



STATE OF NEW MEXICO STATEWIDE COST ALLOCATION PLAN SECTION II: BILLED SERVICES

Based on Actual Expenditures
For the Fiscal Year Ended June 30, 2022



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CERTIFICATE OF COST ALLOCATION PLAN

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

Certificate of Cost Allocation Plan

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

- (1) All costs included in the FY 2024 Statewide Cost Allocation Plan to establish cost allocations or billings for the fiscal year beginning July 1, 2023 and ending June 30, 2024 are allowable in accordance with the requirements of 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.
- (2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: State of New Mexico

Signature: _____

Name of Official: _____

Title: New Mexico State Controller

Date of Execution: _____

OFFICE OF THE STATE AUDITOR

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

Office of the State Auditor

I. Service Description

The Office of the State Auditor is responsible for the annual audit of the financial affairs of every governmental agency in the State in accordance with auditing standards generally accepted in the United States of America, and the performance of special audits as needed. The State Auditor uses Office personnel or independent auditors approved by the Office to perform required audits. The procurement of designated independent public accountants by state agencies is regulated and overseen by the Office. The Office provides training to government agencies and independent public accountants regarding the procurement process and applicable accounting and auditing standards. To ensure quality audits, the Office subjects all audit reports submitted by independent public accountants to a thorough review process before the reports are released and performs working paper reviews on selected audits.

II. Financial Statements

All financial activities of the Office of the State Auditor are recorded in the separate financial statements. Financial statements for the Office are prepared and published by the State Auditor's Office. The following exhibits are provided in this document:

1. Exhibit A: Statement of Net Position – the statement is presented in the State Auditor's financial statements on page 16.
2. Exhibit B: Statement of Activities – the statement is presented in the State Auditor's financial statements on page 17.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

Although the Office bills governmental agencies for some audit services it provides, the Office receives the majority of its funds from the State General Fund. The Office provides audited services at a lower amount than what private audit firms contracting with governmental entities charge.

VI. Billing Rates

The State Auditor's Office billing rates are established for each individual performing billable audit services. Rates include actual salary cost per individual plus and overhead rate. The average billing rate was \$111.00 per hour during the fiscal year ended June 30, 2022.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Imputed Interest Earnings – Interest earnings on cash balances of the fund are not recorded in the fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS) and 2 CFR, Part 200, Appendix V, imputed interest earnings have been calculated on the Fund's average cash balance utilizing the State Treasurer's average rate of return on short term investments for the year ended June 30, 2022. Exhibit D provides the calculation of the imputed interest earnings. Imputed interest income has been calculated on the average of beginning and ending cash balances and included in the reconciliations. The State does not agree with this method and hereby notifies DHHS that should the need arise may appeal the inclusion of the imputed revenue calculated in this manner in any calculation resulting in the payment of fund assets to the Federal government.
3. Treatment of Variances – Since the Office is approximately 85% funded by the General Fund, there are no positive variances.

This concludes the narrative information on the Office of the State Auditor. The previously noted exhibits are provided on the following pages.

**STATE OF NEW MEXICO
OFFICE OF THE STATE AUDITOR
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022**

	FUND TOTAL
Assets:	
Current Assets:	
Petty Cash	\$0
Investment in General Fund Investment	1,468,055
Accounts Receivable, Net of Allowance	0
Due from Component Unit of the State	0
Due from Local Governments	19,064
Total Current Assets	<u>1,487,119</u>
Noncurrent Assets:	
Capital Assets, Net of Accumulated Depreciation	<u>700,165</u>
Total Assets	<u><u>\$2,187,284</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	3,661
Payroll Benefits Payable	14,487
Payroll Taxes Payable	7,709
Accrued Payroll	65,958
Settlement Payable	0
Due to State General Fund	0
Due to Other State Agencies	0
Due to Local Governments	2,960
Accrued Compensated Absences	143,187
Total Current Liabilities	<u>237,962</u>
Long-Term Debt	
Compensated Absences Payable	<u>0</u>
Total Liabilities	<u>237,962</u>
Net Assets:	
Invested in Capital Assets	35,816
Restricted	1,249,157
Unrestricted	<u>0</u>
Total Net Assets	<u><u>\$1,284,973</u></u>
Source of Information:	
State Auditor's Financial Statements and Independent Auditor's Report - Page 16	

**STATE OF NEW MEXICO
OFFICE OF THE STATE AUDITOR
STATEMENT OF ACTIVITIES
AS OF JUNE 30, 2022**

	FUND TOTAL
Revenues	
Program Revenues	
Audit Services	\$279,240
Miscellaneous Revenue	0
General Revenues	
State General Fund Appropriation	3,220,800
State General Fund Special Appropriation	39,000
Compensation Appropriation	56,500
Gain on Disposition of Property	0
Total Operating Revenues	<u>3,595,540</u>
Expenses	
Current Expenses	
Personal Services & Employee Benefits	\$2,900,173
Contractual Services	48,133
Special Item Settlement Expense	0
Loss on Disposition of Property	0
Interest	3,176
Other Costs	<u>217,526</u>
Depreciation	<u>243,695</u>
Total Operating Expenses	<u>3,412,703</u>
Operating Income (Loss)	<u>182,837</u>
Net Assets - Beginning of Year, as Previously Reported	1,102,136
Adjustments Applicable to Prior Year	<u>0</u>
Net Assets - End of Year	<u>\$1,284,973</u>
Source of Information:	
State Auditor's Financial Statements and Independent Auditor's Report - Page 17	

**STATE OF NEW MEXICO
OFFICE OF THE STATE AUDITOR
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$437,344)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Audit Services	\$279,240		
Miscellaneous Revenue	0		
State General Fund Appropriation	3,220,800		
State General Fund Special Appropriation	39,000		
Compensation Appropriation	56,500		
Gain on Disposition of Property	0		
Total Revenues			3,595,540
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	3,169,008		
Depreciation	243,695		
Total Per Financial Statements			3,412,703
Deductions Unallowable Costs			
Provision for Losses	0		
Special Item Settlement Expense	0		
Less Capital Outlay \$5,000 or Greater	0		
Interest	(3,176)		
Other	0		
Total Deductions			(3,176)
Additional Allowable Costs			
FY 2022 SWCAP Costs	9,029		
Other	0		
Total Additions			9,029
Allowable Expenditures			3,418,556
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(23,134)		
Total Adjustments			(23,134)
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$237,226)
Allowable Reserve (60 days)	(B)		521,895
Excess Balance (A) - (B)			(759,121)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			0
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Other Financing Sources	0		
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			1,539,480
ADJUSTMENTS:			
Deductions Unallowable Costs	(3,176)		
Additional Allowable Costs	9,029		
Imputed Interest Earnings	(23,134)		
Total Adjustments			(17,281)
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$1,522,199

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$1,284,973
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STATE OF NEW MEXICO
OFFICE OF THE STATE AUDITOR
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2021	\$1,302,486
B. Ending Cash Balance - Balance on June 30, 2022	1,468,055
C. Average FY 2022 Cash Balance ((A+B)/2)	1,385,271
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$23,134

PERA – PUBLIC EMPLOYEES RETIREMENT FUND

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**Public Employees Retirement Association
Public Employees Retirement Fund**

I. Service Description

The Public Employees Retirement Association (PERA) administers the state's public employee retirement plans. PERA administers the following four plans/funds:

- Public Employees Retirement Fund (PERF) - The Fund is a cost-sharing, multiple employer defined benefit pension plan. The Fund has six divisions of members, including State General, State Police/Hazardous Duty, Municipal General, Municipal Police, Municipal Fire, and State Legislative Divisions; and offers 18 different coverage plans. Certain coverage plans are only applicable to a specific division. Eligibility for membership in PERF is set forth in State law. Each employee and elected official of every affiliated public employer is required to be a member, unless specifically excluded. All State employees are required to be a member in the Fund unless specifically excluded. Both members and their employers contribute to the Fund.
- Judicial Retirement Fund (JRF) - The Fund is a cost-sharing, multiple employer defined benefit pension plan. Eligibility for membership in JRF is set forth in State law. Every judge or justice becomes a member in the JRF upon election or appointment to office, unless an application for exemption has been appropriately filed or unless specifically excluded. Both members and their employers contribute to the Fund.
- Magistrate Retirement Fund (MRF) - The Fund is a cost-sharing, multiple employer defined benefit pension plan. Eligibility for membership in MRF is set forth in State law. Every judge magistrate becomes a member in the MRF upon election or appointment to office, unless an application for exemption has been appropriately filed or unless specifically excluded. Both members and their employers contribute to the Fund.
- Volunteer Firefighters Retirement Fund (VFRF) - The Fund is a cost-sharing, multiple employer defined benefit pension plan with a special funding situation. Eligibility for membership in VFRF is set forth in State law. Any volunteer, non-salaried firefighter who is listed as an active member on the rolls of a fire department and who meets certain age and service credit requirements set forth in the statute is eligible for membership in VFRF, unless specifically excluded.

Members do not make contributions to the Fund. State statutes require that the State Treasurer annually transfer funds from the Fire Protection Fund to VFRF.

- Deferred Compensation Plan (DCP) – The Plan permits employees to defer a portion of their income until future years. Deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. PERA is the trustee of the Plan. However, the Plan is administered by a third party administrator acting under contract with PERA. The Administrator has authority to control and manage the operation of the Plan. As Plan trustee, PERA’s responsibility is to select investment options that are safe and provide a reasonable rate of return and to ensure that all investments, amounts, property, and rights under the executed Plan-Trust are held for the exclusive benefit of Plan participants and their beneficiaries, as defined in the Plan.
- SSA Program – PERA administers Social Security Administrative Program (SSA Program) for the State of New Mexico through a general fund appropriation.

II. Financial Statements

PERA financial statements are prepared and published annually. A copy of PERA’s financial statements for the fiscal year ended June 30, 2022 is provided as a separate document. The following exhibits are provided in this document:

1. Exhibit A: Statements of Fiduciary Net Position – the statement is presented in PERA’s financial statements on pages 36 and 37.
2. Exhibit B: Statements of Changes in Fiduciary Net Position - the statement is presented in PERA’s financial statements on pages 38 and 39.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022 for the PERF. In accordance with statutes, the State Treasurer transferred in \$750,000 from the Fire Protection Fund to VFRF.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022 for any fund.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

Funding rates are developed based on information contained in the actuarial study of the various funds managed by PERA. In addition, costs associated with the administering the funds and allocations from the State-wide cost allocation plan are included in developing rates.

VI. Billing Rates

A description of the contribution percentages for each fund by members and their employers is provided in Note 1, General Description of the Association and Retirement Funds, Paragraph C beginning on page 40 of the PERA Financial Statements.

VII. Pension Fund Contribution Dates

Payments by employers are made on a payroll ending date. Thus, because of the variety of employers whose employees are enrolled, the Fund receives contributions on a daily basis. For State General Fund employees, the contributions are made on a bi-weekly basis.

VIII. Actuarial Report

PERA's actuarial report is provided as a separate document.

This concludes the narrative information on the Public Employees Retirement Association. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2022

	PUBLIC EMPLOYEE	JUDICIAL	MAGISTRATE	VOLUNTEER FIREFIGHTERS	DEFERRED COMP.	SSA PROGRAM	TOTAL
Assets:							
Cash	\$739,225,072	\$4,070,800	\$1,452,452	\$3,540,578	\$0	\$0	\$748,288,902
Cash & Cash Equivalents for 13th Ch	\$19,323,709	\$0	\$0	\$0	\$0	\$0	\$19,323,709
Receivables							
Accrued Investment Income	\$974,564,267	\$5,366,804	\$1,914,863	\$4,667,774	\$0	\$0	986,513,708
Contributions Receivable	28,578,003	185,115	62,833	0	0	0	28,825,951
Participant Loans Receivable	0	0	0	0	10,976,174	0	10,976,174
Accounts Receivable	0	100,000	100,000	0	0	0	200,000
Interfund Receivable	0	0	0	0	0	0	0
Total Receivables	<u>1,003,142,270</u>	<u>5,651,919</u>	<u>2,077,696</u>	<u>4,667,774</u>	<u>10,976,174</u>	<u>0</u>	<u>1,026,515,833</u>
Investment In State General Fund Poc	14,155,978	21,606,426	313,066	936,310	91,576	1,718	37,105,074
Investments, at Fair Value							
Domestic Equity	2,219,373,043	12,220,468	4,360,862	10,631,359	0	0	2,246,585,732
International Equity	1,332,110,005	7,335,764	2,617,383	6,380,276	0	0	1,348,443,428
Core Fixed Income	2,328,664,993	12,823,669	4,575,453	11,153,377	0	0	2,357,217,492
Global Fixed Income	781,911,411	4,305,889	1,536,331	3,745,044	0	0	791,498,675
Public MLP	0	0	0	0	0	0	0
Public REIT	5,202,912	28,652	10,223	24,920	0	0	5,266,707
TIPS	494,768,674	2,724,630	972,141	2,369,745	0	0	500,835,190
Derivatives	9,781,046	53,863	19,218	46,847	0	0	9,900,974
Absolute Return - Credit	936,763,898	5,158,642	1,840,591	4,486,726	0	0	948,249,857
Absolute Return - Equity	622,278	3,427	1,223	2,980	0	0	629,908
Absolute Return - Real Assets	1,072,484	5,906	2,107	5,137	0	0	1,085,634
Absolute Return - Risk Parity	1,454,321,524	8,008,768	2,857,509	6,965,621	0	0	1,472,153,422
Bond Plus Alpha Engine	820,128,238	4,516,344	1,611,421	3,928,087	0	0	830,184,090
Private Equity Partnership	2,642,485,072	14,551,837	5,192,060	12,656,450	0	0	2,674,885,419
Private Debt Partnership	242,023,840	1,332,795	475,538	1,159,198	0	0	244,991,371
Real Estate Equity Partnership	974,785,304	5,368,021	1,915,297	4,668,833	0	0	986,737,455
Real Estate Debt Partnership	327,426,650	1,803,098	643,341	1,568,243	0	0	331,441,332
Real Asset Partnership	1,162,812,778	6,403,465	2,284,741	5,569,410	0	0	1,177,070,394
Variable Earning Investment	0	0	0	0	367,164,782	0	367,164,782
Stable Value Option/Other	0	0	0	0	196,129,644	0	196,129,644
Fixed Annuity Payout Option	0	0	0	0	134,465,661	0	134,465,661
Self Directed Option	0	0	0	0	7,535,941	0	7,535,941
Subtotal	<u>15,748,410,128</u>	<u>108,251,664</u>	<u>31,228,505</u>	<u>76,298,563</u>	<u>705,387,604</u>	<u>1,718</u>	<u>16,669,578,182</u>
Securities Lending Collateral	295,718,678	1,628,463	581,042	1,416,399	0	0	299,344,582
Total Investments	<u>16,044,128,806</u>	<u>109,880,127</u>	<u>31,809,547</u>	<u>77,714,962</u>	<u>705,387,604</u>	<u>1,718</u>	<u>16,968,922,764</u>
Capital Assets, Net	<u>11,792,547</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,792,547</u>
Total Assets	<u>17,817,612,404</u>	<u>119,602,846</u>	<u>35,339,695</u>	<u>85,923,314</u>	<u>716,363,778</u>	<u>1,718</u>	<u>18,774,843,755</u>
Liabilities:							
Accounts Payable - Brokers	1,156,672,757	6,369,644	2,272,674	5,539,992	0	0	1,170,855,067
Accounts Payable - Other	7,458,053	4,820	86,720	0	50	0	7,549,643
Accrued Expenses	265,465	0	0	0	2,986	1,718	270,169
Compensated Absences	548,963	0	0	0	10,502	0	559,465
Securities Lending Liability	295,778,546	1,628,790	581,158	1,416,683	0	0	299,405,177
Lease Liability	2,241,747	0	0	0	0	0	2,241,747
Total Liabilities	<u>1,462,965,531</u>	<u>8,003,254</u>	<u>2,940,552</u>	<u>6,956,675</u>	<u>13,538</u>	<u>1,718</u>	<u>1,480,881,268</u>
Net Assets Held in Trust for Pension Benefits	<u>\$16,354,646,873</u>	<u>\$111,599,592</u>	<u>\$32,399,143</u>	<u>\$78,966,639</u>	<u>\$716,350,240</u>	<u>\$0</u>	<u>\$17,293,962,487</u>
Source of Information:							
PERA Financial Statements - Pages 36 and 37							

STATE OF NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AS OF JUNE 30, 2022

