



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

**Notice of Meetings and Agendas 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 26, 2012 Time: 1:30 p.m.

Date: April 27, 2012 Time: 8:00 a.m.

JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA

April 26, 2012

Notices:

- 1. Items on the agenda may be taken out of order;**
- 2. Two or more items on the agenda may be combined for consideration**
- 3. Any item on the agenda may be removed or discussion may be delayed at any time**
- 4. The general Public Comment periods are limited to those items not listed on the agenda. Public Comment periods are devoted to comments by the general public, if any, and may include discussion of those comments; however, no action may be taken upon a matter raised under Public Comments until the matter itself has been included specifically on an agenda as an item upon which action may be taken.**
- 5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.**

Board Governance Workshops

1:30 p.m. – 3:00 p.m. Disaster Recovery Before the Disaster (Brian Foote, Belfor)

3:00 p.m. – 3:15 p.m. Break

3:15 p.m.- 4:30 p.m. County Reinsurance, Ltd. Enterprise Risk Management Responding to Crisis (Phil Bell, Executive Director, CRL)

5:30 p.m. – 6:15 p.m. Board Attitude Assessment and Entertainment

6:15 p.m. – 9:30 p.m. Dinner and POOL's 25th Anniversary Celebration

JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA

April 27, 2012

Notices:

1. Items on the agenda may be taken out of order;
2. Two or more items on the agenda may be combined for consideration
3. Any item on the agenda may be removed or discussion may be delayed at any time
4. The general Public Comment periods are limited to those items not listed on the agenda. Public Comment periods are devoted to comments by the general public, if any, and may include discussion of those comments; however, no action may be taken upon a matter raised under Public Comments until the matter itself has been included specifically on an agenda as an item upon which action may be taken.
5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.

1. Introductions and Roll
2. Public Comment
3. **For Possible Action:** Acceptance of Investment Advisor's Report and Action on Recommendations
4. **For Possible Action:** Review of Investment Policies and Procedures
 - a. PACT Investment Guidelines
 - b. POOL Investment Guidelines
 - c. Money Management Controls Procedure
5. **For Possible Action:** Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda
 - Approval of Minutes of Board:
Joint Board Meeting April 28 & 29, 2011
 - Acceptance of Minutes of Committee Meetings
 - Joint Executive Committee Meeting of March 16, 2012
 - Joint Executive Committee Meeting of August 23, 2011
 - Audit Committee Meeting of January 17, 2012
 - Audit Committee Meeting of December 29, 2011
 - Human Resources Oversight Committee Meeting of March 23, 2012
 - Human Resources Oversight Committee Meeting of December 16, 2011
 - Human Resources Oversight Committee Meeting of September 16, 2011
 - Human Resources Oversight Committee Meeting of June 17, 2011
 - Loss Control Committee Meeting of March 8, 2012
 - Loss Control Committee Meeting of January 24, 2012
 - Loss Control Committee Meeting of July 22, 2011
 - Loss Control Committee Meeting of June 21, 2011
6. **For Possible Action:** Acceptance of Reports:
 - Board Retreat Report
 - Strategic Plan Progress Report
 - Executive Director's Report

7. **For Possible Action: Loss Control Committee**
 - a. Loss Control Committee Report
 - b. Recognition of Members for Loss Control Excellence Program Awards
 - c. Risk Management Grants Report

8. **For Possible Action: Employee Assistance Program**
 - a. Employee Assistance Program Report
 - b. Approval of Aetna Horizon Behavioral Services, Inc. Contract for the Period July 1, 2012 – July 1, 2015

9. **For Possible Action: POOL/PACT Human Resources**
 - a. HR Oversight Committee Report
 - b. Grant Progress Report
 - c. Grant Financial Report
 - d. Approval of Grant for the period July 1, 2012 - July 1, 2015

10. **For Possible Action: Stewardship Reports**
 - a. Alternative Service Concepts
 - b. Willis Pooling

11. Public Comment

12. **For Possible Action: Adjournment**

This 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
Complex
10 S. Main Street
Eureka, NV 89316

Churchill County Administrative
155 North Taylor Street
Fallon, NV 89406

NOTICE TO PERSONS WITH DISABILITIES

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Nevada Public Agency Insurance Pool or Public Agency Compensation Trust in writing at 201 S. Roop Street, Suite 102, Carson City, NV 89701, or by calling (775) 885-7475 at least three working days prior to the meeting.

PUBLIC AGENCY COMPENSATION TRUST

INVESTMENT GUIDELINES

1. Scope

This investment policy applies to all financial assets of PACT. These funds are accounted for in PACT's annual financial report.

2. Statement of Purpose

- A. Safety of principal is an important objective of the investment program. To ensure that investment of funds is accomplished in a safe and secure manner, particularly with respect to limiting the exposure of the PACT to unnecessary risk investments shall be undertaken in a manner that seeks to ensure the preservation of capital. To attain this objective, diversification is required in accordance with these guidelines.
- B. To provide adequate liquidity to meet all operating obligations which reasonably may be anticipated.
- C. To structure an investment portfolio which is designed to attain a rate of return throughout budgetary and economic cycles commensurate with the investment risk constraints and cash flow characteristics of the portfolio. A balanced return of current income and modest growth of principal is an important objective. In addition, a related objective is to achieve returns in excess of the rate of inflation over the investment horizon in order to preserve the purchasing power of PACT.
- D. To assure that the investment allocation does not impair the maintenance of capital in accordance with the PACT Capitalization Policy Statement.

3. Investment Strategy

- A. PACT generally will adhere to the concept of matching amounts and maturities to uses of funds.
- B. Investment officers acting in accordance with written procedures and exercising due diligence will not have personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Investment officials will adhere to the Prudent Investor Rules that state that a fiduciary must:

- 1. Make investment and management decisions with respect to individual assets in the context of the investment portfolio as a whole and as part of an overall investment strategy, not in isolation.
- 2. Adhere to fundamental fiduciary duties of loyalty, impartiality, and prudence.
- 3. Maintain overall portfolio risk at a reasonable level. That is, risk and return objectives must be reasonable and suitable to the portfolio. The tradeoff between risk and return is the fiduciary's central concern.
- 4. Provide for the reasonable diversification of investments.
- 5. Act with prudence in deciding whether and how to delegate authority to experts and in selecting supervising agents. Be cost conscious when investing. The fiduciary should incur only costs that are reasonable in amount and appropriate to the investment responsibilities of the fiduciary.

C. Investment strategy will facilitate an appropriate balance of these investment objectives:

- 1) capital preservation;

- 2) diversification among types of investments, issuers and credit ratings; and
- 3) allocation of investments in a manner consistent with principles of prudent investment management.

D. The investment strategy will conform to state statutes governing investment of public funds.

4. Investment Risk

A. It is the policy of PACT that safety of principal is an important objective of the investment program and seeks to mitigate to mitigate risks to the extent possible. Four types are recognized:

1. Credit Risk - is the risk that the issuer of a security will default on the principal and interest. PACT will not assume significant credit risk in an attempt to enhance return. Therefore, below investment grade securities shall not be utilized. Acceptable credit ratings for securities shall be AAA or AA as rated by Moody's or Standard & Poor's. In addition, PACT will diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

2. Liquidity Risk - is the risk that an investment may not be converted into cash if a need for cash arises. PACT will minimize liquidity risk to the extent possible through planning investment maturities to ensure that funds are available to meet cash flow needs (static liquidity) and maintain a portion of the funds in money market mutual funds which offer same-day liquidity for short-term funds. In addition, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

3. Maturity Risk - is the risk that an investment may yield poor results if the length of maturity or maturity structure is inappropriate for the market conditions. The PACT will minimize this risk by actively managing the maturity structure to enable holding securities to maturity unless 1) the security has declining credit and needs to be sold early to minimize loss of principal, 2) a security swap would improve the quality, yield or target duration of the portfolio, or 3) liquidity needs of the portfolio require that the security be sold.

4. Market Risk - arises from the change in the value of the investment as economic conditions and interest rates change. PACT will, to the extent possible, minimize market risk by matching investments with its liabilities, making it possible to hold investments to maturity if appropriate. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles consistent with investment risk constraints and liquidity needs.

5. Investment Responsibility

A. Investment authority for PACT rests with the Board of Trustees. This authority may be delegated to the Executive Committee and the Executive Director.

B. The Board of Trustees may contract with investment advisor(s) to advise and manage the PACT's investments. Such advisor(s) shall provide a comprehensive report at least annually to the Board of Directors or its designee of all transactions and the investment performance of funds under management. The report shall suggest changes in policies or improvements that might be made in the investment program.

C. The Executive Director will manage all investment activity as closely as is practicable. The Executive Director will make day-to-day investments. In all cases, the Executive Director will:

1. Ensure that all investments are made in accordance with PACT policies;

2. Make recommendations to the Board of Trustees concerning investment policy and strategy;
3. Inventory all securities held by PACT (This shall be done in conjunction with the annual CPA audit);
4. Provide quarterly reports to the Executive Committee and annually to the Board of Trustees of all investment activity. The report shall include a listing of all securities bought, sold and matured. The report will also include a status of all investments held;
5. The Board of Trustees will review the investment report, and shall make the review a matter of record in the minutes;
6. The Board of Trustees may appoint a Fiscal Officer. The Fiscal Officer will, at the direction of the Board of Trustees, make investments and execute transactions in cooperation with the Executive Director.
7. Officers, the Executive Director and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Such persons shall disclose to the Executive Director or to the Chairman of the Board any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the PACT.
8. The Board of Directors will review this investment policy and the asset allocation, diversification and risks at least annually and at any other time as needed to fulfill its fiduciary responsibility.

6. Authorized Investments

A. The following types of securities are eligible investments subject to asset allocation:

1. U.S. Treasury Securities;
2. Federal Agency Securities;
3. Federal Funds;
4. Bank Certificates of Deposit insured ;
5. Savings and Loan Certificates of Deposit insured ;
6. Repurchase Agreements;
7. Money Market Mutual Funds;
8. Statutorily eligible Mortgage-backed securities at a price not to exceed 102% of par value
9. Such other securities as authorized under Nevada laws applicable to the PACT.

Not more than ten percent (10%) of the fixed income portfolio should be to any one issuer, other than securities of the U.S. government or agencies.

B. A Master Repurchase Agreement must be signed with the bank or dealer.

C. If governmental sponsored pools and/or mutual funds are to be utilized, a thorough investigation of the pool/fund is required prior to investing, and on a continual basis. The following general information must be addressed:

1. A description of the eligible investment securities, and a written statement of investment policy and objectives
2. A description of interest calculations and how its is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes) and how often the securities are priced and the program audited.

4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. A statement regarding utilization by the pool/funds of reserves or retained earnings.
7. A fee schedule and when and how it is assessed.
8. A statement regarding whether the pool/fund is eligible for bond proceeds and/or whether it will accept such proceeds.

7. Authorized Financial Dealers and Institutions

The Executive Director will maintain a list of financial institutions authorized by the Board or the Executive Committee to provide investment services. No public deposit shall be made except in a qualified public depository as established by Nevada law. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Executive Director with the following evidence of qualifications:

- a. audited financial statements
- b. proof of National Association of Security Dealers certification
- c. trading resolution
- d. proof of Nevada registration
- e. completed broker/dealer questionnaire
- f. certification as having read the PACT's Investment Guidelines and depository contracts

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Executive Director. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the PACT invests.

8. Investment Guidelines and Limitations

A. Diversity. There will be sufficient diversity in the authorized instruments to allow for variety in the makeup of the portfolio. The Board of Trustees will review investment activity reports to assure appropriate diversity exists. PACT will diversify its investments by maturity, security type and issuer. Maturities selected shall provide for stability of income and reasonable liquidity. For cash management funds, the following guidelines shall apply: Liquidity shall be assured through practices ensuring that the next disbursement date is covered through maturing investments or marketable U.S. Treasury bills

Risks of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.

With the exception of U.S. Treasury securities, money markets, certificates of deposit, exchange traded funds and authorized pools, no more than fifteen percent (15%) of the PACT's total investment portfolio will be invested in a particular issuer or class of securities or in an industry or company.

B. Maximum Maturities. To the extent possible, the PACT will attempt to match its investments with anticipated cash flow requirements. The PACT will not directly invest in securities maturing more than ten (10) years from the date of purchase, except as permitted by law. The average maturity of the portfolio will not exceed five (5) years.

C. Return on Investment. The PACT's investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the PACT's investment risk constraints and the cash flow characteristics of the portfolio.

D. Performance Standards. The investment portfolio results will be compared to reasonably comparable indexes reflective of the investment goals listed below:

1. Goal - to outperform over a 4-5 year period the risk free return from short-term U.S. Treasury bills by at least 100 to 200 basis points per year.
2. Goal - to outperform the Consumer Price Index over a 4 to 5 year period by at least 200 basis points per year.
3. Goal - to perform in line with the iShares Lehman 1-3 Year Treasury Bond Fund (currently trading as SHY) over a 4 to 5 year period.

9. Safekeeping and Custody

Securities purchased by the PACT will be held by a professionally qualified institution that has the necessary specialization to provide accurate and timely safekeeping of the assets of PACT. If securities are purchased from outside dealers, then trades will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

The Executive Director shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Audit Committee and with the independent auditor. The controls shall be designed to prevent the loss of PACT funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees, service providers and officers of PACT.

10. Collateralization

Collateralization will be required on two types of investments: certificates of deposit in excess of current FDIC insurance limits and repurchase (and reverse) agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest.

Collateral always will be held by an independent third party with which the PACT has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the PACT and retained.

The right of collateral substitution is granted.

11. Selection and Performance Review of Investment Managers

The PACT Board of Directors will select appropriate investment managers to manage PACT assets. A qualifying investment manager must meet the following minimum criteria:

- Be a registered investment advisor under the Registered Investment Advisors Act of 1940 or be a bank, insurance company or investment management company.
- Provide historical quarterly performance numbers calculated on a time-weighted basis, based on a composite of all fully discretionary accounts of similar investment style, and reported net and gross of fees.
- Provide performance evaluation reports prepared by an objective third party that illustrate the risk/return profile of the manager relative to other managers of like investment style.
- Provide detailed information on the history of the firm, key personnel, key clients, fee schedule and support personnel.
- Clearly articulate the investment strategy that will be followed and document that the strategy successfully has been adhered to over time.
- Have no outstanding legal judgments or past judgments that may reflect negatively on the firm.
- Provide in writing acknowledgement of fiduciary responsibility to PRI.

The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration will be given to the extent to which the investment results are consistent with the investment objectives, goals and guidelines as set forth in this investment policy statement.

The Board of Directors intends to evaluate the portfolio(s) over at least a three-year period, but reserves the right to terminate a manager for any reason, including the following:

- Investment performance that significantly is less than anticipated given the discipline employed and the risk parameters established or unacceptable justification of poor results.
- Failure to adhere to any aspect of this investment policy statement including communication and reporting requirements.'
- Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

12. Reporting

The Executive Director will include a market report on investment activity and returns in the PACT's Financial Report, which will be distributed quarterly to the Executive Committee and at each Board meeting.

13. Investment Policy Adoption

The PACT's investment policy will be adopted by the Board of Trustees. The policy will be reviewed on an annual basis by the Executive Committee and any modifications made thereto must be approved by the Board.

Adopted 9/91
Revised 10/95
Revised 4/98
Revised 5/1/2000
Revised 9/13/2006
Revised 5/1/2009

NEVADA PUBLIC AGENCY INSURANCE POOL

INVESTMENT GUIDELINES

1. Scope

This investment policy applies to all financial assets of the POOL. These funds are accounted for in the POOL's annual financial report.

2. Statement of Purpose

- A. Safety of principal is an important objective of the investment program. To ensure that investment of funds is accomplished in a safe and secure manner, particularly with respect to limiting the exposure of the POOL to unnecessary risk, investments shall be undertaken in a manner that seeks to ensure the preservation of capital. To attain this objective, diversification is required in accordance with these guidelines.
- B. To provide adequate liquidity to meet all operating obligations which reasonably may be anticipated.
- C. To structure an investment portfolio which is designed to attain a rate of return throughout budgetary and economic cycles commensurate with the investment risk constraints and cash flow characteristics of the portfolio. A balanced return of current income and modest growth of principal is an important objective. In addition, a related objective is to achieve returns in excess of the rate of inflation over the investment horizon in order to preserve the purchasing power of POOL.
- D. To assure that the investment allocation does not impair the maintenance of capital in accordance with the POOL Capitalization Policy Statement.

3. Investment Strategy

- A. POOL generally will adhere to the concept of matching amounts and maturities to uses of funds.
- B. Investment officers acting in accordance with written procedures and exercising due diligence will not have personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Investment officials will adhere to the Prudent Investor Rules that state that a fiduciary must:

1. Make investment and management decisions with respect to individual assets in the context of the investment portfolio as a whole and as part of an overall investment strategy, not in isolation.
2. Adhere to fundamental fiduciary duties of loyalty, impartiality, and prudence.
3. Maintain overall portfolio risk at a reasonable level. That is, risk and return objectives must be reasonable and suitable to the portfolio. The tradeoff between risk and return is the fiduciary's central concern.
4. Provide for the reasonable diversification of investments.

5. Act with prudence in deciding whether and how to delegate authority to experts and in selecting supervising agents. Be cost conscious when investing. The fiduciary should incur only costs that are reasonable in amount and appropriate to the investment responsibilities of the fiduciary.

C. Investment strategy will facilitate an appropriate balance of these investment objectives:

- 1) capital preservation;
- 2) diversification among types of investments, issuers and credit ratings; and
- 3) allocation of investments in a manner consistent with principles of prudent investment management.

D. The investment strategy will conform to state statutes governing investment of public funds.

4. Investment Risk

A. It is the policy of the POOL that safety of principal is an important objective of the investment program and seeks to mitigate risks to the extent possible. Four types are recognized:

1. Credit Risk - is the risk that the issuer of a security will default on the principal and interest. POOL will not assume significant credit risk in an attempt to enhance return. Therefore, below investment grade securities shall not be utilized. Acceptable credit ratings for securities shall be AAA or AA as rated by Moody's or Standard & Poor's. In addition, POOL will diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

2. Liquidity Risk - is the risk that an investment may not be converted into cash if a need for cash arises. POOL will minimize liquidity risk to the extent possible through planning investment maturities to ensure that funds are available to meet cash flow needs (static liquidity) and maintain a portion of the funds in money market mutual funds which offer same-day liquidity for short-term funds. In addition, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

3. Maturity Risk - is the risk that an investment may yield poor results if the length of maturity or maturity structure is inappropriate for the market conditions. The POOL will minimize this risk by actively managing the maturity structure to enable holding securities to maturity unless 1) the security has declining credit and needs to be sold early to minimize loss of principal, 2) a security swap would improve the quality, yield or target duration of the portfolio, or 3) liquidity needs of the portfolio require that the security be sold.

4. Market Risk - arises from the change in the value of the investment as economic conditions and interest rates change. POOL will, to the extent possible, minimize market risk by matching investments with its liabilities, making it possible to hold investments to maturity if appropriate. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles consistent with investment risk constraints and liquidity needs.

5. Investment Responsibility

- A. Investment authority for POOL rests with the Board of Directors. This authority may be delegated to the Executive Committee and the Executive Director.
- B. The Board of Directors may contract with investment advisor(s) to advise and manage the POOL's investments. Such advisor(s) shall provide a comprehensive report at least annually to the Board of Directors or its designee of all transactions and the investment performance of funds under management. The report shall suggest changes in policies or improvements that might be made in the investment program.
- C. The Executive Director will manage all investment activity as closely as is practicable. The Executive Director will make day-to-day investments. In all cases, the Executive Director will:
 - 1. Ensure that all investments are made in accordance with POOL policies;
 - 2. Make recommendations to the Board of Directors concerning investment policy and strategy;
 - 3. Inventory all securities held by POOL (This shall be done in conjunction with the annual CPA audit);
 - 4. Provide quarterly reports to the Executive Committee and annually reports to the Board of Directors of all investment activity. The reports shall include a listing of all securities bought, sold and matured. The reports will also include a status of all investments held;
 - 5. The Board of Directors will review the investment report, and shall make the review a matter of record in the minutes;
 - 6. The Board of Directors may appoint a Fiscal Officer. The Fiscal Officer will, at the direction of the Board of Directors, make investments and execute transactions in cooperation with the Executive Director.
 - 7. Officers, the Executive Director and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Such persons shall disclose to the Executive Director or to the Chairman of the Board any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the POOL.
 - 8. The Board of Directors will review this investment policy and the asset allocation, diversification and risks at least annually and at any other time as needed to fulfill its fiduciary responsibility.

6. Authorized Investments

- A. The following types of securities are eligible investments subject to asset allocation:
 - 1. U.S. Treasury Securities;
 - 2. Federal Agency Securities;
 - 3. Federal Funds;
 - 4. Bank Certificates of Deposit insured;
 - 5. Savings and Loan Certificates of Deposit insured;
 - 6. Repurchase Agreements;
 - 7. Money Market Mutual Funds;

8. Statutorily eligible Mortgage-backed securities at a price not to exceed 102% of par value
9. Such other securities as authorized under Nevada laws applicable to the POOL.

Not more than ten percent (10%) of the fixed income portfolio should be to any one issuer, other than securities of the U.S. government or agencies.

- B. A Master Repurchase Agreement must be signed with the bank or dealer.
- C. If governmental sponsored pools and/or mutual funds are to be utilized, a thorough investigation of the pool/fund is required prior to investing, and on a continual basis. The following general information must be addressed:
 1. A description of the eligible investment securities, and a written statement of investment policy and objectives
 2. A description of interest calculations and how its is distributed, and how gains and losses are treated.
 3. A description of how the securities are safeguarded (including the settlement processes) and how often the securities are priced and the program audited.
 4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
 5. A schedule for receiving statements and portfolio listings.
 6. A statement regarding utilization by the pool/funds of reserves or retained earnings.
 7. A fee schedule and when and how it is assessed.
 8. A statement regarding whether the pool/fund is eligible for bond proceeds and/or whether it will accept such proceeds.

7. Authorized Financial Dealers and Institutions

The Executive Director will maintain a list of financial institutions authorized by the Board or the Executive Committee to provide investment services. No public deposit shall be made except in a qualified public depository as established by Nevada law. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Executive Director with the following evidence of qualifications:

- a. audited financial statements
- b. proof of National Association of Security Dealers certification
- c. trading resolution
- d. proof of Nevada registration
- e. completed broker/dealer questionnaire
- f. certification as having read the POOL's Investment Guidelines and depository contracts

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Fiscal Officer. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the POOL invests.

8. Investment Guidelines and Limitations

- A. **Diversity.** There will be sufficient diversity in the authorized instruments to allow for variety in the makeup of the portfolio. The Board of Directors will review investment activity reports to assure appropriate diversity exists. The POOL will diversify its investments by maturity, security type and issuer. Maturities selected shall provide for stability of income and reasonable liquidity. For cash management funds, the following guidelines shall apply: Liquidity shall be assured through practices ensuring that the next disbursement date is covered through maturing investments or marketable U.S. Treasury bills

Risks of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.

With the exception of U.S. Treasury securities, money markets, certificates of deposit, exchange traded funds and authorized pools, no more than fifteen percent (15%) of the POOL's total investment portfolio will be invested in a particular issuer or class of securities or in an industry or company.

- B. **Maximum Maturities.** To the extent possible, the POOL will attempt to match its investments with anticipated cash flow requirements. The Pool will not directly invest in securities maturing more than ten (10) years from the date of purchase, except as permitted by law. The average maturity of the portfolio will not exceed five (5) years.
- C. **Return on Investment.** The POOL's investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the POOL's investment risk constraints and the cash flow characteristics of the portfolio.
- D. **Performance Standards.** The investment portfolio results will be compared to reasonably comparable indexes reflective of the investment goals listed below:
 - 1. Goal - to outperform over a 4-5 year period the risk free return from short-term U.S. Treasury bills by at least 100 to 200 basis points per year.
 - 2. Goal - to outperform the Consumer Price Index over a 4 to 5 year period by at least 200 basis points per year.
 - 3. Goal - to perform in line with the iShares Lehman 1-3 Year Treasury Bond Fund (currently trading as SHY) over a 4 to 5 year period.

9. Safekeeping and Custody

Securities purchased by the POOL will be held by a professionally qualified institution that has the necessary specialization to provide accurate and timely safekeeping of the assets of POOL. If securities are purchased from outside dealers, then trades will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

The Executive Director shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Audit Committee and with the independent auditor. The controls shall be designed to prevent the loss of POOL funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees, service providers and officers of POOL.

10. Collateralization

Collateralization will be required on two types of investments: certificates of deposit in excess of current FDIC insurance limits and repurchase (and reverse) agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest.

Collateral always will be held by an independent third party with which the POOL has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the POOL and retained.

The right of collateral substitution is granted.

11. Selection and Performance Review of Investment Managers

The POOL Board of Directors will select appropriate investment managers to manage POOL assets. A qualifying investment manager must meet the following minimum criteria:

- Be a registered investment advisor under the Registered Investment Advisors Act of 1940 or be a bank, insurance company or investment management company.
- Provide historical quarterly performance numbers calculated on a time-weighted basis, based on a composite of all fully discretionary accounts of similar investment style, and reported net and gross of fees.
- Provide performance evaluation reports prepared by an objective third party that illustrate the risk/return profile of the manager relative to other managers of like investment style.
- Provide detailed information on the history of the firm, key personnel, key clients, fee schedule and support personnel.
- Clearly articulate the investment strategy that will be followed and document that the strategy successfully has been adhered to over time.
- Have no outstanding legal judgments or past judgments that may reflect negatively on the firm.
- Provide in writing acknowledgement of fiduciary responsibility to PRI.

The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration will be given to the extent to which the investment results are consistent with the investment objectives, goals and guidelines as set forth in this investment policy statement.

The Board of Directors intends to evaluate the portfolio(s) over at least a three-year period, but reserves the right to terminate a manager for any reason, including the following:

- Investment performance that significantly is less than anticipated given the discipline employed and the risk parameters established or unacceptable justification of poor results.
- Failure to adhere to any aspect of this investment policy statement including communication and reporting requirements.
- Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

12. Reporting

The Executive Director will include a market report on investment activity and returns in the POOL's Financial Report, which will be distributed quarterly to the Executive Committee and at each Board meeting.

12. Investment Policy Adoption

The POOL's investment policy will be adopted by the Board of Directors. The policy will be reviewed on an annual basis by the Executive Committee and any modifications made thereto must be approved by the Board.

Adopted 9/91
Revised 10/95
Revised 4/98
Revised 5/1/2000
Revised 9/13/2006
Revised 5/1/2009

Money Management and Controls – All Entities (General Policy)

Overview: POOL, PACT, related captives PRM and PCM, and PRI are all (as of April 1, 2011) subject to the same general banking and investment services and similar investment policies. Wells Fargo Nevada Governmental Banking provides banking services, and Wells Fargo Institutional Retirement and Trust provides investment custody for all five entities. PARMS, Inc. manages/oversees all funds, including accounting and audit coordination, check issuance, deposits, and transfers. Investments are managed by various managers (not identical for each entity, but including Eagle Asset Managers, PFM, and various mutual funds/ETFs) with guidance from an investment advisor (currently Raymond James Financial Services).

In the banking arena, checks issued by PARMS require two signatures, and staff approving issuance, physically issuing checks, and signing checks are generally exclusive of one another or require at least dual approval. Exceptional overlaps for approval and check issuance arise only when staff is short-handed, and there are no exceptions for check-signing. So, at least three staff members are nearly always involved in each check leaving the office.

Claims check issuance is under the direct control of ASC, a third-party administrator subject to its' own series of controls and audits. PARMS staff oversees the accounting, but does not have authority to issue checks without the involvement of ASC. ASC has deep fiduciary responsibility for claims management, largely independent but subject to general indirect management by PARMS. ASC is subject to various independent audits.

Bank deposits are handled increasingly electronically, with large premium payments from members done via ACH transfers in most cases.

In the investment arena, funds are transferred from trust accounts to bank accounts and vice-versa either electronically or via check-issuance. The

increased reliance on electronic transfers prompted a review of policies and controls beginning in September, 2011.

Banking

1. There are currently eight Wells bank accounts. Three of the accounts are necessary to divide PACT funds into claims, claims expense, and administrative silos, partially to have one account available to ASC for claims payments, partially to fulfill certain Nevada statutory requirements. Two of the other accounts are for POOL, one for claims and one for administration. The last three accounts are for PRM, PCM, and PRI.

There should rarely, if ever, be a need for additional bank accounts to serve these five entities. New account set-up requires recommendation by the Executive Director of the appropriate entity, and must then be approved by the respective Board Chairman or Fiscal Officer. In addition, the Board itself must have acted on the matter before signed documents are presented to the bank and the account is established.

2. The accounting manager has broad administrative authority over the Wells “CEO” online banking system, and can perform various functions independently. However, certain key functions (such as new account set-up) cannot be performed without approval of the Executive Director. Administration includes assignment of more limited access to systems functions for other staff members, including ‘read-only’ access as needed. Such limited access may also be provided to outside personnel, such as investment advisors.
3. In most cases, physical checks will be issued out of bank accounts. However, there are four ways in which funds may be sent out: checks, ACH transfers, wire transfers, and online transfers to investment (Trust) accounts. Rare outgoing ACH transfer templates may be initiated only with approval of the Executive Director, though use of the template

thereafter does not require dual authorization. More routine online transfers from bank accounts to investment accounts may be initiated by the accounting manager or one other authorized party. It should not be possible for funds to be transferred from the bank accounts (without checks being issued) except via ACH or wire transfer or directly to investment accounts.

Realistically, in addition to risk management, the control of transfers must consider the need for efficiency and the fact that large fund needs sometimes arise quickly. Additionally, cash management may require frequent transfers in order to optimize return on short-term investments and to minimize the expense associated with large checking account balances.

Care must be taken to transfer funds within each entity appropriately (from a PACT claims bank account only to a PACT claims investment account, for example).

Investments (aka: Trust Accounts)

1. There are currently 14 investment accounts (there were 16 in 2011) established with Wells. As of year-end 2011 two accounts were closed, as discussed below. Additionally, three of these 14 accounts are 'combination' accounts, established only for reporting purposes, and it is not intended that they hold funds. The 11 active accounts are assigned as follows: 2 to POOL, 5 to PACT, 2 to PRM, 1 to PCM, and 1 to PRI.

Six of the original accounts were established for investment management by Eagle Asset Management in Florida (two for PACT, one for POOL, and 3 for PRM), but two of the PRM – EAGLE accounts will no longer be managed by Eagle as of October 1, 2011.

Additionally these two PRM accounts were closed as of year-end 2011 or shortly thereafter. Two PACT accounts and the PRI account are managed by PFM, with offices in San Francisco and Pennsylvania. One POOL account is intended as a short-term cash account (POOL – Other). The captives (PRM and PCM) each have an account holding primarily mutual funds and ETFs; trades for these two accounts are implemented by PARMS staff at the direction of the advisor and subject to investment policy guidelines. One PACT account is a ‘pledged’ account, with funds invested at the direction of the advisor but able to be transferred only with the express approval of the Nevada Division of Insurance.

2. Except for fee or commission payments to custodians, brokers, or money managers, transfers of funds from the investment accounts may only flow to the appropriate Wells bank accounts. These transfers are to be initiated by the accounting manager or one of her staff, but whenever possible should be coordinated with PARMS staff overseeing investments. Staff can then contact managers/advisors as appropriate to determine where cash should be raised and/or accessed, and to help time the transactions properly. Transfers should be approved by or communicated to a second person with check-signing authority for the entity.

At this time, three PARMS staff members have Wells ‘tokens’ which allow secure access to the Wells CEO online system (Executive Director, Accounting Manager, and Accounting Staff positions). The two accounting staff members can initiate transfers of funds between accounts or by email with Wells Operations Personnel. The Executive Director can initiate transfers only via email, as a back-up position.

Under no conditions (except fee payment mentioned above) should funds be transferred from the investment accounts to anywhere except their appropriate bank accounts. In addition, care should be

taken to transfer funds within each entity appropriately (from a PACT claims investment account to a PACT claims bank account, for example). Funds should never be transferred directly between investment accounts, even for the same entity. That is, for example, bills to be paid needing liquidation of investment funds should begin with liquidation of investments as needed, then transfer of funds from investment accounts to bank accounts, then bill-paying out of the bank accounts. This 'bill-paying' process would apply equally to a payment intended to eventually move back to another investment account.

3. If the Executive Director is convinced there is no incentive for trading to be done outside of policy guidelines, trading implementation may be left to appropriate staff, subject to guidance by the advisor. However, at any time the Executive Director may require a second approval for all trading (except that done in an account managed by separate contract). Such control should be coordinated with the investment advisor and with Wells Trust staff. Additionally, whichever staff members initiate trades should not be incentive-compensated based on trading/investment results, in order to avoid possible conflicts of interest.
4. Finally, changes made in 2011 were instituted in order to separate the functions of custodian, advisor, and portfolio/fund manager. This was done in order to reduce possible conflicts of interest, and such separations will be maintained insofar as possible.

**DRAFT 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 22nd - 23rd 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**

DRAFT



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 Joint Meeting of the Executive Committees of
Nevada Public Agency Insurance Pool and for Public Agency Compensation Trust**

Date: Friday, March 16, 2012

Time: 10:00 A.M.

**Place: 201 S. Roop St., Conference Rm, 2nd floor
Carson City, Nevada 89701**

1. Roll

Roll was taken and a quorum was determined to be present for both executive committees.

2. Public Comment

Chair Kalt called for public comment. Hearing none, he closed the public comment period.

