

**Minutes of Meeting for 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 28, 2011 Time: 1:30 p.m.**

**Date: April 29, 2011 Time: 8:00 a.m.**

**April 28, 2011**

**Board Governance Workshops**

The following workshops were presented to attendees. Since these were training workshops, no minutes were taken.

**Human Resources Litigation Landmines**

Facilitators: Jeanne Greene, Bill Zelinski

**Media Relations**

Facilitator: Steve Mulvenon

**Board Member Orientation**

Facilitator: Wayne Carlson

## **JOINT BOARDS and EXECUTIVE COMMITTEES**

**April 29, 2011**

### **1. Introductions and Roll**

A sign-in sheet was circulated and a quorum of both boards was present. Chair Alan Kalt called the joint meeting to order at approximately 8:10 a.m.

### **2. Action Item: Approval of Voting Member Status for Town of Tonopah**

Chair Kalt noted that the criteria for voting status for town members was included in the board materials and that the Town of Tonopah met those requirements. On motion and second to approve for voting status in both NPAIP and PACT, the motion carried.

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

Doug Smith led off with a discussion of the change in the relationship of Joe Woods of Raymond James from broker to investment advisor. He also noted that PFM Asset Management had been added as an additional fixed income investment manager. Eagle Asset Management continues to manage the bulk of the pools' and captives' assets. He then reviewed the highlights of the investment fund accounts and performance. Alan Ashworth of Eagle Asset Management then reviewed the economic conditions and the highlights of the performance of each account managed by Eagle and responded to questions. Joe Woods followed with additional comments about the economy and future investment strategies that are being considered. On motion and second to accept the report, the motion carried.

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

Wayne Carlson commented that an annual review of the investment guidelines was a requirement of the Association of Governmental Risk Pools Recognition Program, which the pools have maintained since 1993 and 1996 respectively. In addition, he noted that it gave the board an opportunity to remain fresh about the policy and to make changes as necessary. On motion and second to approve the investment guidelines without changes, the motion carried.

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

- **Approval of Minutes of Board:**  
**Joint Board Meeting April 26 & 27, 2010**
- **Acceptance of Minutes of Committee Meetings**  
**Joint Executive Committee Meeting of March 3, 2011**  
**Joint Executive Committee Meeting of December 13, 2010**  
**Joint Executive Committee Meeting of April 23, 2010**

**Audit Committee Meeting of October 25, 2010**  
**Audit Committee Meeting of December 6, 2010**  
**Human Resources Oversight Committee Meeting of June 9, 2010**  
**Human Resources Oversight Committee Meeting of September 17, 2010**  
**Human Resources Oversight Committee Meeting of December 3, 2010**  
**Human Resources Oversight Committee Meeting of March 18, 2011**  
**Loss Control Committee Meeting of July 7, 2010**  
**Loss Control Committee Meeting of October 28, 2010**  
**Loss Control Committee Meeting of February 4, 2011**

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

**6. Action Item: Acceptance of Reports:**

- **Recognition of Outgoing Board Members**
- **Strategic Plan Progress Report**
- **Executive Director's Report**
- **Employee Assistance Program Report**

Alan Kalt presented a recognition plaque to Claudette Springmeyer of Douglas County thanking her for her many years of dedicated service in leadership roles for the pools and captives. Claudette made remarks about how she enjoyed being able to serve and that she learned a lot in the process. Mike Rebaleati presented a recognition plaque to Mike Pennacchio for his many years of dedicated service in leadership roles to the pools. Mike Pennacchio thanked the board and added that he fondly remembered presenting the case for Incline Village GID to join the pool and the subsequent experiences he had as a member. He strongly encouraged members to remain with the pools.

Alan Kalt noted that the strategic plan progress report was in the board materials and asked if there were any questions. On motion and second to accept the report, the motion carried.

Wayne Carlson presented highlights of the Executive Director's report and emphasized the availability of workshops to train local boards on governance issues. He encouraged members to attend the board retreat scheduled for September - in Eureka, Nevada. On motion and second to accept the report, the motion carried.

Bill Zelenski of POOL/PACT HR provided highlights about the EAP utilization trend being positive. He noted the various Webinars that had been provided and cited some of the EAP services in addition to mental health included legal assistance, mortgage assistance, health and wellness among others. On motion and second to accept the report, the motion carried.

