

Nevada Public Agency Insurance Pool Public Agency Compensation Trust

201 S. Roop Street, Suite 102 Carson City, NV 89701-4779

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Notice of Meetings and Agendas for the Joint Meeting of the Board of Directors/Trustees and of the Executive Committees of Nevada Public Agency Insurance Pool and Public Agency Compensation Trust Date: April 18, 2025 Time: 8:30 a.m.

Location: Grand Sierra Resort, Grand Sierra Resort
500 E 2nd St,
Reno, NV 89595

JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA

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 make 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. <u>For Possible Action:</u> Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda
 - a. Approval of Board Minutes:
 - 1) Joint Board Meeting April 19, 2024
 - b. Acceptance of Minutes of Committee Meetings
 - 1) Joint Executive Committee: 9/23/2024, 3/12/2025, 3/31/2025
 - 2) Enterprise Risk Management Committee: 5/22/2024, 8/13/2024, 10/22/2024, 2/11/2025
 - 3) HR Oversight Committee: 9/20/2024, 12/13/2024
 - 4. For Possible Action: Acceptance of Investment Reports and Action on Recommendations:
 - a. NEAM Investment Advisor Report
 - b. Strategic Asset Alliance Investment Advisor Report
 - 5. For Possible Action: Review and Approval of Changes to Investment Guidelines
 - a. POOL Investment Guidelines
 - b. PACT Investment Guidelines

- 6. For Possible Action: Acceptance of Reports:
 - a. Executive Director
 - b. Chief Financial Officer
 - 1) Public Risk Mutual Audit
 - 2) Public Compensation Mutual Audit
 - 3) Pooling Resources, Inc. Audit
 - 4) Nevada Risk Pooling, Inc. Audit
 - 5) Overview of Financial Strength
 - 6) Training Class Updates
 - c. POOL/PACT HR General Manager
 - d. Risk Management
 - e. ELearning
 - f. Member Relations Manager
 - g. Davies Claims Solutions Report and Claims Overview
- 7. <u>For Possible Action</u>: Approval of POOL/PACT Grant to Pooling Resources, Inc. for Human Resources Services to Members
- 8. Public Comment
- 9. Adjournment

This Agenda was posted at the following locations and on the State's Website notice.nv.gov:

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 Administration 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

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Minutes of AMENDED Agenda for the Joint Meeting of the Board of Directors/Trustees and of the Executive Committees of Nevada Public Agency Insurance Pool and

Public Agency Compensation Trust
Date: April 19, 2024 Time: 8:00 a.m.
Location: Grand Sierra Resort, Grand Sierra Resort
500 E 2nd St.

Reno, NV 89595

1. Introductions and Roll

Chair Paul Johnson requested introductions of those present at the meeting. A sign-in sheet was collected and reviewed for determination that a quorum was present. Seeing that a quorum was present, Chair Johnson called the meeting to order.

2. Public Comment

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

Before continuing to the next agenda item, Chair Johnson invited Alan Kalt and Stephen Romero to present their Measures that Matter training that had been deferred from the Training Day. He first invited Derek Burkhalter, the actuary for POOL and PACT, to provide an overview of the work that he does in developing the reserves and rates for the programs. Alan Kalt then reviewed the programs and services offered by the pools and how they are measured. Stephen Romero reviewed how staff was able to help fire district members meet the coverage needs required to fulfill contract terms that had significant financial impact for the districts. The next presenter was Mike Van Houten, ELearning administrator, who provided a review of the Absorb Learning Management System, available ELearning courses and metrics about utilization showing an 87% course completion rate. He described how new courses are developed upon request from members. Stacy Norbeck, POOL/PACT HR Manager, presented a review of the POOL/PACT HR program and the value of the training. She commented specifically about the Essential Management course and cited the pretest results of 22% compare with 93% post test results. Jarrod Hickman, Risk Management Specialist, reviewed the Enterprise Risk Management program implementation and achievements by members. He noted that there are 46 participants in the program currently at various stages of the ERM program, including three members who achieved the full completion recognition. Alan Kalt then discussed financial leadership and how he assisted members in improving their financial results from debt management to investment income. He cited the financial leadership training classes he conducted along with the sample policies and technical assistance provided. He noted some examples of helping a member refinance a bond saving them over \$2 million. For other members he helped them set up a sweep account to gain additional revenue given the current market conditions.

3. <u>For Possible Action:</u> Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda

- a. Approval of Minutes of Board:
 - 1) Joint Board Meeting April 21, 2023
- b. Acceptance of Minutes of Committee Meetings
 - 1) Joint Executive Committee: 9/1/2023; 3/12/2024; 4/2/2024
 - 2) Loss Control Committee: 7/13/2023; 10/16/2023; 2/6/2024
 - 3) HR Oversight Committee: 9/8/2023; 12/8/2023

On motion by Mike Giles, second by Josh Foli to approve the consent agenda, the motion carried.

4. For Possible Action: Acceptance of Investment Reports and Action on Recommendations:

- a. NEAM Investment Advisor Report
- b. Strategic Asset Alliance Investment Advisor Report
- a. Chip Clark, President of NEAM, presented a state of the investment market overview. He reviewed current market positive returns. The economic outlook has been strong in recent times although there are some indications of a future slowdown which has caused the Federal Reserve to hold off rate reductions. Consumer spending continues to be robust following wage gains. He reviewed consumer low debt ratios and savings rates, noting the effect of stimulus funds in recent years. He discussed the negative effect of inflation in certain sectors. The labor market remains strong. Further, rate cut expectations have moderated significantly from six down to two rate cuts from the Federal Reserve.

Patrick Scully, NEAM Asset Manager, reviewed how the macro environment will affect the pools and captives' investment results going forward. He estimated interest rates will decline later this year and next. He complimented Alan Kalt for coming in second in predicting a quarterly interest rate at their recent investment conference. He highlighted the shift in investment income in recent years and how that is working positively. He reviewed the increase in book yields and how that is positively affecting core fixed income opportunities.

Kelly Sullivan, NEAM Account Manager, reviewed the specific results for the pools. The fixed income portfolio generates substantial income compared to the prior year. Book yield has nearly doubled over the last year for the pools. She mentioned using a loss harvesting approach to exit low yield securities to replace them with higher yields with a payback period of two years for future yields at higher levels for five to ten years. She noted the negative total returns in 2022 versus the very positive returns in 2023 commenting that positive income returns dominated in 2023.

b. Alton Cogert, President of Strategic Asset Alliance, commented that four times a representative of the pools achieved the best prediction of interest rates, Wayne Carlson, Josh Foli, Alan Kalt and Cash Minor. This year, Alan Kalt came in second by a small margin. He then reviewed the long-term market conditions over 40 years comparing various investment risks and returns over time. He noted the positive total returns this year versus last year. He described the increase in book yield as well. The strategic outlook for key indicators appears to be positive, especially for the top-tech stocks. Federal Reserve's projections appear to be for reduced number of rate cuts as they seek to reach their target inflation rate. The challenge for fixed income investors is to focus on duration as a way to create long term income returns. Expect continued economic growth. Use due diligence, diversification, and patience to capitalize on the growth over the long term.

On motion by Ben Marchant, second by Josh Foli to accept the reports, the motion carried.

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

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

Alan Kalt indicated that there are no recommended changes to the guidelines. On motion by Mike Giles, second by Joe Westerlund to accept the reports, the motion carried.

6. For Possible Action: Acceptance of Reports:

- a. Executive Director
- b. Chief Financial Officer
 - a. Public Risk Mutual Audit
 - b. Public Compensation Mutual Audit
 - c. Pooling Resources, Inc. Audit
 - d. Nevada Risk Pooling, Inc. Audit
- c. POOL/PACT HR General Manager
- d. Risk Management
- e. ELearning
- f. Member Relations Manager
- g. Davies Claims Solutions Report and Claims Overview
- a. Wayne Carlson highlighted aspects of his written report. He commented about certain members who have given notice of potential withdrawal from either POOL or PACT. He encouraged members to contact them to encourage them to remain.
- b. Alan Kalt reviewed the audits of the various organizations, highlighting the net income and net position of each organization. He highlighted the efforts of accounting staff Deb Connally, Melissa Mack, Jennifer Turner, and Tiffany Garcia for their diligence in preparing for the six audits each year.
- c. Stacy Norbeck discussed the POOL/PACT HR services, training and utilization results this year. She revised the number of courses and evaluations indicating that the evaluations were highly positive. She reminded the group about the upcoming HR conference and highlighted the number of attendees for last year's conference. She recognized members who had achieved successful HR Phase I or II assessments. She showed a pie chart showing the number and types of contacts with her staff over the year and the top topics.
- d. Marshall Smith indicated he had no additional comments on his written report.
- e. Mike VanHouten showed statistics about the ELearning program with over sixty-six courses assigned and 87% completed. He showed a pie chart of the types of courses taken. He encouraged more people to take the cyber security training. He noted the most assigned courses related to abuse and bullying. He further showed that school districts are the highest utilizers.
- f. Stephen Romero stated that he will provide more during the separate board meetings.
- g. Margaret Malzahn indicated that she had no additional comments to the written report.

On motion by Tyler Vanni, second by Varlin Higby, to accept the reports, the motion carried.

7. <u>For Possible Action:</u> Approval of Grant to Nevada Risk Pooling, Inc. for Administrative Services to POOL/PACT and PRM/PACM

Alan Kalt noted that NRP brought former Willis services in staff and that the grant is reduced by \$500,000 in the base year subject to a 3.5% increase in subsequent years.

On motion by Mike Giles, second by Gina Rackley, to approve the grant, the motion carried.

8. Public Comment

Chair Johnson recognized Geof Stark for his service to the pools considering his retirement. He highlighted Geof's active participation with the pools serving on several committees. Alan Kalt highlighted Geof's involvement in the Executive Committee, HR Oversight Committee and Loss Control Committee. Geof thanked everyone for their support.

9. Adjournment

Chair Johnson adjourned the meeting.





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Minutes of Joint Meeting and Agenda of
Executive Committees of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: March 12, 2025
11:00 AM via ZOOM

Roll: Chair Josh Foli called the meeting to order at 11:04 am with a quorum of POOL members and PACT reached its quorum at 11:18 am when Paul Sikora joined the meeting.

Members Present: Josh Foli, Gina Rackley, Paul Johnson, Scott Lingren, Amanda Osborne, Dan

Murphy, Ann Cyr, and Paul Sikora.

Members Absent: Robin Dunckhorst, Joe Westerlund

Others Present: Wayne Carlson, Alan Kalt, Stephen Romero, Marshall Smith, Jarrod Hickman, and

Stacy Norbeck

1. Public Comment

No public comments were made.

2. For Possible Action: Approval of Consent Agenda

- a. Approval of minutes of Joint Executive Committees Meeting of 9-23-2024
- **b.** Interim Financial Reports
 - 1). PACT Interim Financial Reports
 - 2). POOL Interim Financial Reports
- c. NEAM and SAA Investment Reports
- d. Report on PRM and PCM 2024 Annual Audits

Amanda Osborne made a motion to approve the Consent Agenda items for POOL as presented. The second was made by Scott Lingren. Motion carried.

Paul Johnson made a motion to approve the Consent Agenda items for PACT as presented when there was a quorum of PACT members. Second by Amanda Osborne. Motion carried.

3. For Possible Action: Approval of Grants and Agreements

a. Pooling Resources, Inc. Grant Budget 2025-2026; Grant Renewal 2026-2030

Stacy Norbeck, General Manager of PRI, reviewed the Fiscal Year 2025-26 budget presented to the PRI Board on March 6th. The information in the board packet included a budget that was flat, a 6% reduction and a 12% reduction in the current year's amount. The PRI Board recommended

approval of the budget that reflected a 6% reduction. The proposed grant renewal for the five-year period of 2026-2030 reflected the 6% reduction in the current amount for the new base year (FY 25-26) and a 3.5% increase in the subsequent four years of the grant agreement. After some discussion, Scott Lingren made a motion to approve the Pooling Resource Inc FY 25-26 Budget reflecting a 6% reduction in the current year amount to the full board at the Annual Meeting. Furthermore, recommend approval of the Grant Renewal agreement for Fiscal Year 2026-2030 to the full board at the Annual Meeting, noting the base year reflects a 6% reduction in the current year amount as the base year for FY 25-26 and a 3.5% increase in the subsequent years. The motion was seconded by Ann Cyr and was approved.

b. Public Agency Risk Management Services, Inc. Lease

Alan Kalt noted that the Public Agency Risk Management Services, Inc. lease agreement with Nevada Public Agency Insurance Pool (POOL) was for the office space used by the Executive Director at 201 South Roop Street. POOL has moved to annual lease agreements on the office space lease for their building at 201 Roop Street. The amount of the lease is \$663 per month for the period of July 1, 2025 to June 30, 2026.

Dan Murphy made a motion to approve the lease agreement with Public Agency Risk Management Services and POOL as submitted in the packet. Amanada Osborne seconded the motion which carried.

- 4. <u>For Possible Action:</u> Approval of Proposed Reinsurance/Insurance Coverage and Risk Management Programs for Fiscal Year 2025-2026 for Recommendations to the Boards:
 - a. POOL
 - i. Rate Indications from Reinsurers Effective 7/1/2025.
 - ii. Loss Fund Contribution Indications
 - iii. Retention Options and Reinsurance Strategies
 - iv. Ancillary Programs (Student Accident, Pollution Legal Liability, TRIA, and Airports)

Stephen Romero, Relations Manager and Broker for POOL/PACT, reviewed the structure graphs and the year over year comparisons for the POOL. It was noted that this is work in progress as not all the quotes have been received. He indicated that we are still evaluating the most cost-effective placement for the Liability structure with CRL, PRM and GEM. PRM, the POOL's Captive, is looking at costing out the \$1M excess \$500K layer for municipals only and having CRL take the \$1.5M excess \$1.5M layer. The actuaries and brokers are looking at the cost of this option compared to the current structure of 70%/30% quota share with CRL and PRM for the Muni level. The Property Renewal Meetings in London appear to be successful. Stephen, Alan Kalt and Dan Murphy went to London and held meetings with 18 different underwriters/syndicates for the POOL. Dan Murphy gave an overview of his experience and will give an update at the Annual Meeting. Stephen indicated that the property layer is likely to go down single digits. He noted that the property exposure Total Insured Values (TIV) was up over 3% from the current amounts. Stephen reviewed the Year over Year chart noting the items in red were tentative numbers subject to change until finalized. He reviewed the ancillary programs for student accidents, pollution legal liability, TRIA, and airport coverage. Noting which ones were completed and those that he is still working on getting final quotes related to multiple year coverage contracts. It was determined that another Joint Executive Committee meeting is needed prior to the Annual Meeting to finalize the structure graphs, placement, budget, and rates for the POOL renewal coverage for Fiscal Year July 1, 2025 to June 30, 2026.

After a discussion, Dan Murphy made a motion to table the POOL reinsurance/insurance coverage program for Fiscal Year 2025-26 for recommendation to the full Board until the additional quotes and renewal options are obtained. Amanda Osborne seconded the motion. Motion carried.

b. PACT

- i. Rate Indications from Reinsurers Effective 7/1/2025.
- ii. Loss Fund Contribution Rate Effective 1/2025
- iii. Retention Options and Reinsurance Strategies

Stephen Romero, Relations Manager and Broker for POOL/PACT, reviewed the structure graphs and the year over year comparisons for the PACT. It was noted that this is work in progress as not all the quotes have been received. He indicated that we are anticipating double-digit increases from CRL as another good year falls off the ten-year trend and is replaced with a year that has over \$1M in losses. PCM has not received the actuarial report to determine the pricing for the captive layer for worker's compensation. It was noted there was a significant reduction in the payroll amount reported by the members in the renewal applications. Alan Kalt, CFO, went over the PACT classifications approved by the PACT Executive Committee in December and distributed to the membership. The rates remained the same for all classifications except for hospitals, which reflected a 9% reduction based on the actuarial analysis. As with the POOL items, it was determined that another Joint Executive Committee meeting is needed prior to the Annual Meeting to finalize the structure graphs, placement, budget, and rates for the PACT renewal coverage for Fiscal Year July 1, 2025 to June 30, 2026.

After a discussion, Paul Johnson made a motion to table the PACT reinsurance/insurance coverage program for Fiscal Year 2025-26 for recommendation to the full Board until the additional quotes and renewal options are obtained. Dan Murphy seconded the motion. Motion carried.

5. <u>For Possible Action:</u> Approval of Proposed Budgets for Fiscal Year 2025-2026 For Recommendations to the Boards:

a. POOL

Alan Kalt, CFO, reviewed the POOL Budget for Fiscal Year 2025-26 as presented in the packet. He noted that the numbers in red are tentative and will be finalized upon receiving the updated actuarial reports and renewal agreements from the various markets that Stephen indicated in his presentation. Based on preliminary estimates the overall increase for POOL is likely 4%. Kalt noted that the management services amount for the POOL is projected to increase because of the 60/40 split with POOL and PACT with the captives paying 9.8% each of the total NRP contract. This recommendation is based on a review of the time spent by NRP staff serving the various entities. The recommendation to keep the captive's share at 9.8% each is due to the regulatory work needed to provide information to the Division of Insurance. After a brief discussion, the board indicated that the new apportionment of the NRP cost appeared reasonable and equitable given the workload for each respective pool. The amount of \$475,000 of the PRM payment to POOL for risk management services is proposed to remain the same in the budget. The budget reflects an increase in the interest income due to the sweep accounts and higher yields earned on our fixed income accounts managed by NEAM. Kalt noted that we do not budget for realized or unrealized gains or losses in the portfolio to due market rate changes on the investments as it is intended to hold the investments to maturity. Once the final actuarial funding reports and reinsurance renewal proposals are received, the budget will be updated and presented to the Joint Executive Committee for review, approval, and recommendation to the Board at the Annual Meeting. Alan reviewed the pie graphs from the

FYE 6-30-24 audit to the FY 25-26 tentative budget noting that allocation to the Loss fund, & Insurance Expense, Agent Commissions, TPA Claims Processing, Member Services, Administrative cost and building cost remain within a relevant range for the two years.

b. PACT

Alan Kalt, CFO, discussed the PACT Budget for Fiscal Year 2025-26 as presented in the packet. He noted that the numbers in red are tentative and will be finalized upon receiving the updated actuarial reports and renewal agreements from the various markets that Stephen indicated in his presentation. Based on preliminary estimates the overall increase for PACT is likely 6%. Kalt remined everyone that the renewal letters with the flat rate in the classifications except for the 9% reduction in the hospital classifications were sent to the members after the December meeting so they could input the new classification rates (same as the current year due to no changes) into their payroll system. He noted that we are pending the CRL and PCM renewal rates from CRL and our actuary. One of the challenges of setting the rates in December is that claim development since that time and legislative changes could affect the program cost and not allow us to increase the rates until the subsequent year. Josh Foli questioned whether we should provide indications to the members that the rates are likely to increase in the future and to budget accordingly in the entity's FY 25-26 budgets. Kalt noted that the classification rates have been provided and are based on the calendar year 2025 payroll for FY 25-26 so there will not be an increase other than x-mods and increases in FTE's or employee payroll to the \$36,000 cap. We will mention the possible future fiscal impact in subsequent years classification rates at the annual meeting.

Kalt noted that the management services amount for the PACT is projected to decrease as a result of the 60/40 split with POOL and PACT with each captive paying 9.8% of the total NRP contract. This recommendation is based on a review of the time spent by NRP staff serving the various entities. The recommendation to keep the captive's share at 9.8% is due to the regulatory work needed to provide information to the Division of Insurance. As such, PACT's apportionment of the NRP contract will be 30.2%, PCM 9.8%, POOL 50.2% and PRM at 9.8%. The amount of \$575,000 for PCM payment to PACT to support risk management services is proposed to remain the same in the budget. The budget reflects an increase in the interest income due to the sweep accounts and higher yields earned on our fixed income accounts managed by NEAM. Kalt noted that we do not budget for realized or unrealized gains or losses in the portfolio to due market rate changes on the investments as it is intended to hold the investments to maturity. Once the final actuarial funding reports and reinsurance renewal proposals are received, the budget will be updated and presented to the Joint Executive Committee for review, approval, and recommendation to the Board at the Annual Meeting. Alan reviewed the pie graphs from the FYE 6-30-24 audit to the FY 25-26 tentative budget noting that allocation to the Loss Fund, & Insurance Expense, Program Expenses, and Administrative costs remain within a relevant range for the two years.

After a brief discussion, Paul Johnson made a motion to table the POOL and PACT Budgets for Fiscal Year 2025-26 to a subsequent meeting when all the renewal proposals and actuarial funding reports are received, and a final budget can be recommended for approval at the Annual Meeting. Josh Foli seconded the motion which carried.

c. Notices of Potential Withdrawal from PACT

- i. Humboldt General Hospital
- ii. North Lyon County Fire Protection District
- iii. North Lake Tahoe Fire Protection District

Wayne Carlson, Executive Director, reviewed the notices received regarding the potential withdrawal of members from PACT. He noted that Humboldt General Hospital appreciates the services provided by PACT and is considering staying in the program but is facing significant financial challenges. Wayne noted that the hospital rate is going down 9% so they may stay in the program. North Lyon County Fire Protection District has a new fire chief who previously worked for Truckee Meadows Fire who has 7710 as their work compensation provider. They are receiving a quote from 7710 just like North Lake Tahoe Fire Protection District. 7710 is aggressively writing fire department worker comp policies and is using a confidence level of 50% to price the policy to attract the business. Wayne and Stephen lead a discussion about 7710 and how it has been established and its ability to non-renew their contracts when the business is no longer profitable for them. Scott Lindgren noted that North Lyon County Fire District has financial issues. He also indicated that the Police/Fire PERS contribution rate is going from 50.75% to 58.75% effective July 1, 2025. He stated that the upcoming budgets will be a challenge to fund for the PERS rate increase and maintain service levels to the community. Scott noted the challenges and claims associated with firefighting that they have an impact of PACT rates just like the PERS rate. He appreciates the risk management services provided by PACT and hopes it drives down claims costs which in turn will reduce their x-mods and hopefully the required classification rate for firefighters. Stephen indicated that staff will be meeting with North Lake Tahoe Fire to discuss the classification rates, services, and steps to take to improve PACT and claims management. He offered the same type of meeting to Scott at Tahoe Douglas Fire. Paul Johnson asked if it would make sense to have an oversight committee like the Committee on Local Government Finance, to oversee the Police/Fire entities. This oversight would look at claims, loss ratios, risk management service involvement and recommendations on how to proactively address the classification rates for Police/Fire. Wayne noted that Tahoe Douglas and North Lake Tahoe Fire have been incredibly involved in risk management services and Davies is working with them on the PACT 911 program with Swift Orthopedic and Reno Orthopedic Clinic (ROC) and claims management to get the injured worker seen and treated quickly so they can get back on the job in a reasonable amount of time. No formal action was taken on this agenda item as it was informational only.

6. <u>For Possible Action:</u> Review of Candidates for POOL and PACT Executive Committees for Election at Annual Meeting

Wayne Carlson, Executive Director, reviewed the election schedule included in the packet. He noted that there are vacancies on both boards due to the retirement of existing members. It was noted that the Pool Executive Committee members Amanda Osborne, Josh Foli and Dan Murphy are up for re-election as well as the vacant position for a member of a city/county with a population of 35,000 or less. All indicated that they are willing to serve. For PACT, Josh Foli, Amanda Osborne, and Joe Westerlund are up for re-election along with the vacant position for a city/county member with less than 35,000 in population. All existing members are willing to continue to serve. Alan Kalt thanks the Executive Committee members for their dedication and willingness to serve for POOL/PACT. As member owners, it is important that the executive committee members are active and responsive to the needs of the Board. Wayne asked members to encourage others to consider serving on the executive committee so we can fill the vacancy of the open positions at the Annual Meeting. No formal action was taken on this item.

7. Information Only: Staff Updates

a. Legislative Update

Wayne Carlson, Executive Director, reviewed the legislation that he is tracking for POOL/PACT. He indicated that POOL/PACT does not get requests for Fiscal Notes on legislation. So if you need some assistance in determining possible fiscal impacts on bills effecting the Pools, please let us know and we will work with you to run numbers. During the update, Gina Rackley noted that there is a Bill that seeks to reduce the number of members and to provide term limits for those serving

on various boards across the State. She indicated that generally she is supportive of the concept, however, as it relates to the Committee on Local Government Finance, a technical advisory committee to the Department of Taxation and the Legislative Council Bureau, it would term out 8 of the 12 members and likely reduce the representation from the rural entities as NACO, League of Cities, and School Board Associations would likely appoint representatives from Washoe and Clark to fill their board positions. Wayne invited members to reach out if there are additional bills you want us to track and follow during the Legislative session. After discussions on various bills, no action was taken as this was for information only.

8. Public Comment

There was none.

9. For Possible Action: Adjournment at 11:56 am



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Minutes of Joint Meeting and Agenda of
Executive Committees of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: Monday, March 31, 2025
2:30 PM or immediately following the captives' meetings.
Zoom Meeting

Minutes

1. Roll

The meeting was called to order by Chair Josh Foli at 3:07 pm. Board Members present Josh Foli, Gina Rackley, Ann Cyr, Paul Sikora, Joe Westerlund, Dan Murphy, and Amanda Osborne. Staff members present: Wayne Carlson, Stephen Romero, Alan Kalt, Debbie Connally, Marshall Smith, and Jarrod Hickman.

2. Public Comment

There were none.

