



**Nevada Public Agency Insurance Pool
Public Agency Compensation Trust**
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**Minutes of the Joint Meeting of
the Board of Directors/Trustees and of the Executive Committees of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: April 21, 2022 Time: 8:00 a.m.**

Virtual Only

Join Zoom Meeting

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Meeting ID: 858 9215 4845

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1. Introductions and Roll

Chair Johnson called the meeting to order after it was determined that a quorum was present. Wayne Carlson introduced Jennifer Turner as the newest member of the Nevada Risk Pooling Team as our Administrative Data Analyst. Noting that she started this week and is a welcomed addition to the team.

2. Public Comment

Chair Johnson opened the public comment period. There were no public comments.

3. 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 22, 2021

b. Acceptance of Minutes of Committee Meetings

1) Joint Executive Committee April 12, 2022, March 22, 2022, January 5, 2022, October 7, 2021, August 24, 2021

2) Loss Control Committee March 15, 2022, December 13, 2021, September 16, 2021

3) HR Oversight Committee March 4, 2022, December 20, 2021, September 17, 2021

On motion by Josh Foli to approve and accept the minutes, second by Elizabeth Frances, the motion carried.

4. 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, NEAM Investment Manager, went over the investment report. She highlighted information about inflation, Fed have been more aggressive in raising rates and the impact of the Russian-Ukraine war impact. She reviewed the Fixed Income Portfolio results included in the packet. NEAM completed their annual Enterprise Based Asset Allocation (EBAA) work. The results show that Pool/PACT portfolios are very efficient.

Dan Smereck, Managing Director for Strategic Asset Alliance (SAA), reviewed his presentation packet noting the performance review for the calendar year 2021 on a combined basis including the risk assets. Held within the captives. He noted the positive returns from the portfolios for 2020 and 2021. He pointed out that the consolidated real income for all programs was \$5.3M in 2020 and \$5.9M in 2021. Yields are up in Q1 of 2022 with real income at \$1.5M to higher fixed income yields, however, returns are in the negative at 4.17, total income down by \$10 M due to rising rates where the market rate is higher than the book yields. He noted that the new purchases are at a higher rate which will increase the real income.

After a brief question and answer period, on motion to accept the reports and recommendations by the investment advisors by Elizabeth Frances, second by Josh Foli, the motion carried.

5. For Possible Action: Review and Approval of Changes to Investment Guidelines

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

Alan Kalt, CFO, reviewed the recommended changes in the investment policy where the maximum duration was changed from +/- 20% of the benchmark to +/- one year of the benchmark. The other change was in the naming of the fixed income benchmark. On motion to approve the changes to the investment guidelines for POOL and PACT by Josh Foli, second by Geof Stark, motion approved.

6. For Possible Action: Employee Assistance Program Review and Approval of Extension of Joinder onto State of Nevada Contract with KEPRO

Wayne Carlson, Executive Director noted that the State contract with KEPRO was going to renew at the current rates and service levels. We are able to continue to use the program as a joiner on the State contract.

On motion to approve the extension of Joinder onto State of Nevada contract with KEPRO by Josh Foli, second by Elizabeth Frances, the motion carried.

7. For Possible Action: Acceptance of Reports:

1) Executive Director

Wayne Carlson noted that there are vacancies on the executive committee that need to be filled, elections will be later for the various positions. Staff additions include Stephen Romero as Member Relations Manager, Jarrod Hickman as Risk Management Specialist to support existing efforts of Risk Manager Marshall Smith, and Jennifer Turner as Administrative Data Analyst to assist with spreadsheet work. The captives agreed to transfer funds from PCM back to PACT. His complete report was included in the board packet.

2) Chief Financial Officer

- a. **Public Risk Mutual Audit**
- b. **Public Compensation Mutual Audit**
- c. **Pooling Resources, Inc. Audit**
- d. **Nevada Risk Pooling, Inc. Audit**

Alan Kalt reviewed financial audits and results of operations the past year for Public Risk Mutual, Public Compensation Mutual, Pooling Resources and Nevada Risk Pooling in the PowerPoint presentation. He noted the financial strength of PCM and its ability to return some money to provide financial strength to PACT due to thin margins within PACT's operations. All entities presented are in a great financial position as noted in the financial statements and related notes.

3) POOL/PACT HR General Manager

Stacey Norbeck walked the board through her extensive report. She spoke about two new classes, two new ELearning courses, updated 7 courses due to legislative changes, created an HR video briefing and regular HR briefing, conducted 101 instructor led trainings, 10 regional trainings scheduled this year, hosted 6 regional trainings, put on a new series called Bridging the Gap, 10 scheduled webinars – conducted 7 already, round tables hosted every year at conference – so far 14 scheduled and 12 sessions have been conducted, 114 participants attended HR briefings, overall rating for conference was 4.7 out of 5.

4) Risk Management Report

Marshall Smith reviewed the report submitted to executive committee going over updates that Marshall and Jarrod have been working on during the past year. Jarrod commenting on fire extinguisher training – completed 5 of the training courses across the state and the Open Gate Weapons detection program with Douglas County School District preparing for implementation., point of MVP review is to reinforce the understanding that all members of POOL are POOL/PACT, members are owners, Dynamics 365 is CRM tool to efficiently manage our data as it pertains to each member and interaction with members, we are in the design phase and should be up and running by end of next week.

5) ELearning Report

Mike Van Houten reported on numbers for past year and year to date on our eLearning program. HR Briefings and Ethics training was high on list of popular courses in 2022. 424 new users added in the last 90 days, updated bullying course to make it current, added 250+ safe school courses, working on reporting tool called Absorb Analyze, post monthly Roll Call law enforcement videos for members to watch if can't attend in person. There have been several updates to website: member portal link on website and split up resource libraries, HR working on new Safe and Sober Workplace, Mike working on new harassment course, Insulin Resistance course, Stress in the workplace class. He noted he is always looking at new course technology to keep the training engaging and beneficial to the members.

6) Member Relations Manager Report

Stephen Romero stated that he has hit the ground running since coming on board in September to provide broker services. He held a virtual meeting in December to review how to complete the renewal applications and walk them through the POOL/PACT website. The London property meetings were held virtually in February. Several markets have been approached to prepare for this years' renewal for the various lines of coverage.

7) Davies Claims Solutions Report and Claims Overview

Donna Squires went through their presentation noting there are a lot of changes within the Davies company. She showed the allocation of the 350+ claims for property and casualty, large property losses, largest liability loss occurred on March 27, 2021 – head on collision. Davies will resume member visits to assist members in understanding the claims submittal, processing and impacts.

Margaret Malzahn went over the workers comp claims information noting– current claim count 416 open claims, uptick in slip and falls due to ice and snow, COVID claims have trickled off as far as exposure claims, number of outstanding COVID death claims that are being worked through, and resuming

member visits to discuss Workers' Compensation 101 taking the confusion out of the collaborative claims experience.

At the end of all the reports, on motion to accept all the reports by Josh Foli, second by Elizabeth Frances, motion carried.

8. Public Comment

No comments

9. Adjournment

Chair Johnson adjourned the meeting at 10:49 AM.

DRAFT