



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: John Ascuaga's Nugget,  
Sparks, Nevada**

**Date: April 24, 2008 Time: 1:30 p.m.**

**Date: April 25, 2008 Time: 8:00 a.m.**

**JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA**

**April 24, 2008**

**Board Governance Workshops**

Since these were training workshops, no minutes were taken.

**1:30 p.m.- 3:00 p.m. Help, I Need Somebody! – the Beatles**

Facilitators: Donna Squires, Craig Buchholz

Topics: Freeze: Ten Degrees and Getting Colder – Nancy Griffith  
Shake: Whole Lotta Shakin' Goin' On – Jerry Lee Lewis  
Flood: A Hard Rain's Gonna Fall – Bob Dylan  
Wind: Blowin' In The Wind – Bob Dylan  
Fire: Fire and Wind – James Taylor

**3:00 p.m. – 3:15 p.m. Break**

**3:15 p.m. – 4:45 p.m. All The Money's Gone – Greg Brown**

Facilitators: Doug Smith, Joe Woods, Jas Short

Topics: Investment Policy Statements - roles and responsibilities: Money – Lyle Lovett  
Investment Terminology and Concepts: Money – Rolling Stones **Diamonds-Simon**  
Investment Strategies for Risk Pools and Captives: Bears – Lyle Lovett  
Effective investment performance measurement: Money – K.T. Oslin

**4:45 p.m. – 5:00 p.m. Quiz for Prizes**

**5:00 p.m. – 5:45 p.m. OPEB Status and Strategies**

**5: 45 p.m. – 6:30 p.m. Board Attitude Assessment and Adjustment**

6:30 p.m. – 8:30 p.m. Dinner and Entertainment

**JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA**

**April 25, 2008**

**1. Introductions and Roll**

A sign-in sheet was completed and a quorum was determined to be present. The meeting commenced at 8:00 a.m.

**2. Action Item: Acceptance of Investment Advisor's Report and Action on Recommendations**

Jas Short and Clay Lindsey from Eagle Asset Management reviewed the performance of the investments they manage for POOL, PACT, PRM and PCM. They then responded to questions about the investment market conditions and strategies Eagle was using. Joe Woods, Investment Advisor of Raymond James & Associates, reviewed the performance of the overall investment portfolio and of the portion his firm manages as well. He responded to questions from the board relative to the market, strategies and investment fee structure.

On motion and second to accept the investment advisors' reports, the motion carried.

**3. Action Item: Review of Board Investment Guidelines for POOL and PACT**

Chairman Kalt noted that the Association of Governmental Risk Pools Advisory Standards for Pools requires the board to review the investment policy statements annually and this item served that purpose. Wayne Carlson commented that no changes to the policies was being suggested at this time since the Executive Committee has formed a task force to review these policies along with others and to report back to the board in the future with any recommendations. Chairman Kalt noted that board member Paul Johnson agreed to chair the task force on policy review and invited interested members to contact staff if they had an interest in serving on the task force.

On motion and second to note that the board had reviewed the investment guidelines and that Paul Johnson was chairing a task force for policy review, the motion carried.

**4. Action Item: Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda**

- **Approval of Minutes of Board Meetings:**  
**Joint Board Meeting April 26 & 27, 2007**
- **Acceptance of Minutes of Committee Meetings**  
**Joint Executive Committee Meeting of March 11, 2008**  
**Audit Committee Meeting of October 19, 2007**  
**Audit Committee Meeting of December 5, 2007**  
**Human Resources Committee Meeting of September 12, 2007**  
**Human Resources Committee Meeting of December 12, 2007**  
**Human Resources Committee Meeting of March 5, 2008**

**Loss Control Committee Meeting and Retreat of July 26, 2007**

**Loss Control Committee Meeting of September 12 2007**

**Loss Control Committee Meeting of February 4, 2008**

**Loss Control Committee Meeting of March 3, 2008**

- **Acceptance of Reports:**
  - **Strategic Plan Progress Report**
  - **Executive Director's Report**
  - **EAP Report**

Chairman Kalt noted that the consent agenda consisted of items to be approved as a whole unless specifically removed from the agenda. He asked whether the board wanted to remove any item from the consent agenda. Seeing none, he called for a motion to approve the consent agenda.

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

**5. Action Item: Loss Control Committee**

- a. Loss Control Committee Report**
- b. Recognition of Members for Loss Control Excellence Program and Safety Management Excellence Program Awards**
- c. Approval of Revisions to Loss Control Committee Charter**

**a.** Chairman Kalt asked Cash Minor, Chairman of the Loss Control Committee, to provide the committee report. Cash commented that the membership of the committee consisted of members that had achieved recognition under the Loss Control Excellence Program. Due to quorum issues, the committee structure had been revised to appoint five members as voting members with alternate voting members. He listed the voting and nonvoting members but encouraged all members to participate in committee efforts. Cash then advised the board that the committee had been reviewing its mission, charter, strategic plan and loss trends to determine the direction of the committee. A new mission and charter had been developed.