- 3. For Possible Action: Approval of Consent Agenda
 - a. Approval of the minutes of Joint Executive Committee Meeting of March 12, 2025
 - b. PACT and POOL February 28, 2025 Financial Statements
 - c. NEAM Investment Report

Chair Foli noted the minutes, financial and investment reports. Alan Kalt noted that the recent financial statements and investment report are provided in the packet. Ask if there are any questions. There were none. Dan Murphy made a motion to approve the consent agenda. Second by Gina Rackley. Motion carried.

- 4. <u>For Possible Action:</u> Review of Risk Management Programs, Insurance/Reinsurance Coverage:
 - a. Review of POOL/PACT insurance/reinsurance coverage and risk management programs to determine what coverage and programs to offer for 2025/2026:
 - i. Review of POOL and PACT Rate Indications
 - ii. Review of POOL and PACT Loss Fund Contribution Rate Indications
 - iii. Selection of Options for NPAIP and PACT Renewal and Reinsurance Strategies for Recommendations to the Boards
 - iv. Review of Ancillary Programs Including Student Accident, Pollution Legal Liability, Employee Assistance Program and Airports Program.

Stephen Romero reviewed the Year over Year comparison of the NPAIP and PACT renewal quotes and the structure graphs for the programs. He gave an overview of the renewal process to obtain the quotes and seek the most favorable terms from the marketplace. The team had several renewal meetings with the market at the AGRIP conference. He noted that the Lloyds of London property coverage is still being finalized but there is not exceed the amount of \$6,200,000. He reviewed the various lines of coverage and the cost comparison with the current year. For NPAIP, it was noted that the reinsurance coverage amounts reflected a decrease from the expiring coverage. The NPAIP SIR coverage amount at the 75% confidence level would be \$8,954,000 which is an increase from the current year amount of \$8,644,000. On PACT's renewal quote coverage, a decrease was noted with CRL due to the projected decrease in estimated payroll for the year. PCM's renewal rate increased due to claims activities in that layer. The PCM quote is based on the 75% confidence level with the inclusion of the administrative expenses with PCM as traditionally calculated. It was noted that the PACT classification rates were previously approved in December 2024 for calendar year 2025 at a flat rate with a reduction of 9% in the hospital rate. The actuary computed the new experience modification rates (x-mods) for the members for the year. After a question-and-answer period, Dan Murphy made a motion to approve the reinsurance renewal coverage and related pricing for the upcoming year as presented. Noting this is the recommended Board action at the Annual Meeting in April. Ann Cyr seconded the motion which carried.

b. Review Proposed 2025-2026 Draft Budgets for POOL and PACT for Recommendation to the POOL and PACT Boards

Alan Kalt reviewed the budgets for POOL and PACT noting the amounts included in Stephen's updated Year-over-Year comparison were included in the budget. He reviewed the PRM and PCM renewal amounts. He commented on the implementation of the NRP cost allocation of 60/40 POOL and PACT with each captive allocated 9.8%, POOL at 50.2% and PACT at 30.2%. It was noted that the budgeted non-operating investment income exceeds the administrative expenses of the programs. Kalt review the pie chart allocation of the programs noting that the Loss Fund and insurance expenses were the largest portion of the total program cost and consistent with the prior years. After a brief discussion, Amanda Osborne made a motion to recommend approval of the PACT budget to the full board at the Annual Meeting as presented. Seconded by Dan Murphy. Motion carried. Dan Murphy made a motion to recommend the approval of the NPAIP/POOL as presented to the full board at the Annual Meeting. Second by Ann Cyr. Motion carried.

5. For Possible Action: Review changes to Investment Policy POOL, PACT, PRM and PCM.

Alan Kalt noted that the Board policy is to review the Investment Policy on an annual basis. He provided the policies to NEAM and SAA for their review and recommendations. He noted that Kelly Sullivan from NEAM noted that the United States credit was downgraded from AAA to AAA+ and what related impact that may have on the Nevada Revised Statutes on related government and corporate bond ratings within the NRS. Alan was unsure if the State Treasurer was proposing changes to NRS to reflect the new ratings and update the related ratings of allowed securities to reflect the downgrade. NEAM and SAA will work with us to make any recommendations to the policy to reflect any statutory changes to the NRS that need to be incorporated into the investment policy as a result of the legislative session. At this time, there are no recommended changes to the investment policy. Dan Murphy made a motion to make no changes to the Investment Policy. Amanda Osborne seconded the motion which carried.

6. For Information Only: Staff Updates

Wayne reviewed the legislative tracking information included in the packet. There are several bills being tracked and he has been testifying at various hearings during the session.

7. Public Comment

There were none.

8. For Possible Action: Adjournment

Meeting adjourned at 3:34 pm.





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
Executive Committees of
Nevada Public Agency Insurance Pool and
Public Agency Compensation Trust
Date: September 23, 2024
9:00 A.M.
Via Zoom Meeting

1. Roll

Chairman Josh Foli called the meeting to order at 9:01 am.

Members Present: Josh Foli, Mike Giles, Gina Rackley, Paul Sikora, Scott Lingren, Joe Westerland, Amanda Osborne, Dan Murphy, Ann Cyr, and Paul Johnson

Members Absent: Robin Dunckhorst

Others Present: Wayne Carlson, Alan Kalt, Debra Connally, Stephen Romero, Marshall Smith,

Jarrod Hickman, and Michael Bertrand

2. Public Comment

There was none.

3. For Possible Action: Approval of Consent Agenda

- a. Approval of minutes of Joint Executive Committee Meeting of June 7, 2024
- b. PACT and POOL June 30, 2024, Financial Statements and PACT August 31, 2024 Financial Statement
- c. NEAM Investment Report

Mike Giles made a motion to approve the Consent Agenda as presented. A second was made by Gina Rackley. Motion carried.

4. <u>For Possible Action:</u> Approval of AGRiP Recognition Program Applications for POOL and PACT

Chairman Foli thanked staff for completing the AGRiP Recognition Program Applications for POOL and PACT. After a brief discussion, Amanda Osborne made a motion to approve the program applications for POOL and PACT and directed that they be submitted to AGRiP for their consideration. Mike Giles seconded motion. Motion carried.

5. <u>For Possible Action:</u> Review Status/Results of Division of Insurance PACT Payroll Examination and PACT Regulatory Compliance Examination

Wayne Carlson gave an overview of the PACT Payroll Examination noting that the independent CPA firm completed their audit and forwarded it to the Division of Insurance. Alan Kalt noted that all request for information was quickly and efficiently provided to the auditor to assist in him completing the audit timely. The auditor is not allowed to share his audit with us as the Division of Insurance will provide us with a copy upon their completion of their review. He indicated that no findings were noted. This was informational only. No formal action was needed by the Committee.

6. For Possible Action: Review and Accept Financial Audits for POOL and PACT

Alan Kalt noted that the POOL financial statements are not ready at this time. The independent actuary finished his reserve calculations for POOL's outstanding liabilities on Friday,

September 20th. Michael Bertrand is finishing the audit. It will come for the joint executive committee upon its completion.

Kalt reviewed the PowerPoint in the packet for the PACT financial Statements. He noted that the numbers were considered DRAFT as the independent auditor is getting the report and notes back from his peer review partner. It was noted that the numbers were not likely to change. Kalt went over the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position as well as the data from the independent actuarial report to determine the Reserve for Claims liabilities as of June 30, 2024. Michael Bertrand walked the committee through the Audit Committee letter. He noted that the prior year findings were implemented, reviewed the audit testing levels, and reviewed his findings. He thanked PACT staff for their outstanding efforts and how smoothly the audit went.

Gina Rackey commented on the favorable trends in the losses, liability reserves and increase in net position since three members left PACT. Chairman Josh Foli thanked the auditor for his detailed level of testing and for staff for the outstanding job in preparing for the audit and the financial statements.

Mike Giles made a motion to accept the PACT Financial Statements noting that if there were any changes in the numbers the report would come back to the Executive Committee for approval. Paul Johnson seconded the motion. Motion carried.

7. For Possible Action: Approval of Prospective Members

- a. POOL: Churchill Area Regional Transportation
- b. PACT: Churchill Area Regional Transportation

Chairman noted that the underwriting information for CART was included in the packet for everyone's review. Wayne noted that the agent did not provide Cart's PACT application. However, based on the information and due diligence on the POOL application he is not anticipating any issues.

Paul Johnson made a motion to approve Churchill Area Regional Transportation for POOL and PACT. He noted that PACT was contingent on a favorable application as determined by the Executive Director. Mike Giles seconded the motion which carried.

8. Public Comment

There were none.

9. For Possible Action: Adjournment at 9:36 am.



Nevada Public Agency Insurance Pool Public Agency Compensation Trust 201 South Roop, Suite 102 Carson City, Nevada 89701-4779 Toll Free: (877) 883-7665

Telephone: (775) 885-7475

MINUTES OF MEETING FOR LOSS CONTROL COMMITTEE OF NEVADA PUBLIC AGENCY INSURANCE POOL AND PUBLIC AGENCY COMPENSATION TRUST

DATE: May 22, 2024

TIME: 9:00 A.M. to 11:00 A.M.

LOCATION:

(1) In-person:

Incline Village 955 Fairway Blvd., Incline Village, NV 89451

(2) Online: Zoom Meeting의

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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 make 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. Public Comments are Limited to Three Minutes per Person.
- 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.
- 6. The Committee may prohibit public comment if the content of the comments is a topic that is not relevant to, or within the authority of the Committee, or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, or amounting to personal attacks or interfering with the rights of other speakers.

1. Roll

- a. Members present: Dan Murphy (Chair) Curtis Trujillo, Paul Sikora, Joni Eastly, Ann Cyr. Members absent: Darren Wagner, Alicia Heizer, Shannon Thompson
- b. Others present: Mike Speers (Lander County School District), Margaret Malzahn, Stephen Romero, Donna Squires, Sean Moyle, Wayne Carlson, Jarrod Hickman, Jennifer Turner, Marshall Smith.

2. Public Comment

- a. No public comment.
- 3. <u>FOR POSSIBLE ACTION</u>: Approval of the Minutes of Committee Meeting of February 6, 2024 (<u>Attachment 1</u>).
 - a. Ann Cyr made a motion to approve, Curtis Trujillo seconded, motion passed.
- 4. <u>FOR DISCUSSION</u>: Congratulate Geof Stark on his retirement and thank him for service to the Loss Control Committee.
 - a. Dan congratulated Geof on his retirement and thanked him for his service on the Loss Control Committee, and for everything he did for/with POOL/PACT. Jarrod paused the meeting to start the Zoom recording.
- 5. <u>FOR DISCUSSION:</u> Introduction and welcome to new board member: Joni Eastly, Vice-Chair Town of Tonopah Board. (<u>Attachment 2</u>)
 - a. Dan Murphy welcomed Joni Eastly to the LCC Board. She is currently the vice-chair of the Town of Tonopah's Board of Directors. Joni said she was honored to be asked to be on the board. She has had a long, great working history with POOL/PACT.
- 6. FOR DISCUSSION: Highlights/Happenings in IVGID, by Member, Curtis Trujillo.
 - a. Chris Eastly, Safety Specialist, hired 6 months ago talked about a new incident tracking system IVGID will be implementing district wide; IVGID has a new risk manager position opening up; addition of Cari Grant to help with 4th of July project, which is a big collaborative effort; just completed round 2 of SCATS at the golf courses; Marshall and Jarrod helped IVGID with their new e-bike policy, and working on getting that completed and implemented by the end of the week.
 - b. Dan liked the sound of the incident tracking system and said that it will come in handy. He thanked Curtis and Chris for the updates.
- 7. FOR DISCUSSION: Risk Management Activity Report
 - a. Webinars/Seminars/Training Since Last Meeting
 - b. Jarrod Hickman and Marshall Smith provided a summary of Occupational Safety, School Safety, Cybersecurity, Law Enforcement, Finance Training, and Board Training that has taken place since the last meeting.

- c. Enterprise Risk Management Excellence Program Report Marshall Smith summarized the Agenda material.
- d. Nevada Detention Administrators Working Group Marshall Smith summarized the Agenda material.
- e. Upcoming Webinars/Seminars/Training Jarrod Hickman summarized the Agenda material.
- f. Risk Management Grant Program Report
 Jarrod Hickman summarized the Agenda material.
- 8. FOR POSSIBLE ACTION: Discussion and consideration to recommend a name change from the Loss Control Committee to the Enterprise Risk Management Committee to the POOL/PACTExecutive Committee. (Attachment 5)
 - a. Dan Murphy read the overview for the name change to Loss Control Committee. Dan was on board and agrees this change makes sense.
 - b. Marshall Smith noted that this is the evolution the committee is taking, in light of objectives and mission, this is a logical next step to take.
 - c. Dan Murphy asked if there were any questions, if not, he entertained a motion.
 - d. Jarrod Hickman provided guidance that the motion generated here should also approve changes to attachment 5, Loss Control v. Enterprise Risk Management, and Dan Murphy confirmed that any name change to the committee makes an adjust to the committee charter.
 - e. Ann Cyr noted her agreement that the name should be changed and that there are probably other documents that the POOL has that will need this change to be made, and they are changes that can be made as they come up and are presented to the Executive Committee.
 - f. Dan Murphy agreed that changes will have to be made as it comes up.
 - g. Paul Sikora made a motion to approve, Curtis Trujillo seconded, the motion passed.

9. FOR DISCUSSION:

- a. Date and location for next meeting.
 - i. Joni Eastley volunteered to host the next meeting in Tonopah, in August. She will work with Marshall Smith to make the arrangements.

10. Public Comment

- a. Jarrod Hickman stated that the next meeting will include discussion for different projects, and would like the committee's input and direction on these projects.
- b. Marshall Smith said that if committee members have anything to bring forward, to please let him know so he can include these items on the agenda for the next meeting.

11. Adjournment

a. Meeting adjourned at 9:37 AM by Dan Murphy.

This Agenda was posted at the following locations and at <u>notice.nv.gov</u>:

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Nevada Public Agency Insurance Pool

Public Agency Compensation Trust

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MINUTES FOR THE ENTERPRISE RISK MANAGMEENT COMMITTEE MEETING OF NEVADA PUBLIC AGENCY INSURANCE POOL AND PUBLIC AGENCY COMPENSATION TRUST

DATE: 8/13/24

TIME: 9:00 A.M. to 11:00 A.M.

LOCATION:

(1) In-person: Tonopah Convention Center

301 Brougher Ave, Tonopah, NV 89049, United States

(2) Online:

Zoom Meeting

https://us02web.zoom.us/j/81633463557?pwd=jKuC6L21sdB0pIH9BqawtXooPe4g7k.1&from=addon Meeting ID: 816 3346 3557 Passcode: 587159

Call-In: (669) 900-6833

MINUTES

1. Roll and Introductions

Members Present: Dan Murphy, Joni Eastley, Paul Sikora, Shannon Harris,

Alicia Heiser, Curtis Trujillo Members Absent: Ann Cyr

Others: Jarrod Hickman, Jennifer Turner, Sean Moyle, Lessly Monroy, Alan

Kalt, Donna Squires, Joe Westerlund, Becky Braska, Marshall Smith,

2. Public Comment - No public comment

3. <u>FOR POSSIBLE ACTION</u>: Approval of the Minutes of Committee Meeting of May 22, 2024.

Jonie Eastley that her name be spelled correctly, and that she is the Vice-Chair of the Town of Tonopah Town Board. Shannon Harris requested that her name be listed correctly. Joni Eastley made a motion to accept, which was seconded by Paul Sikora. Motion passed.

4. FOR DISCUSSION: Highlights/Happenings in the Town of Tonopah Jonni Eastley, from the Tonopah Town Board, was introduced by Dan Murphy, she then turned it over to Joe Westerlund, Tonopah Town Manager. Joe gave a brief overview of a pre-bid walk taking place today for a water project; the town was awarded \$5.3 million for this particular project and will be great for the infrastructure of the town. Getting ready to put bids out on Harvey Park, which is a skate park/basketball/pickleball court. Will be reskinning building in the next couple months; bike and classic car show happening in two weekends; the pool is closed for the year and school has resumed. The Town was awarded \$45,000k grant to create a coffee spot, part of the walking tour area; a lot of people partnering to help out with that; and a local is donating old mining equipment for this project. Star gazing activities/parties go through to the end of October. Joe invited everyone to come to Tonopah and check out the mining park. Dan Murphy commented that every community is adding pickleball courts everywhere across the state of Nevada, and that a pad is being poured in Lovelock with 4 new courts.

5. FOR DISCUSSION: Risk Management Activity Report

- a. Webinars/Seminars/Training Since Last Meeting
 - i. Occupational Safety

Jarrod gave a brief overview of assessments and trainings that occurred since the last meeting.

- ii. School Safety Jarrod provided a brief summary of the work with Mineral County School District's EOP Development Committee and its progress.
- iii. Cybersecurity
 - 1. Jarrod provide brief summary.
- iv. Law Enforcement

Jarrod briefly provided a brief summary of the Roll-Call webinars. gave an overview of the last Roll Call Webinar.

b. Enterprise Risk Management Excellence Program Report

Marshall provided a brief summary of new applicants and status of current applicants.

- **c.** Nevada Detention Administrators Working Group Marshall provided a statement of what NDAWG is, does, and recent and upcoming meetings.
- **d.** Upcoming Webinars/Seminars/Training
 Marshall provided a brief summary of upcoming webinars, seminars, and trainings.
- e. Risk Management Grant Program Report

 Jarrod provided a brief financial summary of the risk management grant program.
- 6. FOR DISCUSSION: Enterprise Risk Management activities/projects
 Committee members are working on, both successes and challenges.
 Marshall also requested that Members share any ideas and suggestions on how the risk management programs/services can be improved.

 Dan Murphy gave an overview of the rekeying project they started about three years ago. He also spoke about how T-Mobile is working to provide cameras, entry devices, visitor check-in, etc. for schools. He thinks it could be something that our members could potentially tap into in the future.

 Jonnie Eastley talked about how the Tonopah Library has entered into the ERMEP process; they are working on examining and implementing some things. She mentioned that Dr. Fred Steinman, with the University of Nevada, will be brought in to assist with targeted focus groups with questionnaires for the community to have them help build a 5 year plan for the library.

Shannon Harris – keying project, gave overview of key safety practices, senior guards that go off to college have to check their keys back into swim center, worked on key inventory that lists which role has which keys so no one has keys they shouldn't have access to. She thanked Jarrod for reviewing their safety plan and looks forward to meeting with the safety team.

Alicia Heiser – her microphone was not working

Paul Sikora – transitioning as several directors and the city manager have left due to retirements and such. They are trying to clean up 4 or 5 items on the excellence program with Marshall and Jarrod. Awaiting new leadership team, and planning on turning over a great working team to new leadership once they're on board.

Curtis Trujillo – 90% through second ERMEP award. Curtis is starting a key project as well. IVGID has never replaced keys, current key system is a free for all; he will come up with quote to approve putting in electronic key strikes for the entity as a whole. Could potentially turn into a grant from POOL/PACT. Jarrod recommended he speak with Dan Murphy re: PCSD rekeying project.

7. FOR DISCUSSION:

- a. Date and location for next meeting. Boulder City, will work out details with Paul Sikora offline. Nov. 12th or Nov. 26th for dates of meeting. Marshall will work with Dan and Paul to get details nailed down.
- 8. Public Comment None
- 9. Adjournment 10:04 AM

This Agenda was posted at the following locations and at notice.nv.gov:

N.P.A.I.P. Carson City Courthouse 201 S. Roop 885 E. Musser Street Carson City, NV 89701 Carson City, NV 89701

Eureka County Courthouse
Churchill County Courthouse
10 S. Main Street
Eureka, NV 89316
Churchill County Courthouse
155 North Taylor Street
Fallon, NV 89406

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MINUTES FOR THE ENTERPRISE RISK MANAGEMENT COMMITTEE OF NEVADA PUBLIC AGENCY INSURANCE POOL AND PUBLIC AGENCY COMPENSATION TRUST

DATE: Tuesday, October 22, 2024

TIME: 9:00 A.M. to 11:00 A.M.

LOCATION:

(1) In-person: Boulder City Conference Room

401 California Ave. Boulder City NV 89005

(2) Online:

https://us02web.zoom.us/j/82629145974?pwd=3JbGatg6uiO4PqdOoJaVJCl7EliUwu.1&from=addon Meeting ID: 826 2914 5974 Passcode: 984791

Minutes*

- 1. Public Comment
- 2. FOR POSSIBLE ACTION: Approval of the Minutes of Committee Meeting of August 13, 2024. The ERM Committee approved 8/13/24 Minutes.
- **3.** FOR DISCUSSION: Highlights/Happenings in Boulder City.

 Paul Sikora provided a summary of highlights/happenings in Boulder City.
- 4. FOR DISCUSSION: Risk Management Activity Report
 - a. Webinars/Seminars/Training/Programs Since Last Meeting
 - Jarrod Hickman provided a summary of activities relating to: Enterprise Risk Management Conference, Occupational Safety, Fiscal Controls, Cybersecurity, Law Enforcement, Upcoming Webinars/Seminars/Training
 - b. Enterprise Risk Management Excellence Program Report
 - i. Marshall Smith provided a summary of the status of members in ERMEP.
 - c. Nevada Risk Management Association and Nevada Detention Administrators Working Group
 - i. Marshall Smith provided a summary of the NRMA. (Curtis Truillo to serve as President), and summary of NDAWG activities.
 - d. Risk Management Grant Program Report
 - **i.** Jarrod Hickman provided a summary of financials relating to the Risk management Grant program.

5. FOR DISCUSSION AND POSSIBLE ACTION: Approval of Boulder City *Enterprise Risk Management Excellence Program Award*.

Marshall Smith provided a summary of the completion of each department and that Boulder City had successfully completed each section. The ERM Committee approved awarding Boulder City the Award.

6. FOR DISCUSSION AND POSSIBLE ACTION: 0269-RM-2023, Mineral County Grant application for FiAR Augmented Reality Fire Extinguisher Training System.

Jarrod Hickman provided staff with a summary of the grant. Chief Chris Lawrence, (Mineral County Fire Chief) appeared and explained how the training would benefit the county as well as regionally. The ERM Committee approved the grant.

7. FOR DISCUSSION AND POSSIBLE ACTION: 0284-RM-2024, Lander County School District application for enhancing district and campus security through additional surveillance cameras and exterior lighting.

Jarrod Hickman provided staff with a summary of the grant. Superintendent Russ Klien appeared and explained how security systems would benefit the district. The ERM Committee approved the grant.

- **8. FOR DISCUSSION**: Committee Member ideas, suggestions, or recommendations regarding POOL/PACT's ERM programs, services, and objectives?
 - a. No record maintained
- **9. FOR DISCUSSION:** Enterprise Risk Management activities/projects Committee members are working on, both successes and challenges.

No record maintained.

10. FOR DISCUSSION:

a. Staff to work with members to schedule next meeting.

11. Public Comment

No Public Comment

12. Adjournment

*(Note: original meeting notes could not be located. The following are Provisional Minutes.

Please advise Marshall if additions or corrections are necessary and these Minutes will be

amended.)



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MINUTES OF MEETING OF THE ENTERPRISE RISK MANAGEMENT COMMITTEE OF NEVADA PUBLIC AGENCY INSURANCE POOL AND PUBLIC AGENCY COMPENSATION TRUST

DATE: Tuesday, February 11, 2025

TIME: 9:00 A.M. to 11:00 A.M.

LOCATION:

- (1) In-person: City of Winnemucca Council Chambers, 90 West 4th St., Winnemucca, NV 89445
- (2) Online (Zoom Meeting):

https://us02web.zoom.us/j/89369296984?pwd=uFyNTZFBRgnxU1DnJpqaTaRjrS6h7K.1&from=addon

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Notices:

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- 6. The Committee may prohibit public comment if the content of the comments is a topic that is not relevant to, or within the authority of the Committee, or if the content of the comments is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, or amounting to personal attacks or interfering with the rights of other speakers.
 - 1. Roll and Introductions

Members Present: Alicia Heiser, Paul Sikora, Ann Cyr, Dan Murphy, Joni Eastley, Shannon Harris

Others: Jennifer Turner, Marshall Smith, Jarrod Hickman, Stephen Romero, Fernando, Tasha Dunlap, Alan Kalt, Jeb Rowley, Donna Squires, Wayne Carlson, Margaret Malzahn

Dan Murphy called the meeting to order at 9 AM. He apologized for not being in person as they are three men down at the school district with a lot going on, as well as preparing to leave for his trip to London where he will represent POOL/PACT with Alan Kalt and Stephen Romero.

- 2. Public Comment
 No public comment
- 3. <u>FOR POSSIBLE ACTION</u>: Approval of the Minutes of Committee Meeting of October 22, 2024. SHANNON MOTION TO APPROVE, ALICIA SECOND, MOTION APPROVED.
- 4. FOR DISCUSSION: Highlights/Happenings City of Winnemucca: Alicia Heizer. Alicia stated that the City of Winnemucca is slowly but surely making progress with completing the ERMEP. The City is also working on all of their ARPA funded projects, including a downtown streetscape project, pump track and bike track at the recreation complex, and putting in a new well for the water system. Dan asked where the recreation park was, and Alicia clarified that it surrounds the Boys and Girls Club, the City owns all of the property around the Boys and Girls Club and that's where the pump track and bike park will be, as well as an amphitheater and the new aquatic center. Dan encouraged everyone to stop by the Boys and Girls Club to check out the progress.
- 5. FOR DISCUSSION: Risk Management Activity Report
 - a. Webinars/Seminars/Training/Programs Since Last Meeting
 - i. Board Training
 - 1. Governance, Ethics, and Open Meeting Law, Sun Valley General Improvement District; January 9, 2025.
 - 2. Open Meeting Law, Elko County; January 13, 2025.
 - 3. POOL/PACT101, January 14, 2025.
 - 4. Governance, Open Meeting Law, Fernley Swimming Pool District; January 15, 2025.
 - 5. Ethics, Open Meeting Law; City of Carlin, January 22, 2025.
 - 6. Board Orientation, Humboldt County; January 27, 2025.
 - 7. Governance, Ethics, and Open Meeting Law, Topaz Ranch Estates General Improvement District; January 29, 2025.

