



State of New Mexico – Statewide Cost Allocation Plan

Section II Billed Services

Based on Actual Expenditures
From the Fiscal Year Ended 30, 2024

TABLE OF CONTENTS

I.	Certificate of Cost Allocation Plan	1
II.	State Auditor	3
III.	Public Employees Retirement Fund	10
IV.	Department of Information Technology	
	A. Enterprise Services – Fund 20310	16
	B. Statewide Human Resources Accounting and Management Reporting System – Fund 20360	30
V.	General Services Department	
	A. Program Support - Fund 197	37
	B. Transportation Services Division	
	1. Motor Pool – Fund 365	45
	2. State Aviation – Fund 417	53
	C. State Printing Office – Fund 806	60
	D. Risk Management Division	
	1. Risk Management Operating Account – Fund 352	67
	2. Public Property Insurance – Fund 356	75
	3. State Unemployment Compensation – Fund 353	81
	4. Surety Bond – Fund 358	87
	5. Public Liability Insurance – Fund 357	93
	6. Workers' Compensation – Fund 359	99
	7. Group Health and Life Insurance – Fund 752	105

CERTIFICATE OF COST ALLOCATION PLAN

**State of New Mexico
FY 2026 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 2026 Statewide Cost Allocation Plan to establish cost allocations or billings for the fiscal year beginning July 1, 2025 and ending June 30, 2026 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: Mark Melhoff

Title: State Controller

Date of Execution: 3.20.2025

OFFICE OF THE STATE AUDITOR

**State of New Mexico
FY 2026 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 15.
2. Exhibit B: Statement of Activities – the statement is presented in the State Auditor's financial statements on page 16.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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 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 \$130.00 per hour during the fiscal year ended June 30, 2024.

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, 2024. 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, 2024**

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
Petty Cash	\$0
Investment in General Fund Investment	2,257,936
Accounts Receivable, Net of Allowance	139,180
Due from Component Unit of the State	0
Due from Local Governments	0
Total Current Assets	<u>2,397,116</u>
Noncurrent Assets:	
Capital Assets, Net of Accumulated Depreciation	<u>495,480</u>
Total Assets	<u><u>\$2,892,596</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	255,766
Payroll Benefits Payable	27,975
Payroll Taxes Payable	15,013
Accrued Payroll	34,603
Settlement Payable	0
Due to State General Fund	0
Due to Other State Agencies	0
Due to Local Governments	0
Accrued Compensated Absences	191,187
Total Current Liabilities	<u>524,544</u>
Non Current Liabilities	
Due within one year	216,498
Due in more than one year	<u>18,089</u>
Total Liabilities	<u>759,131</u>
Net Assets:	
Invested in Capital Assets	260,893
Restricted for small local public bodies assistance	1,000,000
Restricted for audit expenses	1,063,759
Unrestricted	<u>(191,187)</u>
Total Net Assets	<u><u>\$2,133,465</u></u>
Source of Information:	
State Auditor's Financial Statements and Independent Auditor's Report - Page 15	

**STATE OF NEW MEXICO
OFFICE OF THE STATE AUDITOR
STATEMENT OF ACTIVITIES
AS OF JUNE 30, 2024**

		FUND TOTAL
Revenues		
Program Revenues		
Audit Services		\$312,926
Miscellaneous Revenue		0
General Revenues		
State General Fund Appropriation		5,317,368
Grant Revenue		153,307
Compensation Appropriation		141,900
Loss on Cancellation of SBITA agreement		(2,775)
Total Operating Revenues		<u>5,922,726</u>
Expenses		
Current Expenses		
Personal Services & Employee Benefits	\$4,239,263	
Contractual Services	235,592	
Special Item Settlement Expense	0	
Loss on Disposition of Property	0	
Interest	1,757	
Other Costs	<u>314,526</u>	4,791,138
Depreciation		<u>284,079</u>
Total Operating Expenses		<u>5,075,217</u>
Operating Income (Loss)		<u>847,509</u>
Net Assets - Beginning of Year, as Previously Reported		1,285,956
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u><u>\$2,133,465</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
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$188,904)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Audit Services	\$312,926		
State General Fund Appropriation	5,317,368		
Grant Revenue	153,307		
Compensation Appropriation	141,900		
Loss on Cancellation of SBITA agreement	(2,775)		
Total Revenues		5,922,726	
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	4,791,138		
Depreciation	284,079		
Total Per Financial Statements		5,075,217	
Deductions Unallowable Costs			
Provision for Losses	0		
Special Item Settlement Expense	0		
Less Capital Outlay \$5,000 or Greater	0		
Interest	(1,757)		
Other	0		
Total Deductions		(1,757)	
Additional Allowable Costs			
FY 2024 SWCAP Costs	11,042		
Other	0		
Total Additions		11,042	
Allowable Expenditures		5,084,502	
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(103,286)		
Total Adjustments		(103,286)	
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		\$752,606
Allowable Reserve (60 days)	(B)	789,111	
Excess Balance (A) - (B)		(36,505)	

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			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, 2024	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			1,474,860
ADJUSTMENTS:			
Deductions Unallowable Costs	(1,757)		
Additional Allowable Costs	11,042		
Imputed Interest Earnings	(103,286)		
Total Adjustments		(94,001)	
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		\$1,380,859

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)	\$2,133,465
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STATE OF NEW MEXICO
OFFICE OF THE STATE AUDITOR
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2023	\$1,567,484
B. Ending Cash Balance - Balance on June 30, 2024	2,257,936
C. Average FY 2024 Cash Balance ((A+B)/2)	1,912,710
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$103,286

PERA – PUBLIC EMPLOYEES RETIREMENT FUND

**State of New Mexico
FY 2026 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, 2024 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 37 and 38.
2. Exhibit B: Statements of Changes in Fiduciary Net Position - the statement is presented in PERA’s financial statements on pages 39 and 40.

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, 2024 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, 2024 for any fund.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024

	PUBLIC EMPLOYEE	JUDICIAL	MAGISTRATE	VOLUNTEER FIREFIGHTERS	DEFERRED COMP.	SSA PROGRAM	TOTAL
Assets:							
Cash	\$932,448,419	\$5,535,114	\$1,762,945	\$4,582,447	\$0	\$0	\$944,328,925
Cash & Cash Equivalents for 13th Ch	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Receivables							
Accrued Investment Income	\$83,470,441	\$495,511	\$157,822	\$410,226	\$0	\$0	84,534,000
Contributions Receivable	24,943,843	0	0	0	0	0	24,943,843
Participant Loans Receivable	0	0	0	0	10,526,512	0	10,526,512
Due from Other State Agencies	0	100,000	100,000	0	0	0	200,000
Accounts Receivable	0	0	0	0	25,000	0	25,000
Total Receivables	<u>108,414,284</u>	<u>595,511</u>	<u>257,822</u>	<u>410,226</u>	<u>10,551,512</u>	<u>0</u>	<u>120,229,355</u>
Investment In State General Fund Poc	35,769,843	13,646,541	443,651	351,991	20,473	1,243	50,233,742
Investments, at Fair Value							
Domestic Equity	3,586,961,514	21,292,665	6,781,760	17,627,911	0	0	3,632,663,850
International Equity	1,848,866,476	10,975,110	3,495,596	9,086,145	0	0	1,872,423,327
Core Fixed Income	3,291,318,000	19,537,688	6,222,796	16,174,988	0	0	3,333,253,472
Global Fixed Income	72,537,198	430,590	137,144	356,480	0	0	73,461,412
Public REIT	34,112,988	202,499	64,496	167,646	0	0	34,547,629
Derivatives	4,235,830	25,144	8,009	20,817	0	0	4,289,800
Commingled Funds - Credit	1,004,249,141	5,961,352	1,898,704	4,935,323	0	0	1,017,044,520
Commingled Funds - Equity	816,036	4,844	1,543	4,010	0	0	826,433
Absolute Return	752,223,800	4,465,297	1,422,207	3,696,760	0	0	761,808,064
Private Equity Partnership	2,900,023,504	17,214,913	5,482,987	14,251,995	0	0	2,936,973,399
Private Debt Partnership	409,735,905	2,432,245	774,675	2,013,623	0	0	414,956,448
Real Estate Equity Partnership	1,003,036,792	5,954,156	1,896,411	4,929,365	0	0	1,015,816,724
Real Estate Debt Partnership	105,760,013	627,805	199,957	519,751	0	0	107,107,526
Real Asset Partnership	1,380,091,501	8,192,401	2,609,296	6,782,381	0	0	1,397,675,579
Mutual Funds	0	0	0	0	460,177,570	0	460,177,570
LifeCycle Funds	0	0	0	0	247,523,475	0	247,523,475
Stable Value Option, at Contract V	0	0	0	0	120,488,552	0	120,488,552
Self Directed Option	0	0	0	0	12,499,787	0	12,499,787
Subtotal	<u>16,429,738,541</u>	<u>110,963,250</u>	<u>31,439,232</u>	<u>80,919,186</u>	<u>840,709,857</u>	<u>1,243</u>	<u>17,493,771,309</u>
Securities Lending Collateral	<u>558,865,679</u>	<u>3,317,498</u>	<u>1,056,630</u>	<u>2,746,513</u>	<u>0</u>	<u>0</u>	<u>565,986,320</u>
Total Investments	<u>16,988,604,220</u>	<u>114,280,748</u>	<u>32,495,862</u>	<u>83,665,699</u>	<u>840,709,857</u>	<u>1,243</u>	<u>18,059,757,629</u>
Capital Assets, Net	<u>10,881,676</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,881,676</u>
Total Assets	<u>18,040,348,599</u>	<u>120,411,373</u>	<u>34,516,629</u>	<u>88,658,372</u>	<u>851,261,369</u>	<u>1,243</u>	<u>19,135,197,585</u>
Liabilities:							
Accounts Payable - Brokers	98,908,659	587,138	187,005	486,082	0	0	100,168,884
Accounts Payable - Other	7,609,808	6,826	89,001	0	1,037	0	7,706,672
Accrued Expenses	192,348	0	0	0	2,189	1,243	195,780
Compensated Absences	648,228	0	0	0	12,666	0	660,894
Securities Lending Liability	558,853,443	3,317,422	1,056,605	2,746,451	0	0	565,973,921
Other Liabilities	2,135,003	0	0	0	0	0	2,135,003
Total Liabilities	<u>668,347,489</u>	<u>3,911,386</u>	<u>1,332,611</u>	<u>3,232,533</u>	<u>15,892</u>	<u>1,243</u>	<u>676,841,154</u>
Net Assets Held in Trust for Pension Benefits	<u>\$17,372,001,110</u>	<u>\$116,499,987</u>	<u>\$33,184,018</u>	<u>\$85,425,839</u>	<u>\$851,245,477</u>	<u>\$0</u>	<u>\$18,458,356,431</u>
Source of Information:							
PERA Financial Statements - Pages 37 and 38							

STATE OF NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AS OF JUNE 30, 2024

