



**Nevada Public Agency Insurance Pool
Public Agency Compensation Trust**
201 S. Roop Street, Suite 102
Carson City, NV 89701-4779
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**Minutes of Meeting of the
Executive Committee of
Public Agency Compensation Trust**

Date: December 3, 2007

Time: 9:00 A.M.

**Place: Conference Room and via conference call
201 S. Roop Street, Suite 102
Carson City, NV**

1. Roll

Members Present: Alan Kalt, Cash Minor, Steve West, Roger Mancebo, Claudette Springmeyer, Mike Tourin, Paul Johnson

Members Absent: Toni Inserra

Others Present: Wayne Carlson, Doug Smith, Debra Connally

2. Action Item: Approval of Minutes of Meeting of May 2, 2007

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

3. Action Item: Approval of Prospective Member: City of Elko

Alan Kalt opened discussion on this item asking Wayne Carlson to review the application. Wayne reviewed the loss history noting that there was one large claim that skewed the results in one year, but that overall the long term claims history was very good. He noted that the city actively participates in the loss control and human resources committees of POOL/PACT since they are a current POOL member. He indicated that based upon committee discussions in 2006 about the number of times PACT had quoted the city unsuccessfully, staff had not quoted them last year. In response to questions, Doug noted that Jim Echanis, the current human resources director for the city, had been advised of the history of multiple quotes and the concerns the committee had. Wayne noted that most of the price differences in the past were due to the PACT heart/lung loading and its consolidated general government class rate compared to the NCCI split out of clerical and no heart/lung loading.

Some committee members expressed concerns again about the frequent quoting situation. Others said that if it was a good business decision to include them as a member, the frequency of quoting should not be held against them if they had a good business reason not to join. Wayne cited two historical factors that kept the city out: one was a case in dispute between PACT and the city's insurer (EiCON) and the other was the joint & several liability issue which they did not have with their insurer.

Considerable discussion occurred about the need for commitment to the long term with PACT. Several commented that due to the city's already active participation as a POOL member that they likely would commit resources to PACT. There was some discussion regarding whether PACT should refuse to quote for a period of a few years if the city did not join this year. There also was discussion about which agent the city would select and the committee preference that it be one that was familiar with PACT and worked with PACT. Doug offered to review the committee's discussion with the city to help them understand the concerns.

On motion and second to approve the City of Elko for PACT membership, the motion carried with 6 ayes, one nay and one absent.

4. Action Item: Acceptance of Audit for Fiscal Year Ended June 30, 2007

Wayne Carlson reviewed the highlights of the audit. He noted that the gain in net assets was substantial as it was in the prior year and was the result of continued positive developments in loss reserves and significant improvement in investment income. He noted that a significant part of the net assets comes from the nearly \$5,000,000 accumulated for the heart/lung post-employment liability. He noted that a new post-employment heart study was beginning and commented that the demographic profile, since the data for the last study was seven years ago, likely would develop higher risks along with less cases being shifted to prior carriers and more to PACT.

Wayne then reviewed the management letter from the auditor, noting that all of the recommendations would be implemented this year. He confirmed that the Audit Committee had reviewed and accepted the audit.

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

5. Public comment

Paul Johnson commented that Michael Griffin from the Department of Taxation passed away on December 2, 2007 from cancer. Regrets were expressed by the committee members.

6. Action Item: Adjournment

On motion and second to adjourn, the committee adjourned at about 10:00 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**