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

- a. **Approval of Minutes of Meetings: Joint Executive Committee – August 23, 2011**
- b. **Executive Director's Report**
- c. **Financial and Investments Reports**

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

4. For Possible Action: Acceptance of Reports

- a. **POOL Claims Audit Report**
- b. **Large Loss Report for POOL and PACT**
- c. **Loss Control Committee Report**
- d. **Retreat Report: Progress on Action Items**

- a. Wayne Carlson commented on the overall results were positive about ASC's claims handling and only showing a 2-3% difference in the reserves. He noted that this was an excellent outcome since the benchmark was 10%. Donna Squires added that reserve adjustments made during the time of the audit, reduced this difference to 1%. Wayne noted that these audits occur every two years, but that other audits are conducted by various reinsurers and ASC's home office every year. He also indicated that a PACT audit would occur in April 2012.
- b. Wayne commented on POOL large losses that the Fernley Canal Breach claims had been resolved. Donna added that the final documents had minor's compromises that are finally coming in so the claim remains open until all of those are completed. With regard to PACT, he noted that it appeared that there was one large heart claim over \$1,000,000 every other year on average and one year had two such claims.
- c. Ann Wiswell provided an overview of the Loss Control Committee's activities. Of note was that the Loss Control Excellence Program will become an online self-completion

tool for use by members in the near future. She reviewed the Risk Management Grant program and commented that the criteria had been changed recently. The Risk Management Grant Program continues to be a successful initiative in assisting members to defray the costs of risk management. A few modifications have been made to the grant program based on the committee's review of grants written. Under the new grant program guidelines, training grants will be funded 100% up to \$2,000 per person. Examples of training funded under the grant program include attendance at risk management conferences such as PRIMA, PARMA, ASSE, Public Agency Training Council programs, and the Society for Human Resource Management as well as programs offered by POOL/PACT HR. Grants for premises security materials, emergency communications equipment, premises monitoring devices and other equipment designed to reduce property risk will be funded with a 50% match from the member. Equipment designed for OSHA compliance and workplace safety will be funded with a 25% match from the member. The committee has also allocated \$250,000 from the 2011 fiscal year and \$250K from the 2012 fiscal year of existing grant funds towards a dedicated program to fund safety equipment to reduce back injuries to first responders. This grant will be offered one time and will afford POOL/PACT members the opportunity to acquire Stryker Power-Pro power cots, Stair-Pro and Power Load equipment. This equipment has a proven track record of reducing back injuries to EMS personnel as well as non-transport personnel responsible for emergency evacuations. The grant will provide a 50% match for funding of a complete equipment ensemble for an EMS unit or hospital and up to three Power Pro chairs for school districts and municipal buildings.

- d. Wayne Carlson reviewed the major action areas from the board retreat. Regarding technology, he attended the Nevada Digital Government Summit in December 2011 and learned about technology advances and also some shared services potentials in the technology area in both southern and northern Nevada. Subsequently, he discussed the State of Nevada shared services options with the State Chief Information Officer, who was to provide a list of contracts currently available along with shared services purchasing contracts. He also attended the GROWCO conference to learn about economic development in New Orleans, particularly in the technology arena, and how that might provide ideas for Nevada and shared services. He noted that some of the entrepreneurial results came about from seeking common ground out of necessity following Hurricane Katrina. Former President Clinton spoke at the conference and commented that Haiti was having to seek similar common ground in order to rebuild Haiti as they need it to be for the future. The President suggested that the United States should seek similar common ground (without a disaster) in order to position its economic strategies for the future. Wayne also commented that he spoke with a venture capitalist about how they approach investing in businesses and that he had received an email offering ideas for the pools and captives to consider should such investments be a consideration in the future. Wayne then highlighted the POOL/PACT HR efforts to survey the members based upon retreat discussions. Jeanne Greene reviewed the results of the survey and the possible areas for focus in the future. In discussion, committee members commented on the various categories and suggested which ones would be areas to consider. The discussion focused on the risk reduction mission and suggested that some of the topics could become training only, while others could be added to the services. Jeanne indicated she would take this input to the HR Oversight Committee for further discussion.

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

5. **For Possible Action: Approval of Prospective Members:**
a. **PACT: Virginia City Convention and Visitors Authority; Palomino Valley GID**
b. **POOL: Palomino Valley GID**

- a. Alan Kalt opened the discussion regarding Virginia City Convention and Visitors Authority by asking Pat Whitten whether Storey County would in fact take over their operations on July 1st. Pat Whitten responded that they likely would, but not until formal board action so this was an interim step. Wayne Carlson commented that they presently were a member of POOL. He also said that if they became a separate member now and Storey County did not take them over, then they would continue as a member, but become a sub-entity of Storey County if they did take them over. On motion and second to approve membership for Virginia City Convention and Visitors Authority, the motion carried.

With regard to Palomino Valley GID, Wayne indicated that the application had yet to be received. He said they were a prospect for both PACT and POOL, but that their current programs were spread among several agents. One agent is trying to pull them all together. He indicated that they were a small road district with two employees and a contract administrator. No action was taken.

- b. No action taken.

6. **For Possible Action: Acceptance of Proposals for Contracts**
a. **Alternative Service Concepts – Claims Management for POOL and PACT**
b. **Aetna Horizon Behavioral Services Employee Assistance Program**

- a. Wayne Carlson noted that the cost figures had been incorporated into the proposed budget. Pam Finch and Donna Squires of ASC presented two options, a three year and a five year option. The three year option had cost-plus 15% and the five year option was cost-plus 13%. On motion and second to accept the five year option, the motion carried.
- b. Wayne Carlson mentioned that Horizon was acquired by Aetna, but that the program costs remained the same. There is an option to extend the contract for two years at the same prices. Wayne noted the utilization continued at 3-4%, but that supervisory referrals and catastrophe responses had increased. On motion and second to extend for two years, the motion carried.

7. **For Possible Action: POOL/PACT HR Services Grant**

- a. **Pooling Resources, Inc. Grant Financial Report**
b. **Human Resources Oversight Committee Report**
c. **Acceptance of Pooling Resources, Inc. Grant Proposal for 2012-2015**

Jeanne Greene reviewed the highlights of the HR Oversight committee report and noted those areas she felt they could continue to provide with current staff and those areas where additional staff or contract services would be necessary if adopted based upon the survey results. Wayne Carlson noted that the grant continued to be sufficient for the current operations and that he had reduced the amount somewhat since they had built up sufficient reserves. The grant renewal proposal reflected that change.

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

8. **For Possible Action: Approval of Lease Agreement Terms and Rates**
a. **State of Nevada (current lease term expires 2/1/2013; option to renew for 5 years)**
b. **CCMSI (current lease expires 1/7/2013; one year terms extended each year)**
c. **Draft policy on lease rates for future leases**

a., b., and c. Wayne commented that since these leases expire during the next fiscal year, he was bringing the issues to the committee for discussions now. He reminded the committee that it had reduced the State's lease rate upon request of the State during its fiscal crisis, thus their rates were reduced to the level of 2003. He also said that with the State's change of TPA, the previous allocation of space to the TPA contract was eliminated by the previous risk manager; thus, there was an understatement of the State's allocated space that the TPA no longer funded. The current TPA has a one year lease term. Thus, PRI and PARMS are the only tenants paying the higher, fully allocated space rental amount. Of course, those are pass-throughs to the POOL under the existing contracts. The former NACO space remains unrented due to the number of vacancies in Carson City. He requested a policy on the lease rates for the future, noting that he had a conflict regarding setting rates for PRI and PARMS due to the contracts. Under discussion, it was suggested that the conflict would be dealt with by referral to the executive committee.

On motion and second to authorize staff to negotiate terms and rates with these tenants and to draft a policy for future action, the motion carried.

9. **For Possible Action: Review of POOL and PACT Program Renewal Status and Action on Options**

a. Willis Pooling Report

b. Market Conditions and Status Overview

c. Review of POOL Coverage Form Changes for 2012-2013

d. Review of Reinsurance Coverage and Retention for POOL and PACT

a and b. Bob Lombard provided an overview of current market conditions overall, noting that some insurers have been attempting to push pricing upward due to the catastrophe losses last year. He commented that preliminary discussion with our property reinsurers indicated only a modest price increase due to our long-term relationship in Lloyds and our lack of exposure to the coastal windstorms that drove much of the catastrophe results for the market. We do have earthquake exposure, but are not in the highest risk category of the markets. As for liability, Bob said that recent discussions with our reinsurers generally showed a flat to 2-3% increase. After discussions with staff, indications were that since we had just made major changes in reinsurers last year, a status quo was desirable to cement the new relationships. He then introduced Michael Vaughan-Fowler of PSI that placed the Brit liability layer last year (\$5,000,000 excess of \$5,000,000), one of our new reinsurers. Michael has been involved in the POOL since its beginning and presented additional insights into the overall market and why there were pricing pressures generally by insurers. Apparently, the risk modeling service that most insurers utilize will be reexamining its earthquake models this year like they did with windstorm last year that resulted in the substantial increase in the reach of the windstorm model into additional exposure areas, thus rates as well. Brit was not expecting rate increases for Nevada. Regarding PACT, modest rate increases were expected since the workers compensation market experience generally had worsened.

c. Wayne Carlson indicated that some coverage changes were being reviewed to clarify some of the liability language and the crime language in light of some claims that have come in and raised questions about whether the language could be further clarified as to intent. No reductions in coverage were planned, but the clarifications had been drafted for review by coverage counsel.

d. Bob Lombard indicated that based on staff discussions, he would ask for options for a property retention increase to up to \$1,000,000 and utilization of other reinsurers for layers below that to test the pricing. Doug Smith indicated that retention adjustments likely would occur in the quota share arrangements via the captives, rather than the pools. Specifically for PACT, the captive (PCM) may be able to take the aggregate excess layer entirely and an increase in the quota share. PACT retention likely would increase from \$500,000 with a \$500,000 corridor to \$750,000 with no corridor.

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

10. **For Possible Action: Review of Services and Approval of**
a. PACT Budget for 2012-2013
b. Transfer of Portion of Net Asset Gains to Public Compensation Mutual
- a. Wayne Carlson reviewed the changes in the budget, noting that there was an error made by him in last year's budgeted revenue in which one portion of assessments that are allocated on the split basis did not get added into the total revenue, thus understating the anticipated revenue. That was corrected for the proposed budget; thus, while it appears to be a substantial increase, in reality it is based upon a 3.5% increase. He reviewed the details of adjustments in the expenses to reflect the ASC fee proposal and other categories where previous budgets overstated the needed amounts over time. Overall, administrative expenses were flat with a slight (3.5%) increase in the claims expenses except police/fire heart-lung post employment which increased 10% based upon previous board policy. On motion and second to accept the budget, the motion carried.
- b. Wayne referred to the Executive Director's report showing the amount of net asset gains eligible for consideration by the committee. On motion and second to transfer 50% or \$135,598 of the gains to PCM, the motion carried.

11. **For Possible Action: Review of Services and Approval of**
a. POOL Budget for 2012-2013
b. Transfer of Portion of Net Asset Gains to Public Risk Mutual
- a. Wayne reviewed the budget changes noting the potential for some modest property and liability increases and some administrative expense reductions. The ASC fee proposal figures were incorporated into the proposed budget. On motion and second to accept the budget, the motion carried.
- b. Wayne referred to the Executive Director's report showing the amount of net asset gains eligible for consideration by the committee. On motion and second to transfer 50% or \$1,237,581 of the gains to PRM, the motion carried.

12. **For Possible Action: Review of Financial Performance of**
a. Public Risk Mutual
b. Public Compensation Mutual

Wayne reviewed the highlights of the audits for the two captives. On motion and second to accept the reports, the motion carried.

13. **For Possible Action: POOL and PACT Investment Issues**
a. Review and Revise Investment Policies
b. Review and Adopt Money Management Controls Procedure

- a. Doug Smith reviewed the current investment policies and noted that he has been in discussion with the investment advisor regarding whether changes may be warranted. He expects feedback in the near future and will bring any proposed changes back at a later date.
- b. Doug noted that the combined assets under investment for the pools, captives and PRI were substantial enough to warrant bringing the proposed money management controls procedure used internally to the attention of the committee and the board.

On motion and second to approve the policies and procedure and to have both items placed on the annual meeting agendas, the motion carried.

14. **For Possible Action: Return to Work Services Options**
a. Implementation of a Return to Work Program; Membership Willingness
b. Norm Peterson & Associates Our System Proposal
c. Request for Proposal from Other Vendors

Alan Kalt opened discussion about the return to work programs. Wayne review the merits of such programs generally and cited both the Peterson proposal and a study done by another vendor that showed that those who used return to work services saw a significant reduction in claims costs. He indicated concerns about implementation and interest among members. Some committee members expressed that they had their own ad hoc programs and felt that there was not a need for a PACT program. Others expressed that while the Peterson proposal said it would save their fees, they were concerned about the “out” clause and the proposal cost if they did not save fees. Further discussion focused on the job descriptions element and in response to questions, Jeanne Greene said POOL/PACT HR could assist members with those as needed. Ann indicated that this had been an ongoing item on the Loss Control Committee strategic plan and that there was frustration about the ability to implement this effectively. She welcomed POOL/PACT HR taking this on as a training item.

On motion and second to have POOL/PACT HR develop awareness education and training about return to work programs and to address issues on a case by case basis in lieu of contracting for a program, the motion carried.

15. For Possible Action: Review and Revise Drafts of Annual Meeting Agendas Including:

- a. **Executive Committee and Officers Up for Election at the Annual Meeting, Candidates and Conduct of the Elections**
- b. **NPAIP 25th Anniversary Celebration**

- a. Wayne review the list of those up for reelection to the Executive Committees of POOL and PACT and those present indicated interest in continuing to serve. He asked for input on the annual meeting agenda drafts. Alan Kalt suggested that the investment policies and procedures be added to the agendas.
- b. Wayne showed the special logo for the 25th anniversary of the POOL. He said that some festivities were planned for the April 26th evening event before the annual board meetings.
On motion and second to have staff plan the celebration activities in their discretion, the motion carried.

16. Public Comment

Chair Rebaleati called for public comment and hearing none, closed the public comment period.

17. For Possible Action: Adjournment

On motion and second to adjourn, the meeting was adjourned.

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

Eureka County Courthouse
10 S. Main Street
Eureka, NV 89316

Carson City Courthouse
885 E. Musser Street
Carson City, NV 89701

Churchill County Administrative Complex
155 North Taylor Street
Fallon, NV 89406



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 Joint Meeting of the Executive Committees of
Nevada Public Agency Insurance Pool and for Public Agency Compensation Trust**

Date: August 23, 2011

Time: 1:30 P.M.

**Place: 201 S. Roop St.,
Carson City, Nevada 89701**

Conference Call: 1-800-593-9034 Passcode: WAYNEC

Notices:

- 1. Items on the agenda may be taken out of order;**
- 2. Two or more items on the agenda may be combined for consideration**
- 3. Any item on the agenda may be removed or discussion may be delayed at any time**
- 4. The general Public Comment periods are limited to those items not listed on the agenda. Public Comment periods are devoted to comments by the general public, if any, and may include discussion of those comments; however, no action may be taken upon a matter raised under Public Comments until the matter itself has been included specifically on an agenda as an item upon which action may be taken.**
- 5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.**

1. Roll

Members Present: Mike Rebaleati, Pat Whitten, Lisa Jones, Dan Newell, Alan Kalt, Cash Minor, Roger Mancebo, Paul Johnson, Toni Inserra
Members Absent: Josh Foli, Jeff Zander, Steve West
Others present: Wayne Carlson, Ann Wiswell, Doug Smith

2. Public Comment

Chair Rebaleati opened the meeting to public comment. None was received.

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

a. Approval of Minutes of Meetings:

- 1) Joint Executive Committee April 26, 2011**
- 2) PACT Executive Committee – none**
- 3) POOL Executive Committee – none**

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

4. **For Possible Action: Approval of Prospective POOL/PACT Members**
a. **Town of Amargosa Valley**
b. **Truckee River Flood Management Authority**

Wayne Carlson reviewed the application and background information regarding the Town of Amargosa Valley commenting that they were being formed as a town board form of government per a petition to Nye County. A resolution to begin the formation process was passed in June by the Nye County Commissioners, but the final resolution defining the scope of operations, asset transfers and budget still is being developed by the county. He noted some of the operations and controversies that led to the petition. He noted that the application was incomplete in light of the decisions yet to be made by the county. In response to questions, he said that the present town advisory board status was included in Nye County's membership in both POOL and PACT.

On motion and second to table a decision on the town of Amargosa Valley pending further information, the motion carried.

Wayne Carlson reviewed the application and background information about the formation and purpose of the Truckee River Flood Management Authority. He noted that their purpose was a noble one as respects trying to reduce the flood risks within the Reno-Sparks area following the 1997 100-year flood event. They would be elevating certain properties, taking other structures down to create a flood plain that was clear of structures and acquiring land to allow a living river concept to work. He noted that they would own certain levees and flood control property along with a flood warning system. They will manage various construction projects that will be owned by other entities upon completion. Primarily they are a planning type of agency, but do have flood emergency management responsibilities in coordination with emergency response agencies. Wayne responded to questions from committee members regarding the risks. In response, he noted that while they are a well-managed agency, the catastrophic risk potential makes it a difficult account to accept.

On motion and second to decline membership in POOL, the motion carried.

In discussion about PACT membership, Wayne noted that generally their exposures were similar to other local government members. Committee members expressed concerns about their larger government agency involvement and whether there would be a good fit into PACT.

On motion and second to decline membership in PACT, the motion carried.

4. **For Possible Action: Board Retreat December 5-6, 2011 Goals**

Some committee members asked about why the date was in December. Wayne explained that due to the special congressional election, other conferences had to move to the same time as our original dates and this was the date when the facility was available. On motion and second to approve the retreat dates, the motion carried.

Wayne Carlson provided an overview of the process he was planning to use to facilitate discussion during the retreat, focusing on various trends. He cited examples from the book *Flash Foresight* and that the principles in the book would be an outline of the process. He also commented that he had attend the World Future Society conference at which many future scenarios were demonstrated. He cited a few examples from technology. He asked the

committee to indicate what goals or outcomes they would like to see. Considerable discussion ensued about technology changes and issues. Interest was expressed in possibly having a technology future representative from Google, for example, to present an overview of the future developments including about social networking. Also, the issues around shared services or regionalization of governmental functions emerged in light of a legislative bill requiring school districts to examine this specifically. After this discussion, Chair Kalt suggested that the members could provide further input to staff directly so that the planning process could continue to develop. No action was deemed necessary on the goals.

5. For Possible Action: Appoint replacement to fulfill the remaining year of Mike Pennacchio's term on POOL Executive Committee as special districts/town representative

Wayne Carlson noted the eligible members representing special districts/towns included Gerry Eick of Incline Village GID, Bob Spellberg of Gardnerville Ranchos GID, Bill Kohbarger of Town of Pahrump and James Eason of Town of Tonopah. He commented that Gerry was recommended by Mike Pennacchio and that he appeared to be interested in serving.

On motion and second to appoint Gerry Eick to the POOL Executive Committee, the motion carried.

**6. For Possible Action: Status Reports
a. Executive Director Report**

Chair Kalt commented on the report and asked which committee members were planning to attend the AGRiP conference in October. No action was deemed necessary.

7. Public Comment

Chair Kalt called for public comment. None was received.

8. For Possible Action: Adjournment

On motion and second to adjourn, the meeting adjourned at about 2:45 p.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
10 S. Main Street
Eureka, NV 89316**

**Churchill County Administrative Complex
155 North Taylor Street
Fallon, NV 89406**



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

**Notice of Meeting and Agenda of the
Audit Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: January 17, 2012
Time: 9:00 A.M.
Place: 201 S. Roop St., Suite 102
Carson City, NV 89701 and
Conference Call: 1-800-593-9034; Passcode: 15042**

1. Roll

Members present: Cash Minor, Rogene Hill, Josh Foli
Others present: Wayne Carlson, Doug Smith, Michael Bertrand

2. Action Item: Approval of Minutes of Meeting of December 29, 2011

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

**3. Action Item: Acceptance of Audit:
a. Nevada Public Agency Insurance Pool**

Wayne Carlson indicated that the management letter was reviewed along with the draft audit. Michael Bertrand noted that he finally got confirmation from Nye County on the outstanding maintenance deductibles and that Nye County had made partial payments toward the amount due. Wayne Carlson added that an additional payment had been received since the confirmation. He expected the remainder would follow soon. Staff was in contact with Nye County regularly to get this cleared up.

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

4. Public comment

No public comment was received.

5. Action Item: Adjournment

On motion and second to adjourn, the meeting adjourned.

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



**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

Eureka County Courthouse
10 S. Main Street
Eureka, NV 89316

Churchill County Courthouse
155 North Taylor Street
Fallon, NV 89406

NOTICE TO PERSONS WITH DISABILITIES

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Nevada Public Agency Insurance Pool or Public Agency Compensation Trust in writing at 201 S. Roop Street, Suite 102, Carson City, NV 89701, or by calling (775) 885-7475 at least three working days prior to the meeting.



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 Meeting of the
Audit Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: December 29, 2011
Time: 10:00 A.M.
Place: 201 S. Roop St., Suite 102
Carson City, NV 89701 and
Conference Call: 1-800-593-9034; Passcode: 15042**

1. Roll

Members Present: Cash Minor, Rogene Hill

Members Absent: Josh Foli

Others Present: Michael Bertrand, CPA, Wayne Carlson Melissa Mack

Chair Minor called the meeting to order at 10:00 a.m.

2. Action Item: Approval of Minutes of Meeting of December 6, 2010

On motion and second to approve, the motion carried.

3. Action Item: Acceptance of Auditor's Report and Recommendations

a. Regarding Nevada Public Agency Insurance Pool

b. Regarding Public Agency Compensation Trust

Michael Bertrand reviewed his report and recommendations for both organizations and responded to questions. Wayne noted that staff had implemented changes in processes to conform to the recommendations. With regard to NPAIP and the Nye County outstanding maintenance deductible billings, he noted that Nye County had agreed to pay about half of the amount and the check was supposed to be mailed to NPAIP by this week, but were awaiting additional information about the other part. Staff will be following up on this. Regarding PACT, Wayne noted that the receivables were from a previous member who disagreed with the payroll methodology and refused to pay. The amount was small and may be written off as uncollectible.

On motion and second to accept the Auditor's report and recommendations regarding NPAIP, the motion carried.

On motion and second to accept the Auditor's report and recommendations regarding PACT, the motion carried.



**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

4. **Action Item: Acceptance of Audit:**
a. **Nevada Public Agency Insurance Pool**
b. **Public Agency Compensation Trust**

Michael Bertrand reviewed key elements of the financial statements for both NPAIP and PACT, noting that since the outstanding Nye County maintenance deductible amount was material and that they have not yet confirmed any amounts, the NPAIP audit was still a draft. He responded to questions.

On motion and second to accept the draft audit for NPAIP, the motion carried.
On motion and second to accept the audit for PACT, the motion carried.

Chair Minor instructed staff to bring the final audit for NPAIP back to the audit committee for approval.

5. **Public comment**

Chair Minor called for public comment, but there was none.

6. **Action Item: Adjournment**

On motion and second to adjourn, the meeting adjourned at 10:40 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
10 S. Main Street
Eureka, NV 89316

Churchill County Courthouse
155 North Taylor Street
Fallon, NV 89406



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

**UNAPPROVED MINUTES OF THE
NEVADA PUBLIC AGENCY INSURANCE POOL AND
PUBLIC AGENCY COMPENSATION TRUST
HUMAN RESOURCES
OVERSIGHT COMMITTEE MEETING**

**Date: March 23, 2012 Time: 10:30 a.m.
Place: POOL/PACT Offices
201 S. Roop Street, 2nd floor conference room
Carson City, NV 89701**

1. Oversight Committee Roll Call:

Members participating: Chairman Curtis Calder; Geof Stark; Darcy Worms; Ben Sharit; Pat Whitten; and Robert Quick. Not Present: Bill Deist; Ben Zunino; Steve Englert; Jose Delfin; and Ann Murdoch. PRI Staff: Jeanne Greene and Christine Vido.

2. Item: Public Comment

No public comment was made.

3. For Possible Action: Approval of Minutes of Meeting December 16, 2011

Robert Quick pointed out a correction to be made on page five. Geof Stark made a motion to approve the minutes of December 16, 2011, with the correction noted. Darcy Worms seconded the motion. Motion was carried.

4. For Possible Action: Report on Current Activities

Jeanne reported the following:

- **11/12 Strategic Plan** (July 1, 2011, through June 30, 2012)

New Instructor-Led Courses – Jeanne advised the committee that all new courses have been completed this year. The new courses included the two part Achieving a Drug- and Alcohol-Free Workplace and the two day Advanced Essential Management Skills Certificate Program.

Revised/Updated Trainings – 17 courses have been identified for revision this fiscal year. The majority are complete with the balance expected to be complete by the end of the year.

New E-Learning Courses – Three new courses are scheduled this year. Addressing Sexual Misconduct in Schools is complete and is available online. The two Drug and Alcohol courses are about 50% complete. There will be two different courses; one for employees and the other for supervisors. They will be online by the end of the fiscal year.

Regional Trainings – 23 have been offered this year. The majority are complete. Two Advanced EMS courses are still to be offered. One course will be presented for Churchill



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

and Lyon Counties in April and one in Carson City, May 1st and 2nd. HR Representative Certificate Program will begin in April in Carson City. It will be five sessions.

New HR Briefings – Three are being developed this year; Handling Employee Complaints is complete; Reasonable Suspicion and Social Media are in progress.

Revised HR Briefings – 27 have been identified to be updated. About 75% are complete. The balance will be completed by the end of the year.

Revised E-Learning Courses – Four have been updated and are now available online.

Level 3 Surveys – Sent to participants six weeks after completion of certificate programs to identify if they have applied the knowledge learned. Several have been completed with the balance due later in the year.

Alerts – The most recent alert sent out was regarding “bath salts” as an illegal substance.

Webinars – These are scheduled through Horizon Health EAP. Three have been presented this year and two more will be offered by the end of the year.

Member Service Programs – Succession Planning and Recruitment and Hiring Coaching are still available to the members. No organizations have come forward requesting succession planning services. The City of Yerington utilized the Recruitment and Hiring Coaching services for a Public Works Director. Jeanne helped Yerington revise their job description, develop a recruitment plan, and identify where they were going to advertise but the recruitment is now on hold due to fiscal considerations.

Statistics – Trainings – 207 trainings scheduled; 92 completed; over 2,000 participants. Other statistics were presented on the report including trainings cancelled by the member, moved to next year, or postponed; Average rating 4.6 out of 5.0. **E-Learnings** – 9,000 employees have enrolled in various classes. This number can include one employee registered for multiple courses. To date, over 3,700 have completed with the majority of participants being school districts. **HR Briefings** – Ten have been scheduled and nine complete. **Policy Development** – 40 organizations have indicated that they want to update or adopt new policies. Seven have completed. The others are still working to complete.

Sample Policies – Revised in July due to legislation. They will be reviewed again before the end of the year.

HR Compliance Assessment Program – Jeanne anticipates West Wendover completing their recommendations by April 4th. Tahoe Douglas Fire continues to work and make progress. Sun Valley GID is very close and may be done next month. For the current fiscal year, 13 organizations were scheduled for assessments. White Pine County, City of Ely, and Moapa Valley Water have not started the assessment process and may be moved to next year.



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

Geof Stark asked a question regarding the EAP webinars. He wanted to know if participation in the most recent webinar was better than the previous webinar offered in December. Jeanne responded that the recent webinar had about 30 participants; higher than the one before. Jeanne felt the reason for the low participation in December was due to the webinar being offered right before Christmas. Jeanne also advised the committee that the next webinar, Managing Violence in the Workplace, was requested by Steve Englert due to his employees not being able to attend the regional Workplace Violence training held in Douglas County in March. Robert Quick asked if the webinars were available after the presentation. Jeanne stated that the recordings are posted on the POOL/PACT website. Robert stated that many times he and others are unable to participate in the webinars on the day of the presentation but the recordings are accessed after the fact. Jeanne said that statistic is not being captured in the training numbers. Robert asked if there is a way to track the participation. Christine Vido will look into how to obtain that information. Christine also let the committee know that the recordings are available for a short amount of time after they are put on the website, usually 3-6 months.

- **Employment Opportunity Listing Website**

There are no significant changes in the website statistics.

5. For Possible Action: Report on Other Activities

- **HR Problem-Solving Reports** – These are samples of different issues, that are not day-to-day issues, that are of interest. Jeanne pointed out synopsis three regarding an employee with USERRA rights. The employee and the union threatened to go to the media and are now in negotiations with the organization. Jeanne also pointed out the last two presented were legal opinions. Synopsis five dealt with holiday pay for law enforcement and synopsis six addressed concealed firearms in the workplace. Jeanne said that copies of the legal opinions will be sent to all of the committee members. Curtis Calder commented on synopsis six regarding concealed firearms and said that the legal opinion could change policy. Curtis said that many public agencies have signs in their buildings referencing an NRS that states weapons cannot be brought onto the premises. Jeanne responded that NRS allows for the sign and it is for the public; the employee can still carry their weapon, if they have a permit.
- **Report on Employment Related Claims** – Curtis stated that the claims appear quite low this fiscal year, and may be one of the lowest years. Curtis was hopeful that the reduction of claims is a result of the work done by POOL/PACT HR. Jeanne pointed out that there are very few open claims remaining in the previous claim years indicating that the POOL/PACT attorneys are working hard to close them. Curtis said this information should be pointed out at the joint POOL/PACT meeting.

6. For Possible Action: Results of POOL/PACT Member Survey

Jeanne advised committee that the survey was sent to 176 people in which 70 responded; a 40% response rate. 53 different organizations were represented in the responses; about 50% of the



**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

members. The members were asked if they were interested in the feasibility of additional services. The responses included five ratings from “absolutely not” to “absolutely.” The respondents were asked to identify the type of organization that they were with, the size of the organization, and if they were the HR contact or CEO (or highest level manager). Overall, the highest ranking service was the HR Assessment Phase II which received 4.0 out of 5.0.

Jeanne presented the survey results to the Executive Committee on Friday, March 16, 2012 and requested input. The Executive Committee indicated that the focus should be limited to services that would reduce liability. Pat Whitten commented that the Executive Committee was concerned about the added costs related to some of the services offered. Jeanne had indicated to the committee that some of the services could be added without additional resources.

The first item for consideration is HR Assessment Phase II, which would be offered to members who completed the initial HR assessment. Phase II would be focused on compensation and compliance with FLSA and state law. The next highest ranking service is a compensation and benefits survey. Jeanne advised that the compensation and benefits survey could not be completed without hiring additional staff or utilizing additional resources. Jeanne discussed the previous compensation and benefits survey with Jeff Fontaine at NACO. Jeff told Jeanne that NACO paid \$20,000 for the compensation and benefits survey in the past. Jeff believed that amount would probably be double that amount at this time. Robert Quick and Darcy Worms both agreed that the old compensation and benefit reports were inconsistent and difficult to use. Jeanne stated that the Executive Committee did not want to move forward with this item.

The next item is a database of collective bargaining concessions. Jeanne indicated that this project could be completed internally with existing resources. The Executive Committee asked that pay tables and health benefits be added to the database. Robert said that scanned copies of the CBAs would also be useful. Jeanne thought that this database would be available on the website. Curtis Calder said another consideration would be some sort of trigger that would alert POOL/PACT HR to revise or update information as agreements are updated. Jeanne would like to put together a subcommittee of HR contacts that would discuss what bargaining items would be tracked in the database. Curtis said another consideration regarding the database is that many organizations do not settle their contracts until after the fact and are retroactive. Many of the contracts are for one year terms. Darcy said as long as the dates are listed, individuals using the database know what they are accessing. Robert Quick agreed and said that having some information is better than none at all. Ben Sharit suggested that the database have contact information for each organization. If there is outdated information or questions regarding a contract, there is someone for the members to talk to. Jeanne told the committee that if this is something to move forward with, a subcommittee can be formed to put together a presentation for the committee for review and approval.

Jeanne said another item on the survey was a classification and compensation study. Jeanne stated that it would be expensive for POOL/PACT HR to contract out and it is very difficult to defend. Jeanne feared it would bring additional liability to the POOL. Another issue in addition to the cost of the study is the cost to implement the results of the study. Jeanne indicated that the Executive Committee did not want to move forward with this item.



**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

Mediation service is another topic brought up in the survey. Jeanne said that the Executive Committee recommended putting together a list of mediators throughout the state and try to obtain a negotiated rate for all of the members if they needed to utilize them. Members would contract directly for these services.

An additional topic from the survey was negotiation services. Jeanne said that Curtis had contacted Proctor Hug and he was willing to provide training to the member organizations. Jeanne said that this is a service that can be provided with existing resources. Jeanne would like to see six trainings delivered throughout the state and rough calculation indicates the cost would be around \$5,000 in total. Pat Whitten added that Storey County has been working with Charlie Cockerill and are pleased with his services and that might be another option for training. Robert Quick said that Lander County uses Charlie as well and warned that many organizations use his services and depending on the time of year, he might be difficult to contact. Curtis suggested that perhaps Proctor could do presentations for the school districts and Charlie can present to local government. Curtis said the training should be Collective Bargaining 101 and include the basics of NRS 288 and modify for school districts and law enforcement.

The next item is writing job descriptions. Jeanne said this would also need to be contracted out and the Executive Committee did not feel it was worth pursuing.

The next two items are related. The first is hours to consult with a labor expert. Jeanne said that a certain amount of hours would be contracted for each organization to consult with a labor expert and POOL/PACT HR would pay for this service. The second is to negotiate a reduced rate for the members to contact a labor expert directly. The Executive Committee thought that negotiating a reduced rate for the members was the better option.

Another item was web-based succession planning. This item was not highly rated. Jeanne advised that she researched programs online and she estimates that it would cost about \$10,000 to host this service. The Executive Committee did not want to pursue this.

Jeanne said that other items on the survey included shared payroll and shared recruitment and neither was rated very highly.

Jeanne said she was asked by the Executive Committee to develop a return to work briefing and return to work sample programs. This can be completed with existing resources and will be added to the 12/13 strategic plan.

Jeanne also advised the Executive Committee recommended approval of a three-year contract with the option to extend an additional two years. The grant for POOL/PACT HR will be reduced by \$58,500 each year. Jeanne said that this will not be an issue because Jonathan Sherwood's position has not been filled since he resigned last year. Curtis asked Jeanne what would happen if the need to fill Jonathan's position were to occur. Jeanne stated that she was told by Mike Rebaleati that she could ask the Executive Committee and they would approve the funding for that position. Pat Whitten added that issue was specifically addressed during the Executive Committee meeting. Jeanne also added that POOL/PACT HR has contracted with Neal Freitas to assist with trainings and



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

he works on a contract basis. Curtis reiterated that if the need arises for additional funding, not to hesitate to ask.