	PUBLIC EMPLOYEE	JUDICIAL	MAGISTRATE	VOLUNTEER FIREFIGHTERS	DEFERRED COMP.	SSA PROGRAM	TOTAL
Additions:							
Contributions							
Employer	\$521,673,943	\$5,494,483	\$1,418,998	\$0	\$0	\$0	\$528,587,424
Member	419,223,777	2,450,692	824,030	0	50,054,540	0	472,553,039
Appropriations State of New Mexico							
Public Employee/Judicial/Magistrat	0	1,200,000	1,200,000	0	0	0	2,400,000
Fire Protection Fund	0	0	0	750,000	0	0	750,000
Service Credits Purchased	9,451,232	0	0	0	0	0	9,451,232
Total Contributions	<u>950,348,952</u>	<u>9,145,175</u>	<u>3,443,028</u>	<u>750,000</u>	<u>50,054,540</u>	<u>0</u>	<u>1,013,741,695</u>
Investment Income (Loss)							
Interest	213,568,321	2,081,194	423,585	1,067,270	16,327,704	0	233,468,074
Dividends	85,288,741	498,094	162,862	418,694	0	0	86,368,391
Net Appreciation in Fair Value	902,701,736	5,315,317	1,711,907	4,458,312	75,302,474	0	989,489,746
Other Investment Income	197,312,353	1,151,786	376,794	968,637	965,970	0	200,775,540
Other Investment Expenses	(68,220,250)	(404,964)	(128,982)	(335,265)	0	0	(69,089,461)
Subtotal	<u>1,330,650,901</u>	<u>8,641,427</u>	<u>2,546,166</u>	<u>6,577,648</u>	<u>92,596,148</u>	<u>0</u>	<u>1,441,012,290</u>
Securities Lending Income	4,731,044	27,648	9,026	23,258	0	0	4,790,976
Securities Lending Expenses	(706,359)	(4,193)	(1,335)	(3,471)	0	0	(715,358)
Total Investment Income (Loss)	<u>1,334,675,586</u>	<u>8,664,882</u>	<u>2,553,857</u>	<u>6,597,435</u>	<u>92,596,148</u>	<u>0</u>	<u>1,445,087,908</u>
Other Income	2,335,165	0	0	125	100,000	0	2,435,290
General Fund Appropriation	0	0	0	0	0	55,700	55,700
Reversion	0	0	0	0	0	(38)	(38)
Total Additions	<u>2,287,359,703</u>	<u>17,810,057</u>	<u>5,996,885</u>	<u>7,347,560</u>	<u>142,750,688</u>	<u>55,662</u>	<u>2,461,320,555</u>
Deductions:							
Benefit Payments	1,445,275,717	13,776,366	5,030,051	2,949,230	68,955,149	0	1,535,986,513
Refunds to Terminated Employees	52,513,752	97,340	233,286	0	0	0	52,844,378
Administrative Expenses	16,398,881	97,350	31,006	80,595	2,105,127	55,662	18,768,621
Total Deductions	<u>1,514,188,350</u>	<u>13,971,056</u>	<u>5,294,343</u>	<u>3,029,825</u>	<u>71,060,276</u>	<u>55,662</u>	<u>1,607,599,512</u>
Change in Net Assets	<u>773,171,353</u>	<u>3,839,001</u>	<u>702,542</u>	<u>4,317,735</u>	<u>71,690,412</u>	<u>0</u>	<u>853,721,043</u>
Net Assets Held in Trust for							
Pension Benefits							
Beginning of the Year	16,598,829,757	112,660,986	32,481,476	81,108,104	779,555,065	0	17,604,635,388
Prior Period Adjustment	-	-	-	-	-	0	0
Beginning of the Year Restated	<u>16,598,829,757</u>	<u>112,660,986</u>	<u>32,481,476</u>	<u>81,108,104</u>	<u>779,555,065</u>	<u>0</u>	<u>17,604,635,388</u>
End of the Year	<u>\$17,372,001,110</u>	<u>\$116,499,987</u>	<u>\$33,184,018</u>	<u>\$85,425,839</u>	<u>\$851,245,477</u>	<u>\$0</u>	<u>\$18,458,356,431</u>
Source of Information:							
PERA Financial Statements - Pages 39 and 40							

DOIT ENTERPRISE SERVICES FUND

**State of New Mexico
FY 2026 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 52.
2. Exhibit B: Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds – the statement is presented in the DoIT Audit on page 53.

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) in the amount of \$26,441,585.
2. Non-operating transfers out to other funds – There was a non-operating transfer out of \$15,659,492 to the Equipment Replacement Fund during the fiscal year. This transfer is to establish funds for the future replacement and/or upgrading of equipment.
3. Non-operating transfers out to other state agencies – There were no non-operating transfers out during the fiscal year.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024.

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, 2024. 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, 2024

ENTERPRISE SERVICES (20310)

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
State General Fund Investment Pool	\$16,203,429
Accounts Receivable, Net	6,771,034
Other Receivables	0
Due from Other State Agencies	0
Due from Other Funds	0
Other Assets	0
Total Current Assets	<u>22,974,463</u>
Noncurrent Assets:	
Capital Assets (Net)	77,953,518
Total Noncurrent Assets	<u>77,953,518</u>
Total Assets	<u><u>\$100,927,981</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	\$1,487,013
Accrued Salaries and Benefits Payable	301,483
Compensated Absences - Current	913,243
Due to Components of the State	0
Due to Beneficiaries	0
Due to Other Funds	15,659,492
Current Portion of Lease Liability	224,603
Current Portion of IT Subscription Liability	464,579
Total Current Liabilities	<u>19,050,413</u>
Long Term Liabilities	
Lease Liability	4,141,742
IT Subscription Liability	2,181,210
Total Long Term Liabilities	<u>6,322,952</u>
Total Liabilities	<u>25,373,365</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	70,941,384
Restricted	4,613,232
Unrestricted	0
Total Net Assets	<u>75,554,616</u>
Total Liabilities and Net Assets	<u><u>\$100,927,981</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 52	

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

ENTERPRISE SERVICES (20310)

	FUND TOTAL
Operating Revenues	
Service Fees/Premiums	\$54,504,237
Other Revenue	49,380
Total Operating Revenues	<u>54,553,617</u>
Operating Expenses	
Current Expenses	
Personal Services	13,540,469
Contractual Services	2,623,374
Other Costs	27,545,155
Total Current Expenses	<u>43,708,998</u>
Depreciation	
Depreciation	18,480,463
Total Operating Expenses	<u>62,189,461</u>
Operating Income (Loss)	<u>(7,635,844)</u>
Non-Operating (Expenses)	
Investment Income	0
Loss on Disposal of Capital Assets	(7,186)
Interest Expense	0
Total Non-Operating	<u>(7,186)</u>
Other Financing Sources (Uses)	
State General Fund Appropriations	0
Transfers In:	
Transfer of Capital Assets	26,441,585
Internal Transfer	<u>0</u>
Total Transfers In	26,441,585
Transfers Out:	
Program Support Assessment	0
Equipment Replacement	(15,659,492)
Other - GSD Insurance Funds 56100 & 75200	<u>0</u>
Total Transfers Out	(15,659,492)
Transfers From Other Agencies	0
FY21 Reversion	0
Total Other Financing Sources	<u>10,782,093</u>
Change in Net Assets	3,139,063
Net Assets - Beginning of Year, as Previously Reported	72,415,553
Restatement/Adjustment	0
Net Assets - End of Year	<u>\$75,554,616</u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 53	

STATE OF NEW MEXICO
ENTERPRISE SERVICES (20310)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to 2 CFR Part 200			(\$52,514,934)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$54,504,237		
Other Revenue	49,380		
Total Revenues			54,553,617
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	43,708,998		
Depreciation	18,480,463		
Loss on Disposal of Capital Assets	7,186		
Internal Fund Transfers - Program Support (Fund 20320)	0		
Internal Fund Transfers - Equip. Replacement (Fund 96880)	15,659,492		
Transfers to Other Agencies - GSD Insurance	0		
Total Per Financial Statements	77,856,139		
Deductions Unallowable Costs			
Bad Debt Expense	0		
Transfers - Equipment Replacement Fund	(15,659,492)		
Total Deductions		(15,659,492)	
Additional Allowable Costs			
FY 2024 SWCAP Costs	597,544		
Depreciation DOIT Governmental Activities	0		
Other	0		
Total Additions		597,544	
Allowable Costs			62,794,191
Adjustments:			
Prior Period Adjustments			
Imputed Interest Earnings (Exhibit E)		(1,060,756)	
Total Adjustments			(1,060,756)
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$59,694,752)
Allowable Reserve (60 days / 365 days)	(B)		7,284,448
Excess Balance (A) - (B)			(66,979,201)
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			
TOTAL CONTRIBUTED CAPITAL BALANCE			160,040,134
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfer In - Transfer of Capital Assets	26,441,585		
Plus: Transfer from Other Agency	0		
Less: Transfers Out	0		
Net Transfers		26,441,585	
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		\$186,481,719
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2023			
TOTAL ADJUSTMENTS BALANCE			(35,109,646)
ADJUSTMENTS:			
Deductions Unallowable Costs	(15,659,493)		
Additional Allowable Costs	597,544		
Prior Year Restatement	0		
Imputed Interest Earnings	(1,060,756)		
Total Adjustments		(16,122,705)	
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		(\$51,232,351)
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)	\$75,554,616

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

ENTERPRISE SERVICES (20310)

DESCRIPTION	TOTAL FUND
A. Beginning Cash Balance - Balance on July 1, 2023	\$23,083,832
B. Ending Cash Balance - Balance on June 30, 2024	\$16,203,429
C. Average FY 2024 Cash Balance ((A+B)/2)	19,643,631
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$1,060,756

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

EXHIBIT E

PROFIT/LOSS ANALYSIS BY BILLABLE SERVICE
AS OF JUNE 30, 2024

BILLABLE SERVICE	REVENUES			2 CFR PART 200			PROFIT (LOSS)
	PER FINANCIAL	IMPUTED INTEREST *	TOTAL	OPERATING	DEPREC.	TOTAL	
COMMUNICATIONS SERVICES							
Telephone Services							
Dial Tone	\$1,489,507	\$28,962	\$1,518,469	\$1,714,817	\$383,924	\$2,098,741	(\$580,272)
Basic Deskset	4,501,926	87,537	4,589,463	4,871,473	1,160,382	6,031,854	(1,442,392)
Reception Phone	47,174	917	48,091	49,719	12,159	61,878	(13,788)
Telephone Moves, Add, & Changes	194,723	3,786	198,509	201,215	50,190	251,405	(52,896)
Misc Equip & Supplies	-	-	-	-	-	-	-
Long Distance Toll	147,440	2,867	150,307	339,954	38,003	377,957	(227,651)
Toll Free Service	199,453	3,878	203,331	346,207	51,410	397,617	(194,285)
Toll Miscellaneous	-	-	-	-	-	-	-
Automatic Call Distribution	201,276	3,914	205,190	(43,916)	51,879	7,964	197,226
Conference Calling (instant meeting)	31,533	613	32,146	22,708	8,128	30,836	1,310
Conference Calling (standard)	-	-	-	-	-	-	-
Conference Calling - Misc	-	-	-	-	-	-	-
VA-IVR	11,483	223	11,706	5,004	2,960	7,964	3,743
VA-Estimated Wait Time	-	-	-	-	-	-	-
VA Speech Recognition	-	-	-	-	-	-	-
Voice Recording	15,000	292	15,292	4,097	3,866	7,964	7,328
Voice Miscellaneous	-	-	-	-	-	-	-
Misc Telephone Charges	20,945	407	21,353	2,583	5,399	7,982	13,371
Voice Mail	989,498	19,240	1,008,738	1,071,723	255,045	1,326,769	(318,030)
Subtotal	<u>7,849,958</u>	<u>152,637</u>	<u>8,002,595</u>	<u>8,585,587</u>	<u>2,023,345</u>	<u>10,608,931</u>	<u>(2,606,336)</u>
Wireless Services							
Unlimited Push-to-Talk	-	-	-	-	-	-	-
Basic Access Fee	174,160	3,386	177,546	129,614	44,890	174,504	3,042
Enhanced Access Fee	-	-	-	-	-	-	-
PDA Access Fee	9,892,675	192,356	10,085,031	7,057,783	2,549,860	9,607,643	477,388
Broadband Access Fee	1,688,360	32,829	1,721,189	1,217,553	435,179	1,652,731	68,458
PDA Data Only	-	-	-	-	-	-	-
Wireless Equipment	766,180	14,898	781,078	401,739	197,485	599,224	181,854
Data Tethering Service	-	-	-	-	-	-	-
Subtotal	<u>12,521,375</u>	<u>243,469</u>	<u>12,764,844</u>	<u>8,806,689</u>	<u>3,227,413</u>	<u>12,034,102</u>	<u>730,742</u>
Radio and Microwave Services							
Local Base	-	-	-	-	-	-	-
Remote Base	-	-	-	-	-	-	-
Base Station	2,622,106	50,985	2,673,091	1,527,265	1,040,228	2,567,493	105,597
Single Channel Console	23,544	458	24,002	13,691	9,340	23,032	970
Multi-Channel Console	409,459	7,962	417,421	238,658	162,438	401,097	16,324
Mobile Radio	2,751,993	53,511	2,805,504	1,616,151	1,091,756	2,707,907	97,596
Mobile Radio with Repeater	1,177,154	22,889	1,200,043	827,426	466,994	1,294,421	(94,378)
Mobile Repeater Only	-	-	-	-	-	-	-
Radio Pager	-	-	-	-	-	-	-
Radio Maintenance	99,443	1,934	101,377	56,052	39,451	95,503	5,874
Portable Radio	5,568,375	108,273	5,676,648	3,284,405	2,209,057	5,493,462	183,186
Telemotes	6,023	117	6,140	(2,389)	2,389	-	6,140
DTRS Subscription	5,580	108	5,688	(2,214)	2,214	-	5,688
RS Misc	4,470	87	4,557	(1,773)	1,773	-	4,557
Subtotal	<u>12,668,147</u>	<u>246,323</u>	<u>12,914,470</u>	<u>7,557,274</u>	<u>5,025,642</u>	<u>12,582,915</u>	<u>331,554</u>
Data Network Services							
WAN Data Circuits	7,092,298	137,905	7,230,202	5,247,158	1,828,056	7,075,214	154,988
NS-WAN 3-7 MEG	-	-	-	-	-	-	-
NS-WAN MES Core	-	-	-	-	-	-	-
NS WAN Core Shared	-	-	-	-	-	-	-
NS WAN MES 10 MEG	-	-	-	-	-	-	-
NS WAN MES 100 MEG	-	-	-	-	-	-	-
Netwrk Engineering and Design	-	-	-	-	-	-	-
Internet Access Service	311,920	6,065	317,985	147,537	80,398	227,935	90,050
Spaceport Direct	-	-	-	-	-	-	-
Subtotal	<u>7,404,217</u>	<u>143,970</u>	<u>7,548,187</u>	<u>5,394,695</u>	<u>1,908,454</u>	<u>7,303,149</u>	<u>245,038</u>
Subtotal Communications	<u>40,443,697</u>	<u>786,399</u>	<u>41,230,096</u>	<u>30,344,244</u>	<u>12,184,854</u>	<u>42,529,098</u>	<u>(1,299,002)</u>

