



# Annual Policyholders' Meeting

Meeting of the Board of Directors of the New Mexico Mutual Casualty Company and its wholly-owned insurance subsidiaries New Mexico Commercial Insurance Company, New Mexico Premier Insurance Company, New Mexico Assurance Company, New Mexico Employers Assurance Company, New Mexico Southwest Casualty Company, New Mexico Security Insurance Company, New Mexico Safety Casualty Company, New Mexico Foundation Insurance Company and New Mexico Business Insurance Company.

## Minutes of Friday, May 16, 2025

**Board Members:** Jennifer Thomas, Chair; Maria Griego-Raby, Secretary Treasurer; Sam Baca; Christina Campos; Ken Carson; Ronda Gilliland-Lopez; Jason Harrington; Eric Herrera; Kellie Mixon, President & CEO

**Leadership:** Dan Giralmo, Vice President of Claims; Kristen Carey, Vice President of Underwriting; Jeremiah Ritchie, Vice President & General Counsel; Gina Hickman, Vice President & CFO; Claudia Sanchez, Vice President of Marketing & Policyholder Services; Hailey Armijo, Marketing Manager; Sara Gurule, Scribe

**Other Attendees:** John Sproull, RSM US LLP; Kyle Conway, RSM US LLP; and Tom Briones, Briones Business Law Consulting

### **Item No. 1: Call to Order**

Jennifer Thomas, Board Chair, called to order the 2025 Annual Policyholders' Meeting of the New Mexico Mutual Casualty Company at 8:00 AM/MDT on Friday, May 16, 2025, held at New Mexico Mutual's home office, located at 5201 Balloon Fiesta Parkway NE, Albuquerque, New Mexico 87113. In addition to being held in-person, the meeting was also broadcast virtually via Cisco Webex. Ms. Thomas introduced Kellie Mixon, the President and Chief Executive Officer of New Mexico Mutual.

### **Item No. 2: Proxy Report and Quorum**

Ms. Mixon presented the Quorum and Proxy Report and stated the Company received a total of **70** written proxy responses from Policyholders of the New Mexico Mutual Casualty Company ("Policyholders") indicating the following:

- **66** Policyholders appointed Kellie Mixon with full power of substitution, as proxy to vote on all matters that may properly come before the 2025 Annual Policyholders Meeting; and
- **4** Policyholders indicated that they would attend the 2025 Annual Policyholders Meeting: (i) Briones Business Law Consulting; (ii) Kill It Services; (iii) The Garage; (iv) and The Arc of San Juan County.

**In accordance with the Bylaws and Proxy Report, Ms. Mixon confirmed that a quorum had been constituted by simple majority of Policyholders present and by written proxy, which is necessary and sufficient to conduct business at the 2025 Annual Policyholders Meeting.**

### **Item No. 3: Approval of the Agenda of May 16, 2025**

**Motion to approve the Agenda of the May 16, 2025 meeting was made and seconded. The motion was unanimously approved without amendment.**

### **Item No. 4: Approval of the Minutes of May 23, 2024**

**Motion to approve the Minutes of the May 23, 2024 meeting was made and seconded. The motion was unanimously approved without amendment.**

## **Item No. 5:     Opening Remarks and Introductions**

Ms. Thomas welcomed our Policyholders and introduced each member of New Mexico Mutual’s Board of Directors.

## **Item No. 6:     2024 Financial and Operations Reports**

### *Introduction of Senior Leadership*

Ms. Mixon introduced the members of New Mexico Mutual’s Senior Leadership Team.

### *Report of Consolidated Financials*

Ms. Hickman reported favorable financial results for 2024, highlighted by decreased loss levels and a resulting reduction in the loss ratio. The Company maintained focus on expense management while continuing to invest in technology and initiatives to enhance operational efficiency. Investment performance was positive in 2024 with opportunities for increased yield. Due to strong results in net income and investments, a positive contribution to surplus was reported. The Company maintained its A- (Excellent) A.M. Best rating with a stable outlook.

### *Independent Financial Audit Report*

John Sproull, Partner with RSM US LLP, presented the Independent Financial Audit Report of the Company's financial statements for the year ended December 31, 2024. RSM was engaged to audit the combined statutory financial statements of the New Mexico Mutual Group, including its nine insurance company affiliates. RSM issued an unmodified, “clean” opinion of the combined statutory financial statements dated May 7, 2025.

### *Operations Report*

Mr. Giralmo presented the operations report highlighting 2024 results. The Company reported continued positive performance, maintaining its position as t the market leader for workers’ compensation insurance in New Mexico. Premium levels and policy counts remained strong, reflecting sustained economic growth. Claim volume declined during the year, and average claim costs decreased by 11.6%. Overall, operational results in 2024 strengthened the Company’s financial position and supported its mission to deliver cost-effective workers’ compensation coverage to New Mexico businesses.

## **Item No. 7:     CEO Report**

### *2024 Overview*

Ms. Mixon commented that 2024 was a successful year for New Mexico Mutual as the Company provided coverage for over 9,000 business across the state. Over \$43.4M in benefits were paid throughout 2024, including \$23.5 million to medical providers and \$19.9 million in benefits to injured workers or their families. The organization provided support to communities affected by wildfires and floods in 2024 and contributed more than \$260,000 to charitable organizations and other entities supporting community and business development.

### *2025 Objectives*

Ms. Mixon provided a preview for 2025 and indicated that the Company anticipates a reduction in top-line revenue, driven by rate decreases and slowing wage growth. Losses were projected to remain consistent with the prior year. Updates were provided on the planned enhancements to service delivery and customer experience, supported by ongoing innovation initiatives. New Mexico Mutual is committed to advocating for balance in the workers’ compensation system to ensure affordable coverage for businesses and quality care for injured workers.

## **Item No. 8:     Other Business**

No other business was considered by the Policyholders.

**Item No. 9:     Adjournment**

**The 2025 Annual Policyholders Meeting of the New Mexico Mutual Casualty Company was adjourned at approximately 8:26 AM/MDT.**

**APPROVED:**

**ATTESTATION:**

By: \_\_\_\_\_  
      **Jennifer Thomas**, Board Chair

\_\_\_\_\_ **Jason Harrington**, Secretary Treasurer

Date: \_\_\_\_\_

Date: \_\_\_\_\_