Jarrod gave an overview of the trainings that have taken place since the last meeting, specifically the board trainings that Wayne has and continues to provide. He also noted that the POOL/PACT101 Webinar is recorded and available for any new board members on the POOL/PACT website.

- ii. Occupational Safety
 - 1. Portable Fire Extinguisher Training, Lincoln County School District; January 28-30, 2025.
 - 2. Portable Fire Extinguisher Training, Lincoln County; January 29, 2025.
 - 3. Safety Committee Development, Lincoln County School District; January 29, 2025.

Jarrod gave an overview of the most recent Fire Extinguisher training that was provided to Lincoln County. Between the school district and the county itself, about 180 employees were trained over the course of a few days. Dan asked if Jarrod and Marshall have been providing the training, and Jarrod responded that they have been providing the training for the last several years. Jarrod explained how the digital fire extinguisher system worked. He also noted that they've been working with the Lincoln County School District's Safety Committee, saying that their committee approved the initial components of their Written Workplace Safety Program and assigned necessary or secondary hazard specific sections to add to the plan, so their committee continues to make good progress in that aspect.

iii. Cybersecurity

Quarterly Cybersecurity Webinar; December 17, 2024.
 Jarrod gave an overview of the Cybsersecuirty webinar that took place in December and noted that the attendance, as always, was very good.

iv. Law Enforcement

- 1. Navigating the NRS 289 Minefield; October 29, 2024 (HR Leadership Pre-Conference).
- 2. Nevada Detention Administrators Working Group (NDAWG); November 12, 2024.
- 3. Roll Call Webinar (Stops, Seizures, and OUD-MAT in Jails); November 19, 2024.
- 4. Roll Call Webinar (Report Writing and Quarterly Commissioner Inspections); February 4, 2025.

Jarrod gave an overview of the NRS 289 Minefield training that was held at the HR Conference in October. He also gave an overview of the most recent Roll Call Webinars that were held in November and February. He reminded everyone that the Roll Call Webinars are recorded and available on our website for anyone on the meeting that has law enforcement as part of their agency.

School Safety

- 5. OpenGate Setup, Use, and Troubleshooting Training (Humboldt County School District); December 2, 2024.
- 6. Nevada School Safety Workshop (School Safety Operations, Inc.); December 4-5, 2024.

Jarrod noted that Tom McDermitt provided training for OpenGate at Humboldt County School District in early December. That same week, Jeff Kaye with School Safety Operations provided a Nevada School Safety Workshop which was well attended. Topics included current events, management response in terms of technology, multiagency response, suicide prevention, intervention and digital behavioral threat.

v. Fire Services

- 1. TargetSolutions Renewal; December 2024.
- 2. Fit for Retirement Oversight Committee; January 22, 2025.

Jarrod noted that the TargetSolutions renewal took place in December, and described that it's a learning management system provided for Fire and EMS members. One of the major benefits is the certification tracking that goes along with that service. He and Marshall met with the members that are using the program and onboarded two new members through that process.

- b. Upcoming Webinars/Seminars/Training
 - i. Portable Fire Extinguisher Training, Eighth Judicial District; March 14, 2025.
 - ii. AGRiP Governance Conference; March 16-19, 2025.

 Jarrod stated that they will be providing portable fire extinguisher training to Eighth Judicial District in March, which will then lead into the AGRiP conference the following week where Marshall and Mike are making a presentation. He noted that it will be the same presentation they give at the Nevada Risk Management Association Meeting.
- c. Enterprise Risk Management Excellence Program Report
 - i. ERMEP Status Report.
 - 1. Award Recipients: 6
 - 2. New Applicants: Lyon County
 - 3. Current Number of Applicants: 23
 - 4. ERM Committee Member Status Report:

 Marshall provided an overview of the ERMEP reward recipients, 23 applicants are currently in the program. Marshall said IVGID and Winnemucca will have their award by the next meeting. Jonni Eastly noted that they've learned a lot about state requirements as they've been processing through the program as it pertains to libraries.

Entity	Member	Program	Status	Expires
		Started		
Winnemucca	Alicia Heizer	Jan 2022	Pending	
IVGID	Curtis Truillo	Aug 2023	Pending	
Carson City School	Ann Cyr		Complete	Sept 2026
District				
Pershing County School	Dan Murphy	June 2022	Pending	
District				
East Fork Swimming Pool	Shannon		Complete	March 2026
District	Harris			
Boulder City	Paul Sikora		Complete	Oct 2027
Town of Tonopah Library	Joni Eastly	May 2024	Pending	
District				

- d. Nevada Risk Management Association
 - i. January 21, 2025; presentation by Safety Consultation and Training Section of Nevada OSHA.
 - ii. Next Meeting: April 1, 2025; Elko (tentative).
 Marshall explained that they've reconfigured the Nevada Risk Management Association; he and Brian Foote decided to refine the primary objective as

public entity enterprise risk management. They will be reaching out to all safety/HR directors that could greatly benefit from attending these meetings.

- e. Nevada Detention Administrators Working Group
 - i. Next Meeting: February 12, 2025; 9:00am; Yerington, NVhosted by Lyon County Sheriff Brad Pope.

Marshall stated the next meeting is tomorrow in Yerington, with great topics on the agenda.

- f. Nevada Rural School District Collaborative
 - Bureau of Justice Administration (BJA) FY25 STOP School Violence Program Notice of Funding Opportunity.
 Marshall noted that this program has just recently been set up with Jeff Kaye trying to obtain federal funding; funding has been stalled, however, the group
- g. Nevada Association of Rural School Resource Officers

is still working collaboratively together.

- i. Next Meeting: March 3, 2025, at 12:00pm; Winnemucca Police Department. Marshall explained that the name of the group has changed to Nevada Rural School Resource Officer Working Group. Ken Whittaker, from the City of Winnemucca, has agreed to take the lead on the group, and there has been extraordinary reception to this idea and group.
- h. Risk Management Grant Program Report (ATTACHMENT 2)

 Jarrod gave an overview of grant funds that have been expended and encumbered thus far. He noted that there were no grants requiring committee discussion/approval for this meeting.
 - i. Budget
 - 1. POOL: \$500,000.00
 - 2. PACT: \$500,000.00
 - ii. FY24/25
 - 1. RMGrants Funded: \$20,602.55
 - 2. RME Grants Funded: \$24,562.25
 - iii. FY23/24
 - 1. RM Grants Funded: \$127,317.67
 - 2. RME Grants Funded: \$73,584.79
- 6. FOR DISCUSSION: Committee Member ideas, suggestions, or recommendations regarding POOL/PACT's ERM programs, services, and objectives?

Marshall expressed that he is looking for ideas and direction for this committee.

Alicia stated that Winnemucca PD is doing a virtual reality de-escalation simulator and asked if POOL/PACT wanted to attend on Friday 21st, 10 AM-12 PM. She will send the invite to Marshall. The Winnemucca PD also invited security agencies from the local mining agencies to attend this training.

Shannon Harris asked Marshall/Jarrod if they could send the latest ERMEP questionnaire to her for review to see how things have changed in specialty programs since the last time

Carson Valley Swim completed the ERMEP program. Marshall responded that it is a living, breathing program and the questions are refined as each member processes through. He will send the questions to Shannon.

Dan Murphy asked when Pershing County's swimming pool was assessed. Jarrod responded that the last assessment was in 2023, and he is working with the recreation board on ERMEP aquatic section and the lifeguard/operations manual. Dan noted that with Pat Rowe's passing, the whole program is going to be revamped. Marshall expressed that he would miss Pat. Jarrod noted that the eLearning lifeguard modules are being worked on right now.

Alicia shared that Tom Heikkila is now a certified lifeguard trainer and she offered Tom's training abilities to the other rural Nevada entities.

Shannon shared that Sarah, with CVSwim Center, also became a lifeguard trainer and noted that the trainers can co-teach. They must perform a certain number of hours/trainings to keep their certifications. Marshall asked Shannon if it was possible to get an announcement out through the Parks & Rec society letting everyone know of Tom and Sarah's "train the trainer" availability, and Shannon said yes.

Ann asked if anyone was going to be attending the Nevada Emergency Planning meeting in Reno on Wednesday and Thursday of this week. Ann has more info if anyone wants to attend.

7. <u>FOR DISCUSSION:</u> Enterprise Risk Management activities/projects Committee members are working on, both successes and challenges.

8. FOR DISCUSSION:

a. Date and location for next meeting.

Jarrod noted that Churchill County has a grant application that needed committee review and approval, however, it was not received in time to put on this agenda. Churchill County has a 4/30/25 approval deadline to meet. Since the next meeting is in May, is it possible for the committee to meet a little early on April 1st or call a special meeting to review this grant. Dan Murphy responded that moving the next meeting up wouldn't be a problem and if something comes up between April and October, then a special meeting can be called. Marshall will get ahold of Dan for special meeting if need be. Marshall thanked Alicia for hosting. Jonni offered to host the next meeting in Tonopah, and Shannon offered to host a meeting, however, she would not be available to attend/host in April due to scheduling conflicts. Dan and Marshall will work together to determine date/time/location of the next meeting.

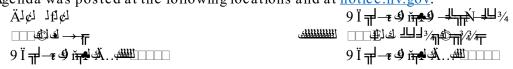
9. Public Comment

Dan asked Jarrod for phone call after meeting.

10. Adjournment

Meeting adjourned at 9:36 AM.

This Agenda was posted at the following locations and at notice.nv.gov:



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APPROVED MINUTES OF THE POOLING RESOURCES, INC OVERSIGHT COMMITTEE MEETING

Date: September 20, 2024 Time: 9:30 a.m. Place: Virtual Meeting via Zoom and In Person

1. Oversight Committee (OSC) Roll Call

Member(s) participating in person: Chair Robert Quick; Erin Feore; Shannon Harris; Scott Lindgren; Brooke Thompson. Member(s) participating via Zoom: BillieJo Hogan; Lourdes Martin; Austin Osborne; Susie Shurtz; Kim Todd. Member(s) not participating: Daniel Sadler. Pooling Resources, Inc. (PRI) Staff participating in person: Stacy Norbeck; Ashley Creel. Staff participating via Zoom: Lessly Monroy; Sean Moyle; Sandra Schooler. Called to order at 9:38 a.m.

2. Item: Public Comment

Chair Robert Quick opened public comment. Robert closed the public comment period.

3. For Possible Action: Approval of Minutes of Meeting June 21, 2024

On motion and second to approve the minutes of June 21, 2024, as presented, the motion carried.

4. Consideration and Appointment of BillieJo Hogan and Brooke Thompson to Open Oversight Committee Seats

Stacy Norbeck, General Manager, POOL/PACT Human Resources (PPHR), reported three OSC seats are currently open. Dawn Huckaby was promoted to Assistant Superintendent at Lyon County School District and recommended her new Executive HR Director, BillieJo Hogan, to replace her on the OSC. In addition, Jonalee Roberts, Mount Grant General Hospital, is no longer eligible to serve because Mount Grant Hospital left PACT; however, they remain as POOL quasi-members. Also, Austin Osborne, who has served for many years, is stepping down due to other commitments. He will serve until a replacement is found. Stacy reviewed the OSC Seat Analysis that had been conducted to ensure the committee is balanced and representative of POOL/PACT's membership. The analysis considered the six regions represented in the state, the member types (i.e., cities/towns, counties, schools, special districts), member size, and organization roles of each current committee member to ensure a balanced mix. Given the biggest imbalance currently is in entity type and size, she invited Brooke Thompson, Administrative Services & HR Supervisor, Indian Hills General Improvement District, and Joe Westerlund, Town Manager, Town of Tonopah to join the committee, in addition to BillieJo. Stacy briefly reviewed the bios submitted by both BillieJo and Brooke.

On motion and second to appoint BillieJo Hogan and Brooke Thompson to the open Oversight Committee seats, the motion carried.

5. For Possible Action: General Manager Report

Staff Turnover and Hiring Updates — Stacy reviewed recent employee turnover at PPHR. Haydée Acebo, Business Partner, PPHR, hired in June 2024, resigned due to personal reasons. PPHR has done well with five business partners in the past so the position will not be reopened at this time. Stacy is evaluating PPHR's strengths and areas of opportunities in deciding how to best fill that position and is considering an HR Analyst role.

Marketing/Attendance Team — Stacy announced the creation of a new internal team including Jarrod Hickman, Risk Management Specialist, POOL/PACT Risk Management (PPRM); Mike Van Houten, eLearning Manager/Webmaster, PPRM; Julie Hemann, Business Partner, PPHR; Heather Evans, Administrative Assistant, PPHR; and herself. The team was formed to address marketing needs as well as training attendance issues. Regarding marketing: PPHR's email open rate for the past 30 days on Constant Contact was 48%, which is very good compared to the national open rate average which is 28.5% for nonprofits and 25-41% for government entities. Staff is cleaning up Constant Contact email lists to increase the open rate and decrease bounce rates, researching better ways to ensure emails are opened (e.g., subject lines, fonts, colors, images, Call-to-Action buttons) and looking into the possibility of utilizing Microsoft Insights rather than Constant Contact for marketing campaigns. Regarding training attendance issues: the team is researching SMS texting to send reminders for training to address no-show rates (13% in person, 20% virtual, 48% round tables), and rewarding attendance with a raffle prize is under consideration. Shannon Harris expressed appreciation for the reminders as she gets pulled away from her office often and reminders help her to be more intentional. Robert agreed that a reminder via text is better than an email for him as he receives 300+ emails every day. Erin Feore and Lourdes Martin both inquired if it would be possible for an email to be sent to a director or department head when one of their employees does not show for a training. Stacy confirmed with PPHR Support Staff that it is done for regional trainings that are multi-session but not necessarily all trainings. Robert agreed with the suggestion only if it is not a burden on PPHR staff. Stacy indicated the most important reason to cut back on no-shows is to allow enough time for an individual from the waitlist to be notified and confirm their attendance. Discussion ensued and Stacy indicated staff would consider contacting member entities as an option when an employee does not attend a training.

Biannual Survey — Stacy reported the survey is conducted every other year on even years in the fall. PRI's Scope of Services states, "conduct a biennial survey with members on services provided, quality of services, and potential needs." In the past, PPHR offered it as a satisfaction survey based on a rating scale. Internally, alternatives have been discussed. This year staff would like to focus on service improvement. In the proposed format, there would be less questions, and many would be open-ended. Stacy then reviewed sample questions.

Erin said the new, proposed format feels more personal as opposed to grading one through five. Stacy indicated the response rate in the last three surveys was 22.78% in 2022; 13.67% in 2020; and 21.13% in 2018. Research showed the average response rate for business-to-business satisfaction surveys is 5-33%, which indicates PPHR is on target but would like more useful feedback. Shannon liked the suggestions and wanted to know how the information would be used at the back end (e.g., conversations with BPs or service providers). Stacy indicated that the information will be used the same way the outcomes from the past surveys have been used and that PPHR takes definitive action on the information received in the survey. Discussion ensued clarifying the reasons behind the format change and the need for the information. Robert

indicated fewer responses may be received due to the fill-in nature of the proposed survey, however, the information will be more valuable. Stacy clarified the survey will be sent out to a targeted group from the HR Topics list before the conference, and they plan to encourage attendees to complete it during the conference using raffle tickets as an incentive. Sean Moyle, Business Partner, PPHR, suggested offering gift cards as further incentive. Further discussion ensued regarding ways to increase survey participation.

Quarterly Newsletter — Stacy reviewed the articles in the quarterly newsletter that was published on August 20, 2024: Navigating the Rough Waters of an Election Year, Called to the Principal's Office: A Guide to Nevada's School-related Leave Laws, Creating Community and Building Positive Relationships in the Workplace, Dear POOL/PACT HR, New POOL/PACT HR Business Partner, POOL/PACT HR Word Scramble, and Don't Miss These Important HR Events.

6. For Possible Action: Report on Activities

a. 24/25 Strategic Plan to date

Stacy reviewed the 24/25 Strategic Plan as follows:

New Trainings — Two new classes are being developed this year: *Difficult Conversations (DC)* (rollover) class is 90% complete with a pilot session held on August 28, 2024. The first regularly scheduled session will be held on November 14, 2014, along with *Document, Discipline, Due Process (DDD)*. *Human Resources Representative (HRR) - Session 1,* and *Investigations Workshop* are at 0%.

Revisions — Addressing Inappropriate Conduct in a School Environment and HRR — Session 2 are 100% complete.

Regional Trainings — Fifteen regional trainings are scheduled this year: Essential Management Skills in the Public Sector (EMS) is scheduled five times (one complete, one in process, and three more scheduled); DC is scheduled three times (one pilot session complete and two more scheduled); DDD is scheduled one time with DC (Carson City); Dear HR is scheduled one time (Carson City); HRR is scheduled one time (Carson City); Advanced Human Resources Representative (AHRR) and Advanced Essential Management Skills in the Public Sector (AEMS) are each scheduled one time (Carson City); IL is scheduled one time (Carson City); and So, You Want to be a Supervisor? (SYWTBAS) (Virtual) is scheduled one time.

Regional Workshops or State-wide Virtual Workshops Utilizing Outside Resources — A *Title IX* workshop is 100% complete; as well as a possible Equal Employment Opportunity (EEOC)-related workshop.

2024 HR Leadership Conference — The main conference is scheduled for October 30 - 31, 2024, and the preconference for October 29, 2024, in the afternoon. Ashley Creel, Training Manager and Senior Business Partner, PPHR, reported the current registration is at 121 (99 members), with the balance being POOL/PACT staff and speakers. The preconference has 44 registered (28 members). She anticipates an increase in registration before the actual conference date. The website has been updated and can be found at poolpact.com/hrconference.

On Thursday, October 30, 2024, at the Main Conference there will be *No Excuses – Break Through Fear and Adversity to Play a Bigger Game in Business and Life* with David Atkins, Team Perseverance; *Round Tables by Entity Type*; *Never Fear! Al is Here! But is it a Superhero or a Supervillain?* with George McEwan, Utah's Department of Government Operations; *Ghouls No More: Transforming Workplace Bullying Behavior* with

Mark Batson Baril, Resologics; Responding to Requests for Employee-related Public Records with Scott Husbands, Nevada Office of the Attorney General; Managing Education Due Process Claims for School Districts with Michael Edwards and Stephanie Bedker, Freeman Mathis & Gary LLP; Embracing the Human Side of HR Training with Jeff Coulam, Carson City; Adverse Actions and Social Media Harassment: The Courts are Moving the Goal Posts with Jonathan McGuire, Simons Hall Johnston; and Reception and Expo. On Friday, October 31, 2024, there will be The Formula to WIN (What's Important Now) with Will Baggett, Emergent Executives; Translating Respectful Intentions into Respectful Action: Transgender 101 with Pryce Scott, Northern Nevada HOPES; Accommodations for Pregnant and Lactating Workers with Kimberly Cullen, The Children's Cabinet, and Charity Felts, University of Nevada, Reno; Recognize and Respond (Employee Mental Health) with Ethan Opdahl, Specialty Health; Attack of the Self-Righteous Citizen: Handling First Amendment Auditors and Other Unruly Visitors with Rebecca Bruch, Lemons, Grundy & Eisenberg; Radical Care in the Workplace: The Art of Cultivating Accountability and Compassion in Leadership with Christine Perigen-Fonner, Roam Your Soul; and Group Trivia Game and Grand Prize Raffle Drawing.

PPHR reserved 30 rooms for the nights of October 29 and October 30, 2024. Ninety percent of the room block (27 of the 30 rooms) needs to be filled or PPHR pays for the difference. To date, 16 people are booked on Tuesday night and 17 on Wednesday night. Staff will be reaching out to those who originally showed interest but have not yet reserved a room. Currently, the link to book a room through the Atlantis is inoperable which requires attendees to call to book a room. The link is supposed to be fixed sometime in the future. Ashley clarified there is always an attrition rate which is 90% at the Atlantis, but she is confident the rooms will fill up. Two additional emails including a reminder to register will go out next week and an attendance confirmation including meal and session selection to go out October 9, 2024.

New Briefings — Six new briefings will be developed this year: *Progressive Discipline* and *Documentation Process* are at 50%, and *Open Meeting Law (OML) Recruitments* is at 25%.

Review/Update Existing Briefings — Eighteen HR Briefings will be reviewed. Two are in process.

Webinars — Five webinars scheduled; four EAP and HR Briefing: Americans with Disabilities Act.

Virtual Round Tables — To be held quarterly. Four round tables held to date with 29 total participants.

Legislative Updates — Begins in January and will be completed by end of June 2025.

Post Member Pay Plan/Scale on Website — These are posted as received. Some members have multiple pay scales.

Sample Personnel Policy Update —The sample policy manuals will be updated by the end of the fiscal year.

Coaching and Problem Solving — This is an ongoing process which is currently 25% complete.

Alerts — No Alerts have been issued to date.

Trainings — As of September 11, 2024, 17 trainings have been conducted with 345 participants, with 4.6 course content average and 4.7 instructor evaluation average. One HR Briefing has been conducted with nine participants. The four Quarterly Virtual HR round tables held had 29 participants.

Phase I HR Compliance Assessment Program — Thirteen rolled over from previous years, two of which are complete (Boulder City and White Pine County Tourism). Currently, there are seven new assessments scheduled with one dropping out. Ten of the assessments are through Enterprise Risk Management Excellence Program participation.

Phase II HR Compliance Assessment Program — Three new assessments including Lincoln County, Indian Hills General Improvement District, and Smoky Valley Library District. There are no rollovers from previous years.

b. Member Contact Tracking

Stacy reported 499 total recorded contacts this fiscal year as of August 31, 2024. The bulk of the contacts were spent in General Contact at 40% and Program Planning/Service Plans at 16%. The top categories not including General Contact and Program Planning/Services were Employee Relations/Fair Employment Practices (e.g., Title VII, ADA) at 23%; Personnel Administration (e.g., policies, job descriptions, personnel files) at 19%; Hiring at 15%, and Discipline at 13%.

c. Report on Employment-Related Claims

As of August 31, 2024, for FY 24/25, there were seven claims, all of which are open. Claims may have multiple charges. Of the seven claims, one is gender/sex orientation discrimination; two administrative investigations; two ADA; two retaliation; two hostile work environment; one age discrimination; two wrongful termination/constructive discharge, and one due process. Of the seven claims, four are from counties; two from cities; none from towns; one school district; and none from special districts.

In FY 23/24, there were 43 claims, 29 of which are open. Claims may have multiple charges. Of the 43 claims, seven were gender/sex orientation discrimination; 13 administrative investigations; one breach of contract; eight ADA; 10 retaliation; one USERRA complaint; five hostile work environment, three age discrimination; nine wrongful termination/constructive discharge; three race; one workers'-compensation related termination; one defamation; one religion; one union; and one political affiliation. Of the 43 claims, 12 are from counties; six cities; nine schools, and 11 special districts.

d. HR Problem-Solving Reports

Stacy presented the 1st Quarter 24/25 HR Problem-Solving Reports reflecting unique member issues addressed in the last quarter.

7. For Possible Action: Employee Assistance Program (EAP) Quarterly Report

Stacy reviewed the quarterly and annual Acentra EAP report. The total number of POOL/PACT members covered quarterly was 14,961 with 70 Individual Cases, three Management Consultations, 275 training participants in the webinars, 387 Unique Web Logins, and 735 Total Overall Lives Touched. The total number of POOL/PACT members covered for the year was 14,939 with 267 Individual Cases, 18 Management Consultations, 872 Training Participants, 1,542 Unique Web Logins, and 2,699 Total Overall Lives Touched. Shannon asked if the difference in employee numbers was due to a particular change (e.g., number of Business Partners, organizations expanding). Lessly Monroy, Senior Business Partner, PPHR, clarified that the employee numbers reflect information gathered in large part from Service Plan meetings and those numbers are then communicated to Acentra for their report. Each month staff sends Acentra the contact numbers in the database. The Individual Utilization Rate for the year was 1.9% and Overall Utilization was 18.1%. The annualized rate was 2% individual and 19.7% overall for the fourth quarter. Legal was the highest utilized work-life service at 71%. Over 75% of cases opened in the fourth quarter were new cases, while 66.7% of employees felt their presenting issues had an impact on their job performance. Highest quarterly utilizations were from Southern Nevada Health District at 6.5%, Mount Grant Hospital at 5.9%, Storey County at 5.6%,

Carson City at 5%, and White Pine County and Pershing General Hospital at 4.8%. Overall year-to-date utilizations were from Mount Grant General Hospital at 5.9%, Storey County at 5.6%, Lyon County at 4.6%, Churchill County at 4.4%, and Carson City at 4.3%. Just over 90% percent of cases were reported as being resolved in the four-session model. The top assessed problems for the fourth quarter at intake were emotional well-being at 40% (annual 27%), work-life at 24% (annual 27%), and relationships at 17% (annual 17%). Ninety-two percent of calls were by employees (94% annual), 34.2% got information from HR (annual 39.3%), 19.2% from a poster (annual 19.6%), and 9.6% had previously seen information (annual 14.7%). Management Consultations included Workplace Trauma, AOD Non-DOT, Behavioral/Appearance Concerns, and Workplace Safety. Eight Critical Incidence Response (CIR) hours were used for the year with 60 attendees. Acentra provided 19 hours of training for FY 23/24, reaching 524 individuals in addition to 288 who viewed the recording. Website Topics accessed were Mental Health at 17% (annual 15%), Seminars at 7% (annual 6%), Relationships at 5% (annual 7%), Parenting at 5% (annual 2%), Legal at 3% (annual 9%), and Financial at 3% (annual 6%).