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

EXHIBIT E

PROFIT/LOSS ANALYSIS BY BILLABLE SERVICE
AS OF JUNE 30, 2024

BILLABLE SERVICE	REVENUES			2 CFR PART 200			PROFIT (LOSS)
	PER FINANCIAL	IMPUTED INTEREST *	TOTAL	OPERATING	DEPREC.	TOTAL	
INFORMATION SYSTEMS SERVICES							
Mainframe Services							
General CPU	-	-	-	-	-	-	-
Database CPU	-	-	-	-	-	-	-
CICS CPU	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
Disk Occupancy	-	-	-	-	-	-	-
Tape Occupancy	-	-	-	-	-	-	-
Print Pages	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
Open Systems							
Winserver Dedicated	-	-	-	-	-	-	-
Rack Unit Fee	547,642	10,648	558,290	327,125	141,156	468,281	90,009
Server System Administration	-	-	-	-	-	-	-
San Storage	23,241	452	23,693	473,087	5,990	479,078	(455,385)
Open Systems Backup	-	-	-	-	-	-	-
Subtotal	570,883	11,100	581,983	800,212	147,146	947,359	(365,376)
Enterprise Application Services							
Mailbox Fee	-	-	-	-	-	-	-
Mailbox Extra Storage	-	-	-	-	-	-	-
Email Encryption	-	-	-	-	-	-	-
Blackberry Service	-	-	-	-	-	-	-
File & Print Service	324,940	6,318	331,258	29,265	83,754	113,019	218,240
Agency Application System Developm	36,012	700	36,712	240,214	9,282	249,496	(212,784)
Agency Application Systems Maint.	-	-	-	-	-	-	-
Managed Desktop	-	-	-	-	-	-	-
Application Systems Development	-	-	-	-	-	-	-
Wireless LAN	89,744	1,745	91,489	46,261	23,132	69,393	22,096
Certiclear	-	-	-	-	-	-	-
Application Hosting Service Fee	-	-	-	-	-	-	-
Cloud Server	142,020	2,761	144,781	10,045	36,606	46,651	98,131
Cloud Server Memory	374,220	7,276	381,496	(20,190)	96,456	76,266	305,231
Cloud Server Storage	286,138	5,564	291,702	(10,854)	73,753	62,899	228,803
Web Hosting Service Fee	6,150	120	6,270	(1,585)	1,585	-	6,270
Virtual Private Network	101,724	1,978	103,702	39,812	26,220	66,031	37,671
Data Center Miscellaneous	-	-	-	-	-	-	-
EM Digital Workspace Adv	8,153,240	158,534	8,311,774	7,865,347	2,101,516	9,966,863	(1,655,089)
EM Digital Workspace Basic	479,731	9,328	489,059	1,087,777	123,652	1,211,428	(722,369)
Kiteworks	84,163	1,636	85,799	143,444	21,693	165,137	(79,338)
Application Development Misc	-	-	-	-	-	-	-
Cloud Misc	-	-	-	-	-	-	-
Managed Applications Misc	1,137,667	22,121	1,159,788	970,109	293,236	1,263,345	(103,557)
Subtotal	11,215,748	218,082	11,433,830	10,399,643	2,890,885	13,290,528	(1,856,697)
Other Services							
Adobe	924,665	17,979	942,644	(112,523)	238,335	125,812	816,832
E Signature	284,369	5,529	289,898	320,600	73,297	393,897	(103,999)
Victim Notification Service	484,869	9,428	494,297	443,006	124,976	567,982	(73,685)
Subtotal	1,693,903	32,937	1,726,839	651,084	436,607	1,087,691	639,148
Subtotal Information Systems	13,480,533	262,119	13,742,653	11,850,939	3,474,638	15,325,577	(1,582,925)
Other							
Prior Year Adjustments	(12,983)	(252)	(13,236)	-	-	-	(13,236)
Equipment Sale/Reimbursement	-	-	-	-	-	-	-
Allowance for Doubtful Accounts	592,990	11,530	604,520	-	-	-	604,520
Ammortization	-	-	-	-	1,891,132	1,891,132	(1,891,132)
Depr GASB96	-	-	-	-	938,781	938,781	(938,781)
Lease Interest	-	-	-	146,089	-	146,089	(146,089)
Other	49,380	960	50,340	1,972,456	(8,941)	1,963,515	(1,913,175)
Subtotal Other	629,386	12,238	641,624	2,118,545	2,820,971	4,939,516	(4,297,892)
Grand Total	54,553,617	1,060,756	55,614,373	44,313,728	18,480,463	62,794,191	(7,179,818)

* 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 2023 ENDING BALANCE	FY 2024 PROFIT/LOSS EXHIBIT D	FY 2024 ENDING BALANCE	2 CFR PART 200		FY 2024 EXCESS BALANCE
				FY 2024 OPERATING COSTS EXHIBIT E	ALLOWABLE RESERVE 60 DAYS DIVIDED BY 365	
COMMUNICATIONS SERVICES						
Telephone Services						
Dial Tone	(\$822,676)	(\$580,272)	(\$1,402,948)	\$1,714,817	\$281,888	(\$1,684,836)
Basic Deskset	(3,703,819)	(1,442,392)	(5,146,211)	4,871,473	800,790	(5,947,001)
Reception Phone	(34,295)	(13,788)	(48,083)	49,719	8,173	(56,256)
Telephone Moves, Add, & Changes	(685,504)	(52,896)	(738,400)	201,215	33,076	(771,476)
Misc Equip & Supplies	0	0	0	0	0	0
Long Distance Toll	(773,067)	(227,651)	(1,000,718)	339,954	55,883	(1,056,601)
Toll Free Service	(1,596,034)	(194,285)	(1,790,319)	346,207	56,911	(1,847,230)
Toll Miscellaneous	1,171	0	1,171	0	0	1,171
Automatic Call Distribution	356,178	197,226	553,404	(43,916)	(7,219)	560,623
Conference Calling (unattended)	85,210	1,310	86,520	22,708	3,733	82,787
Conference Calling (standard)	16	0	16	0	0	16
Conference Calling - Misc	(34,258)	0	(34,258)	0	0	(34,258)
VA-IVR	43,046	3,743	46,789	5,004	823	45,966
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	30,304	7,328	37,632	4,097	674	36,958
Voice Miscellaneous	339,888	0	339,888	0	0	339,888
Misc Telephone Charges	12,483	13,371	25,854	2,583	425	25,429
Voice Mail	(1,007,136)	(318,030)	(1,325,166)	1,071,723	176,174	(1,501,340)
Subtotal	(7,873,151)	(2,606,336)	(10,479,487)	8,585,587	1,411,329	(11,890,816)
Wireless Voice Services						
Unlimited Push-to-Talk	(1,269)	0	(1,269)	0	0	(1,269)
Basic Access Fee	(43,010)	3,042	(39,968)	129,614	21,306	(61,274)
Enhanced Access Fee	(68,938)	0	(68,938)	0	0	(68,938)
PDA Access Fee	4,100,775	477,388	4,578,163	7,057,783	1,160,184	3,417,980
Broadband Access Fee	633,360	68,458	701,818	1,217,553	200,146	501,672
PDA Data Only	(5,658)	0	(5,658)	0	0	(5,658)
Wireless Equip. and Misc. Charges	69,427	181,854	251,281	401,739	66,039	185,242
Data Tethering Service	(20,733)	0	(20,733)	0	0	(20,733)
Subtotal	4,663,954	730,742	5,394,696	8,806,689	1,447,675	3,947,022
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	(121,297)	105,597	(15,699)	1,527,265	251,057	(266,757)
Single Channel Console	(64,991)	970	(64,020)	13,691	2,251	(66,271)
Multi-Channel Console	(145,968)	16,324	(129,644)	238,658	39,232	(168,876)
Mobile Radio	(371,970)	97,596	(274,374)	1,616,151	265,669	(540,042)
Mobile Radio with Repeater	(597,877)	(94,378)	(692,255)	827,426	136,015	(828,270)
Mobile Repeater Only	(383,229)	0	(383,229)	0	0	(383,229)
Radio Pager	(72,369)	0	(72,369)	0	0	(72,369)
Maintenance of Equipment	(123,313)	5,874	(117,439)	56,052	9,214	(126,653)
Portable Radio	(36,214)	183,186	146,972	3,284,405	539,902	(392,931)
Telemotes	2,490	6,140	8,630	(2,389)	(393)	9,023
DTRS Subscription	1,339,931	5,688	1,345,619	(2,214)	(364)	1,345,983
RS Misc	-	4,557	4,557	(1,773)	(292)	4,848
Subtotal	(1,805,021)	331,554	(1,473,467)	7,557,274	1,242,292	(2,715,758)
Data Network Services						
WAN Data Circuits	(6,837,657)	154,988	(6,682,669)	5,247,158	862,547	(7,545,216)
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	336	0	336	0	0	336
Internet Access Service	(252,780)	90,050	(162,731)	147,537	24,253	(186,983)
Spaceport Direct	394	0	394	0	0	394
Subtotal	(7,223,446)	245,038	(6,978,409)	5,394,695	886,799	(7,865,208)

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
ANALYSIS OF FUND BALANCES BY SERVICE

CURRENT SERVICE TITLE	FY 2023 ENDING BALANCE	FY 2024 PROFIT/LOSS EXHIBIT D	FY 2024 ENDING BALANCE	2 CFR PART 200		FY 2024 EXCESS BALANCE
				FY 2024 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	(581,238)	0	(581,238)	0	0	(581,238)
Subtotal Communications	(12,818,902)	(1,299,002)	(14,117,904)	30,344,244	4,988,095	(19,105,999)
INFORMATION SYSTEMS SERVICES						
Mainframe Services						
General CPU	(5,673,343)	0	(5,673,343)	0	0	(5,673,343)
Database CPU	(461,163)	0	(461,163)	0	0	(461,163)
CICS CPU	374,106	0	374,106	0	0	374,106
Subtotal	(5,760,400)	0	(5,760,400)	0	0	(5,760,400)
Disk Occupancy	(806,648)	0	(806,648)	0	0	(806,648)
Tape Occupancy	(2,012,393)	0	(2,012,393)	0	0	(2,012,393)
Print Pages	(3,822,081)	0	(3,822,081)	0	0	(3,822,081)
Subtotal	(6,641,122)	0	(6,641,122)	0	0	(6,641,122)
Open Systems						
Winserver Dedicated	(200,208)	0	(200,208)	0	0	(200,208)
Rack Unit Fee	(1,305,756)	90,009	(1,215,747)	327,125	53,774	(1,269,521)
Server System Administration	(1,018,536)	0	(1,018,536)	0	0	(1,018,536)
San Storage	(1,217,947)	(455,385)	(1,673,332)	473,087	77,768	(1,751,100)
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	(4,879,671)	(365,376)	(5,245,047)	800,212	131,542	(5,376,588)
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	(2,946,640)	218,240	(2,728,400)	29,265	4,811	(2,733,211)
Agency Application Systems Development	(51,622)	(212,784)	(264,406)	240,214	39,487	(303,893)
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	385	0	385	0	0	385
Wireless LAN	71,213	22,096	93,309	46,261	7,605	85,704
Certiclear	34	0	34	0	0	34
Application Hosting Service Fee	(129,819)	0	(129,819)	0	0	(129,819)
Cloud Server	(350,031)	98,131	(251,900)	10,045	1,651	(253,552)
Cloud Server Memory	121,550	305,231	426,781	(20,190)	(3,319)	430,100
Cloud Server Storage	(448,783)	228,803	(219,980)	(10,854)	(1,784)	(218,196)
Web Hosting Service Fee	(218,797)	6,270	(212,527)	(1,585)	(261)	(212,267)
Virtual Private Network	96,170	37,671	133,841	39,812	6,544	127,296
Data Center Miscellaneous	(1,520)	0	(1,520)	0	0	(1,520)
EM Digital Workspace Adv	1,671,769	(1,655,089)	16,680	7,865,347	1,292,934	(1,276,254)
EM Digital Workspace Basic	300,668	(722,369)	(421,701)	1,087,777	178,813	(600,514)
Kiteworks	-	(79,338)	(79,338)	143,444	23,580	(102,918)
Application Development Misc	(5,709)	0	(5,709)	0	0	(5,709)
Cloud Misc	(441,349)	0	(441,349)	0	0	(441,349)
Managed Applications Misc	174,302	(103,557)	70,745	970,109	159,470	(88,725)
Subtotal	(5,643,491)	(1,856,697)	(7,500,188)	10,399,643	1,709,530	(9,209,719)

