



Nevada Public Agency Insurance Pool
Public Agency Compensation Trust
201 S. Roop Street, Suite 102
Carson City, NV 89701-4779
Toll Free Phone (877) 883-7665
Telephone (775) 885-7475
Facsimile (775) 883-7398

**Minutes of the Meeting of
the Board of Directors and of the Executive Committee of
Nevada Public Agency Insurance Pool**

Date: April 21, 2023

**Location: Grand Sierra Resort, Grand Sierra Resort
500 E 2nd St,
Reno, NV 89595**

**Time: upon adjournment of Joint Board and Executive Committee Meeting, which starts at 8:00am,
and the Public Agency Compensation Trust meeting.**

AGENDA

Notices:

- 1. Items on the agenda may be taken out of order;**
- 2. Two or more items on the agenda may be combined for consideration**
- 3. Any item on the agenda may be removed or discussion may be delayed at any time**
- 4. The general Public Comment periods are limited to those items not listed on the agenda. Public Comment periods are devoted to comments by the general public, if any, and may include discussion of those comments; however, no action may be taken upon a matter raised under Public Comments until the matter itself has been included specifically on an agenda as an item upon which action may be taken.**
- 5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.**

1. Introductions and Roll

Roll was taken by sign-in sheets and a quorum of the POOL Executive Committee was present, but not a quorum of the full board. Thus, the meeting was conducted by the Executive Committee.

2. Public Comment

Chair Foli opened public comment 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 Meeting of April 21, 2022**
- b. Acceptance of Interim Financial Statements**
- c. Acknowledge PRM Articles of Incorporation and Bylaws Changes**

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

4. For Possible Action: Acceptance of Audit for June 30, 2022

Alan Kalt reviewed the audit and highlighted key results and performance ratios. He noted that the auditors gave an unqualified opinion.

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

5. For Possible Action: Approval of Renewal Reinsurance and Insurance Proposals and Options

Stephen Romero presented a review of the reinsurance market conditions affecting the outcomes for the POOL renewal. He recognized Steve Firman, the Willis Towers Watson broker for the POOL property account, worked tirelessly on obtaining the best terms and rates for the property program. However, as Steve noted during the training day, the property market is a worldwide market thus is impacted by capacity and rate challenges as a result of claims around the world as well as the POOL's own claims.

Stephen Romero then showed the results of the liability market efforts. He emphasized that PRM (the POOL's nonprofit captive), CRL (a nonprofit pool of pools) and GEM (a nonprofit pool of pools) each experienced different impacts from claims in their respective layers. PRM and CRL provide coverage at a lower level than GEM and thus had to increase rates more. GEM had not experienced claims in their layer so the renewal was relatively flat.

Stephen also presented claims scenarios to explain how the property and liability layers applied to various actual large POOL claims.

For the Cyber Risk program, Stephen commented on the volatile market conditions that led to the additional questionnaires being required for the renewal applications. These were evaluated by staff and CRL and CRL decided to reduce its limits from \$2,000,000 to \$1,000,000 with a \$10,000,000 aggregate. PRM reduced its limits from \$1,000,000 excess of CRL's \$2,000,000 to providing a \$5,000,000 aggregate only limit excess of CRL's aggregate limit.

Stephen showed a spreadsheet comparing last year's rates as applied to this year's exposures to this year's rates and exposures for the reinsurance placement and the special programs. The results revealed an overall program increase of 13.14%. Individual members will see their program costs once they are split out by staff and proposals are prepared and presented.

On motion and second to approve the proposed renewal programs, the motion carried.

6. For Possible Action: Approval of Budget for 2023-2024 including Actuarial Funding Update

Alan Kalt reviewed the budget and how the renewal decisions just made flow through the budget. He highlighted several items within the budget. He indicated that the overall budget increase would be about 13.8% for all programs and services.

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

7. For Possible Action: Approval of POOL Coverage Form Changes for 2023-2024

Wayne Carlson highlighted the proposed changes to the POOL Coverage Form noting the reasons for the changes shown as tracking notes in the document. He responded to questions.

On motion and second to approve the POOL Coverage Form changes for 2023-2024, the motion carried.

8. For Possible Action: Approval of POOL Cyber Risk Coverage Form Changes for 2023-2024

Wayne Carlson reviewed the proposed changes to the POOL Cyber Risk Coverage Form noting the reduced limit of liability and the revisions to the coverage language. He responded to questions.

On motion and second to approve the POOL Cyber Risk Coverage Form for 2023-2024, the motion carried.

9. 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**

Josh Foli introduced these topics. Wayne Carlson commented that both Gina Rackley and Paul Johnson serve on the Committee on Local Government Finance and could comment on any financial issues with our members. Alan Kalt previously served on the same committee. There were no members qualifying for removal. Wayne Carlson highlighted the comparison of the loss experience among the categories of members and none were recommended for removal.

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

10. For Possible Action: Election of Executive Committee for Two Year Terms from 2023-2025

- a. One Representative from Counties and/or Cities with less than 35,000 Population**
- b. Two Representatives from Counties and/or Cities with 35,000 Population or More**
- c. One Representative of School Districts**

Chair Foli opened this item for nominations. Wayne Carlson read the list of incumbents by category: Amanda Osborne from Elko County and Josh Foli from Lyon County for the Counties/Cities with 35,000 or more population, Geof Stark from Churchill County for the Counties/Cities with less than 35,000 population and Dan Murphy from Pershing County School District for the school districts position. Chair Foli noted that the incumbents were willing to be reelected and called for any additional nominations and hearing none, closed the nominations.

On motion and second to declare the incumbents reelected as a whole, the motion carried.

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

Chair Foli and Vice Chair Stark both expressed willingness to continue to serve. Chair Foli called for any additional nominations and hearing none, closed the nominations.

On motion and second to declare the incumbents reelected, the motion carried.

12. Public Comment

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

13. For Possible Action: Adjournment

Chair Foli adjourned the meeting at 2:00 p.m.

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

NOTICE TO PERSONS WITH DISABILITIES

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Nevada Public Agency Insurance Pool or Public Agency Compensation Trust in writing at 201 S. Roop Street, Suite 102, Carson City, NV 89701, or by calling (775) 885-7475 at least three working days prior to the meeting.