

2021 Annual Report

**SAFETY – STILL OUR NUMBER ONE
PRIORITY...**

...AND IT SHOWS



Safety First

From the beginning, the founders of Builders Trust wanted to be the carrier of choice for contractors across New Mexico. When other carriers left due to the inevitable ups and downs of the work comp industry, Builders Trust has always been there...working for you.

Over the years, we have undergone many changes. We invested in the best software we could find and when the world went to the web, we went there too with a state-of-the-art portal. But our number one priority has been and always will be...safety.

It is the goal of the Board of Trustees to help contractors maintain safe job sites so they can send their employees home every night, safe and sound. Therefore, a good portion of premium revenue has been dedicated to this mission over the years. Due to this, Builders Trust has the largest safety division of any work comp carrier in New Mexico. Our Field Safety Reps are out every day, meeting with our Owner/Participants to help and advise them on the best safety practices for their field of work. They hold safety classes on many subjects in both English and Spanish. We have invested in an online learning library and our website at builderstrust.com has links to many useful and indispensable websites such as OSHA, MSDS Search and the Scaffold Training Institute.

- We developed our invitation only Safety First program which develops safety cultures even more extensively.
- Every Friday we send out our Toolbox Talks with timely five-minute tailgate talks that cover a wide range of subjects free of charge.
- In 2020 we rolled out our Safety Training Trailer. Our Reps can take this trailer directly to your job site so your employees can learn and go right back to work.

In addition we are developing a Mobile Safety Application and hope to have it available free of charge to all Participants by 2023. Two years ago, the Board of Trustees decided to invest in the creation of an extensive and truly useful tool for you to keep right on your cell phone.

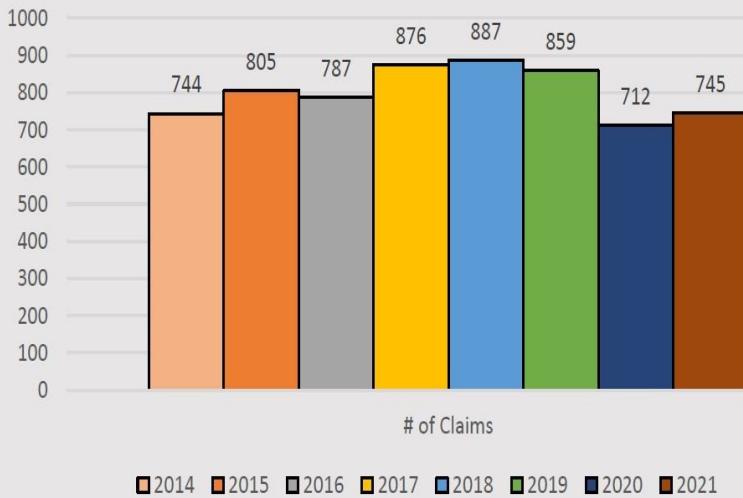
With the labor shortages of the past few years, Builders Trust began working with high schools and other trade groups to help train the younger generation to work in these critical jobs and build a safety culture in them right from the start.

As you can see, Builders Trust has invested a lot in safety and training and the result of this focus is telling. Our Owner/Participants through their diligent efforts, have helped reduce the number of claims not only in frequency but in severity over the years. Claims costs for the 2021 Fund Year continue to trend down.

As we like to say, contractors belong here. We understand your business and work for you, and we thank you for being a part of the best workers' compensation self-insurance fund in New Mexico.

We wish you a Safe and Profitable 2022!

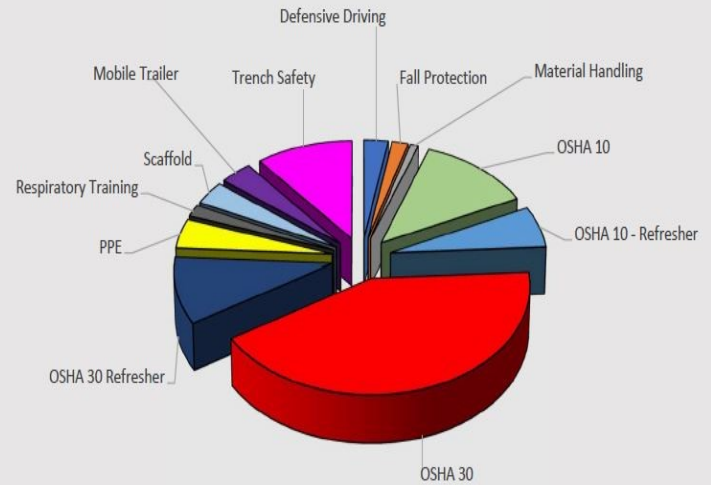
Claims Frequency



While payroll continues to rise, the frequency of claims has not kept up with that increase.

Builders Trust offers many safety classes and all of these can be offered in either English or Spanish. Many more are available.

Classes Completed by Type (2017 - 2021)



- Defensive Driving
- OSHA 10
- OSHA 30 Refresher - English
- Scaffold
- Fall Protection
- OSHA 10 Refresher
- Personal Protective Equip - English
- Mobile Trailer
- Material Handling
- OSHA 30
- Respiratory safety
- Trench Safety

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Builders Trust of New Mexico

Builders Trust of New Mexico
Audited Comparative Balance Sheets
December 31, 2021 and December 31, 2020

	2021	2020
Assets		
Investments	84,986,285	83,031,474
Cash and Cash Equivalents	7,987,365	5,686,362
Premium Receivable	2,280,000	2,032,000
Insurance Receivable on Paid Losses	86,677	528,370
Insurance Recoverable on Unpaid Losses	6,956,503	4,947,920
Prepaid Expenses and Other	805,989	540,994
Property and Equipment	1,399,777	1,548,613
Other Receivables	355,623	381,414
Totals Assets	104,858,219	98,697,147
Liabilities and Surplus		
Reserves for Losses and ALAE	45,619,977	41,843,495
Participant Deposits	3,744,891	3,759,318
Other Payables	928,400	991,121
Income tax payable	113,960	977,444
Deferred tax liability	1,525,600	2,009,100
Total Liabilities	51,932,828	49,580,478
Surplus	52,925,391	49,116,669
Total Liabilities and Surplus	104,858,219	98,697,147

Builders Trust of New Mexico
Audited Income Statements
Calendar Years Ended December 31, 2021 and 2020

	2021	2020
Income		
Premium Income, Net	20,706,016	20,458,445
Investment Income, Net	3,887,931	2,703,217
Other	529,147	609,879
Total Income	25,123,094	23,771,541
Expenses		
Losses and Loss Adjustment Expenses	12,016,316	11,930,460
Administrative Expenses	3,675,931	3,701,592
Marketing Fees	2,264,408	2,243,963
Claims Management Expenses	798,850	953,771
Total Expenses	18,755,505	18,829,786
Income from Operating Activities	6,367,589	4,941,755
Unrealized holding gains arising during period-ex	1,248,209	893,283
Gain on sale of fixed assets	2,969	-
Income (Loss) before Taxes	7,618,767	5,835,038
Provision for Income Tax Expense (Benefit)	1,538,142	1,148,868
Net Income (Loss)	6,080,625	4,686,170
Other Comprehensive Income (Loss), Net of Tax	(2,271,903)	2,870,081
Total Comprehensive Income (Loss)	3,808,722	7,556,251

Source: Audited Financial Statements - December 31, 2021 & December 31, 2020