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY

ENTERPRISE SERVICES (20310)
ANALYSIS OF FUND BALANCES BY SERVICE

CURRENT SERVICE TITLE	FY 2023 ENDING BALANCE	FY 2024 PROFIT/LOSS EXHIBIT D	FY 2024 ENDING BALANCE	2 CFR PART 200		FY 2024 EXCESS BALANCE
				FY 2024 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	(406,161)	816,832	410,671	(112,523)	(18,497)	429,168
E Signature	(1,099,230)	(103,999)	(1,203,229)	320,600	52,701	(1,255,930)
Victim Notification Service	(408,882)	(73,685)	(482,567)	443,006	72,823	(555,390)
Exadata	(2,054,988)	0	(2,054,988)	0	0	(2,054,988)
Training	71	0	71	0	0	71
Subtotal	<u>(4,311,385)</u>	<u>639,148</u>	<u>(3,672,237)</u>	<u>651,084</u>	<u>107,027</u>	<u>(3,779,264)</u>
Abandoned and Non Billed Services						
Storage Server Fee	(175,062)	0	(175,062)		0	(175,062)
Discontinued Services	(12,114,398)	0	(12,114,398)		0	(12,114,398)
Non Billed Services	<u>13,223,535</u>	<u>0</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>(26,301,994)</u>	<u>(1,582,925)</u>	<u>(27,884,919)</u>	<u>11,850,939</u>	<u>1,948,100</u>	<u>(29,833,019)</u>
Other						
Prior Year Adjustments	(9,850,042)	(13,236)	(9,863,278)	0	0	(9,863,278)
Equipment Sale/Reimbursement	182,837	0	182,837	0	0	182,837
Misc	(62,095)	0	(62,095)	0	0	(62,095)
Allowance for Doubtful Accounts	-	604,520	604,520	0	0	604,520
Ammortization	-	(1,891,132)	(1,891,132)	0	0	(1,891,132)
Depr GASB96	-	(938,781)	(938,781)	0	0	(938,781)
Lease Interest	-	(146,089)	(146,089)	146,089	24,015	(170,104)
Other	<u>(3,664,738)</u>	<u>(1,913,175)</u>	<u>(5,577,913)</u>	<u>1,972,456</u>	<u>324,239</u>	<u>(5,902,152)</u>
Subtotal Other	<u>(13,394,038)</u>	<u>(4,297,892)</u>	<u>(17,691,930)</u>	<u>2,118,545</u>	<u>348,254</u>	<u>(18,040,184)</u>
	<u>(\$52,514,934)</u>	<u>(\$7,179,818)</u>	<u>(\$59,694,753)</u>	<u>\$44,313,728</u>	<u>\$7,284,448</u>	<u>(\$66,979,201)</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 2024 BILLING RATES

Rate Code	SERVICE	BILLING UNIT DESCRIPTION	BILLING RATE FY 2024
ADOBE	Adobe License	User Per Month	\$5.00
APPDEV	Application Development & Design	Per Hour + Materials	\$90.00
APPDEVMSI	Application Development & Design - Misc	Actual Cost	Actual Cost
AppSysM	Application System Maintenance	Actual Cost	Actual Cost
CLINK_CHG	Centurylink Charge	Actual Cost	Actual Cost
COLoc	Rack Unit Fee	Rack Unit Per Month	\$17.60
DCMISC	Data Center Misc	Actual Cost	Actual Cost
DedCount	Windows Server Dedicated	Server Per Month	\$550.00
DWADV	Digital Workspace (Office 365 Advance)	Mailbox Per Month	\$36.59
DWBAS	Digital Workspace (Office 365 Basic)	Mailbox Per Month	\$9.50
E911MC	E911 Misc Charge	Actual Cost	Actual Cost
Esign	Electronic Signature Service (DocuSign)	Per Envelope	\$1.50
FNP	File & Print Service	User Per Month	\$27.50
ITRGEN	Internet Access Service	FTE Per Month	\$1.14
KITEWKS	Kiteworks	User Per Month	\$17.25
MAC	Telephone Moves, Adds, & Changes	Per Hour	\$117.00
MAMSC	Managed Apps Misc	Actual Cost	Actual Cost
NETENG	Netwrk Engineering Service	Per Hour	\$88.00
RADIOMSC	Radio Services Misc	Actual Cost	Actual Cost
RS-BAS	Radio Base Station	Device Per Month	\$635.20
RS-CONTR	Contract Charge	Contract Amount	Actual Cost
RS-DTRS	Digital Trunked Radio Service	Device Per Month	\$20.00
RS-MCC	Multi-Channel Console	Device Per Month	\$1,699.00
RS-MR	Mobile Radio	Device Per Month	\$83.50
RS-PR	Portable Radio	Device Per Month	\$155.00
RS-RPT	Mobile Repeater	Device Per Month	\$169.79
RS-SCC	Single Channel Console	Device Per Month	\$654.00
RS-TM	Telemote	Device Per Month	\$83.65
SHRDEV	SHARE Agency Specific Design	Per Hour Plus Material	\$150.00
SSACount	Windows Server Admin	Server Per Month	\$450.00
ST1Stor	Cloud Storage	GB Storage Per Month	\$0.21
TapeBKIO	Open Systems Backup	GB Storage Per Month	\$2.39
TOLLFR	Toll Free Service	Per Minute	\$0.05
TOLLDD	Long Distance	Per Minute	\$0.05
TOLLMC	Toll Misc Charges	Actual Cost	Actual Cost
VAACD	Automatic Call Distribution	Agent Per Month	\$36.00
VAIVR	IVR	Per Call	\$0.08
VASRGN	Speech Recognition	Per Month	\$45.50
VCFMSC	Conference Call Additional Features	Actual Cost	Actual Cost
VCFUAT	Conference Call Instant Meeting	Port Per Minute	\$0.03
VINE	Victim Notification Service	Per Year Per Agency	\$1.00
VMSK	VM Total Disk Allocated (GBs)	GB Storage Per Month	\$0.26
VMMEM	VM Memory	GB of Ram Per Month	\$13.50
VMNUM	VM Number of CPUs	CPU Per Month	\$36.00
VO800	Qwest EZ Route	Line Per Month	\$52.50
VOAL	Additional Dir Listing	Number Per Month	\$2.50
VOCONC	VHT Concierge	Actual Cost	Actual Cost
VOCR	Cross Ref Dir List	Number Per Month	\$4.50
VODIAL	Dial Tone	Basic Dial Tone (Fax Line) Per Month	\$29.15
VODLST	LEC Directory Listing	Number Per Month	\$3.00
VODTO	Direct Term Ovfl	Line Per Month	\$10.00
VOFL	Foreign Listing	Number Per Month	\$4.50
VOINCP	Intercept	Line Per Month	\$7.00
VOIP	Clink SIP/VOIP	Number Per Month	\$34.15
VOMAIL	Voice Mail	Mail Box Per Month	\$8.80
VOMISC	Voice Misc	Actual Cost	\$1.00
VOQ8XX	Qwest 8XX % Feature	Per Month	\$10.00
VORC	Voice Monitoring & Recording	Per Month	\$15.00
VORCM	Voice Monitoring	Per Month	\$15.00
VORCR	Voice Recording	Per Month	\$15.00
VORECP	Reception Phone	Device Per Month	\$49.50
VOSET	Basic Deskset	Desk Telephone Per Month	\$33.00
VPN	Virtual Private Network	Per User Per Month	\$12.25
WANCON	WAN Edge Connection Circuit	Actual Cost	Actual Cost
WBHST	Static Web Page Hosting	Site Per Month	\$50.00
WebCount	Application Hosting Service Fee	Application Per Month	\$235.06
WIRARC	Broadband Access Fee	Line Per Month	\$40.00
WIRBAS	Basic Cellular Service	Line Per Month	\$35.00
WIRMSC	Wireless Equipment and Misc Charges	Actual Charges	Actual Cost
WIRPDA	Smartphone	Line Per Month	\$65.00
WLAN	Wireless LAN	29Connection Point Per Month	\$56.16

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

**State of New Mexico
FY 2026 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 52.
2. Exhibit B: Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds - the statement is presented in the DoIT Audit on page 53.

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 \$906,319 in FY 2024. 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 \$3,633,240 to the Equipment Replacement Fund (96870) during the fiscal year. This transfer is to establish funds for future replacement and/or upgrading to SHARE.
3. Non-operating transfers out to other state agencies – There were no non-operating transfers out to other state agencies during the fiscal year

IV. Prior Year Adjustments

There were no prior period adjustments in FY 2024.

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, 2024 was \$360.00. 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, 2024

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

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$8,248,933
Accounts Receivable, Net	1,218
Due from Other State Agencies	0
Due from Other Funds	0
Other Assets	0
Total Current Assets	8,250,151
Noncurrent Assets:	
Capital Assets, Net	12,321,375
Construction in Progress	0
Other	0
Total Noncurrent Assets	12,321,375
Total Assets	\$20,571,526
Liabilities:	
Current Liabilities	
Accounts Payable	160,573
Accrued Salaries and Benefits Payable	4,979
Compensated Absences	16,116
Due to Other Funds	3,633,240
Total Current Liabilities	3,814,908
Noncurrent Liabilities	
Compensated Absences Payable	0
Total Liabilities	3,814,908
Net Assets:	
Invested in Capital Assets, Net of Related Debt	12,321,375
Restricted	4,435,243
Total Net Assets	16,756,618
Total Liabilities and Net Assets	\$20,571,526
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 52	

STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

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

		FUND TOTAL
Operating Revenues		
User Fees		\$9,090,233
Other Revenue		0
Total Operating Revenues		<u>9,090,233</u>
Operating Expenses		
Current Expenses		
Personal Services	\$1,934,674	
Contractual Services	1,962,951	
Other Costs	<u>2,115,154</u>	6,012,779
Depreciation		3,633,240
Capital Outlays		0
Total Operating Expenses		<u>9,646,019</u>
Operating Income (Loss)		<u>(555,786)</u>
Other Financing Sources (Uses)		
State General Fund Appropriations		0
Transfers In:		
Interfund Transfer of Capital Assets		906,319
Transfers Out:		
Program Support Assessment (Fund 20320)	0	
Equipment Replacement (Fund 96870)	(3,633,240)	
Other - General Services Department Insurance Funds 56100 & 75200	<u>0</u>	(3,633,240)
Total Other Financing Sources		<u>(2,726,921)</u>
Change in Net Assets		(3,282,707)
Total Net Assets - Beginning of Year		20,039,325
Prior Period Adjustment		<u>0</u>
Total Net Assets - End of Year		<u><u>\$16,756,618</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 53		

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, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to 2 CFR Part 200			\$5,007,539
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$9,090,233		
Other Revenue	0		
Other	0		
Total Revenues			9,090,233
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	6,012,779		
Depreciation	3,633,240		
Internal Fund Transfers - Program Support (Fund 20320)	0		
Internal Fund Transfers - Equip. Replacement (Fund 96870)	3,633,240		
Transfers to Other Agencies - GSD Insurance	0		
		13,279,259	
Deductions Unallowable Costs			
Provision for Losses	0		
Less Transfer to Equip. Replacement Fund 96870	(3,633,240)		
Total Deductions		(3,633,240)	
Additional Allowable Costs			
FY 2024 SWCAP Costs	85,378		
Other	0		
Total Additions		85,378	
Allowable Expenditures			9,731,397
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(464,195)		
Total Adjustments		(464,195)	
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		\$4,830,570
Allowable Reserve (60 days)	(B)		1,002,437
Excess Balance (A) - (B)			3,828,133

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			60,477,860
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In			
State General Fund Appropriations	0		
Internal Transfer of Capital Assets	906,319		
Less: Transfers Out	0		
Net Transfers			906,319
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		\$61,384,179

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			(45,446,073)
ADJUSTMENTS:			
Deductions Unallowable Costs	(3,633,240)		
Additional Allowable Costs	85,378		
Imputed Interest Earnings	(464,195)		
Total Adjustments		(4,012,057)	
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		(\$49,458,130)

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)		\$16,756,618
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STATE OF NEW MEXICO
DEPARTMENT OF INFORMATION TECHNOLOGY
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

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, 2023	\$8,943,479
B. Ending Cash Balance - Balance on June 30, 2024	8,248,933
C. Average FY 2024 Cash Balance ((A+B)/2)	8,596,206
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$464,195

GSD - PROGRAM SUPPORT

**State of New Mexico
FY 2026 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 70 and 72.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 74.

