



**Nevada Public Agency Insurance Pool
Public Agency Compensation Trust**
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**Minutes of the Joint Meeting of
the Board of Directors and of the Executive Committees of
Nevada Public Agency Insurance Pool and
the Board of Trustees of
Public Agency Compensation Trust
Place: Whitney Peak Hotel
255 N Virginia St.
Reno, Nevada**

Date: April 16, 2019 Time: 1:00 p.m.

Date: April 17, 2019 Time: 8:00 a.m.

1. Introductions and Roll

A sign in sheet was circulated and a quorum determined to be present. Josh Foli chaired the meeting and called it to order at 8:00 a.m.

2. Public Comment

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

3. Risk Management, Loss Control, Wellness: Watch This!!!

Marshall Smith, Risk Manager, led this presentation about the role of risk management and the various services provided by POOL/PACT. He utilized interactive exercises to elicit member participation and learning. Rick Hudson, Loss Control Manager, and Josh Wilson, Senior Loss Control Consultant of Willis Pooling Re presented several scenarios for participants to look for loss control concerns and to identify specific services that would help address the problems. Ethan Opdahl of SpecialtyHealth provided a review of their program Fit for Retirement that focuses on public safety wellness and advanced medical testing to prevent heart disease. He introduced Jackie Cox, CEO and their nutritionist Anna LeMay. Jackie asked the participants to identify potential incentives to increase participation and collected those ideas for further review. She said that only 12% of the current participating public safety employees had received advanced testing that could help early identify heart disease risk factors so that they could tailor their services.

4. Human Resources: From the Trenches - They Did What??

Stacy Norbeck, General Manager of POOL/PACT HR handed out a paper on which participants were asked to identify the HR business partners, services and training programs to see what they already know and to show the additional scope of POOL/PACT HR to increase awareness. She showed slides of the extensive services and training programs members had available to them. She identified members participation levels in several of the services and programs. She and Curtis

Calder, Chair of the HR Oversight Committee, presented awards for completion of the Phase I HR Assessments to four members and showed the list of members currently working on Phase II.

5. Claims Management: This Is Us?!?

Donna Squires, Claims Manager of ASC, had each of her staff and corporate leaders introduce themselves by providing a brief background of their experience with claims. They then teamed up to present scenarios and polling questions to help members understand liability and workers compensation claims scenarios.

6. Cyber Report: The Spy Among Us?

Mike Rebaleati, Chief Operations Officer of the pools, presented information about the history of the NPAIP cyber security prevention efforts and coverage program. He indicated that most of the counties, cities and school districts had completed the passive network assessments and that the remaining members would be completed soon. He conducted polling on specific cyber risk prevention issues.

Break come back at 3:00 p.m.

7. Benchmarking Ratio Review

Alan Kalt, Chief Financial Officer of the pools, reviewed the use and importance of benchmarking tools in assuring financial success of the pools. He illustrated key ratios being tracked by the pools and why they are important to long-term viability of the organizations. He noted that AGRiP will be introducing its Financial Benchmarking Instrument to help pools understand how each compares with best practices. He added that Strategic Asset Alliance, the investment advisor to the pools and captives, has its own benchmarking comparison with other pool clients to illustrate the investment strategies utilized. Alan reviewed how the NEAM Enterprise Based Asset Allocation approach has helped optimize alignment of risk bearing strategies with investment options. He emphasized the importance of the board paying attention to the key performance indicators.

8. The Reinsurance Quilt: It's Puzzling – Can You Solve It?

Mary Wray, Client Advocate of Willis Re Pooling and Mike Rebaleati presented how the reinsurance structure of the pools and captives works. They challenged members to calculate how loss scenarios would play out in terms of how much each participating reinsurer would pay in the event of a loss.

9. Convenient Learning: Saving Money and Time!

Mike Rebaleati presented information about the ELearning program being enhanced by Mike Van Houten, the Pools' ELearning manager. He show the number of participants and courses being taken and the growth in utilization of the Torch LMS system. He described the enhanced features and options available to members at no additional cost.

10. Agent Best Practices: What? They Didn't Tell Me About That!

Stephen Romero of Willis Pooling Re utilized an interactive scenario approach to discuss potential issues that could arise when communication breaks down. He asked who members should call in specific scenarios. Group interaction about the scenarios helped members understand roles and responsibilities of all parties to the pooling relationship.