Stacy provided other updates including:

- Webinar topics have been finalized and scheduled for FY 24/25.
- Current schedule:
 - Wellness Fair Lyon County School District Completed on 8/30/24
 - Webinar NEW! Mastering Your Money in Difficult Times 9/18/24
 - Wellness Fair Carson City 9/24/24
 - Wellness Fair Boulder City 10/23/24
 - HR Conference POOL/PACT HR 10/30/24
 - Webinar NEW! Giving and Receiving Feedback for Managers 11/12/24
 - Webinar Powerful Communication Harnessing Effective Techniques to Enhance Your Style – 3/5/25
 - Webinar Mindfulness to Concentrate and Pay Attention 5/7/25
- Acentra is updating their website and developing an employee-use app they hope to introduce next year. They will also be offering additional podcasts. Austin reported they had an employee who had some legal issues and was told by the EAP to come back in a week. Lessly indicated she would be in contact with Austin to provide a form the employee can fill out and return to Alex at Acentra so the issue can be addressed as soon as possible.

8. For Possible Action: HR Compliance Assessment Application Form Suggested Changes

Stacy shared the HR Compliance Assessment Application Form and reviewed the suggested changes. She would like to change the titles of the Stages for both the Phase I and Phase II Assessments as indicated on the current form. Stage I was originally referred to as *Assessment Preparation*; she would like to change it to read, *Pre-Assessment Preparation and Analysis*. Stage II was originally referred to as *Assessment Visit*; she would like to change it to read, *Assessment Meeting*, which reflects the fact some meetings are not in person. These are minor changes. A major change is on the last page. As part of the Request Form, she explained it would be beneficial as someone scheduling the assessment, to have a list of informational items that will be needed at the assessment. She invited Lessly to be a part of putting the list together.

In addition, she would like to add an item that asks for the best time of year to hold the assessment for scheduling purposes.

On motion and second to approve the HR Compliance Assessment Application Form as presented, the motion carried.

9. For Possible Action: HR Scholarship Application Approval

Stacy reported Amy Elmer, Recorder/Auditor at Lincoln County is requesting \$1154 (prep class \$448, app/exam fee \$495, and bundle \$211) for her PHR certification. On motion and second to approve the scholarship application for \$1154 as presented, the motion carried.

10. For Possible Action: HR Assessment Grant Application Approval

Stacy reported Amy Elmer, Recorder/Auditor at Lincoln County, submitted a Phase I Re-Assessment Grant Application requesting \$500 for the Organizational Excellence Award Grant which will enable staff to purchase supplies to better display EAP materials and provide a more organized location for all HR-related trainings, and \$250 for the Individual Excellence Award Grant to go to Amy Elmer. On motion and second to approve the application as presented, the motion carried.

11. For Possible Action: Consideration and Appointment of Joe Westerlund to Open Oversight Committee Seat

Stacy presented Austin with a plaque for his service on the OSC. Austin expressed thanks to Stacy and her team for the HR support over the years. Stacy introduced Joe Westerlund (absent) by sharing his biography. On motion and second to approve the appointment of Joe Westerlund to the open Oversight Committee seat, motion carried.

12. For Possible Action: Schedule Next Meeting for PRI Oversight Committee

Next meeting is scheduled for Friday, December 13, 2024, at 9:30 a.m. via Zoom and in person (Carson City).

13. Item: Public Comment

Chair Robert Quick opened public comment. Stacy again thanked Austin Osborne for his service over the years to PPHR. Robert thanked Stacy for her thorough analysis of OSC members by region which proved helpful in identifying potential new members. Robert closed the public comment period.

14. For Possible Action: Adjournment

The meeting was adjourned at 11:15 a.m.



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UNAPPROVED MINUTES OF THE POOLING RESOURCES, INC OVERSIGHT COMMITTEE MEETING Date: December 13, 2024 Time: 9:30 a.m.

Place: Virtual Meeting via Zoom

1. Oversight Committee (OSC) Roll Call

Member(s) participating via Zoom: Interim Chair Shannon Harris; Erin Feore; Dan Sadler; Brooke Thompson; Kim Todd; Joe Westerlund. Member(s) not participating: Chair Robert Quick; BillieJo Hogan; Scott Lindgren; Lourdes Martin; Susie Shurtz. Pooling Resources, Inc. (PRI) Staff participating via Zoom: Stacy Norbeck; Ashley Creel; Lessly Monroy; Sean Moyle. Called to order at 9:30 a.m.

2. Item: Public Comment

Interim Chair Shannon Harris opened public comment. Shannon closed the public comment period.

3. For Possible Action: Approval of Minutes of Meeting September 20, 2024

On motion and second to approve the minutes of September 20, 2024, as presented, the motion carried.

4. For Possible Action: General Manager Report

Staff Hiring Updates — Stacy Norbeck, General Manager, POOL/PACT Human Resources (PPHR) reviewed recent employee turnover at PPHR. Julie Hemann resigned from her position as HR Business Partner (BP) in October due to major medical issues. Stacy immediately posted for an HR BP position and conducted some interviews but did not find an applicant that was a good fit. In addition, she posted and interviewed for an HR Analyst to assist the training manager with maintaining trainings; conducting and analyzing needs assessments; present trainings; track legislation; and serve as a backup HR BP. After conducting a search, a candidate was offered the job and will begin Monday morning pending the outcome of a background check.

Stacy expressed how amazing the PPHR staff has been during the changes in the past year and how fortunate she is to have such a wonderful team. She thanked Ashley, Lessly, Sean, Sandy, and Heather for their contributions.

Marketing/Attendance Team — Stacy previously announced the creation of a new internal team including Jarrod Hickman, Risk Management Specialist, POOL/PACT Risk Management (PPRM); Mike Van Houten, eLearning Manager/Webmaster, PPRM; Heather Evans, Administrative Assistant, PPHR; and herself. The team was formed to address marketing needs as well as training attendance issues. When training is offered in person, there are generally 10% who do not show; when offered virtually, the number is higher at 20%. In comparison to other agencies, the numbers are normal, but POOL/PACT wants to improve upon those

numbers. After meeting several times, the team identified Microsoft Dynamics 365 Insights Add-On as a powerful tool designed to enhance customer relationship management (CRM) and provide actionable intelligence by integrating marketing, data analytics, and AI with the Dynamics 365 Suite. It will enable POOL/PACT to gain deep insights into member behaviors, trends, and performance metrics, allowing for smarter decision-making and better member engagement. The combined customer data platform and real-time journey orchestration empower teams to uncover new insights and deliver personalized member experiences. Insights works with other Microsoft products including Dynamics, which serves currently as POOL/PACT's database. Dynamics does not communicate smoothly with Constant Contact which is currently utilized to send out training registration emails and related items. Microsoft Insights will reduce those communications issues by communicating directly with Dynamics. It is anticipated to reduce duplication of effort for staff and allow access to use the other tools included in the Microsoft Dynamics 365 Insights Add-On which is also cost savings.

Stacy stated although the current contract ends in May 2025, POOL/PACT will most likely begin using the Microsoft Dynamics 365 Insights Add-On prior to that date.

Quarterly Newsletter — Stacy reviewed the articles in the quarterly newsletter that was published on November 22, 2024: Finding Qualified Candidates in the AI Era, Holding Public Employees Accountable for Attendance, ALERT: New Exempt Salary Levels Struck Down by Federal Court 11-15-24, Celebrating Connection and Learning at the 2024 Conference, POOL/PACT HR Mantra Cryptogram, and Save the Date.

On motion and second to accept the General Manager Report, the motion carried.

5. For Possible Action: Report on Activities

a. 24/25 Strategic Plan to date

Stacy reviewed the 24/25 Strategic Plan as follows:

New Trainings — Two new classes are being developed this year: *Difficult Conversations (DC)* (rollover) class is 100% complete with a pilot session held on August 28, 2024. The first regularly scheduled session was held on November 14, 2024, along with *Document, Discipline, Due Process (DDD)*. Excellent feedback was received with a Content Rating of 4.8 and Instructor Rating of 4.9. *Human Resources Representative (HRR) - Session 1* and *Investigations Workshop* are at 0%.

Revisions — Addressing Inappropriate Conduct in a School Environment is 100% complete and HRR — Session 2 is 75% complete.

Regional Trainings — Fifteen regional trainings are scheduled this year: Essential Management Skills in the Public Sector (EMS) is scheduled five times (two complete, one in process, and two more scheduled); DC is scheduled three times (two complete and one more scheduled); DDD scheduled one time (Carson City) is complete; Dear HR is scheduled one time (Carson City); HRR is scheduled one time (Carson City); Advanced Human Resources Representative and Advanced Essential Management Skills in the Public Sector are each scheduled one time (Carson City); IL is scheduled one time (Carson City); and So, You Want to be a Supervisor? (Virtual) is scheduled one time.

Regional Workshops or State-wide Virtual Workshops Utilizing Outside Resources — A *Title IX* workshop is 100% complete; as well as a possible Equal Employment Opportunity (EEOC)-related workshop.

2024 HR Leadership Conference — Preconference and HR Leadership conference are 100% complete.

New Briefings — Six new briefings will be developed this year: *Progressive Discipline, Documentation Process,* and *Open Meeting Law (OML) Recruitments* are at 25%.

Review/Update Existing Briefings — Eighteen HR Briefings to be reviewed. Seven are complete.

Webinars — Seven webinars scheduled; four EAP (two complete), and three HR Briefing webinars including HR Briefing: Americans with Disabilities Act (ADA), HR Briefing: Family and Medical Leave Act (FMLA), and HR Briefing: Performance Management (two complete).

Virtual Round Tables — To be held quarterly. Four round tables were held to date with 29 total participants.

Legislative Updates — Begin in February and will be completed by end of June 2025.

Post Member Pay Plan/Scale on Website — These are posted on the website as received. Some members have multiple pay scales. There are no changes for this period.

Sample Personnel Policy Update —The sample policy manuals will be updated by the end of the fiscal year.

Coaching and Problem Solving — This is an ongoing process which is currently 50% complete.

Alerts — Two Alerts have been issued to date: *Release Time to Vote 10-16-24* and *New Exempt Salary Levels Struck Down by Federal District Court 11-15-24*.

Biannual Survey — The survey is 100% complete.

Trainings — As of December 6, 2024, 36 trainings have been conducted with 682 participants, with 4.7 course content average and 4.8 instructor evaluation average. Two HR Briefings have been conducted with 49 participants. The four quarterly Virtual HR round tables held had 29 participants. Stacy noted that the total briefing numbers will be adjusted to include numbers from the two HR Briefing webinars, ADA and FMLA. This adjustment will be reflected in the next Strategic Plan update.

Phase I HR Compliance Assessment Program — Thirteen rolled over from previous years, five of which are complete (City of Boulder City, City of Ely, Kingsbury General Improvement District, White Pine County, and White Pine County Tourism). Currently, there are seven new assessments scheduled with one canceling request. Ten of the assessments are part of the Enterprise Risk Management Excellence Program.

Phase II HR Compliance Assessment Program — Three new assessments including Lincoln County (postponed until spring), Indian Hills General Improvement District (in process), and Smoky Valley Library District (has not submitted request form). There are no rollovers from previous years.

b. Member Contact Tracking YTD 7/1/24 - 11/30/24

Stacy reported 1,013 total recorded contacts this fiscal year as of November 30, 2024. The bulk of the contacts were spent in General Contact at 39% and Program Planning/Service Plans at 15%. The top categories, not including General Contact and Program Planning/Services, were Employee Relations/Fair Employment Practices (e.g., Title VII, ADA) at 21%; Hiring at 16%; Personnel Administration (e.g., policies, job descriptions, personnel files) at 14%; and Compensation and Benefits at 13%.

c. Report on Employment-Related Claims

As of October 31, 2024, for FY 24/25, there were 13 claims, 12 of which are open. Claims may have multiple charges. Of the 13 claims, three are gender/sex orientation discrimination; one age discrimination; two ADA; two hostile work environment; four administrative investigations; three retaliation; four wrongful termination/constructive discharge; one due process; one free speech; and one bullying. Of the thirteen claims, five are from counties; three from cities; none from towns; one school district; and four from special districts. In FY 23/24, there were 11 claims for the same period.

d. HR Problem-Solving Reports

Stacy presented the 2nd Quarter 24/25 HR Problem-Solving Reports reflecting unique member issues addressed in the last quarter.

On motion and second to approve Items 5a – 5d Report on Activities, the motion carried.

6. For Possible Action: Annual HR Leadership Conference Recap

Ashley Creel, Training Manager and Senior BP, PPHR, provided a review of the 2024 HR Leadership Conference which took place October 29–31, 2024. The Risk Management Preconference held on Tuesday, October 29, 2024, had 58 total in attendance including 41 members. The main conference sessions on Wednesday and Thursday, October 30–31, 2024, had 131 total in attendance including 105 members on Day One, and 110 total in attendance including 91 members on Day Two. Actual registration has increased steadily since 2018 with 110 registrants for the 2024 event being the highest to date.

PPHR support staff tracked headcount throughout the day as it helps in planning for future conferences. This year followed a predictable pattern starting out the day with high attendance, drifting down towards the afternoon, but still retained a high number. Day One began with close to 100 attendees in the morning, a bit less for lunch sessions, and then approximately 60 people at the end of day for the reception, which is an excellent turnout. Day Two began with close to 90 in attendance for morning sessions, a slight decline for afternoon, and close to 50 for the trivia and raffle at the end of the conference.

Round table attendance was evenly distributed with most groups having 17–18 people. Evaluation ratings for Day One general sessions: David Atkins (No Excuses) was the highest rated, followed by Round Tables by Entity Type, George McEwan (AI), and Mark Batson Baril (Bullying). Evaluation ratings for Day One Breakout Sessions: Stephanie Bedker (Educational Due Process) was the highest rated, followed by Jeff Coulam (HR Training), and Scott Husbands (Public Records). The actual attendance was highest for Jeff Coulam with 56, followed by Scott Husbands with 25, and Stephanie Bedker with 9. While Bedker's session had the highest rating, it had the smallest number of people attending, which most likely skewed the rating. Evaluation ratings for Day Two general sessions: Christine Perigen-Fonner (Compassionate Leadership) was the highest rated, followed by Will Baggett (Formula to WIN), and Becky Bruch (First Amendment Audits). Evaluation Ratings for Day Two Breakout Sessions: Kim Cullen and Charity Felts (Pregnant Workers) was the highest rated, followed by Ethan Opdahl (Mental Health), and Pryce Scott (Transgender). The actual attendance was highest for Ethan Opdahl with 64, followed by Pryce Scott with 15, and Kim Cullen and Charity Felts with 7. Again, while Cullen and Felts' session had the highest rating, it had the smallest number of people attending. All session ratings were over 4 out of 5 for both days.

Ashley briefly reviewed some of the daily comment trends which indicated attendees appreciated the option of having breakout sessions. Shannon said the conference went really well, and she loved the breakout sessions. She was not concerned about the lopsided numbers because they would have leveled out more if it

was a larger conference with different topics at different times and different days, repeating themselves. If there is only one time slot for each topic then it may be heavy one way or the other, but it does not mean that the content was not critical and that the speakers were not effective. Erin Feore agreed and said feedback from her team indicated they loved the breakout sessions because they got to meet new people. One employee wished she could have attended two different topics, but they were being held at the same time.

Evaluation Ratings for event check-in, food and beverage, and facilities were all higher than last year's conference. Lunch each day was a buffet versus a plated lunch that may have affected the evaluation scores for food and beverage as there was positive feedback. Erin asked if this will be the last year at the Atlantis. Ashley said they have been favoring larger conferences that can give them more hotel rooms which PPHR cannot guarantee, in addition to limiting the dates available which is why the decision was made to go with Tahoe Blue Event Center for 2025 but does not preclude the conference from again being at the Atlantis. Kim Todd heard a lot of positive comments about the food and that attendees liked that there were more food choices.

The POOL/PACT Risk Management preconference evaluation process was different than PPHR's, but appeared to be highly rated with almost 5 out of 5 stars. Ashley shared a few comments from participants including: the overall content was seen as informative and thorough; some felt there was repetitiveness; Chief Campbell was engaging; use of real-world scenarios proved helpful; and a few of the attendees misunderstood what the content would be.

Comments from the main conference included both praise and constructive criticism. Attendees found the speakers to be interesting and engaging, the content relative to current issues, overall conference exceptional, and 2024 being the best conference so far. One attendee did not care for one of the keynote speakers, while another said the mic was too loud for another. In addition, there was a keynote speaker who brought a photographer who proved to be a distraction.

Shannon appreciated the honest comments. Ashley said the constructive feedback is good because it will be taken into account when planning for the next conference.

The buffet lunches were generally well received. Some would like a more robust breakfast which may be considered for the future if the cost is not prohibitive. At least one person missed the paper handouts, another suggested mixing up the tables on the second day to encourage everyone to meet new people, and another suggested giving out raffle prizes throughout the conference to accommodate those who need to leave before the end of the second day. Ashley said the lunch time raffles will probably be brought back next year. One person did not like being in a casino environment due to cigarette smoke, but that should not be an issue next year as it will be at a new venue. Someone mentioned that PPHR staff should be introduced on the stage on the first day during introductions. Erin liked that suggestion and thought it would be helpful.

Topic suggestions included more regarding FMLA, mental health and supportive leadership, and specific topics for breakouts on leadership for police and fire. Ashley encouraged the committee to send topic ideas to her throughout the year for consideration.

The top three self-reported main priorities of the conference named were learning, networking, and leadership development. One hundred percent said their priority was fulfilled.

Next year's conference will be held at the Tahoe Blue Event Center. PPHR will have rooms blocked at Bally's as they share the same parking lot. Special considerations will be made for parking as well as colder temperatures in hallways and the main floor due to the venue being set up during the fall hockey season. In

addition, there will be limited on-site services such as restaurants, so all food and beverage must be planned and catered in advance. PPHR will be pursuing sponsorships to help fund the event next year as well as expanding the expo to outside companies. Ashley thanked Shannon for providing ideas on sponsorship.

Shannon thanked Ashley for the informative recap. Ashley recognized everyone at PPHR for their willingness to jump in and assist where needed to make the conference a success. Stacy thanked the OSC for helping with the speaker introductions. Shannon noted she enjoyed participating in that way and the T-shirts were a fun addition.

7. For Possible Action: Biannual Member Survey Report

Lessly Monroy, Senior BP, PPHR, reported the biannual survey results and referred members to the detailed report in their agenda packet. She thanked those individuals who helped pilot the program before it was implemented.

She highlighted the following results and conclusions:

High Satisfaction with professionalism, responsiveness, and tailored guidance:

- 95% reported general services met their needs
- 85% found consultation guidance sufficient to resolve the issue
- 74% reported no issues with training accessibility or format

High value of staff, described as:

- Indispensable resources
- Compliance fosterers
- Supporters of smaller agencies

Identified opportunities for improvement include:

- Ensure consistency during staff transitions
- Explore new offerings such as enhanced union assistance, annual wage surveys
- Expand eLearning resources

Lessly also shared a few of the additional comments provided with the majority praising PPHR staff for their responsiveness, knowledge, assistance, and professionalism. Stacy commended Lessly for spearheading the project and encouraged the committee to review the extensive report included in the agenda items. She noted a raffle would be held for a \$25 Amazon gift card for those who completed the survey. Lessly proceeded with the online raffle during the meeting, and Stephanie Keuhey from Mineral County School District was selected. Lessly will reach out to Stephanie to congratulate her. Shannon thanked Lessly for all her hard work on the report.

On motion and second to approve the biannual member survey report, the motion carried.

8. For Possible Action: Employee Assistance Program (EAP) Quarterly Report

Stacy reviewed the first quarter Acentra Health EAP report and provided other updates including:

- Acentra is continuing the development of an employee-use app called TalkNow, which provides live access to counseling sessions with Acentra clinicians through the call center.
- Current schedule:

- Wellness Fair Lyon County School District Completed on 8/30/24
- Webinar NEW! Mastering Your Money in Difficult Times Completed on 9/18/24
- Wellness Fair Carson City Completed on 9/24/24
- Wellness Fair Boulder City Completed on 10/23/24
- HR Conference POOL/PACT HR Completed on 10/30/24
- Webinar NEW! Giving and Receiving Feedback for Managers Completed on 11/12/24
- Webinar Powerful Communication Harnessing Effective Techniques to Enhance Your Style – 3/5/25
- Webinar Mindfulness to Concentrate and Pay Attention 5/7/25

Lessly clarified that the webinar topics are chosen from an annual survey of the members. Shannon thanked Stacy and Lessly for their work on the report. On motion and second to approve the Employee Assistance Program quarterly report, the motion carried.

9. For Possible Action: HR Scholarship Application Approval

Stacy reported Kimberly Brontsema, HR Generalist at Churchill County is requesting \$925 (prep class \$750, association fee \$175) for her PSHRA-CP certification. On motion and second to approve the scholarship application for \$925 as presented, the motion carried.

10. For Possible Action: HR Assessment Grant Application Approval

Stacy reported Janette Trask, Treasurer and HR Director at City of Ely, submitted a Phase I Assessment Grant Application requesting \$1000 for the Organizational Excellence Award Grant which will enable two employees to attend the 2025 HR Conference, and \$500 for the Individual Excellence Award Grant to be used for HR education courses for Desiree Ramirez who is training to replace the current HR Director. On motion and second to approve the application for \$1500 as presented, the motion carried.

In addition, Stacy reported Judy Brewer, Administrative and HR Supervisor at Kingsbury General Improvement District submitted a Phase I Assessment Grant Application requesting \$1000 for the Organizational Excellence Award Grant to be used toward a team building exercise, and \$500 for the Individual Excellence Award Grant to go to Judy Brewer to be used towards taking staff out for a nice lunch. On motion and second to approve the application for \$1500 as presented, the motion carried.

11. For Possible Action: Schedule Next Meeting for PRI Oversight Committee

The next meeting is scheduled for Friday, March 7, 2025, at 9:30 a.m. via Zoom and in person (Carson City).

12. Item: Public Comment

Interim Chair Shannon Harris opened public comment. Shannon closed the public comment period.

13. For Possible Action: Adjournment

The meeting was adjourned at 11:19 a.m.





POOL/PACT Annual Meeting Investment Update & Strategy Review



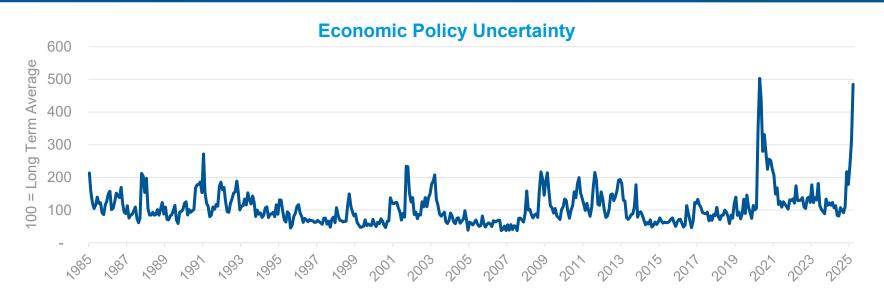
April 18, 2025

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Economic & Trade Policy Uncertainty are Surging



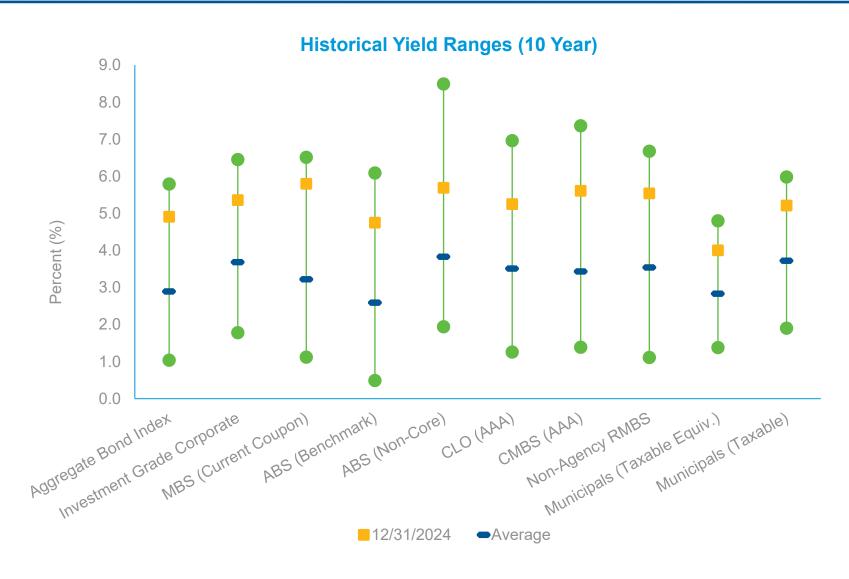




Source: St. Louis Fed, Baker, Bloom & Davis.

Still a Good Time for High-Quality Fixed Income **Attractive Yields Across Sectors**





Source: Bloomberg, NEAM.