III. Non-Operating Transfers

1. Non-operating transfers in from other funds – There was an Intra-Agency transfer in for capital assets (\$7530) in during the fiscal year ended June 30, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There was no prior year adjustment during the fiscal year ended June 30, 2024.

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, 2024.

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, 2024. 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, 2024

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

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$2,687,785
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	2,687,785
Noncurrent Assets:	
Capital Assets	1,251,416
Accumulated Depreciation	(998,537)
Land	0
Total Noncurrent Assets	252,879
Total Assets	\$2,940,664
Liabilities:	
Current Liabilities	
Claims Payable	\$0
Accounts Payable	111,628
Deferred Revenue	0
Accrued Expenses	83,923
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	267,965
Current Portion of Lease Liabilities	6,855
Total Current Liabilities	470,371
Long-Term Liabilities	
Compensated Absences Payable	17,235
Lease Liabilities	9,155
Total Long Term Liabilities	26,390
Total Liabilities	496,761
Net Assets:	
Invested in Capital Assets, Net of Related Debt	236,869
Unrestricted	2,207,034
Total Net Assets	2,443,903
Total Liabilities and Net Assets	\$2,940,664
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 & 72	

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024**

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
Other Revenue		0
Total Operating Revenues		<u>0</u>
Operating Expenses		
Current Expenses		
Personal Services	\$2,809,633	
Employee Benefits	1,073,168	
Professional Fees	296,321	
Travel	2,317	
Transportation	8,255	
Maintenance and Repairs	316,048	
Supplies	20,728	
Lease Interest	85	
Contractual Services	130,449	
Other Costs	<u>240,129</u>	4,897,133
Depreciation		157,692
Amortization		6,341
Capital Outlays		0
Total Operating Expenses		<u>5,061,166</u>
Operating Income (Loss)		<u>(5,061,166)</u>
Non Operating Revenues (Expenses)		
Intra-agency transfers		
Transfer In for administrative services	5,160,300	
Transfer In for Capital Assets	7,530	
Transfer Out for Services	0	
Transfer Out Capital Assets	<u>0</u>	5,167,830
Other Financing Sources		
Other State Agency		
Other State Agency Transfer In - Capital Asset	<u>0</u>	0
Other Financing (Uses)		
Other State Agency Transfer Out - Capital Asset	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>5,167,830</u>
Income Before Transfers		<u>106,664</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		106,664
Net Assets - Beginning of Year, as Previously Reported		2,337,239
Adjustments Applicable to Prior Year		
Net Assets - End of Year		<u><u>\$2,443,903</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 74		

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, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$116,279)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue - Inter-agency Mail Services		\$0	
Other Revenue		0	
Intra-agency Transfers In		5,167,830	
Other Financing Sources - State Funds		0	
Other Financing Sources - State Funds - Capital Assets		0	
Gain on Disposal of Assets		0	
Total Revenues		<u>0</u>	5,167,830
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		4,897,133	
Depreciation		157,692	
Amortization		6,341	
Capital Outlays		0	
Intra-agency Transfers		0	
Intra-Agency Transfer Capital Assets		0	
Total Per Financial Statements		<u>0</u>	5,061,166
Deductions Unallowable Costs			
Provision for Losses		0	
Less Lease Interest		(85)	
Less Capital Outlay \$5,000 or Greater		0	
Other		0	
Total Deductions		<u>0</u>	(85)
Additional Allowable Costs			
FY 2024 SWCAP Costs		324,833	
Other		0	
Total Additions		<u>0</u>	324,833
Allowable Expenditures			5,385,914
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings (Exhibit D)		(140,284)	
Total Adjustments		<u>0</u>	(140,284)
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$194,079)
Allowable Reserve (60 days)	(B)		859,434
Excess Balance (A) - (B)			(1,053,512)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			0
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: General Appropriation		0	
Plus: Transfers In		0	
Less: Transfers Out		0	
Net Transfers		<u>0</u>	0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			\$2,453,518
ADJUSTMENTS:			
Deductions Unallowable Costs		(85)	
Additional Allowable Costs		324,833	
Imputed Interest Earnings		(140,284)	
Total Adjustments		<u>0</u>	184,464
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		\$2,637,982

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)	\$2,443,903
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

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

<u>DESCRIPTION</u>	<u>AMOUNTS</u>
A. Beginning Cash Balance - Balance on July 1, 2023	\$2,507,926
B. Ending Cash Balance - Balance on June 30, 2024	2,687,785
C. Average FY 2024 Cash Balance ((A+B)/2)	2,597,856
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$140,284

STATE OF NEW MEXICO
 GENERAL SERVICES DEPARTMENT
 AS OF JUNE 30, 2024

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

FUND	TITLE	ASSESSMENT
174	General Fund - Facilities & Purchasing	\$0
286	Purchasing Fees	152,400
352	Risk Management - Operating	4,518,600
360	Surplus Property	0
365	State Transportation Pool	426,800
417	State Aircraft Bureau	0
806	State Printing	62,500
	Total	<u>\$5,160,300</u>

GSD TRANSPORTATION SERVICES DIVISION – MOTOR POOL

**State of New Mexico
FY 2026 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 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 was an Intra-Agency transfers in (\$400,000) and an Other State Agency transfer in (\$3,886,726) for capital assets during the fiscal year ended June 30, 2024.
2. Non-operating transfers out to other funds – There was an Intra-Agency transfers out (\$9,063) for capital assets during the fiscal year ended June 30, 2024.

3. IV. Prior Year Adjustments

There was no prior year adjustment recorded to the fund balance for the fiscal year ended June 30, 2024.

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 2024 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, 2024. 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, 2024

THE STATE TRANSPORTATION POOL (FUND 365)

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
State General Fund Investment Pool	\$3,620,191
Interest Receivables	0
Accounts/Trade Receivables	51,882
Allowance for Doubtful Accounts	(16,706)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Other Assets	0
Total Current Assets	<u>3,655,367</u>
Noncurrent Assets:	
Capital Assets	47,290,079
Accumulated Depreciation	(30,893,001)
Total Noncurrent Assets	<u>16,397,078</u>
Total Assets	<u>\$20,052,445</u>
Liabilities:	
Current Liabilities	
Claims Payable	\$0
Accounts Payable	556,232
Unearned Revenue	0
Accrued Payroll	38,733
Other Accrued Liabilities	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	91,154
Current Portion of Lease Liabilities	3,512,597
Total Current Liabilities	<u>4,198,716</u>
Long-Term Liabilities	
Compensated Absences Payable	\$2,347.00
Lease Liabilities	2,379,974
Total Long-Term Liabilities	<u>2,382,321</u>
Total Liabilities	<u>6,581,037</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	10,504,507
Unrestricted	2,966,901
Total Net Assets	<u>13,471,408</u>
Total Liabilities and Net Assets	<u>\$20,052,445</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, 2024

THE STATE TRANSPORTATION POOL (FUND 365)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$9,086,449
Other Revenue		4,820
Total Operating Revenues		<u>9,091,269</u>
Operating Expenses		
Current Expenses		
Personal Services	1,422,244	
Employee Benefits	801,772	
Professional fees	51,185	
Travel	23,130	
Transportation	2,365,383	
Maintenance and Repairs	108,856	
Supplies	26,288	
Contractual Services	67,369	
Operating Costs	332,888	
Lease Interest	26,779	
Bad Debt	<u>0</u>	5,225,894
Depreciation		3,313,432
Amortization		3,134,658
Capital Outlays		<u>0</u>
Total Operating Expenses		<u>11,673,985</u>
Operating Income (Loss)		<u>(2,582,716)</u>
Non Operating Revenues (Expenses)		
Disposal of Assets - (Loss)	0	0
Gain on Sale of Autos and Equipment	23,714	23,714
IntraAgency Transfer Out	<u>0</u>	0
Other Financing Sources		
General Appropriation	0	
IntraAgency Transfers In - Capital Assets	400,000	
Other State Agency Transfers In - Capital Assets	3,886,726	
Other Governmental Funds	<u>0</u>	4,286,726
Other Financing (Uses)		
General Appropriation Reversion	0	
IntraAgency Transfers Out	(426,800)	
IntraAgency Transfers Out - Capital Assets	<u>(9,063)</u>	<u>(435,863)</u>
Total Nonoperating Revenue (Expenses)		<u>3,874,577</u>
Income Before Transfers		<u>1,291,861</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		1,291,861
Net Assets - Beginning of Year, as Previously Reported		12,179,547
Adjustments Applicable to Prior Year		
Net Assets - End of Year		<u>\$13,471,408</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75		

STATE OF NEW MEXICO
THE STATE TRANSPORTATION POOL (FUND 365)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$470,472)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$9,086,449		
Other Revenue	4,820		
Gain on Disposal of Assets	23,714		
Other State Agency Transfer	4,286,726		
Total Revenues			13,401,709
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	5,225,894		
Depreciation	3,313,432		
Amortization	3,134,658		
Capital Outlays	0		
Disposal of Assets - Loss	0		
Interagency Transfer	435,863		
Total Per Financial Statements	12,109,848		
Deductions Unallowable Costs			
Provision for Losses	0		
Lease Interest	(26,779)		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions		(26,779)	
Additional Allowable Costs			
FY 2024 SWCAP Costs	(8,230)		
Other	0		
Total Additions		(8,230)	
Allowable Expenditures			12,074,839
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(244,275)		
Total Adjustments		(244,275)	
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		\$1,100,673
Allowable Reserve (60 days)	(B)		1,440,231
Excess Balance (A) - (B)			(339,558)
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			(\$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, 2024	(C)		(\$1,385,749)
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2022			\$14,035,768
ADJUSTMENTS:			
Deductions Unallowable Costs	(26,779)		
Additional Allowable Costs	(8,230)		
Imputed Interest Earnings	(244,275)		
Total Adjustments		(279,284)	
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		\$13,756,484
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)	\$13,471,408

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024**

THE STATE TRANSPORTATION POOL (FUND 365)

<u>DESCRIPTION</u>	<u>AMOUNTS</u>
A. Beginning Cash Balance - Balance on July 1, 2023	\$5,427,035
B. Ending Cash Balance - Balance on June 30, 2024	\$3,620,191
C. Average FY 2024 Cash Balance ((A+B)/2)	\$4,523,613
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$244,275