	PUBLIC EMPLOYEE	JUDICIAL	MAGISTRATE	VOLUNTEER FIREFIGHTERS	DEFERRED COMP.	SSA PROGRAM	TOTAL
Additions:							
Contributions							
Employer	\$395,408,293	\$4,419,032	\$1,184,818	\$0	\$0	\$0	\$401,012,143
Member	314,280,368	1,955,817	672,538	0	44,773,433	0	361,682,156
Appropriations State of New Mexico							
Legislative Fund	2,414,400	21,200,000	1,200,000	0	0	0	24,814,400
Fire Protection Fund	0	0	0	750,000	0	0	750,000
Service Credits Purchased	12,439,944	0	0	0	0	0	12,439,944
Total Contributions	<u>724,543,005</u>	<u>27,574,849</u>	<u>3,057,356</u>	<u>750,000</u>	<u>44,773,433</u>	<u>0</u>	<u>800,698,643</u>
Investment Income (Loss)							
Interest	63,020,412	354,724	124,137	301,702	27,803,379	0	91,604,354
Dividends	85,400,176	474,963	167,438	407,471	0	0	86,450,048
Net Appreciation in Fair Value	(1,122,360,451)	(6,188,986)	(2,204,232)	(5,362,510)	(113,556,765)	0	(1,249,672,944)
Other Investment Income	316,081,024	1,760,331	619,706	1,507,589	909,828	0	320,878,478
Securities Lending Income	1,515,576	8,425	2,973	7,234	0	0	1,534,208
Subtotal	<u>(656,343,263)</u>	<u>(3,590,543)</u>	<u>(1,289,978)</u>	<u>(3,138,514)</u>	<u>(84,843,558)</u>	<u>0</u>	<u>(749,205,856)</u>
Securities Lending Expenses	(237,532)	(1,308)	(467)	(1,138)	0	0	(240,445)
Other Investment Expenses	<u>(88,636,853)</u>	<u>(504,424)</u>	<u>(179,977)</u>	<u>(438,723)</u>	<u>0</u>	<u>0</u>	<u>(89,759,977)</u>
Total Investment Income (Loss)	<u>(745,217,648)</u>	<u>(4,096,275)</u>	<u>(1,470,422)</u>	<u>(3,578,375)</u>	<u>(84,843,558)</u>	<u>0</u>	<u>(839,206,278)</u>
Other Income	2,712,598	63,084	0	128	107,000	0	2,882,810
General Fund Appropriation	0	0	0	0	0	49,800	49,800
Reversion	0	0	0	0	0	(3,278)	(3,278)
Total Additions	<u>(17,962,045)</u>	<u>23,541,658</u>	<u>1,586,934</u>	<u>(2,828,247)</u>	<u>(39,963,125)</u>	<u>46,522</u>	<u>(35,578,303)</u>
Deductions:							
Benefit Payments	1,367,737,863	13,080,465	4,320,629	2,847,231	54,058,979	0	1,442,045,167
Refunds to Terminated Employees	57,591,001	0	0	0	0	0	57,591,001
Administrative Expenses	16,010,498	88,171	31,459	76,684	1,874,382	46,522	18,127,716
Life Insurance Premiums	0	0	0	0	0	0	0
Total Deductions	<u>1,441,339,362</u>	<u>13,168,636</u>	<u>4,352,088</u>	<u>2,923,915</u>	<u>55,933,361</u>	<u>46,522</u>	<u>1,517,763,884</u>
Change in Net Assets	<u>(1,459,301,407)</u>	<u>10,373,022</u>	<u>(2,765,154)</u>	<u>(5,752,162)</u>	<u>(95,896,486)</u>	<u>0</u>	<u>(1,553,342,187)</u>
Net Assets Held in Trust for							
Pension Benefits							
Beginning of the Year	17,813,948,280	101,226,570	35,164,297	84,718,801	812,246,726	0	18,847,304,674
Prior Period Adjustment	-	-	-	-	-	0	0
Beginning of the Year Restated	<u>17,813,948,280</u>	<u>101,226,570</u>	<u>35,164,297</u>	<u>84,718,801</u>	<u>812,246,726</u>	<u>0</u>	<u>18,847,304,674</u>
End of the Year	<u>\$16,354,646,873</u>	<u>\$111,599,592</u>	<u>\$32,399,143</u>	<u>\$78,966,639</u>	<u>\$716,350,240</u>	<u>\$0</u>	<u>\$17,293,962,487</u>
Source of Information:							
PERA Financial Statements - Pages 38 and 39							

DOIT ENTERPRISE SERVICES FUND

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**Department of Information Technology
Enterprise Services**

I. Service Description

The Enterprise Services Division is responsible for designing, establishing and maintaining voice and data telecommunication systems for New Mexico state agencies and other governmental entities.

Communications Services are those services associated with designing, establishing and maintaining voice and data systems for the New Mexico State government. Communication services are also available to local governmental entities. Services include telephone, wireless, radio and microwave, and data network services.

Information System Services are services associated with providing automated data processing services for State departments/agencies and other local and federal governmental units. Services include mainframe, open systems, enterprise application, and other information system services.

II. Financial Statements

Financial activities of the Division are recorded in a DoIT enterprise fund. The fund is Fund 20310, Enterprise Services Fund. Financial statements for the Fund are presented in DoIT audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for enterprise funds under the heading of "Enterprise Services - 20310". The following exhibits are provided in this document:

1. Exhibit A: Statement of Net Position – Proprietary Funds – the statement is presented in the DoIT Audit on page 23.
2. Exhibit B: Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds – the statement is presented in the DoIT Audit on page 24.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were transfers in for capital assets from the Enterprise ERF Fund (96880) and Severance Tax Bond Fund (89200) in the amount of \$7,261,726.
2. Non-operating transfers out to other funds – There was a non-operating transfer out of \$9,543,198 to the Equipment Replacement Fund during the fiscal year. This transfer is to establish funds for the future replacement and/or upgrading of equipment.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

All costs, including an assessment from the Program Support Fund (Fund 20320), are identified and entered into a double step down cost allocation model. This model assigns costs of the various functions within the Fund to the various billing centers (rates).

At the beginning of the year, data from the cost allocation step down model is entered into another model that analyzes historical utilization data by billing service and anticipated usage based on customer needs and a billing rate by service is computed.

The actual cost of contracted services and the associated in-house staff and other costs are identified and documented. Costs associated with each type of service are then divided by the anticipated units of service to arrive at a rate by service. Two cost allocation analyses are performed during the year. The first one occurs in order to develop rates through expense projection and the second one occurs when the prior year's expenses are reviewed and rate amounts are judged to have been appropriate.

VI. Billing Rates

Exhibit G provides the billing rate in effect during the fiscal year ended June 30, 2022.

VII. Analysis of Fund Balance by Service

Exhibit F provides an analysis of the ending balances for each service and the calculation of the excess balance in accordance with CAS guidelines for each service.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget 2 CFR, Part 200, Appendix V. The previous balances for Fund 20310 and Fund 20330 have been combined.
2. Profit and Loss Analysis by Billable Service – Exhibit E provides a summary of the profit or loss by billable service.
3. Imputed Interest Earnings – Exhibit D provides the calculation of the imputed interest earnings for the Fund. Interest earnings on cash balances of the Fund are not recorded in the Fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS), imputed interest earnings have been calculated on the Fund's average cash balance utilizing the State Treasurer's average rate of return on short term investments for the year ended June 30, 2022. Imputed interest income has been calculated on the average of beginning and ending cash balances and included in the reconciliations.

The State does not agree with this method and hereby notifies DHHS that should the need arise may appeal the inclusion of the imputed revenue calculated in this manner in any calculation resulting in the payment of fund assets to the Federal government. Imputed interest earnings have been distributed to each bureau based on the ratio of their revenues to total revenues of the Fund.

4. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with operating the Fund. Therefore, any over/under recovery of costs will be included in subsequent rate calculations.

This concludes the narrative information on the DoIT Enterprise Services Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

ENTERPRISE SERVICES (20310)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$23,077,123
Accounts Receivable, Net	5,817,366
Other Receivables	0
Due from Other State Agencies	0
Due from Other Funds	0
Other Assets	0
Total Current Assets	<u>28,894,489</u>
Noncurrent Assets:	
Capital Assets (Net)	42,791,435
Total Noncurrent Assets	<u>42,791,435</u>
Total Assets	<u><u>\$71,685,924</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	\$766,179
Accrued Salaries and Benefits Payable	411,766
Compensated Absences - Current	874,694
Due to the Federal Government	0
Due to Beneficiaries	0
Due to Other Funds	9,543,198
Current Portion of Lease Liability	211,799
Due to Other State Agencies	0
Total Current Liabilities	<u>11,807,636</u>
Long Term Liabilities	
Lease Liability	<u>4,573,048</u>
Total Liabilities	<u>16,380,684</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	38,006,588
Restricted	17,298,652
Unrestricted	0
Total Net Assets	<u>55,305,240</u>
Total Liabilities and Net Assets	<u><u>\$71,685,924</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 23	

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

ENTERPRISE SERVICES (20310)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$58,359,953
Other Revenue		38,213
Total Operating Revenues		<u>58,398,166</u>
Operating Expenses		
Current Expenses		
Personal Services		12,001,481
Contractual Services		1,942,719
Other Costs		32,972,822
Total Current Expenses		<u>46,917,022</u>
Depreciation		
Depreciation		9,543,198
Amortization - Leased Building		150,968
Total Operating Expenses		<u>56,611,188</u>
Operating Income (Loss)		<u>1,786,978</u>
Non-Operating (Expenses)		
Investment Income		0
Loss on Disposal of Capital Assets		0
Interest Expense		0
Total Non-Operating		<u>0</u>
Other Financing Sources (Uses)		
State General Fund Appropriations		0
Transfers In:		
Transfer of Capital Assets	7,261,726	
Internal Transfer	<u>0</u>	7,261,726
Transfers Out:		
Program Support Assessment	0	
Equipment Replacement	(9,543,198)	
Other	<u>0</u>	(9,543,198)
Transfers From Other Agencies		0
FY21 Reversion		0
Total Other Financing Sources		<u>(2,281,472)</u>
Change in Net Assets		(494,494)
Net Assets - Beginning of Year, as Previously Reported		55,799,734
Net Assets - End of Year		<u>\$55,305,240</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 24		

**STATE OF NEW MEXICO
ENTERPRISE SERVICES (20310)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to 2 CFR Part 200			(\$48,915,059)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$58,359,953		
Other Revenue	38,213		
Total Revenues			58,398,166
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	46,917,022		
Depreciation	9,543,198		
Amortization - Lease Building	150,968		
Loss on Disposal of Capital Assets	0		
Internal Fund Transfers - Program Support (Fund 20320)	0		
Internal Fund Transfers - Equip. Replacement (Fund 96880)	9,543,198		
Total Per Financial Statements	66,154,386		
Deductions Unallowable Costs			
Bad Debt Expense	0		
Transfers - Equipment Replacement Fund	(9,543,198)		
Total Deductions		(9,543,198)	
Additional Allowable Costs			
FY 2022 SWCAP Costs	1,779,406		
Depreciation DOIT Governmental Activities	0		
Other	0		
Total Additions		1,779,406	
Allowable Costs			58,390,594
Adjustments:			
Prior Period Adjustments			
Imputed Interest Earnings (Exhibit E)		(331,062)	
Total Adjustments			(331,062)
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$48,576,425)
Allowable Reserve (60 days / 365 days)	(B)		8,004,892
Excess Balance (A) - (B)			(56,581,318)
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			
TOTAL CONTRIBUTED CAPITAL BALANCE			118,930,855
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfer In - Transfer of Capital Assets	7,261,726		
Plus: Transfer from Other Agency	0		
Less: Transfers Out	0		
Net Transfers		7,261,726	
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$126,192,581
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2021			
TOTAL ADJUSTMENTS BALANCE			(14,216,061)
ADJUSTMENTS:			
Deductions Unallowable Costs	(9,543,198)		
Additional Allowable Costs	1,779,406		
Prior Year AR Reduction	0		
Imputed Interest Earnings	(331,062)		
Total Adjustments		(8,094,854)	
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		(\$22,310,915)
PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE			
RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$55,305,240

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

ENTERPRISE SERVICES (20310)

DESCRIPTION	TOTAL FUND
A. Beginning Cash Balance - Balance on July 1, 2021	\$16,570,980
B. Ending Cash Balance - Balance on June 30, 2022	\$23,077,123
C. Average FY 2022 Cash Balance ((A+B)/2)	19,824,052
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$331,062

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
ENTERPRISE SERVICES (20310)

PROFIT/LOSS ANALYSIS BY BILLABLE SERVICE
AS OF JUNE 30, 2022

BILLABLE SERVICE	REVENUES			2 CFR PART 200			PROFIT (LOSS)
	PER FINANCIAL	IMPUTED INTEREST *	TOTAL	OPERATING	DEPREC.	TOTAL	
COMMUNICATIONS SERVICES							
Telephone Services							
Dial Tone	\$1,860,264	\$10,546	\$1,870,810	\$2,058,757	\$119,698	\$2,178,455	(\$307,645)
Basic Deskset	6,003,620	34,035	6,037,655	6,366,845	370,173	6,737,018	(699,363)
Reception Phone	71,209	404	71,612	74,262	4,318	78,580	(6,967)
Telephone Moves, Add, & Changes	303,917	1,723	305,640	454,480	7,250	461,730	(156,090)
Misc Equip & Supplies	-	-	-	-	-	-	-
Long Distance Toll	240,573	1,364	241,937	453,225	20,924	474,149	(232,212)
Toll Free Service	675,830	3,831	679,661	1,273,224	58,779	1,332,003	(652,342)
Toll Miscellaneous	11	0	11	20	1	21	(10)
Automatic Call Distribution	356,724	2,022	358,746	253,822	11,718	265,540	93,206
Conference Calling (instant meeting)	72,074	409	72,483	58,178	2,686	60,864	11,619
Conference Calling (standard)	-	-	-	-	-	-	-
Conference Calling - Misc	8	0	8	-	-	-	8
VA-IVR	15	0	15	10	0	10	5
VA-Estimated Wait Time	-	-	-	-	-	-	-
VA Speech Recognition	-	-	-	-	-	-	-
Voice Recording	62,160	352	62,512	59,225	2,734	61,959	553
Voice Miscellaneous	26,416	150	26,566	49,766	2,297	52,063	(25,498)
Voice Mail	1,517,115	8,601	1,525,715	1,605,989	93,373	1,699,362	(173,647)
Subtotal	11,189,934	63,436	11,253,370	12,707,804	693,952	13,401,756	(2,148,386)
Wireless Services							
Unlimited Push-to-Talk	-	-	-	-	-	-	-
Basic Access Fee	282,708	1,603	284,311	227,574	3,930	231,504	52,807
Enhanced Access Fee	-	-	-	-	-	-	-
PDA Access Fee	8,576,337	48,620	8,624,957	6,960,611	120,217	7,080,828	1,544,129
Broadband Access Fee	1,628,410	9,232	1,637,641	1,316,268	22,733	1,339,001	298,640
PDA Data Only	-	-	-	-	-	-	-
Wireless Equipment	584,313	3,312	587,625	584,313	-	584,313	3,312
Data Tethering Service	-	-	-	-	-	-	-
Subtotal	11,071,767	62,766	11,134,534	9,088,765	146,881	9,235,646	1,898,888
Radio and Microwave Services							
Local Base	-	-	-	-	-	-	-
Remote Base	-	-	-	-	-	-	-
Base Station	2,861,945	16,225	2,878,170	1,473,529	1,014,023	2,487,551	390,618
Single Channel Console	28,776	163	28,939	14,816	10,196	25,012	3,928
Multi-Channel Console	426,449	2,418	428,867	219,566	151,096	370,662	58,205
Mobile Radio	2,503,080	14,190	2,517,270	1,288,760	886,872	2,175,632	341,638
Mobile Radio with Repeater	-	-	-	-	-	-	-
Mobile Repeater Only	1,396,271	7,916	1,404,186	718,898	494,716	1,213,614	190,573
Radio Pager	-	-	-	-	-	-	-
Portable Radio	5,241,480	29,714	5,271,194	2,698,679	1,857,121	4,555,801	715,394
Telemotes	6,023	34	6,057	3,101	2,134	5,235	822
DTRS Subscription	1,114,780	6,320	1,121,100	573,966	394,980	968,947	152,153
Maintenance of Equipment	97,775	554	98,329	50,341	34,643	84,984	13,345
Subtotal	13,676,578	77,533	13,754,111	7,041,656	4,845,781	11,887,437	1,866,674
Data Network Services							
WAN Data Circuits	6,521,772	36,972	6,558,745	3,540,496	667,548	4,208,044	2,350,701
NS-WAN 3-7 MEG	-	-	-	-	-	-	-
NS-WAN MEG Core	-	-	-	-	-	-	-
NS WAN Core Shared	-	-	-	-	-	-	-
NS WAN MEG 10 MEG	-	-	-	-	-	-	-
NS WAN MEG 100 MEG	-	-	-	-	-	-	-
Netwrk Engineering and Design	264	1	265	-	-	-	265
Internet Access Service	300,076	1,701	301,777	269,757	6,276	276,033	25,744
Spaceport Direct	-	-	-	-	-	-	-
Subtotal	6,822,112	38,675	6,860,787	3,810,253	673,824	4,484,077	2,376,711
Subtotal Communications	42,760,392	242,411	43,002,802	32,648,478	6,360,437	39,008,915	3,993,887

