from this report\*

# Property Claim Count $\geq$ \$250,000

Property Claim Count $\geq$ \$250,000 (FY2010-FY2018)				
Claim Types: 45, 46, 71, 73, 90, and 91				
Dept Code	Name	BOILER & MACHINERY	PROPERTY	Grand Total
0000244	BERNALILLO COUNTY METRO COURT (BCMC)	0	2	2
0000350	GENERAL SERVICES DEPT (GSD)	0	2	2
0000505	DEPT OF CULTURAL AFFAIRS (DCA)	0	2	2
0000521	ENERGY MINERALS & NATURAL RES (EMNRD)	0	1	1
0000539	STATE LAND OFFICE (SLO)	0	1	1
0000705	DEPT OF MILITARY AFFAIRS (DMA)	0	1	1
0000770	DEPT OF CORRECTIONS (DOC)	0	1	1
0000805	DEPT OF TRANSPORTATION (DOT)	0	1	1
0000953	NM STATE UNIVERSITY (NMSU)	0	2	2
0000957	NM HIGHLANDS UNIVERSITY (NMHU)	0	1	1
0000959	NM INSTITUTE OF MINING & TECH (NMIMT)	0	1	1
0000962	WESTERN NM UNIVERSITY (WNMU)	0	1	1
0000964	SAN JUAN COLLEGE (SJC)	0	1	1
0000969	UNIVERSITY OF NM (UNM)	1	10	11
0096901	UNIVERSITY OF NM HOSPITAL (UNMH)	0	1	1
<b>Grand Total</b>		<b>1</b>	<b>28</b>	<b>29</b>
*Voided claims omitted from this report*				



# Property Certificate of Coverage Enhancements

## **Mitigation – Extension of Coverage**

In light of recurring losses caused by our aging infrastructure, the FY18 Certificate of Coverage was expanded to include mitigation activities that would control the current loss with the added benefit of possibly preventing future losses. In the past, the coverage would respond to the resulting damages but would exclude any mitigation activity on maintenance related items, typically a leaking roof, windows, drain blockage, fire detection, alarms, etc.

The following language is now included within the Certificate of Coverage:

*In the event of physical damage of covered property as a result of the lack of maintenance, this certificate is extended to mitigate those items shown to have caused the ensuing loss to the structure owned by the Government Entity. This coverage shall only apply when conditions necessitate the immediate repair to roofs, windows, etc. to prevent future losses. Mitigation expenses covered by this extension will be subject to a \$20,000.00 annual aggregate limit.*

Historically this coverage would have been applied to this sampling of claims directly related to our aging buildings and the increased associated costs related to maintenance activities.

- FY14 Flood Loss \$1,260,531.11 (Roofs/Drains)
- FY15 Water Loss \$4000.00 (Water Line)
- FY16 Freeze Loss \$7000.00 (Freeze Alarm)
- FY17 Water Loss \$2000.00 (Gutters)
- FY17 Water Loss \$7000.00 (Gutters)

The associated cost related to this extension of coverage is minimal and may directly reduce the overall cost of property losses triggered by the high maintenance requirements of our aging buildings.



# Summary of FY'19 Excess Insurance Renewals

## Excess Blanket Property

**Total Insured Value = \$ 9,049,244,998**

**\$500,000 Self-Insured Retention**

**Rate: .03283**

FY'19 premium is flat at \$2,838,000

(secured 25% rate reduction in FY'17 with 3 year lock – reviewed options this year and locked rate was the most favorable).

## Boiler Equipment Breakdown

**Total Insured Value = \$ 9,049,244,998**

**\$250,000 Self-Insured Retention**

**Rate: .00180**

FY'19 Premium is \$157,632.00

## Fine Arts

FY'19 Premium is \$226,575.00

**Total Insured Value = \$ 1,618,067,336**

**\$50,000 Self-Insured Retention**

**Rate: .01403**

## Rail Runner – Liability only

FY'19 Premium is \$1,476,300 this premium is passed on to Rio Metro to satisfy specialty liability insurance requirements.