STATE OF NEW MEXICO
 GENERAL SERVICES DEPARTMENT
 AS OF JUNE 30, 2024

THE STATE TRANSPORTATION POOL (FUND 365)
 FY 2024 BILLING RATES

VEHICLE CLASS	VEHICLE TYPE	OVERHEAD	MAINT	REPLACEMENT FEE	STANDARD LEASE	OPERATIONAL LEASE	SHORT TERM LEASE (Per Day)
02B	Mid Size Sedan	\$ 101.87	\$ 122.60	\$ 168.00	\$ 392.00	\$ 224.47	\$ 17.82
02BM	Mid Size Sedan - 2020/2021 Nissan Altima Commercial	\$ 101.87	\$ 122.60	\$ 254.00	\$ 480.00	\$ -	\$ -
02C	Full Size Sedan	\$ 101.87	\$ 122.60	\$ 206.00	\$ 431.00	\$ 224.47	\$ 19.58
04A	Mini 4X2 Pick Up	\$ 101.87	\$ 122.60	\$ 152.00	\$ 377.00	\$ 224.47	\$ 17.13
04B	Mini 4X4 Pick Up	\$ 101.87	\$ 122.60	\$ 174.00	\$ 398.00	\$ 224.47	\$ 18.11
04C	1/2 Ton 4X2 Pick-up	\$ 101.87	\$ 122.60	\$ 235.00	\$ 460.00	\$ 224.47	\$ 20.90
04D	1/2 Ton 4X4 Pick-up	\$ 101.87	\$ 122.60	\$ 261.00	\$ 486.00	\$ 224.47	\$ 22.08
04E	1/2 Ton 4X4 Extended Cab Pick-up	\$ 101.87	\$ 122.60	\$ 208.00	\$ 433.00	\$ 224.47	\$ 19.68
04F	1/2 Ton 4X4 Crew Cab Pick-up	\$ 101.87	\$ 122.60	\$ 209.00	\$ 434.00	\$ 224.47	\$ 19.71
04G	3/4 Ton 4X2 Regular Cab Pick-up	\$ 101.87	\$ 122.60	\$ 213.00	\$ 437.00	\$ 224.47	\$ 19.87
04H	3/4 Ton 4X4 Regular Cab Pick-up	\$ 101.87	\$ 122.60	\$ 246.00	\$ 471.00	\$ 224.47	\$ 21.40
04I	3/4 Ton 4X4 Extended Cab Pick-up	\$ 101.87	\$ 122.60	\$ 298.00	\$ 523.00	\$ 224.47	\$ 23.75
04J	3/4 Ton 4X4 Crew Cab Pick-up	\$ 101.87	\$ 122.60	\$ 214.00	\$ 439.00	\$ 224.47	\$ 19.94
04K	1 Ton 4X4 Extended Cab Pick-up	\$ 101.87	\$ 122.60	\$ 232.00	\$ 457.00	\$ 224.47	\$ 20.76
04L	1 Ton 4X4 Crew Cab Pick-up	\$ 101.87	\$ 122.60	\$ 225.00	\$ 449.00	\$ 224.47	\$ 20.43
05A	Passenger Mini Van (7-8 passenger)	\$ 101.87	\$ 122.60	\$ 199.00	\$ 424.00	\$ 224.47	\$ 19.25
05AC	Passenger Mini Van Commerical (7-8 passenger)	\$ 101.87	\$ 122.60	\$ 544.00	\$ 752.00	\$ -	\$ -
05B	Cargo Mini Van	\$ 101.87	\$ 122.60	\$ 170.00	\$ 394.00	\$ 224.47	\$ 17.93
05C	Full Size 15 Passenger Van	\$ 101.87	\$ 122.60	\$ 278.00	\$ 503.00	\$ 224.47	\$ 22.85
05D	Full Size Cargo Van	\$ 101.87	\$ 122.60	\$ 195.00	\$ 419.00	\$ 224.47	\$ 19.05
05E	Full Size 12 Passenger Van	\$ 101.87	\$ 122.60	\$ 129.00	\$ 354.00	\$ 224.47	\$ 16.07
06A	Mid Size Sport Utility 4X4	\$ 101.87	\$ 122.60	\$ 221.00	\$ 446.00	\$ 224.47	\$ 20.26
06AM	Mid Size Sport Utility 4X4 Commercial 2020 Rogue - Toyota Rav 4	\$ 101.87	\$ 122.60	\$ 361.00	\$ 480.00	\$ -	\$ -
06AT	Mid Size Sport Utility 4X4 - Commercial 2021 Ford Explorer	\$ 101.87	\$ 122.60	\$ 422.00	\$ 630.00	\$ -	\$ -
06B	Full Size Sport Utility Vehicle 4X4	\$ 101.87	\$ 122.60	\$ 323.00	\$ 547.00	\$ 224.47	\$ 24.88
06BM	Full Size Sport Utility 4X4 Commercial 2020 Ford Expedition	\$ 101.87	\$ 122.60	\$ 680.00	\$ 904.00	\$ -	\$ -

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

**State of New Mexico
FY 2026 Statewide Cost Plan
Section II Billed Costs Information**

**GSD Transportation Services Division
State Aviation**

I. Service Description

The Aviation Services Bureau provides state owned aircraft 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 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 transfers in for capital assets in the amount of \$7,269,118.
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, 2024.

IV. Prior Year Adjustments

There was no prior year adjustment to the fund balance for the fiscal year ended June 30, 2024.

V. Billing Methodology

Effective in Fiscal Year 2024, 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, 2024 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, 2024. 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, 2024

THE STATE AVIATION FUND (FUND 417)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$185,443
Interest Receivables	0
Accounts/Trade Receivables	9,619
Allowance for Doubtful Accounts	(9,618)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Other Assets	0
Inventories	0
Total Current Assets	<u>185,444</u>
Noncurrent Assets:	
Capital Assets	10,167,757
Accumulated Depreciation	(2,238,218)
Total Noncurrent Assets	<u>7,929,539</u>
Total Assets	<u><u>\$8,114,983</u></u>
Liabilities:	
Current Liabilities	
Accounts Payable	\$42,516
Deferred Revenue	0
Accrued Expenses	7,601
Due to Other Funds	0
Accrued Compensated Absences	74,868
Current Portion of Lease Liabilities	63,067
Total Current Liabilities	<u>188,052</u>
Long-Term Liabilities	
Compensated Absences Payable	4,531
Lease Liabilities	106,682
Total Long Term Liabilities	<u>111,213</u>
Total Liabilities	<u>299,265</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	7,759,790
Restricted for Insurance/Claims	0
Unrestricted	55,928
Total Net Assets	<u>7,815,718</u>
Total Liabilities and Net Assets	<u><u>\$8,114,983</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, 2024

THE STATE AVIATION FUND (FUND 417)

		<u>FUND TOTAL</u>
Operating Revenues		
Service Fees/Premiums		\$150,772
Interest Income		0
Other Revenue		6,081
Total Operating Revenues		<u>156,853</u>
Operating Expenses		
Current Expenses		
Personal Services	\$223,421	
Employee Benefits	93,214	
Professional Services	302	
Travel	14,502	
Transportation	231,906	
Supplies	655	
Maintenance and Repairs	1,819	
Contractual Services	7,712	
Rental Expense	(4,094)	
Lease Interest	987	
Bad Debt	0	
Operating Costs	50,826	621,250
Depreciation		583,032
Amortization		73,257
Capital Outlays		0
Total Operating Expenses		<u>1,277,539</u>
Operating Income (Loss)		<u>(1,120,686)</u>
Non Operating Revenues (Expenses)		
Intra-agency transfers		
Transfer In from Fund 197	0	
Transfer Out to Fund 197 for Administration	0	
Transfer In Capital Assets	<u>7,269,118</u>	7,269,118
Other Financing Sources		
General Appropriation	556,800	
Other State Agency Transfers	0	
Other Financing (Uses)		
General Appropriation Reversion	0	
Other State Agency Transfers	0	
Other State Funds	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>7,825,918</u>
Income Before Transfers		<u>6,705,232</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		6,705,232
Net Assets - Beginning of Year, as Previously Reported		1,110,486
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u>\$7,815,718</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75		

STATE OF NEW MEXICO
THE STATE AVIATION FUND (FUND 417)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$13,385,032)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$150,772		
Other Revenue	6,081		
Gain on Disposal of Assets	0		
Total Revenues			156,853
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	621,250		
Depreciation	583,032		
Capital Outlays	0		
Amortization	73,257		
Disposal of Assets - Loss	0		
Interagency Transfer (Fund 197 Administrative Support)	0		
Total Per Financial Statements	1,277,539		
Deductions Unallowable Costs			
Provision for Losses - Bad Debt	0		
Less Capital Outlay \$5,000 or Greater	0		
Less Lease Interest	(987)		
Other	0		
Total Deductions		(987)	
Additional Allowable Costs			
FY 2024 SWCAP Costs	(115)		
Other	0		
Total Additions		(115)	
Allowable Expenditures			1,276,436
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(7,837)		
Total Adjustments		(7,837)	
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$14,496,778)
Allowable Reserve (60 days)	(B)		113,984
Excess Balance (A) - (B)			(14,610,762)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			\$14,349,505
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Intra-agency transfer Capital Assets	7,269,118		
Plus: Other State Agency Transfers	0		
Plus: General Appropriations	556,800		
Less: General Appropriation Reversion	0		
Less: Transfers Out	0		
Net Transfers		7,825,918	
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		\$22,175,423

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			\$146,013
ADJUSTMENTS:			
Deductions Unallowable Costs	(987)		
Additional Allowable Costs	(115)		
Imputed Interest Earnings	(7,837)		
Total Adjustments		(8,939)	
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		\$137,074

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)	\$7,815,718
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

THE STATE AVIATION FUND (FUND 417)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2023	\$104,822
B. Ending Cash Balance - Balance on June 30, 2024	185,443
C. Average FY 2024 Cash Balance ((A+B)/2)	145,133
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$7,837

GSD STATE PRINTING OFFICE

**State of New Mexico
FY 2026 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 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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There was no prior year adjustment to the fund balance for the fiscal year ended June 30, 2024.

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, 2024 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, 2024. 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, 2024

STATE PRINTING (FUND 806)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$1,236,311
Interest Receivables	0
Accounts/Trade Receivables	104,439
Allowance for Doubtful Accounts	(104,439)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>1,236,311</u>
Noncurrent Assets:	
Capital Assets	923,301
Accumulated Depreciation	(667,455)
Total Noncurrent Assets	<u>255,846</u>
Total Assets	<u><u>\$1,492,157</u></u>
Liabilities:	
Current Liabilities	
Due to State General Fund Investment Pool	\$0
Accounts Payable	214,504
Accrued Expenses	18,707
Unearned Revenue	990
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	34,174
Current Portion of Lease Liabilities	36,027
Total Current Liabilities	<u>304,402</u>
Long-Term Liabilities	
Compensated Absences Payable	4,578
Lease Liabilities	0
Total Long-Term Liabilities	<u>4,578</u>
Total Liabilities	<u><u>308,980</u></u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	219,819
Restricted for Insurance/Claims	0
Unrestricted	963,358
Total Net Assets	<u>1,183,177</u>
Total Liabilities and Net Assets	<u><u>\$1,492,157</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, 2024**

STATE PRINTING (FUND 806)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$2,385,668
Interest Income		0
Other Revenue		13,194
Total Operating Revenues		<u>2,398,862</u>
Operating Expenses		
Current Expenses		
Personal Services	\$470,894	
Employee Benefits	182,065	
Professional Fees	6,476	
Travel	873	
Transportation Expense	5,864	
Maintenance and Repairs	19,333	
Supplies	206,910	
Contractual Services	9,877	
Bad Debt	0	
Lease Interest	541	
Other Costs	1,098,659	
Depreciation		21,672
Amortization		156,700
Capital Outlays		0
Total Operating Expenses		<u>2,179,865</u>
Operating Income (Loss)		<u>218,997</u>
Non Operating Revenues (Expenses)		
Intra-Agency Transfers		
Transfer Out	(62,500)	(62,500)
Transfer In Capital Assets	0	0
Other Financing Sources		
General Appropriation	0	
Other Financing (Uses)		
General Appropriation	0	
IntraAgency Transfers Out - Capital Assets	0	
Other State Agency Transfers	0	0
Total Nonoperating Revenue (Expenses)		<u>(62,500)</u>
Income Before Transfers		<u>156,497</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		156,497
Net Assets - Beginning of Year, as Previously Reported		1,026,680
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u><u>\$1,183,177</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75		

**STATE OF NEW MEXICO
STATE PRINTING (FUND 806)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024**

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$4,266,391)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$2,385,668	
Other Revenue		13,194	
Intra-Agency Transfer Capital assets		0	
Gain on Disposal of Assets		0	
Total Revenues			2,398,862
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		2,001,493	
Depreciation		21,672	
Amortization		156,700	
Intra-agency transfers (Admin. Service Fund 197 support)		62,500	
Capital Outlays		0	
Disposal of Assets - Loss		0	
Other Financing Uses		0	
Total Per Financial Statements		2,242,365	
Deductions Unallowable Costs			
Provision for Losses - Bad Debt		0	
Less Lease Interest		(541)	
Less Capital Outlay \$5,000 or Greater		0	
Other		0	
Total Deductions			(541)
Additional Allowable Costs			
FY 2024 SWCAP Costs		57,906	
Other		0	
Total Additions			57,906
Allowable Expenditures			2,299,730
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings (Exhibit D)		(61,878)	
Total Adjustments			(61,878)
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$4,105,381)
Allowable Reserve (60 days)	(B)		374,475
Excess Balance (A) - (B)			(4,479,856)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			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, 2024	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			\$5,293,071
ADJUSTMENTS:			
Deductions Unallowable Costs		(541)	
Additional Allowable Costs		57,906	
Imputed Interest Earnings		(61,878)	
Total Adjustments			(4,513)
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		\$5,288,558

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)	\$1,183,177
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

STATE PRINTING (FUND 806)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2023	\$1,055,456
B. Ending Cash Balance - Balance on June 30, 2024	1,236,311
C. Average FY 2024 Cash Balance ((A+B)/2)	1,145,884
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D)	\$61,878

GSD RISK MANAGEMENT DIVISION – OPERATING ACCOUNT

**State of New Mexico
FY 2026 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 70 and 72.
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 74.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There was no prior year adjustment to the fund balance for the fiscal year ended June 30, 2024.