POOL/PACT – Investment Strategy & the Importance of Income

Investment Objectives & Portfolio Strategy



POOL/PACT's Investment Objectives:

- Safety of principal / Capital preservation
- Diversification
- Liquidity to meet operating needs
- Provide a balanced return of current income & modest growth of principal

NEAM's Investment Strategy for POOL/PACT:

- Realize the highest possible levels of investment income while generating competitive rates of total return over time
- Generate stable and rising levels of investment income in support of the programs and services that POOL/PACT offers for the benefit of its members

Income History



POOL/PACT Fixed Income

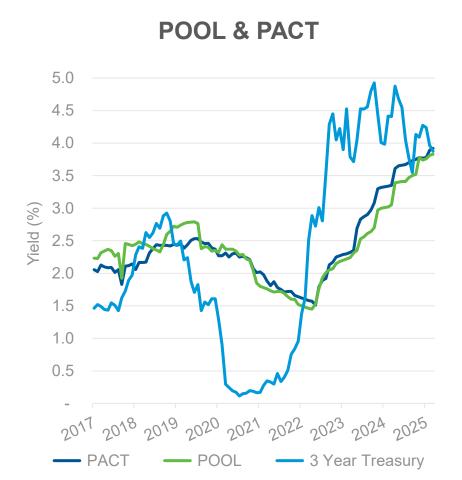


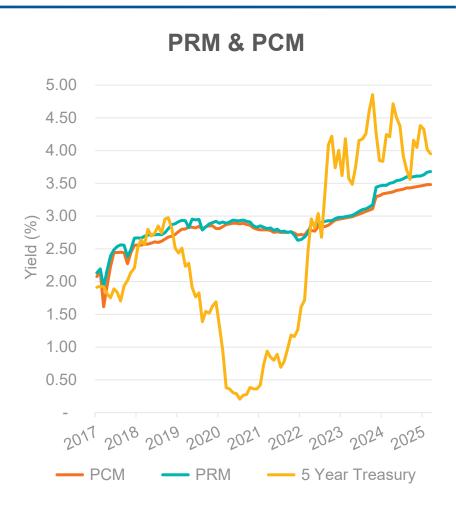
POOL/PACT has benefitted from the higher interest rate environment via higher yields earned on new bonds purchased, resulting in higher levels of investment income ...

Source: NEAM Analytics.

Book Yield History







... and rising portfolio book yields.

Fixed Income Performance



2023	Total Return	Price Return	Income Return
PACT	+5.49%	+2.23%	+3.26%
POOL	+5.15%	+2.11%	+3.04%
PCM	+6.97%	+3.31%	+3.66%
PRM	+7.16%	+3.40%	+3.76%

2024	Total Return	Price Return	Income Return
PACT	+2.82%	-0.97%	+3.79%
POOL	+2.93%	-0.79%	+3.72%
PCM	+3.16%	-0.58%	+3.74%
PRM	+3.41%	-0.46%	+3.87%

Stable and rising income returns overtime ties back to POOL/PACT's primary investment objective of maximizing investment income

Loss Harvesting – What Is It & Why It Is Worth Considering

Considerations for Loss Harvesting



Goal of Loss Harvesting:

 To take advantage of current higher reinvestment rates by selling lower yielding holdings (at a loss) in order to increase investment income generation and recoup losses within a reasonably short payback period

Payback Period:

- Measures the time (in years) it takes to offset or recoup the realized losses with the additional income earned
- It is calculated as the realized loss divided by the change in annual income
- Generally, scenarios with shorter payback periods are worth considering since you realize losses today but will earn higher levels of investment income for years to come

Why Harvest Losses Now?







Source: Bloomberg.

POOL/PACT's 2023 Loss Harvesting Activity



October – November 2023

(000's Omitted)

PURCHASES	Market Value (\$)	Spread (bps)	Purchase Yield	Rating	Duration
Total Purchases	8,494	+105	5.61%	AA-	6.3

SALES	Market Value (\$)	Realized Loss (\$)	Sales Yield	Rating	Duration
Total Sales	8,134	(814)	1.39%	AA-	2.1

Impact to POOL/PACT:

+23 bps Book Yield

+\$350k per year - Income

 Payback Period 2.3 years

Proposed Loss Harvesting for 2025



Fixed Income Loss Harvesting - Impact Analysis

	POOL	PACT	PCM	PRM	
Portfolio Overview					
Market Value (\$)	40,173,013	64,132,886	57,396,753	31,391,857	
Book Yield (%)	4.19%	4.00%	3.82%	3.99%	
Income (\$ per year)	1,727,880	2,681,709	2,315,676	1,320,063	
Duration (years)	3.40	3.40	5.00	5.00	
Average Quality	AA	AA	AA-	AA-	
Fixed Income Analytics					
Change in Book Yield (%)	0.35	0.08	0.33	0.30	
Change in Income (\$)	133,583	46,509	187,476	93,154	
Payback Period (years)	2.25	3.23	2.13	2.15	
Realized Gain/(Loss) (\$)	(300,000)	(150,000)	(400,000)	(200,000)	
Portfolio Turnover (%)	14%	3%	10%	10%	

Impact to POOL/PACT:

- Book Yield +25 bps

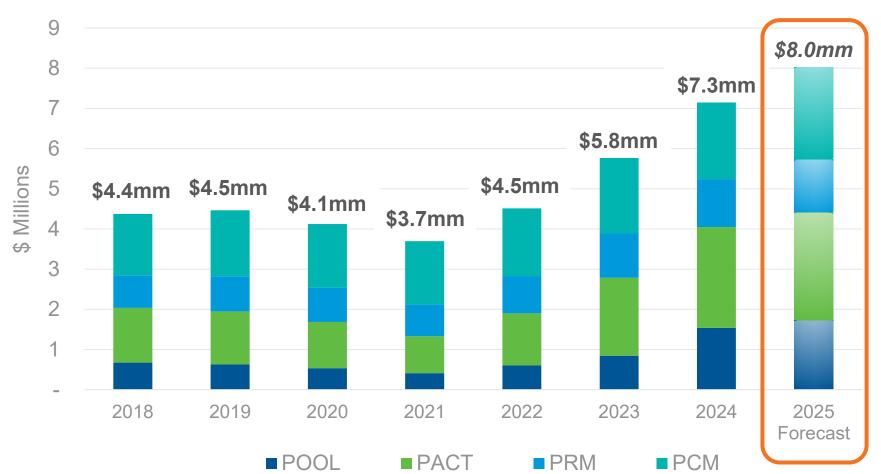
+\$460k per year - Income

 Payback Period 2.3 years

Bringing It All Back to Income



POOL/PACT Fixed Income



Source: NEAM Analytics.

Appendix POOL/PACT Fixed Income

- Multi Period Summary
- Portfolio Comparison
- Transaction Summary

Multi Period Summary



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Distribution

Distribution

12/31/2021 12/31/2022 12/31/2023 12/31/2024 **Book Value** 172.9mm 177.0mm 201.3mm 171.4mm Market Value 175.2mm 155.9mm 165.4mm 188.7mm Unrealized Gain/(Loss) 3.8mm (17.0 mm)(11.5mm)(12.6mm)Duration 4.23 4.02 4.28 4.31 Quality AA AA AA-AA 2.16% 2.61% **Book Yield** 3.29% 3.64% Annualized Book Income 3.7mm 4.5mm 5.8mm 7.3mm

_		,		
Cash	6%	2%	2%	4%
Treasury / Agency	11%	16%	9%	7%
Corporate	29%	33%	34%	31%
Agency MBS / CMO	32%	28%	33%	32%
ABS / CMBS	12%	11%	10%	9%
Taxable Municipal	10%	10%	12%	17%
				<u> </u>

Average Quality	AA	AA	AA-	AA
AAA	17%	12%	12%	14%
AA	52%	54%	51%	53%
A	22%	26%	28%	25%
BBB	9%	8%	9%	8%

	erage Duration	4.23	4.28	4.31	4.02
- No	1 Year	12%	12%	10%	10%
ing 1-:	3 Years	21%	20%	22%	20%
3-	5 Years	37%	28%	35%	45%
5-	10 Years	26%	37%	29%	21%
10	+ Years	4%	3%	4%	4%

2024:

- Book yield +35 bps
- Income +\$1.5mm per year
- Well-diversified portfolio invested in high quality fixed income sectors
- Maintain defensive, up in quality bias
 - Emphasize careful security selection
 - Take advantage of spread widening opportunities
- **Neutral duration posture** given policy uncertainty and interest rate volatility
 - Focus on locking in higher, durable book yields to the portfolio supporting income

Portfolio Comparison



		POOL	PACT	PCM	PRM		POOL / PACT Consolidated
	Book Value	41.2mm	66.6mm	33.0mm	60.5mm		201.3mm
Summary Statistics	Market Value	39.3mm	62.7mm	30.7mm	56.1mm		188.7mm
	Unrealized Gain/(Loss)	(1.9mm)	(4.0mm)	(2.3mm)	(4.4mm)		(12.6mm)
	Duration	3.30	3.46	4.93	4.67		4.02
Sur Sta	Quality	AA	AA	AA-	AA-		AA
	Book Yield	3.74%	3.77%	3.61%	3.46%		3.64%
	Annualized Book Income	1.5mm	2.5mm	1.2mm	2.1mm		7.3mm
						•	
	Cash	7%	6%	2%	1%		4%
Sector	Treasury / Agency	12%	14%	-	-		7%
	Corporate	16%	15%	48%	51%		31%
	Agency MBS / CMO	43%	53%	11%	12%		32%
	ABS / CMBS	2%	1%	19%	17%		9%
	Taxable Municipal	20%	11%	20%	19%		17%
						1	
L	Average Quality	AA	AA	AA-	AA-		AA
Quality Distribution	AAA	10%	9%	22%	19%		14%
ua trib	AA	75%	75%	28%	25%		53%
O is	A	13%	15%	34%	38%		25%
	BBB	2%	1%	16%	18%		8%
						ī	
_	Average Duration	3.30	3.46	4.93	4.67		4.02
on tior	< 1 Year	15%	14%	5%	6%		10%
Duration Distribution	1-3 Years	14%	14%	25%	27%		20%
) Ur	3-5 Years	58%	52%	34%	33%		45%
	5-10 Years	13%	20%	28%	26%		21%
	10+ Years	-	-	8%	8%		4%

Transaction Summary – 2024



(000's Omitted)

(ooo o omittou)						
Purchases	Market Value	%	Spread (Bp)	Book Yld	Lwst	Duration
Sovereigns	5,236	12.2	-	4.89	AA+	2.16
Corporates	8,922	20.7	75	4.94	Α	6.21
MBS	15,102	35.1	94	5.28	AA+	6.07
ABS	175	0.4	42	4.67	AAA	2.88
CMBS	618	1.4	90	5.12	AAA	7.68
Municipals - Taxables	12,952	30.1	68	4.75	AA+	4.49
Total Purchases	43,005	100.0	80	5.00	AA	5.16
Sales	Market Value	%	Realized G/L	Trade / Book Yld	Lwst	Duration
Corporates	426	100.0	(23)	6.50 / 3.50	B+	1.81
Total Sales	426	100.0	(23)	6.50 / 3.50	B+	1.81
Other Transactions	Market Value	%	Realized G/L	Book Yld	Lwst	Duration
Tender	633	3.0	(5)	4.00	BBB+	1.72
Calls	1,559	7.4	7	4.37	A+	1.96
Maturities	11,475	54.3	-	3.23	AA+	0.06
Paydowns	7,443	35.2	-	3.51	AA+	4.83
Sinking Funds	41	0.2	-	3.47	AA+	3.41
Total Other Transactions	21,151	100.0	2	3.44	AA	1.93



April 17, 2025 Nathan Simon Director





Member Contributions (\$)





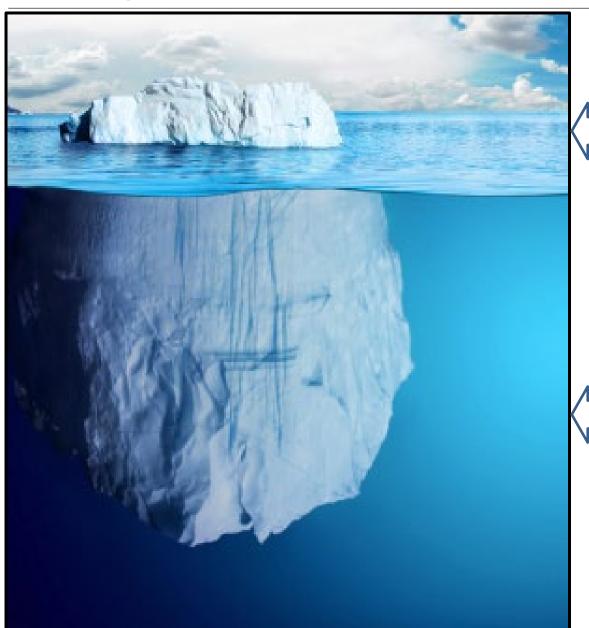


Claims Payments (\$)



Risk Management – Realistic Version





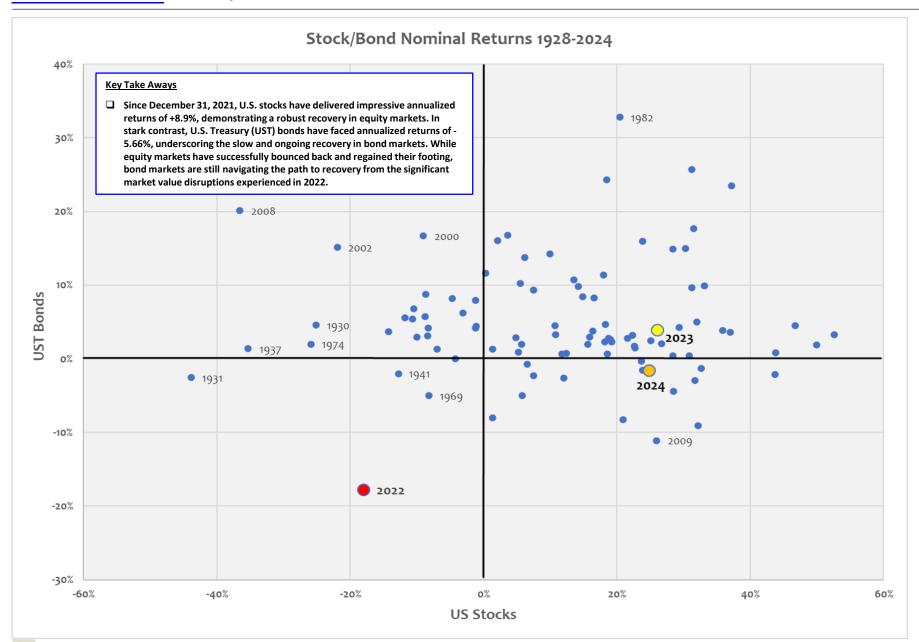
Risks of which we are aware and actively measure and monitor.

Risks of which we are currently unaware or aware of and underestimate.















2024

POOL

+4.99%

+2.77%

PRM

+8.87%

+6.37%

●TOTAL

+7.50%

+5.07%





2024

PACT

+5.37%

+2.72%

PCM

+8.52%

+5.87%

●TOTAL

+7.26%

+4.57%





2024

● RETURN (%)

+7.35%

+4.77%

TOTAL INCOME

+\$23.9M

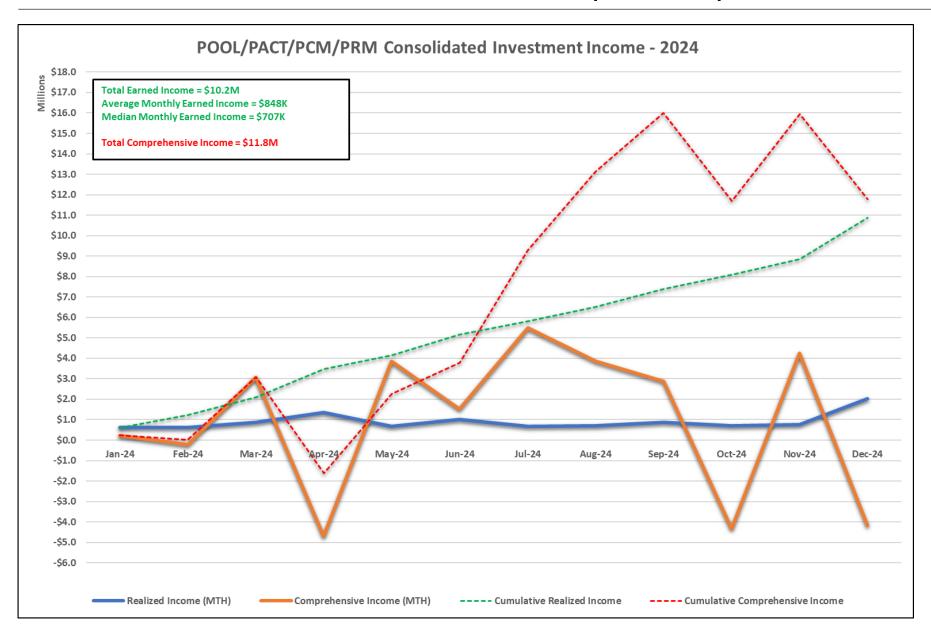
+\$11.78M

● EARNED INCOME +\$7.2M

+\$10.9M



CONSOLIDATED PROGRAM – INVESTMENT INCOME (YEAR 2024)

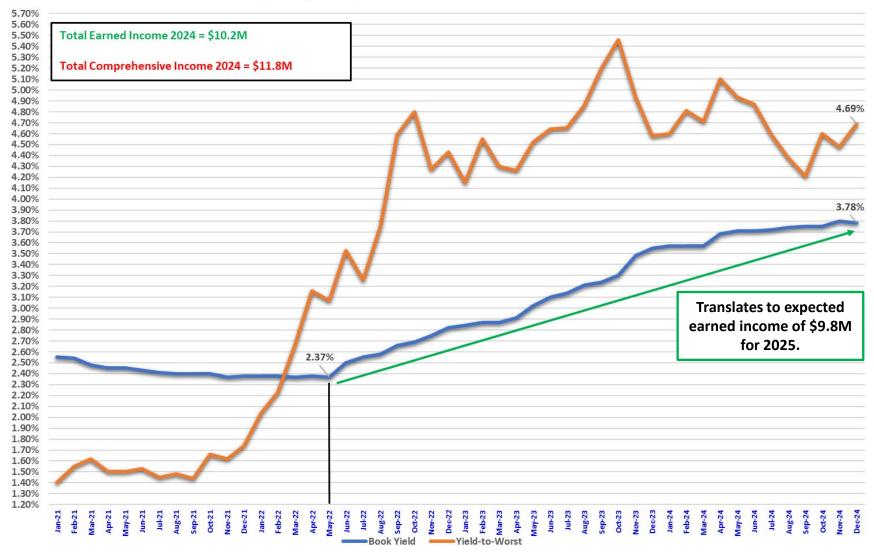






CONSOLIDATED PROGRAMS - EXPECTED EARNED INCOME (YEAR 2025)

POOL/PACT/PCM/PRM Consolidated - Yield Trends







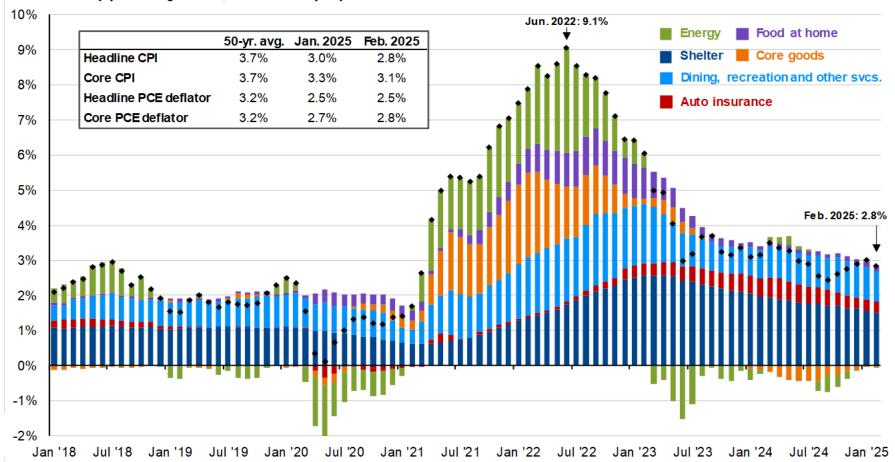


OUTLOOK – Inflation



Contributors to headline CPI inflation

Contribution to y/y % change in CPI, non-seasonally adjusted



Key Take Aways:

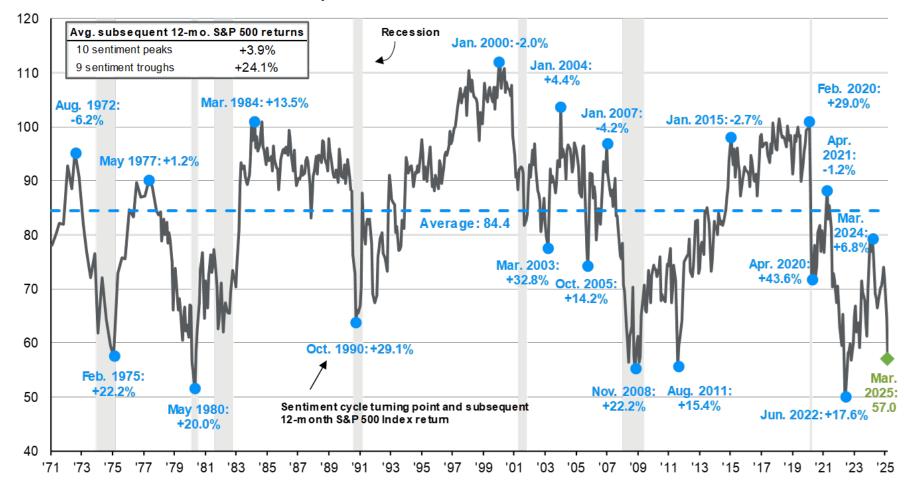
- ☐ Inflation is showing signs of moderation, but it remains a concern. The effects of tariffs are a new and potent force in the inflation numbers. The Federal Reserve is closely monitoring these metrics as it considers future monetary policy decisions..
- Despite the moderation in YoY inflation measures, the overall Consumer Price Index (CPI) has surged by 22.5% since 12/31/2020. This significant increase has more than offset wage gains for most consumers, highlighting the ongoing cost-of-living pressures. As a result, while headline inflation metrics may appear more favorable, the economic reality for most households remains strained.



OUTLOOK – Consumer Sentiment

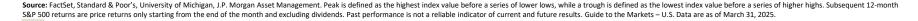


Consumer Sentiment Index and subsequent 12-month S&P 500 returns



Key Take Aways:

□ The recent decline is mainly due to consumer concerns about rising inflation, influenced by tariff news. Consumers are growing more worried about the economic outlook, expecting higher unemployment and worsening personal finances, with many mentioning high prices affecting their living standards. How this affects future consumer spending, which feeds into GDP projections, remains to be seen but consumer spending trends by income cohort may provided some additional context (see next slide).

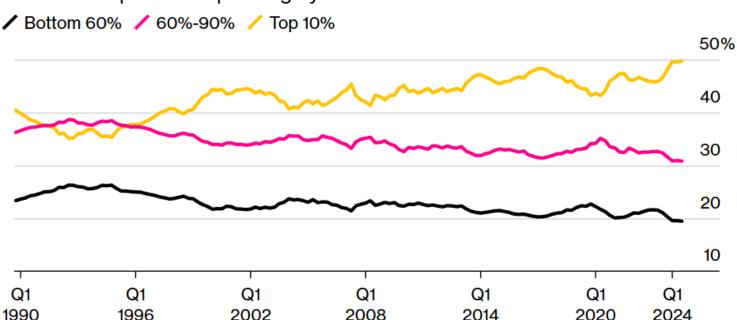






Hey, Big Spender

Share of US personal spending by income bracket



Source: Moody's Analytics

Key Take Aways:

- ☐ GDP Reliance and Volatility: The increasing concentration of spending among the top 10% makes GDP growth heavily reliant on this smaller group's spending patterns. This heightened reliance increases the potential for GDP to become more volatile, as shifts in the spending behavior of this wealthy segment can have disproportionately large impacts on the overall economy.
- Reduced Growth Distribution and Stimulus Effectiveness: With the bottom 60% holding a shrinking share of spending, economic growth becomes less broadly distributed, which can slow overall growth and worsen income inequality. Furthermore, because spending by lower-income individuals has a larger multiplier effect, the reduced spending share of this group can diminish the effectiveness of fiscal stimulus measures in generating economic activity.





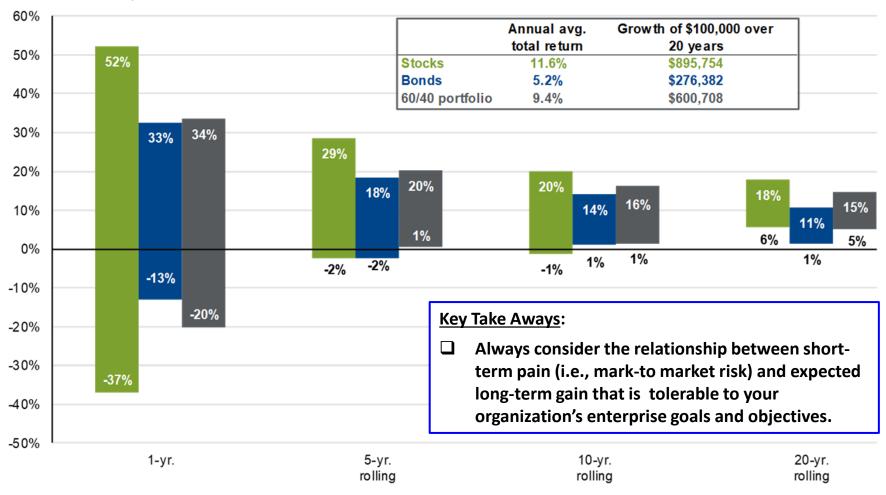
- 1) <u>Demographic Divergence:</u> The world is split between aging advanced economies and younger emerging markets with different implications.
- 2) <u>Digital Disruption & Artificial Intelligence (AI):</u> Technologies are transforming how we live and work at an accelerating pace.
- 3) Geopolitical Fragmentation & Economic Competition:
 Globalization is being rewired as the world splits into competing blocs given the current geo-political environment.
- **4) Future of Finance:** A fast-evolving financial architecture is changing how households and companies utilize cash, borrow, transact and seek investment returns.
- **5)** Transition to a Low-Carbon Economy: The transition, albeit a slow one, is set to spur a massive capital reallocation as energy systems are rewired and designed for the future.