## Rail Runner – Property only

FY'19 Premium is \$368,399

**Exposure 193,334,762**

**Rate: .1909**



# PUBLIC PROPERTY FUND

PUBLIC PROPERTY FUND: 356		Actual FY2017	ACTUAL FY2018 <sup>1</sup>	Projected FY2019			
		Beg Cash Bal:	End Cash Bal:	End Cash Bal:			
		\$10,537.5	\$14,347.5	\$18,686.9			
SOURCES		TOTAL Actual FY2017	TOTAL Proj FY2018 <sup>1</sup>	TOTAL PROJ FY2019			
Revenues							
Insurance Assessments		\$11,161.0	\$9,949.2 <sup>2</sup>	\$9,535.6			
Interest		\$69.4	\$121.0	\$80.0			
Misc.		\$530.4	\$863.4	\$500.0			
AR		(\$1.9)	(\$2.3)	\$0.0			
Total Revenues		\$11,758.9	\$10,931.3	\$10,115.6			
USES		TOTAL Actual FY2017	TOTAL ACTUAL FY2018	TOTAL PROJ FY2019	BUDGET FY18	ACTUAL FY18	BALANCE
Category							
Other uses							
PY Vouchers Payable		(\$6.3)	(\$33.9)	\$10.0	\$0	(\$33.9)	\$33.9
300		\$3,701.9	\$3,859.5 <sup>3</sup>	\$4,427.5	\$5,369.9	\$3,859.5	\$1,510.4
400		\$2,550.1	\$2,698.8	\$5,005.0 <sup>4</sup>	\$7,080.0	\$2,698.8	\$4,381.2
400 Prior Year		\$3.9	\$67.5	\$100.0		\$67.5	
500		\$1,699.3		\$1,000.0	\$0.0	\$0.0	\$0.0
Total Expenditures		\$7,948.9	\$6,591.9	\$10,542.5	\$12,449.9	\$6,591.8	\$5,925.6
Adj.		\$0.0		\$0.0			
		End Cash Bal:	End Cash Bal:	End Cash Bal:			
		\$14,347.5	\$18,686.9	\$18,260.0			
NOTES		Projected fund health: PUBLIC PROPERTY					
		Fund Indicator: <span style="background-color: yellow;">Y</span>					
		Projected YREND Fund Ratios					
		FY17	FY18	FY19	Item		
1. Per SHARE GL Detail by Fund report dated 7-25-2018		\$14,347.5	\$18,686.9	\$18,260.0	Projected Assets		
2. FY17 BILLING \$10,916.0 Collection Rate 102% = \$11,161.0		\$2,880.0	\$2,312.7	\$2,296.8	Outstanding Liabilities <sup>5</sup>		
FY18 BILLING \$9,933.2 Collection Rate 100% = \$9,933.2		498%	808%	795%	Projected Fund Health		
FY19 BILLING \$9,535.6 Collection Rate 100% = \$9,535.6							
3. 300 category expenditure for professional services, primarily for Excess Insurance and System Maintenance expenses							
4. AON TABLE III-4, p 10 FY17= Actual; FY18 = \$5,458.3; FY19 = \$5,005.0 - Assumes "worst case" scenario							
5. FY17, FY18 and FY19 per AON RPRT, PD-12, PD 13, OP12, OP-13, Column 9:							
FY17 = \$2,880.0k actuarial calculation of outstanding liabilities.							
FY18= \$2,312.7k actuarial calculation of outstanding liabilities.							
FY19 = \$2,296.8k actuarial calculation of outstanding liabilities							