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
ENTERPRISE SERVICES (20310)

PROFIT/LOSS ANALYSIS BY BILLABLE SERVICE
AS OF JUNE 30, 2022

BILLABLE SERVICE	REVENUES			2 CFR PART 200			PROFIT (LOSS)
	PER FINANCIAL	IMPUTED INTEREST *	TOTAL	OPERATING	DEPREC.	TOTAL	
INFORMATION SYSTEMS SERVICES							
Mainframe Services							
General CPU	2,314,642	13,122	2,327,764	3,961,884	115,356	4,077,241	(1,749,477)
Database CPU	-	-	-	-	-	-	-
CICS CPU	-	-	-	-	-	-	-
Subtotal	<u>2,314,642</u>	<u>13,122</u>	<u>2,327,764</u>	<u>3,961,884</u>	<u>115,356</u>	<u>4,077,241</u>	<u>(1,749,477)</u>
Disk Occupancy	920,397	5,218	925,615	1,705,927	50,114	1,756,041	(830,426)
Tape Occupancy	179,044	1,015	180,059	493,173	14,488	507,661	(327,601)
Print Pages	2	0	2	85,613	3,472	89,085	(89,083)
Subtotal	<u>1,099,444</u>	<u>6,233</u>	<u>1,105,676</u>	<u>2,284,713</u>	<u>68,074</u>	<u>2,352,787</u>	<u>(1,247,110)</u>
Open Systems							
Winserv Dedicated	-	-	-	-	-	-	-
Rack Unit Fee	512,608	2,906	515,514	398,303	326,719	725,021	(209,507)
Server System Administration	-	-	-	-	-	-	-
San Storage	232,611	1,319	233,930	91,501	52,690	144,192	89,738
Tier 1 San Storage	-	-	-	-	-	-	-
Tier 2 San Storage	-	-	-	-	-	-	-
Open Systems Backup	-	-	-	-	-	-	-
Subtotal	<u>745,219</u>	<u>4,225</u>	<u>749,444</u>	<u>489,804</u>	<u>379,409</u>	<u>869,213</u>	<u>(119,769)</u>
Enterprise Application Services							
Mailbox Fee	-	-	-	-	-	-	-
Mailbox Extra Storage	-	-	-	-	-	-	-
Email Encryption	-	-	-	-	-	-	-
Blackberry Service	-	-	-	-	-	-	-
File & Print Service	280,225	1,589	281,814	870,984	227,977	1,098,961	(817,147)
Agency Application Systems Maint.	-	-	-	-	-	-	-
Managed Desktop	-	-	-	-	-	-	-
Application Systems Development	23,445	133	23,578	23,445	-	23,445	133
Wireless LAN	77,750	441	78,191	33,667	6,279	39,947	38,245
Certiclear	-	-	-	-	-	-	-
Application Hosting Service Fee	-	-	-	-	-	-	-
Cloud Server	207,420	1,176	208,596	139,716	41,783	181,499	27,097
Cloud Server Memory	393,809	2,233	396,041	269,052	77,523	346,575	49,466
Cloud Server Storage	78,552	445	78,998	65,738	22,448	88,186	(9,188)
Web Hosting Service Fee	8,450	48	8,498	5,044	1,187	6,230	2,268
EM Digital Workspace Adv	7,563,263	42,876	7,606,139	4,425,968	1,916,721	6,342,689	1,263,450
EM Digital Workspace Basic	266,323	1,510	267,833	154,654	66,975	221,629	46,204
Subtotal	<u>8,899,237</u>	<u>50,450</u>	<u>8,949,688</u>	<u>5,988,268</u>	<u>2,360,892</u>	<u>8,349,160</u>	<u>600,527</u>
Other Services							
IDMS	-	-	-	-	-	-	-
IVR Direct	-	-	-	-	-	-	-
Oracle Direct	-	-	-	-	-	-	-
Adobe	329,759	1,869	331,629	957,863	10,545	968,408	(636,779)
E Signature	223,986	1,270	225,256	131,651	390,875	522,525	(297,270)
Victim Notification Service	462,591	2,622	465,213	496,711	8,579	505,290	(40,077)
Exadata	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-
Subtotal	<u>1,016,336</u>	<u>5,762</u>	<u>1,022,098</u>	<u>1,586,225</u>	<u>409,999</u>	<u>1,996,224</u>	<u>(974,126)</u>
Subtotal Information Systems							
	<u>14,074,878</u>	<u>79,791</u>	<u>14,154,670</u>	<u>14,310,895</u>	<u>3,333,729</u>	<u>17,644,624</u>	<u>(3,489,955)</u>
Other							
Prior Year Adjustments	(19,594)	(111)	(19,705)	-	-	-	(19,705)
Equipment Sale/Reimbursement	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-
Other	1,582,490	8,971	1,591,461	1,737,055	-	1,737,055	(145,594)
Subtotal Other	<u>1,562,896</u>	<u>8,860</u>	<u>1,571,756</u>	<u>1,737,055</u>	<u>-</u>	<u>1,737,055</u>	<u>(165,298)</u>
Grand Total							
	<u>58,398,166</u>	<u>331,062</u>	<u>58,729,228</u>	<u>48,696,428</u>	<u>9,694,166</u>	<u>58,390,594</u>	<u>338,634</u>

* Imputed Interest earnings are allocated based on financial revenues.

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
ANALYSIS OF FUND BALANCES BY SERVICE

CURRENT SERVICE TITLE	FY 2021 ENDING BALANCE	FY 2022 PROFIT/LOSS EXHIBIT D	FY 2022 ENDING BALANCE	2 CFR PART 200		FY 2022 EXCESS BALANCE
				FY 2022 OPERATING COSTS EXHIBIT E	ALLOWABLE RESERVE 60 DAYS DIVIDED BY 365	
COMMUNICATIONS SERVICES						
Telephone Services						
Dial Tone	\$332,135	(\$307,645)	\$24,490	\$2,058,757	\$338,426	(\$313,936)
Basic Deskset	(819,847)	(699,363)	(1,519,210)	6,366,845	1,046,605	(2,565,815)
Reception Phone	(6,360)	(6,967)	(13,327)	74,262	12,207	(25,535)
Telephone Moves, Add, & Changes	(335,213)	(156,090)	(491,303)	454,480	74,709	(566,012)
Misc Equip & Supplies	0	0	0	0	0	0
Long Distance Toll	(352,127)	(232,212)	(584,340)	453,225	74,503	(658,843)
Toll Free Service	(388,035)	(652,342)	(1,040,377)	1,273,224	209,297	(1,249,674)
Toll Miscellaneous	1,181	(10)	1,171	20	3	1,167
Automatic Call Distribution	27,356	93,206	120,563	253,822	41,724	78,838
Conference Calling (unattended)	67,225	11,619	78,843	58,178	9,564	69,280
Conference Calling (standard)	16	0	16	0	0	16
Conference Calling - Misc	(34,266)	8	(34,258)	0	0	(34,258)
VA-IVR	32,392	5	32,397	10	2	32,395
VA-Estimated Wait Time	(30,044)	0	(30,044)	0	0	(30,044)
VA Speech Recognition	(54,613)	0	(54,613)	0	0	(54,613)
Voice Recording	5,715	553	6,268	59,225	9,736	(3,468)
Voice Miscellaneous	365,386	(25,498)	339,888	49,766	8,181	331,708
Voice Mail	(353,440)	(173,647)	(527,087)	1,605,989	263,998	(791,085)
Subtotal	(1,542,538)	(2,148,386)	(3,690,924)	12,707,804	2,088,954	(5,779,878)
Wireless Voice Services						
Unlimited Push-to-Talk	(1,269)	0	(1,269)	0	0	(1,269)
Basic Access Fee	(120,939)	52,807	(68,132)	227,574	37,409	(105,542)
Enhanced Access Fee	(68,938)	0	(68,938)	0	0	(68,938)
PDA Access Fee	1,467,520	1,544,129	3,011,649	6,960,611	1,144,210	1,867,439
Broadband Access Fee	143,174	298,640	441,814	1,316,268	216,373	225,441
PDA Data Only	(5,658)	0	(5,658)	0	0	(5,658)
Wireless Equip. and Misc. Charges	7,790	3,312	11,103	584,313	96,051	(84,949)
Data Tethering Service	(20,733)	0	(20,733)	0	0	(20,733)
Subtotal	1,400,947	1,898,888	3,299,835	9,088,765	1,494,044	1,805,791
Radio and Microwave Services						
Local Base	(358,265)	0	(358,265)	0	0	(358,265)
Remote Base	(871,951)	0	(871,951)	0	0	(871,951)
Base Station	(618,484)	390,618	(227,866)	1,473,529	242,224	(470,090)
Single Channel Console	(69,885)	3,928	(65,957)	14,816	2,435	(68,393)
Multi-Channel Console	(221,664)	58,205	(163,459)	219,566	36,093	(199,552)
Mobile Radio	(832,692)	341,638	(491,054)	1,288,760	211,851	(702,905)
Mobile Radio with Repeater	(656,833)	0	(656,833)	0	0	(656,833)
Mobile Repeater Only	(573,802)	190,573	(383,229)	718,898	118,175	(501,404)
Radio Pager	(72,369)	0	(72,369)	0	0	(72,369)
Portable Radio	(988,504)	715,394	(273,110)	2,698,679	443,619	(716,728)
Telemotes	(4,452)	822	(3,630)	3,101	510	(4,139)
DTRS Subscription	(57,870)	152,153	94,283	573,966	94,351	(68)
Maintenance of Equipment	(140,014)	13,345	(126,669)	50,341	8,275	(134,944)
Subtotal	(5,466,783)	1,866,674	(3,600,109)	7,041,656	1,157,532	(4,757,641)
Data Network Services						
WAN Data Circuits	(10,158,322)	2,350,701	(7,807,621)	3,540,496	581,999	(8,389,620)
NS-WAN 3-7 MEG	(30,486)	0	(30,486)	0	0	(30,486)
NS-WAN MES Core	(33,301)	0	(33,301)	0	0	(33,301)
NS WAN Core Shared	(49,246)	0	(49,246)	0	0	(49,246)
NS WAN MES 10 MEG	(16,221)	0	(16,221)	0	0	(16,221)
NS WAN MES 100 MEG	(4,485)	0	(4,485)	0	0	(4,485)
Network Engineering and Design	70	265	336	0	0	336
Internet Access Service	(436,587)	25,744	(410,843)	269,757	44,344	(455,187)
Spaceport Direct	394	0	394	0	0	394
Subtotal	(10,728,184)	2,376,711	(8,351,473)	3,810,253	626,343	(8,977,816)

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
ANALYSIS OF FUND BALANCES BY SERVICE

CURRENT SERVICE TITLE	FY 2021 ENDING BALANCE	FY 2022 PROFIT/LOSS EXHIBIT D	FY 2022 ENDING BALANCE	2 CFR PART 200		FY 2022 EXCESS BALANCE
				FY 2022 OPERATING COSTS EXHIBIT E	ALLOWABLE RESERVE 60 DAYS DIVIDED BY 365	
Abandoned Services						
WEBX Toll	(2,001)	0	(2,001)	0	0	(2,001)
Microwave Channel End	(157,646)	0	(157,646)	0	0	(157,646)
Mobile Unit Installation	(35,420)	0	(35,420)	0	0	(35,420)
Other Mobile Maintenance	(26,532)	0	(26,532)	0	0	(26,532)
Dispatch Fees	(359,639)	0	(359,639)	0	0	(359,639)
Subtotal	<u>(581,238)</u>	<u>0</u>	<u>(581,238)</u>	<u>0</u>	<u>0</u>	<u>(581,238)</u>
Subtotal Communications	<u>(16,917,796)</u>	<u>3,993,887</u>	<u>(12,923,909)</u>	<u>32,648,478</u>	<u>5,366,873</u>	<u>(18,290,783)</u>
INFORMATION SYSTEMS SERVICES						
Mainframe Services						
General CPU	(1,748,644)	(1,749,477)	(3,498,121)	3,961,884	651,269	(4,149,390)
Database CPU	(461,163)	0	(461,163)	0	0	(461,163)
CICS CPU	374,106	0	374,106	0	0	374,106
Subtotal	<u>(1,835,701)</u>	<u>(1,749,477)</u>	<u>(3,585,178)</u>	<u>3,961,884</u>	<u>651,269</u>	<u>(4,236,447)</u>
Disk Occupancy	(443,557)	(830,426)	(1,273,983)	1,705,927	280,426	(1,554,409)
Tape Occupancy	(1,687,616)	(327,601)	(2,015,218)	493,173	81,070	(2,096,287)
Print Pages	(3,732,998)	(89,083)	(3,822,081)	85,613	14,073	(3,836,154)
Subtotal	<u>(5,864,171)</u>	<u>(1,247,110)</u>	<u>(7,111,281)</u>	<u>2,284,713</u>	<u>375,569</u>	<u>(7,486,851)</u>
Open Systems						
Winserver Dedicated	(200,208)	0	(200,208)	0	0	(200,208)
Rack Unit Fee	(602,426)	(209,507)	(811,933)	398,303	65,474	(877,407)
Server System Administration	(1,018,536)	0	(1,018,536)	0	0	(1,018,536)
San Storage	(1,210,576)	89,738	(1,120,838)	91,501	15,041	(1,135,879)
Tier 1 San Storage	(386,567)	0	(386,567)	0	0	(386,567)
Tier 2 San Storage	(135,006)	0	(135,006)	0	0	(135,006)
Open Systems Backup	(615,650)	0	(615,650)	0	0	(615,650)
Subtotal	<u>(4,168,970)</u>	<u>(119,769)</u>	<u>(4,288,739)</u>	<u>489,804</u>	<u>80,516</u>	<u>(4,369,254)</u>
Enterprise Application Services						
Mailbox Fee	(1,500,371)	0	(1,500,371)	0	0	(1,500,371)
Mailbox Extra Storage	(19,653)	0	(19,653)	0	0	(19,653)
Email Encryption	3,027	0	3,027	0	0	3,027
Blackberry Service	(53,213)	0	(53,213)	0	0	(53,213)
File & Print Service	(1,380,268)	(817,147)	(2,197,415)	870,984	143,175	(2,340,590)
Agency Application Systems Maint.	(1,917,314)	0	(1,917,314)	0	0	(1,917,314)
Managed Desktop	2,214	0	2,214	0	0	2,214
Application Systems Development	253	133	385	23,445	3,854	(3,469)
Wireless LAN	(10,039)	38,245	28,205	33,667	5,534	22,671
Certiclear	34	0	34	0	0	34
Application Hosting Service Fee	(129,819)	0	(129,819)	0	0	(129,819)
Cloud Server	(430,841)	27,097	(403,744)	139,716	22,967	(426,711)
Cloud Server Memory	(158,955)	49,466	(109,488)	269,052	44,228	(153,716)
Cloud Server Storage	(529,001)	(9,188)	(538,189)	65,738	10,806	(548,995)
Web Hosting Service Fee	(227,872)	2,268	(225,605)	5,044	829	(226,434)
EM Digital Workspace Adv	-	1,263,450	1,263,450	4,425,968	727,556	535,894
EM Digital Workspace Basic	-	46,204	46,204	154,654	25,423	20,782
Subtotal	<u>(6,351,819)</u>	<u>600,527</u>	<u>(5,751,292)</u>	<u>5,988,268</u>	<u>984,373</u>	<u>(6,735,665)</u>

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
ANALYSIS OF FUND BALANCES BY SERVICE