Jeanne asked if there are any additional services the committee would like to see added to the strategic plan for the next fiscal year and if they wanted to go with what was recommended at the Executive Committee. Curtis said that the HR Assessment Phase II has a lot of support. Darcy added it helps the member liability so it should be a priority. Curtis thought that the database for collective bargaining agreements would also be another priority. Jeanne said for that project, a temp may have to be brought in to free up time for Christine to dedicate to development of the database. Jeanne let the committee know that Sharon Gesick was on contract and could be contacted to help out with this. Jeanne asked the committee about having a list of mediators available. Curtis said he is not sure how important that would be for other entities, he has only used them twice for the City. Robert Quick shared the same experience. Curtis said it is low enough on the survey that it would not be worth moving forward. Pat Whitten said that negotiating a discounted rate for labor negotiations should not be overlooked. He said that the POOL has the ability to get the lower rates because of their buying power. Jeanne also asked the committee about the negotiation training. Curtis said that if it currently fits into the budget and the attorneys are willing, to go ahead and move forward in scheduling those trainings next fall. Darcy said she would have other people in her office participate in the training too because it would be good for others to have the knowledge beside herself. Jeanne asked for direction and Curtis said to move forward with the identified services approved by the Executive Committee with the exception of contracting for mediators. Jeanne pointed out that the scope of services document was included with their handouts and the new services would be added before presenting to the full board next month.

7. For Possible Action: Joint POOL/PACT Board Meeting

Jeanne told the committee that the meeting will be held April 26th and 27th. The draft agenda shows United Educators will have a presentation the afternoon of the 26th. Another presentation will be County Reinsurance Enterprise Risk Management, Responding to Crisis. Jeanne asked if Pat Whitten had any more specifics on the joint meeting. Pat did not. Pat thought that both days will leverage pretty heavily on the 25th anniversary of the POOL. Jeanne said from the HR side, the normal presentation will be given. Jeanne also said that plaques will be handed out to the organizations who completed HR assessments during the past year. The recipients of the plaques will be: Mt. Grant Hospital, Douglas County, and West Wendover. Sun Valley GID and Yerington may be completed in time and could also receive plaques.

8. For Possible Action: HR Assessment Grant Application Approval

Jeanne advised the committee that no applications were received for the meeting.

9. For Possible Action: Schedule Next Regular Meeting for POOL/PACT Human Resources Oversight Committee

Curtis Calder said that the next meeting will be in June. The next Oversight Meeting is scheduled on Friday, June 15, 2012 at 10:30 a.m. Curtis wanted to see if Bill Deist would host in Winnemucca again. Christine will email Bill and the committee will be advised of the location at a later time.



**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

10. Item: Public Comment:

Jeanne let the committee know about the Risk Management Grant available to all members. Several situations have occurred recently in which members attended trainings in Carson City by paying their own way and members have cancelled coming to trainings because they were unable to afford the travel. The grant can assist with these costs and allow members to participate when they otherwise would not have.

Jeanne also mentioned an EMRB meeting that Darcy and Ben also attended. Jeanne said the only thing that she found of interest was regarding SB98 concerning supervisory employees who cannot be part of a union. There is a hearing, possibly scheduled in May, for the EMRB to hear the issue brought forth by the City of Reno. There may be clarification due to this hearing. Ben asked that if Jeanne hears anything regarding this issue to notify the committee members.

Darcy commented that the Advanced EMS that she attended was excellent. The scenarios really helped the non-HR people understand all of the steps involved. She felt it will be very beneficial to managers and supervisors. Robert Quick stated that he was able to utilize the material shortly after the course. Jeanne said that a survey was conducted after the course asking for input. The majority of individuals want the course to be a full two days and POOL/PACT HR will add additional information to expand the course for next year.

Pat Whitten complimented Christine for the organization of the agenda and handouts.

11. For Possible Action: Adjournment

Curtis Calder called the meeting adjourned at 11:47 a.m.



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

**APPROVED MINUTES OF THE
NEVADA PUBLIC AGENCY INSURANCE POOL AND
PUBLIC AGENCY COMPENSATION TRUST
HUMAN RESOURCES
OVERSIGHT COMMITTEE MEETING**

Date: December 16, 2011 Time: 10:30 a.m.

**Place: Humboldt County Courthouse
50 W. 5th Street
Winnemucca, NV 89445**

1. Oversight Committee Roll Call:

Members participating: Chairman Curtis Calder; Geof Stark; Bill Deist; Darcy Worms; Steve Englert; Jose Delfin; Ben Zunino; Ben Sharit; and Ann Murdoch. Not Present: Pat Whitten; and Robert Quick. PRI Staff: Jeanne Greene.

2. Action Item: Approval of Minutes of Meeting September 16, 2011

Ben Zunino made a motion to approve the minutes of September 16, 2011, as presented. Geof Stark seconded the motion. Motion was carried.

3. Item: Report on Current Activities

Jeanne reported the following:

- **11/12 Strategic Plan** (July 1, 2011, through June 30, 2012)

New Instructor-Led Courses – POOL/PACT HR indicated that two new courses would be completed this year. There are in fact four in development. Two that have been completed are the Achieving a Drug- and Alcohol-Free Workplace courses. There are two courses: one for employees and one for supervisors. The other course is Advanced EMS. This is being developed as a two-day course. The first day training materials are complete except for clerical proofing. The second day materials are about 50% complete. There will be a pilot training in Carson City on March 6th and 7th.

Revised/Updated Trainings – 21 courses have been identified for revision this fiscal year. Ten have been completed. The Human Resources Representative Certificate Program is next on the list of updates. The program is being rewritten to condense the program from six courses to five and update all of the federal and state laws that have changed in the past year.

New E-Learning Courses – Three new courses are being developed this year. Addressing Sexual Misconduct in Schools is complete and has been online for several months. The Drug and Alcohol course is about 50% complete. There will be two different courses; one for employees and the other for supervisors. They should be complete and online in March.



**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

Regional Trainings – 21 have been scheduled this fiscal year. Several more will be added due to the new Advanced EMS course. 14 of the scheduled trainings have been completed this year and one was cancelled. The cancelled course was the POWER training for the Nevada League of Cities. **EMS** – Two groups have completed this course. One was held in Lyon County in September and another in Carson City in October. Two more are scheduled; one in Carson City in January and another will be presented in Douglas County in February. **Advanced EMS** - Scheduled on March 6th and 7th in Carson City. Another one will be held in Carson City on May 1st and 2nd. There will be additional courses scheduled. **HR Rep Program** - Will be held in Carson City beginning in March. There are 12 participants registered at this time. It will be held on back-to-back dates. **Internal Investigations for Schools** - A result of many changes in law during the last legislative session. Ann Alexander of Ericson, Thorpe, and Swainston presented this in nine locations throughout the state.

Jeanne Greene asked Ben Zunino if he had attended any of the investigation trainings. Ben responded that he attended one of Ann Alexander's presentations and it was very well done.

Internal Investigations – Presented by Ann Alexander in Boulder City on September 21st. **Workplace Violence** – One was presented in Lovelock in July; another one will be presented in Douglas County after the first of the year. **POWER** – Training for NACO was presented in Fallon. The League of Cities presentation in Mesquite was cancelled. An additional training is scheduled in March for the School Board Members.

New HR Briefings – Four have been identified this fiscal year. Handling Employee Complaints has been completed.

Revised HR Briefings – 28 have been identified to be updated due to changes in law. They are prioritized on an "as-needed" basis.

Revised E-Learning Courses – Four have been identified to be updated due to changes in law. The changes have been identified and sent to the contract production company.

FRISK Training – This was given to the Lyon County School District Administrators. There were a total of 60 participants. They are a pilot organization. Mineral and Esmeralda Schools are next to receive the training. Humboldt County will be the first "non-education" organization to get the training. The developer of the program is rewriting the course for local government. It should be completed mid to late January. Once completed and published, the training will be taken out to other local governments.

Alerts – Six have been sent out to the members this year. This is information that is sent out when all organizations need to be notified of this issue immediately.

Webinars – Four will be scheduled through Horizon Health EAP. The Balancing Act was completed. There was very low participation. It is unclear if it was due to the time of year or if the members are "burnt out" on these presentations. Another webinar will be scheduled in March and depending on the participation, a decision will be made whether to continue



**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

having these presentations. There is no cost for these presentations; it is built into the EAP contract.

Geof Stark asked if there is access to the presentations after the webinar. Jeanne responded that they are available and a link is provided back to Horizon's webpage on the POOL/PACT website. Jose Delfin said that due to timing and professional development, his organization was unable to participate in the last webinar. Jeanne said that timing is a large factor in participation of these webinars and the dates can be changed to other times of the month to encourage better participation.

Client Service Programs – Succession Planning and Recruitment and Hiring Coaching are still available to the members. No organizations have come forward requesting succession planning services. The City of Yerington has two vacancies, a Public Works Director and City Clerk. They may be utilizing the Recruitment and Hiring Coaching services to fill those positions.

Statistics – Trainings – 71 trainings scheduled; 39 completed; 1,400 participants.

E-Learnings – 8,300 employees have registered for different courses. This number can include one employee registered for multiple courses. To date, 719 have completed.

HR Briefings – Three have been scheduled and two complete. **Policy Development** – 40 organizations have indicated that they want to update their policies. Two have completed - Mt Grant General Hospital and Douglas County.

Policies – Many changes were completed at the beginning of the fiscal year due to the legislative session. They will also be reviewed again in May and June this fiscal year.

HR Compliance Assessment Program – Five organizations from 09/10 are working on the completion of their recommendations. Yerington is close; they have job descriptions remaining and Jeanne is hopeful they will be complete by the March meeting. West Wendover's final item to complete is their policies and they should be reviewed and approved by their council shortly. Tahoe Douglas Fire continues to work on the recommendations. It is unclear when Churchill County Schools will complete. Town of Tonopah has adopted policies and has a few job descriptions to complete. There are several organizations from the 10/11 assessment group that need to complete their recommendations. Esmeralda Schools will be taking their new policies to their board in January. Lyon County Schools need to complete their job descriptions and Sun Valley GID hopes to complete their recommendations by March. For 11/12, Douglas County has completed their assessment. Gardnerville Ranchos GID has completed their initial assessment visit and has started to work on their recommendations. Churchill County has received their list of recommendations. The rest are tentatively scheduled at this time.



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

- **Employment Opportunity Listing Website**

The numbers still appear very consistent.

4. Item: Report on Other Activities

- **HR Problem-Solving Reports** – These are samples of different issues that are not day to day issues.

Curtis Calder commented that he likes to read these because it gives him insight into the different types of issues that other organizations are dealing with.

- **Report on Employment Related Claims** – Jeanne said that she is very encouraged by the numbers. There are only eight claims to date and if this rate continues, there may only be about 20 claims for the whole year. Jeanne is hopeful that it is due to the trainings that employees and supervisors are receiving.

5. Item: Discussion of POOL/PACT Retreat

Curtis Calder mentioned that he, Jeanne Greene, and Geof Stark attended the POOL/PACT retreat in Eureka. Curtis said that the retreat was very well attended. It had been three years since the last retreat. He said that there was positive feedback about POOL/PACT HR and requests for additional services. There were lists made of priorities that the insurance pool should focus on. The lists were divided up into member needs, shared services, social media, and technology. Under Member Needs, there was human resources and education and high-level human resources services. Under Shared Services there was technology and information technology services, social media and guidelines for use, and policy standards or best practices. Under Technology there was information technology support and information technology services cloud. Curtis said that he consistently heard the need for the HR support. Everyone likes what POOL/PACT HR is doing but is there a way to provide more services. Jeanne said items she noted during the retreat were succession planning, internal investigations, shared recruitments (i.e. have a deputy sheriff recruitment for three counties), negotiations, consolidated payroll facilitation, comp and benefits study, and write job descriptions for organizations. Curtis said that one topic that POOL/PACT would probably move forward on is the information technology and investing in an information systems cloud that the members can participate or buy into. Curtis told the committee that they might want to look at these items and work on a proposal regarding these services to discuss at the next meeting. The proposal would be taken before the Executive Committee for approval. Jeanne asked if the Oversight Members could go back to their organizations and find out what services POOL/PACT HR could provide. Jeanne said with that information, a survey could be sent out to the other members and those services could be ranked. The information collected could then be presented to the full board. Jose Delfin thought that expanding the POOL/PACT HR services is a good idea. The school district has two types of negotiations; traditional and interest based bargaining. Jose said he was interested to know if either form of bargaining was discussed at the retreat and how POOL/PACT HR could assist. Curtis said interest based bargaining was not discussed at his table and the smaller organizations feel that they do not have the resources available to effectively bargain for a decent contract. Darcy Worms said that she agrees with Curtis' comments and that is why they hired an outside labor attorney. She said it



**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

would be nice to have someone to call just to find out if the organizations are going in the right direction. Ben Sharit also agreed. Ben Zunino said that it is important that individuals on the bargaining teams have training and resources available to conduct the negotiations. Geof Stark said that was an important item discussed during the retreat; one person at POOL/PACT HR who would have the knowledge of what different organizations are agreeing to. Ben Zunino added that the organizations would need to be responsible to provide POOL/PACT HR with updated information so they are aware of what is being bargained or not bargained for. Curtis said that POOL/PACT HR needs to conduct surveys to gather the information and have available so organizations would not have to go out individually and gather this information; it would be available to them in one location. With payroll reductions, loss of staff, and smaller resources, Curtis said it could be a very useful tool for many organizations. Curtis said another service that could be provided is access to labor council, i.e. POOL/PACT HR could budget a certain amount of money to allow members access to a labor attorney. Curtis said the committee needs to ask what type of services should be provided and how that will affect the budget, will more staff need to be added, can services be contracted out, and what resources will be required. Ben Sharit asked if the proposed survey would help with answering those questions and Curtis responded that it would. Jeanne said if the survey was sent out, the organization would be able to identify their size so the results can be narrowed down to see if the need is only in the small organizations or if there is a desire for these services in the majority of the organizations. Jeanne said that there was a large organization at her table at the retreat who said that they would never use the POOL/PACT HR services in negotiations because they already contract with a labor attorney so the need may be in the small organizations. Jeanne told the committee that a possibility to consider was providing annual training to the members by a labor attorney. The trainings could be separated for school districts, local governments, and even smaller organizations. Jeanne also said POOL/PACT HR could coordinate a spreadsheet that would outline the items that each organization negotiated. The spreadsheet could be provided to organization prior to the start of negotiations. Ben Zunino commented this would be helpful especially to those organizations or individuals with little or no experience. Jeanne offered to put the suggestions made at the meeting as well as items discussed at the retreat into a summary that would be sent out via email to the committee for review. Any additional suggestions regarding the survey could be sent back to Jeanne mid January to include in the survey. The survey could then go out by the beginning of February.

6. Action Item: HR Assessment Grant Application Approval

Jeanne presented the committee with one application for approval. It was for Douglas County. Jeanne mentioned that Darcy Worms completed the recommendations very quickly. The majority of them were policy related. Darcy presented the commission with the policy revisions and they were approved. Douglas County is asking \$500 for the Rosetta Stone program so the HR staff can learn to speak Spanish to communicate with Spanish-speaking applicants and employees. Bill Deist made a motion to approve the application as presented. Ben Zunino seconded the motion. Motion was carried.



**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

7. **Action Item: Schedule Next Regular Meeting for POOL/PACT Human Resources Oversight Committee**

Curtis Calder said that the next meeting will be in March. The next Oversight Meeting is scheduled on Friday, March 23, 2012, in Carson City.

8. **Item: Public Comment**

No public comment was made.

9. **Action Item: Adjournment**

Curtis Calder called the meeting adjourned at 11:21 a.m.



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

**APPROVED MINUTES OF THE
NEVADA PUBLIC AGENCY INSURANCE POOL AND
PUBLIC AGENCY COMPENSATION TRUST
HUMAN RESOURCES
OVERSIGHT COMMITTEE MEETING**

**Date: September 16, 2011 Time: 10:30 a.m.
Place: POOL/PACT Building
201 S. Roop St., Library (2nd floor)
Carson City**

1. Oversight Committee Roll Call:

Members participating: Chairman Curtis Calder; Ann Murdoch; Darcy Worms; Geof Stark; Jose Delfin; Ben Zunino; and Ben Sharit. Not Present: Bill Deist; Pat Whitten; Steve Englert; and Robert Quick. PRI Staff: Jeanne Greene and Christine Vido. Guest: Mike Pavlakakis.

Jeanne Greene mentioned to the committee that there was a new member. Undersheriff Robert Quick from Lander County has agreed to fill the spot left vacant by Chief Davidson of Winnemucca.

Curtis Calder mentioned to the committee that items were going to be taken out of order this meeting while there was still a quorum. All action items would be presented first.

2. Action Item: Approval of Minutes of Meeting June 17, 2011

Geof Stark made a motion to approve the minutes of June 17, 2011, as presented. Jose Delfin seconded the motion. Motion was carried.

7. Action Item: HR Assessment Grant Approval

Jeanne presented the committee with one application for approval. It was for Mt. Grant General Hospital. Jeanne mentioned that they had adopted policies such as Children in the Workplace and Anti-bullying, they added FLSA status to their job descriptions, they received training on disciplining effectively, and they implemented written offers of employment for all positions. Curtis mentioned to the committee that Mt. Grant was looking for the full \$500 grant which they intend to use to purchase binders and indexes for new handbooks. Darcy Worms made a motion to approve the application as presented. Ann Murdoch seconded the motion. Motion was carried.

8. Action Item: Schedule Next Regular Meeting for POOL/PACT Human Resources Oversight Committee

Curtis Calder asked the committee if Fridays was still preferable. Jeanne suggested December 2nd or 16th. Jeanne also mentioned that the POOL/PACT Retreat was scheduled for December 4th and 5th. Geof asked if there was a reason for the committee to meet prior to the retreat. Jeanne replied that Wayne has already set the agenda and she did not see anything that needed to be discussed beforehand. It was agreed that Fridays still work well for everyone to meet. Curtis suggested



**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

meeting next time in Winnemucca. Jeanne stated that she would ask Bill and get back to the rest of the committee. Curtis Calder made the motion to schedule the next Oversight Meeting on Friday, December 16, 2011, in either Carson City or Winnemucca. Darcy Worms seconded the motion. Motion was carried.

3. **Item: Clarification of SB98 presented by Mike Pavlakis**

Mike Pavlakis, an attorney with Allison, MacKenzie, Pavlakis, Wright, and Fagan, stated that he would start by outlining the existing law, describe the changes due to SB98, and what the uncertainty is. He advised the committee to review the letter included in their board packets from labor attorney Charlie Cockerill. Mike explained existing law prohibits confidential employees from being members of a union. Existing law defines a confidential employee as one who is involved in decisions of management affecting collective bargaining agreements. Also in existing law are provisions regarding supervisory employees. Existing law states that supervisory employees cannot be part of the same bargaining unit as the members that they supervise. There is also an existing definition of supervisory employee stating they have the authority to hire, fire, discipline, direct employees, and adjust grievances so long as the exercise of that type of authority requires the use of independent judgment and is not routine or clerical in nature and the exercise of that authority is a significant part of the supervisory employee's day.

Mike said the question is "what did the legislature do that came into effect on July 1st?" They added a provision that supervisory employees cannot belong to a union if they meet the new supervisory definition. This definition consists of three elements and all elements must be met in order to fall under this definition. **1) They must be appointed.** Mike said the word "appointed" has significance in the context of state employees. It is unclear if the legislature intended to talk about the classified system of employment. These appointed employees must have the authority to hire, fire, discipline, direct employees, and adjust grievances. **2) They must have authority to make budgetary decisions.** The use of the word "budgetary" highlights another question. Mike points out that when the statute discusses budgets in Chapter 354, it is talking about boards and the members of the governing body that establishes the budget. It is possible that unions would say that the use of the word "budgetary" in that section would require looking at Chapter 354 to find out who has budgetary authority. Mike explains that statutory construction requires plain and ordinary language used and should not provide an absurd result. If the definition of "budgetary authority" is going to limit the application of this definition to only the elected and governing board that would be an absurd result and the courts would say that this is not the intent of the legislature. **3) The supervisory employees are consulted on decisions relating to collective bargaining.** Again, it is not clear what "consulted on" means. Does the same definition apply as for confidential employees?

Mike stated the exercise of the supervisory elements requires the exercise of independent judgment and these supervisory issues occupy a significant portion of the employee's day. If an employee meets the requirements of the new definition then they may not be a member of an employee organization. Not only can they not be part of the same union as the employees they supervise, but they cannot be a member of any union. Mike stated that the unions will want to limit the application of this new definition.



**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

Mike explained that the bill adds another section of employees who are not able to belong to a union. The first category is appointed officials and department heads who are primarily responsible for formulating and administering management policy and programs. The second category is doctors and physicians employed by a local government. The third category is Deputy District Attorneys assigned to a civil division except those who were already members of a union as of July 1, 2011.

Mike discussed the last area the bill addresses, which is adding to the subjects that are mandatory topics of bargaining: procedures and requirements for reopening agreements that exceed a term of one year, and requires policies and procedures in the bargaining agreement to reopen discussions in the event of fiscal emergencies. There needs to be an economic trigger such as a CPI but needs to be negotiated in good faith with the association.

Under existing law, the agency that has the responsibility for enforcement is the EMRB. Mike indicated that it is possible that the EMRB may get involved in the interpretation. They might also decide to establish regulations to further define supervisory employees.

Mike pointed out that the letter from Charlie Cockerill indicates that each agency needs to discuss this topic with their local counsel. Most likely the legislature will be asked to revisit this topic during the next session.

Jeanne added many questions still exist with no answers at this point and we will probably not have answers until the EMRB makes a decision or it goes to court. Curtis said that “appointed official” as far as it pertains to local government is identified by who has to file financial disclosures on an annual basis with the State of Nevada. He also said that City Charters and County Codes will outline the appointed positions. Mike asked Curtis if all department heads in the City are appointed. Curtis responded that in Elko they are not. Curtis said the bulk of the department heads are not appointed. The Fire Chief who is also a department head and the Police Chief are examples along with the City Manager position who are appointed. Everyone else is an employee of the city who serves at the pleasure of the City Manger. Mike responded that indicated to him that the legislature intended using the word “appointed.”

Ben Zunino stated that he has people who are hired as the Director of Transportation, Maintenance, Nutrition Services who do most of the items except consultation about collective bargaining. They do the budgets, recommendations for hiring, and discipline. Mike asked Ben how many associations are in his district. Ben replied that there was one. Mike said the issue for Ben resides under the current law; the Director positions would fall under the definition of supervisory employees and they shouldn't be in the same association as the employees they supervise.

Curtis asked about positions that are not appointed and to whom they report to. He said in the City of Elko, if the position is not appointed, the employee serves at the pleasure of the City Manager. In the event of the termination, the department head has to make the recommendation and the City Manager has to approve it. The City Manager does not need to be involved in the process aside from that decision. Curtis asked Mike if that process creates gray areas in determining if the department heads really have the authority to hire and fire. Mike responded that there is language in the statute that discusses if the approval is simply a “rubber stamp” and the department heads have effectively made



**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

the decision. Mike said it would depend on how involved the higher official was during the process such as investigating, interviewing, preparing the paperwork. Darcy asked Curtis how the City handles the appeals process if the City Manager is the final decision maker. Curtis said that the union contracts speak to the appeals process and a lot of the contracts go above the City Manager. If Curtis signs off on a termination, they can appeal to the City Council. Mike said the discussion about the employee having the power to effectively recommend hiring and firing falls under the new definition of supervisory employees. These employees still have to meet all three requirements in order to not be allowed to unionize. He also said the legislature didn't come out and say supervisory employees cannot unionize and the unions will take the stance that nothing has changed.

Jeanne asked Darcy if Douglas County had plans to address this issue. Darcy said the county was going to wait and see what other organization do first. Darcy said that the City of Reno, Washoe or Clark Counties will probably deal with this first and they would wait until then. Jeanne advised the committee that this would be followed up on and if there are any further developments, Charlie Cockerill or Mike Pavlakis will be invited back to provide further information.

Curtis asked if there were any other comments regarding this item and there were none.

4. Item: Report on Current Activities

Jeanne reported that this would be discussed quickly and highlight the incomplete projects.

- **10/11 Final Strategic Plan** (July 1, 2010, through June 30, 2011)

New Instructor-Led Courses – Achieving a Drug- and Alcohol-Free Workplace was to be completed this fiscal year. Due to the training manager's maternity leave this training was moved over into the current year.

Revised/Updated Trainings – There were three that were not completed adding Gender Identity. They were also moved to the current year.

New E-Learning Courses – Addressing Sexual Misconduct in Schools was 90% completed and the delay is on the part of the producers. Drug and Alcohol training was not completed due to the training manager going on maternity leave. The instructor-led training will be completed first followed by the e-learning. These have been moved into the current year.

Roundtable Meetings – Jeanne advised that these meetings have been discontinued after a survey was sent to the members of the roundtable and it was agreed by all that it was not beneficial. If a topic of interest comes up, the meetings can be called on an as-needed basis.

FAQ Section on Website – This project was delayed waiting for updates and improvements to the POOL/PACT website.

Enhancing Client Tracking System – Jeanne advised that this is an internal system for POOL/PACT HR's use. It does not impact member services. It will be moved over into FY11/12.



**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

Statistics – Trainings – 173 trainings scheduled; 103 completed. About 3,300 employees were trained. **E-learning** – Almost 9,100 employees were enrolled. About 4,000 completed the online training. **HR Briefings** – 80 briefings scheduled; 47 completed. **Policy Development** – 10 completed.

New Client Service Programs – There were no requests for Succession Planning this year. It is still a current service available. The other service, Recruitment and Hiring Coaching was completed.

HR Compliance Assessment Program – In FY09/10 four out of ten participant assessments were completed. For FY10/11, Carlin was the only organization that had completed all of their recommendations.

- **11/12 Strategic Plan** (July 1, 2011, through June 30, 2012)

New Instructor-Led Courses – Achieving a Drug- and Alcohol-Free Workplace was moved over from the last fiscal year. There are two courses: one for employees and one for supervisors. They should be available to teach by the end of the month. Advanced EMS is the next scheduled project and should be completed in February. There will be a requirement for Advanced EMS that attendees will have to graduate regular EMS prior to starting this course.

Revised/Updated Trainings – Existing courses are listed that need to be updated due to changes in law such as adding gender identity. The trainings are being updated based upon when they are scheduled; those that are scheduled sooner are given a higher priority.

New E-Learning Courses – Addressing Sexual Misconduct in Schools and Drug and Alcohol training were moved over from the previous year. The instructor-led training will be completed first followed by e-learning. One more course on Supervisory Documentation is also listed to be completed this year.

Regional Trainings – EMS - Has been started in Lyon County with 27 participants. It is scheduled in Carson City in October and again in February. **Advanced EMS** - Scheduled in March and May in Carson City. It will also be held in Elko and Winnemucca but no dates have been scheduled. **HR Rep Program** - Will be held in Carson City beginning in March. It will be held on back-to-back dates. **Internal Investigations for School** - A result of many changes in law during the last legislative session. Ann Alexander will be presenting this in nine locations throughout the state. **Internal Investigations** – Presented by Ann Alexander and Becky Bruch. It will be presented in Boulder City on September 21st. **Workplace Violence** – One has been presented in Lovelock and another one will be presented in Douglas County after the first of the year. **POWER** – Training for NACO and the League of Cities in two locations this year.

Revised HR Briefings – Seven have been updated due to changes in law. A number of others have been identified and will be updated throughout the year.



**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

Webinars – Four will be scheduled through the EAP. The first is **Boundaries in the Workplace** and will be presented on September 27th.

New HR Briefings – Three have been identified this current year. A fourth will be added to address social media

Client Service Programs – Succession Planning and Recruitment and Hiring Coaching are going to be offered again this year to the members.

Statistics – Trainings – 58 trainings scheduled; 14 completed. There are other trainings listed on the service plans but are not being counted at this time as actual training dates have not been identified. 921 participants have gone through training since July 1st; the majority of participants are school district employees who have gone through the sexual misconduct trainings. **Policy Development** – One completed - Mt Grant General Hospital.

Policies – The review of the sample policies was completed at the beginning of the fiscal year due to the legislative session. It is also on the calendar for a review at the end of the fiscal year.

Compliance Assessment Program – Ten organizations are typically selected to participate in the program. 12 asked to participate this year and they have all been accepted. Douglas County has already started their assessment. Others have been scheduled to begin over the next several months.

Darcy Worms commented that she would recommend any organization to participate in the Compliance Assessment Program. She said it was very respectful and good information was provided. She said no one should be afraid to participate.

- **Employment Opportunity Listing Website**

The report shows the number of people visiting the website. The numbers are very consistent. There are no huge peaks or valleys. The statistics from the previous year were also provided as a point of comparison.

5. Item: Report on Other Activities

- **HR Problem-Solving Reports** – These are summaries of out-of-ordinary issues which occurred during the fourth quarter of last year.
- **Report on Employment Related Claims** – As of the date of the report (September 1, 2011) the loss history looked good with three claims for the first two months. Since that time, Jeanne said she is aware of three other incidents not listed on the report dealing with sexual misconduct issues at school districts.



**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

6. Item: Overview of FRISK Documentation Model

Jeanne mentioned this is a new project that POOL/PACT HR is very excited about. It is a documentation model developed by a California employment attorney as a result of noticing weaknesses in documentation when he took cases to arbitration, mediation, and court. About 75% of school districts in California require their employees to use this model. He has programs for school districts, community colleges, universities, and local government. Lyon County School District will pilot the program. Either Humboldt or Storey County will also participate. The creator of the model will be coming out to the school district to train approximately 50 employees on Monday and Tuesday of next week. Bill Deist and Pat Whitten will be in attendance to see if this program can be used in their organizations. Jeanne explained that the reason these organizations were chosen to participate was because they had stability in management and in their HR Programs. The program currently will be on a pilot basis through January. POOL/PACT HR will then do an assessment to see if any adjustments need to be made. It will then be available to other organizations after that time. The acronym for FRISK stands for: Facts, Rule, Impact, Suggestions, and Acknowledgment. Jeanne pointed out that the developer of the program is not a licensed attorney in the State of Nevada so there is no conflict of interest. He is not charging us for the use of the program other than the cost of the books. POOL/PACT HR will be picking up the cost of the books for the pilot organizations. Depending on the number of organizations that commit to doing the program, Jeanne said POOL/PACT HR might be able to continue purchasing for other organizations. Darcy Worms asked if POOL/PACT HR would be conducting the trainings. Darcy also asked who should be trained. Jeanne replied all supervisors and managers should be trained and there has to be total “buy-in” by the organization for cohesion. When the developer comes out to do the initial training, POOL/PACT HR will be observing and will be provided the information to conduct future trainings. Jeanne stated that the goal of this training is to try to get good documentation so when action is taken against an employee the organization is in a defensible position.

9. Item: Public Comment

No public comment was made.

10. Action Item: Adjournment

Curtis Calder called the meeting adjourned at 11:29 a.m.



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

**APPROVED MINUTES OF THE
NEVADA PUBLIC AGENCY INSURANCE POOL AND
PUBLIC AGENCY COMPENSATION TRUST
HUMAN RESOURCES
OVERSIGHT COMMITTEE MEETING**

**Date: June 17, 2011 Time: 10:30 a.m.
Place: POOL/PACT Building
201 S. Roop St., Library (2nd floor)
Carson City**

1. Oversight Committee Roll Call:

Members participating: Chairman Curtis Calder; Ann Murdoch; Darcy Worms; Pat Whitten; Steve Englert; Bill Deist; Geof Stark; and Ben Sharit. Not Present: Ben Zunino and Jose Delfin. PRI Staff: Jeanne Greene and Christine Vido.

2. Action Item: Approval of Minutes of Meeting March 17, 2011.

Geof Stark made a motion to approve the minutes of March 17, 2011, as presented. Darcy Worms seconded the motion. Motion was carried.

3. Item: Report on Current Activities

Jeanne Greene began discussion on the activities for the current fiscal year. The focus was on items not completed and when they are anticipated to be complete.

- **10/11 Strategic Plan** (July 1, 2010, through June 30, 2011)

New Instructor-Led Courses – Achieving a Drug- and Alcohol-Free Workplace was to be completed this fiscal year. Due to the training manager's maternity leave until August 1, this will be moved into the next fiscal year and is anticipated to be available in September.

Regional Training Courses – The strategic plan indicated that two would be presented. 14 have been completed during this fiscal year. Seven of the courses were the Essential Management Skills (EMS) Certificate Program.

Workplace Violence – Two were delivered during the current fiscal year. Two more have already been scheduled for the next fiscal year. One will be held in Lovelock in July and another in Douglas County sometime in January 2012.

Internal Investigations – Presented by POOL Attorneys Becky Bruch and Ann Alexander. Scheduled in Boulder City in September.

EMS – Scheduled in Carson City in October. Another has been scheduled specifically for Lyon County in September.



**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

New E-Learning Courses – Addressing Sexual Misconduct in Schools will be available by August 1st. Drug and Alcohol training will not be completed this fiscal year due to the new facilitator-led training not being completed. It is anticipated that it will be available in October or November. There is a drug and alcohol course available online currently; this would become a new course.

Statewide Webinars – There is an EAP webinar scheduled for June 22. The topic will be Respect in the Workplace. POOL Attorneys Becky Bruch and Ann Alexander presented the new ADA Regulations via webinar in May. An overview of the 2011 legislation is scheduled for the end of the month.

Roundtable Meetings – Jeanne advised that she sent out a survey to the members of the roundtable and it was agreed by all that it was unnecessary to do these on a quarterly basis. The members of the roundtable preferred to see that these meetings are called when an issue arises. It was also suggested that perhaps a briefing could be conducted in this format.

FAQ Section on Website – This project has been put on hold waiting for updates and improvements to the POOL/PACT website.

Enhancing Client Tracking System – Jeanne advised that this is an internal system for POOL/PACT HR's use. It does not impact member services. It will be moved over into FY11/12.

Statistics – Trainings – 103 trainings scheduled; 95 completed. About 3,000 employees have been trained. **E-learning** – Almost 7,600 employees are enrolled. Jeanne clarified that this number could include one employee enrolled into multiple trainings. Of this total, about 4,000 have completed the online training. **HR Briefings** – Half of the scheduled briefings have been completed. Members have asked for some of these to be postponed or removed completely from their service plan. **Policy Development** – 10 are completed.

New Client Service Programs – There have not been any requests for Succession Planning at this time. It is still a current service available. The other service, Recruitment and Hiring Coaching was utilized by Esmeralda County School District for their Superintendent search and was successful in producing a new Superintendent. Their new Superintendent will start on June 30th.

