



Nevada Public Agency Insurance Pool
Public Agency Compensation Trust
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**Minutes of the Meeting of
the Board of Directors and of the Executive Committee of
Nevada Public Agency Insurance Pool
Place: Atlantis, Reno, Nevada
Time: 1:00 p.m. or
Upon adjournment of PACT Board Meeting
Date: April 20, 2018**

1. Introductions and Roll

A quorum being present, Chair Minor called the meeting to order.

2. Public Comment

Chair Minor opened the public comment period and hearing none, closed the comment period.

3. For Possible Action: Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda

a. Approval of Minutes of Board and Committee Meetings:

- Board Meeting April 27, 2017
- POOL Executive Committee December 15, 2017

b. Acceptance of Interim Financial Statements

c. Approve Resolution to Submit Application to AGRiP for Recognition Under their Advisory Standards

On motion and second to approve the consent agenda as a whole, the motion carried.

4. For Possible Action: Acceptance of Audit for June 30, 2017

Alan Kalt reviewed highlights of the audited financial statements noting that an unqualified opinion was received. He said the Audit Committee met and accepted the audit.

On motion and second to accept the audit, the motion carried.

5. For Possible Action: Acceptance of Reports

- a. Large Loss Report**
- b. Actuarial Update**

a. Wayne Carlson commented about the large loss report noting the significant flood losses in 2017 and the large errors or omissions claims.

b. Wayne reviewed the summary letter from the actuary with recommendations for loss fund contributions at various confidence levels, noting that the POOL used the 70% confidence level

for funding. This means that there is a 70% likelihood that the funding level will be sufficient for future claims payments.

On motion and second to accept the reports, the motion carried.

6. For Possible Action: Acceptance of Renewal Reinsurance and Insurance Proposals and Options

Mary Wray, Courtney Giesseman and Stephen Romero of WillisRe Pooling presented the results of their renewal marketing efforts. They reviewed the program cost structure and markets approached. Regarding the property reinsurance market, they noted that significant catastrophe losses had an impact on the worldwide property reinsurance profitability. However, the POOL's figures were moderated as a result of annual meetings with the underwriters since 2004 and staying with the markets over time to enable stable pricing. They noted that some underwriting syndicates had exited the market due to their own losses and that others were remaining with our program because of the long-term profitability of the relationship. Capacity will remain for our earthquake and flood exposures without reduction in limits. They also noted the ancillary programs including equipment breakdown, student accident medical, environmental liability and terrorism property and liability all produced favorable terms and options. Overall the program comparative results show an under 5% increase, the largest element being the property increase offset by casualty decreases. For the student accident coverage, an option to increase the limit from \$10,000 to \$25,000 was quoted.

On motion and second to approve the renewal as proposed with the \$25,000 student accident coverage option, the motion carried.

7. For Possible Action: Acceptance of Budget for 2018-2019

Wayne Carlson reviewed the budget noting that the reinsurance costs were not finalized at the time of the Executive Committee's approval for recommendation. These will be adjusted for the final figures presented. Mike Rebaleati commented about the changes in the technology services budget. He indicated that PARMs had owned the IT assets but had transferred them to the POOL and POOL in turn rents the use of the IT assets to PARMs and PRI. In this way, POOL has ownership of the needed IT assets, software and data critical to its operations.

On motion and second to approve the budget, the motion carried.

8. For Possible Action: Action regarding these topics:

- a. Review of financial condition of each member and prompt notification to the Members of any Member determined to be operating in a hazardous financial condition**
- b. Review of the loss experience of each Member of the association - Claims Experience Report Summary**
- c. Review for removal of Members with excessive loss experience or Members determined by the Board to be operating in a hazardous condition**

Wayne Carlson noted that these topics are not mandated by regulation as they are for PACT, but the POOL board opted to include them for consistency. Alan Kalt added that Nye County had been under fiscal watch, but likely soon will be relieved of the Department of Taxation's watch. The Board could see the comparative loss experience data for similar types of entities in the packet.

On motion and second to acknowledge the review, the motion carried.

9. For Possible Action: Approve Changes to NPAIP

a. Interlocal Cooperation Agreement

b. Bylaws

c. Claims Administration Policy

d. Service Providers Bill of Rights Policy

- a. Wayne Carlson reviewed the proposed changes as clarifications to add the term “political subdivision” in the Member definition, to amend Article 30 to clarify that a vote of two-thirds of the Members present at a meeting would be needed for changes to the agreement, and to delete Article 34 as it no longer is required by statute to submit agreements to the Attorney General.
- b. Bylaws changes were discussed next. Article I, Section 1.04 “Maintenance Deductible” was proposed to be deleted and then made a policy or procedure. Article IV, Section 4.04, Paragraph (e) Vacancies clarifies that a majority of the Executive Committee may act to replace a vacancy as well as the Chair. Article VIII, Section 8.01 (a) was amended to be consistent with the ICA provision that amendment requires a two-thirds vote of the members present at a meeting. Article VIII, Section 8.01 (b) was deleted.

On motion and second to adopt the changes noted in a and b above, the motion carried.

Alan Kalt reviewed the proposed policy changes in c and d above. He commented that because of his assignment to complete the AGRiP recognition application he found the standards called for changes to these policies.

On motion and second to approve the policy changes in c and d above, the motion carried.

10. For Possible Action: Approval of Changes to POOL Form

Wayne Carlson indicated that no POOL Form changes had been anticipated until a couple of issues arose. The first issue was a Federal rule change requiring that a medical doctor sign off on first responder medical supplies orders. Some of the medical providers were willing to sign off, but only if the Member provided professional liability coverage. Such coverage has been provided by the POOL for Ambulance Medical Directors for their administrative roles and this situation appeared to be similar, thus the proposed change to include medical supplies approving authorities as covered.

The second change is in the form of endorsement 16-17 which provides professional liability to contracted psychologist and physician for \$1,000,000 in excess of their own coverage, and to include Douglas County social workers as covered. The endorsement is made necessary because the Douglas County China Spring Camp facility is being shifted under a State grant to focus on mental health for the youth. As with jail doctors, the endorsement provides excess coverage in case their own malpractice insurer decides to exclude coverage for this service.

On motion and second to approve both changes, the motion carried.

11. For Possible Action: Election of Executive Committee for Two Year Terms from 2018-2020

a. One Representative from School Districts

b. One Representative from Counties and/or Cities with under 35,000 population

c. One Representative from Special Districts

Chair Minor opened this item. Wayne noted that incumbents a. Ann Cyr, b. Bev Conley and c. Gerry Eick had expressed interest in continuing to serve. No other candidates had come forward.

On motion and second to re-elect the respective incumbents, the motion carried.

12. For Possible Action: Election of Chair and Vice Chair

In that the current Chair Cash Minor and the Vice Chair Josh Foli had one year remaining on their terms as Executive Committee Members, no action was deemed needed for them to continue their respective positions.

13. Public Comment

Chair Minor opened public comment and hearing none, closed the comment period.

14. For Possible Action: Adjournment

On motion and second to adjourn, the meeting adjourned.

The Agenda was posted at the following locations and on the State's Website notice.nv.gov:

**N.P.A.I.P. / P.A.C.T.
201 S. Roop Street, Suite 102
Carson City, NV 89701**

**Carson City Courthouse
885 E. Musser Street
Carson City, NV 89701**

Eureka County Courthouse

**10 S. Main Street
Eureka, NV 89316**

**Churchill County Administrative
Complex**

**155 North Taylor Street
Fallon, NV 89406**