



**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 Trustees
and of the Executive Committee of
Public Agency Compensation Trust
Place: Atlantis Casino Resort Hotel
3800 S. Virginia St.
Reno, Nevada 89502
Time: 10:00 a.m. or
Upon adjournment of Joint Board Meeting
Date: April 29, 2016**

1. Introductions and Roll

A quorum being confirmed, Chair Kalt called the meeting to order.

2. Public Comment

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

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

- **Approval of Minutes of Board Meetings:
Board Meeting May 1, 2015**
- **Acceptance of Interim Financial Statements**

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

4. Recognition of 20th Anniversary of the Founding of PACT on April 1, 1996

Chair Kalt presented a retrospective review of PACT's formation on April 1, 1996 and the circumstances of its formation. He noted the founding members. Further, he gave anecdotes about the social history of events on April 1st. He showed a slide of the total assets and net position of PACT in 1996 and in 2015 to illustrate our achievements. It was noted that Alan Kalt became the first Chair in 1996 and was still Chair after 20 years. The board applauded PACT's achievements and Alan's leadership.

5. For Possible Action: Acceptance of Audit for June 30, 2015

Chair Kalt noted that the audit committee had reviewed and accepted the audit. On motion and second to accept the audit, the motion carried.

6. For Possible Action: SpecialtyHealth Cardiac Wellness Program Report and Recommendations

Jackie Cox, CEO of SpecialtyHealth presented an overview of the progress of the cardiac wellness program. She highlighted the additional participants and Members. Physicals have been submitted by 61% of Members and 606 individuals with 144 electing to participate in the wellness program. She emphasized a new strategy they have deployed to encourage participation called a train the trainer program. They train wellness leaders within each willing agency so that they can implement the program with their own staff on the approach that peer to peer training will encourage more participation. SpecialtyHealth staff members Shanti Wolfe and Ethan Opdahl presented several successful case studies noting that each success potentially avoided a \$1.8 million claim. They sought opportunities to set up the train the trainer program in more agencies. Several members commented on the value of the program to them. Paul Johnson asked whether such a program could be expanded to all employees since it would also help their group insurance costs. Chair Kalt directed staff to review and consider a task force to evaluate such an option for the future.

On motion and second to accept the report and recommendations, the motion carried.

7. For Possible Action: Acceptance of Reports

a. Claims Review Report

b. Large Loss Report

Chair Kalt noted that much of the information in these reports was reviewed during the Joint Meeting presentations.

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

8. For Possible Action: Acceptance of PACT Retention Options and Renewal Reinsurance Proposals and Options

Courtney Giesseman of Willis Re Pooling discussed the renewal reinsurance proposals. She noted that there was a substantial increase in the County Reinsurance, Ltd. layer as a result of large claims of \$500,000 or more within the ten year look back period for both CRL as a whole and for PACT. PACT has some large claims that will be beyond the ten year period next year. Payroll increased about 5% from the prior year.

On motion and second to accept the renewal proposal, the motion carried.

9. For Possible Action: Acceptance of Budget for 2016-2017

The budget summary was reviewed. Wayne Carlson commented that the budget figures will be adjusted for the decision just reached on the renewal reinsurance costs. Chair Kalt noted that individual Member costs would be based upon their own payroll and loss experience. Gerry Eick commented that the PACT Executive Committee had approved a reduction of 17% in the post employment heart rate.

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

10. For Possible Action: Action regarding these topics as required by Nevada

Administrative Code:

- 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**

Chair Kalt asked about any Members subject to these considerations. Wayne Carlson noted that Nye County is under fiscal watch and that Pam Webster, County Manager, indicated that they had reduced their budget to address the revenue shortfall due to underassessment and the property tax cap assessments reduction. Josh Foli noted that they had a Sheriff that overspent his budget by \$1,000,000, but would be out of office soon. They were coordinating with the Department of Taxation to address the concerns. Paul Johnson noted that the White Pine County School District had to cut their budget substantially due to charter schools draining student revenue bases. They were on fiscal watch and working to cut various programs in their budget with the Department of Taxation.

On motion and second to note the status of members, the motion carried.

11. For Possible Action: Election of Executive Committee for Two Year Terms

- a. One Representative from Counties and/or Cities with less than 35,000 Population from 2016-2018**
- b. One Representative of Hospitals from 2016-2018**
- c. One Representative of School Districts from 2016-2018**
- d. One Representative of Special Districts from 2016-2017**

Chair Kalt noted the candidates up for reelection and the vacancies. Wayne Carlson noted special districts position vacancy and the two candidates Chris Mulkerns from Town of Tonopah and Ben Sharit of Tahoe Douglas Fire Protection District. He suggested the board consider the incumbents first, the hold a vote on the two declared candidates for special districts. Josh Foli suggest Gerry Eick of Incline Village GID become a candidate for the special districts position. Wayne Carlson noted that Gerry presently was on the POOL Executive Committee.

On motion and second to reelect the incumbents Pat Irwin, Paul Johnson and Steve West, the motion carried.

Chair Kalt asked for statements from any candidates. Chris Mulkerns outlined her involvement working with the Tonopah Town Manager who was on the PACT Executive Committee until he took a position in the private sector. She described her experience. Gerry Eick noted that while he would be willing to serve, he thought that having new people on the various committees helps get more diversity of membership on committees. Pat Irwin

commented about Fire Chief Sharit having been a very positive contributor including on the HR Oversight committee.

On motion and second to elect Chris Mulkerns to fill the position for special districts, the motion carried.

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

Alan Kalt offered to continue and noted that Paul Johnson also was willing to continue to serve. On motion and second to elect Alan Kalt Chair and Paul Johnson Vice Chair, the motion carried.

13. For Possible Action: Approve Changes to Various Documents:

a. Interlocal Cooperation Agreement

b. Bylaws

c. Updates to Existing Board Policies

Chair Kalt asked legal counsel if he had reviewed the proposed changes. Stephen Balkenbush said yes, they are ready for a decision. Wayne Carlson highlighted some of the Interlocal Cooperation Agreement changes, particularly the statement of purpose that PACT is a creature of the interlocal cooperation act and not an insurance company, thus should not be treated as such.

On motion and second to approve items a, b and c as a whole. Wayne Carlson noted that the Loss Fund Policy had been further revised subsequent to the board packet going out to recognize a change in the policy relative to the confidence level requirements. The change would require at least the actuarial expected (50%) confidence level plus a contingency margin without stating the specific confidence level percentage. The appropriate level would be determined by the Executive Committee.

On motion and second to adopt the revised Loss Fund policy as recommended. Paul Johnson requested that the policy expand the language and not use the acronyms. The motion carried with the correction.

14. Public Comment

Gerry Eick noted that SpecialtyHealth had left some brochures with him to distribute to the Members.

15. For Possible Action: Adjournment

On motion and second to adjourn, the meeting adjourned at about 2:05 p.m.

The Agenda was posted at the place of the meeting, at following locations and on the State Website:

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**