



**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 Meetings 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: Atlantis Hotel
3800 S Virginia St,
Reno, Nevada**

Date: April 19, 2018 Time: 1:30 p.m.

Date: April 20, 2018 Time: 8:00 a.m.

April 19, 2018

Board Workshops

1:30 p.m. – 5:00 p.m. Workshop:

- **Legislative Update - Charity Felts**
- **Marijuana in the Workplace – presentation and panel: Brett Kandt (attorney legal conflicts), Becky Bruch (HR issues), Charity Felts (workers compensation impact)**
- **WE ARE POOL/PACT: What Board Members Need to Know (Mike Rebaleati, Alan Kalt)**

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

6:30 p.m. – 9:00 p.m. Dinner and entertainment

JOINT BOARDS and EXECUTIVE COMMITTEES' Minutes

April 20, 2018

1. Introductions and Roll

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

2. Public Comment

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

Recess for Meetings of the Captives:

ANNUAL MEETING OF PUBLIC COMPENSATION MUTUAL (PCM)

ANNUAL MEETING OF PUBLIC RISK MUTUAL (PRM)

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

- a. NEAM Management Investment Manager Report**
- b. Strategic Asset Alliance Investment Advisor Report**

- a. Chris Lech, Patrick Scully and Kelly Sullivan provided the NEAM fixed income investment manager report. They provided an overview of current investment market conditions and how they positioned the pools and captives to get positive returns. They reviewed the enterprise risk approach and analysis taken in 2017 that captures the philosophy and risk parameters of the organizations and aligns the investment strategies to those conditions. They then highlighted the key investment results accomplished for the year and the planned strategies for the upcoming year.
- b. Dan Smereck provided his review as investment advisor of how the enterprise asset approach helped guide all investments including those risk assets available to the captives and not to the pools. He discussed the changes in asset allocation made necessary by market condition changes between 1995 and 2017. He noted how the combined results of the pools and captives worked together to increase returns in alignment with the enterprise risk management analysis provided by NEAM. He showed the overall combined investment performance of both pools and captives and how much it added to the success of the programs.

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

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

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

It was noted that both a and b guidelines contained no proposed changes, but the review was required by the AGRiP standards annually.

On motion and second to approve the investment guidelines with no changes, the motion carried.

Chair Johnson requested a couple of presentations be made because the presenters would not be able to stay for the later meetings.

Mike Rebaleati introduced Andrew Halsall of Government Entities Mutual (GEM) who provided an overview of GEM and how it interacts with NPAIP as a nonprofit reinsurance provider. Andrew noted that Mike Rebaleati had been elected to the GEM board this year. GEM provides a layer of liability reinsurance to NPAIP and can offer alternative structures for liability and workers compensation as needed.

Mike Rebaleati then introduced Mike Van Houten who provides the e-learning support and training for the pools. Mike Van Houten then described how the Torch Pro e-learning management system was being phased out by May 1, 2018 and being replaced by Torch Enterprise. He has been very busy converting current users' data into the enterprise version so that no data is lost. He said that the enterprise system is very robust and user friendly, even allowing Members to upload their own training into the system, which Incline Village GID has done successfully. Mike Rebaleati commented that Mike Van Houten would be joining the PARMS team full-time to support the expanded platform.

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

a. Approval of Minutes of Board:

Joint Board Meeting April 26, 2017 – April 27, 2017

b. Acceptance of Minutes of Committee Meetings

Joint Executive Committee Meeting of April 21, 2017

Joint Executive Committee Meeting of November 8, 2017

Joint Executive Committee Meeting of February 23, 2018

Joint Executive Committee Meeting of March 28, 2018

Audit Committee Meeting of October 26, 2017

Human Resources Oversight Committee Meeting of June 9 2017

Human Resources Oversight Committee Meeting of September 15, 2017

Human Resources Oversight Committee Meeting of December 8, 2017

Human Resources Oversight Committee Meeting of March 9, 2018

Loss Control Committee Meeting of July 18, 2017

Loss Control Committee Meeting of October 17, 2017

Loss Control Committee Meeting of January 23, 2018

c. Acceptance of Reports

○ **Strategic Plan Progress Report**

○ **Executive Director's Report**

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

6. For Possible Action: Board Orientation 6 For Good Measure

Alan Kalt provided a high-level overview showing how the various pooling and key service component organizations interact to deliver the services and financial protection for Members. Using the "got your 6" terminology to represent that the pools have "got your back" to protect Members. He had presented an expanded version of this at the workshop the preceding day.