CURRENT SERVICE TITLE	FY 2021 ENDING BALANCE	FY 2022 PROFIT/LOSS EXHIBIT D	FY 2022 ENDING BALANCE	2 CFR PART 200		FY 2022 EXCESS BALANCE
				FY 2022 OPERATING COSTS EXHIBIT E	ALLOWABLE RESERVE 60 DAYS DIVIDED BY 365	
Other Services						
IDMS	(127,531)	0	(127,531)	0	0	(127,531)
IVR Direct	35	0	35	0	0	35
Oracle Direct	(214,699)	0	(214,699)	0	0	(214,699)
Adobe	3,366	(636,779)	(633,414)	957,863	157,457	(790,871)
E Signature	(477,001)	(297,270)	(774,271)	131,651	21,641	(795,912)
Victim Notification Service	(322,668)	(40,077)	(362,744)	496,711	81,651	(444,395)
Exadata	(2,054,988)	0	(2,054,988)	0	0	(2,054,988)
Training	71	0	71	0	0	71
Subtotal	<u>(3,193,415)</u>	<u>(974,126)</u>	<u>(4,167,541)</u>	<u>1,586,225</u>	<u>260,749</u>	<u>(4,428,291)</u>
Abandoned and Non Billed Services						
Storage Server Fee	(175,062)		(175,062)		0	(175,062)
Discontinued Services	(12,114,398)		(12,114,398)		0	(12,114,398)
Non Billed Services	<u>13,223,535</u>		<u>13,223,535</u>		<u>0</u>	<u>13,223,535</u>
Subtotal	<u>934,075</u>	<u>0</u>	<u>934,075</u>	<u>0</u>	<u>0</u>	<u>934,075</u>
Subtotal Information Systems Services	<u>(20,480,002)</u>	<u>(3,489,955)</u>	<u>(23,969,957)</u>	<u>14,310,895</u>	<u>2,352,476</u>	<u>(26,322,433)</u>
Other						
Prior Year Adjustments	(9,864,011)	(19,705)	(9,883,715)	0	0	(9,883,715)
Equipment Sale/Reimbursement	182,837	0	182,837	0	0	182,837
Misc	(33,082)	0	(33,082)	0	0	(33,082)
Other	<u>(1,803,005)</u>	<u>(145,594)</u>	<u>(1,948,598)</u>	<u>1,737,055</u>	<u>285,543</u>	<u>(2,234,141)</u>
Subtotal Other	<u>(11,517,261)</u>	<u>(165,298)</u>	<u>(11,682,559)</u>	<u>1,737,055</u>	<u>285,543</u>	<u>(11,968,102)</u>
	<u>(\$48,915,059)</u>	<u>\$338,634</u>	<u>(\$48,576,425)</u>	<u>\$48,696,428</u>	<u>\$8,004,892</u>	<u>(\$56,581,318)</u>

* Working capital costs determined by deducting depreciation from total service costs.

** Reserve determined by multiplying working capital costs by 60 and dividing by 365.

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
FY 2022 BILLING RATES

SERVICE	BILLING UNIT DESCRIPTION	BILLING RATE
COMMUNICATIONS SERVICES		
Telephone Services		
Dial Tone	Basic Dial Tone (Fax Line) Per Month	\$31.50
Basic Deskset	Desk Telephone Per Month	\$37.25
Reception Phone	Device Per Month	\$60.50
Voice Mail	Mail Box Per Month	\$11.50
Automatic Call Distribution	Agent Per Month	\$36.00
IVR	Per Call	\$0.08
Text2Speech	Per Minute	\$0.04
Telephone Data Service	Per Month	\$15.00
Voice Recording	Per Month	\$15.00
Telephone Moves, Adds, & Changes	Per Hour	\$117.00
Estimated Hold Wait Time	Per Month	\$550.00
Speech Recognition	Per Month	\$45.50
Misc Equip & Supplies Telephone Moves, Adds, & Changes	Actual Costs	\$0.00
Voice Toll		
Long Distance	Per Minute	\$0.05
Toll Free Service	Per Minute	\$0.05
Value Added Services		
Conference Calling (standard)	Port Per Minute	\$0.15
Conference Calling - Misc.	Actual Cost	Actual Cost
Conference Calling (instant)	Port Per Minute	\$0.03
Desktop Support	Per Hour	\$0.00
Appl System Design & Development	Per Hour + Materials	\$90.00
Agency Appl Sys Maintenance	Actual Cost	Actual Cost
Netwrk Engineering and Design	Per Hour	\$88.00
IT Consulting	Per Hour	\$0.00
Training	Actual Cost	Actual Cost
Exadata	Per Instance	\$0.00
Victim Notification Service	Per Year Per Agency	\$115,647.74
WebX Toll Charges		\$0.00
IDMS		\$0.00
Oracle License Fee		\$0.00
Radio and Microwave Services		
Local Base	Device Per Month	\$0.00
Remote Base	Device Per Month	\$0.00
Base Station	Device Per Month	\$635.00
Single Channel Console	Device Per Month	\$654.00
Multi-Channel Console	Device Per Month	\$1,699.00
Mobile Radio	Device Per Month	\$83.50
Mobile Radio with Repeater	Device Per Month	\$0.00
Mobile Repeater Only	Device Per Month	\$169.78
Portable Radio	Device Per Month	\$155.00
Telemote	Device Per Month	\$83.65
Digital Trunked Radio Service	Device Per Month	\$20.00
Contracted Maintenance	Contract Amount	Actual Cost
Radio Pager	Device Per Month	\$0.00
Wireless Voice Services		
PDA Data Only	Line Per Month	\$0.00
Unlimited Push to Talk	Line Per Month	\$0.00
Basic Access Fee	Line Per Month	\$36.00
Enhanced Access Fee	Line Per Month	\$0.00
PDA Access Fee	Line Per Month	\$68.50
Broadband Access Fee	Line Per Month	\$43.00
Data Tethering Service	Line Per Month	\$0.00
Wireless Equipment and Misc Charges	Actual Charges	Actual Cost
INFORMATION SYSTEMS SERVICES		
Mainframe Services		
General CPU	CPU Second	\$0.40
Disk Occupancy	Per GB Per Day	\$0.61
Tape Occupancy	Per Dataset	\$0.004
Print Pages	Per Page	\$0.15
Open Systems		
Rack Unit Fee	Rack Unit Per Month	\$16.00
Server Management	Server Per Month	\$450.00
Winserver Dedicated	Server Per Month	\$550.00
Application Hosting Service Fee	Application Per Month	\$235.06
File & Print Service	User Per Month	\$25.00

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
FY 2022 BILLING RATES

SERVICE	BILLING UNIT DESCRIPTION	BILLING RATE
Static Web Page Hosting Service Fee	Site Per Month	\$50.00
Adobe License	User Per Month	\$1.47
Electronic Signature Service (DocuSign)	Per Envelope	\$3.00
Data Management		
Enterprise Storage	GB Storage Per Month	\$0.21
Open Systems Backup	GB Storage Per Month	\$2.39
Cloud Server CPU	CPU Per Month	\$60.00
VS Cloud Server Memory	GB of Ram Per Month	\$23.10
VS Cloud Server Storage	GB Storage Per Month	\$0.29
Email		
Mailbox Fee	Mailbox Per Month	\$0.00
Mailbox Extra Storage	Mailbox Per Month	\$0.00
Blackberry Service Fee	Unit Per Month	\$0.00
Email Encryption	Mailbox Per Month	\$1.50
Digital Workspace (Office 365 Advance)	Mailbox Per Month	\$36.59
Digital Workspace (Office 365 Basic)	Mailbox Per Month	\$9.50
BroadbandPerWAN		
WAN Services	Per Circuit	Actual Cost
NS Internet Access Service	FTE Per Month	\$1.14
Wireless LAN	Connection Point Per Month	\$62.40

***DOIT STATEWIDE HUMAN RESOURCES, ACCOUNTING AND
MANAGEMENT REPORTING SYSTEM FUND***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**Department of Information Technology
Statewide Human Resources, Accounting and Management Reporting System Fund**

I. Service Description

The Human Resources System was operated and maintained by the Office of Information Processing (OIP) of the Department of Information Technology (DoIT) through June 30, 2006. Effective July 1, 2006, the Human Resources System was replaced by the Statewide Human Resources, Accounting and Management Reporting System (SHARE). SHARE combines the State's human resource, payroll, accounting, and management reporting functions into an integrated statewide system. SHARE provides users with the tools to manage and pay employees, allocate personnel and related costs, and manage revenues and expenditures. DoIT provides professional technical services, and operations are administered jointly by the Department of Finance and Administration and the State Personnel Office. Costs are recovered through assessments, based on a per-employee cost, to all agencies utilizing SHARE.

II. Financial Statements

Financial activities of SHARE are recorded in a DoIT enterprise fund. The fund is Fund 20360. Financial statements for the Fund are presented in DoIT audited Independent Accountants' Reports and Financial Statements under the heading "SHARE Operating - 20360. The following exhibits are provided in this document:

1. Exhibit A: Statement of Net Position – Proprietary Funds – the statement is presented in the DoIT Audit on page 23.
2. Exhibit B: Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds - the statement is presented in the DoIT Audit on page 24.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There was a non-operating transfer into the fund in the amount of \$742,372 in FY 2022. This was an internal transfer of capital assets.
2. Non-operating transfers out to other funds – There was a non-operating transfer out in the amount of \$3,165,869 to the Equipment Replacement Fund (96870) during the fiscal year. This transfer is to establish funds for the future replacement and/or upgrading to SHARE.

IV. Prior Year Adjustments

There were no prior period adjustments in FY 2022.

V. Billing Methodology

Each department/agency is assessed a fee per authorized full time equivalent position (FTE). The assessment is made at the beginning of each fiscal year.

VI. Billing Rates

The SHARE assessment per FTE for the fiscal year ending June 30, 2022 was \$365.00. Agency specific application development and maintenance is billed at \$150.00 per hour plus actual costs of materials.

VII. Reconciliation

1. Fund Reconciliation - A reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V is provided in the previous section, DoIT Human Resources Fund.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with operating SHARE. Therefore, any over/under recovery of costs will be included in subsequent rate calculations.

This concludes the narrative information on the DoIT Statewide Human Resources, Accounting, and Management Reporting System. The Exhibit A is provided on the following page.

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

STATEWIDE HUMAN RESOURCES, ACCOUNTING AND
MANAGEMENT REPORTING SYSTEM FUND (FUND 20360)

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
State General Fund Investment Pool	\$8,403,839
Accounts Receivable, Net	29,967
Due from Other State Agencies	0
Due from Other Funds	0
Other Assets	0
Total Current Assets	<u>8,433,806</u>
Noncurrent Assets:	
Capital Assets, Net	18,000,081
Construction in Progress	0
Other	0
Total Noncurrent Assets	<u>18,000,081</u>
Total Assets	<u><u>\$26,433,887</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	440,473
Accrued Salaries and Benefits Payable	59,325
Compensated Absences	106,630
Due to Other Funds	3,165,869
Total Current Liabilities	<u>3,772,297</u>
Noncurrent Liabilities	
Compensated Absences Payable	<u>0</u>
Total Liabilities	<u>3,772,297</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	18,000,081
Restricted	4,661,509
Total Net Assets	<u>22,661,590</u>
Total Liabilities and Net Assets	<u><u>\$26,433,887</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 23	

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

STATEWIDE HUMAN RESOURCES, ACCOUNTING AND
MANAGEMENT REPORTING SYSTEM FUND (FUND 20360)

		FUND TOTAL
Operating Revenues		
User Fees		\$9,601,380
Other Revenue		0
Total Operating Revenues		<u>9,601,380</u>
Operating Expenses		
Current Expenses		
Personal Services	\$1,718,748	
Contractual Services	1,980,748	
Other Costs	<u>1,886,078</u>	5,585,574
Depreciation		3,165,869
Capital Outlays		0
Total Operating Expenses		<u>8,751,443</u>
Operating Income (Loss)		<u>849,937</u>
Other Financing Sources (Uses)		
State General Fund Appropriations		0
Transfers In:		
Interfund Transfer of Capital Assets		742,372
Transfers Out:		
Program Support Assessment (Fund 20320)	0	
Equipment Replacement (Fund 96870)	(3,165,869)	
Other - Department of Finance and Administration Support	<u>0</u>	(3,165,869)
Total Other Financing Sources		<u>(2,423,497)</u>
Change in Net Assets		(1,573,560)
Total Net Assets - Beginning of Year		24,235,150
Prior Period Adjustment		<u>0</u>
Total Net Assets - End of Year		<u><u>\$22,661,590</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 24		

**STATE OF NEW MEXICO
STATEWIDE HUMAN RESOURCES, ACCOUNTING AND MANAGEMENT REPORTING SYSTEM FUND
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to 2 CFR Part 200 FY			\$3,836,143
2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$9,601,380		
Other Revenue	0		
Other	0		
Total Revenues			9,601,380
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	5,585,574		
Depreciation	3,165,869		
Internal Fund Transfers - Program Support (Fund 20320)	0		
Internal Fund Transfers - Equip. Replacement (Fund 96870)	3,165,869		
Transfers to Other Agencies - DFA Support	0		
			11,917,312
Deductions Unallowable Costs			
Provision for Losses	0		
Less Transfer to Equip. Replacement Fund 96870	(3,165,869)		
Total Deductions		(3,165,869)	
Additional Allowable Costs			
FY 2022 SWCAP Costs	254,831		
Other	0		
Total Additions		254,831	
Allowable Expenditures			9,006,274
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(130,695)		
Total Adjustments		(130,695)	
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		\$4,561,944
Allowable Reserve (60 days)	(B)		960,067
Excess Balance (A) - (B)			3,601,877

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021 TRANSFERS			59,346,104
Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In			
State General Fund Appropriations	0		
Internal Transfer of Capital Assets	742,372		
Less: Transfers Out			
Net Transfers	0		
			742,372
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$60,088,476

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			(38,947,096)
ADJUSTMENTS:			
Deductions Unallowable Costs	(3,165,869)		
Additional Allowable Costs	254,831		
Imputed Interest Earnings	(130,695)		
Total Adjustments		(3,041,733)	
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		(\$41,988,829)

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$22,661,590
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STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

STATEWIDE HUMAN RESOURCES, ACCOUNTING AND
MANAGEMENT REPORTING SYSTEM FUND (FUND 20360)

<u>DESCRIPTION</u>	<u>AMOUNTS</u>
A. Beginning Cash Balance - Balance on July 1, 2021	\$7,248,310
B. Ending Cash Balance - Balance on June 30, 2022	8,403,839
C. Average FY 2022 Cash Balance ((A+B)/2)	7,826,075
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$130,695

GSD - PROGRAM SUPPORT

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**General Services Department
Program Support**

I. Service Description

Program Support is comprised of the Office of the Secretary (OOS) of the General Services Department (GSD) and GSD's Administrative Services Division (ASD). The OOS is responsible to the Governor for the operation of GSD. The OOS provides oversight, policy direction, and legal support for all divisions and programs administered by GSD. ASD provides accounting, budgeting, financial, and other support services for all divisions and programs administered by GSD. ASD also provides interagency mail service for departments by subscription.

II. Financial Statements

All financial activities of Program Support are recorded in a GSD non-major enterprise fund. The fund is Fund 197, Administrative Services Division and Office of the Secretary. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "Administration Services Division". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There was no prior year adjustment during the fiscal year ended June 30, 2022.

V. Billing Methodology

A Program Support assessment is charged to the five GSD programs based on a business process re-engineering recommendation developed by POD, Inc. that provides for an equitable assessment to each program. The assessment is calculated by first summing the total operating budget for the GSD, which includes salaries and benefits, contractual services and other costs. Other financing uses is excluded from the sum because it is not considered part of the “operating” budget. The proposed Program Support budget is then divided by the total sum of the operating budgets. This calculation results in a percentage. The percentage is then multiplied by the operating budget for each individual program and the result is the amount to be charged for Program Support.

VI. Billings

Exhibit E provides the assessments for the fiscal year ended June 30, 2022.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Imputed Interest Earnings – Interest earnings on cash balances of the fund are not recorded in the fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS), imputed interest earnings have been calculated on the Fund’s average cash balance utilizing the State Treasurer’s average rate of return on short term investments for the year ended June 30, 2022. Exhibit D provides the calculation of the imputed interest earnings. Imputed interest income has been calculated on the average of beginning and ending cash balances and included in the reconciliations. The State does not agree with this method and hereby notifies DHHS that should the need arise may appeal the inclusion of the imputed revenue calculated in this manner in any calculation resulting in the payment of fund assets to the Federal government.
3. Treatment of Variances - The intent of the legislation creating Program Support was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the GSD Office of the Secretary and Administrative Services Division. Therefore, any over/under recovery of costs will be included in subsequent assessment calculations.

