

## **RISK MANAGEMENT ADVISORY BOARD**

**April 8, 2025  
Via Microsoft Teams**

### **1. CALL TO ORDER**

The meeting of the Risk Management Advisory Board was called to order at 10:00 a.m.  
The meeting was held via Microsoft Teams.

#### **ROLL CALL**

Roll call indicated the presence of a quorum as follows:

##### **Members Present:**

Teresa Ann Costantinidis, CFO of UNM  
Blaine Moffatt, Designee for Attorney General  
Rennette Apodaca, Designee for CFO of Albuquerque Public Schools  
Shawna Casebier, Director of Legislative Council  
Tom Pratt, CFO of a Local Public Body

##### **Members Not Present:**

Alice Kane, Superintendent of Insurance  
Andrew Miner, Designee for Wayne Probst, Dept. of Finance & Administration  
Michael Byrd, P&C Insurance Agent

##### **Others Present:**

Jennifer Conn, GSD  
Andrew Magida, GSD  
Markita Sanchez, GSD  
Laura Unklesbay, GSD  
Sarah Wintermute, GSD  
Rod Crawley, GSD  
Billy Jimenez, NMDOJ  
Sherri Garner, UNM  
Timothy Vigil, OSI  
Shari LaCome, UNM

**A Quorum was present.**

### **2. APPROVAL OF THE AGENDA**

Approved.

### **3. APPROVAL OF DECEMBER 10, 2024, MEETING MINUTES**

Approved.

#### **4. WELCOME - INTERIM LEGISLATIVE UPDATE (Jennifer Conn)**

Ms. Conn thanked the Board members for their attendance and participation. She announced that since the last Board meeting, Secretary Doucette had retired, and Anna Silva was named Acting Cabinet Secretary, and she was named Deputy Cabinet Secretary.

Ms. Conn discussed the legislative session and what went on there. She said GSD received some funding. They were waiting for HB2 to be signed, which will help with the liability fund. One bill that passed and was signed into law was HB 66, Worker's Compensation changes. The changes allowed for an increase in employer paid discovery costs from \$3,000 to \$6,000. Ms. Conn stated that there was not much opposition to this bill, it was one of the first pieces of legislation that got through the entire 60-day session.

There is one piece of legislation that is with the governor now that needs to be signed, that is SB220, and it has an impact on Risk Management, and the publication of legal settlement terms. What it did was require any agency to notify the Director of RMD immediately when learning of a death, serious injury, or other substantial loss. GSD/RMD had serious concerns with that language because it requires immediate notification, it requires an agency to say this is a significant loss prior to any kind of investigation, review, or truly finding out if there's claim there or not and so that would be public record and that would put the state at higher risk liability because it would set a precedent where, in some instances, people would be able to look at records and say, "Oh, this was valued at this right off the bat, so we're going for that amount." This type of thing. Ms. Conn stated they worked very, very diligently for that piece of legislation to be struck. It was in Senate Finance and there was an amendment put in to put some guardrails in to protect the liability fund and the state's risk, that was struck out on the Senate floor and the original legislation was put back in and that passed. The bigger part of it was to require all agencies report all losses to the Sunshine portal. Right now, GSD Risk Management puts all our settlements on the Sunshine portal. We put every dollar on the Sunshine portal. What this legislation did was to require any agency, even if they do not go through Risk Management, but settle a claim will have to put those settlements on the Sunshine portal. We did not have any issues with that part of the legislation, it's really the part of the legislation that puts RMD at greater risk for higher claims. That sits with the governor right now. We have let her know what our concerns are, and we are awaiting action.

Other pieces of legislation that came to our attention dealt with our Facilities Management; the rest pretty much died.

The Chair thanked Ms. Conn for her legislative update. The Chair asked the Board members if anyone had any questions. There were none.

## **5. RMD UPDATED CERTIFICATES OF COVERAGE (Rod Crawley)**

Mr. Crawley greeted the Board and the Chairwoman and said he is the Property and Casualty Bureau Chief for Risk Management. Mr. Crawley advised the Board that each year the certificates of coverage are reviewed to find areas of concern or clarify any areas of ambiguity and accommodate any legislative action that may have come down. Different laws may have been passed, and they need to be accommodated. This wasn't the case this year.

Mr. Crawley then discussed the documents sent out to the Board. One of them being the FY26 Certificates Update Summary which was a bullet list of the changes made to the Letter of Administration, the Property Certificate of Coverage, and the Liability Certificate of Coverage. He noted that there were no substantial changes from FY25 to FY26. Most of the changes were just to clarify existing language and clear up some issues that they had. An area of concern Mr. Crawley wanted to draw attention to was when they self-insure up to \$500,000 on property and buy excess coverage through our broker, AIG, sometimes our representatives from AIG come out to visit and we need to have full access to all the properties. Plenty of lead time is given to make arrangements with the various properties for inspecting, but they've come into issues before, especially with Travelers Insurance, who provide our boiler and machinery coverage where they have to go out and inspect the boilers but are met with postponement of visits and that creates a lot of obstacles for Travelers when they have a schedule to meet. There were really no other obstacles stated by Mr. Crawley.