Personnel Policy Review – Because of changes in legislation, there will be changes to the sample policies. The revisions will go out after July 1st.

HR Compliance Assessment Program – In FY09/10 four out of ten participant assessments were completed. For FY10/11, Carlin is the only organization that has completed all of their recommendations.

Curtis Calder had a question regarding NACO salary surveys. He wanted to know if anyone was still doing it. Jeanne stated that she spoke with Jeff Fontaine at NACO and was told that the counties



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

indicated that there was no interest to continue doing the survey. Steve Englert said that it was good information to have. Bill Deist commented that it was good information but the problem that he ran into was the accuracy of the data. Darcy Worms said that a good example of the inaccuracy is when some agencies only have firefighters while other agencies have paramedic firefighters so the duties differed as well as the salaries. That was a large problem with the old salary surveys. Pat Whitten also mentioned that it lacked references to the scope of benefits. That is a key element and good information to have. Jeanne advised that the state is required to do a compensation survey every two years and present the results to the legislature. It is pretty extensive, it provides descriptions of the positions, the minimum qualifications, and they do a separate benefits survey that ties a dollar amount to the benefit. Jeanne offered to provide copies of this survey to everyone. Pat Whitten asked a question regarding EMS registration. He asked that moving forward, Holli Kiechler be advised of anyone from Storey County registering for POOL/PACT HR courses to assure the right people in his organization are being trained.

- **Employment Opportunity Listing Website** – Report shows numbers of those accessing the Nevada Rural Jobs website. Geof Stark had asked for a year-to-year comparison which was provided again for this meeting. Jeanne stated there are no significant changes to the statistics.

4. **Item: Report on Other Activities**

- **HR Problem-Solving Reports** – These are unique situations that occurred during the 3rd quarter. There were no questions on the report.
- **FY 10/11 Report on Employment Related Claims** – Jeanne was happy to report that the claims listed for 2011 are significantly lower than the previous year. The previous year was an all-time high which was also reflected at the national level with many EEOC claims being filed.
- **Legislation Tracking** – Jeanne advised that there were over 100 bills that were being tracked at the start of the session. The final count is 57 bills. There will be a webinar later in the month to provide more in-depth information. Jeanne reviewed some of the significant bills. The school-related bills were skipped due to both school members not participating in the meeting. A few bills mentioned were:
 - *AB45- Previously counties of 2,500 or less voters in the last congressional race were exempt from the hours and days of operation for the DA's office. The population has been changed to 9,000. The counties affected are Pershing, Lander, Lincoln, Mineral, Storey, Eureka, and Esmeralda. It also clarifies minimum responsibilities of the District Attorney.*
 - *AB59 - Significant bill stating that quasi-judicial bodies must comply with the open meeting law, additional requirements of how agenda items are listed, and time for public comments.*
 - *AB211- Adds gender identity or expression to the list of groups that cannot be discriminated against.*



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

Curtis mentioned that AB211 regarding gender identity may have an impact to dress codes. He thought it would be the first impact of the new law on employers. Jeanne said that the POOL/PACT HR sample policies include dress code and would have to be reviewed because there may be different standards listed for male and female employees.

- *AB257 – The other open meeting law that states an opportunity for public comment must be provided at the beginning of a meeting, at the end of the meeting, or before taking action on any of the agenda items which have been designated as an action item.*
- *AB262 – Storey County is added to the list of District Attorneys who also act as Public Administrators.*
- *AB265 – Deals with law enforcement agencies. It prohibits law enforcement personnel from being placed on leave without pay during an investigation unless there is specific language in their CBA allowing it. It also stipulates the times to conduct the investigation and possible overtime issues.*
- *AB289 – Requires licensure for dieticians.*
- *AB330 – When any current services are privatized, they will need to be included in the budget documentation, specifically identifying the number of employees who previously performed the service, and the salary amounts.*

Curtis asked if this would apply to temporary employment services such as Manpower. Jeanne responded that this bill specifically says temporary employment services, so yes, this would have to be reported.

- *AB362 – Removes child care licensure requirements for before/after school programs. It does require entities obtain a permit instead for out of school recreation programs.*

Curtis asked if the permit was going to be issued by the state. Jeanne said yes it would be.

- *AB420 – Provides protection to members of the National Guard from being discriminated against when they participate in their weekend duties.*

Curtis asked if this bill gave the same compensation requirements as the Executive Branch employees. Jeanne indicated that portion of the bill did not pass.

- *AB433 – Prohibits taking adverse action against an employee running for office. The bill specifically states employees can be reassigned if there is a conflict of interest.*

Jeanne says that the bill does not indicate that the reassignment has to be in the same geographical area or at the same salary. Jeanne thought that if an employee's salary was affected, that could be construed as an adverse employment action. Jeanne also advised that this bill does go against what POOL/PACT HR currently has in the sample policies. (Note – this bill was subsequently vetoed by the Governor)



**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

-
- *AB536 – Requires fingerprint and background checks for employees who work with children committed to a juvenile facility. The employees cannot work with the children by themselves pending the results.*

Jeanne indicated that this would affect WNRYS, China Springs, and the new facility in Churchill County.

- *SB27- Regarding child care facilities. Because of the definitions in AB362, this bill would probably not apply. It requires employees to take 15 hours of training including training on wellness and health.*
- *SB98 – Incorporates the definition of a supervisory employee into NRS288. If an employee meets that definition, they are not eligible to be part of a labor organization. There is also a requirement that under the scope of mandatory bargaining the agreements can be reopened during fiscal emergencies.*

Curtis asked if POOL/PACT HR would provide any guidance on this bill because it is vague and there will be questions. Jeanne stated that she was going to contact a labor attorney to get their input. Jeanne thought the supervisory employees that would be affected would be very limited because the definition is so narrowly defined.

- *SB129 – Requires programs that provide personal care services to individuals in the home or adult day facilities to provide training to employees on the prevention of abuse of senior citizens.*
- *SB140 – Prohibits text messaging while driving. There are several exceptions.*

Pat said the bill started out as a text bill but has morphed to include hands-free devices. Ben Sharit asked if there is conflict in policies and procedures if districts want to keep their restrictions on cell phone use. Jeanne said it is acceptable to further restrict the policies; this bill focuses on the legal side.

- *SB149 – Changes the term “mental retardation” to individuals with “intellectual disabilities.”*
- *SB190 – Requires licensing for music therapists.*
- *SB207/208 – Misclassification bills. Both were vetoed by the Governor.*
- *SB246 – Regarding juvenile facilities. The agency must ensure that employees, who administer medication to the children, receive a policy regarding the administration of medication.*
- *SB282 – Prohibits the posting of social security numbers.*



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

-
- *SB328 – Adds creative professionals to the list of employees exempt from overtime requirements.*

Jeanne stated that creative professionals are already exempt per the FLSA, however this is adding the class to Nevada statute as it had not been listed previously. Curtis asked if this was passed to give state employees clarification. Jeanne said this is directed more toward private employers.

- *SB331 – Another gender identity bill. It prohibits discrimination in places of public accommodation.*

Jeanne advised this would affect our members who have convention centers or other facilities open to the public.

- *SB368 – The final gender identity bill that prohibits discrimination in housing. This bill also added sexual orientation as well.*

Jeanne thought the only member of POOL/PACT that would be affected by this bill would be Nevada Rural Housing Authority.

- *SB381 – Removed the temporary provision for counties to deviate from the required hours of operations. That law was made permanent. The county commission would have to make the determination.*
- *SB411 – Allows nursing assistants to be certified as medical aides and administer medications. This would primarily apply to hospitals but may apply to city or county health programs.*
- *SB419 – Regarding the issue or renewal of license for firefighters or EMTs. The applicant has to attest that they have knowledge of transmission of infectious agents. There is identical language for other occupations as well.*
- *SB471, 443, 480 – Bills regarding paying the State for services or the county taking over the services.*

Jeanne advised that there will be two webinars coming up on June 28th for general bills and the 29th for school-specific bills. There were no further questions regarding the bills.

5. Item: Survey of Services Result

Jeanne mentioned that these were the results of the survey that was approved at the previous oversight meeting. One question asked members to rank the current services. Jeanne didn't think there were many surprises however alerts were higher in the ranking than expected. Under the training categories, legal compliance was ranked first and certificate programs were ranked second. The next category was training formats. Facilitator-led training was the preferred method. Advanced EMS was ranked first for potential services. Curtis asked if there were any comments on the survey results and there were none.



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

6. **Action Item: 2012/2013 Strategic Plan**

Jeanne explained that they were looking at the proposed plan for the next fiscal year.

New Instructor-Led Courses - Three new trainings were identified under the instructor-led course. This will be in addition to the Drug and Alcohol training that is being carried over from the current fiscal year. Advanced EMS will be a two-day course and it should be ready in February 2012. **Update and Revise Instructor-Led Courses** – HR Rep and EMS will be updated along with several other trainings due to recently passed legislation. A majority of the courses will need to be updated. **New E-learning Courses** – Supervisory Documentation and another as yet unidentified course will be developed. **Regional Trainings** – EMS is already scheduled twice, Workplace Violence is scheduled twice, Internal Investigations in Boulder City in September, and Advanced EMS in the spring. **New HR Briefings** – Documentation of Employee Performance, Handling Employee Complaints, and Reasonable Suspicion have been identified for the new briefings. **Review of HR Briefings** – Have committed to reviewing 10 but there will probably be more due to legislation. **Conducting Roundtable Meeting** – Upon request or need. **Compliance Assessment Program** – Ten members have indicated an interest to participating in the program for the upcoming year. **Develop New Member Service Programs** – No new services identified. POOL/PACT HR will continue offering the Succession Planning and Recruitment programs already available. **Updating Policies** – Jeanne would like to see the sample policies updated on an annual basis vs. quarterly if the committee approves. It would be easier for members to make all changes and present to their boards for approval once per year vs. several times per year.

Pat Whitten asked how extensive it would be on the members for one annual update of the policies. Jeanne responded that making the updates to the policies and presenting to the board once per year should reduce the workload for the members. The workload for POOL/PACT HR would be about the same. Jeanne did clarify that if there were any changes in state or federal law during the year that required immediate attention, the policies would be updated at that time. Jeanne said that one policy that would most likely be updated on a continuous basis is the social media policy as it is such an evolving topic. Pat Whitten reiterated a point that he made last meeting about the entities who are not updating their policies or refusing to do so. He said perhaps looking at loss history and tying it back to the member would give the member a reason to make the updates and it could become a requirement for participation in the pool. Jeanne responded that would be an issue that would have to be brought to the Executive Board. Curtis also suggested that it would be a topic to mention at the upcoming POOL/PACT retreat. Jeanne asked the committee for direction on policy updates. Curtis and Steve Englert both agreed annual updates would be best. Steve indicated that the reason he would prefer annual updates is that the cost to print new policy manuals can get expensive. Jeanne also mentioned that when the policies are updated and distributed, the members also need to obtain a signed acknowledgement from each employee which can be time consuming. Pat Whitten made a motion to approve 2011/2012 Strategic Plan, clarifying the policies would be updated annually. Darcy Worms seconded the motion. Motion was carried.

7. **Action Item: HR Assessment Grant Application Approval**

Jeanne presented the committee with three applications for approval. They were for Storey County, Nevada Rural Housing Authority, and Carlin. Darcy Worms made a motion to approve the



**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

applications as presented. Pat Whitten abstained from the vote. Ben Sharit seconded the motion. Motion was carried.

8. **Action Item: Schedule Next Regular Meeting for POOL/PACT Human Resources Oversight Committee**

It was agreed that Fridays work well for everyone to meet. The next meeting will be Friday, September 16, 2011, at 10:30 a.m. in Carson City.

9. **Action Item: Public Comment**

Jeanne shared with the committee that one of POOL/PACT HR Business Partners, Jonathan Sherwood has left for an employment opportunity in Connecticut. At this time his position will remain vacant to generate salary savings. Jonathan's assignments were distributed amongst the other business partners. Sharon Gesick has also given notice and will be leaving June 30th. Her position will be filled and a job offer has already been made. Curtis asked Jeanne if there was still funding in the budget to replace Jonathan's position. Jeanne advised that money was available. Curtis said that he encouraged POOL/PACT Human Resources to hire someone if the workload is spread too thin. Jeanne advised that she has talked to Wayne Carlson, Mike Rebaleati, and Alan Kalt and that is a possibility in the future. No further comments were made.

10. **Action Item: Adjournment**

Curtis Calder called the meeting adjourned at 11:57 a.m.



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 Meeting of
Loss Control Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: July 22, 2011**

1. Roll

The meeting was called to order by Chairman Cash Minor at 10:00 am. A quorum was present.

Members present: Chairman Cash Minor (Elko County), Steve West (City of Winnemucca), Kevin Curnes (Carson City School District), Jeff Zander (Elko County School District), Dan Murphy (Pershing County), Geoff Stark (Churchill County)

Others present: Ann Wiswell, Rick Hudson, Josh Wilson

2. Public Comment
None

3. Action Item: Approval of Minutes of Committee Meeting of June 21, 2011.

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

4. For Possible Action: Staff Reports:

a. E-Discovery/Information Risk Management Workshops

Ann Wiswell reported on the status of the E-Discovery programs. Three workshops have been delivered; one workshop was delivered to the litigation strategy workshop at the POOL/PACT offices in Carson City, the second was held at the Carson City School District and the third was held at Boulder City. The next workshop will be held in Elko. A copy of the guidebook was provided to the committee and is available on the POOL/PACT website in the Risk Resource Library. Kevin Curnes commented that the workshop held at the Carson Schools was very well received and informative.

b. Loss Control Excellence Program

Ann Wiswell reported on the status of the changes to the Loss Control Excellence Program. The program is being redeveloped as a self audit form. Notices will be sent to existing award program participants.

Rick Hudson and Josh Wilson also reported that other Loss Control work was being done in the area of CPR training, Fire Extinguisher Safety Training and Workplace Violence

Kevin Curnes thanked Rick, Mel and Josh for the fire extinguisher training that was delivered at the district that included fifty school district personnel.

5. For Possible Action: Consideration and Approval of Sponsorship for Nevada PRIMA Conference January 19-20, 2012.

Upon motion and second, the committee approved sponsorship of the Nevada PRIMA Chapter Conference in the amount of \$5,000.00. It was further agreed that POOL/PACT members who would attend if not for financial constraints be encouraged to apply for Risk Management Grants to fund their attendance.

6. For Possible Action: Consideration and Approval of Funding for ADA Webinars

Ann Wiswell provided the committee with information on the March 15, 2012 changes to the American with Disabilities Act. Education and resources on ADA compliance is a strategic goal of the LC Committee. By offering a series of webinars on the recent changes, POOL/PACT would support member compliance in this regard. The webinars would be delivered by an ADA legal expert and an architect. Upon motion and second, the committee approved a \$2800.00 contract to have ADAOne, LLC deliver two webinars.

7. Public Comment
None.

8. For Possible Action: Adjournment

On motion and second to adjourn the meeting, the meeting was adjourned.



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

DRAFT
Minutes of Meeting of
Loss Control Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: March 8, 2012

1. Roll

The meeting was called to order by Chairman Cash Minor at 1:30 p.m. Ann Wiswell confirmed that a quorum was present.

Members present: Chairman Cash Minor (Elko County), Shannon Gardner (Storey County), Mike Callahan (City of Mesquite), Bob Spellberg (Gardnerville Ranchos GID), Kevin Curnes (Carson City School District), Susan Johnson (Incline Village General Improvement District), Jan Archuleta (Eureka County)

Others present: Ann Wiswell, Gina Steinman, Chris Van Aken, Mel Iida, Doug Smith

2. Public Comment:
none

3. For Possible Action: Approval of Minutes of Committee Meeting of January 24, 2012
Upon motion and second the minutes were approved.

4. For Possible Action: Staff Reports:

a. PRIMA Conference

Ann Wiswell reported that the PRIMA Conference would be well attended with 109 attendees registered to date. People from Human Resources, Safety, Risk Management, and Transportation were all encouraged to attend.

5. For Possible Action: Consideration and Approval of Douglas County School District Risk Management Grant Application

Gina Steinman explained that as an effort to improve safety at all Douglas County Schools the district has endeavored to replace all interior locks so that teachers may lock down their classrooms from the inside of the classroom. The total cost for this project is approximately \$800,000. The district applied for a \$14,000 grant to cover expenses for the lock project. The district is covering all other expenses.

6. For Possible Action: Consideration and Approval of Stryker Grant Fund

Ann Wiswell presented information on Stryker EMS safety products and suggested that the committee allocate a portion of the existing grant program funds for this particular safety equipment. Chris Van Aken from Stryker gave a demonstration of the equipment which includes the Power Pro hydraulic cot, the Stair Chair and the Power Load cot transfer system. These three products are statistically proven to reduce injuries caused from patient lifting during transport. Upon motion and second the committee approved allocating \$250,000 of Risk Management Grant funding from the 2011-12 fiscal year and \$250,000 from the 2012-13 fiscal year for a total of \$500,000 in grant funding for Stryker products. The grant funds would be made available in 2012 only. A separate Stryker grant fund application will be developed and the application deadline will be July 31, 2012. Funding determination will be made by the committee by August 31, 2012. Funding will be available for one cot, chair and power load system for each EMS entity. Funds will also be available to all non-transport entities for up to three stair chairs. Grant applicants will provide a 50% match. The committee will award excess funding to EMS agencies for additional equipment based on size of territory and population served.

7. For Possible Action: Consideration and Approval of Loss Control Excellence Program Revisions

Ann Wiswell reported on the progress made to the Loss Control Excellence Program revisions. She recommended an online survey product called Survey Gizmo to administer the program going forward. The annual subscription cost of Survey Gizmo is \$600.00. Upon motion and second the committee approved the purchase of the Survey Gizmo software application. The new Loss Control Excellence Surveys will be sent to the member entities in April 2012.

8. For Possible Action: Consideration and Approval of Risk Management Grant Program Administration Guidelines

The committee reviewed the current guidelines for the Risk Management Grant Program and determined a few changes were in order. Upon motion and second, the committee voted to require a 50% match on all grant funding for property risk related measures, a 25% match for OSHA compliance related measures and personal protective equipment, and 100% funding for all training grants with a \$2000.00 per person limit. The committee also directed staff to research member contribution levels and suggest a rolling three year limit on total grant funds available to each member based on a percentage of contribution and/or a cap limit, such limit to be discussed further and the next committee meeting.

9. For Possible Action: Consideration and Approval of Loss Control Committee Strategic Plan

The Strategic Plan for years 2009-2012 expires 7/1/2012. The committee developed a new plan for the period 2012-2015. Plan initiatives remained consistent with years past, to include the following:

- OSHA and ADA Compliance
- E-Learning curriculum development
- Emergency Planning
- Continued focus on enhancing POOL/PACT member communication
- Claims Analysis/Benchmarking
- Wellness/Body Mechanics
- Auto/Driver Safety training

- LCEP Administration
- Grant Program Administration

The Committee determined that sufficient research had been completed on Formalized Injury Management Programs. Implementation of a mandatory PACT-wide program would require a concerted effort on the part of ASC, POOL/PACT Human Resources and administration. As such, the committee voted to refer this initiative to the Executive Committee for further discussion and possible action.

10. Public Comment

none

11. For Possible Action: Adjournment

Upon motion and second the meeting was adjourned.



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 Meeting of
Loss Control Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: January 24, 2012**

1. Roll

The meeting was called to order by Chairman Cash Minor at 9:30 a.m. Ann Wiswell confirmed that a quorum was present.

- 2. Members present:** Chairman Cash Minor (Elko County), Shannon Gardner (Storey County), Mike Callahan (City of Mesquite), Geoff Stark (Churchill County), Bob Spellberg (Gardnerville Ranchos GID), Kevin Curnes (Carson City School District), Dan Murphy (Pershing County School District).
- 3. Others present:** Ann Wiswell, Wayne Carlson, Kathy Griffin (Lyon County School District), Catherine Weatley (Lincoln County School District), Marty Soderberg (Lincoln County School District).

4. Public Comment:

none

5. For Possible Action: Approval of Minutes of Committee Meeting of July 22, 2011

Upon motion and second the minutes were approved.

6. For Possible Action: Staff Reports:

- a. PRIMA Conference**
- b. Loss Control Excellence Program**

Ann Wiswell reported that the promotion of the conference was going well, but that registrations were low. She encouraged the committee members to register and apply for grants. The Loss Control Excellence Program revisions are still be worked on. The final versions of the self audits forms will be distributed to the committee at the next meeting for final review and approval.

7. For Possible Action: Consideration and Approval of FEMA QuakeSmart Toolkit

Ann shared information with the group from the Nevada Earthquake Safety Council regarding a kit available from FEMA on CD-ROM. The kit, titled “

Kevin Curnes mentioned that the Carson City School District participates in the Great Nevada Shakeout and that the toolkit information is provided on the shakeout website. Kevin suggested that the best way to promote the use of this toolkit would be to link to the web resources via the Pooling Perspectives newsletter. Mike Callahan and Geoff Stark agreed.

8. **For Possible Action: Consideration and Approval of Readiness and Emergency Management for Schools Workshop**

Kevin Curnes shared information on a basic crisis response plan training that is being offered for free under a homeland security grant. The training requires a minimum of fifty (50) participants. Mike Callahan suggested that before the committee commits further resources to marketing and supporting the four hour course that staff survey the member school district to determine their interest. A motion was made and approved to direct staff to conduct the survey of school district members.

9. **For Possible Action: Consideration and Approval of Risk Management Grant Application submitted by Lyon County School District**

The Lyon County School District submitted a grant request in the amount of \$48,438.00 to fund security cameras for the districts fleet of school busses. Kathy Griffin described the aging, nonfunctional security systems installed in 28 of the district's 39 buses. The grant would fund equipment for the entire fleet. Options were presented for both a two camera and three camera system. Kevin Curnes commented that the three camera system was more effective and that Carson City School District orders all new buses equipped with a three camera system. Kevin also expressed a concern that installation of nearly 40 camera systems was a fairly daunting task. Kathy indicated that the district was supplying an in kind funding of approximately \$9750.00 that the district would be covering with their own labor to install the units. Ann noted that camera systems were very effective in the reduction of vandalism, driver misconduct and student bullying. Geoff Stark expressed concern over the amount of the grant and the amount of in kind funding being supported by the school district. Kevin Curnes recommended full funding and Ann suggested that the district adopt a policy that all future new buses ordered by the district be equipped with the camera system. Bob Spellberg recommended a time line for installation be incorporated into future grants requests for larger funding requests. Upon motion and second the grant application was approved in the amount of \$48,438.00 with a grant validation report due by August 31, 2012 documenting installation of all units.

10. **For Possible Action: Consideration and Approval of Risk Management Grant Application submitted by Lincoln County School District**

Catherine Wheatly of the Lincoln County school District explained the need for fencing to separate the old school from the new school in Panaca. The old school has been sold to Lincoln County and will be leased out as professional office space, thus creating a hazard or public interaction with students during recess hours as the new school has been constructed directly behind the old building. Upon motion and second the grant application was approved in the amount of \$10,000.

11. For Possible Action: Consideration and Approval of Loss Control Committee Strategic Plan

Cash Minor asked the committee members to review the materials provided in their packets and consider new strategies to be included in the plan for the next three years, including a review of the grant program administration. The committee was advised that the next meeting would include a comprehensive review of these plan objectives.

12. Public Comment

Marty Soderberg of Lincoln County School District thanked the committee for approving the district grant request.

13. For Possible Action: Adjournment

Upon motion and second the meeting was adjourned.



**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 Meeting of
Loss Control Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: July 22, 2011**

1. Roll

The meeting was called to order by Chairman Cash Minor at 10:00 am. A quorum was present.

Members present: Chairman Cash Minor (Elko County), Steve West (City of Winnemucca), Kevin Curnes (Carson City School District), Jeff Zander (Elko County School District), Dan Murphy (Pershing County), Geoff Stark (Churchill County)

Others present: Ann Wiswell, Rick Hudson, Josh Wilson

2. Public Comment
None

3. Action Item: Approval of Minutes of Committee Meeting of June 21, 2011.

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

4. For Possible Action: Staff Reports:

a. E-Discovery/Information Risk Management Workshops

Ann Wiswell reported on the status of the E-Discovery programs. Three workshops have been delivered; one workshop was delivered to the litigation strategy workshop at the POOL/PACT offices in Carson City, the second was held at the Carson City School District and the third was held at Boulder City. The next workshop will be held in Elko. A copy of the guidebook was provided to the committee and is available on the POOL/PACT website in the Risk Resource Library. Kevin Curnes commented that the workshop held at the Carson Schools was very well received and informative.

b. Loss Control Excellence Program

Ann Wiswell reported on the status of the changes to the Loss Control Excellence Program. The program is being redeveloped as a self audit form. Notices will be sent to existing award program participants.

Rick Hudson and Josh Wilson also reported that other Loss Control work was being done in the area of CPR training, Fire Extinguisher Safety Training and Workplace Violence

Kevin Curnes thanked Rick, Mel and Josh for the fire extinguisher training that was delivered at the district that included fifty school district personnel.

5. **For Possible Action: Consideration and Approval of Sponsorship for Nevada PRIMA Conference January 19-20, 2012.**

Upon motion and second, the committee approved sponsorship of the Nevada PRIMA Chapter Conference in the amount of \$5,000.00. It was further agreed that POOL/PACT members who would attend if not for financial constraints be encouraged to apply for Risk Management Grants to fund their attendance.

6. **For Possible Action: Consideration and Approval of Funding for ADA Webinars**

Ann Wiswell provided the committee with information on the March 15, 2012 changes to the American with Disabilities Act. Education and resources on ADA compliance is a strategic goal of the LC Committee. By offering a series of webinars on the recent changes, POOL/PACT would support member compliance in this regard. The webinars would be delivered by an ADA legal expert and an architect. Upon motion and second, the committee approved a \$2800.00 contract to have ADAOne, LLC deliver two webinars.

7. **Public Comment**
None.

8. **For Possible Action: Adjournment**

On motion and second to adjourn the meeting, the meeting was adjourned.



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 Meeting of
Loss Control Committee of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: June 21, 2011**

1. Roll

The meeting was called to order by Chairman Cash Minor at 1:00 p.m. A quorum was present.

- **Members present:** Chairman Cash Minor (Elko County), Mike Callahan (City of Mesquite), Mike Pennacchio (IVGID), Steve West (City of Winnemucca), Shannon Gardner (Storey County), Geoff Stark (Churchill County), Roy McDonald (City of Yerington), Bob Spellberg (Gardnerville Ranchos GID)

- **Others present:** Ann Wiswell, Wayne Vanassche (City of Fernley)

2. Action Item: Approval of Minutes of Committee Meeting of February 4, 2011.

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

4. Action Item: Staff Reports:

- a. **E-Discovery/Information Risk Management Workshops**
- b. **Loss Control Excellence Program**
- c. **Nevada PRIMA Chapter Conference**

Staff reports were tabled for the next meeting of the committee.

5. Action Item: Consideration and Approval of Risk Management Grant Application submitted by City of Fernley.

A grant application was considered to fund a 6 camera video surveillance system at the Water Treatment Facility Administration building, as well as intrusion alarm systems at the chemical and microfiltration and high service pump stations. Wayne Vanassche of the City of Fernley Water Treatment Facility (WTF) described the risk management needs of the WTF with regard to preventing acts of vandalism, theft or terrorism. On motion and second to approve funding of the Risk Management Grant in the amount of \$16,425 the motion carried.

6. **Action Item: Consideration and Approval of Risk Management Grant Application submitted by Douglas County School District.**

A grant application was considered to fund a surveillance system at one of the school buildings within the Douglas County School District. Ann Wiswell described the risk management need of the district with regard to premises security. This is the only building not currently under surveillance. The District has been updating its surveillance systems with assistance from the grant program on an annual basis. On motion and second to approve funding of the Risk Management Grant in the amount of \$14,229.91 the motion carried

7. **Action Item: Consideration and Approval of Risk Management Grant Application submitted by the City of Winnemucca.**

A grant application was considered to fund a two way radio system for the Winnemucca Volunteer Fire Department. Steve West of the City of Winnemucca described the risk management need with regard to compliance with federal regulations. Project 25 (P25) or APCO-25 refer to a suite of standards for digital radio communications for use by federal, state/province and local public safety agencies in North America to enable them to communicate with other agencies and mutual aid response teams in emergencies. Ann commented that similar radio systems had been funded for Incline Village GID and the Humboldt County School Dept. Ann also commented that the City of Winnemucca had sought out and received other grant funding for this equipment and was also willing to match the deficiency in funding. On motion and second to fund the Risk Management Grant in the amount of \$25,000 the motion carried. Steve West abstained from voting.

8. **Action Item: Public Comment**

None

9. **Action Item: Adjournment**

On motion and second to adjourn the meeting, the meeting was adjourned.



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

**Notes from the Board Retreat of the
Board of Directors of Nevada Public Agency Insurance Pool
and the Board of Trustees of Public Agency Compensation Trust
Location: Eureka Opera House, Eureka, Nevada
Dates and Times: December 5 - 6, 2011**

Monday, December 5, 2011

8:20 a.m. Public Comment

Chair Mike Rebaleati called the retreat to order and opened public comment. No public comment was made.

The retreat began with self-introductions by those in attendance greeting each other in an informal way.

- **Discussion and Possible Action:**
Board Self-Assessment: How have we done?
Review previous Board Retreat 2008 report.
Presentation: What if we could....? Why not....?

Wayne Carlson then began a review of the Board Retreat 2008 Report in order to remind the board of the results then and to review the progress since then. He then reviewed the mission, vision, motto and general goal statements and asked the board to consider what, if any changes to these should be made now. Overall, the board was satisfied that these statements were sufficient.

Wayne then discussed the approach that would be taken during the retreat would be to follow the principles described in the book *Flash Foresight* by Dan Burrus, which had been provided to each attendee to read prior to the retreat. He noted that our purpose comes from understanding where capability and need intersect. He indicated that another author spoke at a conference and recommended that we utilize a compass rather than a map in order to focus on opportunity, not destiny during our retreat.

Next, a video by Mike Rayburn was shown to introduce the concept of changing our thinking to ask these questions: What if we could...? And, Why not...? Following the video, Wayne described the retreat task was to focus on transformational foresight, using Dan Burrus' principles to go from certainty to forecasting the future. He showed some predictions that were made in the past that clearly missed the mark in hindsight, indicating lack of "transformational" forecasting.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions –
What is known? What are our challenges?

Wayne provided a review of the history of the pools and captives formation and showed the present and recent financial standing of the pools.

He then presented key challenges to begin to think about:

- In a world filled with uncertainty, what are you certain about?
- What does your visible future look like?
- What problems are you about to have?
- How can you solve them before they happen?
- What actions should you take now in order to have a better future?

One certainty, according to Burrus was the importance of relationships being based upon trust. The question to consider during the retreat is whether the changes we make increase that trust.

Doug Smith then presented a pictorial view of recent economic trends using humorous cartoons to illustrate the economic trends and problems that have plagued us recently.

Wayne then showed slides about future technology developments that already were emerging including a video clip and discussion about 3-D printing, both of tools and body parts; holograms and other future forecasts about the developments in medical science that may make humans capable of living in good health nearly indefinitely. These were shown to illustrate why the pools need to consider the emerging future in order to prepare for it.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – Hard Trends and Soft Trends

Wayne reviewed the book's principles on identify hard and soft trends. A hard trend is a projection based upon measureable, tangible and fully predictable facts, events or objects. Examples included the aging process for baby boomers, linear technological changes from the original telephone to the smart phone and cyclical changes that demonstrate certainty of ups and downs like the seasons, daylight and darkness. The author cited the growth rate of boomers compared to other more recent generations that create a potential shortage of workers; the evolving ways in which education is being delivered via technology changes; and technology trends including cloud computing, dematerialization, virtualization, interactivity, mobility and globalization. Wayne showed headlines about emerging technology impacts on governments.

Soft trends are something that we have the ability to change or influence with some degree of control and choice to address or ignore. A soft trend is something that might happen: a future maybe.

Two tables were assigned one of the questions A-D to brainstorm and present to the group as a whole. Question E was discussed by the group as a whole.

A>What problems will the pools be facing in the next few weeks, months, years?

B> What problems will pool Members be facing?

C> What problems will my spouse, my children, and my friends be facing?

D>What is my ideal future five, ten, fifteen, and even twenty years from now?

E> What are some of the steps I could take to shape that future now?

The results of these discussions are summarized under Attachment A.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – What do we want that we can't do now?

The discussions focused on transformation, which is doing something utterly and radically different for the pools and members. The groups were asked to take the hard and soft trends they had identified and answer these two questions:

- How can I expect the pools/members to transform in the next few years?
- How can I give my current and future customers the ability to do what they can't do, but would want to, if they knew it was possible?

Wayne cited examples from Dan Burrus of a high school that bought tablet computers for their students to use throughout high school and let them keep them upon graduation. He also noted that the State of Nevada had invested \$27.5 million in DMV self-service kiosks that transformed the customer experience. Mobile payments are another transformational development that will continue to accelerate. He then showed a video clip about the "What if I could...?" concept in which some farmers were able to move a barn using only coordinated human labor that demonstrated the value of teamwork and creative thinking to solve a real problem.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – Transform the box

Wayne asked each table to begin with a game called "yes, and..." to introduce cooperative thinking. He then cited Burrus' view that the new Golden Rule in business is this: Give your customers the ability to do what they can't currently do but would want to if they only knew it was possible. That means once you can see where the future is going, you can use the direction of change to your advantage to create change from the inside out, rather than crisis manage all the time with change coming from the outside in. This is the skill at the heart of planning: the ability to project yourself into the future and then look back at your present position from the future's point of view--what I call your futureview. This futureview is not the same thing as a goal, ambition, or aspiration. Futureview is not what you hope for or are trying to create--it is the picture you actually hold, for better or for worse, of what you expect and believe about your future.

- 1) Transformation will happen.
- 2) If it can be done, it *will* be done.
- 3) If you don't do it, *someone else* will.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – What is the biggest problem?

Each person was given four colored dots and asked to place them beside each of the items the group had identified as problems in order to rank their top four priorities as the best problems to solve.

The results of these efforts are summarized under Attachment B.

They then were asked to discuss these biggest priority problems, look at them from different angles in order to discover whether it is the truly biggest problem out of all of the top priorities. They selected educational issues as the biggest problem.