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, 2024.

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, 2024. 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, 2024

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$2,177,543
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	<u>2,177,543</u>
Noncurrent Assets:	
Capital Assets	448,831
Accumulated Depreciation	(106,664)
Total Noncurrent Assets	<u>342,167</u>
Total Assets	<u><u>\$2,519,710</u></u>
Liabilities:	
Current Liabilities	
Bank Overdraft	\$0
Claims Payable	0
Accounts Payable	87,765
Deferred Revenue	0
Accrued Expenses	101,476
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	173,183
Current Portion of Lease Liability	78,506
Total Current Liabilities	<u>440,930</u>
Long-Term Liabilities	
Compensated Absences Payable	0
Lease Liabilities	265,727
Total Long-Term Liabilities	<u>265,727</u>
Total Liabilities	<u>706,657</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	(2,066)
Restricted for Insurance/Claims	0
Unrestricted	1,815,119
Total Net Assets	<u>1,813,053</u>
Total Liabilities and Net Assets	<u><u>\$2,519,710</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 and 72.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$0
Other Revenue		0
Total Operating Revenues		<u>0</u>
Operating Expenses		
Current Expenses		
Personal Services	\$3,155,704	
Employee Benefits	1,393,884	
Professional Fees	95,677	
Travel	5,257	
Transportation	9,048	
Maintenance and Repairs	1,608	
Supplies	5,681	
Contractual Services	145,315	
Operating Costs	166,574	
Lease Interest	987	
Other Costs	0	
Depreciation		4,979,735
Amortization		0
Capital Outlays		47,032
Total Operating Expenses		<u>0</u>
		<u>5,026,767</u>
Operating Income (Loss)		<u>(5,026,767)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfers		
Transfer In for Program Assessments	9,988,100	
Transfer Out to Fund 197 for Program Support	(4,518,600)	
Transfer Out Capital Assets	0	
Other Financing Sources		5,469,500
General Appropriation	0	
Other State Funds	0	
Other Financing (Uses)		0
General Appropriation	0	
Reversion to State General Fund	0	
Purchase of Capital Assets	0	
Total Nonoperating Revenue (Expenses)		<u>0</u>
		<u>5,469,500</u>
Income Before Transfers		<u>442,733</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		<u>442,733</u>
Net Assets - Beginning of Year, as Previously Reported		1,370,320
Adjustments Applicable to Prior Year		0
Net Assets - End of Year		<u>\$1,813,053</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 74.		

STATE OF NEW MEXICO
 THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)
 RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
 AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$7,769,983)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$0	
Intra-agency Transfers	9,988,100		
Other Revenue	0		
Other Financing Sources - Other State Funds	0		
Gain on Disposal of Assets	0		
Total Revenues		9,988,100	
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	4,979,735		
Depreciation	0		
Amortization	47,032		
Capital Outlays	0		
Intra-agency Transfers (Program Support Fnd 197)	4,518,600		
Intra-agency Transfers-Capital Assets	0		
Other Financing Uses	0		
Total Per Financial Statements	9,545,367		
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Lease Interest	(987)		
Total Deductions		(987)	
Additional Allowable Costs			
FY 2024 SWCAP Costs	100,958		
Other	0		
Total Additions		100,958	
Allowable Expenditures			9,645,339
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings (Exhibit D)	(104,544)		
Total Adjustments		(104,544)	
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$7,322,678)
Allowable Reserve (60 days)	(B)		1,585,535
Excess Balance (A) - (B)			(8,908,213)

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			175,000
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, 2024	(C)		\$175,000

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			8,965,303
ADJUSTMENTS:			
Deductions Unallowable Costs	(987)		
Additional Allowable Costs	100,958		
Imputed Interest Earnings	(104,544)		
Total Adjustments		(4,573)	
ADJUSTMENTS BALANCE JUNE 30, 2024	(D)		\$8,960,730

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)	\$1,813,053
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STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
IMPUTED INTEREST EARNINGS
AS OF JUNE 30, 2024

THE RISK MANAGEMENT OPERATING ACCOUNT (FUND 352)

DESCRIPTION	AMOUNTS
A. Beginning Cash Balance - Balance on July 1, 2023	\$1,694,461
B. Ending Cash Balance - Balance on June 30, 2024	2,177,543
C. Average FY 2024 Cash Balance ((A+B)/2)	1,936,002
D. State Treasury Average Rate of Return for FY 2024	5.40%
E. Imputed Interest Earnings for FY 2024 (C * D) Negative Amount Not Claimed	\$104,544

STATE OF NEW MEXICO
 GENERAL SERVICES DEPARTMENT
 AS OF JUNE 30, 2024

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	1,772,263
357	Risk Management - Public Liability	4,418,612
358	Risk Management - Surety Bond	-
359	Worker's Compensation	3,797,225
752	Health Benefits Premium & Rate Stab.	-
	Total	<u>\$ 9,988,100</u>

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

**State of New Mexico
FY 2026 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 73 and 75.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 77.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024”.

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, 2024

THE PUBLIC PROPERTY RESERVE (FUND 356)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$14,701,900
Interest Receivables	0
Accounts/Trade Receivables	51,273
Allowance for Doubtful Accounts	(1,367)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>14,751,806</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$14,751,806</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	6,400,565
Accounts Payable	21,250
Deferred Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>6,421,815</u>
Long-Term Liabilities	
Claims Payable	<u>1,206,038</u>
Total Liabilities	<u>7,627,853</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>7,123,953</u>
Total Net Assets	<u>7,123,953</u>
Total Liabilities and Net Assets	<u><u>\$14,751,806</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 and 72.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

THE PUBLIC PROPERTY RESERVE (FUND 356)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$13,934,372
Federal Revenue		\$500,000
Interest Income		435,517
Other Revenue		336,659
Total Operating Revenues		<u>15,206,548</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	16,470,919	
Other Costs	<u>0</u>	16,470,919
Depreciation		0
Capital Outlays		<u>0</u>
Total Operating Expenses		<u>16,470,919</u>
Operating Income (Loss)		<u>(1,264,371)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer		
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	0	
Other State Funds	<u>0</u>	0
Other Financing (Uses)		
General Appropriation	0	
Intra-agency Transfer Out (Risk Management Operating Fnd 352)	(1,772,263)	
Other State Agency Transfers Out - Capital Assets	<u>0</u>	<u>(1,772,263)</u>
Total Nonoperating Revenue (Expenses)		<u>(1,772,263)</u>
Income Before Transfers		<u>(3,036,634)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		(3,036,634)
Net Assets - Beginning of Year, as Previously Reported		10,160,587
Adjustments Applicable to Prior Year		<u> </u>
Net Assets - End of Year		<u><u>\$7,123,953</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 74.		

STATE OF NEW MEXICO
THE PUBLIC PROPERTY RESERVE (FUND 356)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			\$13,109,692
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue		\$13,934,372	
Federal Revenue		500,000	
Interest Income		435,517	
Other Revenue		336,659	
Other Financing Sources		0	
Total Revenues			15,206,548
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses		16,470,919	
Intra-agency transfers		0	
Capital Outlays		0	
Intra-Agency Transfer Out		1,772,263	
Other State Agency Transfers Out - Capital Assets		0	
Total Per Financial Statements		18,243,182	
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 2024 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			18,243,182
Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings		0	
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		\$10,073,058
Allowable Reserve (60 days)	(B)		2,998,879
Excess Balance (A) - (B)			7,074,179

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			(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, 2024	(C)		(\$2,699,300)

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			(249,805)
ADJUSTMENTS:			
Deductions Unallowable Costs		0	
Additional Allowable Costs		0	
Imputed Interest Earnings		0	
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2024	(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)	\$7,123,953
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***GSD RISK MANAGEMENT DIVISION – STATE UNEMPLOYMENT
COMPENSATION***

**State of New Mexico
FY 2026 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 70 and 72.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 74.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024".

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, 2024

THE STATE UNEMPLOYMENT COMPENSATION RESERVE (FUND 353)

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
State General Fund Investment Pool	\$12,478,134
Interest Receivables	0
Accounts/Trade Receivables	1,415,914
Allowance for Doubtful Accounts	(1,415,914)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>12,478,134</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	<u>0</u>
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$12,478,134</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$3,832,092
Accounts Payable	952,156
Deferred Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>4,784,248</u>
Long-Term Debt	
Claims Payable	<u>0</u>
Total Liabilities	<u>4,784,248</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>7,693,886</u>
Total Net Assets	<u>7,693,886</u>
Total Liabilities and Net Assets	<u><u>\$12,478,134</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 and 72.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

THE STATE UNEMPLOYMENT COMPENSATION RESERVE (FUND 353)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$8,790,286
Interest Income		414,146
Other Revenue		0
Total Operating Revenues		<u>9,204,432</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	
Allowance for Bad Debts	0	
Operating Costs	5,077,468	
Other Costs	<u>0</u>	5,077,468
Depreciation		0
Capital Outlays		0
Total Operating Expenses		<u>5,077,468</u>
Operating Income (Loss)		<u>4,126,964</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>	0
Other Financing (Uses)		
General Appropriation	0	
Other State Agency Transfers	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>0</u>
Income Before Transfers		<u>4,126,964</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		4,126,964
Net Assets - Beginning of Year, as Previously Reported		3,566,922
Restatement of Net Assets		<u>0</u>
Net Assets - End of Year		<u><u>\$7,693,886</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 74.		

STATE OF NEW MEXICO
THE STATE UNEMPLOYMENT COMPENSATION RESERVE (FUND 353)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			\$15,437,206
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$8,790,286		
Interest Income	414,146		
Other Revenue	0		
Gain on Disposal of Assets	0		
Other Financing Sources	0		
Total Revenues		9,204,432	
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	5,077,468		
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	5,077,468		
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 2024 SWCAP Costs	0		
Other	0		
Total Additions		0	
Allowable Expenditures		5,077,468	
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments		0	
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		\$19,564,170
Allowable Reserve (60 days)	(B)	834,652	
Excess Balance (A) - (B)		18,729,518	
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			(8,750,000)
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers		0	
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		(\$8,750,000)
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2023			(3,120,284)
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments		0	
ADJUSTMENTS BALANCE JUNE 30, 2024	(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)	\$7,693,886

GSD RISK MANAGEMENT DIVISION – SURETY BOND

**State of New Mexico
FY 2026 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 70 and 72.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 74.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024”.

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, 2024

THE SURETY BOND (FUND 358)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$56,730
Interest Receivables	0
Accounts/Trade Receivables	253,819
Allowance for Doubtful Accounts	(253,819)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>56,730</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$56,730</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$2,367
Accounts Payable	3,750
Deferred Revenue	0
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>6,117</u>
Long-Term Liabilities	
Claims Payable	<u>1,673</u>
Total Liabilities	<u>7,790</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>48,940</u>
Total Net Assets	<u>48,940</u>
Total Liabilities and Net Assets	<u><u>\$56,730</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 - 72.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

THE SURETY BOND (FUND 358)

	FUND TOTAL
Operating Revenues	
Service Fees/Premiums	\$28,414
Interest Income	1,511
Other Revenue	2,889
Total Operating Revenues	<u>32,814</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	39,135
Other Costs	0
Depreciation	0
Capital Outlays	0
Total Operating Expenses	<u>39,135</u>
Operating Income (Loss)	<u>(6,321)</u>
Non Operating Revenues (Expenses)	
Intra-agency Transfer	0
Other Financing Sources	
General Appropriation	0
Other State Agency Transfers	0
Other State Funds	0
Other Financing (Uses)	
General Appropriation	0
Other State Agency Transfers	0
Total Nonoperating Revenue (Expenses)	<u>0</u>
Income Before Transfers	<u>(6,321)</u>
Transfers	
Transfers From Other Funds	0
Transfers To Other Funds	0
Total Transfers	<u>0</u>
Change in Net Assets	(6,321)
Net Assets - Beginning of Year, as Previously Reported	55,261
Adjustments Applicable to Prior Year	<u>0</u>
Net Assets - End of Year	<u><u>\$48,940</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Page 74.	