Mr. Crawley asked the Board to take a look at the bullet points and if they have any questions, to please ask them. There were no questions by the Board. The Chair complimented Mr. Crawley on the bullet list and how it made it easy to understand any changes made to the various certificates of coverage. The Chair moved on to the next presentation.

## **6. LEGAL BUREAU PRESENTATION (Laura Unklesbay and Sarah Wintermute)**

The Legal Bureau did a PowerPoint presentation. They discussed the changes in the Legal Bureau. Jeannette Chavez resigned as RMD Director, Markita Sanchez, the Deputy Director, and Andrew Magida, RMD's General Counsel, will be sharing her duties. Mr. Magida also became *Interim* Chief Legal Officer. Ms. Unklesbay and Mr. Wintermute started serving as Legal Bureau Co-Chiefs in January 2025.

Ms. Wintermute discussed the basics of the Legal Bureau to give the Board a better understanding of its role. It was discussed how the Legal Bureau has grown and now has 7 attorneys and 4 paralegals. They are looking for another attorney which will make a total of 8. Currently, each attorney manages 90 to 145 litigated cases.

There was discussion about cases and claims management. There are 776 open matters that are in active litigation and approximately 882 open claims that are not in litigation. Settlement reserves were discussed. This has to do with how attorneys set reserves for each complaint and claim as an approximation for settlement value and cost of defense. These are reviewed and revised quarterly.

As the Co-Chiefs for the Legal Bureau, they have implemented some changes in the handling of Tort Claims Notices that will hopefully save the state money in the long run. With the growth of the Legal Bureau, the attorneys will have more in-depth involvement with cases and be more available for assisting outside counsel in various ways. The Legal Bureau has received a lot of positive feedback from the outside counsel and other agencies.

There was a question posed by Shawna Casebier. She asked what percentage of claims are handled by outside counsel. It was stated that basically all open litigation cases were handled by outside counsel because of the time needed required for the many aspects of active litigation.

Ms. Rennette Apodaca then posed a question. She asked how the Legal Bureau interacted or got involved in risk mitigation. Deputy Director Markita Sanchez responded that currently their ADR bureau handles the training for off of their insureds so what RMD does is run “loss runs” and then focus on the areas that have high claim numbers. RMD then offers them training, support, and different approaches for restorative practice and group trainings to help agencies handle conflict internally. The Legal Bureau doesn’t really get involved other than just keeping the data and the reserve numbers up to date so RMD uses that to assist various insureds. Ms. Unklesbay added that at the end of litigation of a case a part of the contract with the outside counsel that they can ask for a report where the outside counsel can discuss what they think went wrong, either internally at the agency or if there were issues with the litigation that we could resolve in future matters and these reports are shared with the agencies involved. This is helpful for risk mitigation because they can see what happened previously and how possibly something can be done to prevent it in the future.

Ms. Apodaca asked if they help with the contracts to make sure that the necessary clauses or insurance to transfer the risk or anything like that? Mr. Magida offered that Jeannete Chavez had started working on this with a few agencies in her time as the Director but that no one had taken this on in the short time since Ms. Chavez’ departure but it was an ongoing conversation with several agencies. There are limits to the extent to which RMD wants to get involved in procuring issues from agency to agency. One of the reasons for that is we don’t really cover breach of contract claims, and so it puts RMD in a “funky” position if they render advice and then say sorry when it goes awry. He feels that RMD has to be careful about that but as a general matter, they are happy to be consulted and offer advice to the extent it is appropriate.

Ms. Unklesbay and Ms. Wintermute then added if there is a contract that does affect litigation, where they might send a letter of indemnification to a third party, they do make sure they are aware of those contracts and our outside counsel is aware as well so that they can send those letters as appropriate.

Ms. Conn added that one of the last things that Director Chavez did and Acting Secretary Silva has committed to is there will be monthly meetings with Cabinet Secretaries to go over the cases we have with them, the risks that they had, taking it directly to the head of every agency so that they are aware of what’s going on, and having discussions of some of the things that they may be able to implement based on patterns that are seen. These meetings should be starting very soon.

The Chairwoman then asked about the hiring of another attorney. She wanted to know if this will bring the staff to a full complement or if the Legal Bureau will continue to grow. Ms. Unklesbay stated that eight is the current maximum but as the number of cases continues to grow, they may need to reassess the number of attorneys needed.

The Chair asked if there were any further questions. She thanked the Legal Bureau for its presentation and discussed the importance of the information as it relates to the future and the Board's involvement.

The Chair then asked about Board Discussion Items. There were none. There were also no Public Comments.

**7. NEXT MEETING – July 22, 2025.**

The Chair let the Board know what the upcoming discussions and presentations will be at future meetings. At the next meeting on July 22, 2025, the Board would be hearing about Property and Casualty and Workers' Comp. Then in October, there will be a report on Alternative Dispute Resolution and Loss Control, and in December, Finance.

**8. ADJOURN**

With all business concluded at 10:32 a.m., the meeting was adjourned.

Signed and approved:

**APPROVED BY THE RMAB AT THE 7/22/25 MEETING**

Teresa Costantinidis, Chair