



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: November 28, 2016
Time: 1:30 P.M.
Place: 201 S. Roop St., Suite 102
Carson City, NV 89701 and
Conference Call: 1-800-593-9034; Passcode: 15042**

1. Roll

Committee Members Present: Gerry Eick, Josh Foli, Cash Minor
Others Present: Michael Bertrand, Mike Rebaleati, Melissa Mack, Debra Connally, Wayne Carlson

2. Public comment

Chair Eick opened public comment and hearing none, closed the public comment period.

3. Action Item: Approval of Minutes of Meeting of October 15, 2015

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

**4. Action Item: Acceptance of Auditor's Report and Recommendations
Regarding Public Agency Compensation Trust**

Chair Eick invited Michael Bertrand, CPA and Auditor, to provide his report. Michael Bertrand reviewed his report noting the ongoing prior year comments that had not been fully implemented. Of particular concern was the reconciliation of the quarterly assessments receivable for which only one quarter was done. He noted that Michael Rebaleati and he had discussed the creation of the task control list with regular meetings to follow up on these recommendations. Michael Rebaleati indicated he was scheduling a review of the task list assignments within two weeks with all staff and then regularly after that. Bertrand also reemphasized the need to cell protect the spreadsheets although he only found one minor input error. He noted that with the change in investment managers to NEAM with their accounting support, there were reconciliation problems that had to be rectified during the audit. For the future, he recommended that this be done monthly. Turning to the audit figures, he noted the results and commented that while there was an operating loss, it largely was due to the amortization of contributions to the PCM captive. Investment income offset much of the operating loss for an overall increase in net position. He then responded to various questions.



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Gerry Eick commented that he was disappointed that the prior year recommendations continued to be an ongoing problem. He emphasized the importance of getting these implemented as Michael Rebaleati had noted. He would like to see significant progress on this during the year.

Gerry Eick also suggested that the PACT Executive Committee be asked to consider moving the Member Services and Risk Management Grants expenses from Administration to Program Expenses to better reflect those purposes and value to members. Various committee members and staff concurred.

On motion and second to accept the auditor's report, the motion carried.

5. Action Item: Acceptance of Audit: Public Agency Compensation Trust

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

**6. Action Item: Acceptance of Auditor's Report and Recommendations
Regarding Nevada Public Agency Insurance Pool**

Chair Josh Foli asked Auditor Michael Bertrand to review his report. Michael Bertrand noted that the only prior year recommendation not implemented was to cell protect the spreadsheets. Michael Rebaleati indicated that this would be resolved with the task control list processed previously described in reviewing PACT. Michael Bertrand noted that one of the new recommendations was to review the capital asset policy since there were two instances of inconsistent application of the current policy and that the threshold may be too low given the current size of NPAIP. He then reviewed the financial results noting that there was an operating loss largely due to amortization of contributions to PRM which was offset largely by investment gains for a modest increase in net position. He responded to questions. The same issue regarding moving Members Services and Risk Management Grants from Administrative Expenses to Program expenses was noted. Various comments were made thanking staff for their efforts.

On motion and second to accept the auditor's report, the motion carried.

7. Action Item: Acceptance of Audit: Nevada Public Agency Insurance Pool

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

8. Public comment

No public comment was received.

9. Action Item: Adjournment

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



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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 Courthouse
155 North Taylor Street
Fallon, NV 89406