STATE OF NEW MEXICO
THE SURETY BOND (FUND 358)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE

RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			\$286,471
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$28,414		
Interest Income	1,511		
Other Revenue	2,889		
Gain on Disposal of Assets	0		
Other Financing Sources	0		
Total Revenues			32,814
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	39,135		
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			39,135
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions			0
Additional Allowable Costs			
FY 2024 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			39,135
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		\$280,150
Allowable Reserve (60 days)	(B)		6,433
Excess Balance (A) - (B)			273,717

PART II CONTRIBUTED CAPITAL BALANCE

CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			0
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Less: Transfers Out	0		
Net Transfers			0
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		\$0

PART III ADJUSTMENTS BALANCE

ADJUSTMENTS BALANCE JULY 1, 2023			(231,210)
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2024	(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)	\$48,940
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***GSD RISK MANAGEMENT DIVISION – PUBLIC LIABILITY
INSURANCE***

**State of New Mexico
FY 2026 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 70 and 72.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 74.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024”.

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, 2024

THE PUBLIC LIABILITY (FUND 357)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$20,820,482
Interest Receivables	0
Accounts/Trade Receivables	38,928
Allowance for Doubtful Accounts	(2,804)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>20,856,606</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	0
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$20,856,606</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$162,458,390
Accounts Payable	4,387,792
Unearned Revenue	240
Accrued Expenses	0
Due to Other Funds	0
Due to Other Agencies	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>166,846,422</u>
Long-Term Liabilities	
Claims Payable	<u>196,093,977</u>
Total Liabilities	<u>362,940,399</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	
Unrestricted	<u>(342,083,793)</u>
Total Net Assets	<u>(342,083,793)</u>
Total Liabilities and Net Assets	<u><u>\$20,856,606</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 and 72.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

THE PUBLIC LIABILITY (FUND 357)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$49,466,126
Interest Income		1,310,185
Other Revenue		251,909
Total Operating Revenues		<u>51,028,220</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	315,938,983	
Other Costs	<u>0</u>	315,938,983
Depreciation		0
Capital Outlays		<u>0</u>
Total Operating Expenses		<u>315,938,983</u>
Operating Income (Loss)		<u>(264,910,763)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfers		(4,418,612)
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	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>(4,418,612)</u>
Income Before Transfers		<u>(269,329,375)</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		(269,329,375)
Net Assets - Beginning of Year, as Previously Reported		(72,754,418)
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u><u>(\$342,083,793)</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Pages 74.		

STATE OF NEW MEXICO
THE PUBLIC LIABILITY (FUND 357)
RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$54,099,003)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$49,466,126		
Interest Income	1,310,185		
Other Revenue	251,909		
Gain on Disposal of Assets	0		
Other Financing Sources	0		
Total Revenues			51,028,220
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	315,938,983		
Depreciation	0		
Intra-agency transfers (Risk Management Operating Fund 352)	4,418,612		
Intra-agency transfers Capital Assets	0		
Capital Outlays	0		
Disposal of Assets - Loss	0		
Other Financing Uses	0		
Total Per Financial Statements			320,357,595
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions			0
Additional Allowable Costs			
FY 2024 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			320,357,595
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$323,428,378)
Allowable Reserve (60 days)	(B)		52,661,522
Excess Balance (A) - (B)			(376,089,900)
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			(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, 2024	(C)		(\$21,500,000)
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2023			2,844,585
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2024	(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)	(\$342,083,793)

***GSD RISK MANAGEMENT DIVISION – WORKERS’
COMPENSATION***

**State of New Mexico
FY 2026 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 70 and 72.
2. Exhibit B: Combining Statement of Revenues, Expenses, and Changes in Net Position – the statement is presented in GSD's Audit on page 74.

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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024”.

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, 2024

THE WORKER'S COMPENSATION RETENTION (FUND 359)

	FUND TOTAL
Assets:	
Current Assets:	
State General Fund Investment Pool	\$47,632,407
Interest Receivables	0
Accounts/Trade Receivables	170,295
Allowance for Doubtful Accounts	(38,581)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>47,764,121</u>
Noncurrent Assets:	
Capital Assets	0
Accumulated Depreciation	<u>0</u>
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$47,764,121</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$13,381,000
Accounts Payable	393,024
Stale Dated Warrants	0
Accrued Expenses	1,539
Due to Other Funds	0
Due to Other Agencies	0
Loan Payable	0
Accrued Compensated Absences	0
Total Current Liabilities	<u>13,775,563</u>
Long-Term Liabilities	
Claims Payable	<u>44,072,376</u>
Total Liabilities	<u>57,847,939</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>(10,083,818)</u>
Total Net Assets	<u>(10,083,818)</u>
Total Liabilities and Net Assets	<u><u>\$47,764,121</u></u>
Source of Information:	
Independent Accountant's Reports and Financial Statements - Pages 70 and 72.	

STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2024

THE WORKER'S COMPENSATION RETENTION (FUND 359)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$24,640,644
Interest Income		1,808,734
Other Revenue		210,920
Total Operating Revenues		<u>26,660,298</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	1,592,629	
Allowance for Bad Debts	0	
Operating Costs	11,833,799	
Other Costs	<u>0</u>	13,426,428
Depreciation		0
Capital Outlays		<u>0</u>
Total Operating Expenses		<u>13,426,428</u>
Operating Income (Loss)		<u>13,233,870</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer		(3,797,225)
Intra-agency Transfer Capital Assets		0
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	0	
Other Financing (Uses)		
General Appropriation	0	
Other State Agency Transfers	<u>0</u>	0
Total Nonoperating Revenue (Expenses)		<u>(3,797,225)</u>
Income Before Transfers		<u>9,436,645</u>
Transfers		
Transfers From Other Funds		0
Transfers To Other Funds		<u>0</u>
Total Transfers		<u>0</u>
Change in Net Assets		9,436,645
Net Assets - Beginning of Year, as Previously Reported		(19,520,463)
Adjustments Applicable to Prior Year		<u>0</u>
Net Assets - End of Year		<u><u>(\$10,083,818)</u></u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 74.		

STATE OF NEW MEXICO
 THE WORKER'S COMPENSATION RETENTION (FUND 359)
 RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
 AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$14,962,166)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$24,640,644		
Interest Income	1,808,734		
Other Revenue	210,920		
Other Financing Sources	0		
Total Revenues			26,660,298
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	13,426,428		
Depreciation	0		
Intra-agency transfers (Risk Management Operating Fund 352)	3,797,225		
Intra-agency transfers (Capital Assets)	0		
Capital Outlays	0		
Disposal of Assets - Loss	0		
Other Financing Uses (Prior year warrant cancellation)	0		
Total Per Financial Statements	17,223,653		
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 2024 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			17,223,653
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2024	(A)		(\$5,525,521)
Allowable Reserve (60 days)	(B)		2,831,285
Excess Balance (A) - (B)			(8,356,807)
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			(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, 2024	(C)		(\$3,000,000)
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2023			(1,558,297)
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2024	(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)	(\$10,083,818)

***GSD RISK MANAGEMENT DIVISION – GROUP HEALTH AND
LIFE INSURANCE***

**State of New Mexico
FY 2026 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 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, 2024.
2. Non-operating transfers out to other funds – There were no non-operating transfers out during the fiscal year ended June 30, 2024.

IV. Prior Year Adjustments

There were no prior year adjustments to the fund balance during the fiscal year ended June 30, 2024.

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, 2024

THE GROUP INSURANCE PREMIUM STABILIZATION (FUND 752)

	<u>FUND TOTAL</u>
Assets:	
Current Assets:	
State General Fund Investment Pool	\$8,715,009
Interest Receivables	0
Accounts/Trade Receivables	53,600,578
Allowance for Doubtful Accounts	(22,399,570)
Due from/(to) Other Funds	0
Due from Other Agencies	0
Inventories	0
Total Current Assets	<u>39,916,017</u>
Noncurrent Assets:	
Capital Assets	
Accumulated Depreciation	
Total Noncurrent Assets	<u>0</u>
Total Assets	<u><u>\$39,916,017</u></u>
Liabilities:	
Current Liabilities	
Claims Payable	\$49,737,129
Accounts Payable	36,389,065
Deferred Revenue	0
Accrued Expenses	350
Overdraft to State General Fund Investment Pool	0
Due to Other Agencies	0
Unearned Revenue	64,374
Accrued Compensated Absences	0
Total Current Liabilities	<u>86,190,918</u>
Long-Term Debt	
Compensated Absences Payable	<u>0</u>
Total Liabilities	<u>86,190,918</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	0
Restricted for Insurance/Claims	0
Unrestricted	<u>(46,274,901)</u>
Total Net Assets	<u>(46,274,901)</u>
Total Liabilities and Net Assets	<u><u>\$39,916,017</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, 2024

THE GROUP INSURANCE PREMIUM STABILIZATION (FUND 752)

		FUND TOTAL
Operating Revenues		
Service Fees/Premiums		\$410,272,037
Interest Income		114,393
Federal Revenue		54,506,000
Other Revenue		11,498,580
Total Operating Revenues		<u>476,391,010</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	480,819,590	
Other Costs	0	
Depreciation		0
Capital Outlays		0
Total Operating Expenses		<u>480,819,590</u>
Operating Income (Loss)		<u>(4,428,580)</u>
Non Operating Revenues (Expenses)		
Intra-agency Transfer	0	0
Other Financing Sources		
General Appropriation	0	
Other State Agency Transfers	0	
Other State Funds	0	0
Other Financing (Uses)		
General Appropriation	82,345,000	
Reversion to State General Fund	(216)	
Other State Agency - Grants	0	
Total Nonoperating Revenue (Expenses)		<u>82,344,784</u>
Income Before Transfers		<u>77,916,204</u>
Transfers		
Intra-Agency Transfer In		0
Transfers To Other Funds		0
Total Transfers		<u>0</u>
Change in Net Assets		77,916,204
Net Assets - Beginning of Year, as Previously Reported		(124,191,105)
Adjustments Applicable to Prior Year		<u>0</u>
		<u>(\$46,274,901)</u>
Source of Information:		
Independent Accountant's Reports and Financial Statements - Page 75.		

STATE OF NEW MEXICO
 THE GROUP INSURANCE PREMIUM STABILIZATION (FUND 752)
 RECONCILIATION OF RETAINED EARNINGS BALANCE TO FEDERAL GUIDELINES
 AS OF JUNE 30, 2024

PART I RETAINED EARNINGS BALANCE			
RETAINED EARNINGS BALANCE JULY 1, 2023			
Balance Per Prior Year's Reconciliation of Fund to			(\$185,669,423)
FY 2024 RETAINED EARNINGS INCREASE(DECREASE) Per ACFR			
Revenues			
Service Fees/Revenue	\$410,272,037		
Interest Income	114,393		
Other Gifts and Grants (Federal)	54,506,000		
Other Revenue	11,498,580		
Total Revenues			476,391,010
Expenditures (Actual Costs):			
Per State's Financial Report			
Current Operating Expenses	480,819,590		
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	480,819,590		
Deductions Unallowable Costs			
Provision for Losses	0		
Less Capital Outlay \$5,000 or Greater	0		
Other	0		
Total Deductions			0
Additional Allowable Costs	0		
FY 2024 SWCAP Costs	0		
Other	0		
Total Additions			0
Allowable Expenditures			480,819,590
Adjustments:			
Prior Period Adjustments	0		
Imputed Interest Earnings	0		
Total Adjustments			0
RETAINED EARNINGS BALANCE JUNE 30, 2026	(A)		(\$190,098,003)
Allowable Reserve (60 days)	(B)		79,038,837
Excess Balance (A) - (B)			(269,136,840)
PART II CONTRIBUTED CAPITAL BALANCE			
CONTRIBUTED CAPITAL BALANCE JULY 1, 2023			56,675,657
TRANSFERS Per ACFR (Supported By Official Accounting Records)			
Plus: Transfers In	0		
Plus: General Appropriations	82,345,000		
Less: General Appropriation Reversion	(216)		
Less: Transfers Out	0		
Net Transfers			82,344,784
CONTRIBUTED CAPITAL BALANCE JUNE 30, 2024	(C)		\$139,020,441
PART III ADJUSTMENTS BALANCE			
ADJUSTMENTS BALANCE JULY 1, 2023			4,802,661
ADJUSTMENTS:			
Deductions Unallowable Costs	0		
Additional Allowable Costs	0		
Imputed Interest Earnings	0		
Total Adjustments			0
ADJUSTMENTS BALANCE JUNE 30, 2024	(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)	(\$46,274,901)

THE END