# PUBLIC LIABILITY FUND

**PUBLIC LIABILITY  
FUND: 357**

	Actual FY2017 End Cash Bal:	Actual FY2018 <sup>1</sup> Beg Cash Bal:	Projected FY2019 Beg Cash Bal:			
	\$51,225.0	\$49,322.1	\$56,987.1			
<b>SOURCES</b>	<b>TOTAL Actual FY2017</b>	<b>TOTAL Actual FY2018<sup>1</sup></b>	<b>TOTAL PROJ FY2019</b>			
Revenues						
Insurance Assessments <sup>2</sup>	\$46,431.4 <sup>2</sup>	\$41,787.3 <sup>2</sup>	\$42,148.9			
Interest	\$301.4	\$448.7	\$300.0			
Misc.	\$654.3	\$198.4	\$50.0			
AR	\$100.0	\$21.0	\$50.0			
Total Revenues	\$47,487.1	\$42,455.4	\$42,498.9			
<b>USES</b>	<b>TOTAL Actual FY2017</b>	<b>TOTAL Actual FY2018</b>	<b>TOTAL PROJ FY2019</b>	<b>FY18 BUDGET</b>	<b>FY18 ACTUAL</b>	<b>BALANCE</b>
Category						
400 Prior Year A/P	(\$537.7)	\$641.8	\$700.0	\$0.0	\$641.8	(\$641.8)
400 Prior Year	\$34.6	\$35.7	\$150.0	\$0.0	\$35.7	(\$35.7)
Total	(\$503.2)	\$677.6	\$850.0			
300	\$12,812.4 <sup>3</sup>	\$10,132.7 <sup>3</sup>	\$11,189.5	\$14,251.5	\$10,132.7	\$4,118.8
400	\$17,874.3 <sup>4</sup>	\$21,996.3 <sup>4</sup>	\$27,179.1	\$29,070.0	\$21,996.3	\$7,073.7
500	\$19,206.5	\$1,983.8	\$2,000.0	\$1,983.8	\$1,983.8	\$0.0
			\$0.0			
Total	\$49,893.2	\$34,112.8	\$40,368.6	\$45,305.3	\$34,790.4	\$10,514.9
Total Expenditures	\$49,390.1	\$34,790.4	\$41,218.6			
Adj (AP)	\$0.0	\$0.0	\$0.0			
	<b>End Cash Bal:</b>	<b>End Cash Bal:</b>	<b>End Cash Bal:</b>			
	<b>\$ 49,322.1</b>	<b>\$ 56,987.1</b>	<b>\$ 58,267.4</b>			

Projected fund health: PUBLIC LIABILITY

Fund Indicator: **Y**
**Projected YREND Fund Ratios**

	FY17	FY18	FY19	Item
	\$49,322.1	\$56,987.1	\$58,267.4	Projected Assets
	\$83,144.5	\$78,483.9	\$84,008.0	Outstanding Liabilities <sup>5</sup>
	<b>59%</b>	<b>73%</b>	<b>69%</b>	Projected Fund Health

**NOTES**

1. Per SHARE GL Detail by Fund report dated 7-25-2018.

2. FY17 BILLING \$48,931.3 Collection Rate 95% = \$46,431.4  
 FY18 BILLING \$40,138.7 Collection Rate 100% = \$40,138.7  
 FY19 BILLING \$42,148.9 Collection Rate 100% = \$42,148.9

3. 300 category expenditure for professional services, primarily for Legal, Investigator, Excess Insurance and System Maintenance expenses

4. AON RPT Projected Losses Paid TABLE III-4 Column (2), FY17= Actual, FY18 = \$39,306.5, FY19 = \$27,179.1 - Assumes "worst case" scenario

5. FY17, FY18 and FY19 per AON RPRT, GL-12/13, LE-12/13, CR-12/13, AL-12/13, MP-12/13, Column 9;

FY17= \$83,144.5k actuarial calculation of outstanding liabilities.