The book suggested: difficult problems become a roadblock so large that it seems impossible to solve, leading to procrastination and paralysis. Thus, the author recommended that the biggest problem should be skipped in order to discover the real problem. Thus, educational issues were skipped in favor of focusing on other problems.

The author suggested: Set your mind free to discover and engage with the real problems. Visible problems = invisible opportunities. EXAMPLE: In technology, each network node added increases capacity exponentially. Sharing knowledge enriches everyone.

Next the group was asked to do an exercise in which they could only ask questions in response to each other. Following this, Wayne noted that the author talked about "The Curse of What Works" that that it ties you to one approach, one way, one solution with which you are familiar – known as "legacy thinking." Invite your brain to imagine other ways of getting things done – Think "If it works, it's already obsolete." Skip the legacy to free your mind. Skip scarcity thinking – think magnification and abundance - especially technology solutions where more and more costs less and less. Each table then discussed the remaining problems in greater detail to discover the real problems that needed to be addressed.

The results of these efforts are summarized under Attachment C.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – Now go opposite!

To initiate this discussion, the participants were paired up facing opposite directions and asked to dance to the tune of Bob Dylan's song "The Times They Are A-Changing." This set the tone to discussions about how to use the principle of opposite thinking in order to discover solutions.

As the Mike Rayburn video challenged, change is asking questions to empower oneself:

What if we could do?
What would it look like?
Why not?

Another author suggested creating Big Hairy Audacious Goals (BHAG). EXAMPLE: What if we could have enough capital to enable free coverage from the pools (i.e., endow the pools)? What would it look like? Why not? What risk management strategies would *eliminate losses*, thus freeing capital? EXAMPLE: Amazon rents its technology capacity to any size company. What if the pools/captives rented their capital for economic development micro-loans to small businesses for a profit and those businesses gave the community a continuous dividend to replenish the loan pool once the loans were repaid?

The groups were asked to discuss the question: What "RESOURCES" do the pools/members have that can be leveraged to generate income?

The results of these efforts are summarized under Attachment D.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – Focus on Solving the Real Problem

The groups were asked to focus on the 5 year change cycles in order to transform. Focus on the problems we're GOING TO HAVE. Focus on one issue on which the pools can be effective We are in the people business....employees and customers. To care for these, you must care for yourself.

- What are the things that still need to be accomplished?
- How can we enhance communications, be collaborate and improve trust while we advance our thinking about the real problem?

When we see the world from an abundance perspective, instead of scarcity, others may be part of our solution and we may be part of theirs.

The author suggest that for strategic decisions, there are three response options:

- Make the cause go away so you don't have to worry about the consequences.
- Acknowledge that the cause is not apt to go away, but find ways to dodge the consequences.
- Acknowledge that the cause and the consequences are inevitably coming, so become different in ways that avoid the negative consequences and strengthen the organization in the long run

The groups were asked to discuss potential solutions to the real problems.

The results of these efforts are summarized under Attachment E.

Wayne then summarized that experimenting with some of these solutions may lead to failure, but that often we learn much from our failures so it may be useful to plan for failure in order to embrace the learning that may result. He suggested an attitude of invitation to experiment and welcome the learning opportunities that come from the results.

5:00 p.m. Public Comment

Chair Rebaleati called for public comment. None was received.

The retreat adjourned for the evening.

Tuesday, December 6, 2011

8:20 a.m. Public Comment

Chair Kalt called the retreat to order and asked for public comment. None was received.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – Surplus: the sufficiency dilemma

Doug Smith presented a discussion of the reasons for and against surplus; surplus vs. risk; uses of surplus. He noted that the term "surplus" is a term used in the insurance industry, but that for our discussions, the term "net worth" was a better descriptor for pools. He reviewed the pools' financial history and the reasons for the growth in net worth over the years.

He asked the group to identify reasons for and against growing net worth. The following ideas were given by the group:

Reasons to Build Net Worth:

- ✓ Stability
- ✓ Black swan events
- ✓ Flexibility
- ✓ Contingency funds
- ✓ New projects
- ✓ Credibility

Reasons to Stop Building Net Worth:

- ✓ Alternative uses of funds
- ✓ Politics
- ✓ Target for litigation
- ✓ Too much for members to justify
- ✓ Self-sustaining so don't need more

Doug then discussed how net worth is built up through rates, favorable loss experience, investment income on cash flows, compounding interest income and supplemental member contributions to increase net worth.

He then reviewed possible uses of the net worth including the following list and asked the group to discuss additional reasons they may envision.

- Additional Loss Control/Consulting
- Additional Coverage
- Premium Reductions
- Premium Reductions Down the Road
- Dividends
- Grants Program Expansion
- Awards
- Wait for 'The Catastrophe'

Ann Wiswell presented an overview of social media defining its scope, uses and legal and risk management issues. She defined social media as user generated content available on a social website and then showed examples of such websites.

She posed the question about why we should care and provided these reasons:

- o the fastest growing demographic of Facebook users is people age 35 and older
- o There's evidence that Americans want to use social media to connect with government, too. A 2009 report by the Pew Internet & American Life Project found that one in five Internet users searched for political information, posted their views about issues or engaged in another civic activity on a social network.
- o Recently CIO's of local governments were polled about their social-media plans. Some 72 percent of those who responded said they were currently using Facebook or Twitter in outreach efforts, or planned to do so

Ann then provided examples of blunders and successes by governmental entities in the use of social media, reviewing several websites as examples.

Then, Ann indicated that there were several issues to discuss and risks to consider with social media, posing these questions:

Public Records ?

Retention Schedule?

Communication Plan thought out?

Mission Based Use?

Will your entity develop a social media presence?

Should POOL/PACT develop a social media presence?

Following these two presentations, the group shifted to discuss specific topics focused on what the pools' should do in the future.

- **Discussion and Possible Action:** Transformational Foresight Roundtable discussions – What is your future view?

Wayne noted that Dan Burrus asked these questions: What does the future want? How does the future get created? Burrus suggested that the future creates the present and suggested creating a "Futureview" in which you project yourself into the future, then look back at your present position from the future's point of view. "Where are you looking – 'cause that's where you're headed."

The groups then held discussions, two tables on each topic rotating through two topics, then shared as a whole on these topics focusing on the pools' role:

- Shared Services: What is possible and why? AB551: purchasing, accounting, CFO, HR, recruiting, transportation, Superintendent; fleet management, vehicle maintenance, fuel management, etc.
- Members' Needs: How can pools assist? Forming collaborations? IDEA, ERM
- Technology Needs: How can pools assist? State of Nevada Entity Tech Alliance? iPads or Tablets for students (no more backpacks), immediate updates of information?
- Social Media: What do we want to do with it? Caveats?
- Resistance to change: How to overcome?

Member Needs:

1. Consulting – financial, payroll
2. Information Technology as a shared resource
3. Human Resources and education
4. High level human resources services
5. Outsourcing human resources
6. Labor negotiations or advisory services
7. Interactive services
8. Consolidated services
9. Continued leadership
10. Investigative services, such as EEOC, etc.

11. Provision of coverage
12. Price stability
13. Safety and risk management
14. Social media
15. Access to financial capital
16. Grant assistance

Shared Services:

1. Technology – build POOL/PACT cloud
2. Expanded human resources role
3. Purchasing
4. Information Technology services
5. Purchasing
6. Payroll, utility billing services
7. Law enforcement
8. State mandated issues
9. Common fleet management
10. Regional fleet exchange (facilitate, own and operate)
11. Accounting services (CFO and staff for multiple entities)
12. Cooperative for construction services available across governmental types
13. Contracting, bid, joint documents and arrangements
14. Develop centers of excellence
15. Virtual training at appropriate levels

Social Media:

1. Guidelines for use
2. Policy standards and templates (best practices)
3. Support and administrative support
4. POOL/PACT owns/uses technology – link to members
5. Unsure of benefit and individual member participation
6. POOL/PACT could provide/support Facebook, Twitter common page with links to members
7. Reserve Domain on Facebook
8. Teach members how to utilize the technology, give the tools, hold accountable
9. Communicate and educate
10. Friend us – each member friend other members
11. Telecommunication system to communicate up to date information to consumer via tweets, email, social media
12. Utilize HR social media policy for pool members to ensure compliance with their organizations
13. Use social media as a place for pool employees to get information regarding benefits of being in POOL/PACT

Technology:

1. Identity theft protection
2. Cloud computing
3. Information Technology support
4. Information Technology shared services cloud
5. Human resources applications and worker compensation
6. E-Learning: understand the tools, processes, forms
7. Trends and best practices (templates, technology uses)
8. Access point for buying groups
9. E-learning future ideas via online library
10. Tech-support unit – interface with existing vendors cooperatively or separately
11. Technology backbone standards/best practices
12. Hardware coverage, backup/redundancy
13. ID/Information theft coverage

14. Cloud capabilities
15. Removing legacy technologies (e.g. AS400)
16. Common platforms on common issues

Resistance to Change:

1. Communicate
2. Educate
3. Coordinate
4. Market to Members
5. Collaborate/innovate or separate
6. If we don't do it someone else will
7. Be the transformation for POOL/PACT needs
8. Understand how technology works (if we understand it, we will embrace it)
9. Engage county managers and boards
10. Preference for face to face communication, resistance of public
11. Accessibility
12. Think "both and"
13. Managing technology – cost and time
14. POOL/PACT can offer guidance/models
15. Get input, feedback and communicate multiple times regarding the change
16. Create a consulting group to assist pools with organizational change

A second round of discussion shifted the topics per table to focus on their top three priorities in these topic categories for implementation by the pools. In the group sharing, these topics were listed as the main priorities:

Member Needs:

1. Consulting – financial, payroll
2. Information Technology as a shared resource
3. Human Resources and education

Shared Services:

1. Technology (similar to POOL/PACT HR approach)
2. Expanded human resources role
3. Purchasing

Social Media:

1. Policy standards and templates (best practices)
2. POOL/PACT owns/uses technology – link to members
3. Teach members how to utilize the technology, give the tools, hold accountable

Technology:

1. Identity/information theft protection
2. Cloud computing
3. Information technology support

Resistance to Change:

1. Communicate
2. Educate
3. Coordinate

Following these priorities, the group as a whole was asked to identify the top priority in each category on which the pools' should focus:

Following this, Wayne then noted that Gandhi said: "Be the change you want to see in the world." He challenged the group to begin the process of implementing the changes they sought and showed this quotation from Stephen Jobs in 2005:

Member Needs:

- ❖ Human resources expanded and consulting/education
- ❖ High level human resources services

Shared Services:

- ❖ Technology
- ❖ Information technology support services

Social Media:

- ❖ Guidelines for use
- ❖ Policy standards (best practices)

Technology:

- ❖ Information technology shared services, cloud services
- ❖ Information technology support

Resistance to Change:

- ❖ Communicate
- ❖ Educate

"Your time is limited. Don't waste it living someone else's life. Don't be trapped by dogma, which is living with the results of someone else's thinking. Don't let the noise of other's thinking drown out your own inner voice. And most important, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary."

Finally, he reminded the group that Dan Burrus recommended that we put a recurring appointment on our calendars to spend one hour per week asking these questions about the future with which we opened the retreat: Next week, next month, next year, several years from now.

- ✚ In a world filled with uncertainty, what are you certain about?
- ✚ What does your visible future look like?
- ✚ What problems are you about to have?
- ✚ How can you solve them before they happen?
- ✚ What actions should you take now in order to have a better future?

12:00 p.m. Public Comment

Chair Kalt called for public comment and hearing none, adjourned the retreat.

Attachment A Hard and Soft Trends Discussion

Two groups were assigned to discuss each question. They identified the following issues. If an issue was seen as a clearly hard or soft trend, it was noted with an (H) Hard or (S) Soft.

A>What problems will the pools be facing in the next few weeks, months, years?

Tangible claims to database failures, intrusions

Knowledge gap – transition to new technologies/ways

(H) Property valuations – current values, old buildings, appraisals, restoration costs, betterment

(H) Hard market renewals, budgets/finances, investment returns impact on net assets, claims management attitudes/conflicts

(H) & (S) Membership changes/loss of members; commodity buyers vs. equity owners

(H) Medical inflation, focus of care as treatment vs. wellness

(S) Political challenges at legislature, governing boards

(H) Unfunded liabilities: heart-lung, grabbing financial resources, revenues policies/abatements

There's an "app" for that

B> What problems will pool Members be facing?

(S) Decreasing revenue

(S) Increased Cost – Supply, Labor Legacy

(H) Aging infrastructure – prefunding, maintenance, technology for preventative maintenance

(H) Reductions in workforce: less employees, loss of knowledge, less motivated replacements

(S) Emphasis on efficiency: do more with less, shared services, Interlocal/governmental agreements

(S) Poorly managed state government: Nevada ranks #46 in management, #50 in Education

Social Change vs. Governmental

Regulatory restrictions vs. personal responsibility

Mother nature, catastrophes

C> What problems will my spouse, my children, and my friends be facing?

Education affordability

(S) Healthcare

Adequate retirement funds/benefits

(S) Employment

(S) Environmental

(S) Sustainable resources

Shrinking Employment benefits

Federal/state/local regulations

(S) Home ownership vs. Renting

Media influences

(H) Social interaction (virtual)

(H) Homebound population

(S) Mental illness

(S) Care for the Elderly

D>What is my ideal future five, ten, fifteen, and even twenty years from now?

(S) Fewer work hours

Travel USA

Freelance consulting

Gardening

Work from home (virtual office)

See POOL/PACT prosper

Pay off student loans
Stay sane
Pay for children's college
Stay employed (stability)
Continue working
(H) Stay alive
Good health
Continue public life
Health
Volunteer work in community
Pay for grandkids education
Stay active and healthy
Stay educated
Eat better
Exercise
Mental health (keep brain active)
Think young
Continue to learn
Ask questions
Be around (alive)
Sitting by fire with spouse
Pick battles carefully
Surround yourself with positive people
Step out of comfort zone
Strive for balance
Positive Attitude
Volunteer
Higher power
Invest better
Stay employed – work hard, loyal dedicate, improve skills, learn new skills/education
Take changes
Try new things
Ask questions

E> What are some of the steps I could take to shape that future now?

Financial planning
Education and Training
Think before we Act – anticipate unintended consequences
Rebalance economy – produce and consume
Rethink politics
Disciplined balance of needs and wants
Become versed in technology and keep up with it
Retire and make room for someone else
Plan for adequate rates
Processes and procedures in place to eliminate costs
Increase wellness programs
Increase utilization of HR services
Develop continuity plans
Develop resources for ADA and other civil rights accommodations
Increased enforcement of ADA requirements/accommodations due to aging workforce
Accommodation of other languages

Attachment B: What is the biggest problem?

A summary of the group discussion about priorities in determining which of the problem areas were the biggest problem is included in the attached spreadsheets.

The individuals placed colored dots showing their ranking of the biggest problems and their priorities. Below are the most important problems based upon the number one priorities.

Declining government revenues, delivering same services with less funds

(S) Political challenges at legislature, governing boards

(H) Unfunded liabilities: heart-lung, grabbing financial resources, revenues policies/abatements

(H) Medical inflation, focus on care as treatment, not wellness

(S) Nevada is #50 in education

(H) Aging infrastructure

(S) Healthcare

Federal, State and local regulations

Stay employed – work hard, loyal, dedicate, improve skills, learn new skills/educate

Financial planning; invest better

Education and training

Based upon the principal in the book to skip the biggest problem, the group prioritized the biggest problem as education; thus, education was skipped for further discussion in order to discover the real problem.

Attachment C: Peel the Onion

The groups discussed the details of the remaining problems, and these were their discoveries.

1. Diminished government revenue - Member contributions to the pools may be restricted
2. Delivering more services with fewer resources
3. PACT's declining population of insured lives vs. the increased cost of covering the aging workforce and increased cost of medical care
4. Increased employment related lawsuits
5. Continuity planning for the pools and its advisory committees and Executive Committee
6. Use of media sites – security, management
7. Succession planning – work ethics, skill level, efficiency, mass retirement
8. Eliminate debt and increase assets
9. Training
10. Mentoring Programs
11. Cross Training
12. Leadership
13. Changes: legislative, fear of change, birthright attitude, use existing services more to eliminate risk, market fluctuation (evolving issue)
14. Natural catastrophes

Attachment D: Now go opposite!

Aging Infrastructure

Mandate or legislate prefunding mechanism

Plan for replacement

Use technology to extend life span

Increase rail system

Diminished Revenue

Diminished government revenue - Member contributions to the pools may be restricted

Establish home rule model

Allow constituents to determine tax/service levels

Creation of new revenue streams

Compete with underserved private sector

Use technology to create efficiency and economies of scale

Shared service model to eliminate duplication of services

Shared service model based on which entities perform services better

Regulation

Review and adjust – still makes sense, relevant

Keep only necessary staff and set standards for performance

Look for best practices

Can't regulate responsibility and common sense

Can we deregulate?

What are consequences: ultimate flexibility vs. abuse?

Is it reversal of trend or elimination of all regulation?

Unfunded liabilities: heart-lung, grabbing financial resources, revenues, policies, abatements

Healthcare

What if POOL/PACT offered medical coverage to all residents of all member agencies?

Economies of scale

Focus on prevention

What if POOL/PACT invested in its own hospital, clinics? Some benefit pools are considering owning their own clinics in order to manage costs. Some mines do this now in Northern Nevada.

Education and Training

Increase teacher salaries to attract higher quality teachers

More flexibility to address individual needs

Bring back more outside team experiences

Mentoring programs, cross training and leadership

Attachment E: Focus on Solving the Real Problem

Succession Planning

- Capture and re-use intelligence
- Key job and skills identification
- Plan time and approach to engage successors
- Professional development
- Automation and artificial intelligence to shift burden
- Work study/job shadow to identify candidates
- Develop computer program for all members to assist with succession planning
- Identify skill sets needed in future, put in database
- Employee current education, experience and skill set database
- Identify gap in current employees for future needs
- Utilize database as source for recruitment
- Open management training program
- Offer opportunity for training, education on technical skills
- Work ethics, skill level, efficiency, mass retirement
- Form continuity committee for planning for board, committee and staff succession

Regulation

- Review and adjust to current reality
- Keep only necessary regulations
- Set standards for performance
- Include flexibility to allow for common sense solutions
- Hire lobbyists to represent member interests with regard to diminished government revenue
- Change the laws/regulations so lobbyists no longer are needed

Technology

- Create an IT "think tank" to deliver more services with fewer resources utilizing current and new technology
- Don't replace – buy use
- Plan using artificial intelligence
- Use new technology to re-line pipes to extend life

Diminished Revenue

- Right size – evaluate and adjust
- Adopt long term solutions
- Seek ideas globally – best practices
- Eliminate debt and increase assets
- Improve and expand current knowledge, document and identify

Audit Year	POOL Net Assets	PRM Net Assets	PACT Net Assets	PCM Net Assets)	Combined Net Assets	% Change vs. Prior Year
2011	\$ 26,261,322	\$ 17,167,612	\$ 48,159,833	\$ 28,484,097	\$ 120,072,864	10%
2010	\$ 23,786,160	\$ 12,461,784	\$ 47,888,678	\$ 24,556,268	\$ 108,692,890	22%
2009	\$ 19,232,942	\$ 8,224,361	\$ 45,671,608	\$ 16,063,396	\$ 89,192,307	22%
2008	\$ 16,701,095	\$ 5,994,660	\$ 41,198,184	\$ 9,285,447	\$ 73,179,386	31%
2007	\$ 15,084,263	\$ 3,445,221	\$ 32,236,857	\$ 5,045,477	\$ 55,811,818	62%
2006	\$ 12,178,425	\$ 1,334,805	\$ 21,000,513	\$ -	\$ 34,513,743	66%
2005	\$ 8,256,649	\$ 1,109,897	\$ 11,414,812	\$ -	\$ 20,781,358	39%
2004	\$ 6,878,950	\$ 1,000,000	\$ 7,042,968	\$ -	\$ 14,921,918	
TOTAL						5 year
2007-2011	\$ 101,065,782	\$ 47,293,638	\$ 215,155,160	\$ 83,434,685	\$ 446,949,265	23.7% Average
TOTAL						5 year
2006-2010	\$ 86,982,885	\$ 31,460,831	\$ 187,995,840	\$ 54,950,588	\$ 361,390,144	32.1% Average
TOTAL						
2005-2009	\$ 71,453,374	\$ 20,108,944	\$ 151,521,974	\$ 30,394,320	\$ 273,478,612	

Note: POOL and PACT Net Assets are as of June 30; PRM and PCM are as of December 31.

Loss Control

Assigned to: Loss Control Control Committee

Goal: Deliver risk control services by planning, promoting, and implementing safety, health, and environmental initiatives to protect public

Objectives:	Strategies	Due Date	Progress/Status Report
OSHA and ADA Compliance	Conduct Surveys; 2 annually and as requested ad hoc	FY2009-12	completed & ongoing FY 2012-2015
	MSDS Online Web Service	FY2009-12	completed & ongoing FY 2012-2015
	Promote Fire Extinguisher Training Program	FY2009-12	completed & ongoing FY 2012-2015
	Respiratory Protection Programs 2009-12	FY2009-12	completed & ongoing FY 2012-2015
	OSHA 10 and 30 Hour Safety Training	2010	completed & ongoing FY 2012-2015
	ADA training on 2010 Accesibility Design Standards	FY2011-12	completed FY2011
E-Learning Curriculum Development	Deliver training; e-learning module, webinars and conference session	FY2009-10	Hazard Communications, Blood borne Pathogens and Ergonomics developed in 2009. Lockout/Tagout, Confined Space, Forklift Operations and OSHA Rights and Responsibilities FY2010
		FY2011-12	17 new courses being added 7/1/2011
Emergency Planning and Disaster Management	Belfor to deliver non-structural earthquake mitigation workshops to K-12	FY2012-15	on-going
Claims Analysis/Benchmarking	Committee evaluates major POOL/PACT trends quarterly	FY2009-12	ongoing
Formalized Injury Management Programs	Return to Work, Nurse First Call, Case Management	FY2009-10	completed & referred to POOL/PACT HR
Wellness/Body Mechanics	Ergonomics, Back Injury Prevention; Wellness education & awareness Fit Responder training program for EMS and first responders	FY2009-12	ongoing
		FY 2012-15	
Auto/Driver Safety training	Instructor led available; E-Learning course in Defensive Driving added in 2011	annually	ongoing
Inform & Educate Members on risk management topics	Sponsor the annual PRIMA Chapter conference in lieu of the Loss Control Retreat.	annually	Conference held 11/12-11/13/09 Lake Tahoe, 3/22/12 in Henderson. 2013 in Reno
	Information Risk Management & E-Discovery Workshops	FY2011	Four regional workshops delivered and Pooling Provisions toolkit document produced FY 2011
Loss Control Excellence Program	Develop 2 new members per year	FY 2009-12	Carson City School District and Boulder General Hospital certified in 2011
		FY2012-15	LCEP program offered in web survey format
		FY 2009-12	ongoing
Risk Management Grant Program	Promote continuation awards		
	Promote risk management through funding of training, compliance and acquisition of safety equipment Allocated funds specifically for Stryker injury prevention products	annually FY 2012	see RM Grant report. Members are gaining awareness of this program and utilization is growing

Human Resources Management

Responsible Committee: HR Oversight

Goal: Serve as a business partner with POOL/PACT members to enhance their human resource programs, improve employee/employer relations, and reduce liability.

Strategy: Provide resources and training that increase members' ability to manage human resources risks and to incorporate best practices techniques into their operations. Increase awareness and understanding of effective human resources management practices and methods to mitigate risks.

Objectives:	Action Plans	Target Date	Progress/Status Report
Develop and Revise Training Courses	Develop two new instructor-led training courses.	Annually	'09-10 - 3 completed '10-11 - 2 completed '11-12 - 4 completed
	Update and revise instructor-led training courses.	Annually	'09-10 - 13 completed '10-11 - 15 completed '11-12 - 13 completed, 4 in process
	Offer two regional training courses throughout the State.	Annually	'09-10 - 15 completed '10-11 - 16 completed '11-12 - 23 completed, 3 in process
	Offer four mandatory on-line training courses for new employees.	FY09-10 & Annually	Completed
Enhance and Market Online Training	Encourage Members' use of on-line training.	Annually	Completed
	Develop two new e-learning courses.	Annually	'09-10 - 2 completed '10-11 - 1 completed '11-12 - 1 completed, 2 in process
	Market one-on-one demonstrations of e-learning for clients not currently utilizing this training delivery method.	FY09-10 & Annually	PARMS is conducting
Continue to Improve/Enhance Communications and Access to Information	Develop and distribute bi-monthly newsletter.	Annually	Converted to Pooling Perspectives
	Develop three new Briefings.	Annually	'09-10 - 3 completed '10-11 - 3 completed '11-12 - 1 completed, 2 in process
	Update ten Briefings.	Annually	'09-10 - 17 completed '10-11 - 16 completed '11-12 - 15 completed, 12 in process
	Issue Alerts as needed.	Annually	Completed
	Post bi-weekly Bulletins on website.	Annually	Converted to Pooling Perspectives
	Conduct Statewide webinars on timely issues as necessary.	FY09-10 & Annually	Completed
	Conduct biennial HR Services Survey.	FY10-11	Completed
Conduct semi-annual regional information meetings to include "Shared Lessons."	FY10-11 & Annually	Completed	
Continue to Improve Use of Technology	Review and enhance HR webpage.	Annually	Completed
	Enhance Client Tracking System.	FY11-12	In process
Conduct HR Practices Assessments	Develop and pilot HR Compliance Assessment Program.	FY09-10	10 on-site assessments completed
	Implement & conduct basic HR Compliance Assessment Program, including a written plan of action/correction for 25% of HR client programs.	FY10-11 & Annually	'10-11 - 10 on-site assessments completed, '11-12 - 7 on site assessments completed, 5 scheduled
Develop and Deliver Client Service Plans	Develop client Service Plans to include trainings, briefings, and policy development.	Annually	Completed
	Develop new client service programs.	FY09-10 & Annually	New programs incorporated into HR Assessment program, i.e., writing job descriptions. Developed a recruitment assistance program. Adopted FRISK pilot program for three school districts.
Maintain Sample HR Policies	Systematically review, update, and create new Sample Policies for both General Use and Schools.	Annually	Completed
Coaching and Problem Solving	Assist clients with HR-related issues by providing advice and consultation.	Annually	Completed

Claims

Assigned to: ASC/PARMS

GOAL: Provide effective claims and litigation management systems for the benefit of members. Assist members in understanding claims trends and members' role in reducing claims to control costs. Increase awareness and understanding of regulatory requirements associated with internal claims

Objectives:	Strategies:	Target Date	Progress/Status Report
POOL			
Excellence in claims management	POOL claims audit every two years POOL claims audit every two years	3/14/2011 2/1/2013	Audit completed/report presented at 2011 Board Meeting.
Reduce claims severity	Use effective litigation management; # cases resolved < authority, < \$50,000 and < SIR Large loss report (cases with total incurred xs \$100k)	annually annually	# of litigated claims closed in 2011 calendar year=89. Total paid in legal expense \$1,559,836.27 or average \$17,526.25 per claim. Total indemnity paid \$814,442.83 or average \$9,151.04 per claim. All claims resolved for less than the SIR. 64 cases closed with no indemnity payment. 16 cases closed with indemnity payment < \$25,000 authority. 2 cases closed with indemnity payment between \$25,001 and \$50,000. 7 cases closed with indemnity payment between \$65,962 and \$205,000. Largest indemnity payment \$180,000.00 on a GL claim involving a sewer back-up. Case was tried and lost--atty fees were just over \$50k. Presented at 2011 and 2012 Board Meeting ASC is a member of Northern Nevada Claims Association (NNCA) and we attend monthly "lunch and learn" meetings with speakers on various industry-related topics. All ASC staff completes annual fraud training through ASC's partner G4. Donna Squires and Jasmine Sanchez attended an Employment Law Update seminar sponsored by Erickson, Thorpe & Swainston in September 2011. Donna Squires attended the annual conference hosted by United Educators in September 2011 with Ann Wiswell. Donna Squires, Diane Evans and Jasmine Sanchez attended a Tazer training through PATC in October 2011. Donna Squires attended the CRL conference with Ann Wiswell in November 2011. Donna Squires attended the POOL/PACT Board Retreat in December 2011. Jasmine Sanchez attended a water extraction workshop sponsored by Belfor in February 2012. Donna Squires, Dan Hamlin, Diane Evans and Jasmine Sanchez attended the Litigation Strategy Workshop in March 2012. Donna Squires and Diane Evans attended the NV PRIMA conference 3/2012
Develop claims adjuster capabilities	Attend two HR and one Law Enforcement training course; attend litigation workshop Conduct lessons learned workshop and publications from case histories ; Trends Reports	annually annually	Stewardship report to be presented at 2012 Board Meeting
Enhance members understanding of loss trends and risks Enhance defense and members' counsel capacity to prevent and contain litigation	Assist Members with internal claims management and prevention; Conduct litigation strategy educational workshop	annually	Litigation strategy workshop held February 18, 2011; March 2, 2012
Train members on claims management practices	Train members on internal claims reporting, adjusters role, members role	ongoing	No trainings were held but staff has met with members in the field on specific losses. ASC is working with Belfor to plan regional water extraction trainings with Member public works/maintenance staff throughout the State in 2012. Online reporting for both P&C and WC claims is currently available at the POOL/PACT website under the "CLAIMS" tab
POOL/PACT			
Online claims reporting	Set up online claims reporting capability at POOL/PACT website	FY 2009-2010	
Excellence in claims management	PACT claims audit every two years PACT claims audit every two years Train police/fire members in cardiac wellness program to complete rollout	FY 2009-2010 FY 2011-2012 ongoing	completed 2/2010 pending 3/29 - 4/5/2012 ASC adjusters educate members about program availability and refer them to Specialty Health when need is indicated by a claim or member query. SpecialtyHealth trains as new members sign up for CWP. Attended LC mtngs, PPHR-ASC mtngs; Attended Nat'l Work Comp Conf Nov. 2011 for trng & vendor appraisal; cont'd assm't RTW services; multiple claim & HR interactions with PPHR 2011-12; 3/2012 evaluated RTW options, shifted focus to educating members about RTW rather than formal RTW contract. Reviewed ASC-SHC interactions to improve coordination of services on claims.
Reduce claims severity	Work with PARMS, LC, SH, PPHR and members to develop early intervention/injury management/RTW program Produce annual claims trend analysis reports and review with members during quarterly visits Utilize PERI Data Exchange	FY 2009-2010 ongoing ongoing	Central Lyon FPD, Feb. 2012; Truckee Meadows FPD/Sierra FPD, Feb. 2012 Continue work on participation in PERI study for claims analysis. Recoveries received 4/2011-3/2012 \$250,399; 1 heart claim has potential recovery this year, total loss \$4M under workup; District Ct. Appeals planned on denials with potential to overturn.
Assist members' understanding of loss causes and trends	Identify potential SIF cases and file timely Consult for medical management of difficult cases; identify potential heart/lung problems in any claim for fire or law enforcement; involve SH in cardiac wellness training	ongoing ongoing	Cont'd MCO utilization 115 claims 2011; lost time, spine & major joint injuries, heart & hearing loss claims. Monthly case management meetings held. New claims sent for review daily as received, 639 in 2011
Utilize Subsequent Injury Fund	Utilize SH to identify potential medical complexities in all new claims Train members on internal claims communications with employees, adjusters role, members role, SH role with filing claims, evidence preservation, documnetation, and claim reviews. Conduct quarterly visits with members for training purposes on rotating basis.	ongoing ongoing	Provided claims training Central Lyon FPD, Truckee Meadows FPD/Sierra FPD, Feb. 2012. Ongoing training via member emails and phone calls on specific claims.
Utilize SpecialtyHealth MCO			
Train members on claims management practices		annually	Central Lyon FPD, Feb. 2012; Truckee Meadows FPD/Sierra FPD, Feb. 2012 Online reporting for both P&C and WC claims is currently available at the POOL/PACT website under the "CLAIMS" tab
Online claims reporting	Set up online claims reporting capability at POOL/PACT website	FY 2009-2010	

Executive

Assigned to: Executive Committee & PARMS Jointly

GOAL: Lead the pools effectively to assure accomplishment of the mission and vision adopted by the board. Develop the capacity of the pools to maintain financial solvency and flexibility to meet future financial conditions and strategies for program development.

Objectives:	Strategies:	Target Date	Progress/Status Report	
Goal: Grow Members net assets; Increase Financial Strength of Pools				
Grow net assets of each pool and captive Maintain net assets to highest SIR ratio of at least 12:1 for each pool	POOL & PACT(includes PRM and PCM): Target at least 15% average net assets growth per year over rolling 4 year cycles;	annually	Average growth per year between 20.07-2011: POOL 16.19%; PACT 14.45%	
	POOL: continue to grow above target to enable increased retention - SIR \$500,000 = \$6,000,000	annually	2009-10: 48; 2010-11: 53	
Enhance boards' understanding of financial results	PACT: continue to grow above target to cushion for increased retention - SIR \$500,000 = \$6,000,000	annually	2009-10: 96; 2010-2011: 96	
	Produce M D & A reports showing critical benchmarks and financial performance ratios; review with Boards	annually	Completed for 2008/09; 2009/10; 2010/11 audits	
	Provide actuarial summary each board meeting	annually	done 4/10; 4/11; 4/12	
	Prepare annual report with financial audit	annually	2008/09 mailed 3/2010; 2009/10 mailed 4/2011; 2010/11 tbd	
	Include fiscal impact notes in budget documents showing overall effect of changes	annually	Completed 3/8/2010; 3/3/2011;3/9/2012	
Goal: Grow Leadership Capacity of Pools	Review budgets with Executive Committees; include discussion of actuarial confidence level selection and allocation methodology	annually	Completed 3/8/2010; 3/3/2011; 3/9/2012	
	Enhance board leadership	Executive Committees attend AGRIP trustees training	annually	Done 10/2010; 10/2011; Scheduled for 10/2012
	Board & Member Development	Conduct new board member orientation	annually	done 4/2011
		Conduct board development training at annual meeting	annually	done 4/2010; 4/2011; 4/2012
Strengthen Services Delivery	Conduct member orientations about POOL/PACT programs and services	annually	Done 4/2011	
	Monitor strategic plan progress on goals and review objectives	annually	Reporting 4/2010; 4/2011; 4/2012	
	Monitor service provider performance	annually	Reporting 4/2010; 4/2011;4/2012	
Monitor Legislation and Regulation	Require annual stewardship reports from service providers	annually	Reporting 4/2010; 4/2011; 4/2012	
	Utilize lobbyist effectively during legislative sessions	bi-annually	Contracted lobbyist for 2009 & 2011 Sessions	
	Participate in regulatory process for Division of Insurance and Division of Industrial Insurance Regulation	annually	Input on OSHA 10/30 regulations	

Assigned to PARMS/Risk Management

GOAL: Enhance communication with members in a manner that provides members with easy access to essential information and resources. Plan, promote and implement risk management initiatives to reduce liability and protect public assets.