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

a. Approval of Minutes of Board:

1) **Joint Board Meeting April 19, 2018 – April 20, 2018**

b. Acceptance of Minutes of Committee Meetings

1) **Joint Executive Committee Meeting of August 20, 2018**

2) **Joint Executive Committee Meeting of November 5, 2018**

3) **Joint Executive Committee Meeting of February 19, 2019**

4) **Audit Committee Meeting of October 30, 2018**

5) **Human Resources Oversight Committee Meeting of September 28, 2018**

6) **Human Resources Oversight Committee Meeting of December 7, 2018**

7) **Human Resources Oversight Committee Meeting of March 1, 2019**

8) **Loss Control Committee Meeting of September 18, 2018**

9) **Loss Control Committee Meeting of December 17, 2018**

10) **Loss Control Committee Meeting of March 19, 2019**

c. Acceptance of Reports

1) **Executive Director**

2) **Public Risk Mutual Audit**

3) **Public Compensation Mutual Audit**

4) **HR Accomplishments Report**

5) **PRI Financial Audit**

6) **Risk Management and Loss Control Services Reports**

7) **Alternative Service Concepts Claims**

8) **SpecialtyHealth Cardiac Wellness Program and 24/7/365 Injury Call Service Report**

Chair Foli asked whether any item should be removed from the consent agenda for discussion. Hearing none, he called for a motion.

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

12. Public Comment

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

13. For Possible Action: Recess Until April 17, 2019 at 8:00 a.m.

On motion and second to recess the meeting until the next day, the meeting recessed until 8:00 a.m. on April 17, 2019.

5:30 p.m. – 6:30 p.m. Board Attitude Assessment

6:30 p.m. – 9:00 p.m. Dinner and Entertainment: 2 Blokes & A Squeeze Box

JOINT BOARDS and EXECUTIVE COMMITTEES' MINUTES

April 17, 2019

14. Reconvene Meeting of April 16th and Roll

Chair Foli reconvened the meeting at 8:00 a.m.

15. Public Comment

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

16. For Possible Action: Acceptance of Investment Reports and Action on Recommendations:

- a. NEAM Enterprise Risk Report**
- b. NEAM Investment Manager Report**
- c. Strategic Asset Alliance Investment Advisor Report**

Kelly Sullivan led off with a brief overview of the NEAM report, then introduced Mark Yu to review the Enterprise Based Asset Allocation report. Mark first reviewed the purpose and scope of the analysis done was to match the risk tolerance and capacity of the pools with the investment options available consistent with the investment guidelines. He discussed the concept of the efficient frontier to illustrate the risk and return implications of various strategies. He then reviewed the data for the pools and captives showing how certain changes in investment strategies can enhance the investment results while extending some additional, manageable risk within the EBAA tolerance indications. Kelly then returned to review the fixed income investment performance of the pools and captive under the current guidelines and how she would utilize the EBAA in assessing shifts in investments to match the EBAA goals.

Dan Smereck of SAA discussed the key investment performance results for the pool and captives, noting how the mix of fixed income and risk assets combined affected the overall performance of the organizations alone and in combination. He explained how the EBAA tool would be applied to the strategies he would discuss with the pools and captives.

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

17. For Possible Action: Review and Approval of Investment Guidelines

- a. PACT Investment Guidelines**
- b. POOL Investment Guidelines**

Wayne Carlson commented that the investment guidelines were required to be reviewed annually to confirm with the AGRiP Advisory Standards Recognition program that the pools had received since 1993 (NPAIP) and 1996 (PACT). He indicated that the changers approved last year were included. Mike Rebaleati added that the guidelines included managing investments for all the pools, captives and administrative organizations.

On motion and second to approve the investment guideless for PACT and POOL, the motion carried.

18. For Possible Action: POOL/PACT Board Retreat Report

Wayne Carlson reviewed highlights of the retreat noting that the facilitator (Dan Burrus) led the group through his anticipatory organization approach to pre-solving future issues. He described that this entails recognition of trends that are coming and preparing in advance for addressing them in advance so that the response is not reactionary. He cited some examples of hard trends we should prepare for and have plans to address. He noted that the next area of focus of the retreat was on succession planning for his company by the creation of a new, nonprofit organization which is the subject of the next agenda item. He described the process for developing the new organization and its current status. Mike Rebaleati added that the succession planning process was designed to establish a successor organization while retaining Wayne Carlson's involvement under a subcontract with the new nonprofit organization for an initial three-year period to assure a smooth transition. Wayne Carlson commented that his staff would be transferred seamlessly to the new organization called Nevada Risk Pooling, Inc. effective July 1, 2019.

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

19. For Possible Action: Approval of Grant to Nevada Risk Pooling, Inc.

Wayne Carlson and Mike Rebaleati reviewed the scope of the grant noting it was similar to the POOL/PACT HR Grant terms. The scope of the grant is designed to cover the services currently provided by PARMS under its contract. PARMS would become a subcontractor for executive director services to NRP.

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

20. Public Comment

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

21. For Possible Action: Adjournment

On motion and second to adjourn, the meeting was adjourned at about 8:55 a.m.

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 Administration
155 North Taylor Street
Fallon, NV 89406**