FY18 = \$78,483.9k actuarial calculation of outstanding liabilities

FY19 = \$84,008.0k actuarial calculation of outstanding liabilities



# WORKERS' COMPENSATION FUND

WORKERS COMPENSATION  
FUND: 359

	Actual FY2017 Beg Cash Bal:	ACTUAL FY2018 <sup>1</sup> End Cash Bal:	Projected FY2019 End Cash Bal:
	\$23,142.7	\$22,992.6	\$24,292.7
SOURCES	TOTAL Actual FY2017	TOTAL Proj FY2018 <sup>1</sup>	TOTAL PROJ FY2019
Revenues			
Insurance Assessments	\$20,509.2	\$17,940.5 <sup>2</sup>	\$19,121.9
Interest	\$139.0	\$205.6	\$100.0
Misc.	\$207.8	\$145.3	\$150.0
Accounts Receivable	\$0.0	\$9.0	\$10.0
Total Revenues	\$20,856.0	\$18,300.4	\$19,381.9
USES	TOTAL Actual FY2017	TOTAL ACTUAL FY2018	TOTAL PROJ FY2019
Category			
Prior Year AP	\$448.1	\$46.5	50.0
400 Prior Year Payment	\$54.6	16.7	20.0
Contracts Payable	(\$2.3)	\$0.0	\$0.0
Total Prior Year	\$500.4	63.2	70.0
300 <sup>2</sup>	\$ 816.3	\$1,103.8 <sup>3</sup>	\$2,235.4
400 <sup>3</sup>	\$ 15,107.1	\$14,126.9 <sup>4</sup>	\$14,502.8
500	\$ 3,000.0	\$1,706.5	\$2,000.0
	\$ 1,582.4	\$0.0 <sup>6</sup>	
Total Current Year	\$20,505.7	\$16,937.1	\$18,738.2
Total Expenditures	\$21,006.2	17,000.3	18,808.2
Other Liabilities	\$0.0		
	End Cash Bal:	End Cash Bal:	End Cash Bal:
	\$22,992.6	\$24,292.7	\$24,866.4

BUDGET FY18	ACTUAL FY18	REQUIRED BAR
	\$46.5	(\$46.5)
	16.7	(\$16.7)
\$2,235.4	\$1,103.8	\$1,131.6
\$17,070.0	\$14,126.9	\$2,943.1
\$1,706.5	\$1,706.5	\$0.0
\$21,011.9	\$17,000.3	\$4,011.6

Projected fund health: Workers' Compensation

Fund Indicator: **Y**

Projected YREND Fund Ratios

FY17	FY18	FY19	Item
\$22,992.6	\$24,292.7	\$24,866.4	Projected Assets
\$48,048.9	\$53,391.4	\$54,061.5	Outstanding Liabilities <sup>5</sup>
48%	45%	46%	Projected Fund Health

**NOTES**

1. Per SHARE GL Detail by Fund report dated 7-25-18

2. FY17 BILLING:	\$22,740.2	Collection Rate	90% =	\$20,501.43
FY18 BILLING	\$17,979.2	Collection Rate	100% =	\$17,979.20
FY19 BILLING	\$19,121.9	Collection Rate	100% =	\$19,121.90

3. 300 category expenditure for professional services, primarily for Legal, Investigator, Excess Insurance and System Maintenance expenses