Objectives:	Strategies	Target Date	Progress/Status Report
Goal: Enhance Communications with Members and Access to Information			
Implement Written Communications Plan		FY2009-10	
periodic print publications;	Risk Management Bulletins; Pooling Provisions		completed during 2009
online communications;	Website enhancements; Pooling Perspectives newsletter		completed during 2012
meeting and conference materials;	Board packets, RM Conference materials, banners, giveaways		
media relations and public relations materials;	Industry association communications, member orientation tools		
marketing and sales tools;	POL/PACT Brochure		completed 2011/12
committee and board communiques;	Web Meetings, enhanced meeting tools		beta 2011/launch 2012
POOL/PACT identity materials, including letterhead, logo, and envelopes;	Print brochures, reassess		Completed FY2010-11
	Constant Contact		Completed FY2010-11
certificates and awards;	Evaluate LCEP and other award communications		Completed FY2010-11
annual reports;	Access online and in print		Completed with 2008-2009 audit
Enhance & Market POOL/PACT E-Learning Program			
Curriculum development, Schools	Bloodborne Pathogens for Schools	FY2009-10	all courses updated 7/1/11
	School Bullying	FY2009-10	all courses updated 7/1/11
	School Intruders	FY2009-10	all courses updated 7/1/11
	FERPA:Confidentiality of Records	FY2009-10	all courses updated 7/1/11
	School Violence and Threat Assessment	FY2009-10	all courses updated 7/1/11
	Child Abuse: Identification & Intervention	FY2009-10	all courses updated 7/1/11
Curriculum development, Safety & Environmental		FY2009-10	all courses updated 7/1/11
	Office Ergonomics	FY2009-10	all courses updated 7/1/11
	Hazard Communication	FY2009-10	all courses updated 7/1/11
	Slips, Trips and Falls	FY2009-10	all courses updated 7/1/11
	Respiratory Protection Programs	FY2009-10	all courses updated 7/1/11
	Preventing Back Injuries	FY2010-11	all courses updated 7/1/11
	Confined Spaces	FY2010-11	all courses updated 7/1/11
	Lockout/Tagout	FY2010-11	all courses updated 7/1/11
	Snow & Ice Management	FY2010-11	all courses updated 7/1/11
	Automobile Safe Driving	FY2010-11	all courses updated 7/1/11
Curriculum development, Risk Management for Public Entities			
	PERI Series	FY2010-11	FY2011
Curriculum development, Law Enforcement	High Risk Critical Task training content provided by PATC	FY2009-12	FY 2011
Moodle LMS enhancements	Track on ground training	FY2009-10	FY2011
	Enterprise Learning Information System install	FY2009-10	completed 2009
	Host webinars and instructor led courses	FY2009-10	ongoing
	Enhance member registration & enrollment process	FY 2012	
	one to one member meetings, newsletter links and announcements,		
	print material, POST, DOE and HR promotion	FY2009-12	ongoing
Goal: Plan, promote and implement risk management initiatives to reduce liability and protect public assets.			
Evaluate loss trends	Quarterly review of large losses; monthly review of loss development	FY2009-12	completed 2009-10
Monitor Swimming Pool exposures and continually train operators	Inspect each swimming pool every three years; host annual Swimming Pool Operators certification course.	annually	completed 2009; ongoing
	Publish guide to Virginia Graeme Baker Safety Act	FY2009-10	

PARMS_Risk Mgmt.

Monitor electrical hazards in aging buildings	Conduct thermal imaging surveys of select buildings based on COPE data	annually	completed 2009; ongoing
Plan, promote and implement risk management initiatives to address exposures unique to school districts	Host UE workshops on relevant topics	annually	UE presented at PRIMA conference 2009; next seminars scheduled for 2011
Plan, promote and implement risk management initiatives to address exposures unique to law enforcement agencies	Circulate UE publications	FY 2009-2012	completed; ongoing
	Constitutional Law Update	annually	
	Jail Liability Symposium	FY2009-10	
	Implement standardized policies	annually	
Deliver Elected Officials Liability Training Workshops	Provide SkidCar training to four regions once per year	annually	Rally 4/2010. Member agencies scheduled for recertification
	Deliver quarterly EMD Training	FY2009-10	completed 2009; ongoing
	Public Officials Liability	FY2009-12	completed for several members
	Open Meeting Law	FY2009-12	completed for several members
	School Board Legal Liability	FY2009-12	completed for several members
	Positive Governance	FY2009-12	completed for several members
	Ethics	FY2009-12	completed for several members
Risk Management Contract Review	Review member contracts for risk transfer, assumption of liability and insurance requirements	FY2009-12	reviewed several requests
Risk Research Projects	Conduct ad hoc research and publish relevant findings to membership in newsletters and rm bulletins	FY2009-12	
Wellness programs	Promote Cardiac Wellness to Law Enforcement and Fire agencies	annually	Met with SpecialtyHealth and firefighters representntatives 1/2010; 2/2010; ongoing

Executive Director's Report April 2012

POOL and PACT Budgets:

The budgets reflect current economic conditions and a continuation of the actuarial 70% confidence level for funding. Amounts generally are flat or reduced with the exception of the PACT presumptive benefits post-employment rate that is scheduled to increase by 10% based per board policy. Both program budgets rely on the actuarial confidence level to general sufficient margin.

PRI's grant renews this year and a reduction in revenue is requested. Since PRI has built a reserve of nearly a full year's grant and continues to operate at a modest margin, the reduction appears to be appropriate. For subsequent years a 2% escalator provision beginning July 1, 2013 will be incorporated into the grant.

The existing PARMS agreement waived the 3% escalator provision effective July 1, 2010 and 2011 thus remaining the same for two years. An increase of 3% is proposed effective July 1, 2013.

The existing Aetna Horizon Behavioral Services Employee Assistance agreement three year term ends July 1, 2012, but has a two year extension option at the same rate schedule. They have requested the two year extension as provided in the contract. The Executive Committee concurs with the extension.

ASC has proposed both a three year and a five year option per the attached proposal. The amounts have been included in the budgets. The Executive Committee recommends the five year option.

Renewal Strategies:

POOL:

The property coverage program is placed through Willis Re in various syndicates at Lloyds of London. We have scheduled our renewal negotiations in London during the week of April 2-6, 2012. Wayne Carlson, Lisa Jones, Ann Wiswell along with Bob Lombard of Willis Pooling will be meeting with the various syndicates and Willis Re London. Property market conditions have shown increases generally up to around 10% to 12.5% from several sources. Our broker indicates that we should be able to negotiate rates substantially below that based upon our experience and long term relationships.

Public Risk Mutual will offer renewal at current terms, but also may take up additional coverage layers in both property and liability depending upon opportunities to grow participation and reaction to renewal terms from other reinsurers.

County Reinsurance, Ltd. (CRL), a member owned captive insurance company in which NPAIP placed a substantial capital contribution, reinsures the liability layer of \$1,500,000 above the POOL retention of \$500,000 on an 80% quota share basis with PRM bearing

20%. CRL is considering offering expanded capacity which may enable us to adjust our POOL retention and/or PRM's participation. CRL preliminary indications are for a 2-3% overall rate increase.

United Educators writes a liability limit of \$1,500,000 excess of the POOL's \$500,000 retention and there have been no losses in that layer since we began the relationship with UE. UE is a member-owned captive risk retention group in which POOL has a subscribers' surplus account. We intend to continue this relationship and structure. Rates are expected to remain stable.

Government Entities Mutual (GEM) (a new liability reinsurer of POOL since 7/1/11), a member owned captive insurance company in which NPAIP placed a substantial capital contribution, reinsures the layer of \$2,000,000 above the POOL retention of \$3,000,000. Rates are expected to remain stable.

Brit is a new liability reinsurer of POOL since 7/1/11 and provides \$5,000,000 excess of POOL and PRM/CRL/GEM combined \$5,000,000 retention. We will be meeting with Brit representatives in early March. Rates are expected to remain stable.

Doug Smith and I attended a board meeting of Governmental Entities Mutual (GEM), and learned that they would be willing to utilize a quota share with PRM as an option.

Our equipment breakdown reinsurer is Travelers Boiler Re which provides up to \$60,000,000 with various sublimits. Since their limits and pricing have been stable for several years now, we anticipate renewal with them as our best option.

PACT:

Public Compensation Mutual (PCM) maintains a quota share agreement with CRL in excess of PACT's retention of \$500,000 on all classifications plus a \$500,000 corridor deductible. CRL bears 75% and PCM 25% of the next \$2,000,000. Safety National now attaches at \$2,500,000 and covers to statutory limits. Both PCM and Safety National provide aggregate limits that attach above a high aggregate retention.

We will evaluate changes in the quota share or excess attachment points.

Truckee Meadows Fire Protection District presently has only volunteers and one paid interim chief. With the split from Reno and the consolidated fire service, TMFPD will be hiring 71 firefighters effective July 1, 2012 and consolidating Sierra Fire Protection District's existing employees into TMFPD as well. The additional 71 firefighters will generate a capped payroll (\$36,000 cap) of \$2,556,000. At current rates, that could increase overall PACT costs by 5%. This change is significant enough that we have notified PCM, CRL and Safety National for renewal preparation. Our actuary also was advised.

PACT Cardiac Wellness Program:

Participation continues to be low and we continue to promote the program to more agencies. We have had some success stories that demonstrate the efficacy of the program. SpecialtyHealth developed a promotional educational video that is quite

convincing. It utilizes several local governmental agency employees as examples of the risks and successes.

Capitalization for Captives:

Based upon POOL and PACT audit results, additional contributions of 50% of the net asset gains to the surplus of the respective captives was approved by the Executive Committee. The net asset gains based upon the FY 2010-2011 audits are:

PACT: \$ 271,155

POOL: \$2,475,162

Public Agency Retirees Trust:

RBIF agreed to ask their legal counsel to review whether or not they could accommodate a pooled trust by providing the individual breakdown by member. They concluded they could not and therefore, the effort to form the trust was ended.

Board Retreat:

A special report to the board will be included in the annual board packet. Regarding specific action areas resulting from the retreat priorities, POOL/PACT HR reviewed the retreat results with the HR Oversight Committee and then conducted a survey to further refine those results. Jeanne Greene will provide a report of the results and recommendations, but a matrix is attached summarizing the survey.

Wayne Carlson attended the Nevada Digital Government Conference in Las Vegas, then contacted the State of Nevada Chief Information Officer for potential shared services information technology possibilities. The State CIO will be sending a listing of shared services technology services and ask State Purchasing to provide a list of other shared services available through good of the State contracting. The CIO noted that the State is migrating to Microsoft email in the server in the future so that may be of specific interest as a shared service given the email management issues. He said that the joinder process may be an MOU or an Interlocal contract with the State and that any political subdivision can do this. In addition, he said there are purchasing opportunities for shared services via WSCA and GSA master contracts.

Wayne also is attending the GROWCO conference in New Orleans where they will showcase the emerging entrepreneurial culture in that area, with a technology emphasis in economic development. Also, he will attend the Webinar sponsored by NACO reviewing the Governor's recently released economic develop plan.

POOL Form Changes:

As a result of some recent cases and coverage issues analyses, staff is working with coverage counsel to develop some clarifying language for some liability provisions and possibly in the monies and securities extension. We will prepare these for acceptance at the annual meeting.

Committee on Local Government Finance Presumptive Benefits Reporting:

The Committee on Local Government Finance continues to work on proposed regulations for disclosure of the liabilities for post-employment heart-lung benefits.

NPAIP Building Leases:

NACO has completed its move. Other tenants have been contacted for possibly taking additional space, but have declined. Other tenants' leases renew next fiscal year. The Executive Committee authorized the Executive Director to negotiate terms and lease rates with those tenants. With regard to PARMS and PRI, the Executive Director was directed to bring options to the Executive Committee for review and decision in light of the conflicts.

POOL/PACT Loss Control

Strategic Plan 2012-2015





Mission and Vision

The mission of the Loss Control Committee is to deliver risk control services by planning, promoting, and implementing safety, health, and environmental initiatives to protect public assets and reduce losses.



Voting Committee Members

- Cash Minor, Elko County - Chairman
- Kevin Curnes, Carson City School District
- CJ Manthe, IVGID
- Steve West, Winnemucca
- Mike Callahan, City of Mesquite
- Jan Archuleta, Eureka County
- Dan Murphy, Pershing County Schools



Voting Alternates:

- Bob Spellberg, Gardnerville Ranchos GID
(alternate Chair)
- Shannon Gardner , Storey County
- Geoff Stark, Churchill County
- Jeff Zander, Elko County School District
- Darren Wagner, Yerington



Strategies 2012-15

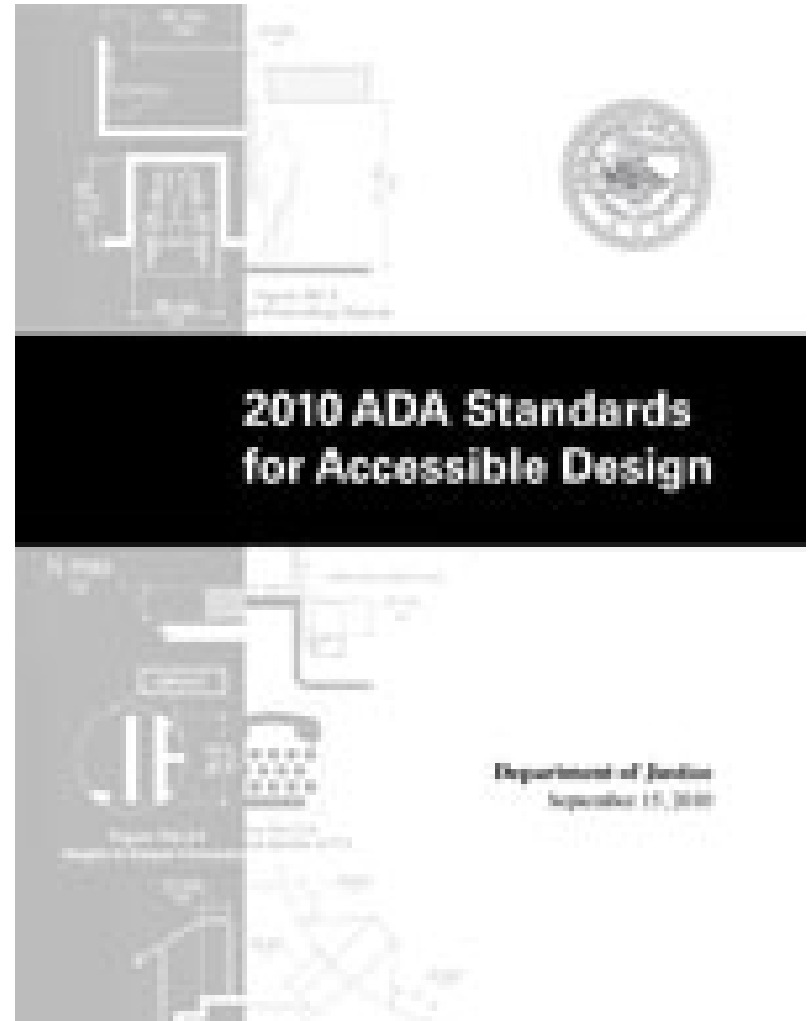
- OSHA and ADA Compliance
- E-Learning curriculum development
- Emergency Planning
- Continued focus on enhancing POOL/PACT member communication
- Claims Analysis/Benchmarking
- Wellness/Body Mechanics
- Auto/Driver Safety training
- LCEP Administration
- Grant Program Administration



OSHA Compliance

- Fire Extinguisher Training
- Respiratory Protection Fit Testing
- MSDS Web Access (2010)
- OSHA 10 & 30 Hour Construction Safety Training (2010)
- New Online Safety Courses

ADA Compliance





Claims Analysis/Benchmarking

- POOL loss history
- Trends in public sector
- Aging workforce
- EMS/First Responder injury rate



Formalized Injury Management

2009-10: Evaluated two service providers

- Nurse first call – medical triage
- Return to work/Light duty
- TWA database
- Model RTW policy



Emergency Planning

- Coordinate with local emergency management contacts
- Monitor preparedness of members
- Serve as a resource
- Non-structural earthquake mitigation



Wellness/Body Mechanics

Aging Workforce

Fit Responder

Instructor led Back Safety Course

E-Learning:

- Heat related injuries
- Ergonomics



Enhance Member Communications

- Internet/Email Surveys
- Risk Research Bulletins
- Monthly Email Newsletter

“Pooling Perspectives”

Internet/Email based marketing and registration of instructor led courses and webinars

Fleet/Driver Safety

- Defensive Driving courses 2009-12
- School Bus Driver Safety Training Course
- Skid Car





LCEP

- In depth self audit
- Review and approval from LC Committee
- Plaque of recognition and CASH award
- Congratulations to two new members!



LCEP Recertifications

Battle Mountain General Hospital

Boulder City

Douglas County

Elko County School District

Lyon County

Town of Pahrump



LCEP Annual Continuation



RM Grant Program

- Safety Training Grant -100% funding up to \$2,000 per person
- Property risk reduction grants/emergency response equipment - 50% member match
- OSHA Compliance/Workplace Safety Equipment - 25% member match



Stryker Grant Program

- Stryker

Risk Management Grants

Fiscal Year 2010-2011 & Fiscal Year 2011-2012 (to current date)

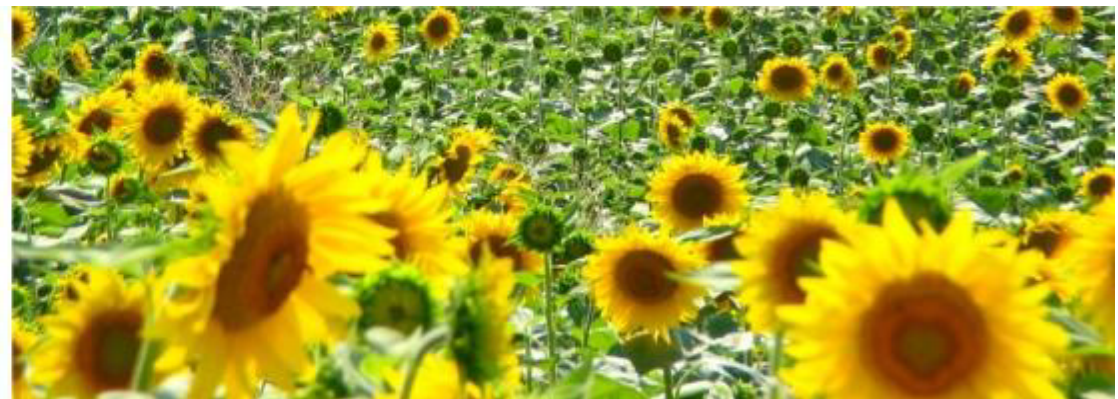
Date	Grant #	Entity	Purpose	Money		
				Grant Amount	Returned	Net Grant
7/9/10	54	Douglas Co. School Dist./CVMS	2 Security Cameras	12,967.90		12,967.90
7/9/10	55	White Pine Co. School Dist	10, 4 camera systems for 10 Buses	15,550.00		15,550.00
7/12/10	56	Carson City School District	Security Camera System	14,200.00		14,200.00
7/16/10	57	Douglas County	Back-up Sensors for County vehicles	10,000.00		10,000.00
7/23/10	58	Town of Minden	Fire alarm system, surveill equipmt, add'l liting	5,486.00		5,486.00
8/6/10	59	Mineral County School District	Security Cameras for school buses	8,515.00		8,515.00
3/4/11	60	City of Winnemucca/ PD	Computer voice stress analyzer for hiring candidates	DENIED		-
3/11/11	61	City of Mesquite	Power Assist Patient lifting device	20,049.20		20,049.20
3/11/11	62	Lincoln County School Dist	Fencing ard Pahrangat School campus	10,000.00		10,000.00
4/21/11	63	Twn of Gardnerville	Security Syst replacmt equipmt/Heritage Park	1,240.38		1,240.38
4/21/11	64	Lander County Sheriff's Office	Soft skills training/ similar training thru HR	DENIED		-
5/11/11	65	Churchill Co. School District	Olweus Training & Travel costs	6,000.00		6,000.00
5/27/11	66	NV Rural Housing Auth'y	Annual Conf. SHRM 6/26-30th attendance	1,600.00		1,600.00
5/27/11	67	Churchill CSD	Training Conf (STN) 7/23 - 26th attendance	1,000.00		1,000.00
7/21/11	68	Douglas CSD	Security/ Intrusion System	14,229.91		14,229.91
7/21/11	69	City of Fernley	6 Camera surveillance system/intrusion alarms	16,425.00		16,425.00
7/21/11	70	City of Winnemucca	Upgrade its 2-way radio system	25,000.00		25,000.00
				162,263.39 FY 10/11		
8/19/11	71	Lander County School District	Training Seminar for Assistants	1,600.00		1,600.00
8/19/11	72	Elko County School District	Sprinkler Restoration Service via ASC claim	9,745.95		9,745.95
10/25/11	73	Lincoln County School Dist	Security Fencing/ Appends Orig. Grant #62	3,830.00		3,830.00
10/25/11	74	Lyon County School District	New Fire Alarm equipment	6,573.00		6,573.00
10/31/11	75	Churchill County School District	Olweus Bullying surveys	1,655.00		1,655.00
12/2/11	76	So. Lyon Medical Center	OSHA survey/requirements	4,300.00		4,300.00
1/30/12	77	Lyon Co. School District	Buses: 11 for video security & 28 for VHS/VCR units	48,438.00		48,438.00
1/30/12	78	Lincoln County School Dist	Fencing and Gate	10,650.00		10,650.00
1/30/12	79	Mineral County	2 Dispatch Radios/ 4 Repeaters	10,000.00		10,000.00
1/30/12	80	Pershing County	2012 NV Prima Conference attendance (2)	1,200.00		1,200.00
1/30/12	81	Sun Valley GID	2012 NV Prima Risk Conf attend(2), Henderson	813.00		813.00
1/30/12	82	Douglas County	Prima Annual Conf, Nashville (2) attendance	5,900.00		5,900.00
2/3/12	83	Carson City School District	Upgrade for DVR monitoring system	4,000.00		4,000.00
2/3/12	84	Churchill CSD	Attendance at NV PRIMA conference	1,156.00		1,156.00
2/3/12	85	Douglas County	NV Prima Training	1,061.20		1,061.20
2/3/12	86	Kingsbury GID	Attendance at PRIMA conference	775.00		775.00
2/3/12	87	Storey County	Attendance at NV PRIMA conference	572.28		572.28
2/21/12	88	Churchill County	Attendance at NV PRIMA conference	898.31		898.31
2/21/12	89	Churchill Co. School District	Security Cameras for school buses	10,000.00		10,000.00
2/21/12	90	Elko Co. Sheriff's office	Attendance at NV PRIMA conference	1,890.00		1,890.00
2/21/12	91	Elko Co. Sheriff's office	Skid Car Equipmnt & Training /Dodge Durango	10,000.00		10,000.00
2/21/12	92	Esmeralda Co. School Dist.	Attendance at NV PRIMA conference	378.72		378.72
2/21/12	93	City of Mesquite	Attendance at NV PRIMA conference	300.00		300.00
2/21/12	94	Pershing County SD	Attendance at NV PRIMA conference	652.12		652.12
2/21/12	95	Storey County	Attendance at NV PRIMA conference	794.67		794.67
2/21/12	96	White Pine Co. Sheriff's Office	Attendance at NV PRIMA conference	929.92		929.92
2/24/12	97	Mineral CSD	Attendance at NV PRIMA conference	913.00		913.00
3/2/12	98	Nevada Rural Housing Auth'y	Attendance at NV PRIMA conference	455.00		455.00
3/2/12	99	Mineral Co. Fire Dept	Hi Visibility Jackets/ Compliance related	9,960.00		9,960.00
3/19/12	100	Pershing General Hospital	Adv. Essential Mgmt. Skills/ Pact	182.59		182.59
				149,623.76 FY 11/12		
				569,009.61 Total Grants Issued all years		



NEVADA POOL PACT

Employee Head Count 12,415

Reporting Period 01/01/2011 - 12/31/2011



Utilization Definitions

Utilization Formula:

(Number of Services Requested / Number of Days in the Reporting Period) * 365 / Employee Head Count

Annualized Member Usage:

Measures the number of individual members requesting assistance for personal use.

Annualized Organizational Usage:

Measures organizational contact a member has with the EAP, including web site hits and training attendance.

Annualized Utilization Rate:

Combination of member usage and organization usage.



Live Well

Total Usage

Member Usage	#	%	YTD
Face to Face Consultation Referral	152	61.0%	152
Telephone Counseling	1	0.4%	1
Clinical Assessment	45	18.1%	45
WorkLife	2	0.8%	2
Financial	3	1.2%	3
Legal	35	14.1%	35
General Information & Referral	10	4.0%	10
Benefit Integration	1	0.4%	1
Totals	249	100.0%	249
Annualized Member Usage	2.0%		2.0%

Organizational Usage	Event Counts	Participants	Length	YTD Participant Totals
Critical Incident Consultation	4			4
Critical Incident On-Site Consultation	3	26	12.00	26
Management Consultations	32			32
Training/Seminars	4	79	4.00	79
Professional Development / Coaching	0			0
Health Fairs / Open Enrollment	5	605	63.0	605
Company Group Meetings	0	0	0.00	0
Program Orientation / Supervisor Training	0	0	0.00	0
Web Hits	470			470
Totals	518	710	79.00	1216
Annualized Organizational Usage	9.8%			

Annualized Utilization Rate	11.84%	
------------------------------------	--------	--

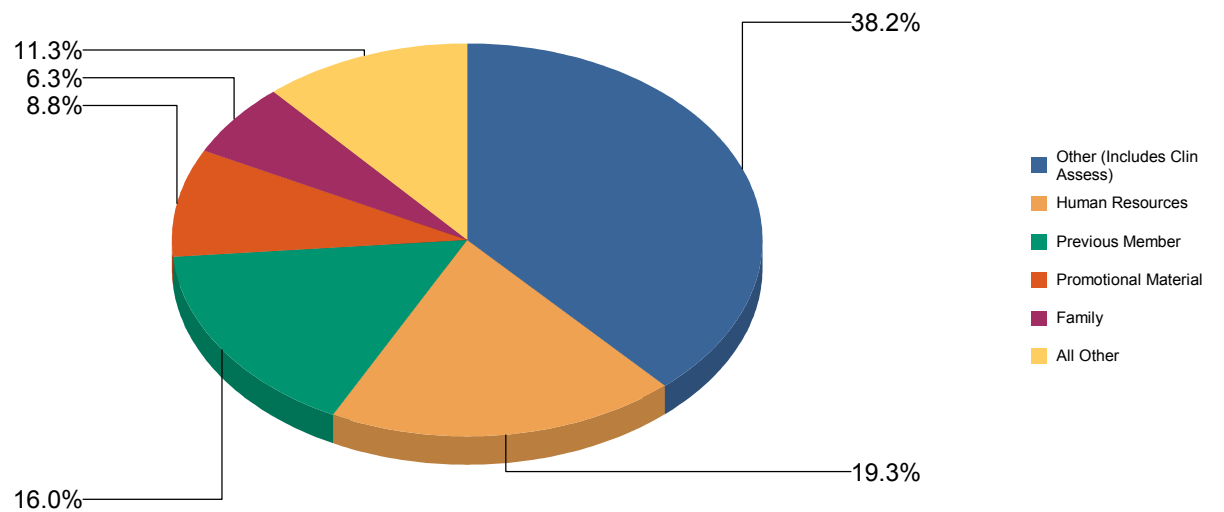


Live Well

Referral Source

Referral Sources	#	%
Co-worker	10	4.2%
Declined	5	2.1%
Family	15	6.3%
Human Resources	46	19.3%
Manager/Supervisor	5	2.1%
Orientation	2	0.8%
Other (Includes Clin Assess)	91	38.2%
Previous Member	38	16.0%
Promotional Material	21	8.8%
Self-Referred	3	1.3%
Website	2	0.8%

Top Referral Sources



Live Well

Member Services Demographics

Employee Work Status	#
Non-Management	102
Management	5
Terminated	0
Retired	0
Student	0
Declined	28
Total	135

Age	#
20 and Under	26
21-30	20
31-40	53
41-50	72
51-60	55
Over 60	11
Declined	1
Total	238

Gender	#
Female	143
Male	71
Unspecified	24
Total	238

Employee / Dependent Status	#
Dependent	103
Employee	135
Total	238

Union Status	#
Non Union	22
Union	3
Total	25

Geographic Breakdown

State	Percent
NV	98.32%



Live Well

Primary Presenting Issues

Unhealthy Habits	#
Alcohol	12
Drug	1
Eating	1
Gambling	0
Internet	0
Sex	0
Tobacco	0
Other	0
Childhood	#
ADD/ADHD	0
Behavior Problems	3
Learning Disabilities	1
Other	5
Member Inquiry	#
EAP Benefit Inquiry	0
HRA/Stress Assessment	0
Other	1
Declined	#
Declined to Share	0

Personal	#
Anger Management	8
Anxiety	7
Depression	17
Grief/Loss	13
LGBT	0
Self-Esteem	0
Spiritual/Religious Concerns	0
Stress	19
Victimization/Trauma	8
Other	9
Relationship	#
Divorce/Separation	10
Family	30
Parent-Child	4
Spouse/Significant Other	28
Other	2
Risk of Violence	#
Abuse of Child/Elder/Disabled	0
Domestic Violence	1
Homicidal Thoughts	0
Self-Harming Behavior	0
Suicidal Thoughts	0
Threat of Workplace Violence	2
Other	0

Life Management	#
Academics	0
Adoption	0
Adult Care	0
Child Care	0
Concierge Services	0
Financial	2
Health Issues	0
Housing	1
Legal	34
Pregnancy/Prenatal	0
Transportation	0
Other	0
Workplace Issues	#
Absenteeism	0
Conflict - Co-worker(s)	1
Conflict - Management	2
Critical Incident	0
Harassment in Workplace	0
Loss/Reduction	1
Performance	3
Stress	11
Other	1

Primary Assessed Issues

Unhealthy Habits	#
Alcohol	9
Drug	0
Eating	0
Gambling	0
Internet	0
Sex	0
Tobacco	0
Other	0
Childhood	#
ADD/ADHD	0
Behavior Problems	1
Learning Disabilities	0
Other	0
Member Inquiry	#
EAP Benefit Inquiry	0
HRA/Stress Assessment	0
Other	0
Declined	#
Declined to Share	0

Personal	#
Anger Management	6
Anxiety	2
Depression	2
Grief/Loss	3
LGBT	0
Self-Esteem	0
Spiritual/Religious Concerns	0
Stress	2
Victimization/Trauma	1
Other	0
Relationship	#
Divorce/Separation	7
Family	9
Parent-Child	8
Spouse/Significant Other	0
Other	3
Risk of Violence	#
Abuse of Child/Elder/Disabled	0
Domestic Violence	0
Homicidal Thoughts	0
Self-Harming Behavior	0
Suicidal Thoughts	1
Threat of Workplace Violence	1
Other	1

Life Management	#
Academics	0
Adoption	0
Adult Care	0
Child Care	0
Concierge Services	0
Financial	0
Health Issues	0
Housing	0
Legal	0
Pregnancy/Prenatal	1
Transportation	0
Other	0
Workplace Issues	#
Absenteeism	0
Conflict - Co-worker(s)	2
Conflict - Management	1
Critical Incident	1
Harassment in Workplace	0
Loss/Reduction	0
Performance	2
Stress	16
Other	3



Face to Face Closed Cases & Referrals

Statistics	
Total Closed Authorizations	147
Average Number of Used Sessions	2.4

Closed Sessions	#	%
Face to Face Consultation Referral	276	93.5%
Management Referral - Informal	0	0.0%
Management Referral - Formal	7	2.4%
Management Referral - Mandatory	12	4.1%
Total	295	100.0%

Resolution Statistics	#	%
Resolved within EAP	47	36.4%
Member Referred	66	51.2%
Member Withdrew	16	12.4%

Referral	
Community Resources	13
Insurance Plan	45
Total	58

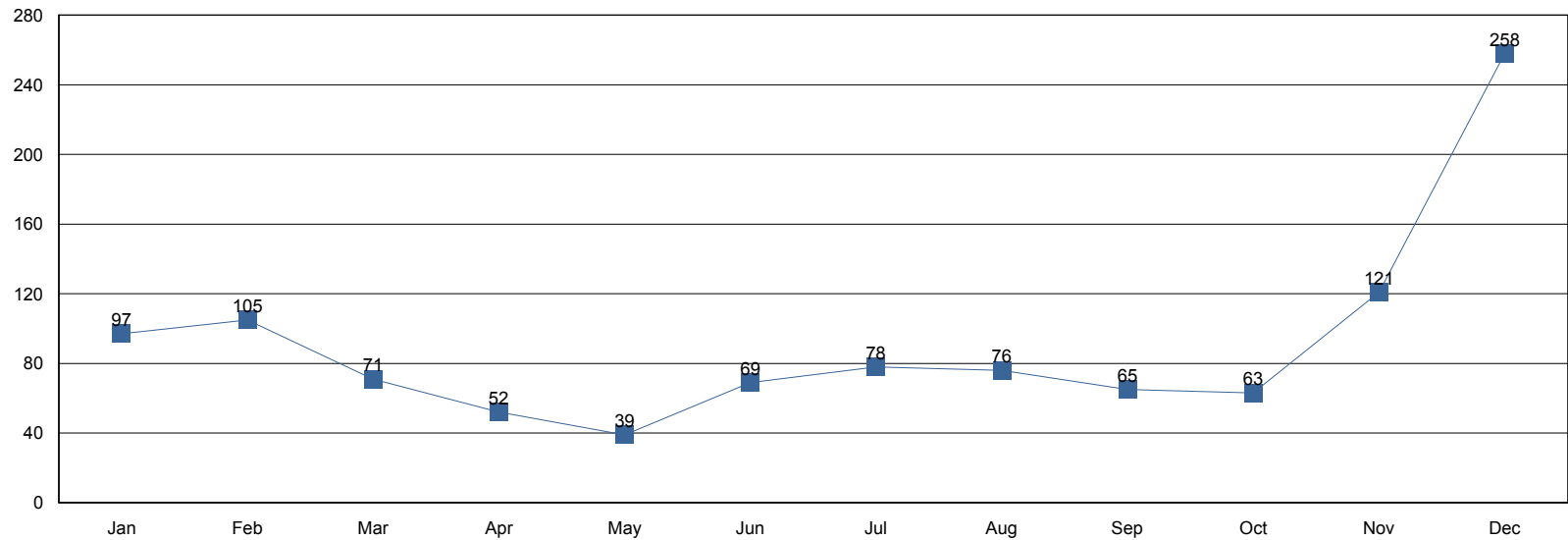
Referrals Provided	Total
IP Chem Dep	0
IP Medical	0
IP Psychiatric	0
OP Chem Dep	2
OP Medical	3
OP Psychiatric	16
Licensed Counselor	42
Psychiatrist	7
Psychologist	13
Residential CD	0
Social Worker	12
12 Step Group	2
Career Counseling	0
Community Agency	0
Education Class	1
Financial	1
Human Resources	0
Legal	0
Self Help Group	2
WorkLife	3
Group Treatment	0
Other	2
Total	106