This concludes the narrative information on the GSD Program Support Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

ADMINISTRATIVE SERVICES DIVISION AND OFFICE OF THE SECRETARY (FUND 197)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$2,010,237
Interest Receivables	0
Accounts/Trade Receivables	220
Allowance for Doubtful Accounts	(220)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Total Current Assets	<u>2,010,237</u>
Noncurrent Assets:	
Capital Assets	1,000,560
Accumulated Depreciation	(689,851)
Land	0
Total Noncurrent Assets	<u>310,709</u>
Total Assets	<u><u>\$2,320,946</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$0
Accounts Payable	83,346
Deferred Revenue	0
Accrued Expenses	113,060
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	241,726
Current Portion of Lease Liabilities	4,779
Total Current Liabilities	<u>442,911</u>
Long-Term Liabilities	
Compensated Absences Payable	2,643
Lease Liabilities	14,183
Total Long Term Liabilities	<u>16,826</u>
Total Liabilities	<u>459,737</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	291,747
Unrestricted	<u>1,569,462</u>
Total Net Assets	<u>1,861,209</u>
Total Liabilities and Net Assets	<u><u>\$2,320,946</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 71 & 73	

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022**

ADMINISTRATIVE SERVICES DIVISION AND OFFICE OF THE SECRETARY (FUND 197)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$0
Gain (loss) on sale of autos and equipment		0
Total Operating Revenues		<u>0</u>
Operating Expenses		
Current Expenses		
Personal Services	\$2,236,164	
Covid Related Time Worked	460	
Employee Benefits	867,309	
Travel	173	
Transportation	8,448	
Maintenance and Repairs	356,726	
Supplies	76,721	
Contractual Services	573,029	
Other Costs	<u>174,116</u>	4,293,146
Depreciation		168,526
Capital Outlays		<u>6</u>
Total Operating Expenses		<u>4,461,678</u>
Operating Income (Loss)		<u>(4,461,678)</u>
Non Operating Revenues (Expenses)		
Intra-agency transfers		
Transfer In for administrative services	4,659,900	
Transfer Out to for Services		4,659,900
Other Financing Sources		
Other State Agency		
Other State Agency Transfer In - Capital Asset	<u>21,992</u>	21,992
Other Financing (Uses)		
Other State Agency Transfer Out - Capital Asset	<u>(30,735)</u>	<u>(30,735)</u>
Total Nonoperating Revenue (Expenses)		<u>4,651,157</u>
Income Before Transfers		<u>189,479</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		189,479
Net Assets - Beginning of Year, as Previously Reported		1,671,730
Adjustments Applicable to Prior Year		
Net Assets - End of Year		<u>\$1,861,209</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 72		

**STATE OF NEW MEXICO
ADMINISTRATIVE SERVICES DIVISION AND OFFICE OF THE SECRETARY (FUND 197)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$798,709)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue - Inter-agency Mail Services		\$0	
Other Revenue		0	
Intra-agency Transfers		4,659,900	
Other Financing Sources - State Funds		0	
Other Financing Sources - State Funds - Capital Assets		21,992	
Gain on Disposal of Assets		0	
Total Revenues			4,681,892
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		4,293,146	
Depreciation		168,526	
Capital Outlays		6	
Intra-agency Transfers		0	
Other State Agency Transfers		30,735	
Total Per Financial Statements		4,492,413	
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	(6)		
Other	0		
Total Deductions			(6)
Additional Allowable Costs			
FY 2022 SWCAP Costs	65,120		
Other	0		
Total Additions			65,120
Allowable Expenditures			4,557,527
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings (Exhibit D)		(32,167)	
Total Adjustments			(32,167)
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$642,177)
Allowable Reserve (60 days)	(B)		721,480
Excess Balance (A) - (B)			(1,363,657)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			0
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: General Appropriation		0	
Plus: Transfers In		0	
Less: Transfers Out		0	
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			\$2,470,439
ADJUSTMENTS:			
Deductions Unallowable Costs		(6)	
Additional Allowable Costs		65,120	
Imputed Interest Earnings		(32,167)	
Total Adjustments			32,947
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$2,503,386

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$1,861,209
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

ADMINISTRATIVE SERVICES DIVISION AND OFFICE OF THE SECRETARY (FUND 197)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2021	\$1,842,044
B. Ending Cash Balance - Balance on June 30, 2022	2,010,237
C. Average FY 2022 Cash Balance ((A+B)/2)	1,926,141
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$32,167

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
AS OF JUNE 30, 2022**

**ADMINISTRATIVE SERVICES DIVISION AND OFFICE OF THE SECRETARY (FUND 197)
INTERFUND AND INTERAGENCY ASSESSEMENTS**

<u>FUND</u>	<u>TITLE</u>	<u>ASSESSMENT</u>
174	General Fund - Facilities & Purchasing	\$213,100
286	Purchasing Fees	60,800
352	Risk Management - Operating	3,938,500
360	Surplus Property	30,300
365	State Transportation Pool	331,300
417	State Aircraft Bureau	28,500
806	State Printing	57,400
	Total	<u>\$4,659,900</u>

GSD TRANSPORTATION SERVICES DIVISION – MOTOR POOL

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Transportation Services Division
Motor Pool**

I. Service Description

The State Transportation Motor Pool furnishes transportation services for all state departments/agencies in the Santa Fe area. This includes the procurement (either through purchase or lease) and maintenance of vehicles. The Motor Pool receives no general fund appropriation and is reliant on revenues it receives from the leasing of vehicles to the various state agencies. The Motor Pool is administered by the Division of Transportation of the New Mexico General Services Department (GSD).

II. Financial Statements

All financial activities of the Motor Pool are recorded in the GSD non-major enterprise Fund 365. Financial statements for the fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "State Transportation Pool". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 72 and 74.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 76.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There was no prior year adjustment recorded to the fund balance for the fiscal year ended June 30, 2022.

V. Billing Methodology

The Motor Pool provides vehicles on a daily, or short-term basis, or on a long-term basis, normally over six months to its clients. If on a long-term basis, the customer may purchase a vehicle through the Motor Pool, lease a vehicle through the Motor Pool from an outside vendor or “lease” one of the Motor Pool vehicles. The cost structure under each arrangement is different but the major components are 1) an overhead amount which includes an allocation from the State-wide cost allocation plan, an assessment from the GSD Office of the Secretary, the GSD Administrative Support Division and the Motor Pool’s administrative cost; 2) vehicle depreciation; 3) and maintenance.

VI. Billing Rates

The billing rates for FY 2022 are provided on Exhibit E.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Imputed Interest Earnings – Interest earnings on cash balances of the fund are not recorded in the fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS), imputed interest earnings have been calculated on the Fund’s average cash balance utilizing the State Treasurer’s average rate of return on short term investments for the year ended June 30, 2022. Exhibit D provides the calculation of the imputed interest earnings. Imputed interest income has been calculated on the average of beginning and ending cash balances and included in the reconciliations. The State does not agree with this method and hereby notifies DHHS that should the need arise may appeal the inclusion of the imputed revenue calculated in this manner in any calculation resulting in the payment of fund assets to the Federal government.
3. Treatment of Variances - The intent of the legislation creating the Motor Pool was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Motor Pool. Therefore, any over/under recovery of costs will be included in subsequent rate calculations.

This concludes the narrative information on the GSD Transportation Division Motor Pool. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE STATE TRANSPORTATION POOL (FUND 365)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$5,621,639
Interest Receivables	0
Accounts/Trade Receivables	234,626
Allowance for Doubtful Accounts	(232,610)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Other Assets	0
Total Current Assets	<u>5,623,655</u>
Noncurrent Assets:	
Capital Assets	38,721,177
Accumulated Depreciation	(21,971,957)
Total Noncurrent Assets	<u>16,749,220</u>
Total Assets	<u><u>\$22,372,875</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$0
Accounts Payable	848,863
Unearned Revenue	0
Accrued Payroll	44,943
Other Accrued Liabilities	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	89,204
Current Portion of Lease Liabilities	3,386,906
Total Current Liabilities	<u>4,369,916</u>
Long-Term Liabilities	
Compensated Absences Payable	\$0.00
Lease Liabilities	6,665,613
Total Long-Term Liabilities	<u>6,665,613</u>
Total Liabilities	<u>11,035,529</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	6,696,701
Unrestricted	4,640,645
Total Net Assets	<u>11,337,346</u>
Total Liabilities and Net Assets	<u><u>\$22,372,875</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 72 and 74	

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022**

THE STATE TRANSPORTATION POOL (FUND 365)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$8,463,998
Gain on Sale of Auto & Equipment		0
Other Gifts & Grants		0
Other Revenue		1,711
Total Operating Revenues		<u>8,465,709</u>
Operating Expenses		
Current Expenses		
Personal Services	974,128	
Employee Benefits	509,122	
Travel	4,298	
Transportation	2,652,233	
Maintenance and Repairs	71,339	
Supplies	11,875	
Contractual Services	1,590	
Operating Costs	370,746	
Bad Debt	0	
Depreciation		4,624,294
Capital Outlays		44,049
Total Operating Expenses		<u>9,263,673</u>
Operating Income (Loss)		<u>(797,964)</u>
Non Operating Revenues (Expenses)		
Disposal of Assets - (Loss)	(4,940)	(4,940)
Transfer Out to Fund 197 for Administration	(331,300)	(331,300)
Other Financing Sources		
General Appropriation	1,300,000	
IntraAgency Transfers In - Capital Assets	226,237	
Other State Agency Transfers In - Capital Assets	1,175,119	
Other Governmental Funds	0	2,701,356
Other Financing (Uses)		
General Appropriation Reversion	(1,218)	
Other State Agency Transfers Out - Capital Assets	(70,181)	(71,399)
Total Nonoperating Revenue (Expenses)		<u>2,293,717</u>
Income Before Transfers		<u>1,495,753</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		1,495,753
Net Assets - Beginning of Year, as Previously Reported		9,841,593
Adjustments Applicable to Prior Year		
Net Assets - End of Year		<u>\$11,337,346</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 76		

**STATE OF NEW MEXICO
THE STATE TRANSPORTATION POOL (FUND 365)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$3,035,981)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$8,463,998		
Other Revenue	1,711		
Other Gifts & Grants	0		
Gain on Disposal of Assets	0		
Other State Agency Transfer	2,701,356		
Total Revenues			11,167,065
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	4,595,330		
Depreciation	4,624,294		
Capital Outlays	44,049		
Disposal of Assets - Loss	4,940		
Interagency Transfer (Fund 197 Administrative Support)	331,300		
Other Financing Uses	71,399		
Total Per Financial Statements	9,671,312		
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	(44,049)		
Other	0		
Total Deductions		(44,049)	
Additional Allowable Costs			
FY 2022 SWCAP Costs	81,642		
Other	0		
Total Additions		81,642	
Allowable Expenditures			9,708,905
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(82,231)		
Total Adjustments			(82,231)
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$1,495,590)
Allowable Reserve (60 days)	(B)		835,827
Excess Balance (A) - (B)			(2,331,417)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			(\$1,385,749)
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		(\$1,385,749)

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			\$14,263,323
ADJUSTMENTS:			
Deductions Unallowable Costs	(44,049)		
Additional Allowable Costs	81,642		
Imputed Interest Earnings	(82,231)		
Total Adjustments			(44,638)
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$14,218,685

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$11,337,346
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

THE STATE TRANSPORTATION POOL (FUND 365)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2021	4,226,342
B. Ending Cash Balance - Balance on June 30, 2022	5,621,639
C. Average FY 2022 Cash Balance ((A+B)/2)	4,923,991
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$82,231

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
AS OF JUNE 30, 2022

THE STATE TRANSPORTATION POOL (FUND 365)
FY 2022 BILLING RATES

VEHICLE CLASS	VEHICLE TYPE	OVERHEAD	MAINT	REPLACEMENT FEE	STANDARD LEASE	OPERATIONAL LEASE	SHORT TERM LEASE (Per Day)
02B	Mid Size Sedan Mid Size Sedan - ZUZU/ZUZ1 Nissan Altima	\$ 90.71	\$ 117.63	\$ 187.00	\$ 395.00	\$ 208.34	\$ 17.97
02BM	Commercial	\$ 90.71	\$ 117.63	\$ -	\$ 480.00	\$ -	\$ -
02C	Full Size Sedan	\$ 90.71	\$ 117.63	\$ 205.00	\$ 413.00	\$ 208.34	\$ 18.79
04A	Mini 4X2 Pick Up	\$ 90.71	\$ 117.63	\$ 152.00	\$ 360.00	\$ 208.34	\$ 16.36
04B	Mini 4X4 Pick Up	\$ 90.71	\$ 117.63	\$ 166.00	\$ 374.00	\$ 208.34	\$ 17.02
04C	1/2 Ton 4X2 Pick-up	\$ 90.71	\$ 117.63	\$ 147.00	\$ 355.00	\$ 208.34	\$ 16.14
04D	1/2 Ton 4X4 Pick-up	\$ 90.71	\$ 117.63	\$ 124.00	\$ 332.00	\$ 208.34	\$ 15.09
04E	1/2 Ton 4X4 Extended Cab Pick-up	\$ 90.71	\$ 117.63	\$ 134.00	\$ 342.00	\$ 208.34	\$ 15.55
04F	1/2 Ton 4X4 Crew Cab Pick-up	\$ 90.71	\$ 117.63	\$ 153.00	\$ 362.00	\$ 208.34	\$ 16.44
04G	3/4 Ton 4X2 Regular Cab Pick-up	\$ 90.71	\$ 117.63	\$ 223.00	\$ 431.00	\$ 208.34	\$ 19.60
04H	3/4 Ton 4X4 Regular Cab Pick-up	\$ 90.71	\$ 117.63	\$ 240.00	\$ 448.00	\$ 208.34	\$ 20.36
04I	3/4 Ton 4X4 Extended Cab Pick-up	\$ 90.71	\$ 117.63	\$ 232.00	\$ 441.00	\$ 208.34	\$ 20.03
04J	3/4 Ton 4X4 Crew Cab Pick-up	\$ 90.71	\$ 117.63	\$ 204.00	\$ 413.00	\$ 208.34	\$ 18.75
04K	1 Ton 4X4 Extended Cab Pick-up	\$ 90.71	\$ 117.63	\$ 265.00	\$ 473.00	\$ 208.34	\$ 21.51
04L	1 Ton 4X4 Crew Cab Pick-up	\$ 90.71	\$ 117.63	\$ 221.00	\$ 429.00	\$ 208.34	\$ 19.52
05A	Passenger Mini Van (7-8 passenger)	\$ 90.71	\$ 117.63	\$ 199.00	\$ 407.00	\$ 208.34	\$ 18.52
05AC	Passenger Mini Van Commercial (7-8 passenger) Chrysler Pacifica	\$ 90.71	\$ 117.63	\$ 346.00	\$ 752.00	\$ -	\$ -
05B	Cargo Mini Van	\$ 90.71	\$ 117.63	\$ 188.00	\$ 397.00	\$ 208.34	\$ 18.03
05C	Full Size 15 Passenger Van	\$ 90.71	\$ 117.63	\$ 278.00	\$ 487.00	\$ 208.34	\$ 22.12
05D	Full Size Cargo Van	\$ 90.71	\$ 117.63	\$ 195.00	\$ 403.00	\$ 208.34	\$ 18.31
05E	Full Size 12 Passenger Van	\$ 90.71	\$ 117.63	\$ 259.00	\$ 467.00	\$ 208.34	\$ 21.24
06A	Mid Size Sport Utility 4X4 Mid Size Sport Utility 4X4 Commercial ZUZU	\$ 90.71	\$ 117.63	\$ 249.00	\$ 457.00	\$ 208.34	\$ 20.79
06AM	Rogue - Toyota Rav 4 Mid Size Sport Utility 4X4 - Commercial ZUZ1	\$ 90.71	\$ 117.63	\$ 361.00	\$ 480.00	\$ -	\$ -
06AT	Ford Explorer	\$ 90.71	\$ 117.63	\$ 422.00	\$ 630.00	\$ -	\$ -
06B	Full Size Sport Utility Vehicle 4X4 Full Size Sport Utility 4X4 Commercial ZUZU	\$ 90.71	\$ 117.63	\$ 327.00	\$ 535.00	\$ 208.34	\$ 24.33
06BM	Ford Expedition	\$ 90.71	\$ 117.63	\$ 680.00	\$ 888.00	\$ -	\$ -

***GSD TRANSPORTATION SERVICES DIVISION – STATE
AVIATION***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Transportation Services Division
State Aviation**

I. Service Description

The Aviation Services Bureau provides state owned aircrafts for use by all state agencies and other authorized entities. The Bureau is assigned to the Division of Transportation of the New Mexico General Services Department (GSD).

