

**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 30, 2009 Time: 1:30 p.m.

Date: May 1, 2009 Time: 8:00 a.m.

JOINT BOARDS and EXECUTIVE COMMITTEES'

April 30, 2009

The Board Governance Workshops shown below were presentations and discussions only. No action took place.

Board Governance Workshops

1:00 p.m.- 3:30 p.m. Strategic Risk Analysis Workshop

Facilitators: Lloyd Kelley, Wayne Carlson, Doug Smith

Topics: Modeling for Contingencies

What Do We Do with a Black Swan?

Board Policy Response to Financial Stress

3:30 p.m. – 3:45 p.m. Break

3:45 p.m. – 4:45 p.m. Investment Review: Good, Bad and Ugly

Facilitators: Doug Smith, Joe Woods, Jas Short

Topics: Review of Investment Results for Risk Pools and Captives

Investment Strategies

4:45 p.m. – 5:00 p.m. Quiz for Prizes

5: 30 p.m. – 6:00 p.m. Board Attitude Assessment and Adjustment

6:00 p.m. – 8:00 p.m. Dinner and No Talent Required Talent Show

JOINT BOARDS and EXECUTIVE COMMITTEES'

May 1, 2009

1. Introductions and Roll

A sign in sheet was circulated and Debra Connally tallied the results noting that a quorum was present for NPAIP, PACT and the Joint board meeting. Chair Mike Rebaleati called the meeting to order at 8:45 a.m.

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

While the quorum count was being conducted, investment managers from Eagle Asset Management Jas Short and Clay Lindsey presented their reports about POOL, PACT, PRM and PCM investment results. They noted current economic conditions and issues that drive investment outcomes and presented the results for each organization. Since POOL and PACT can only invest in government fixed income instruments, performance held up well during the 2008 economic slump. For PRM and PCM, some equity investments, although a small share, drove down overall performance offsetting some of the fixed income gains. While disappointing for the captives, the combined portfolio of the pools and captives remained positive for the year to date. Following the Eagle presentation, Joe Woods of Raymond James & Associates, the investment advisor for all organizations, presented the results for the managed assets he oversees.

Once a quorum was determined to be present, the board convened and on motion and second to accept the reports, the motion carried.

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

Wayne Carlson explained that these guidelines were included in the 2008 Policy Review Project report that was distributed in advance of the meeting. The policy was reviewed and revised from input from the investment advisor, staff and a task force of some board members who provided input to staff on changes. He said that action would take place under the separate agendas for POOL and for PACT, but that because the proposed changes were the same for both programs, discussion under the joint meeting agenda was being held. He responded to questions. No action was taken.

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

- **Approval of Minutes of Board Meetings:
Joint Board Meeting April 24 & 25, 2008**
- **Acceptance of Minutes of Committee Meetings
Joint Executive Committee Meeting of August 18, 2008
Joint Executive Committee Meeting of November 3, 2008
Joint Executive Committee Meeting of March 16, 2009**

Audit Committee Meeting of November 3, 2008
Human Resources Oversight Committee Meeting of June 11, 2008
Human Resources Oversight Committee Meeting of September 24, 2008
Human Resources Oversight Committee Meeting of December 3, 2008
Human Resources Oversight Committee Meeting of January 21, 2009
Human Resources Oversight Committee Meeting of March 4, 2009
Loss Control Committee Meeting of June 6, 2008
Loss Control Committee Meeting of August 15, 2008
Loss Control Committee Meeting of August 25, 2008
Loss Control Committee Meeting of November 17, 2008
Loss Control Committee Meeting of December 12, 2008
Loss Control Committee Meeting of February 13, 2009
Loss Control Committee Meeting of March 26, 2009

- **Acceptance of Reports:**
 - **Strategic Plan 2006-2009 Progress Report**
 - **Executive Director's Report**

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

5. **Action Item: Loss Control Committee**
- a. **Loss Control Committee Report and Strategic Plan for 2009-2012**
 - b. **Recognition of Members for Loss Control Excellence Program and Safety Management Excellence Program Awards**
 - c. **Risk Management Grants Report**

Cash Minor presented the loss control committee report explaining the committee's activities over the last year and planned for this year. He listed the members who were recommended for recognition under the Loss Control Excellence Program: Elko County, City of Elko, Pershing County, Pershing County School District and Gardnerville Ranchos General Improvement District. Ann Wiswell reviewed the strategic plan for 2009-2012 and the risk management grants awarded this year, highlighting the variety and creativity of the grant applications.