Web Content Access

Topic Analysis	#
My Family	101
My Health	418
My Time	19
My Money	94
My Benefits	398
Manager Services	64
Total	1,094

Web Log In	470
-------------------	------------

Total Website Pages Visited



Live Well

Management Consultations & Referrals

Informal Referrals	Count	%
Alcohol / Drug	0	0.0%
Anger Management	0	0.0%
Code of Conduct	0	0.0%
Emotional / Psychological Stability	0	0.0%
Fitness for Duty	0	0.0%
Grief / Trauma	0	0.0%
Harassment in the Workplace	0	0.0%
Performance Issues	0	0.0%
Positive Alcohol / Drug Screen	0	0.0%
Substance Abuse Professional / Dept. of Transportation	0	0.0%
Suicidal	0	0.0%
Threat of Violence	0	0.0%
Other	0	0.0%
Total	0	100.0%
Mandatory Referrals	Count	%
Alcohol / Drug	5	41.7%
Anger Management	4	33.3%
Code of Conduct	1	8.3%
Emotional / Psychological Stability	0	0.0%
Fitness for Duty	0	0.0%
Grief / Trauma	1	8.3%
Harassment in the Workplace	0	0.0%
Performance Issues	0	0.0%
Positive Alcohol / Drug Screen	0	0.0%
Substance Abuse Professional / Dept. of Transportation	0	0.0%
Suicidal	0	0.0%
Threat of Violence	1	8.3%
Other	0	0.0%
Total	12	100.0%

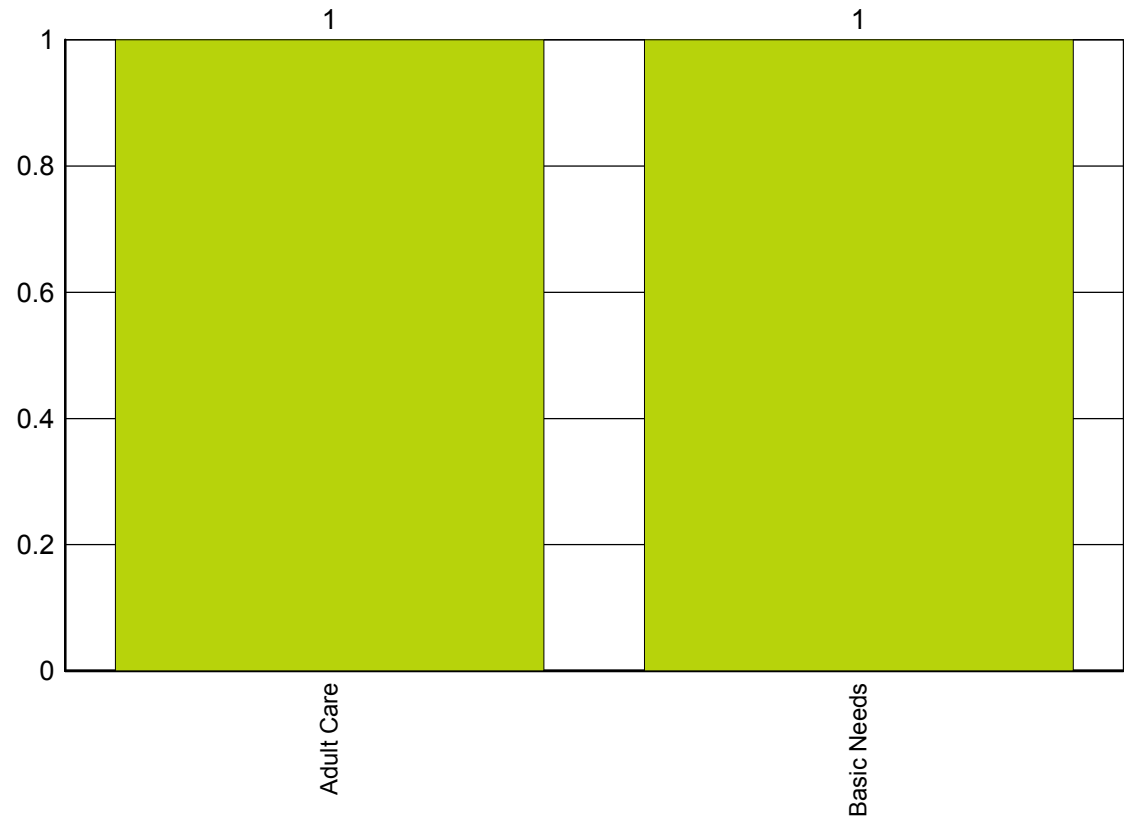
Formal Referrals	Count	%
Alcohol / Drug	1	14.3%
Anger Management	1	14.3%
Code of Conduct	1	14.3%
Emotional / Psychological Stability	0	0.0%
Fitness for Duty	0	0.0%
Grief / Trauma	0	0.0%
Harassment in the Workplace	0	0.0%
Performance Issues	4	57.1%
Positive Alcohol / Drug Screen	0	0.0%
Substance Abuse Professional / Dept. of Transportation	0	0.0%
Suicidal	0	0.0%
Threat of Violence	0	0.0%
Other	0	0.0%
Total	7	100.0%
Consult Type	Count	%
Alcohol / Drug	4	12.5%
Anger Management	5	15.6%
Code of Conduct	10	31.3%
Emotional / Psychological Stability	1	3.1%
Fitness for Duty	1	3.1%
Grief / Trauma	1	3.1%
Harassment in the Workplace	2	6.3%
Performance Issues	3	9.4%
Positive Alcohol / Drug Screen	1	3.1%
Substance Abuse Professional / Dept. of Transportation	0	0.0%
Suicidal	0	0.0%
Threat of Violence	1	3.1%
Other	3	9.4%
Total	32	100.0%



Live Well

WorkLife Cases

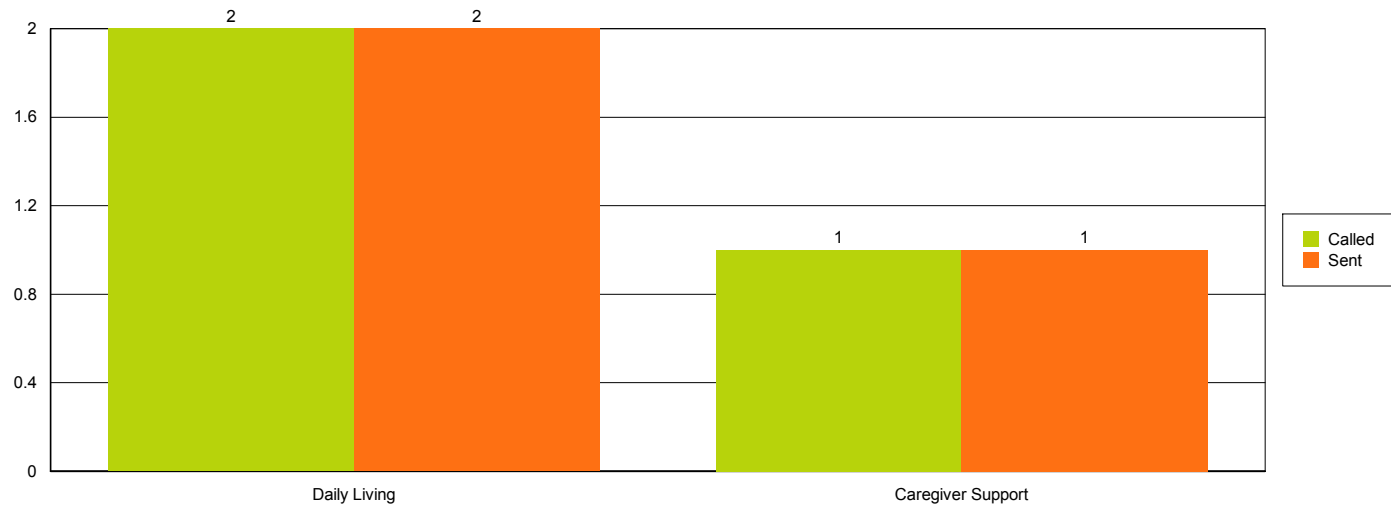
Case Type	Number
Adult Care	1
Care Kits	0
Child Care	0
Concierge	0
Convenience	0
Elder Care	0
Financial Counseling	0
Identity Theft	0
Legal Services	0
Will Kits	0
Basic Needs	1
Research Request	0
Total	2



Live Well

WorkLife Provider Consultations

Provider	Called	Sent
Daily Living	2	2
Child Care	0	0
Residential Adult Care	0	0
In-Home Adult Care	0	0
Support Services	0	0
Caregiver Support	1	1
Total	3	3



Training Overview

Date	Name of Seminar	Account / Division	Location	Participants	Hours
03/31/2011	Working with Different Personalities	NEVADA POOL PACT MUNICIPALITIES	,	30	1.00
06/22/2011	Respect in the Workplace	NEVADA POOL PACT MUNICIPALITIES	,	23	1.00
09/27/2011	Boundaries in the Workplace	NEVADA POOL PACT TOWNS/ SPECIAL DISTRICTS/ OTHERS	Webinar,	19	1.00
12/14/2011	The Balancing Act	NEVADA POOL PACT TOWNS/ SPECIAL DISTRICTS/ OTHERS	Webinar PDT,	7	1.00
Total				79	4.00



Live Well

Critical Incident On-Site Services Overview

Date	Reason	Account / Division	Location	Participants	Hours
01/31/2011	Homicide	NEVADA POOL PACT HOSPITALS	Mesquite, NV	4	0.00
02/01/2011	Homicide	NEVADA POOL PACT HOSPITALS	Mesquite, NV	5	9.00
06/03/2011	Workplace Shooting	NEVADA POOL PACT MUNICIPALITIES	Fallon NV	17	3.00
Total				26	12.00



Live Well

Critical Incident Consultation Overview

Date	Reason	Location	Priority
01/25/2011	Homicide	Mesquite, NV	Level 1
06/03/2011	Workplace Shooting	Fallon, NV	Level 1
09/18/2011	Death (grief)	Ely, NV	

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

AETNA BEHAVIORAL HEALTH, LLC

This Employee Assistance Program Services Agreement (hereinafter, the "Services Agreement") is made and entered into by and between Aetna Behavioral Health, LLC, on behalf of itself and its affiliates (hereinafter "Company"), and Nevada Public Agency Insurance Pool and Public Agency Compensation Trust (hereinafter "Customer").

WHEREAS, Customer has established an employee assistance program ("EAP") for certain eligible individuals; and

WHEREAS, Customer also desires to engage the services of Company to provide EAP services and WorkLife and other additional EAP services which are defined in this Agreement (the "Services"),

THEREFORE, in consideration of the mutual covenants and promises stated herein and other good and valuable consideration, the parties hereby enter into this Services Agreement. This Services Agreement includes and incorporates by reference the attached **General Conditions Addendum, Description of EAP Services Addendum, Description of Work/Life Services Addendum, and Service and Fee Schedule and Health Insurance Portability and Accountability Act (HIPAA) Addendum.**

Customer hereby elects to receive the Services set forth in the **Service and Fee Schedule** attached hereto and made a part hereof. The corresponding Service Fees are specified in the **Service and Fee Schedule**, which shall be amended for future periods, in accordance with Section 3 of the **General Conditions Addendum**, to reflect the Services elected and corresponding Service Fees for such periods.

This Services Agreement constitutes the complete and exclusive contract between the parties and supersedes any and all prior or contemporaneous oral or written communications or proposals not expressly included herein. Notwithstanding Section 3 of the **General Conditions Addendum**, no modification or amendment of this Services Agreement shall be valid unless contained in a writing signed by a duly authorized representative of Company and a duly authorized representative of Customer. By executing this Services Agreement, Customer acknowledges and agrees that it has reviewed all terms and conditions incorporated into this Services Agreement and intends to be legally bound by the same.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

The Effective Date of this Services Agreement shall be: **July 1, 2012.**

IN WITNESS WHEREOF, the parties hereto have caused this Services Agreement to be executed by their duly authorized representatives.

**NEVADA PUBLIC AGENCY INSURANCE
POOL AND PUBLIC AGENCY
COMPENSATION TRUST**

AETNA BEHAVIORAL HEALTH, LLC

Signed By:

Signed By:

Printed Name

Title

Date

Printed Name: Hyong Un, MD

Title: Head of EAP and Chief Psychiatric Officer

Date:

**NEVADA PUBLIC AGENCY INSURANCE
POOL AND PUBLIC AGENCY
COMPENSATION TRUST**

Signed By:

Printed Name

Title

Date

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

GENERAL CONDITIONS ADDENDUM

Definitions: In this General Conditions Addendum and in all attachments to this Services Agreement:

- (A) "Employee" means any person eligible to receive Services under this Agreement by virtue of being a current employee of Customer, and not designated a temporary employee, and eligible family members, including domestic partners, household members, dependents (includes adult children up to the age of 26), employees of subsidiaries and affiliates of Customer who are reported by Customer, in writing, to Company for inclusion in this Services Agreement. The term "Employee" also refers to ex-employees of Customer determined by Customer (and reported, in writing, to Company) to be eligible to receive Services pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA).
- (B) "Dependent" means any person eligible to receive Services under this Agreement as a dependent of an Employee. This includes adult children up to age 26.
- (C) "Members" means Employees and Dependents covered for Services.
- (D) The term "Service Fees" shall have the meaning set forth in Section 3 of this General Conditions Addendum.
- (E) The term "Services Agreement Period" shall have the meaning set forth in Section 2 of this General Conditions Addendum.
- (F) The term "Services" shall have the meaning set forth in Section 1 of this General Conditions Addendum.

The following are the terms and conditions under which Company agrees to perform Services for Customer:

1. **Purpose.** Customer will purchase and Company will provide to Customer the Services designated in this Services Agreement and such other services Customer requests of Company and Company agrees in writing to perform, as described in the **Service and Fee Schedule** and the **Description of Services Addenda** (the "Services").
2. **Term.** The initial term of this Services Agreement shall commence on the Effective Date and shall continue to the first anniversary of the Effective Date, unless terminated by either party in accordance with Section 4 of this **General Conditions Addendum**. Following the initial term, this Services Agreement shall be automatically renewed from year to year, unless terminated by either party in accordance with Section 4 of this General Conditions Addendum. The initial term and subsequent year to year renewals shall hereafter be referred to as "Services Agreement Periods."
3. **Service Fees; Renewals.** The Service Fees payable by Customer to Company for the Services shall be determined in accordance with the **Service and Fee Schedule** identified in this Services Agreement. No Services other than those identified in the **Service and Fee Schedule** are included in the Service Fees. The Services to be provided by Company and the Service Fees may be amended by Company in accordance with the terms and conditions of the **Service and Fee Schedule**.
4. **Termination.** The Services Agreement may be terminated by Company or the Customer as follows:
 - (A) **Legal Prohibition** - If any state or other jurisdiction enacts a law which prohibits the continuance of this Services Agreement, or an existing law is interpreted to prohibit the continuance of this Services Agreement, this Services Agreement shall terminate automatically as to such state or jurisdiction on the effective date of such law or interpretation; provided, however, that if only a portion of this Services Agreement is prohibited by such law, only that portion of this Services Agreement shall be affected, and this Services Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.
 - (B) **Customer Termination** - Customer may terminate this Services Agreement with respect to all Employees (including their Dependents) or any group of Employees included under this Services Agreement or any subsidiary or affiliate of Customer that is covered under this Services Agreement by giving Company at least ninety (90) days written notice stating when, after the date of such notice, such termination shall become effective.
 - (C) **Company Termination** -

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

- (1) Company may terminate this Services Agreement by giving to Customer at least ninety (90) days written notice stating when, after the date of such notice, such termination shall become effective.
 - (2) If Customer fails to pay Service Fees by the Payment Due Date, Company shall have the right to suspend Services until the Service Fees have been paid. Company may terminate this Services Agreement immediately upon transmission of notice to Customer by mail, facsimile transmission or other means of communication (including electronic mail) if (a) Customer fails to pay such Service Fees within five (5) business days of such notice of unpaid Service Fees by Company, (b) Company determines that Customer will not meet its obligation to pay such Service Fees within such five (5) business days, and/or (c) Company determines that Customer is in material default, or substantial breach, of one or more of its obligations under this Services Agreement.
 - (3) Any acceptance by Company of funds or Service Fees described in paragraph 3 above, after the grace periods specified therein have elapsed and prior to any action by Company to suspend Services or terminate this Services Agreement, shall not constitute a waiver of Company's right to suspend Services or terminate this Services Agreement in accordance with this section with respect to any other failure of Customer to meet its obligations hereunder.
- 5. Customer's Responsibilities.** Where applicable, and on or before the Effective Date, Customer shall furnish to Company a listing of Employees (by zip code of each Employee's place of residence). Thereafter, Customer shall supply to Company, on a monthly basis, Employee counts in a form and manner as reasonably determined by Company. Company shall not be responsible in any manner for any delay or error in the provision of Services caused by the Customer's failure to furnish accurate Employee counts in a timely fashion.
- 6. Services.** Company shall perform the Services set forth in the **Service and Fee Schedule** and the **Description of Services Addenda** identified in this Services Agreement. Customer acknowledges that Company may utilize the services of external contractors in performing these Services.
- 7. Records.** Company or one of its affiliates or authorized agents, may, at its own discretion, use Documentation (defined herein) for legitimate EAP related purposes such as: provider payment and fraud prevention; quality improvement/management assessment; fulfilling certain state and federal requirements; and statistical research. The term "Documentation" refers to all documents, records, reports, and data, including data recorded in Company's data processing systems, related to the receipt, processing, and payment of EAP provider claims for Services provided, including all claim histories.
- 8. Indemnification.**
- (A) Company shall indemnify and hold harmless Customer, its directors, officers, employees (acting in the course of their employment, but not as Members) for that portion of any third party loss, liability, damage, expense, settlement, cost or obligation (including reasonable attorneys' fees) caused solely and directly by Company's willful misconduct, criminal conduct, breach of this Services Agreement, fraud, breach of fiduciary responsibility (as applicable), or failure to comply with Section 6 above, related to or arising out of the Services provided under this Services Agreement.
 - (B) Except as provided in (A) above, Customer shall indemnify and hold harmless Company, its affiliates and their respective directors, officers, and employees for that portion of any third party loss, liability, damage, expense, settlement, cost or obligation (including reasonable attorney's fees): (i) which was caused solely and directly by Customer's willful misconduct, criminal conduct, breach of this Services Agreement, fraud, breach of fiduciary responsibility (as applicable), or failure to comply with Section 6 above, related to or arising out of this Services Agreement or Customer's role as employer; (ii) in connection with the release or transfer of Member-identifiable information to Customer or a third party designated by Customer, or the use or further disclosure of such information by Customer or such third party; or (iii) resulting from or arising out of claims, demands or lawsuits brought against Company in connection with Services provided under this Services Agreement.
 - (C) The party seeking indemnification under (A) or (B) above must notify the indemnifying party within 20 days in writing of any actual or threatened action, suit or proceeding to which it claims such indemnification applies. Failure to so notify the indemnifying party shall not be deemed a waiver of the right to seek indemnification, unless the actions of the

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

indemnifying party have been prejudiced by the failure of the other party to provide notice within the required time period.

The indemnifying party may then take steps to be joined as a party to such proceeding, and the party seeking indemnification shall not oppose any such joinder. Whether or not such joinder takes place, the indemnifying party shall provide the defense with respect to claims to which this Section applies and in doing so shall have the right to control the defense and settlement with respect to such claims.

The party seeking indemnification may assume responsibility for the direction of its own defense at any time, including the right to settle or compromise any claim against it without the consent of the indemnifying party, provided that in doing so it shall be deemed to have waived its right to indemnification except in cases where the indemnifying party has declined to defend against the claim.

- (D) Customer and Company agree that, except for counseling services provided by an EAP clinician employed by Company:
 - (i) Company does not render medical services or treatments to Members;
 - (ii) neither Customer nor Company is responsible for the health care that is delivered by contracting health care providers;
 - (iii) contracted health care providers are solely responsible for the health care they deliver to Members;
 - (iv) contracted health care providers are not the agents or employees of Customer or Company; and
 - (v) the indemnification obligations of (A) or (B) above do not apply to any portion of any loss, liability, damage, expense, settlement, cost or obligation caused by the acts or omissions of contracted health care providers with respect to Members.
- (E) The indemnification obligations under (A) above shall not apply to that portion of any loss, liability, damage, expense, settlement, cost or obligation caused by Company's act or omission undertaken at the direction of Customer (other than Services described in this Services Agreement). The indemnification obligations under (B) above shall not apply to that portion of any loss, liability, damage, expense, settlement, cost or obligation undertaken by Customer at the direction of Company, or by any failure, refusal, or omission to act, directed by Company.
- (F) The indemnification obligations under this Section 8 shall terminate upon the expiration of this Agreement, except as to any matter concerning which a claim has been asserted by notice to the other party at the time of such expiration or within two (2) years thereafter.

9. Remedies. Neither party shall be liable to the other for any consequential, incidental or punitive damages whatsoever.

10. Binding Arbitration of Certain Disputes. Any controversy or claim arising out of or relating to this Agreement or the breach, termination, or validity thereof, except for temporary, preliminary, or permanent injunctive relief or any other form of equitable relief, shall be settled by binding arbitration in Hartford, CT administered by the American Arbitration Association ("AAA") and conducted by a sole arbitrator in accordance with the AAA's Commercial Arbitration Rules ("Rules"). The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16, to the exclusion of state laws inconsistent therewith or that would produce a different result, and judgment on the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Except as may be required by law or to the extent necessary in connection with a judicial challenge, or enforcement of an award, neither a party nor the arbitrator may disclose the existence, content, record or results of an arbitration. Fourteen (14) calendar days before the hearing, the parties will exchange and provide to the arbitrator (a) a list of witnesses they intend to call (including any experts) with a short description of the anticipated direct testimony of each witness and an estimate of the length thereof, and (b) premarked copies of all exhibits they intend to use at the hearing. Depositions for discovery purposes shall not be permitted. The arbitrator may award only monetary relief and is not empowered to award damages other than compensatory damages.

11. Confidentiality.

- (A) Each party acknowledges that performance of this Services Agreement may involve access to and disclosure of data, rates, procedures, materials, lists, systems and information (collectively "Confidential Information") belonging to the other. The parties further acknowledge and agree that Company operates in a highly regulated and competitive environment and that the unauthorized disclosure or use of Confidential Information will cause irreparable harm and significant injury to Company which will be difficult to measure with certainty or to compensate through monetary damage. Accordingly, the parties agree that injunctive or other equitable relief shall be appropriate in the event of any breach by the Customer or their agents related to Confidential Information, in addition to such other remedies as may be

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

available to Company at law. No Confidential Information shall be disclosed to any third party other than representatives of such party who have a need to know such Information, provided that such representatives are informed of the confidentiality provisions hereof and agree to abide by them. All such Information must be maintained in strict confidence. In addition, each party will maintain the confidentiality of EAP records and confidential client information as required by law. Upon termination of this Services Agreement, each party, upon the request of the other, will return or destroy all copies of all of the other's Confidential Information in its possession or control except to the extent such Information must be retained pursuant to applicable law, provided, however, that Company may retain copies of any such Information it deems necessary for the defense of litigation concerning the Services it provided under this Services Agreement. Customer agrees that Company may make lawful references to Customer in its marketing activities and in informing EAP providers as to the organizations and plans for which Services are to be provided. Each party will execute and cause its employees and agents to execute any documents the other reasonably requires in connection with this confidentiality provision.

(B) Customer acknowledges that compliance with the provisions of the foregoing paragraph (A) are necessary to protect the business and good will of Company and its affiliates and that any actual or prospective breach will irreparably cause damage to Company or its affiliates for which money damages may not be adequate. Customer therefore agrees that if Customer breaches or attempts to breach paragraph (A) hereof, Company or an affiliate shall be entitled to obtain temporary, preliminary and permanent equitable relief, without bond, to restrain such breaches, together with any and all other legal and equitable remedies available under applicable law or under this Services Agreement. Company shall be entitled to recover from Customer the attorneys' fees and costs Company expends in any action related to such breach or attempted breach.

12. Relationship of the Parties. It is understood and agreed that Company is an independent contractor with respect to all Services being performed pursuant to this Services Agreement. Company makes no guarantee and disclaims any obligation to make any specific EAP providers or any particular number of EAP providers available for use by Members.

13. Subcontractors. The work to be performed by Company under this Services Agreement may, at Company's sole discretion, be performed in part through a subsidiary or affiliate or under a contract with an organization as determined by Company.

14. Communications. Company and Customer shall be entitled to rely upon any communication believed by them to be genuine and to have been signed or presented by the proper party or parties.

Neither party shall be bound by any notice, direction, requisition or request unless and until it shall have been received in writing at (i) in the case of Aetna, 4300 Centreway Place, Mail Code: 756, Arlington, TX 76018, Attention: Product Head—Employee Assistance Program, (ii) in the case of the Customer, at the address shown below, or (iii) at such other address as either party specifies for the purposes of this Services Agreement by notice in writing addressed to the other party. Notices or communications shall be sent by certified mail, return receipt requested.

Nevada Public Agency Insurance Pool and Public Agency Compensation Trust
201 South Roop Street, Suite 102
Carson City, NV 89703
Attn: Wayne Carlson

15. Force Majeure. Company shall not be liable for any failure to meet any of the obligations or provide any of the Services or benefits specified or required under this Services Agreement where such failure to perform is due to any contingency beyond the reasonable control of Company, its employees, officers or directors. Such contingencies include, but are not limited to: acts or omissions of any person or entity not employed or reasonably controlled by Company, its employees, officers or directors; acts of God; fires; wars; accidents; labor disputes or shortages; governmental laws, ordinances, rules, regulations, or the opinions rendered by any Court, whether valid or invalid.

16. Compliance. Customer and Company shall remain, throughout the term of this Services Agreement, in compliance with all applicable federal and state and federal laws and regulations, including HIPAA, related to this Services Agreement and the Services to be provided hereunder. Accordingly the parties agree to the terms of the HIPAA Business Associate Agreement, which is attached hereto as Appendix A and made a part of this agreement hereof.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

17. Miscellaneous. The Services Agreement shall be governed by and interpreted in accordance with applicable federal law. To the extent such federal law does not govern, this Services Agreement shall be governed by Connecticut law and the courts in such state shall have sole and exclusive jurisdiction of any dispute related hereto or arising hereunder. No delay or failure of either party in exercising any right hereunder shall be deemed to constitute a waiver of that right. There are no intended third party beneficiaries of this Services Agreement. The headings in this Services Agreement are for reference only and shall not affect the interpretation or construction of this Services Agreement.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

DESCRIPTION OF EAP SERVICES ADDENDUM

Subject to the terms and conditions of this Services Agreement, the EAP Services available from Company are described below. Unless otherwise agreed to in writing, only the EAP Services selected by Customer in the **Service and Fee Schedule** (as modified by Company from time to time pursuant to Section 3 of the **General Conditions Addendum**) will be provided by Company. Additional EAP Services may be provided at Customer's written request under the terms of this Services Agreement.

1. **UNLIMITED TELEPHONIC ACCESS:** Unlimited telephonic access to the Company EAP call center staff, available 24 hours per day, 7 days per week, 365 days per year.
2. **COUNSELING SESSIONS:** A face-to-face clinical session of at least 45 minutes in duration with a contracted EAP provider. Each member is entitled, annually, to the number of counseling sessions per problem as set forth herein in the Service and Fee Schedule (e.g., three counseling sessions per member per problem under the 3-Session EAP Model).
3. **PROVIDER NETWORK:** Appropriately credentialed and contracted mental health professionals (hereinafter "EAP providers") qualified to provide Services to Company Members. EAP Providers include, but are not limited to: social workers, licensed professional counselors, marriage and family therapists, master's level psychiatric nurses and psychologists.
4. **TRAINING AND EDUCATION:** The term "Training and Education" refers to training, provided by Company, or a Company Contracted educator to the Customer, concerning general behavioral health and work/life issues. This training may be provided in different ways, i.e. in-person, telephonically, or web-based.
 - **EMPLOYEE ORIENTATION MEETINGS:** On-site meetings to acquaint Eligible Employees with the operation of the Employee Assistance Program and to encourage them to use the Employee Assistance Program.
 - **SUPERVISOR ORIENTATION TRAINING:** Training programs for Eligible Employees who are providing supervision to others as part of their day-to-day duties. The purpose of this training program will be to acquaint supervisors with the operation of the Employee Assistance Program and to motivate them to encourage Covered persons to use the Employee Assistance Program.
 - **STANDARD TRAININGS:** On-site hours of EAP trainings on such topics as stress management, smoking cessation and effective communication at work. Company will also provide web-based seminars, in which participants view the presentation through their web browser and listen to the audio through their telephone.
 - **AWARENESS TRAININGS:** Awareness Trainings on topics such as Department of Transportation (DOT) Drug/Alcohol Awareness, Diversity in the Workplace, Drug Free Workplace, Sexual Harassment for Employees, and Violence in the Workplace.
5. **MANAGEMENT SERVICES:**
 - **MANAGEMENT CONSULTATION:** A telephonic resource for managers, supervisors, and human resources professionals to assist in identifying and resolving workplace issues and promoting a productive workforce. Issues may include but are not limited to employee personal and family issues, behavioral health concerns, workplace conflict, workplace crisis and other disruptions, substance abuse, threats of violence and employee performance concerns. This includes the provisions of guidance to the Customer in making voluntary referrals for employees to the EAP.
 - **MANDATORY REFERRALS:** Case management to assist Customer and employees in addressing significant workplace performance issues. Mandatory referrals are used to monitor compliance with the EAP provider's recommendations, wherein the EAP, with appropriate executed release of information forms, confirms the employee's participation in and compliance with the Program.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

- **DRUG FREE WORKPLACE SERVICES:** Suite of services to assist Customer in managing workplace related employee substance mis-use and/or disclosure of substance abuse in the workplace. Services for general employer industries include Company EAP case management of mandatory referrals related to workplace impacted substance abuse, as well as management consultation services as described above. Services for transportation related industries, such as employers who are regulated by DOT, FMCSA, FAA, FRA, FTA, PHMSA, etc., include substance abuse case management by a Substance Abuse Professional (SAP) for Department of Transportation regulation compliance. Additional service for transportation regulated employees includes DOT training to meet Drug-Free Workplace regulations regarding drug and alcohol awareness available through American Substance Abuse Professionals (ASAP) or comparable SAP provider. A variety of training formats are available, including on-site, on-line or video.
 - **FITNESS FOR DUTY (FFD) CONSULTATION AND COORDINATION:** A Fitness for Duty Evaluation is a forensic evaluation completed by a specially trained psychologist, psychiatrist, outside the EAP, for the purpose of evaluating an employee's ability to safely perform the functions of their job, assess organizational and behavioral risk, and provide a report recommending steps needed to be taken to minimize employer risk in returning the employee to work. Typically, the evaluation includes some or all of the following: clinical interview, psychological testing, and collateral interviews, and it is not seen as therapy. While the EAP does not directly conduct independent Fitness for Duty Evaluations, the EAP can assist Employers with decisions regarding the need for an independent Fitness for Duty Evaluation, and can recommend qualified FFD facilitator choices. In addition, the EAP may facilitate the coordination with the FFD providers, and/or may upon request, review FFD paperwork before it is sent to the Employer. However, it remains solely the Employer's responsibility to decide whether to refer an employee for a Fitness for Duty Evaluation. All decisions, regarding returning to work, retaining or dismissing employees remain with the Employer. In addition, the Employer is responsible for working directly with the EAP identified FFD provider as well as directly making payment arrangements for the Fitness for Duty Evaluation.
 - **SUBSTANCE ABUSE PROFESSIONAL (SAP) CONSULTATION AND CONTACT INFORMATION:** Upon request of Employer, for drug and alcohol cases that fall under the Department of Transportation (DOT) guidelines, Company shall provide initial and ongoing management consultation on DOT issues. Company will further provide contact information of local providers in our specialized network of qualified Substance Abuse Professionals. The Employer is responsible for choosing and working directly with the SAP, as well as performing Follow-up, Compliance and Aftercare attendance monitoring. The Employer is responsible for payment of the SAP and determines whether the employee or employer pays SAP fees as well as recommended treatment costs.
 - **COMPREHENSIVE SUBSTANCE ABUSE PROFESSIONAL (SAP) SERVICES:** Upon request of Employer, for drug and alcohol cases that fall under the Department of Transportation (DOT) guidelines, Company shall provide initial and ongoing management consultation, initial and follow up SAP evaluation, as well as case management throughout the Substance Abuse Professional (SAP) aftercare recommendations. Company shall refer to a qualified SAP to conduct initial assessment and provide treatment recommendations, follow-up testing schedule, referral to treatment resource and compliance meeting, as defined by Department of Transportation (DOT) SAP guidelines. After an Eligible Employee's return to the workplace, and upon request of Employer, Company shall provide ongoing case management through completion of aftercare recommendations. Per DOT Regulation, Employer has final decision-making authority regarding the return of an Eligible Employee to the workplace. If a referral to a treatment resource occurs, Eligible Employee will be responsible for the cost of services provided by the treatment source.
6. **CRITICAL INCIDENT STRESS MANAGEMENT (CISM)/CRITICAL INCIDENT:** Company will make available to Employer, upon its request, at Employer's premises, an EAP Provider to provide crisis counseling to Employer's employees in the event of a catastrophic incident affecting a group of employees (e.g. robbery, assault in the workplace, employee death in the workplace, natural catastrophe affecting the workplace, employee injury in the workplace). Company will schedule a CISM at the worksite with a group of employees directly impacted by a critical incident as soon as clinically necessary following the traumatic event.
- **REDUCTION IN FORCE:** The process by which a work organization reduces its work force by eliminating jobs, such as closing subsidiaries or departments. On-site services could be either group process or onsite counseling or a combination of both.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

7. **INTERACTIVE WEB SITE:** An online display/publication of materials and information that may otherwise be reviewed in hard copy, accessed through the Internet.
8. **COMMUNICATION AND PROMOTIONAL MATERIALS:** Information provided to Employees and management about EAP Services, including, in part, how EAP Services can be accessed for consultation and assistance. The communications and promotional resources may include template e-mails, letters, flyers, wallet cards, and posters for Employees and management. Certain of these materials can be customized by the Customer. Company will provide reasonable quantities of printed materials in support of implementation and/or on an annual basis at Customer's request at no cost. Reasonable quantities are defined as up to 120% of the number of eligible Employees for items such as flyers or brochures; a quantity up to 5% of the number of eligible Employees for items such as posters; and a quantity of up to 20% of anticipated attendees at health fairs for other promotional items. Requests exceeding these quantities may incur an additional fee.
9. **MANAGEMENT REPORTS:** A specific collection of data and narrative information designed to inform the Customer about the overall utilization of the program. Customer will receive such reports on a quarterly electronic basis. If for any 2 consecutive reporting periods there is less than 1% utilization, reporting frequency will default to annual reporting.
10. **INTAKE MODEL:**
 - **STANDARD MODEL:** Initial intake calls answered by a care management associate /customer service representative.
11. **LEGAL, FINANCIAL, and IDENTITY THEFT SERVICES:** Services provided through the EAP that include:
 - Legal Service includes:
 - a. ½ hour Initial Consultation with selected Plan Attorney on an unlimited number of new Legal Topics (each plan year) in any of the following areas:
 - General law (certain topic areas are excluded, including employment law, etc.)
 - Mediation Services
 - Special Needs, including emergency matters
 - Document preparation.
 - b. If members choose to continue with the Plan attorney and hire that attorney on their own, they will receive 25% off of the fees for services beyond the initial consultation (excluding flat legal fees, contingency fees, and plan mediator services).
 - c. Services available during regular business hours (9 am to 8 pm EST Mon-Fri, federally recognized holidays excepted, 24/7 back-up service with on-call staff available), unless otherwise agreed to by the individual Plan Attorney; and
 - d. All Initial Consultations (and discounted consultations) must be for legal matters related to the Employee and eligible household members.
 - Financial Service includes:
 - a. ½ hour Initial Consultation with the selected Plan Financial Counselor on an unlimited number of new Financial Counseling Topics each plan year.
 - b. Financial counseling topics include Budgeting, Credit, Debt, Retirement, College Planning, Buying vs. Leasing, Mortgages/Refinancing, Financial Planning, Tax Questions, Tax Preparation, IRS Matters, Tax Levies and Garnishments, Consumer Credit Counseling, and Community Services.
 - c. A discount of 25% off the tax preparation services.
 - d. Individual Employees have the option to purchase My Secure Advantage for a monthly nominal fee.
 - Identity Services include:
 - a. 1-hour telephonic fraud resolution consultation for Identity Theft.
 - b. Coaching and direction on prevention and restoring credit for victims of Identity Theft.
 - c. Free Identity Theft Emergency Response Kit for victims of Identity Theft.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

- d. Individual Employees have the option to purchase My Secure Advantage ID Protect for a monthly nominal fee.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

DESCRIPTION OF WORK/LIFE SERVICES ADDENDUM

Subject to the terms and conditions of this Services Agreement, the WorkLife Services available from Company are described below. Unless otherwise agreed to in writing, only the WorkLife Services selected by Customer in the **Service and Fee Schedule** (as modified by Company from time to time pursuant to Section 3 of the **General Conditions Addendum**) will be provided by Company. Additional WorkLife Services may be provided at Customer's written request under the terms and conditions and at a fee mutually agreed to by the parties.