II. Financial Statements

All financial activities of the Bureau are recorded in a GSD non-major enterprise fund. The fund is Fund 417, State Aviation Fund. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "State Aircraft Pool". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 72 and 74.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position– Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on page 76.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in from other funds during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out of the fund during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There was no prior year adjustment to the fund balance for the fiscal year ended June 30, 2022.

V. Billing Methodology

Effective in Fiscal Year 2022, pursuant to state statute 15-9-4, NMSA, 1978 “Travel Charges”, all fees charged to entities will offset the amount needed to cover the costs associated with fuel consumption and depreciation costs. The remaining operational costs will be covered through a General Fund Appropriation. Fuel costs are based on actual market rates. Depreciation costs were not charged as the aircraft is fully depreciated.

VI. Billing Rates

The billing rates during the fiscal year ended June 30, 2022 were based on actual costs for fuel consumption only. All other costs are funded by general appropriation.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Imputed Interest Earnings – Interest earnings on cash balances of the fund are not recorded in the fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS), imputed interest earnings have been calculated on the Fund’s average cash balance utilizing the State Treasurer’s average rate of return on short term investments for the year ended June 30, 2022. Exhibit D provides the calculation of the imputed interest earnings. Imputed interest income has been calculated on the average of beginning and ending cash balances and included in the reconciliations. The State does not agree with this method and hereby notifies DHHS that should the need arise may appeal the inclusion of the imputed revenue calculated in this manner in any calculation resulting in the payment of fund assets to the Federal government.
3. Treatment of Variances – The Fund is being operated at a loss and is subsidized by General Fund appropriations. If the Fund should by some unusual occurrence incur an operating income, the operating income would be used to offset prior operating losses or used to repay or reduce General Fund appropriations.

This concludes the narrative information on the GSD Transportation Division State Aircraft. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE STATE AVIATION FUND (FUND 417)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$103,532
Interest Receivables	0
Accounts/Trade Receivables	1,974
Allowance for Doubtful Accounts	(1,974)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Other Assets	0
Inventories	0
Total Current Assets	<u>103,532</u>
Noncurrent Assets:	
Capital Assets	2,880,368
Accumulated Depreciation	(1,407,817)
Total Noncurrent Assets	<u>1,472,551</u>
Total Assets	<u><u>\$1,576,083</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	\$20,854
Deferred Revenue	0
Accrued Expenses	7,100
Due to Other Funds	0
Accrued Compensated Absences	62,267
Current Portion of Lease Liabilities	35,194
Total Current Liabilities	<u>125,415</u>
Long-Term Liabilities	
Compensated Absences Payable	369
Lease Liabilities	244,863
Total Long Term Liabilities	<u>245,232</u>
Total Liabilities	<u>370,647</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	1,165,421
Restricted for Insurance/Claims	0
Unrestricted	40,015
Total Net Assets	<u>1,205,436</u>
Total Liabilities and Net Assets	<u><u>\$1,576,083</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 72 and 74.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE STATE AVIATION FUND (FUND 417)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$166,012
Interest Income		0
Other Revenue		0
Total Operating Revenues		<u>166,012</u>
Operating Expenses		
Current Expenses		
Personal Services	\$161,406	
Employee Benefits	75,107	
Travel	4,613	
Transportation	338,433	
Maintenance and Repairs	1,797	
Supplies	154	
Contractual Services	300	
Bad Debt	0	
Operating Costs	<u>422</u>	582,232
Depreciation		181,934
Capital Outlays		<u>2,664</u>
Total Operating Expenses		<u>766,830</u>
Operating Income (Loss)		<u>(600,818)</u>
Non Operating Revenues (Expenses)		
Intra-agency transfers		
Transfer In from Fund 197	0	
Transfer Out to Fund 197 for Administration	<u>(28,500)</u>	(28,500)
Other Financing Sources		
General Appropriation	529,300	
Other State Agency Transfers	5,900	
Other Financing (Uses)		
General Appropriation Reversion	0	
Other State Agency Transfers	0	
Other State Funds	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>506,700</u>
Income Before Transfers		<u>(94,118)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		(94,118)
Net Assets - Beginning of Year, as Previously Reported		1,299,554
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u><u>\$1,205,436</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 76		

**STATE OF NEW MEXICO
THE STATE AVIATION FUND (FUND 417)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$12,114,724)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$166,012		
Other Revenue	0		
Gain on Disposal of Assets	0		
Total Revenues			166,012
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	582,232		
Depreciation	181,934		
Capital Outlays	2,664		
Disposal of Assets - Loss	0		
Interagency Transfer (Fund 197 Administrative Support)	28,500		
Total Per Financial Statements	795,330		
Deductions Unallowable Costs			
Provision for Losses - Bad Debt	0		
Less Capital Outlay \$5,000 or Greater	(2,664)		
Other	0		
Total Deductions		(2,664)	
Additional Allowable Costs			
FY 2022 SWCAP Costs	237		
Other	0		
Total Additions		237	
Allowable Expenditures			792,903
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(1,717)		
Total Adjustments			(1,717)
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$12,739,898)
Allowable Reserve (60 days)	(B)		100,433
Excess Balance (A) - (B)			(12,840,331)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			\$13,257,505
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Intra-agency transfer	0		
Plus: Other State Agency Transfers	5,900		
Plus: General Appropriations	529,300		
Less: General Appropriation Reversion	0		
Less: Transfers Out	0		
Net Transfers			535,200
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$13,792,705

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			\$156,773
ADJUSTMENTS:			
Deductions Unallowable Costs	(2,664)		
Additional Allowable Costs	237		
Imputed Interest Earnings	(1,717)		
Total Adjustments			(4,144)
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$152,629

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$1,205,436
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

THE STATE AVIATION FUND (FUND 417)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2021	\$102,065
B. Ending Cash Balance - Balance on June 30, 2022	103,532
C. Average FY 2022 Cash Balance ((A+B)/2)	102,799
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$1,717

GSD STATE PRINTING OFFICE

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

GSD State Printing Office

I. Service Description

The State Printing Office of the General Services Department (GSD) provides offset press printing and duplicating services for Federal, state and local government entities as well as certified non-profit organizations. Offset press services range from 2 x 3.5 to 19 x 25 finished printed products. Brochures, booklets, posters, forms, office stationery, envelopes (various sizes), non-carbonless forms etc. all range from one to four color process. Graphics Design and Bindery services are also available with or without printing services. The Office also provides duplication services consisting of 4-color Xerox Docucolor copying as well as high-speed Docutech single page to 200 pages, 2-sided bound book.

II. Financial Statements

Financial activities of the State Printing Office are recorded in a GSD non-major enterprise fund. The Fund is Fund 806, State Printing Fund. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "State Printing". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 72 and 74.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on page 76.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There was no prior year adjustment to the fund balance for the fiscal year ended June 30, 2022.

V. Billing Methodology

An industry standard printing pricing program is used as not only an industry pricing foundation but a tracking system as well. The program is used as an industry standard to calculate production on an individual basis. All prices for products are taken from statewide price agreements let out for bid by the New Mexico State Purchasing Division (paper, inks, plates, blankets, negatives, processing chemicals and foils, etc.). Press costs are determined by individual machine and are based on an hourly run basis and not an impression basis. Once all aspects are entered into the pricing system, individual jobs are priced on a job per job basis using actual costs that includes employee time and paid benefits. Jobs are also based on amounts, type of job or run, paper selected and what finished product needs to be.

VI. Billing Rates

The billing rates in effect during the fiscal year ended June 30, 2022 were based on State Purchasing contracts current product price, which are updated every six months, plus press costs.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Imputed Interest Earnings – Interest earnings on cash balances of the fund are not recorded in the fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS), imputed interest earnings have been calculated on the Fund's average cash balance utilizing the State Treasurer's average rate of return on short term investments for the year ended June 30, 2022. Exhibit D provides the calculation of the imputed interest earnings.
3. Treatment of Variances - The intent of the legislation creating the State Printing Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with operating the State Printing Office. Therefore, any over/under recovery of costs will be included in subsequent rate calculations.

This concludes the narrative information on the GSD State Printing Office. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE STATE AVIATION FUND (FUND 417)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$103,532
Interest Receivables	0
Accounts/Trade Receivables	1,974
Allowance for Doubtful Accounts	(1,974)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Other Assets	0
Inventories	0
Total Current Assets	<u>103,532</u>
Noncurrent Assets:	
Capital Assets	2,880,368
Accumulated Depreciation	(1,407,817)
Total Noncurrent Assets	<u>1,472,551</u>
Total Assets	<u><u>\$1,576,083</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	\$20,854
Deferred Revenue	0
Accrued Expenses	7,100
Due to Other Funds	0
Accrued Compensated Absences	62,267
Current Portion of Lease Liabilities	35,194
Total Current Liabilities	<u>125,415</u>
Long-Term Liabilities	
Compensated Absences Payable	369
Lease Liabilities	244,863
Total Long Term Liabilities	<u>245,232</u>
Total Liabilities	<u>370,647</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	1,165,421
Restricted for Insurance/Claims	0
Unrestricted	40,015
Total Net Assets	<u>1,205,436</u>
Total Liabilities and Net Assets	<u><u>\$1,576,083</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 72 and 74.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE STATE AVIATION FUND (FUND 417)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$166,012
Interest Income		0
Other Revenue		0
Total Operating Revenues		<u>166,012</u>
Operating Expenses		
Current Expenses		
Personal Services	\$161,406	
Employee Benefits	75,107	
Travel	4,613	
Transportation	338,433	
Maintenance and Repairs	1,797	
Supplies	154	
Contractual Services	300	
Bad Debt	0	
Operating Costs	<u>422</u>	582,232
Depreciation		181,934
Capital Outlays		<u>2,664</u>
Total Operating Expenses		<u>766,830</u>
Operating Income (Loss)		<u>(600,818)</u>
Non Operating Revenues (Expenses)		
Intra-agency transfers		
Transfer In from Fund 197	0	
Transfer Out to Fund 197 for Administration	<u>(28,500)</u>	(28,500)
Other Financing Sources		
General Appropriation	529,300	
Other State Agency Transfers	5,900	
Other Financing (Uses)		
General Appropriation Reversion	0	
Other State Agency Transfers	0	
Other State Funds	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>506,700</u>
Income Before Transfers		<u>(94,118)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		(94,118)
Net Assets - Beginning of Year, as Previously Reported		1,299,554
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u>\$1,205,436</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 76		

**STATE OF NEW MEXICO
THE STATE AVIATION FUND (FUND 417)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$12,114,724)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$166,012	
Other Revenue		0	
Gain on Disposal of Assets		0	
Total Revenues			166,012
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		582,232	
Depreciation		181,934	
Capital Outlays		2,664	
Disposal of Assets - Loss		0	
Interagency Transfer (Fund 197 Administrative Support)		28,500	
Total Per Financial Statements		795,330	
Deductions Unallowable Costs			
Provision for Losses - Bad Debt		0	
Less Capital Outlay \$5,000 or Greater		(2,664)	
Other		0	
Total Deductions			(2,664)
Additional Allowable Costs			
FY 2022 SWCAP Costs		237	
Other		0	
Total Additions			237
Allowable Expenditures			792,903
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings (Exhibit D)		(1,717)	
Total Adjustments			(1,717)
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$12,739,898)
Allowable Reserve (60 days)	(B)		100,433
Excess Balance (A) - (B)			(12,840,331)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			\$13,257,505
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Intra-agency transfer		0	
Plus: Other State Agency Transfers		5,900	
Plus: General Appropriations		529,300	
Less: General Appropriation Reversion		0	
Less: Transfers Out		0	
Net Transfers			535,200
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$13,792,705

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			\$156,773
ADJUSTMENTS:			
Deductions Unallowable Costs		(2,664)	
Additional Allowable Costs		237	
Imputed Interest Earnings		(1,717)	
Total Adjustments			(4,144)
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$152,629

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$1,205,436
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

THE STATE AVIATION FUND (FUND 417)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2021	\$102,065
B. Ending Cash Balance - Balance on June 30, 2022	103,532
C. Average FY 2022 Cash Balance ((A+B)/2)	102,799
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D)	\$1,717

GSD RISK MANAGEMENT DIVISION – OPERATING ACCOUNT

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

GSD Risk Management Division – Operating Account

I. Service Description

The Operating Account of the Risk Management Division (RMD) of the General Services Department (GSD) contains the administrative and support expenses of RMD. Costs of RMD administrative and support expenses are assessed to the funds and programs administered by RMD.

II. Financial Statements

All financial activities associated with RMD administrative and support services are recorded in a GSD non-major enterprise fund. The fund is Fund 352, the Risk Management Operating Account Fund. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "Risk Management Operating". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) - the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds (Internal Service) - the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2023.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2023.

IV. Prior Year Adjustments

There was no prior year adjustment to the fund balance for the fiscal year ended June 30, 2023.

V. Billing Methodology

Projected Fund costs are assessed to RMD funds and program based on projected expenditures.

VI. Billing Rates

Exhibit E provides the assessments for the fiscal year ended June 30, 2023.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Imputed Interest Earnings – Interest earnings on cash balances of the Fund are not recorded in the Fund. Therefore, in accordance with instructions provided by the Division of Cost Allocation of the U.S. Department of Health and Human Services (DHHS), imputed interest earnings have been calculated on the Fund's average cash balance utilizing the State Treasurer's average rate of return on short term investments for the year ended June 30, 2023. Exhibit D provides the calculation of the imputed interest earnings. Imputed interest income has been calculated on the average of beginning and ending cash balances and included in the reconciliations. The State does not agree with this method and hereby notifies DHHS that should the need arise may appeal the inclusion of the imputed revenue calculated in this manner in any calculation resulting in the payment of fund assets to the Federal government.
3. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent assessment calculations.

This concludes the narrative information on the GSD Risk Management Division Operating Account Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
 GENERAL SERVICES DEPARTMENT
 STATEMENT OF NET ASSETS
 AS OF JUNE 30, 2022

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$1,511,247
Interest Receivables	0
Accounts/Trade Receivables	499
Allowance for Doubtful Accounts	(499)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Other Assets	0
Total Current Assets	1,511,247
Noncurrent Assets:	
Capital Assets	39,879
Accumulated Depreciation	(39,879)
Total Noncurrent Assets	0
Total Assets	\$1,511,247
Liabilities:	
Current Liabilities	
Bank Overdraft	\$0
Claims Payable	0
Accounts Payable	21,594
Deferred Revenue	0
Accrued Expenses	154,265
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	289,623
Total Current Liabilities	465,482
Long-Term Liabilities	
Compensated Absences Payable	0
Total Liabilities	465,482
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	1,045,765
Total Net Assets	1,045,765
Total Liabilities and Net Assets	\$1,511,247
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 71 and 73.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)

		<u>FUND TOTAL</u>
Operating Revenues		
Service Fees/Premiums		\$0
Other Revenue		0
Total Operating Revenues		<u>0</u>
Operating Expenses		
Current Expenses		
Personal Services	\$3,099,456	
Employee Benefits	1,345,100	
Travel	5,181	
Transportation	11,908	
Maintenance and Repairs	0	
Supplies	13,096	
Contractual Services	110,911	
Operating Costs	271,134	
Other Costs	0	
Depreciation		0
Capital Outlays		0
Total Operating Expenses		<u>4,856,787</u>
Operating Income (Loss)		<u>(4,856,787)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfers		
Transfer In for Program Assessments	8,938,400	
Transfer Out to Fund 197 for Program Support	<u>(3,938,500)</u>	4,999,900
Other Financing Sources		
General Appropriation	0	
Other State Funds	0	0
Other Financing (Uses)		
General Appropriation	0	
Reversion to State General Fund	0	
Purchase of Capital Assets	0	
Total Nonoperating Revenue (Expenses)		<u>4,999,900</u>
Income Before Transfers		<u>143,113</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		143,113
Net Assets - Beginning of Year, as Previously Reported		902,652
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u><u>\$1,045,765</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75.		