LONG-TERM OUTLOOK - Patience Pays, But Mind Your Capacity for Shocks

Range of stock, bond and blended total returns

Annual total returns, 1950-2024





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. Further, it is becoming increasingly important to consider environmental, social and governance risks within the investment decision process.
- 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;
 - 4) liquidity to meet operating obligations.
 - D. The investment strategy will conform to state statutes governing investment of public funds per NRS 355.170 & 355.171.

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. <u>Credit Risk</u> is the risk that the issuer of a security will default on the principal and interest. POOL will not assume significant credit risk to enhance return. Acceptable credit ratings for securities shall be AAA, AA, or A as rated by a Nationally Recognized Statistically Rating Organization ("NRSRO") pursuant to statutory limitations. 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. <u>Liquidity Risk</u> 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. <u>Maturity Risk</u> 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. <u>Market Risk</u> 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) Supranational Bonds (rated AA or better; maturity not more than 5 years; denominated in U.S. Dollars)
 - 5) Bank Certificates of Deposit insured (rated A-1, P-1 or better; maturity not more than 5 years)

- 6) Savings and Loan Certificates of Deposit insured
- 7) Repurchase Agreements
- 8) Money Market Mutual Funds
- 9) U.S. Corporate Bonds (rated A or better; maturity not more than 5 years)
- 10) Yankee Bonds (issued in the United States by a foreign issuer) (rated A or better; maturity not more than 5 years; denominated in U.S. Dollars)
- 11) Taxable Municipal Bonds (rated A or better)
- 12) US Agency Collateralized Mortgage Obligations (CMO) (rated AAA)
- 13) US Agency Asset-Backed Securities (ABS) (rated AAA)
- 14) 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.

Supranational bonds are permissible only if issued or guaranteed by the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), or the International Development Bank (IADB). Supranational bond allocation cannot exceed 15% of the total par value of the portfolio.

Certificates of deposit subject to a 5% maximum of total portfolio par value issued by any one commercial bank, insured credit union, savings and loan association or savings bank.

Corporate bond allocation cannot exceed 25% of the total par value of the portfolio with a per corporate issuer limit of 5% of total par value of the portfolio.

Yankee bond allocation cannot exceed 10% of the total par value of the portfolio.

An aggregate limit on Taxable Municipals of 25% of the total par value of the portfolio.

- 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 it 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.

- B. Maximum Duration. 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 that have a weighted average life of more than ten (10) years from the date of purchase, except as permitted by law. The average duration of the portfolio will not exceed +/- one year of the benchmark duration.
- 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 and benchmarks listed below:
 - 1. Goal to outperform over a 4-to-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 BB US Government-Credit 1-5 Index (currently trading as BC1031) over a 1 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 POOL Board.

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 Revised 5/1/2015 Revised 2/23/2018 Revised 9/28/2020 Revised 4/22/2021 Revised 4/21/2022 Revised 6/7/2023 Revised 9/1/2023

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. Further, it is becoming increasingly important to consider environmental, social and governance risks within the investment decision process.
- 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; and
- 4) liquidity to meet operating obligations.
- D. The investment strategy will conform to state statutes governing investment of public funds per NRS 355.170 & 355.171.

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 risks to the extent possible. Four types are recognized:
 - 1. <u>Credit Risk</u> 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. Acceptable credit ratings for securities shall be AAA, AA, or A as rated by a Nationally Recognized Statistically Rating Organization ("NRSRO") pursuant to statutory limitations. 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. <u>Liquidity Risk</u> 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. <u>Maturity Risk</u> 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. <u>Market Risk</u> 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) Supranational Bonds (rated AA or better; maturity not more than 5 years; denominated in U.S. Dollars)
 - 5) Bank Certificates of Deposit insured (rated A-1, P-1 or better; maturity not more than 5 years)
 - 6) Savings and Loan Certificates of Deposit insured
 - 7) Repurchase Agreements
 - 8) Money Market Mutual Funds
 - 9) U.S. Corporate Bonds (rated A or better; maturity not more than 5 years)
 - 10) Yankee Bonds (issued in the United States by a foreign issuer) (rated A or better; maturity not more than 5 years; denominated in U.S. Dollars)
 - 11) Taxable Municipal Bonds (rated A or better)
 - 12) US Agency Collateralized Mortgage Obligations (CMO) (rated AAA)
 - 13) US Agency Asset-Backed Securities (ABS) (rated AAA)
 - 14) 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.

Supranational bonds are permissible only if issued or guaranteed by the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), or the Inter-American Development Bank (IADB). Supranational bond allocation cannot exceed 15% of the total par value of the portfolio.

Certificates of deposit subject to a 5% maximum of total portfolio par value issued by any one commercial bank, insured credit union, savings and loan association or savings bank.

Corporate bond allocation cannot exceed 25% of the total par value of the portfolio with a per corporate issuer limit of 5% of total par value of the portfolio.

Yankee bond allocation cannot exceed 10% of the total par value of the portfolio.

An aggregate limit on Taxable Municipals of 25% of total par value of the portfolio.

- 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.

- B. Maximum Duration. 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 that have a weighted average life of more than ten (10) years from the date of purchase, except as permitted by law. The average duration of the portfolio will not exceed +/- one year of the benchmark duration.
- 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 and benchmarks listed below:
 - 1. Goal to outperform over a 4-to-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 BB US Government Credit 1-5 Year Index (currently trading as BC1031) over a 1 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 PACT.

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 Revised 5/1/2015 Revised 2/23/2018 Revised 9/28/2020 Revised 4/22/2021 Revised 04/21/2022 Revised 6/7/2023 Revised 9/11/2023

Executive Director's Report 4-2025

Market conditions:

- Property market conditions improved such that property rates reduced after several years of rate increases due to catastrophe losses worldwide impacting all reinsurers
- Appraised property valuations are up due to inflation and additional new locations.
- Liability increases continue this year especially for law enforcement liability due to national trends, CRL experience and our own adverse loss experience.
- Cyber liability reinsurance terms and limits including the pool-wide shared aggregate limit remain unchanged even though business email compromise claims increased this year.
- Workers compensation assessments rates appear to trend upward at the higher excess coverage levels. PACT and PCM retained loss experience remains high due to long-term large losses within the retentions. PCM is being impacted by larger losses so will show increased premiums.

Renewal issues - POOL:

- Changes are proposed for the Cyber Risk Coverage Form. A redlined version of the changes will be included in the POOL board packet.
- No changes to the property/casualty form are suggested this year.

Renewal issues – PACT:

 PACT's financial performance continues to be hit with large claims and the development of claims from former members for which PACT remains responsible. Based upon a Board approved change in the rating methodology to have rates changed effective January 1st each year using calendar year payroll, the rate change was approved in December 2024 and members were notified of the rates for calendar year 2024.

Notices of Potential Withdrawal: As of 3/1/2024

- i. North Lyon Fire Protection District for PACT
- ii. North Lake Tahoe Fire Protection District for PACT
- iii. Humboldt General Hospital for PACT and POOL

Legislative Activity:

The 2025 Legislature is in full swing with several workers compensation bills in process. Some will result in increased costs to PACT. A separate summary of bills we are tracking is included in the board agenda packet.

Claims Practices Review:

Consistent with AGRiP standards, every three years POOL and PACT contract with an independent claims consultant to review the claims practices of the third party administrator Davies Claims Solutions. The independent claims consultant we have used for many years retired. We will be searching for another firm this year.

Governance and Risk

POOL/PACT staff continue to conduct training for Members on Board Governance, Ethics, and the Open Meeting Law. Members continue to be challenged by national political issues that create ongoing stresses. Members should focus on their core mission, vision, and values to mitigate the outside

stressors. The POOL/PACT Enterprise Risk Management program is a valuable tool to keep the focus on significant risk mitigation issues that are keys to an effective local government operation.

Voting Members are reminded that designating the appropriate person as voting and alternative voting representatives assures that the board decisions reflect Members' needs and deliver effective programs and services that address those needs. As turnover in representatives naturally occurs, Members should have a succession plan in place to assure quality candidates serve in these roles.

Programs and Services

Separate reports about financials, human resources, risk management, ELearning, member relations, and claims will give insights into ongoing programs and services available to all Members as part of membership in POOL and PACT.

Content	Tags with Notes	Description	BDR	Sponsor
AB3	Local Government	Increases the monetary threshold for mandatory nonbinding arbitration in civil actions. (BDR 3-472)	3-472	Committee on Judiciary
AB16	Local Government	Makes an appropriation to Mineral County for the construction of a new county jail. (BDR S-410)	S-410	Committee on Government Affairs
AB33	Local Government	Creates the Nevada Office of the Inspector General. (BDR 18-435)	18-435	Committee on Government Affairs
AB51	Public Records	Revises provisions relating to public records. (BDR 19-430)	19-430	Committee on Government Affairs
AB63	Local Government	Revises provisions relating to civil actions for wrongful conviction. (BDR 3-440)	3-440	Committee on Judiciary
AB64	OML	Revises provisions relating to public meetings. (BDR 19-445)	19-445	Committee on Government Affairs
AB74	Insurance	Revises provisions relating to insurance. (BDR 57-256)	57-256	Committee on Commerce and Labor

4/3/2025 9:12:13 Page 1 of 34

Subscription Note

Increases mandatory arbitration in civil actions from \$50,000 to \$100,000. Exception: if in voluntary mediation.

Provide information to county as talking points

IG can inspect local governments and nonprofits. NACO, NLC testified that this is duplicative of existing audit requirements.

NLC&M sponsored bill

Existing law authorizes a person who is not currently incarcerated for any offense to bring a civil action for his or her wrongful conviction against this State in a district court seeking damages or other relief. (NRS 41.900) Section 1 of this bill instead authorizes a person who is not currently in custody to bring such a civil action

Changes OML closed litigation sessions to "legal advice" sessions; add minimum 3 minutes per person for public comment
Ins Comm bill. Affects captives (sections 220 etc.) and PACT (sections 347 etc.)

4/3/2025 9:12:13 Page 2 of 34

AB89	Public Safety		Imposes certain requirements relating to unclothed searches of children at certain juvenile justice facilities. (BDR 5-496)	5-496	Committee on Judiciary
AB93	Workers Compensation	adds additional persons eligible for heart lung disease	Revises provisions relating to public employees. (BDR 53-160)	53-160	Assemblymemb ers Hibbetts, Yurek and D'Silva; Senator Doñate
AB125	OML		Revises provisions relating to public bodies. (BDR 18-909)	18-909	Flanagan
AB128	Public Records		Creates the Office of Public Records Ombudsman in the Executive Department of State Government. (BDR 19-400)	19-400	Committee on Government Affairs
AB142	Workers Compensation		Revises provisions relating to industrial insurance. (BDR 53-876)	53-876	Marzola
AB152	Public Records		Revises provisions relating to public records. (BDR 19-209)	19-209	Gray

4/3/2025 9:12:13 Page 3 of 34

Section 1 of this bill requires each regional facility for the treatment and rehabilitation of children and local facility for the detention of children to adopt and 6 implement policies and procedures concerning unclothed searches of children who are detained in or committed to the facility. Section 1 requires any such policy or procedure to: (1) prohibit unclothed searches of children who are detained in or committed to such a facility, except under extraordinary circumstances; and (2) include certain requirements governing any unclothed search of a child who is detained in or committed to such a facility.

expands peace officer definition for occupational disease to include JPO, school police, bailiffs, etc.

requires posting of meeting schedules on notice.nv.gov add Public Records Ombudsman as state agency overseeing complaints about handling records for all public agencies

Adds civilian employees of public safety agency to eligibility for stress claims; civilian was clarified to mean crime scene investigators via amendment.

a public record destroyed as a result of a records retention policy is no longer a public record

4/3/2025 9:12:13 Page 4 of 34

AB154	Local Government creates state office of insp general re local governme	nts General. (BDR 18-334)		Miller	
AB197		Enacts provisions strengthening certain protections for certain activities under the First Amendment. (BDR 19-136)	19-136	Backus	
AB200	Workers Compensation	Revises provisions relating to industrial insurance. (BDR 53-862)	53-862	Karris	
AB206	Insurance	Repeals certain provisions which prohibit an insurer from issuing or renewing certain policies of liability insurance. (BDR 57-643)		Cole	

4/3/2025 9:12:13 Page 5 of 34

Sets up State office of inspector general which can also inspect local governments, and any "Contractor" means any person, business, organization or nonprofit corporation that contracts with a state agency or local government to receive public money. The term includes, without limitation, a subcontractor or a third party who receives any portion of the public money from the contractor to carry out any obligation pursuant to a contract between the contractor and the state agency or local government. Section 1 of this bill provides that such personal information is not a public record changes disability calculation of

NRS 618.957 "Construction worker" defined.

AMW for construction workers to Average Prevailing Wage

- 1. "Construction worker" means a person who actually performs physical work at a construction site:
- (a) That results in the construction, alteration or destruction involved in the construction project, including, without limitation, painting and decorating; or
- (b) Who supervises any person engaged in work described in paragraph (a). repeals prohibition on insurance policies with self-consuming limits; support the bill

4/3/2025 9:12:13 Page 6 of 34

AB217	School Districts	Revises provisions relating to law enforcement on school property. (BDR 34-201)	34-201	González
AB247	Local Government	Revises provisions relating to persons with disabilities. (BDR 19-574)	า 19-574	Brown-May

AB288	School Districts	Makes an appropriation to the White Pine S-617 County School District for the construction of an elementary school. (BDR S-617)	Assemblymemb ers Gurr, DeLong, Hafen, Gray, Hansen, Hibbetts, Kasama and O'Neill; Senators Titus
			and Hansen

4/3/2025 9:12:13 Page 7 of 34

Section 1 prohibits school officials from cooperating with ICE seeking access to school or providing student data
Section 2 - deleted by amendment
Section 1 of this bill provides that a reasonable effort to accommodate persons with physical disabilities includes, without limitation, the provision of a registered sign language interpreter and Communication Access Realtime Translation at a public meeting.

Section 2 of this bill requires that each public building designed on or after July 1, 2025, that is owned by a public body and in which certain public meetings are held must include any equipment and software necessary for Communication Access Realtime Translation. Each public building designed on or after July 1, 2025, that is owned by a public body and in which a public meeting is held pursuant to NRS 241.020 must include any equipment and software necessary for Communication Access Realtime Translation.

4/3/2025 9:12:13 Page 8 of 34

AB325	Artificial Intelligence	Revises provisions relating to artificial 36-393 intelligence. (BDR 36-393)	Committee on Government Affairs
AB332	Workers Compensation	Revises provisions relating to industrial 53-325 insurance. (BDR 53-325)	O'Neill
AB414	Workers Compensation	Revises provisions relating to occupational 53-666 safety and health. (BDR 53-666)	Assemblymemb ers Moore, Carter, D'Silva and Karris; Senators Flores, Scheible and Doñate

4/3/2025 9:12:13 Page 9 of 34

each plan adopted by a state or local governmental agency to include provisions ensuring that final decisions regarding emergency response planning and the allocation of resources in response to an emergency are not made by artificial intelligence; Allows Association's Administrator to also own Claims TPA; removes multiple surety bonds requirement for Claims TPA; eliminates Subsequent Injury Fund; removes \$36,000 cap on payroll for premium calculations; repeals requirement for audits for SIC classifications. 3/28/2025, I submitted Comments to the committee.

NV OSHA promulgated heat illness prevention regulation issued 11/15/24 and guidance on 01/29/25 that set an enforcement start date of 04/29/25. Following that regulation, we created a model heat-illness prevention plan, sample job hazard analysis form, and eLearning-based training course. MVH is finishing the last round of edits on the course we should have it up Monday.

The regulation requires a new safety plan section, a one-time JHA, specified work practice controls (water, rest breaks, cooling techniques, designation of a heat monitor, emergency response procedures, and training). It applies to any employer (including public entities) otherwise required to have a written safety plan.

This bill adds to the regulation: air temperature and quality monitoring every 4 hours, mitigation of poor air

4/3/2025 9:12:13 Page 10 of 34

4/3/2025 9:12:13 Page 11 of 34

quality and greenhouse gas exposure, and engine idling rules. It applies to large hybrid environment facilities or ANY facility 10,000 sq ft or more and where workers are exposed to outdoor elements for a majority of their shift.

The monitor requirement could be

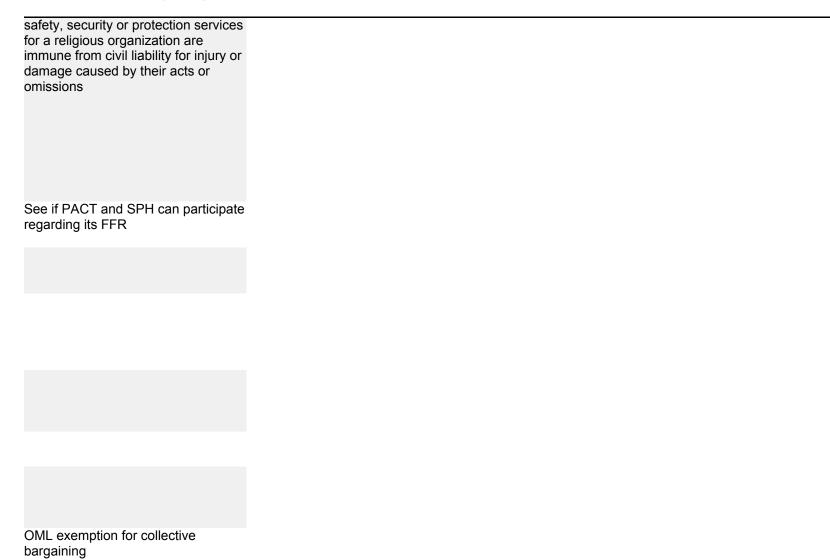
The monitor requirement could be added to the existing monitor's duties. Air temperature and quality, including pollutant details can be monitored from existing resources like an iPhone. Indoor greenhouse gas monitoring may require the purchase and installation of sniffers and the like.

While it looks to target docks or warehousing, it may also rope in convention centers with loading docks, maintenance shops or yards, public works shops or yards, wastewater treatment, vehicle fleet maintenance shops, etc. What comes to mind readily is the Road Department in Pershing County, the Public Works/water treatment shop and yard in Lovelock, the Washoe RTC bus yard, and the back end of the Elko Convention Center. Can CenturRisk run a report of insured facilities that are 10,000 sq ft or more? That may help narrow potential application to our members? Would that include only building square footage or also the size of any attached yards?

4/3/2025 9:12:13 Page 12 of 34

AB421	Public Safety	Provides immunity from civil liability for certain acts and omissions of volunteer security personnel of a religious organization under certain circumstances. (BDR 3-322)	3-322	Assemblymemb ers Hansen, Gray, Hafen, Dickman, Edgeworth, Gurr, Hardy, Hibbetts and Koenig; Senators Hansen, Ellison, Buck and Stone
AB433	Public Safety	Revises provisions relating to peace officers. (BDR S-399)	S-399	Committee on Government Affairs
AB437	Insurance	Provides for the establishment of the Fair Access to Insurance Requirements Plan. (BDR 57-103)	57-103	Dickman, Gray, Gurr, DeLong and Gallant
AB439	Public Safety	Revises provisions concerning the purchase or acquisition of certain unmanned aerial vehicles or other related equipment and services under certain circumstances. (BDR 44-896)	44-896	Cole
AB466	Insurance	Revises certain notice requirements imposed on an insurer who issues a policy of portable electronics insurance. (BDR 57-797)	57-797	Kasama
AB469	Workers Compensation	Revises provisions relating to labor. (BDR 53-921)	53-921	Gallant
AB470	Insurance	Revises provisions relating to prior authorization for medical or dental care under health insurance plans. (BDR 57-883)	57-883	Kasama
SB2	OML	Revises provisions relating to collective bargaining. (BDR 23-417)	23-417	Committee on Government Affairs

4/3/2025 9:12:13 Page 13 of 34



4/3/2025 9:12:13 Page 14 of 34

SB38	Education		Revises provisions relating to school emergency operations plans. (BDR 34-270)	34-270)	Committee on Education	
SB67	Local Government		Revises provisions relating to certain actions and proceedings. (BDR 3-447)	3-447	Committee on Judiciary	
SB70	Local Government		Makes an appropriation to the City of Fernley for continued construction and development at the Fernley Community Response and Resource Center. (BDR S- 127)	S-127	Committee on Finance	
SB112	School Districts	Prohibits transgender participation in sports of gender identity	Revises provisions relating to athletics. (BDR 34-36)	34-36	Buck	
SB141	Public Safety	requires policy for treatment for transgender in jails	Revises provisions relating to local facilities for detention. (BDR 16-241)	16-241	Scheible	
SB170	Workers Compensation		Revises provisions relating to industrial insurance. (BDR 53-632)	53-632	Steinbeck and Scheible	
SB186	Artificial Intelligence		Imposes requirements concerning the use of artificial intelligence in health care. (BDR 40-780)	40-780	Stone	
SB197	Public Safety		Revises provisions relating to criminal procedure. (BDR 14-196)	14-196	Daly	

4/3/2025 9:12:13 Page 15 of 34

Jeff Kaye: We're good with all that's in this bill as far as our current Emergency Operations Plans. As of July 1, 2013 we're required to address acts of terrorism and war in the EOP's, so everything in subsection 9 is already covered in the plans. We're in compliance with the rest of this bill too. AG's bill. Affects NRS 41 governmental liability; support.

prohibits transgender athletes from participation on other than biological sex teams; civil actions permitted Adds requirement for detention policy re care of transgender inmates

expands scope of physical examinations for HLHC screening; increased cost to members for physical exams - likely double at least.

Primarily focused on healthcare providers. Watch for spillover to workers compensation.
Requires notice to law enforcement officer of potential Brady designation

4/3/2025 9:12:13 Page 16 of 34

SB199	Artificial Intelligence	Enacts provisions relating to artificial intelligence systems. (BDR 52-583)	52-583	Neal	
SB224		Revises provisions relating to education. (BDR 34-72)	34-72	Senators Buck, Stone and Hansen; Assemblymemb	
SB258	Workers Compensation	Revises provisions relating to industrial insurance. (BDR 53-594)	53-594	er Hansen Senators Nguyen, Cannizzaro, Stone, Titus, Buck, Cruz-	
4/3/2025 9:1	2:13				Page 17 of 34

4/3/2025 9:12:13 Page 17 of 34

Section 17 of this bill requires a county recorder to develop, implement and 41 maintain policies, procedures and protocols to verify the identity of any person 42 filing a document and to protect against fraud committed in the filing of a 43 document through the use of an artificial intelligence system. 44 Section 18 of this bill prohibits a peace officer from using an artificial 45 intelligence system to generate an investigative or police report. 46 Section 19 of this bill prohibits. with certain exceptions, certain teachers from 47 using an artificial intelligence system to generate a class lesson plan. Section 26 of 48 this bill requires the Superintendent of Public Instruction to establish the Working 49 Group on the Use of Artificial Intelligence Systems in Education to conduct an 50 assessment and develop certain policies and guidance relating to the use of artificial 51 intelligence systems during the 2025-2026 interim. Allows State to convert a nonperforming school to a charter school run by either a nonprofit or for profit charter management

organization.

reduces insurer lien rights on 3rd party recoveries by worker a recent Nevada Supreme Court opinion in AmTrust North America v. Ramon Vasquez (attached) that held

4/3/2025 9:12:13 Page 18 of 34

Crawford, Daly, Doñate, Dondero Loop, Ellison, Krasner, Lange, Ohrenschall, Pazina, Rogich, Scheible, Steinbeck and Taylor; Assemblymemb ers Nguyen, Yurek, Hafen, Marzola, Torres -Fossett, Anderson, Carter, Cole, Dalia, Edgeworth, González, Gray, Gurr, Hardy, Jackson, Jauregui, Karris, Kasama, Koenig, Monroe -Moreno, Moore, O'Neill, Orentlicher, Roth, Watts and Yeager

4/3/2025 9:12:13 Page 19 of 34

that a worker's compensation insurer's lien applies to recovery from any third parties for the covered injuries without an allocation of the injured employee's litigation fees and costs.

AmTrust is viewed as one of the most pro-subrogation decisions, in turn making Nevada one of the most favorable states in which to pursue workers' compensation subrogation claims. It effectively overturned the prior formulas used to calculate workers compensation liens and held that NRS 616C.215(5) controls the claims. This means that when a workers' compensation insurer pays benefits to an injured employee, that insurer has a lien against the total proceeds of any recovery the insured may collect from a third party without resorting to any special calculations or limitations.