1. UNLIMITED TELEPHONIC ACCESS: Unlimited telephonic access to the call center staff, available 24 hours per day, 7 days per week, 365 days per year

2. CAREGIVING SERVICES: Services that include consultation, information, education and referral services in connection with, in part, adoption, child care, parenting, temporary back-up care, summer care, special needs, high-risk adolescents, academic services, education loans, grandparents as parent, adult care, elder care, and disaster resources. Resource packets (kits) may be included with this service.

3. PERSONAL SERVICES: Free educational materials, personalized referrals, and interactive web tools to assist with:

A. Health & Wellness--Children's health; women's health; men's health; seniors' health; weight loss and nutrition; fitness and exercise programs; general health; safety; stress management; information on diseases and conditions; and more.

B. Daily Life--Home improvement; pet care; consumer information; automotive services; relocation; travel; time management; cleaning services; and more.

4. MEMBER WEBSITE:

CORE MEMBER WEBSITE: Access to customizable member website for free webinars, online worklife searches, concierge database, discount program, thousands of articles, videos, and tools on worklife and behavioral health topics.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

SERVICE AND FEE SCHEDULE

Customer hereby elects to receive the Services designated below. The below Service Fees shall be in effect for the first two (2) years of this Services Agreement, beginning upon the Effective Date of this Agreement, and, thereafter, if this Services Agreement is extended by the parties for any additional successive one year term(s), such Service Fees shall be reasonably negotiated by the parties for such successive one year term(s). Notwithstanding the immediately preceding sentence, the below Service Fees shall be amended by Company, from time to time during the first two (2) years of this Agreement and for any future period(s) thereafter, in accordance with the terms of this Service and Fee Schedule.

Services	Service Fees
<p>EAP Session Model</p> <p>Unlimited Telephonic Access</p> <p>with</p> <p>Up to THREE (3) Face-to-Face Counseling Sessions per problem contract year</p> <p>with</p> <p>Legal and Financial Services</p> <p>Identity Theft Services</p>	<p>\$ 0% - 1% Utilization \$0.95 pepm; 1.1% - 2% Utilization \$0.98 pepm; 2.1% - 3% Utilization \$1.03 pepm; 3.1% - 4% Utilization \$1.07 pepm; 4.1% - 5% Utilization \$1.11 pepm; 5.1% - 6% Utilization \$1.17 pepm; 6.1% - 7% Utilization \$1.21 pepm.</p> <p>Utilization calculation is based on Member Usage; plus, Management Consultations.</p>
<p>Worklife Services, including Caregiving Services, Personal Services</p> <p>Core Member Website</p>	<p>Included in the PEPM rates above</p>
<p>Standard Training, Employee Orientation Meetings, Supervisor Orientation and Training</p>	<p>Bank of eight (8) hours to be used for Employee Orientations, Supervisor Orientations and Trainings, and Standard on-site Training Services.</p> <p>Additional hours are \$275.00 per hour, per clinician, plus a charge of \$50.00 per hour of travel to and from the Customer's location.</p> <p>Unlimited Web-based seminars.</p>

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

Services	Service Fees
Training and Education Cancellation Fee	Failure to provide Company three (3) business days' notice of cancellation of a previously scheduled training program may result in a charge of \$275.00 per incident.
Critical Incident Stress Management (CISM)/Critical Incident	CISM Services are limited to 20 hours per incident. There is no limit to the number of CISM incidents. Additional hours are \$325.00 per hour, per clinician.
Critical Incident Stress Management (CISM)/Critical Incident Cancellation Fee	Failure to provide Company with 24 hour notice of cancellation of Workplace Crisis Response Services will result in a charge of \$325.00 per incident.
Reduction in Force	\$325.00 per hour, per clinician, plus a charge of \$50.00 per hour of travel to and from the Customer's location.
Reduction in Force Cancellation Fee	Failure to provide Company with 24 hour notice of cancellation of Reduction in Force will result in a charge of \$325.00 per incident.
Drug Free Workplace Services Substance Abuse Case Management by a Substance Abuse Professional (SAP) and/or Department of Transportation regulation compliance	\$750.00 per case
Awareness Training	\$ 350.00 per hour, per clinician, plus a charge of \$50.00 per hour of travel to and from the Customer's location.
Awareness Training Cancellation Fee	Failure to provide Company with 24 hours notice of cancellation of a previously scheduled awareness training program may result in a charge of \$350.00 per incident.

Company also may adjust Service Fees effective as of the date on which any of the following occurs.

- (1) If, for any Service, there is a 20% change in the number of Employees from the number of Employees assumed in Company's quotation as of the Effective Date of this Services Agreement.
- (2) Change in Services—A material change in Services is requested or initiated by the Customer or by legislative action.
- (3) Premium Taxes or Assessments—If legislative or regulatory action results in the assessment of premium taxes or other like charges as it concerns those Services provided under the terms of this Agreement.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) ADDENDUM

This Addendum between Nevada Public Agency Insurance Pool and Public Agency Compensation Trust (“Customer”) and Aetna Behavioral Health, LLC or any of its corporate affiliates (hereinafter “Company”) is an attachment to the Employee Assistance Program Services Agreement between Company and Customer (the “Agreement”) and is incorporated by reference therein.

In conformity with the regulations at 45 C.F.R. Parts 160-164 (the “Privacy and Security Rules”), Company will, under the following conditions and provisions have access to, maintain, transmit, create and/or receive certain Protected Health Information:

1. Definitions. The following terms shall have the meaning set forth below:
 - (a) C.F.R. “C.F.R.” means the Code of Federal Regulations.
 - (b) Designated Record Set. “Designated Record Set” has the meaning assigned to such term in 45 C.F.R. 164.501.
 - (c) Electronic Protected Health Information. “Electronic Protected Health Information” means information that comes within paragraphs 1(i) or 1(ii) of the definition of “Protected Health Information”, as defined in 45 C.F.R. 160.103.
 - (d) Individual. “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. 164.501 and shall include a person who qualifies as personal representative in accordance with 45 C.F.R. 164.502 (g).
 - (e) Protected Health Information. “Protected Health Information” shall have the same meaning as the term “Protected Health Information”, as defined by 45 C.F.R. 160.103, limited to the information created or received by Company from or on behalf of Customer.
 - (f) Required By Law. “Required By Law” shall have the same meaning as the term “required by law” in 45 C.F.R. 164.501.
 - (g) Secretary. “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (h) Security Incident. “Security Incident” has the meaning assigned to such term in 45 C.F.R. 164.304.
 - (i) Standard Transactions. “Standard Transactions” means the electronic health care transactions for which HIPAA standards have been established, as set forth in 45 C.F.R., Parts 160-162.

2. Obligations and Activities of Company
 - (a) Company agrees to not use or disclose Protected Health Information other than as permitted or required by this Addendum or as Required By Law.
 - (b) Company agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Addendum.
 - (c) Company agrees to mitigate, to the extent practicable, any harmful effect that is known to Company of a use or disclosure of Protected Health Information by Company in violation of the requirements of this Addendum.
 - (d) Company agrees to report to Customer any Security Incident or any use or disclosure of the Protected Health Information not allowed by this Addendum of which it becomes aware, except that, for purposes of the Security Incident reporting requirement, the term “Security Incident” shall not include inconsequential incidents that occur on a daily basis, such as scans, “pings” or other unsuccessful attempts to penetrate computer networks or servers containing electronic PHI maintained by Company.
 - (e) Company agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Company on behalf of Customer, agrees to the same restrictions and conditions that apply through this Addendum to Company with respect to such information.
 - (f) Company agrees to provide access, at the request of Customer, and in the time and manner designated by Customer, to Protected Health Information in a Designated Record Set, to Customer or, as directed by Customer, to an Individual in order to meet the requirements under 45 C.F.R. 164.524.
 - (g) Company agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Customer directs or agrees to pursuant to 45 C.F.R. 164.526 at the request of Customer or an Individual, and in the time and manner designated by Customer.
 - (h) Company agrees to make (i) internal practices, books, and records, including policies and procedures, relating to the use and disclosure of Protected Health Information received from, or created or received by Company on behalf of, Customer, and (ii) policies, procedures, and documentation relating to the safeguarding of Electronic Protected Health Information available to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Customer’s compliance with the Privacy and Security Rules.
 - (i) Company agrees to document such disclosures of Protected Health Information as would be required for Customer to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

- (j) Company agrees to provide to Customer the information collected in accordance with this Section to permit Customer to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. 164.528.
- (k) With respect to Electronic Protected Health Information, Company shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of Customer, as required by 45 C.F.R. Part 164, Subpart C.
- (l) With respect to Electronic Protected Health Information, Company shall ensure that any agent, including a subcontractor, to whom it provides Electronic Protected Health Information, agrees to implement reasonable and appropriate safeguards to protect it.
- (m) If Company conducts any Standard Transactions on behalf of Customer, Company shall comply with the applicable requirements of 45 C.F.R. Parts 160-162.

3. Permitted Uses and Disclosures by Company

3.1 General Use and Disclosure

Except as otherwise provided in this Appendix, Company may use or disclose Protected Health Information to perform its obligations under the Agreement, provided that such use or disclosure would not violate the Privacy and Security Rules if done by Customer or the minimum necessary policies and procedures of Customer.

3.2 Specific Use and Disclosure Provisions

- (a) Except as otherwise provided in this Addendum, Company may use Protected Health Information for the proper management and administration of Company or to carry out the legal responsibilities of Company.
- (b) Except as otherwise provided in this Addendum, Company may disclose Protected Health Information for the proper management and administration of Company, provided that disclosures are Required By Law, or Company obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies Company of any instances of which it is aware in which the confidentiality of the information has been breached.
- (c) Except as otherwise provided in this Appendix, Company may use Protected Health Information to provide data aggregation services to Customer as permitted by 45 C.F.R. 164.504(e)(2)(i)(B).
- (e) Company may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. 164.502(j)(1).

4. Obligations of Customer.

4.1 Provisions for Customer to Inform Company of Privacy Practices and Restrictions

- (a) Customer shall notify Company of any limitation(s) in its notice of privacy practices of Customer in accordance with 45 C.F.R. § 164.520, to the extent that such limitation(s) may affect Company's use or disclosure of Protected Health Information.
- (b) Customer shall provide Company with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes affect Company's uses or disclosures of Protected Health Information.
- (c) Customer agrees that it will not furnish or impose by arrangements with third parties or other Covered Entities or Business Associates special limits or restrictions to the uses and disclosures of its PHI that may impact in any manner the use and disclosure of PHI by Company under the Services Agreement and this Addendum, including, but not limited to, restrictions on the use and/or disclosure of PHI as provided for in 45 C.F.R. 164.522.

4.2 Permissible Requests by Customer

Customer shall not request Company to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy and Security Rules if done by Customer.

5. Term and Termination

- (a) Term. The provisions of this Addendum shall take effect on the effective date of the Agreement and shall terminate when protections are extended to Protected Health Information in accordance with Section 5(c) of this Addendum.
- (b) Termination for Cause. Without limiting the termination rights of the parties pursuant to the Agreement and upon Customer's knowledge of a material breach by Company, Customer shall either:

EMPLOYEE ASSISTANCE PROGRAM SERVICES AGREEMENT

- i. Provide an opportunity for Company to cure the breach or end the violation, or terminate the Agreement, if Company does not cure the breach or end the violation within the time specified by Customer,
- ii. Immediately terminate the Agreement, if cure of such breach is not possible;
- iii. If neither termination nor cure is feasible, Customer shall report the violation to the Secretary.

(c) Effect of Termination.

The parties mutually agree that it is essential for Protected Health Information to be maintained after the expiration of the Agreement for regulatory and other business reasons. The parties further agree that it would be infeasible for Customer to maintain such records because Customer lacks the necessary system and expertise. Accordingly, Customer hereby appoints Company as its custodian for the safe keeping of any record containing Protected Health Information that Company may determine it is appropriate to retain. Notwithstanding the expiration of the Agreement, Company shall extend the protections of this Addendum to such Protected Health Information, and limit further use or disclosure of the Protected Health Information to those purposes that make the return or destruction of the Protected Health Information infeasible

6. Miscellaneous

- (a) Regulatory References. A reference in this Addendum to a section in the Privacy and Security Rules means the section as in effect or as amended, and for which compliance is required.
- (b) Amendment. Upon the enactment of any law or regulation affecting the use or disclosure of Protected Health Information, the safeguarding of Electronic Protected Health Information, or the publication of any decision of a court of the United States or any state relating to any such law or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, either party may, by written notice to the other party, amend the Agreement and this Addendum in such manner as such party determines necessary to comply with such law or regulation. If the other party disagrees with such amendment, it shall so notify the first party in writing within thirty (30) days of the notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, then either of the parties may terminate the Agreement on thirty (30) days written notice to the other party.
- (c) Survival. The respective rights and obligations of Company under Section 5(c) of this Addendum shall survive the termination of this Addendum.
- (d) Interpretation. Any ambiguity in this Addendum shall be resolved in favor of a meaning that permits Customer to comply with the Privacy and Security Rules.
- (e) No third party beneficiary. Nothing express or implied in this Addendum or in the Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations, or liabilities whatsoever.
- (f) Governing Law. This Addendum shall be governed by and construed in accordance with the same internal laws as that of the Agreement

The parties hereto have executed this Addendum with the execution of the Agreement.

**Grant for Provision of
Human Resources Management Services**

Grant No.: P/P 2012

Effective Date: July 1, 2012

Grantee: Pooling Resources, Inc.
201 S. Roop St., Suite 102
Carson City, NV 89701

Grantor: Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
201 S. Roop St., Suite 102
Carson City, NV 89701

Total Grant Amount: \$3,400,000

GRANT SCHEDULE

1. Purpose: The purpose of this Grant is to provide human resources management and consulting services to the Members of Nevada Public Agency Insurance Pool (“POOL”) and of Public Agency Compensation Trust (“PACT”) in order to reduce liability. This effort shall be carried out generally as set forth in the Grantee’s proposed services stated in Exhibit A “Services to be Provided Effective July 1, 2012” attached to this grant.

2. Term: The term of this Grant commences on July 1, 2012 and continues through thirty-six (36) months thereafter unless extended by mutual agreement.

3. Terms and Conditions: This Grant is subject to the terms and conditions set forth in the Exhibit B, entitled “POOL/PACT Grant General Terms and Conditions” attached hereto and any special terms and conditions in this Grant Schedule.

4. Grants Officer’s Representative: The Grants Officer’s Representatives (GOR) representing POOL/PACT under this Grant are the respective chairs of POOL and PACT.

5. Administrative Grants Office (AGO): The Administrative Grants Office for this Grant is the POOL/PACT administrative office, 201 S. Roop St., Suite 102, Carson City, NV 89701-4790, Phone: (775) 885-7475.

6. Grant Funding: This Grant is funded equal monthly installments payable at the end of each month following completion of services. Grantor's obligation to make payments to the Grantee is limited to only those funds obligated by this Grant or by modification to this Grant. Subject to availability of funds and continued satisfactory progress on the Grant as determined by Grantor, Grantor agrees to provide funding according to the following schedule:

Year 1: \$1,050,000
Year 2: \$1,071,000
Year 3: \$1,093,000

The Grantee shall notify the GOR in writing promptly whenever the total Grant amount is expected to exceed the needs of the Grantee for the project period by more than \$50,000 or 5%, whichever is greater.

7. Grant Oversight: The POOL/PACT Executive Committee will oversee compliance with the terms of the grant with the advice of the POOL/PACT Human Resources Oversight Committee who will monitor services delivery, scope and quality and recommend any changes to POOL/PACT.

8. Audit Requirements: As a condition of this grant, all funds shall be audited annually by a qualified independent certified public accountant who shall report financial results and management recommendations to Grantor.

9. Unexpended Grant Funds: Any funds not expended for the purposes set forth in this Grant shall be subject to refund to Grantor, unless otherwise directed by Grantor. Grantor may allow retention of unexpended funds for the purpose of carryover to future grants, expansion or redirection of services or service delivery methods or for any other purpose deemed appropriate by Grantor.

10. Relationship of Grantor and Grantee: Nothing in this grant shall be construed to create an employee-employer relationship between Grantor and Grantee. Grantee shall at all times be considered an independent contractor. Grantee agrees to keep Grantor informed about the services it provides on a regular basis in the form of reports to Grantor and its Human Resources Oversight Committee. In light of Grantee's status as an independent contractor, Grantee acknowledges and agrees that Grantor is not responsible for obtaining and maintaining in effect workers compensation insurance covering Grantee. In accordance with the provisions of Chapter 616A through 616D and 617 of the Nevada Revised Statutes and Chapters 616 and 617 of the Nevada Administrative Code, Grantee agrees to provide Grantor a proper certificate certifying that it has obtained workers compensation insurance covering Grantee during the term of this grant. Grantee agrees to pay any and all premiums necessary to keep said workers' compensation insurance effective through the term of this grant.

Grantor shall not be responsible for any of Grantee's payroll, employee benefits, taxes, licenses, attorney's fees or expense for Grantee's activities not related to the services performed pursuant to this grant.

11. Insurance Requirements: Grantee shall maintain general liability, auto liability and errors or omissions insurance in an amount of at least \$1,000,000 each claim or occurrence and workers compensation insurance as required by law. Certificates evidencing such coverage shall be provided to the AGO for each grant year.

12. Mutual Indemnification and Hold Harmless: Grantee agrees to indemnify, defend and hold harmless Grantor with respect to any claims asserted as a result of any errors, omissions, torts, intentional

torts or other negligence unless the complained of actions were taken at the specific direction of Grantor. Grantor agrees to indemnify, defend and hold harmless Grantee with respect to any claims asserted as a result of any errors, omissions, torts, intentional torts or other negligence unless the complained of actions were taken at the specific direction of Grantee.

13. Cooperation with Legal Counsel: Grantee agrees to cooperate with Grantor’s legal counsel for Grantor’s members in matters affecting such members.

14. Cooperation with Grantor’s Human Resources Oversight Committee: Grantee agrees to cooperate with the Human Resources Oversight Committee regarding provision of the services required in the grant or any modifications made to the grant regarding such services. Grantor’s Human Resources Oversight Committee agrees to cooperate with Grantee.

15. Records: Grantee agrees that all records resulting from services under this grant and held by Grantee on behalf of Grantor shall be maintained and preserved in accordance with the provisions of NRS 239.005 et seq. and shall remain the property of Grantor at all times and will be surrendered to Grantor upon termination or expiration of this grant. Grantee shall be permitted to copy, at its own expense, such portions of the records as may be necessary.

16. Conflicts of Interest: Grantee shall conform to Nevada laws regarding ethics and conflicts of interest and shall disclose any conflicts of interest. Grantor acknowledges that its Executive Director has formed the Grantee organization and serves as an officer and director in Grantee and thus may collect a fee for administration of this grant and therefore shall not consider this as conflict of interest in violation of this provision of the grant.

17. Restrictions on Grantee: Without prior concurrence by Grantor’s Human Resources Oversight Committee and its Grants Officers, Grantee may not perform services to individual members of Grantor on a fee for service or grant basis.

Grantor Acceptance of Grant

Grantee Acceptance of Grant

Michael Rebaleati
Chairman
Nevada Public Agency Insurance Pool

Wayne Carlson
President
Pooling Resources, Inc.

Alan Kalt
Chairman
Public Agency Compensation Trust

SCOPE OF SERVICES 2012/2013 - 2014/2015

Goal: Serve as a business partner with POOL/PACT members to enhance their human resource programs, improve employee/employer relations, and reduce liability.

SERVICE	DESCRIPTION OF SERVICE
Develop and Revise Training Courses	<p>Review and update the most frequently presented courses each year with particular focus on training that is given annually to the same audience.</p> <p>Prepare new trainings on HR related subjects.</p> <p>Develop two new instructor-led training courses annually.</p> <p>Update and revise three instructor-led training courses annually.</p> <p>Remove outdated courses.</p> <p>Offer six regional trainings to be selected and prescheduled; topics to be identified prior to member Service Plan meetings beginning in May of each year.</p> <p>Provide regional workshops utilizing outside resources as appropriate. Large training offerings may be offered in modules when appropriate.</p> <p>Offer four mandatory on-line training courses for new employees including a reporting process to monitor compliance. Mandatory courses include: Bullying in the Workplace; The Impact of Drugs & Alcohol in the Workplace; Unlawful Harassment; and Workplace Violence Awareness.</p> <p>Research and implement new methods to deliver HR trainings, including video conferencing and other technological methods.</p>
Enhance and Market Online Training	<p>Market and continue to promote direct services such as e-learning, HR Briefings, and webinars.</p>
Continue to Improve/Enhance Communications and Access to Information	<p>Conduct HR Briefings, which are 30-40 minute mini-training sessions covering the various aspects of a legal compliance or supervisory practice topic. Briefings are informal discussions designed for small groups. The number and frequency of HR Briefings will be based on the needs of the member organizations. When the mini-trainings are conducted at the member's facility, the business partner will also meet with HR and/or management staff to discuss issues of interest and concern to the member</p>

SERVICE	DESCRIPTION OF SERVICE
	<p>organizations regarding HR practices.</p> <p>HR Briefings on 20-30 topics for presentation by POOL/PACT HR Business Partners will be available on a continual basis. Beginning in FY2012 of the new grant year, a minimum of three new briefing topics will be developed and all existing topics will be updated, as necessary, to be consistent with changes in law and regulations. HR Briefings are included in the training catalog.</p> <p>Publish HR Alerts on current issues, legislative updates, case law updates on an as-needed basis.</p> <p>Publications will be distributed by e-mail link to the POOL/PACT website and will be available in paper form upon request. Alerts regarding major changes in laws related to human resources will be provided as soon as practical.</p> <p>Assist members in adopting and implementing HR policies. Upon request, POOL/PACT HR Business Partners will review proposed policies with key managers, assist in making adjustments to policies based upon input from managers and employee representatives, respond to questions, assist in presentation of policies for adoption by the governing board, and participate in sessions with managers to discuss implementation and administration of the policies.</p> <p>Facilitate training and round table discussion groups, as needed, for member staff assigned significant responsibilities for HR. Each session will include a HR topic of current interest followed by discussion on the topic. Also, other topics of interest to the group will be addressed by participants to share their practices and ideas.</p> <p>Maintain the library of 200 sample job descriptions, which will be reviewed periodically.</p>
Continue to Improve Use of Technology	<p>Maintain the human resources items on the POOL/PACT website with current versions of HR policies and related documents, job descriptions, quick references on a broad range of HR topics, and on-line training.</p> <p>Add HR trainings to POOL/PACT website calendar.</p> <p>Conduct three to six webinars per year as needed on a variety of subjects ranging from changes in regulations to new approaches to HR issues.</p>
Conduct HR Practices Assessments	<p>Offer HR Compliance Assessment Program to a minimum of ten members annually. Assess core requirements and enhanced requirements.</p>
Develop and Deliver Client Service Plans	<p>Review member HR management policies and practices through an on-site visit. The review will consist of an interview with the member's management representative responsible for HR management and key administrators. An annual service plan will be developed for each organization based upon the organization's needs. The focus of services will be based on the level of development of the member's HR management program.</p>

SERVICE	DESCRIPTION OF SERVICE
Maintain Sample HR Policies	Maintain sample personnel policies for school districts, large organizations, small organization, and drug/alcohol policies for CDL holders. All policies will be reviewed and updated annually, with immediate changes made if law or court decision necessitates. Sample policies include all related forms, sample documents, and guidelines.
Coaching and Problem Solving	<p>Provide telephone help-line assistance and related services to help resolve members' human resources problems. Provide assistance in identifying and locating resources, and assistance to members when a complaint is anticipated or filed, including providing coaching on appropriate approaches to initiating an administrative inquiry and related mitigation efforts.</p> <p>In the event that a complaint would likely result in legal action against a member, the member will be advised to consult with legal counsel.</p>
New Services	<p>FRISK documentation training.</p> <p>Develop and offer HR Assessment, Phase II.</p> <p>Create a database of collective bargaining concessions.</p> <p>Contract with labor expert to provide member training.</p> <p>Contract with labor expert for a reduced rate for members.</p> <p>Develop return to work briefing and sample program.</p>
Special Services for the Larger Members	<p>Work with representatives from larger employers to identify services that will meet the needs of large members. Following POOL/PACT HR Oversight Committee concurrence, deliver or facilitate the delivery of the services to the extent that such services can reasonably and practically be provided within the scope and funding of the POOL/PACT HR services grant.</p> <p>Also conduct human resource customized workshops as needed that are member type specific.</p>
Special Services for Districts/Smaller	Continue to monitor "like member" meetings for similar members (e.g., water districts, schools) to discuss common HR related issues.

EXHIBIT B

POOL/PACT GRANT GENERAL TERMS AND CONDITIONS

1. Requirements: This Grant is subject to the laws and regulations of the State of Nevada. If any statute expressly prescribes policies or specific requirements that differ from the requirements, standards, provisions, or terms and conditions of this Grant, the provisions of the statute shall govern.

2. Order of Precedence: Any inconsistency or conflict in the terms and conditions specified in this Grant shall be resolved according to the following order of precedence:

The Grant Schedule

These Terms and Conditions

3. Grantee Responsibility:

The Grantee has full responsibility for the services and activity supported by this Grant, in accordance with the Grantee's proposal (Exhibit A), and the terms and conditions specified in this Grant. Grantees are encouraged to suggest or propose to discontinue or modify unpromising services or to explore alternatives which may appear during the course of the grant. However, they must consult the Grants Officer's Representative (GOR) through the Administrative Grants Office (AGO) before significantly deviating from the objectives or overall program originally proposed. The Grantee shall immediately notify the Grants Officer of developments that have a significant impact on the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

4. Amendment of Grant: The only method by which this Grant can be amended is by a formal, written amendment signed by either the Grants Officer or the AGO. No other communications, whether oral or in writing, are valid.

5. Standards for Financial Management Systems: The Grantee's financial management system shall comply with Generally Accepted Accounting Principles for non-profit organizations.

6. Payments

Advance Payment Method. Upon acceptance of the terms and conditions of this Grant by the Grantee to the AGO, the Grantee shall be entitled to an initial advance payment covering work to be performed during the first month of the Grant (and any pre-award costs as applicable). Subsequent monthly payments will be made automatically at the end of each month after services are performed.

7. Administration and Cost Principles: Applicable to this Grant are the following requirements:

Prior Approvals:

All prior approvals are waived hereby except for the following:

- a. Extension of the expiration period of this Grant.
- b. The need for additional funding.

Pre-award Costs:

- a. Grantees may incur pre-award costs of up to thirty (30) days prior to the effective date of the Grant award.
- b. Pre-award costs as incurred by the Grantee must be necessary for the effective and economical conduct of the project and the costs must be otherwise allowable in accordance with the appropriate cost principles.
- c. Any pre-award costs are made at the Grantee's risk. The incurring of pre-award costs by the Grantee does not impose any obligation on the Grantor, in the absence of appropriations, if an award is not subsequently made or if an award is made for a lesser amount than the Grantee expected.

Audit and Access to Records: The Grantee and its sub recipients shall be subject to audit requirements for nonprofit organizations per Generally Accepted Accounting Principles. The GOR shall have direct access to sufficient records and information of the Grantee to ensure full accountability for grant funds.

8. Property:

Title to all nonexpendable and expendable tangible personal property purchased by the Grantee with grant funds shall be deemed to have vested in the Grantee upon purchase and shall be used for the conduct of services as described in Exhibit A of the Grant, unless stated otherwise in this Grant schedule. Upon conclusion of the Grant and any extensions, all such property purchased with grant funds shall become the property of Grantor.

Any disposal of property that results in net proceeds to Grantee will be retained by Grantee to further the purposes of the grant.

9. Reports and Reports Distribution:

Reports shall be furnished as specified below:

- a. Report Types.
 - (1) Quarterly Status Report - This report, due 30 days after the reporting period, shall keep the Grantor informed of Grantee activity and progress toward accomplishment of Grant objectives.
 - (2) Quarterly Financial Report – This report, due 30 days after the reporting period, shall including exhibits showing the financial standing of the Grantee, budget to actual income statements and other income and expense reports as necessary.

(3) Annual Audit – this report due 90 days after completion of each fiscal year of the Grant, shall be submitted by the independent auditor who shall be a certified public accountant.

(4) Final Financial Status Report - This report, due 90 days after completion of the Grant, shall be submitted by the independent auditor who shall be a certified public accountant.

10. Termination and Enforcement:

a. Termination. This Grant may be terminated, in whole or in part, by the Grantor upon 90 days notice if the Grantee materially fails to comply with these terms and conditions or with the consent of the Grantee. The Grantee may terminate the Grant upon sending 180 days written notification to the Grants Officer.

b. Enforcement. If the Grantee fails to materially comply with these terms and conditions, the Grants Officer may impose special or take the appropriate action to initiate termination proceedings by Grantor.

11. Disputes, Claims, and Appeals:

a. Disputes and Claims. The Grantee may submit a claim arising out of or relating to the Grant by submitting the claim in writing to the Grants Officer for decision. The written submission must specify the nature and basis for the relief requested and include all data that supports the claim. Within 60 calendar days, the Grants Officer shall either prepare a written decision or notify the Grantee of a specific date when a decision will be rendered. The decision of the Grants Officer shall be final unless the Grantee decides to appeal.

b. Appeals. The Grantee may appeal the Grants Officer decision by filing a written notice of appeal to the Grantor and the Grants Officer within 30 days of receiving the decision. The Grantor shall decide the appeal based solely on the written record unless the Grantor decides to conduct a fact-finding procedure or an oral hearing on the appeal.

12. Acknowledgment of Sponsorship:

The Grantee agrees that in the release of information relating to this Grant, such release shall include a statement to the effect that the project or effort depicted was or is sponsored by the Grantor. For the purpose of this article, information includes news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, symposia, etc.