**STATE OF NEW MEXICO
THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$8,627,333)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$0	
Intra-agency Transfers		8,938,400	
Other Revenue		0	
Other Financing Sources - Other State Funds		0	
Gain on Disposal of Assets		0	
Total Revenues		<u>0</u>	8,938,400
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		4,856,787	
Depreciation		0	
Capital Outlays		0	
Intra-agency Transfers		3,938,500	
Other Financing Uses		0	
Total Per Financial Statements		<u>8,795,287</u>	
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions	<u>0</u>		0
Additional Allowable Costs			
FY 2022 SWCAP Costs	(65,510)		
Other	0		
Total Additions	<u>0</u>	<u>(65,510)</u>	
Allowable Expenditures			8,729,777
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings (Exhibit D)		<u>(23,741)</u>	
Total Adjustments			<u>(23,741)</u>
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$8,394,969)
Allowable Reserve (60 days)	(B)		1,435,032
Excess Balance (A) - (B)			(9,830,001)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			175,000
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Other Financing Sources		0	
Plus: Transfers In		0	
Less: Transfers Out		<u>0</u>	
Net Transfers			<u>0</u>
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$175,000

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			9,354,986
ADJUSTMENTS:			
Deductions Unallowable Costs		0	
Additional Allowable Costs		(65,510)	
Imputed Interest Earnings		<u>(23,741)</u>	
Total Adjustments			<u>(89,251)</u>
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$9,265,735

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$1,045,765
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2022

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2021	\$1,332,021
B. Ending Cash Balance - Balance on June 30, 2022	1,511,247
C. Average FY 2022 Cash Balance ((A+B)/2)	1,421,634
D. State Treasury Average Rate of Return for FY 2022	1.67%
E. Imputed Interest Earnings for FY 2022 (C * D) Negative Amount Not Claimed	\$23,741

STATE OF NEW MEXICO
 GENERAL SERVICES DEPARTMENT
 AS OF JUNE 30, 2022

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)
 INTERFUND AND INTERAGENCY ASSESSEMENTS

FUND	TITLE	ASSESSMENT
353	Risk Management - State Unemployment	\$ -
354	Risk Management - LPB Unemployment	-
356	Risk Mangement - Public Property	-
357	Risk Management - Public Liability	4,050,800
358	Risk Management - Surety Bond	-
359	Worker's Compensation	4,887,600
752	Health Benefits Premium & Rate Stab.	-
	Total	<u>\$ 8,938,400</u>

***GSD RISK MANAGEMENT DIVISION – PUBLIC PROPERTY
INSURANCE***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Risk Management Division
Public Property Insurance**

I. Service Description

The Public Property Reserve Fund provides for the purchase and administration of property insurance and the payment of any claims covered by a certificate of coverage issued by the Risk Management Division. This is a self-insurance fund. Financing is provided through assessments to State agencies. The Fund is administered by the Risk Management Division of the General Services Department (GSD).

II. Financial Statements

All financial activities associated with the Fund are recorded in a GSD non-major enterprise fund. The fund is Fund 356. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "Public Property Reserve". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

Rates are based on the costs of insurance coverage purchased from third-party insurance carriers and/or the direct cost of coverage for any risk not insured, and applicable administrative costs. Rates are also weighted to reflect the respective risk of each type of property and each agency.

VI. Billing Rates

Since the cost of claims is known by department/agency, an actual dollar amount that represents a specific department/agencies premium is computed and billed to each department/agency.

VII. Actuarial Report

The actuarial report covering this Fund has been provided as a separate document titled “Actuarial Study of the Self-Insured Workers Compensation, Public Liability, Surety Bond, Public Property and State Unemployment Compensation Programs as of June 30, 2022”.

VIII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent calculations.

This concludes the narrative information on the GSD Risk Management Division Public Property Reserve Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE PUBLIC PROPERTY RESERVE (FUND 356)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$16,286,927
Interest Receivables	0
Accounts/Trade Receivables	65,634
Allowance for Doubtful Accounts	(60,134)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>16,292,427</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$16,292,427</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	4,274,545
Accounts Payable	0
Deferred Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>4,274,545</u>
Long-Term Liabilities	
Claims Payable	<u>805,439</u>
Total Liabilities	<u>5,079,984</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>11,212,443</u>
Total Net Assets	<u>11,212,443</u>
Total Liabilities and Net Assets	<u><u>\$16,292,427</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 71 and 73.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE PUBLIC PROPERTY RESERVE (FUND 356)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$8,959,759
Interest Income		33,232
Other Revenue		65,900
Total Operating Revenues		<u>9,058,891</u>
Operating Expenses		
Current Expenses		
Personal Services	\$0	
Employee Benefits	0	
In-State Travel	0	
Out-of-State Travel	0	
Maintenance and Repairs	0	
Supplies	0	
Contractual Services	0	
Bad Debts	0	
Operating Costs	13,069,115	
Other Costs	0	
Depreciation		0
Capital Outlays		0
Total Operating Expenses		<u>13,069,115</u>
Operating Income (Loss)		<u>(4,010,224)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer		
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	0	
Other State Funds	0	0
Other Financing (Uses)		
General Appropriation	0	
Other State Agency Transfers Out - Capital Assets	0	0
Total Nonoperating Revenue (Expenses)		<u>0</u>
Income Before Transfers		<u>(4,010,224)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		(4,010,224)
Net Assets - Beginning of Year, as Previously Reported		15,222,667
Adjustments Applicable to Prior Year		
Net Assets - End of Year		<u>\$11,212,443</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75.		

**STATE OF NEW MEXICO
THE PUBLIC PROPERTY RESERVE (FUND 356)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			\$18,171,772
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$8,959,759	
Interest Income		33,232	
Other Revenue		65,900	
Other Financing Sources		0	
Total Revenues			9,058,891
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		13,069,115	
Intra-agency transfers		0	
Capital Outlays		0	
Other State Agency Transfers Out - Capital Assets		0	
Total Per Financial Statements		13,069,115	
Deductions Unallowable Costs			
Provision for Losses - Allowance for Bad Debts	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions			0
Additional Allowable Costs			
FY 2022 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			13,069,115
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings		0	
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		\$14,161,548
Allowable Reserve (60 days)	(B)		2,148,348
Excess Balance (A) - (B)			12,013,200
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			
			(2,699,300)
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In		0	
Less: Transfers Out		0	
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		(\$2,699,300)
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2021			
			(249,805)
ADJUSTMENTS:			
Deductions Unallowable Costs		0	
Additional Allowable Costs		0	
Imputed Interest Earnings		0	
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		(\$249,805)
PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE			
RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$11,212,443

***GSD RISK MANAGEMENT DIVISION – STATE UNEMPLOYMENT
COMPENSATION***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Risk Management Division
State Unemployment Compensation**

I. Service Description

The State Unemployment Compensation Reserve accounts for the administration of all contributions collected from state agencies and payments made to state employee beneficiaries pursuant to the Unemployment Compensation Law. The fund is self-insured and financing is provided through billings to State departments/agencies and interest earned on invested funds. The fund is administered by the Risk Management Division of the General Services Department (GSD).

II. Financial Statements

All financial activities associated with state unemployment compensation are recorded in a GSD non-major enterprise fund. The fund is Fund 353, the State Unemployment Compensation Reserve Fund. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "State Unemployment Compensation". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

The billing rates are developed and based on information provided by the Department of Workforce Solutions on actual reimbursements made to that agency to reimburse unemployment payments made to prior state and school covered employees. Payments

covering three years are averaged against a recommended cash reserve provided by a third party administrator, TALX, and a percentage applied to bring each entity's reserve toward sufficiency. The percentage includes administrative costs to manage the Fund and is authorized for transfer from Fund 353 to the Risk Management Operating Fund and GSD Program Support in the General Appropriations Act. In addition, the billing rates are developed in conjunction with information contained in the actuarial study of the various funds managed by the GSD Risk Management Division. The actuarial data is a mathematical model used to project the unemployment claims paid out versus the annual premiums required to maintain the fund.

VI. Billing Rates

Since the cost of claims is known by department/agency, an actual dollar amount that represents a specific department/agencies premium is computed and billed to each department/agency.

VII. Actuarial Report

The actuarial report covering this Fund has been provided as a separate document titled "Actuarial Study of the Self-Insured Workers Compensation, Public Liability, Surety Bond, Public Property and State Unemployment Compensation Programs as of June 30, 2022".

VIII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent calculations.

This concludes the narrative information on the GSD Risk Management Division State Unemployment Compensation Reserve Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE STATE UNEMPLOYMENT COMPENSATION RESERVE (FUND 353)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$13,073,024
Interest Receivables	0
Accounts/Trade Receivables	657,227
Allowance for Doubtful Accounts	(657,227)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>13,073,024</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u>\$13,073,024</u>
Liabilities:	
Current Liabilities	
Claims Payable	\$3,761,649
Accounts Payable	427,115
Deferred Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>4,188,764</u>
Long-Term Debt	
Claims Payable	<u>0</u>
Total Liabilities	<u>4,188,764</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>8,884,260</u>
Total Net Assets	<u>8,884,260</u>
Total Liabilities and Net Assets	<u>\$13,073,024</u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 71 and 73.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE STATE UNEMPLOYMENT COMPENSATION RESERVE (FUND 353)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$3,480,908
Interest Income		24,627
Other Revenue		232,926
Total Operating Revenues		<u>3,738,461</u>
Operating Expenses		
Current Expenses		
Personal Services	\$0	
Employee Benefits	0	
In-State Travel	0	
Out-of-State Travel	0	
Maintenance and Repairs	0	
Supplies	0	
Contractual Services	42,449	
Allowance for Bad Debts	0	
Operating Costs	4,327,112	
Other Costs	0	
	<u>0</u>	4,369,561
Depreciation		0
Capital Outlays		0
Total Operating Expenses		<u>4,369,561</u>
Operating Income (Loss)		<u>(631,100)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer		0
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	0	
Other State Funds	0	
	<u>0</u>	0
Other Financing (Uses)		
General Appropriation	0	
Other State Agency Transfers	0	
	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>0</u>
Income Before Transfers		<u>(631,100)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		(631,100)
Net Assets - Beginning of Year, as Previously Reported		9,515,360
Restatement of Net Assets		<u>0</u>
Net Assets - End of Year		<u><u>\$8,884,260</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75.		

**STATE OF NEW MEXICO
THE STATE UNEMPLOYMENT COMPENSATION RESERVE (FUND 353)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			\$21,385,644
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$3,480,908		
Interest Income	24,627		
Other Revenue	232,926		
Gain on Disposal of Assets	0		
Other Financing Sources	0		
Total Revenues		<u>3,738,461</u>	
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	4,369,561		
Depreciation	0		
Intra-agency transfers (Risk Management Operating Fund 352)	0		
Capital Outlays	0		
Disposal of Assets - Loss	0		
Other Financing Uses	0		
Total Per Financial Statements	<u>4,369,561</u>		
Deductions Unallowable Costs			
Provision for Losses - Allowance for Bad Debts	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions		<u>0</u>	
Additional Allowable Costs			
FY 2022 SWCAP Costs	0		
Other	0		
Total Additions		<u>0</u>	
Allowable Expenditures			4,369,561
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments		<u>0</u>	0
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		\$20,754,544
Allowable Reserve (60 days)	(B)		718,284
Excess Balance (A) - (B)			20,036,260

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			(8,750,000)
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers		<u>0</u>	0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		(\$8,750,000)

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			(3,120,284)
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments		<u>0</u>	0
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		(\$3,120,284)

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$8,884,260
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GSD RISK MANAGEMENT DIVISION – SURETY BOND

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Risk Management Division
Surety Bond Coverage**

I. Service Description

The Surety Bond Fund accounts for surety bond coverage of all or any portion of the surety bond risk of State departments/agencies covered by a surety bond certificate of coverage issued by Risk Management Division (RMD) of the General Services Department (GSD). This is a self-insurance fund. Financing is provided through the collection or transfer of funds from each State department/agency to cover costs of coverage of employees of each department/agency and from interest earned on investments. The Fund is administered by the Risk Management Division of the General Services Department (GSD).

II. Financial Statements

All financial activities associated with the Fund are recorded in a GSD non-major enterprise fund. The fund is Fund 358, the Surety Bond Fund. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for non-major enterprise funds under the heading of "Surety Bond". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

The billing rates are developed based on information contained in the actuarial study of the various funds managed by the GSD Risk Management Division. In addition, an administrative cost that includes an allocation from the State-wide cost allocation plan, an assessment from the GSD Office of the Secretary, the GSD Administrative Services Division, and the Risk Management Operating Fund is added to the cost factor. The total premium is basically computed as follows:

1. A loss development factor is computed by computing an average of the last five years for the “limited reported incurred losses” and dividing that by the average of the last five years “projected ultimate limited losses”.
2. Multiply the total losses of the prior five years “limited reported incurred losses” by the loss development factor and dividing the result by 5 to obtain an “Annual Base Premium”.
3. Add director adjustment, if any, plus any other special/designated premiums.
4. Multiply the result in step 3 by an “exposure” and “experience” factor.

VI. Billing Rates

Since the cost of claims is known by department/agency, an actual dollar amount that represents a specific department/agencies premium is computed and billed to each department/agency.

VII. Actuarial Report

The actuarial report covering this Fund has been provided as a separate document titled “Actuarial Study of the Self-Insured Workers Compensation, Public Liability, Surety Bond, Public Property and State Unemployment Compensation Programs as of June 30, 2022”.

VIII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent calculations.

This concludes the narrative information on the GSD Risk Management Division Surety Bond Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE SURETY BOND (FUND 358)

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
State General Fund Investment Pool	\$59,633
Interest Receivables	0
Accounts/Trade Receivables	246,009
Allowance for Doubtful Accounts	(246,009)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>59,633</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$59,633</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$1,716
Accounts Payable	0
Deferred Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>1,716</u>
Long-Term Liabilities	
Claims Payable	<u>1,213</u>
Total Liabilities	<u>2,929</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>56,704</u>
Total Net Assets	<u>56,704</u>
Total Liabilities and Net Assets	<u><u>\$59,633</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 72 - 73.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE SURETY BOND (FUND 358)

	FUND TOTAL
Operating Revenues	
Service Fees/Premiums	\$0
Interest Income	112
Other Revenue	0
Total Operating Revenues	<u>112</u>
Operating Expenses	
Current Expenses	
Personal Services	\$0
Employee Benefits	0
In-State Travel	0
Out-of-State Travel	0
Supplies	0
Contractual Services	0
Bad Debt	0
Operating Costs	387
Other Costs	0
Depreciation	<u>0</u>
Capital Outlays	0
Total Operating Expenses	<u>387</u>
Operating Income (Loss)	<u>(275)</u>
Non Operating Revenues (Expenses)	
Intra-agency Transfer	0
Other Financing Sources	
General Appropriation	0
Other State Agency Transfers	0
Other State Funds	<u>0</u>
Other Financing (Uses)	
General Appropriation	0
Other State Agency Transfers	<u>0</u>
Total Nonoperating Revenue (Expenses)	<u>0</u>
Income Before Transfers	<u>(275)</u>
Transfers	
Transfers From Other Funds	0
Transfers To Other Funds	<u>0</u>
Total Transfers	<u>0</u>
Change in Net Assets	(275)
Net Assets - Beginning of Year, as Previously Reported	56,979
Adjustments Applicable to Prior Year	<u>0</u>
Net Assets - End of Year	<u><u>\$56,704</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 75.	

**STATE OF NEW MEXICO
THE SURETY BOND (FUND 358)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			\$288,189
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$0	
Interest Income		112	
Other Revenue		0	
Gain on Disposal of Assets		0	
Other Financing Sources		0	
Total Revenues		<u>0</u>	112
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		387	
Depreciation		0	
Intra-agency transfers (Risk Management Operating Fund 352)		0	
Capital Outlays		0	
Disposal of Assets - Loss		0	
Other Financing Uses		0	
Total Per Financial Statements		<u>387</u>	
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions	<u>0</u>		0
Additional Allowable Costs			
FY 2022 SWCAP Costs	0		
Other	0		
Total Additions	<u>0</u>		0
Allowable Expenditures			387
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings		0	
Total Adjustments		<u>0</u>	0
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		\$287,914
Allowable Reserve (60 days)	(B)		64
Excess Balance (A) - (B)			287,850

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			0
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In		0	
Less: Transfers Out		0	
Net Transfers		<u>0</u>	0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			(231,210)
ADJUSTMENTS:			
Deductions Unallowable Costs		0	
Additional Allowable Costs		0	
Imputed Interest Earnings		0	
Total Adjustments		<u>0</u>	0
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		(\$231,210)

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	\$56,704
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***GSD RISK MANAGEMENT DIVISION – PUBLIC LIABILITY
INSURANCE***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Risk Management Division
Public Liability Insurance**

I. Service Description

The Public Liability Fund provides for liability insurance for State departments/agencies and their employees, and for any local public body participating in the Fund and pays claims and judgments against governmental entities or their employees covered by a certificate of coverage. This is a self-insurance fund. Financing is provided through collections and transfers from governmental entities and interest earned on invested funds. The Fund is administered by the Risk Management Division of the General Services Department (GSD).