This holding creates uncertainty as to the amount of the lien that must be reimbursed and will likely make settling more difficult. With collection against the total proceeds, it also means that settlements can't be structured allocating special damages and noneconomic damages in a way that would allow Plaintiff a recovery and room for negotiations. Previously, parties could reasonably calculate what would be reimbursed and adjust their settlement targets accordingly. This is no longer possible under AmTrust. While the compensation carrier may now recover more of its lien, the casualty carrier could pay more to

4/3/2025 9:12:13 Page 20 of 34

SB267		Revises provisions relating to law enforcement. (BDR 16-726)	16-726	Senator Ellison; Assemblymemb er Gurr
SB317	Workers Compensation	Revises provisions relating to industrial insurance. (BDR 53-625)	53-625	Daly

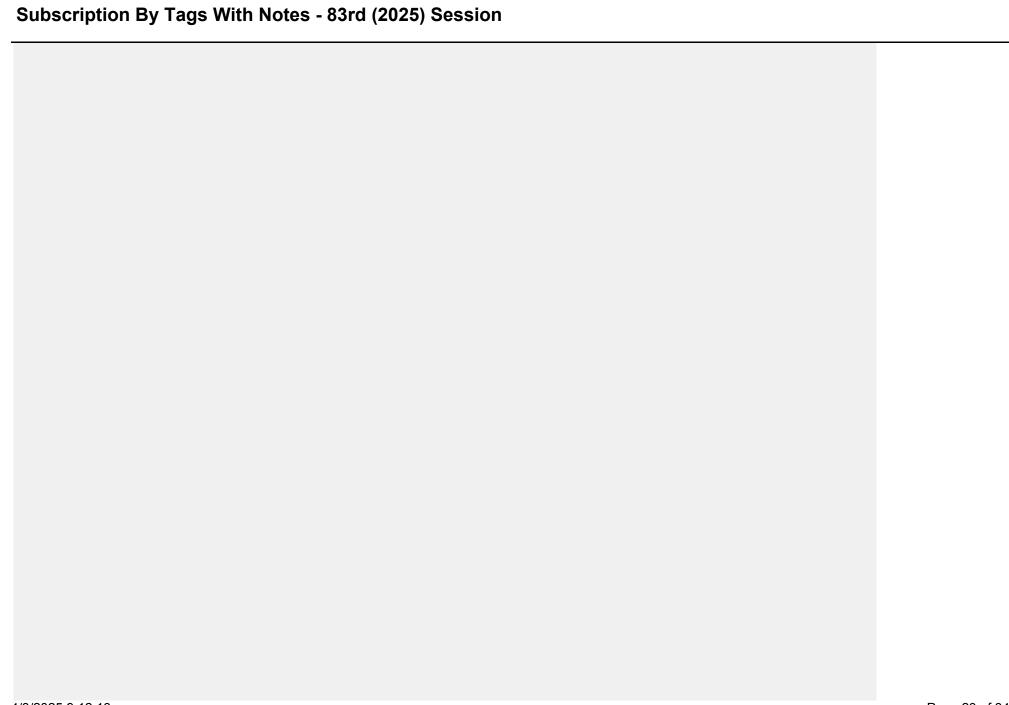
4/3/2025 9:12:13 Page 21 of 34

settle a claim involving a compensation lien - especially in this scenario where the worker's compensation lien is in excess of the statutory cap. Section 1 of this bill provides that if a county or city jail or detention facility 6 determines that a prisoner has been charged with certain offenses and is unlawfully 7 present in the United States or did not possess the necessary documents when 8 applying for admission, the county or city jail or detention facility must provide 9 certain information concerning the prisoner to a United States Immigration and 10 Customs Enforcement officer Sections 3 and 30 of this bill additionally authorize the imposition of benefit penalties under certain circumstances for: (1) failure to provide or unreasonably delaying payment to an injured employee or reimbursement to an insurer; or (2) concealing, falsifying or failing to provide certain evidence or documents before certain hearings which would have been useful to an injured employee in seeking benefits

if the employee proves certain elements by clear and convincing medical or psychiatric evidence. (NRS 616C.180) Section 17 of this bill eliminates provisions that make such method of proof the only method, with certain exceptions, by which an employee may prove that

or compensation.

4/3/2025 9:12:13 Page 22 of 34



4/3/2025 9:12:13 Page 23 of 34

such an injury arose in and out of the course of employment. Section 17 additionally eliminates the standard of clear and convincing evidence and instead requires proof by medical, psychological or psychiatric evidence.

Existing law authorizes hearing officers and appeals officers, under certain circumstances, to allow discovery by deposition or interrogatories according to the Nevada Rules of Civil Procedure. (NRS 616D.050, 616D.090) Sections 28 and 29 of this bill prohibit a hearing officer from allowing such discovery, and revise provisions governing the circumstances under which an appeals officer may allow discovery. A fiscal impact is difficult to determine.

The bill imposes benefit penalties for unreasonable delaying payment to an injured employee or concealing, falsifying or failing to provide evidence before a hearing which would have been useful to the injured employee. Benefit penalties increased substantially in the last session and this expands them. The claimants and the regulators have taken a more aggressive approach when fining for violations and this bill expands their abilities to seek substantial penalties.

The bill clearly will increase claims costs by lowering the "clear and convincing" evidence standard for

4/3/2025 9:12:13 Page 24 of 34



4/3/2025 9:12:13 Page 25 of 34

medical or psychiatric claims and allowing proof by medical psychological or psychiatric evidence thus bringing in a more subjective standard.

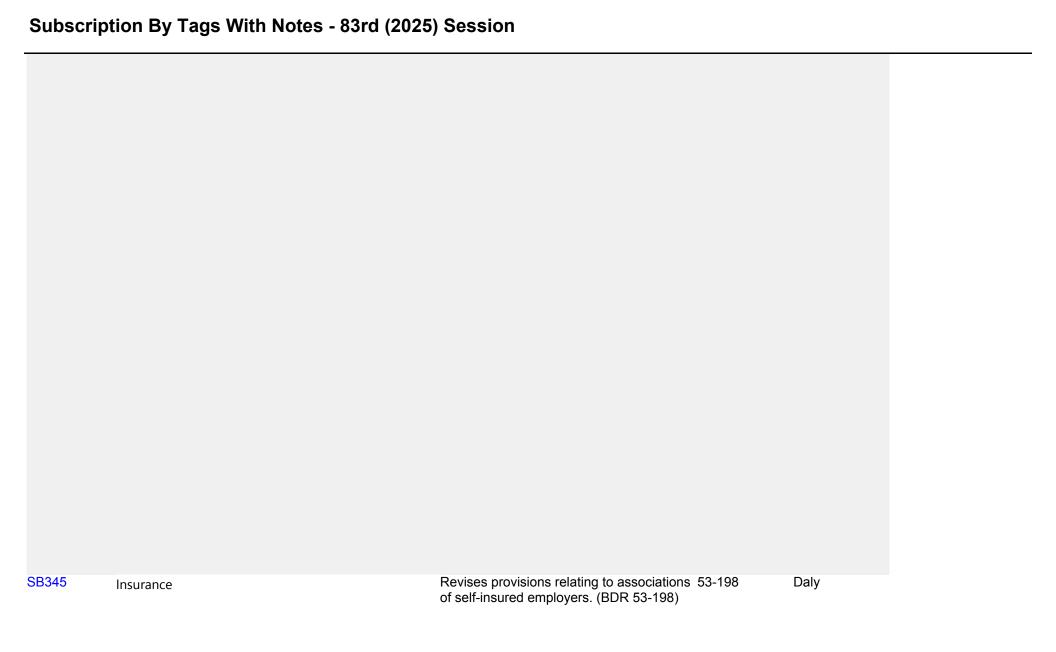
The bill also removes hearing officers from allowing discovery by deposition or interrogatories and limits the same for appeals officers. Depending upon the case, importance evidence may be excluded thus impacting both parties which may also increase costs of claims.

Margaret:

Interesting bill with a lot of variety! From physician panels to judicial review. The majority of the changes seem like legislation catching up with the reality of what is happening with benefit penalties, hearing process, mental stress claims and TPD payments. There are a couple of areas of the bill which did raise my interest more than others. The physician panel and PPD for heart/lung.

The physician panel changes are a bit challenging. Agree that providers who do not want to treat injured workers should not be on the panel. However, replacing physicians which have been removed from the panel with a new physician within 60 days seems like an unrealistic expectation. So is having 12 providers for each certain specialty. An example would be ENT's. There is a lack of ENT specialist in general in NV. Very few of them will accept WC. Often times

4/3/2025 9:12:13 Page 26 of 34



4/3/2025 9:12:13 Page 27 of 34

we are sending injured workers out of state for treatment with an ENT when required. The Specialty Health Panel is short of ENTs across the state. The state panel has 1 ENT on it. There is no way to successfully create a list of 12 ENTs to satisfy what current legislation or this legislation is suggesting. The legislation seems to miss the true issue which is there is a lack of providers and specialists who are interested in treating injured workers. If we could find a way of interesting more providers to treat injured workers it would cure the challenge of limited provider choice.

The portion of the bill repealing the need for the treating physician to approve a PPD eval on heart/lung claims will actually allow for a much easier administration of the PPD award. We do have challenges with getting the treating physician to sign off on the PPD evals because they don't understand the difference between the impairment rating vs disability/inability to work. The treating physicians refuse to sign and we are stuck between the proverbial rock and hard place, especially when there is an injured worker attorney involved.

Makes several changes to SIGs including requiring application to continue as a SIG by 10/1/2026 as Certificate will expire if not done. Oppose. Drafted testimony.

4/3/2025 9:12:13 Page 28 of 34

SB347	Public Safety	Revises provisions relating to mental health39-8 crisis holds. (BDR 39-8)		Scheible, Cannizzaro, Dondero Loop and Pazina
SB371	Public Safety	Revises provisions relating to crimes. (BDR 15-908)	15-908	Steinbeck
SB376	Workers Compensation	Revises provisions governing industrial insurance. (BDR 53-629)	53-629	Daly and Steinbeck

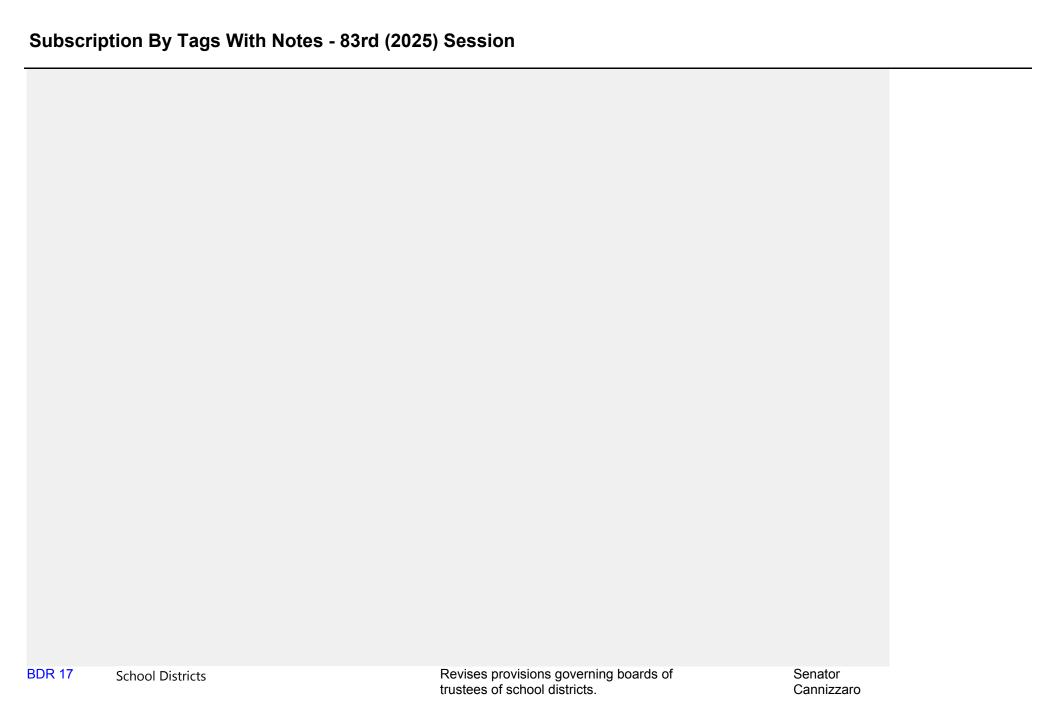
4/3/2025 9:12:13 Page 29 of 34

establishing procedures governing the confiscation and return of firearms involving persons placed on a mental health crisis hold

This legislative change indicates if the panel contains fewer than 12 physicians or chiropractic physicians who accept and treat injured worker in a discipline or specialization the injured worker may automatically, without authorization, treat with the physician of their choice. In the review of SB 317, the challenge with this was discussed. There is a lack of providers for just about every specialty other than orthopedic when applied to WC Panels. The Specialty Health MCO and the State Panel lack 12 providers for many specialties, allowing IW to choose their providers with no control over the cost or the providers willingness to share information regarding IW treatment with us. It negates the point of having a panel or providers willing to take workers compensation and work with us within the WC system.

Another major issue with allowing this is that it pushes the majority of the cost of these claims onto the health insurance providers which in effect causes the employer's health insurance costs to spike. We have one claim, which is a cancer claim where we believe this has negatively impacted their health insurance premiums and health insurance provider selections. We were ordered to allow the IW to treat with an

4/3/2025 9:12:13 Page 30 of 34



4/3/2025 9:12:13 Page 31 of 34

oncologist who would not accept WC and pay the IW's co-payments back. The majority of the claim cost has been paid by the health insurance and the provider is a challenge to work with.

This legislation allows for the health insurer to request reimbursement from us, like we see with CMS. Health insurers claims are not paid at the NV WC Fee Schedule Rate, reimbursing the providers at their reimbursement rate could increase medical costs. We have no way to quantify the fiscal impact of the difference in billing, at this time. The fiscal impact will be quantifiable once we start receiving reimbursement requests.

However, suggesting that a triple the cost of the payment per day for any payments over 30 days seems pretty hefty. We strive to quickly turn bills over in our office (less than 30 days) so that our providers choose to continue to work with us. Thankfully, I do not see this penalty causing a fiscal impact unless there are some unusual circumstances at play.

Allowing non-WC providers to treat IW creates more challenges than it helps. The real issue is attracting more specialists into treating injured workers so that there is a better selection of physicians out there for IW to choose from.

4/3/2025 9:12:13 Page 32 of 34

BDR 143	Artificial	Revises provisions relating to artificial	Senator
	Intelligence	intelligence.	Nguyen
BDR 23-194	Public Safety	Revises provisions relating to first responders.	Assemblymemb er O'Neill
BDR 395	Public Safety	Revises provisions relating to the Nevada Office of Cyber Defense Coordination of the Department of Public Safety.	Joint Interim Standing Committee on Government Affairs (NRS 218E.320)
BDR 609	Nonprofits	Revises provisions relating to nonprofit entities.	Senator Krasner
BDR 610	Nonprofits	Revises provisions relating to nonprofit entities.	Senator Krasner
BDR 15-766	Public Safety	Revises provisions relating to public safety.	Assemblymemb er Hansen
BDR 804	Public Safety	Revises provisions relating to public safety.	Senate Committee on Growth and Infrastructure

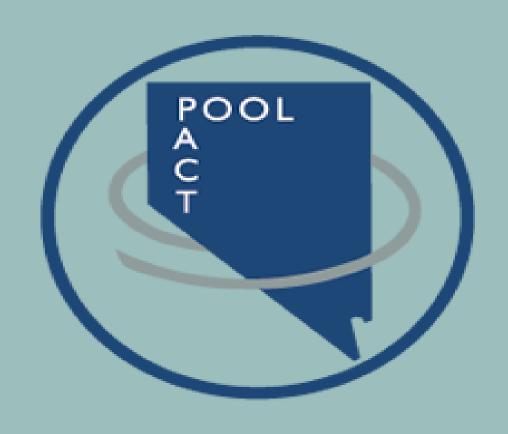
4/3/2025 9:12:13 Page 33 of 34

Subscription By Tags With Notes - 83rd (2025) Session						

4/3/2025 9:12:13 Page 34 of 34

Public Risk Mutual





PRM CAPTIVE AUDIT OVERVIEW

Year Ending December 31, 2024

KEY SECTIONS OF THE AUDIT REPORT

President's Letter

Management Discussion and Analysis

Independent Auditors Report

Financial Statements:

Balance Sheets

Statements of Income & Comprehensive Income

Statements of Changes in Surplus

Statements of Cash Flows

Compliance Section

Report on Internal Controls and NAC 694C.210



KEY PLAYERS

Wayne Carlson, Executive Director POOL/PACT Alan Kalt, CFO Deb Connally, Controller Melissa Mack, Accounting Technician Josh Foli, Chair PRM, Director PCM Paul Johnson, Chair PCM, Director PRM Alicia Heiser, Director Gina Rackley, Director Niki Neilon: Casey, Neilon & Associates: Audit Firm Kathy Parks, General Counsel Davies Claims Solution, Claims Administrator Derek Burkhalter, Actuary

AUDITORS REPORT

- 1. Review of Communications with those in change of Governance
- 2. Auditor's Qualification Letter
- 3. Review of the Audit Opinion



PUBLIC RISK MUTUAL BALANCE SHEETS DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 7,586,408	\$ 3,114,638
Premiums receivable	-	86,250
Investments:		
Fixed maturity securities at fair value	30,191,864	29,237,238
Equity securities at fair value	20,319,549	21,070,903
Investment income receivable	273,985	247,257
Deposits	5,000	5,000
Total Assets	\$ 58,376,806	\$ 53,761,286
LIABILITIES AND SURPLUS		
Accrued expenses	\$ 31,651	\$ 30,794
Unearned premium	1,217,820	1,058,198
Reserve for loss and loss adjustment		
expenses	4,387,000	3,698,093
Total Liabilities	5,636,471	4,787,085
Surplus	55,067,547	51,175,974
Accumulated other comprehensive loss	(2,327,212)	(2,201,773)
Total Surplus	52,740,335	48,974,201
Total Liabilities and Surplus	\$ 58,376,806	\$ 53,761,286

Public Risk Mutual



PUBLIC RISK MUTUAL



PUBLIC RISK MUTUAL STATEMENTS OF INCOME AND COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
INCOME		
Premiums earned	\$ 2,276,018	\$ 1,857,518
Net investment income	2,443,571	1,678,569
Net realized and unrealized gains and (losses) on investments	1,028,251	1,307,790
Total Income	5,747,840	4,843,877
EXPENSES		
Administrative expenses	183,349	204,293
Membership services expense	475,000	475,000
Loss and loss adjustment expenses	1,197,918	663,327
Total Expenses	1,856,267	1,342,620
Net Income Before Income Taxes	3,891,573	3,501,257
Provision for income taxes		
Net Income	3,891,573	3,501,257
OTHER COMPREHENSIVE INCOME (LOSS)		
Unrealized losses on available for sale		
securities arising during the period	(134,823)	1,012,695
Less: Reclassification adjustment for losses		
recognized in net income (loss)	9,384	130,015
Total Other Comprehensive Income (Loss)	(125,439)	1,142,710
Total Comprehensive Income	\$ 3,766,134	\$ 4,643,967

Public Risk Mutual



PUBLIC RISK MUTUAL



Total Capital Contributions From POOL \$29,477,263 Cash at 12-31-2024 \$ 7,586,408 \$50,511,413 Investment Balance at 12-31-2023 (Compared to \$50.3M in 2023 \$46.4M in 2022 \$50.2M in 2021) Reserves for losses and loss adjustments \$ 4,387,000 (Compared to \$3.7M in 2023 \$2.9M in 2022 \$2.8M in 2021) \$ 2,443,571 Net Investment Income for 2024 (Compared to \$1,678,569 in 2023 \$1,583,963 in 2022 \$1,514,230 in 2021) Unrealized Gains (losses) on fix investments \$1,028,251 (Compared to \$1,307,790 in 2023 (-\$2,447,616) in 2022 \$2,469,768 in 2021) Unrealized Gains (losses) on risk investments (\$134,823) (Compared to gain \$1,012,695 in 2023 and Loss of -\$4,573,114 in 2022 -\$1,265,861 in 2021) Administrative fees 183.349 (Compared to \$204,293 in 2023 \$206,145 in 2022 \$156,359 in 2021) Underwriting Gain (Loss) \$ 419,751 (Compared to \$514,898 in 2023 \$378,930 in 2022 \$1,073,186 in 2021) 475,000 Membership Services Expense urplus Balance at 12-31-2024 \$52,740,335 (Compared to \$48.97M in 2023 \$44.33M in 2022 \$50.08M in 2021) Surplus Balance at 12-31-2024

See detailed financial statements and notes for more details.

Public Risk Mutual



PUBLIC RISK MUTUAL

KEY FINANCIAL FIGURES



Five Year Benchmark Data 2019-2024

2019 2020 2021 2022 2023 2024

Total Assets/Total Liabilities

Ratio 9.9 15.2 14.2 12.9 11.2 10.3

Change In Net Surplus

Ratio 12.1% 12.7% 6.6% -11.5% 10.5% 7.7%

Reserve Leverage (Claims Reserves/Total Surplus)

Ratio 9.5% 5.3% 5.6% 6.5% 7.6% 8.3%

Loss Ratios (Losses/Premiums)

Ratio 129.5% -35.3% 39.6% 78.7% 35.7% 52.6%

Expense Ratio (Admin Expenses/Premiums)

Ratio 49.2% 39.3% 35.5% 38.2% 36.6% 28.9%

Public Risk Mutual



PUBLIC RISK MUTUAL

KEY FINANCIAL BENCHMARKS

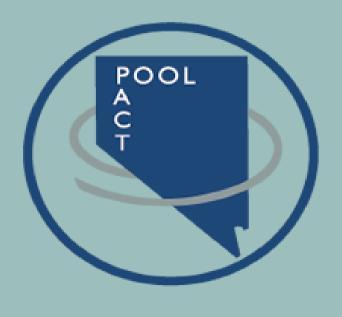


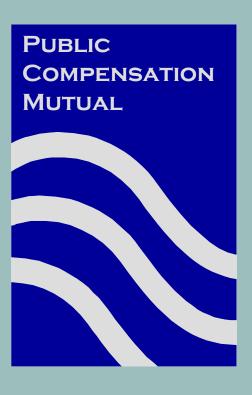


QUESTIONS & ANSWERS

Thanks for your support!







PCM CAPTIVE AUDIT OVERVIEW

Year Ending December 31, 2024

KEY SECTIONS OF THE AUDIT REPORT

President's Letter

Management Discussion and Analysis

Independent Auditors Report

Financial Statements:

Balance Sheets

Statements of Income & Comprehensive Income

Statements of Changes in Surplus

Statements of Cash Flows

Compliance Section

Report on Internal Controls and NAC 694C.210

KEY PLAYERS

Wayne Carlson, Executive Director POOL/PACT Alan Kalt, CFO Deb Connally, Controller Melissa Mack, Accounting Technician Paul Johnson, Chair PCM, Director PRM Alicia Heiser, Director Josh Foli, Director, Chair PRM Gina Rackley, Vice Chair PCM Niki Neilon: Casey, Neilon & Associates: Audit Firm Kathy Parks, General Counsel Davies Claims Solution, Claims Administrator Derek Burkhalter, Actuary

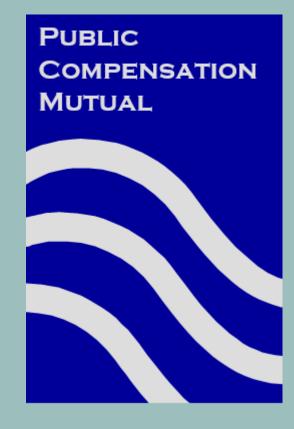
AUDITORS REPORT

- 1. Review of Communications with those in change of Governance
- 2. Auditor's Qualification Letter
- 3. Review of the Audit Opinion



PUBLIC COMPENSATION MUTUAL BALANCE SHEETS DECEMBER 31, 2024 AND 2023

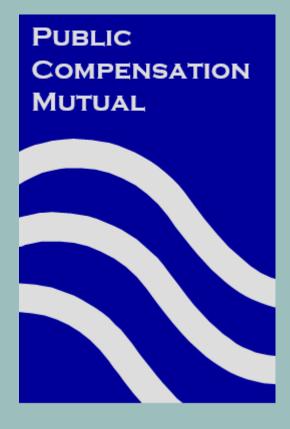
	2024	2023
ASSETS		
Cash and cash equivalents	\$ 12,750,176	\$ 10,486,046
Investment income receivable	525,978	461,835
Investments:		
Fixed maturity securities at fair value	55,766,935	54,103,188
Equity securities at fair value	32,928,655	29,597,390
Total Assets	\$ 101,971,744	\$ 94,648,459
LIABILITIES AND SURPLUS		
Accounts payable	\$ 29,156	\$ 40,519
Unearned premiums	1,579,188	1,456,273
Reserve for loss and loss		
adjustment expenses	15,195,000	14,622,246
Total Liabilities	16,803,344	16,119,038
Surplus	89,588,179	82,697,910
Accumulated other comprehensive loss	(4,419,779)	(4,168,489)
Total Surplus	85,168,400	78,529,421
Total Liabilities and Surplus	\$ 101,971,744	\$ 94,648,459



PUBLIC COMPENSATION MUTUAL

PUBLIC COMPENSATION MUTUAL STATEMENTS OF INCOME AND COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

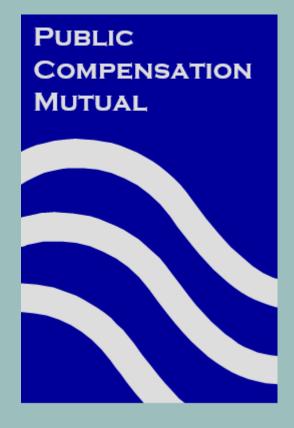
	2024	2023
INCOME		
Premiums	\$ 3,035,461	\$ 2,756,977
Net investment income	4,213,795	2,998,880
Net realized and unrealized gains on investments	1,556,957	2,081,667
Total Income	8,806,213	7,837,524
EXPENSES		
Administrative fees	751,687	772,377
Loss and loss adjustment expenses	1,164,257	2,030,001
Total Expenses	1,915,944	2,802,378
Net Income Before Income Taxes	6,890,269	5,035,146
Provision for income taxes		
Net Income	6,890,269	5,035,146
OTHER COMPREHENSIVE INCOME		
Unrealized gains (lesses) on available for sale		
Unrealized gains (losses) on available for sale securities arising during the period	(296,329)	1,785,283
securites arising during the period	(270,327)	1,700,200
Less: Reclassification adjustment for losses		
recognized in net income	45,039	262,736
Total Other Comprehensive Income (Loss)	(251,290)	2,048,019
Total Outer Comprehensive Income (2055)	(231,230)	2,040,017
Total Comprehensive Income	\$ 6,638,979	\$ 7,083,165



PUBLIC COMPENSATION MUTUAL

Total Capital Contributions From PCM \$49,200,939 (\$4,500,000 transferred to PACT in 2022) Cash Balance at 12-31-2024 \$12,750,176 \$88,695,590 Investment Balance at 12-31-2024 (Compared to \$ 83.70M in 2023 \$84,3M in 2022 \$95.85 in 2021) Reserves for losses and loss adjustments \$15,195,000 (Compared to \$14.62M in 2023 \$13.71M in 2022 \$9.39M in 2021) Net Investment Income for 2024 (Compared to \$2,897,774 in 2022 \$2,820,658 in 2021) \$4,213,795 Unrealized Gains (losses) on investments \$1 (Compared to \$2.08M in 2023 (\$4,41M) in 2022 \$4.44M in 2021) \$1,556,957 Unrealized Gains (losses) on risk investments (\$296,329) (Compared to \$1.79M in 2023 (\$8.48M) in 2022 (\$2.39M) in 2021) Administrative fees 751,687 (Compared to \$772,377 in 2023 \$772,546 in 2022 \$799,611 in 2021) *575*,000 Membership Services Expense **Underwriting Gain (Loss)** \$ 1,119,517 (Compared to \$726,976 in 2023 (-\$1,804,478) in 2022 (-\$534,746) in 2021) Surplus Balance at 12-31-2024 \$85,168,400 (Compared to \$78.5M in 2023 \$71.4M in 2022 \$88.5M in 2021)

See detailed financial statements and notes for more details.