7. For Possible Action: Loss Control Committee

a. Loss Control Committee Report

b. Risk Management Grants and Other Risk Management Program Reports

Marshall Smith highlighted the Loss Control Committee members and the important work they have been doing over the years. He commented about the Loss Control Excellence Program. He reviewed the various projects and plans being undertaken by the committee. He then reviewed the risk management grants programs utilization and encouraged Members to take advantage of these grants. Mike Rebaleati commented about the cooperative efforts being made with the Nevada Association of School Boards in reducing school hazard vulnerability and enhancing their capability in an emergency. He also said similar cooperative efforts were being made with the Nevada Association of Counties and the Nevada League of Cities.

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

8. For Possible Action: Acceptance of Reports

a. Alternative Service Concepts Stewardship Report

b. Willis Pooling Stewardship Report

- a. Donna Squires introduced Pam Finch, CEO of ASC and Vicki Hampton, Regional VP of ASC. Pam commented about the long-standing relationship with the pools and expressed ASC's appreciation for the relationship over the years. Donna then presented the ASC Stewardship Report highlighting some of the key liability issues presented in both errors or omissions and employment practices cases. She then introduced Mike Livermore, Workers Compensation Claims Supervisor, who reviewed the loss experience for PACT and regulatory changes that will increase disability claims costs.

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

- b. Mary Wray presented the Willis Pooling stewardship report which was handed out at the meeting. She described the long-term relationship with the pools and how they have served us with program design and marketing. She highlighted the major accomplishments including the stability of pricing and markets, loss control support, innovative products and support to the pools' agents. Stephen Romero commented about the marketing efforts with the agents to enhance understanding of the program and services available. Courtney Giesseman reviewed her role in the underwriting and gave credits to several agents who delivered their applications timely and completely without back and forth questions. Rick Hudson provided a review of the loss control services provided and noted that the new thermographic camera funded by the pool expanded their capability in helping members find hotspots and avoiding loss. He also noted their upgraded electronic fire extinguisher training device and reviewed the scope of services available to the members.

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

9. For Possible Action: POOL/PACT Human Resources

a. HR Oversight Committee Report

b. HR Grant Service Progress Report

c. PRI Financial Audit Report

d. EAP Program Utilization Report

e. Peer Counseling Program – Scott Baker

a through d: Stacy Norbeck, General Manager of POOL/PACT Human Resources, supplemented the information provided in the board packet about the services delivered to the members. She introduced Curtis Calder, Elko City Manager and Chair of the HR Oversight Committee. They recognized Members who completed Phase I or II Assessments: Nye County School District – Phase I; City of Fernley – Phase II; and Sun Valley GID – Phase II. They presented an award for achievement to representatives of Sun Valley GID who were present.

e. Scott Baker, Fire Chief of Lake Tahoe FPD, presented the concept of a peer counseling program. He had found success utilizing an EAP in his own life and discovered how a peer counseling program can help peers identify those who may be struggling and need the help of the EAP. He suggested this could be done by any type of organization and would be beneficial to all employees who would be trained and able to assist others. He encouraged members to consider implementation. He noted that the pools were considering how to facilitate this type of program.

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

10. For Possible Action: Purpose and Focus of Board Retreat, September 20-21, 2018 in Eureka
a. Enterprise Risk Management, Investments and Retention Strategy Overview
b. Future strategic planning including succession planning, global report development and risk management services

Mike Rebaleati commented about the retreat topics and the importance for Members to attend and participate as the pools/captives determine their future direction regarding enterprise risk management strategies and succession planning for boards and staff. He noted that he, Alan Kalt and Gerry Eick were working on a global financial report that will provide a high-level summary of the components of the overall programs and performance. He encouraged members to attend.

On motion and second to approve the board retreat in Eureka on September 20-21, 2018, the motion carried.

11. Public Comment

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

12. 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**