II. Financial Statements

All financial activities associated with the Fund are recorded in a GSD enterprise fund. The fund is Fund 357. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for enterprise funds under the heading of "357 Public Liability". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – A transfer of \$4,000,000 was made to the General Fund during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

The billing rates are developed based on information contained in the actuarial study of the various funds managed by the GSD Risk Management Division. In addition, an administrative cost that includes an allocation from the State-wide cost allocation plan, an assessment from the GSD Office of the Secretary, the GSD Administrative Services Division, and the Risk Management Operating Fund is added to the cost factor. The total premium is basically computed as follows:

1. A loss development factor is computed by computing an average of the last five years for the “limited reported incurred losses” and dividing that by the average of the last five years “projected ultimate limited losses”.
2. Multiply the total losses of the prior five years “limited reported incurred losses” by the loss development factor and dividing the result by 5 to obtain an “Annual Base Premium”.
3. Add director adjustment, if any, plus any other special/designated premiums.
4. Multiply the result in step 3 by an “exposure” and “experience” factor.

VI. Billing Rates

Since the cost of claims is known by department/agency, an actual dollar amount that represents a specific department/agencies premium is computed and billed to each department/agency.

VII. Actuarial Report

The actuarial report covering this Fund has been provided as a separate document titled “Actuarial Study of the Self-Insured Workers Compensation, Public Liability, Surety Bond, Public Property and State Unemployment Compensation Programs as of June 30, 2022”.

VIII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent calculations.

This concludes the narrative information on the GSD Risk Management Division Public Liability Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE PUBLIC LIABILITY (FUND 357)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$53,400,269
Interest Receivables	0
Accounts/Trade Receivables	509,738
Allowance for Doubtful Accounts	(125,838)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>53,784,169</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$53,784,169</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$40,703,725
Accounts Payable	2,405,643
Unearned Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>43,109,368</u>
Long-Term Liabilities	
Claims Payable	<u>49,131,074</u>
Total Liabilities	<u>92,240,442</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	
Unrestricted	<u>(38,456,273)</u>
Total Net Assets	<u>(38,456,273)</u>
Total Liabilities and Net Assets	<u><u>\$53,784,169</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 71 and 73.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE PUBLIC LIABILITY (FUND 357)

	FUND TOTAL
Operating Revenues	
Service Fees/Premiums	\$31,184,446
Interest Income	119,580
Other Revenue	517,246
Total Operating Revenues	<u>31,821,272</u>
Operating Expenses	
Current Expenses	
Personal Services	\$0
Employee Benefits	0
In-State Travel	0
Maintenance and Repairs	0
Supplies	0
Contractual Services	0
Bad Debts	0
Operating Costs	63,076,006
Other Costs	0
Depreciation	0
Capital Outlays	0
Total Operating Expenses	<u>63,076,006</u>
Operating Income (Loss)	<u>(31,254,734)</u>
Non Operating Revenues (Expenses)	
Intra-agency Transfers	(4,050,800)
Intra-Agency Transfers Out - Capital Assets	
Other Financing Sources	
General Appropriation	0
Other State Agency Transfers	0
Other Financing (Uses)	
Reversion to State General Fund	0
Other State Agency Transfers Out - Capital Assets	0
Total Nonoperating Revenue (Expenses)	<u>(4,050,800)</u>
Income Before Transfers	<u>(35,305,534)</u>
Transfers	
Transfers From Other Funds	0
Transfers To Other Funds	0
Total Transfers	<u>0</u>
Change in Net Assets	(35,305,534)
Net Assets - Beginning of Year, as Previously Reported	(3,150,739)
Adjustments Applicable to Prior Year	<u>0</u>
Net Assets - End of Year	<u>(\$38,456,273)</u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 75.	

**STATE OF NEW MEXICO
THE PUBLIC LIABILITY (FUND 357)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			\$15,504,676
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$31,184,446	
Interest Income		119,580	
Other Revenue		517,246	
Gain on Disposal of Assets		0	
Other Financing Sources		0	
Total Revenues			31,821,272
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		63,076,006	
Depreciation		0	
Intra-agency transfers (Risk Management Operating Fund 352)		4,050,800	
Intra-agency transfers Capital Assets		0	
Capital Outlays		0	
Disposal of Assets - Loss		0	
Other Financing Uses		0	
Total Per Financial Statements		67,126,806	
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions			0
Additional Allowable Costs			
FY 2022 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			67,126,806
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings		0	
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$19,800,858)
Allowable Reserve (60 days)	(B)		11,034,543
Excess Balance (A) - (B)			(30,835,401)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			(21,500,000)
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In		0	
Less: Transfers Out		0	
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		(\$21,500,000)

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			2,844,585
ADJUSTMENTS:			
Deductions Unallowable Costs		0	
Additional Allowable Costs		0	
Imputed Interest Earnings		0	
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$2,844,585

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	(\$38,456,273)
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***GSD RISK MANAGEMENT DIVISION – WORKERS’
COMPENSATION***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Risk Management Division
Workers' Compensation**

I. Service Description

The Workers' Compensation Retention Fund accounts for the purchase and administration of workers' compensation insurance and provides appropriate reserves for workers' compensation coverage for employees of State agencies. Workers' compensation coverage is provided to pay benefits prescribed by law for all employees. This coverage also includes employer liability and occupational disease and disablement. This is a self-insurance fund. Financing is provided through collections and transfers from State departments/agencies to cover costs of coverage of employees of that agency and interest earned on invested funds. The Fund is administered by the Risk Management Division of the General Services Department (GSD).

II. Financial Statements

All financial activities associated with the Fund are recorded in a GSD enterprise fund. The fund is Fund 359, the Workers' Compensation Retention Fund. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for enterprise funds under the heading of "359 Workers' Compensation Retention". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 71 and 73.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 75.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

The billing rates are developed based on information contained in the actuarial study of the various funds managed by the GSD Risk Management Division. In addition, an administrative cost that includes an allocation from the State-wide cost allocation plan, an assessment from the GSD Office of the Secretary, the GSD Administrative Services Division, and the Risk Management Operating Fund is added to the cost factor. The total premium is basically computed as follows:

1. A loss development factor is computed by computing an average of the last five years for the “limited reported incurred losses” and dividing that by the average of the last five years “projected ultimate limited losses”.
2. Multiply the total losses of the prior five years “limited reported incurred losses” by the loss development factor and dividing the result by 5 to obtain an “Annual Base Premium”.
3. Add director adjustment, if any, plus any other special/designated premiums.
4. Multiply the result in step 3 by an “exposure” and “experience” factor.

VI. Billing Rates

Since the cost of claims is known by department/agency, an actual dollar amount that represents a specific department/agencies premium is computed and billed to each department/agency.

VII. Actuarial Report

The actuarial report covering this Fund has been provided as a separate document titled “Actuarial Study of the Self-Insured Workers Compensation, Public Liability, Surety Bond, Public Property and State Unemployment Compensation Programs as of June 30, 2022”.

VIII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund’s retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent calculations.

This concludes the narrative information on the GSD Risk Management Division Workers’ Compensation Retention Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE WORKER'S COMPENSATION RETENTION (FUND 359)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$38,730,135
Interest Receivables	0
Accounts/Trade Receivables	600
Allowance for Doubtful Accounts	(600)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>38,730,135</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$38,730,135</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$13,662,585
Accounts Payable	50,856
State Dated Warrants	0
Accrued Expenses	1,522
Due to Other Funds	0
Due to Other Agencies	0
Loan Payable	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>13,714,963</u>
Long-Term Liabilities	
Claims Payable	<u>44,999,818</u>
Total Liabilities	<u>58,714,781</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>(19,984,646)</u>
Total Net Assets	<u>(19,984,646)</u>
Total Liabilities and Net Assets	<u><u>\$38,730,135</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 71 and 73.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE WORKER'S COMPENSATION RETENTION (FUND 359)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$16,111,056
Interest Income		78,665
Other Revenue		252,356
Total Operating Revenues		<u>16,442,077</u>
Operating Expenses		
Current Expenses		
Personal Services	\$0	
Employee Benefits	0	
In-State Travel	0	
Out-of-State Travel	0	
Maintenance and Repairs	0	
Supplies	0	
Contractual Services	920,941	
Allowance for Bad Debts	0	
Operating Costs	18,160,482	
Other Costs	<u>0</u>	
Depreciation		19,081,423
Capital Outlays		0
Total Operating Expenses		<u>19,081,423</u>
Operating Income (Loss)		<u>(2,639,346)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer		(4,887,600)
Intra-agency Transfer Capital Assets		(125,001)
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	0	
Other Financing (Uses)		
General Appropriation	0	
Other State Agency Transfers	<u>0</u>	
Total Nonoperating Revenue (Expenses)		<u>0</u>
Income Before Transfers		<u>(5,012,601)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		(7,651,947)
Net Assets - Beginning of Year, as Previously Reported		(12,332,699)
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u>(\$19,984,646)</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75.		

**STATE OF NEW MEXICO
THE WORKER'S COMPENSATION RETENTION (FUND 359)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$7,899,403)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$16,111,056		
Interest Income	78,665		
Other Revenue	252,356		
Other Financing Sources	0		
Total Revenues			16,442,077
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	19,081,423		
Depreciation	0		
Intra-agency transfers (Risk Management Operating Fund 352)	4,887,600		
Intra-agency transfers (Capital Assets)	125,001		
Capital Outlays	0		
Disposal of Assets - Loss	0		
Other Financing Uses (Prior year warrant cancellation)	0		
Total Per Financial Statements	24,094,024		
Deductions Unallowable Costs			
Provision for Losses - Allowance for Bad Debts	0		
Less Capital Outlay \$5,000 or Greater	(125,001)		
Other	0		
Total Deductions		(125,001)	
Additional Allowable Costs			
FY 2022 SWCAP Costs	0		
Other	0		
Total Additions		0	
Allowable Expenditures			23,969,023
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$15,426,349)
Allowable Reserve (60 days)	(B)		3,940,113
Excess Balance (A) - (B)			(19,366,462)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			(3,000,000)
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		(\$3,000,000)

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			(1,433,296)
ADJUSTMENTS:			
Deductions Unallowable Costs	(125,001)		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments		(125,001)	
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		(\$1,558,297)

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR		(A) + (C) + (D)	(\$19,984,646)
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***GSD RISK MANAGEMENT DIVISION – GROUP HEALTH AND
LIFE INSURANCE***

**State of New Mexico
FY 2024 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Risk Management Division
Group Health and Life Insurance**

I. Service Description

The Group Insurance Premium Stabilization Fund is used to account for money appropriated, employers' contributions, employees' contributions, insurance proceeds, and other income from group life, vision care, dental care, health, and disability insurance plans pursuant to State law. Disbursements in the forms of payments for related services are also made pursuant to State law. The Fund also is used to account for premiums collected under the Consolidated Omnibus Budget Reconciliation Act (COBRA) from former employees who have elected to continue their health insurance coverage under the group insurance plans. The Fund is administered by the Risk Management Division of the General Services Department (GSD).

II. Financial Statements

All financial activities associated with the Fund are recorded in a GSD enterprise fund. The fund is Fund 752. Financial statements for the Fund are presented in GSD audited Independent Accountants' Reports and Financial Statements (Audit) on the statements for enterprise funds under the heading of "752 Group Insurance Premium Stabilization". The following exhibits are provided in this document:

1. Exhibit A: Combining Statement of Net Position – Proprietary Funds (Internal Service) – the statement is presented in GSD's Audit on pages 72 and 74.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 76.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There were no non-operating transfers in during the fiscal year ended June 30, 2022.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2022.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2022.

V. Billing Methodology

Each year an analysis is made of the revenue generated versus the claims paid by type of coverage, by employee status (i.e., single, family, etc.). Based on this analysis and actuarially determined reserve requirements, an adjustment in the premium rates by type of coverage and by employee status is computed. This is a self-insurance fund. Financing is provided through collections and transfers from governmental entities and interest earned on invested funds

VI. Actuarial Report

The actuarial report covering this Fund has been provided as a separate document.

VII. Reconciliation

1. Fund Reconciliation - Exhibit C provides a reconciliation of the Fund's retained earnings balance to Federal principles as presented in U.S. Office of Management and Budget publication 2 CFR, Part 200, Appendix V.
2. Treatment of Variances - The intent of the legislation creating the Fund was that the Fund should be self sustaining through the assessment of charges for services that are sufficient to cover all direct and indirect costs associated with the operation of the Fund. Therefore, any over/under recovery of costs will be included in subsequent calculations.

This concludes the narrative information on the GSD Risk Management Division Group Insurance Premium Stabilization Fund. The previously noted exhibits are provided on the following pages.

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2022

THE GROUP INSURANCE PREMIUM STABILIZATION (FUND 752)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$0
Interest Receivables	0
Accounts/Trade Receivables	9,580,413
Allowance for Doubtful Accounts	(972,126)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>8,608,287</u>
Noncurrent Assets:	
Capital Assets	
Accumulated Depreciation	
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$8,608,287</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$47,862,311
Accounts Payable	14,861,400
Deferred Revenue	0
Accrued Expenses	556
Overdraft to State General Fund Investment Pool	64,656,998
Due to Other Agencies	0
Unearned Revenue	328,240
Accrued Compensated Absences	0
Total Current Liabilities	<u>127,709,505</u>
Long-Term Debt	
Compensated Absences Payable	<u>0</u>
Total Liabilities	<u>127,709,505</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>(119,101,218)</u>
Total Net Assets	<u>(119,101,218)</u>
Total Liabilities and Net Assets	<u><u>\$8,608,287</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 72 and 74.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2022

THE GROUP INSURANCE PREMIUM STABILIZATION (FUND 752)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$353,872,533
Interest Income		0
Other Gifts and Grants		15,441,772
Other Revenue		223,179
Total Operating Revenues		<u>369,537,484</u>
Operating Expenses		
Current Expenses		
Personal Services	\$0	
Employee Benefits	0	
In-State Travel	0	
Maintenance and Repairs	0	
Supplies	0	
Contractual Services	0	
Operating Costs	442,386,709	
Other Costs	0	
Depreciation		0
Capital Outlays		0
Total Operating Expenses		<u>442,386,709</u>
Operating Income (Loss)		<u>(72,849,225)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer		0
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	10,000,000	
Other State Funds	0	
Other Financing (Uses)		10,000,000
General Appropriation	0	
Other State Agency - Grants	0	
Total Nonoperating Revenue (Expenses)		<u>10,000,000</u>
Income Before Transfers		<u>(62,849,225)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		(62,849,225)
Net Assets - Beginning of Year, as Previously Reported		(56,251,993)
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u>(\$119,101,218)</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 76.		

STATE OF NEW MEXICO
THE GROUP INSURANCE PREMIUM STABILIZATION (FUND 752)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2022

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2021			
Balance Per Prior Year's Reconciliation of Fund to			(\$61,054,655)
FY 2022 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$353,872,533		
Interest Income	0		
Other Gifts and Grants (Federal)	15,441,772		
Other Revenue	223,179		
Other Financing Sources	10,000,000		
Total Revenues	<u>379,537,484</u>		
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	442,386,709		
Depreciation	0		
Intra-agency transfers (Risk Management Operating Fund 352)	0		
Capital Outlays	0		
Disposal of Assets - Loss	0		
Other Financing Uses	0		
Total Per Financial Statements	<u>442,386,709</u>		
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions	<u>0</u>		
Additional Allowable Costs			
FY 2022 SWCAP Costs	0		
Other	0		
Total Additions	<u>0</u>		
Allowable Expenditures			442,386,709
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments	<u>0</u>		0
RETAINED EARNINGS BALANCE JUNE 30, 2022	(A)		(\$123,903,879)
Allowable Reserve (60 days)	(B)		72,721,103
Excess Balance (A) - (B)			(196,624,982)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2021			0
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers	<u>0</u>		0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2022	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2021			4,802,661
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments	<u>0</u>		0
ADJUSTMENTS BALANCE JUNE 30, 2022	(D)		\$4,802,661

PART IV RECON OF R.E., CONTRIB CAPITAL & ADJUST BALANCES TO ACFR BALANCE

RECONCILIATION OF R.E., CONTR. CAPITAL & ADJUST. BALANCES TO ACFR			(A) + (C) + (D)	(\$119,101,218)
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THE END