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

**b.** Cash then reviewed the list of members who had been recertified under the Loss Control Excellence Program: City of Winnemucca, City of Mesquite, City of Carlin, City of Yerington, Nevada Rural Housing Authority, Humboldt County, Churchill County, Storey County and Incline Village General Improvement District. He noted that Pershing County had received recognition for a LCEP Continuation Award.

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

**c.** Cash reviewed the proposed changes to the committee charter comparing the 2002 version to the new version.

On motion and second to approve the changes to the committee charter, the motion carried.

**6. Action Item: Demonstration of POOL/PACT Web Site and E-Learning Programs**

Ann Wiswell reviewed the Web site users survey results and the comments about what members wanted to see changed. She then demonstrated key features of the Web Site and

explained how members could become a registered user in order to access the Member Resources area of the site. She reviewed the E-Learning courses currently available to members on the site, noting that the newly launched Public Officials Liability course had been approved for one hour of credit towards the University's Certified Public Official designation. She indicated that additional courses were under development.

No action was taken on this item.

**7. Action Item: Approval of Contract with Public Agency Risk Management Services, Inc. for POOL/PACT Administration Services**

Chairman Rebaleati explained the changes in the contract overall were a 2.4% increase except that due to certain tax requirements, PARMS would now enter into a lease to use the POOL Building space and that would be a new pass through \$60,000 increase in the contract fee. He asked if there were any questions concerning the contract.

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

**8. Action Item: POOL/PACT Human Resources**  
**a. Grant Progress Report and Financial Report**  
**b. Approval of Grant Extension Budget for July 1, 2008-2009**

Mitch Brust reviewed the mission, charter, scope of services and results obtained through the first two years of the grant. He explained how the new programs Clear Direction and Nevada Rural Jobs could be utilized by members. Mitch then reviewed the financial history for Pooling Resources, Inc., the grant recipient for POOL/PACT HR services noting the margins achieved. He then reviewed the budget proposed for the third year of the grant would be reduced some and explained how the succession planning effort would result in development and promotion of current staff into consulting positions and hiring of replacement clerical staff as promotion occurred. He then noted that the overall margin over the life of the grant would be about 10% after accounting for these changes in expenses.

On motion and second to accept the report and to approve the grant extension for July 1, 2008-2009, the motion carried.

**9. Action Item: OPEB Trusts Status Report and Authorization to Implement Pooled Trust**

Chairman Rebaleati opened this topic for discussion. Wayne Carlson provided a review of the proposed pooled trust as outlined in the board materials. He explained the progress on the regulations to implement SB 457 that allows the creation of trusts for OPEB liability and that he had successfully sought to have pooled trusts allowed for ease of administration and compliance with statutory requirements. The subcommittee of the Committee on Local Government Finance set the threshold for investing in other than the Retiree Benefits Investment Fund (RGIF) at \$100,000,000 and further restricted pooled trusts to investing in RBIF exclusively, thus making pooled trusts a governance system with fiduciary responsibility over the funds and RBIF the investment manager of the funds.

Chairman Kalt commented on the discussions his working group has had regarding OPEB actuarial studies, funding requirements and the use of trusts. He supported the development

of pooled trusts due to the governance requirements for certain expertise on the trust boards. He indicated that current economic conditions likely would not result in much money going into the trusts this fiscal year. He reviewed the implicit and explicit subsidy issues regarding the current Public Employees Benefits Program and the effects of SB 544 on local government employees' retirement decisions. Wayne Carlson added that the actuary has indicated that Nevada is unique in terms of the OPEB issues compared to all other states and the legislative complications had made it difficult to assess the liability. Chairman Kalt said he supported the concept of a pooled trust due to the complexity of the requirements for these trusts. He noted that the regulatory adoption hearing was scheduled for June 4<sup>th</sup>.

On motion and second to have staff work on implementing a pooled trust subsequent to adoption of the regulations after upcoming hearings, the motion carried.

**10. Action Item: Board Retreat in Eureka, Nevada September 11-12, 2008**  
**Topics Include: Review of Mission, Vision and Policy Statements; Board and Committee Configuration; Succession Planning with Strategic Partners**

Chairman Rebaleati commented on the purpose of the retreat and the location recommended by the Executive Committee. On motion and second to approve the retreat, the motion carried.

**11. Public Comment**

None was received.

**12. Action Item: Adjournment**

Chairman Rebaleati adjourned the meeting at 10:00 a.m.