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

- a. Loss Control Committee Report**
- b. Recognition of Members for Loss Control Excellence Program Awards**

### **c. Risk Management Grants Reports**

Cash Minor presented a summary report about the activities of the Loss Control Committee including an update of their strategic plan progress. He then recognized Carson City School District and ..... for achieving the Loss Control Excellence Award. He then recognized the members who had been recertified for the Loss Control Excellence Award:..... In addition, he recognized those who had received continuation awards for furthering their loss control efforts. On motion and second to accept the report, the motion carried.

#### **8. Action Item: Approval of Public Agency Risk Management Services, Inc. Contract for Administration Services for the Period July 1, 2011 – July 1, 2014**

Alan Kalt reviewed the overall performance of the PARMS staff and complimented them on their leadership in administering the pools. Wayne Carlson commented that there was no change in the fee this year, but a 3% escalator in the subsequent years. On motion and second to accept the report, the motion carried.

#### **9. Action Item: POOL/PACT Human Resources Oversight Committee Report** **a. Grant Progress Report** **b. Grant Financial Report**

Curtis Calder, Chair of the Human Resources Oversight Committee, provided a report about the HR programs and services that the committee had established. He then commented that the committee had begun an award program to recognize members who had completed Human Resources Compliance Assessments. He presented award plaques to Lyon County, Nevada Rural Housing Authority, City of Carlin, Elko County School District, Storey County, Humboldt County, Sun Valley GID ....., citing specific achievements of each organization. Jeanne Greene reviewed the highlights of the written report and the progress members were making. On motion and second to accept the report, the motion carried.

#### **10. Action Item: Legislative Activity Report and Action Regarding Proposed Legislation**

Wayne Carlson noted that Randy Waterman, our lobbyist, was not able to be present due to having to testify on our behalf. However, he had his synopsis of the various bills that were being tracked and the status of those bills that remained live following legislative deadlines: AB141, AB267, AB253, AB254, AB 255, SB21, SB58, SB63, SB135, SB138, SB152, SB164, SB207 and SB208. The following bills did not pass by the deadline: AB131, AB256, AB340, SB20, SB147 and SB242.

Wayne emphasized the background of SB135 as a bill put forth by Sen. Rhoads and the Nevada Taxpayers Association that PACT was supporting strongly. This bill capped the post-employment heart-lung disease eligibility to 5 years. However, an amendment made it apply only prospectively, thus gutting the effectiveness of the cap for a future date in about 50 years. He noted that the Legislative Counsel Bureau had opined that there was a

constitutional prohibition against making it effective on current employees. PACT challenged that based upon a legal analysis done by Robert Balkenbush, PACT's general counsel. We continue to work on getting that opinion reversed so that the bill can be amended to affect current employees. In addition, we challenged the appropriateness of tying certain provisions to Medicare and PERS eligibility and are trying to effect a change in the language regarding those items. He noted that the Nevada Taxpayers Association was going to distribute the legal memo from Robert Balkenbush to their governmental contacts and that he would do likewise to POOL/PACT members. He encouraged members to contact their Assemblymen to support these efforts to change the bill and to get it passed once changed.

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

**11. Action Item: Stewardship Reports**

**a. Alternative Service Concepts**

**b. Willis Pooling**

a. Donna Squires noted that the ASC stewardship report had been provided in the board packet materials. She added additional comments on litigation trends both generally and for POOL members. Mike Livermore reviewed the highlights of the workers compensation portion of the stewardship report. Wayne Carlson added comments about the recent audits of ASC on PACT and POOL claims handling, explaining that the independent auditor found the reserves established were very close to what re would do on these cases and complimented ASC staff on its claims handling practices. On motion and second to accept the report, the motion carried.

b. Bob Lombard provided a brief overview about Willis Pooling and programs they were developing for future consideration. He then highlighted the services they provided to the pools and introduced his team. Rick Hudson reviewed the loss control services that were most requested by members and described how they were delivered. On motion and second to accept the report, the motion carried.

**12. Public Comment**

None was received.

**13. Action Item: Adjournment**

On motion and second to adjourn, the meeting adjourned at about 10:55 a.m.

**The Agenda was posted at the following locations:**

**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**

**Churchill County Administrative Complex**

**10 S. Main Street  
Eureka, NV 89316**

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