On motion and second to accept the reports and to grant recognition under the Loss Control Excellence Program to Elko County, City of Elko, Pershing County, Pershing County School District and Gardnerville Ranchos General Improvement District, the motion carried.

6. **Action Item: Acceptance of E-Learning Status Report**

Ann Wiswell presented a status report on the E-Learning program noting the new courses that have been added since E-learning began in 2007. She also noted the new courses being added this year and new features that will enable members to manage course assignments and track progress for themselves. Increasing E-learning capability was an emphasis from both the loss control and human resources committees in line with the boards' goals.

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

7. **Action Item: Approval of Contract with Horizon Behavioral Services for Employee Assistance Program Services**
a. **EAP Utilization Report**
b. **Scope of Services Overview**

Jason Holmes from Horizon Behavioral Services provided an overview of utilization of the EAP and the new expanded services being offered. He explained the advantages of the new financially oriented services under present economic conditions. He highlighted the management referral aspects and the critical incident stress debriefings that now were an unlimited service as key elements of the EAP to manage human resources issues. Jason commented on the coordination with POOL/PACT HR on several EAP management referrals. Wayne Carlson noted that the renewal proposal had no change in program costs even with the expansion of services.

On motion and second to approve the contract with Horizon Behavioral Services for Employee Assistance Program services, the motion carried.

8. **Action Item: POOL/PACT Human Resources**
a. **Grant Progress Report and Financial Report**
b. **Strategic Plan for 2009-2012**
c. **Approval of Grant for July 1, 2009-2012**

Wayne Carlson introduced Jeanne Greene as the new General Manager of Pooling Resources, Inc., the POOL/PACT HR service provider. She replaces Mitch Brust who is retiring but did agree to continue service until the end of June 2009 on a reduced hours basis. He indicated that Mitch was being asked to continue beyond that on the reduced hours basis if he was interested and POOL/PACT HR needed his assistance. Jeanne Greene highlighted the progress to date and commented that the HR Oversight Committee had recommended the strategic plan after several discussions. She commented that the service plans for each member were being developed and noted the new courses being developed for this coming year. Jeanne mentioned that several regional training workshops have been scheduled and that her team would be enrolling members in those workshops when preparing the service plans. She reviewed the strategic plan changes and enhancements that were planned.

On motion and second to approve the grant, subject to revision of the termination provision for a mutual 90 days per the advice of legal counsel, the motion carried.

9. **Action Item: Stewardship Reports**
a. **Alternative Service Concepts, LLC**
b. **Willis HRH Pooling Practices**

Donna Squires and Mike Livermore handed out and presented the ASC stewardship report and a review of the sources and causes of loss for both the workers compensation claims and the property and liability claims. Their written report showed various reports about members' claims and how members compared with each other on certain issues. Mike introduced his adjusting team to the members.

Bob Lombard handed out and presented the Willis HRH Pooling Practice Stewardship report and highlighted the progress during the past year with loss control services. He introduced his loss control team and Mary Wray, a member of the leadership team from Chicago. He reviewed the success in brokering the reinsurance terms last year and noted how the company seeks to develop new products for pools such as an inmate medical insurance product and a tax lien properties program. Mary highlighted the team she coordinates nationally that focuses on pool operations and ways in which to provide service enhancements or new products to help pools operate better.

On motion and second to accept the reports from ASC and Willis, the motion carried.

10. Action Item: Board Retreat Review

a. Board Retreat Report

b. Adoption of Strategic Plan for 2009-2012

Wayne Carlson referred the board to the board retreat report and commented that the report was written in a manner that captured the key discussion points and goals that resulted from the retreat in Eureka so that those who could not participate could see the background aspects. He noted that the strategic plan was developed to show strategies to achieve those goals with input from the HR Oversight Committee and Loss Control Committee for their sections, with input from ASC, Willis HRH and PARMS staff as well.

On motion and second to accept the retreat report and to adopt the strategic plan for 2009-2012 as presented, the motion carried.

11. Public Comment

None was received.

12. Action Item: Adjournment

On motion and second to adjourn, the meeting adjourned at about 10: 35 a.m.