4. AON TABLE III-4, p 9 Columns (2) and (3) FY17=Actual, FY18=\$14,781.2, FY19=\$14,502.8- Assumes "worst case" scenario

5. FY17, FY18 and FY19 per AON RPRT Exhibit WC-12 and WC-13 Column 9

FY17 = \$48,048.9k actuarial calculation of outstanding liabilities

FY18 = \$53,391.4k actuarial calculation of outstanding liabilities

FY19 = \$54,061.5k actuarial calculation of outstanding liabilities



# STATE UNEMPLOYMENT FUND

STATE UNEMPLOYMENT  
FUND: 353

	Actual FY2017 Beg Cash Bal	Actual FY2018 Beg Cash Bal	Projected FY2019 Beg Cash Bal
	\$22,202.1	\$7,788.8	\$8,417.1
<b>SOURCES</b>	<b>TOTAL Actual FY2017</b>	<b>TOTAL Actual FY2018</b>	<b>TOTAL PROJ FY2019</b>
Revenues			
Insurance Assessments <sup>2</sup>	\$6,228.9	\$5,353.9	\$5,551.4
Interest	\$54.4	\$76.8	\$20.0
Misc.	\$0.0	\$0.0	\$0.0
AR	\$0.0	\$27.5	\$0.0
Total Revenues	\$6,283.3	\$5,458.2	\$5,571.4
<b>USES</b>	<b>TOTAL Actual FY2017</b>	<b>TOTAL Actual FY2018</b>	<b>TOTAL PROJ FY2019</b>
Category			
400 Prior Year AP	\$113.1	\$121.9	\$0.0
400 Prior Year	\$0.0	\$0.0	\$0.0
Total Prior Year	\$113.1	\$121.9	\$0.0
Due To	\$5,500.0		
300 <sup>3</sup>	\$45.0	\$59.4	\$90.0
400 WSD Reimburse			\$5,093.1 <sup>4</sup>
Q1 Actual	\$1,613.3	\$1,542.0	\$0.0
Q2 Actual	\$1,515.7	\$1,362.1	\$0.0
Q3 Actual	\$1,093.4	\$901.8	\$0.0
Q4 Actual	\$1,102.4	\$842.6	\$0.0
Uncollectable Claims			
500 sweeps	\$9,713.7 <sup>5</sup>	\$0.0	\$0.0
Total Current Year	\$20,583.5	\$4,707.9	\$5,183.1
Total Expenditures	\$20,696.6	\$4,829.9	\$5,183.1
Adj.			
	<b>End Cash Bal: \$7,788.8</b>	<b>End Cash Bal: \$8,417.1</b>	<b>End Cash Bal: \$8,805.4</b>

COMMENTS		
Qtr	FY17 Actual	FY18 Actual
Q1*	\$1,613.3	\$1,542.0
Q2*	\$1,515.7	\$1,362.1
Q3	\$1,093.4	\$901.8
Q4	\$1,102.4	\$842.6
Total	\$5,324.8	\$4,648.6

	FY18 BUDGET	FY18 ACTUAL	BALANCE
	\$100.0	\$59.4	\$40.6
	\$6,000.0	\$4,648.5	\$1,351.5
	\$0.0	\$0.0	\$0.0
	\$6,100.0	\$4,707.9	\$1,392.1

Projected fund health: STATE UNEMPLOYMENT

Fund Indicator: **Y**

Projected YREND Fund Ratios

FY17	FY18	FY19	Item
\$7,788.8	\$8,417.1	\$8,805.4	Projected Assets
\$4,222.4	\$5,093.1	\$5,093.1	Outstanding Liabilities <sup>4</sup>
184%	165%	173%	Projected Fund Health

**NOTES**

1. Per SHARE GL Detail by Fund report dated -06-2018.

2. FY17 Billing \$7,086.5 Collection Rate 100% = \$7,086.5  
 FY18 Billing \$5,532.0 Collection Rate 100% = \$5,532.0  
 FY19 Billing \$5,532.0 Collection Rate 100% = \$5,551.4

3. 300 category expenditure for professional services, primarily for Third Party Administrator (TPA)

4. Estimates based on AON Exhibit UC-8, p 253 Total FY17= Actual; Total FY18 = \$5,093.1 FY19 = \$5,093.1

5. Includes sweeps from 2016 Regular Session HB311(6) for \$8,750,000

6. Laws fo 2015, Chapter 101 Section 11(B) sweep for \$5,500,000



# Questions & Comments



**STATE OF NEW MEXICO**  
**GENERAL SERVICES DEPARTMENT**