PUBLIC COMPENSATION MUTUAL



Six Year Benchmark Data 2019-2024

2019 2020 2021 2022 2023 2024

Total Assets/Total Liabilities

Ratio 12.3 11.0 9.3 5.75 5.87 6.07

Change In Net Surplus

Ratio 13.3% 9.3% 4.0% -9.96% +9.9% +8.4%

Reserve Leverage (Claims Reserves/Total Surplus)

Ratio 7.4% 8.4% 10.6% 19.1% 18.6% 16.9%

Loss Ratios (Losses/Premiums)

Ratio 90.1% 68.9% 120.9% 169.6% 73.6% 38.4%

Expense Ratio (Admin Expenses/Premiums)

Ratio 28.6% 35.1% 31.3% 29.8% 28.0% 24.8%

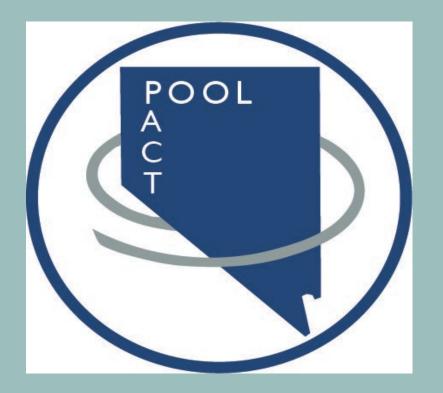




QUESTIONS & ANSWERS

Thanks for your support!





POOLING RESOURCES Inc. (PRI)

PRI AUDIT OVERVIEW

Year Ending June 30, 2024

KEY SECTIONS OF THE AUDIT REPORT

President's Letter

Independent Auditors Report

Financial Statements:

Statement of Financial Position

Statements of Activities and Changes in Net Assets

Statements of Functional Expenditures

Statements of Cash Flows

Notes to the financial statements



KEY PLAYERS

Stacy Norbeck, General Manager PRI

Wayne Carlson, Executive Director POOL/PACT

Alan Kalt, Chief Finance Officer POOL/PACT

Mike Giles, Chair PRI Board of Directors

Paul Johnson, PRI Board of Directors

Michael Bertrand: Bertrand & Associates: Audit Firm

Kathy Parks, General Counsel



POOLING RESOURCES, INC. STATEMENTS OF FINANCIAL POSITION June 30, 2024 and 2023

ASSETS	2024	2023
Current assets:		
Cash and cash equivalents	\$ 723,518	\$ 711,909
Investments	1,426,952	1,326,035
Accounts receivable	5,500	1,250
Grant receivable	118,189	-
Interest receivable	2,951	-
Prepaid expenses	14,552	7,257
Total current assets	2,291,662	2,046,451
Total assets	2,291,662	2,046,451
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	26,661	33,291
Compensated absences	33,515	49,538
Total current liabilities	60,176	82,829
Net assets -without donor restrictions	2 221 496	1 062 622
Total net assets	2,231,486	1,963,622
1 otal net assets	2,231,486	1,963,622
Total liabilities & net assets	\$ 2,291,662	\$ 2,046,451

POOLING RESOURCES INC



POOLING RESOURCES, INC. STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS For the years ended June 30, 2024 and 2023

REVENUES	2024	2023
Grant income	\$ 1,418,272	\$ 1,376,963
Other income	96	
Total revenues	1,418,368	1,376,963
EXPENSES		
Program activities:		
Salaries and payroll taxes	724,896	665,164
Retirement	116,065	119,442
Health insurance costs	98,823	80,015
Conference expenses	26,238	19,277
Member education services	28,396	29,241
Professional development	8,814	7,559
Travel	25,656	25,349
Total program activities	1,028,888	946,047
General activities:		
Casualty insurance	9,178	8,315
Dues and subscriptions	5,992	6,457
Legal and professional	27,205	9,553
Management Services	28,137	27,318
Office supplies	6,882	7,604
Rent	83,144	81,513
Technology expenses	67,042	66,854
Other operating expenses	16,013	23,613
Total supporting activities	243,593	231,227
Total expenses	1,272,481	1,177,274
Increase in operating net assets - without donor restrictions	145,887	199,689
Non-operating net investment income	121,977	56,008
Change in net assets - without donor restrictions	267,864	255,697
Net assets at beginning of year	1,963,622	1,707,925
Net assets at end of year - without donor restrictions	\$ 2,231,486	\$ 1,963,622

POOLING RESOURCES INC



POOLING RESOURCES, INC. STATEMENTS OF FUNCTIONAL EXPENSES For the years ended June 30, 2024 and 2023

2024 2023

	Program	General	Total		р	rogram	(General	Total
Salaries & related taxes	\$ 616,161	\$ 108,735	\$ 724,896	•		565,389	\$	99,775	\$ 665,164
Pension plan contributions	98,655	17,410	116,065			101,526		17,916	119,442
Health insurance	84,000	14,823	98,823			68,013		12,002	80,015
Conference expenses	26,238	-	26,238			19,277		-	19,277
Member education services	28,396	-	28,396			29,241		-	29,241
Professional development	8,814	-	8,814			7,559		-	7,559
Travel	25,656	-	25,656			25,349		-	25,349
Casualty insurance	-	9,178	9,178			-		8,315	8,315
Dues & subscriptions	-	5,992	5,992			-		6,457	6,457
Legal & professional	15,931	11,274	27,205			5,594		3,959	9,553
Management services	-	28,137	28,137			-		27,318	27,318
Office supplies	5,850	1,032	6,882			6,463		1,141	7,604
Rent	70,672	12,472	83,144			69,286		12,227	81,513
Technology expenses	56,986	10,056	67,042			56,826		10,028	66,854
Other operating expense		16,013	16,013			-		23,613	23,613
Total expenses	\$ 1,037,359	\$ 235,122	\$ 1,272,481		\$	954,523	\$	222,751	\$ 1,177,274

POOLING RESOURCES INC

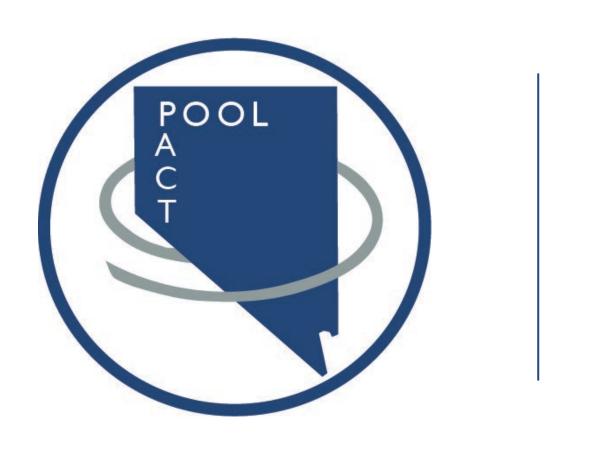


Total Assets	\$2,291,662
Investment Balance at 6-30-2024	\$1,426,952
Compensated Absences	\$ 33,515
Net Assets without donor restrictions	\$2,231,486
Total Grant Income 6-30-2024	\$1,418,272
Total Program Activities	\$1,037,359
Total Supporting Activities	\$ 235,122
Total Expenses	\$1,272,481
Non-operating net investment income	\$ 121,977
Change in Net Assets	\$ 267,864

See detailed financial statements and notes for more details.

POOLING RESOURCES INC.

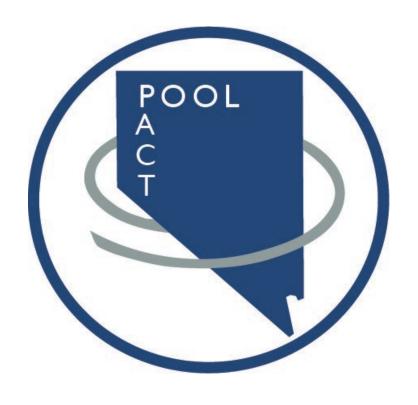






QUESTIONS & ANSWERS

Thanks for your support!



NRP AUDIT OVERVIEW

KEY SECTIONS OF THE AUDIT REPORT

Executive Director's Letter

Independent Auditors Report

Financial Statements:

Statement of Financial Position

Statements of Activities and Changes in Net Assets

Statements of Functional Expenditures

Statements of Cash Flows

Notes to the financial statements



KEY PLAYERS

Wayne Carlson, Executive Director POOL/PACT

Alan Kalt, Chief Finance Officer POOL/PACT

Josh Foli, Chair NRP Board of Directors

Paul Johnson, NRP Board of Directors

Gina Rackley, NRP Board of Directors

Alica Heiser, NRP Board of Directors

Michael Bertrand: Bertrand & Associates: Audit Firm

POOL

Kathy Parks, General Counsel

NEVADA RISK POOLING, INC. STATEMENTS OF FINANCIAL POSITION June 30, 2024 and 2023

ASSETS	2024	2023
Current assets:		
Cash and cash equivalents	\$ 2,524,843	\$ 2,021,920
Investments	920,681	710,697
Accounts receivable	31,474	28,160
Grant receivable	193,180	-
Interest receivable	4,971	
Total current assets	3,675,149	2,760,777
Other assets:		
Prepaid expenses	4,975	44,176
Total other assets	4,975	44,176
Total assets	3,680,124	2,804,953
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	32,415	18,744
Compensated absences	83,516	71,958
Total current liabilities	115,931	90,702
Not and without down and intime	2.564.102	2.714.251
Net assets without donor restrictions	3,564,193	2,714,251
Total net assets	3,564,193	2,714,251
Total liabilities & net assets	\$ 3,680,124	\$ 2,804,953

NEVADA RISK POOLING



NEVADA RISK POOLING, INC. STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS For the years ended June 30, 2024 and 2023

	2024	2023
REVENUES		
Grant income	\$ 2,318,028	\$ 2,271,460
Management contracts	365,789	355,136
Bookkeeping fees	12,000	12,000
Total revenues	2,695,817	2,638,596
EXPENSES		
Salaries and payroll taxes	1,118,502	1,062,741
Retirement	193,957	173,010
Health insurance costs	155,631	126,858
Management Services	368,553	357,818
Casualty insurance	7,604	7,154
Rent	55,998	55,437
Technology expenses	75,423	85,476
Other operating expenses	20,576	14,447
Total expenses	1,996,244	1,882,941
Increase in operating net assets - without donor		
restrictions	699,573	755,655
Increase in non-operating net investment income	150,369	44,109
Change in net assets - without donor restrictions	849,942	799,764
Net assets at beginning of year	2,714,251	1,914,487
Net assets at end of year - without donor restrictions	\$ 3,564,193	\$ 2,714,251

NEVADA RISK POOLING



NEVADA RISK POOLING

NEVADA RISK POOLING, INC. STATEMENTS OF FUNCTIONAL EXPENSES For the years ended June 30, 2024 and 2023

2024 2023

-	Program	General	neral Total		Program	(General	Total
Salaries & payroll taxes	838,876	\$ 279,626	\$	1,118,502	\$ 797,055	\$	265,686	\$ 1,062,741
Retirement	145,468	48,489		193,957	129,757		43,253	173,010
Health insurance	116,723	38,908		155,631	95,144		31,714	126,858
Management Services	-	368,553		368,553	-		357,818	357,818
Casualty insurance	-	7,604		7,604	-		7,154	7,154
Rent	41,999	13,999		55,998	41,578		13,859	55,437
Technology expenses	56,567	18,856		75,423	64,107		21,369	85,476
Other operating costs	-	20,576		20,576	-		14,447	14,447
Total expenses	\$ 1,199,633	\$ 796,611	\$	1,996,244	\$ 1,127,641	\$	755,300	\$ 1,882,941
-								



Total Assets	\$3,680,124
Investment Balance at 6-30-2024	\$ 920,681
Compensated Absences	\$ 83,516
Net Assets without donor restrictions	\$3,564,193
Total Grant Income 6-30-2024	\$2,318,028
Total Program Expenses	\$1,199,633
Total General Expenses	\$ <i>7</i> 96,611
Total Expenses	\$1,996,244
Increase Net Investment Income	\$ 150,369
Change in Net Assets	\$ 849,942

See detailed financial statements and notes for more details.

NEVADA RISK POOLING



QUESTIONS & ANSWERS

Thanks for your support!



•••••

We Excel in:
Innovative Solutions,
Financial Strength,
Security, Durability,
Cost Effective Risk
Sharing and Financing
Member Networking
Resource Sharing

Financial Strength Made Simple

Net Position Goal: To assure financial stability and long-term Viability of NPAIP, the accumulation and maintenance of Net Position is necessary.

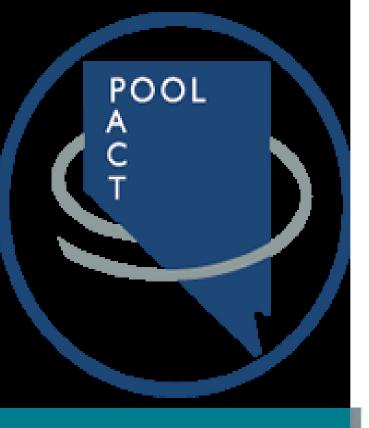
At least 10 times the highest SIR retention per occurrence.



We Are:

Member Governed
Stewards of Public Assets
Committed to Quality
Member Services
Focused on the Future





••••••

Financial Facts: Net Position / Balance Sheets

NPAIP FYE 6-30-2024 Results

Investments @ FMV \$29,134,391

Building (Net of Depreciation) \$1,558,890

Total Assets \$39,045,468

Claims Reserves \$12,156,000

Total Other Liabilities \$ 476,855

Net Position \$26,412,613

PACT FYE 6-30-2024 Results

Cash \$11,825,224

Investments @ FMV \$52,397,839

Total Assets \$78,090,902

Claims Reserves \$58,794,000

Total Other Liabilities \$ 1,622,414

Net Position \$17,674,488

PRM & PCM Captives PRM 12-31-2024

Cash/Investments \$58,097,821

Reserves/Liabilities \$ 5,636,471

Total Surplus \$52,740,335

PCM 12-31-2024

Cash/Investments \$101,445,766

Reserves/Liabilities \$16,803,344

Total Surplus \$85,168,400





Net Position Analysis

Contribution Ratio:

Net Contributions/Net Position

Reserve Leverage:

Net Loss Reserves/Net Position

Invested Assets:

Invested Assets/Net Position

Retention Ratio:

Net Position / SIR

FY 22 FY 23 FY 24

POOL: 1.010 0.928 0.992

PACT: 2.534 1.650 1.070

FY 22 FY 23 FY 24

POOL: 0.62 0.52 0.46

PACT: 9.82 5.23 3.33

FY 22 FY 23 FY 24

POOL: 1.23 1.29 1.30

PACT: 7.86 5.67 4.00

FY 22 FY 23 FY 24

POOL: 40.5 46.1 52.8

PACT: 19.8 37.5 58.9

Net Positions

Fiscal Year 2022 2023 2024

NPAIP \$20.2M \$23.0M \$26.4M

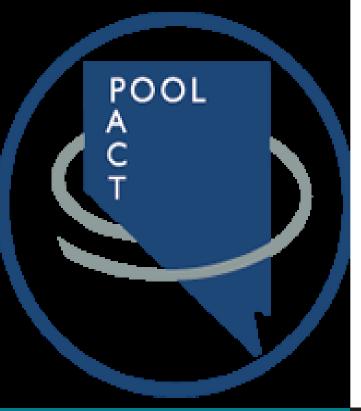
PRM \$44.3M \$48.9M \$52.7M

PACT \$5.9M \$11.2M \$17.7M

PCM \$71.4M \$78.5M \$85.2M

Total \$141.8M \$161.6 \$182.0M





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Financial Facts: Revenues, Expenses, Net Position

NPAIP FYE 6-30-2024 Results

Premiums	\$ 26,197,269
Loss Expenses	\$ 5,731,541
Excess Reinsurance	\$12,122,459
Member Services	\$ 3,842,550
Agent Commissions	\$ 1,596,131
Administrative Expenses	\$ \$ 1,643,362
Non-operating investme	ent \$ 1,389,273
Increase in Net Position	\$3,374,875

PACT FYE 6-30-2024 Results

Assessments	\$18,915,112
Loss Expense	\$ 7,856,139
Excess Reinsurance	\$ 3,684,484
Member Services	\$ 2,216,019
DOI Fees & Insolvency	\$ 511,197
Administrative Expense	\$ 1,511,546
Non-operating investment	\$2,716,429
Increase Net Position	\$ 6,427,656

PRM & PCM Captives

PRM 12-31-2024

Premiums Earned

Total Expenses/Losses

Premiums Earned	\$2,2/6,018
Net Investment Income	\$2,443,571
Total Expenses/Losses	\$1,856,267
Comprehensive Income	(\$125,439)
PCM 12-31-2024	

Net Investment Income \$4,213,795

Comprehensive Income (\$252,290)

\$3,035,461

\$1,915,944



FINANCIAL STABILITY

Prudent Board Fiscal Policies
Prudent Board Investment Policy
Rate Stability

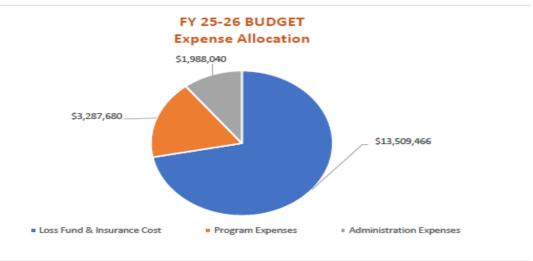
Adequate Reserves

.

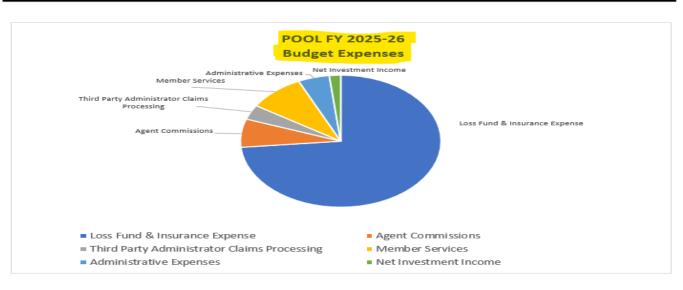
Effective Cash Flow Management

Effective Risk Management





PACT FY 26 Budget Allocation:	% Total		% Allocation	
Loss Fund & Insurance Cost	\$	13,509,466	71.92%	
Program Expenses	\$	3,287,680	17.50%	
Administration Expenses	\$	1,988,040	10.58%	
Total	\$	18,785,185	100.0%	



POOL Budget FY 25-26	Ар	proved Budget	% Allocation
Loss Fund & Insurance Expense	\$	22,379,752	77.0%
Agent Commissions	\$	1,974,871	6.8%
Third Party Administrator Claims Processing	\$	865,822	3.0%
Member Services	\$	2,151,757	7.4%
Administrative Expenses	\$	1,487,327	5.1%
Building Cost	\$	196,263	0.7%
Total Budget	\$	29,055,791	100.0%

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We Excel in:
Innovative Solutions,
Financial Strength,
Security, Durability,
Cost Effective Risk
Sharing and Financing
Member Networking
Resource Sharing

Financial Strength Made Simple

Strong Financial Position
Stable Premium Rates
Effective Claims Management
Effective Risk Management
Effective Financial Management

Power of the POOL



We Are:

Member Governed
Stewards of Public Assets
Committed to Quality
Member Services
Focused on the Future





Public Agency Compensation Trust

201 S. Roop Street, Suite 102 Carson City, NV 89701-4779 Telephone (775) 885-7475 Facsimile (775) 883-7398

Annual Board Meeting Training Schedule Update Alan Kalt, CFO

The following is a summary of the training classes that I have presented from January 1, 2025 to March 31st 2025.

January 14th POOL/PACT 101: ZOOM Overview of Programs, Services and Membership

January 23rd Financial Leadership: Sales Tax, CTX, Taxable Sales: Lander County

January 24th UNR/NACO/NLC Newly Elected Officials: Local Government Finance: Reno

January 31st ZOOM Session: Newly Elected Officials: Local Government Finance

February 6th ZOOM Session: PACT Payroll Audit Process with SPR

February 10th Government Finance Deep Thoughts Budget/Financial Statements Fallon

February 28th: Advance Class CTX: Carson City

February 28th: Advance Class on Property Taxes: Carson City

March 4th: POOL/PACT Captive Training: SAA Investment Conference March 6th: NASB Financial Leadership for School Districts Carson City Local Government Budgets and Financial Statements: Fallon

March 28th: Local Government Budget and Finance: Ely

If you have any questions or need additional information, please contact me at your earliest convenience.



The Power of the POOL

TRAINING DEVELOPMENT:

- 2 new courses:
 - Difficult Conversations complete
 - Investigations Workshop in process
- 5 courses revised:
 - Addressing Inappropriate Conduct in a School Environment
 - o Human Resources Representative Session One
 - o Human Resources Representative Session Two
 - o Human Resources Representative Session Three
 - Human Resources Representative Session Four
- 5 new HR Briefings created
 - Progressive Discipline
 - Documentation Process
 - Employee Events and Parties
 - New Employee Orientation (NEO)
 - o Open Meeting Law (OML) Recruitments
- 10 existing HR Briefings reviewed/revised; 8 more in process

TRAINING DELIVERY:

- 66 instructor-led training sessions with 1,103 participants as of 3/24/25
- 4.7 overall course evaluation average out of 5.0
- 4.8 instructor evaluation average out of 5.0
- 15 Regional Trainings 10 complete; 1 in process; 4 more scheduled
 - 5 Essential Management Skills (EMS) Certificate Program (4 full-day sessions):
 4 complete; 1 in process
 - o 1 Advanced EMS Certificate Program (2 full-day sessions): scheduled
 - o 1 HR Representative (HRR) Certificate Program (5 full-day sessions): complete
 - 1 Advanced HRR Certificate Program (2 full-day sessions): complete
 - 3 Difficult Conversations: 2 complete, 1 scheduled
 - o 1 Dear HR: complete
 - o 1 Document, Discipline, and Due Process: complete
 - 1 Influential Leadership (1 full-day session): scheduled
 - o 1 So, You Want to Be a Supervisor? (1 full-day session): scheduled

Note: Full-day sessions are conducted in two half-days when presented virtually.

1 Regional Training Using Outside Resources conducted: Title IX Updates



The Power of the POOL

- 8 Webinars 7 conducted; 1 more scheduled
 - Mastering Your Money in Difficult Times (EAP): complete
 - o Giving and Receiving Feedback Managers (EAP): complete
 - o Powerful Communication Managers (EAP): complete
 - Mindfulness to Concentrate and Pay Attention (EAP): scheduled
 - o HR Briefing: Americans with Disabilities Act: complete
 - o HR Briefing: Family and Medical Leave Act: complete
 - o HR Briefing: Performance Management: complete
 - o HR Briefing: Employing Minors: complete
- 12 Virtual Round Tables by Entity Type: 8 sessions conducted; 4 scheduled
- 4 HR Briefings with 112 participants conducted to date

ANNUAL HR LEADERSHIP CONFERENCE:

- 1 Preconference session (law enforcement focused) Navigating the NRS 289 Minefield (41 members participants)
- 13 main-conference sessions (91 110 member participants over two days)
 - No Excuses: Break through your fear and adversity (David Atkins, Team Perseverance)
 - Never Fear! Al is here! But is it a Superhero or Supervillain? (George McEwan,
 State of Utah Department of Government Operations)
 - Ghouls No More: Transforming Workplace Bullying Behavior (Mark Batson Baril, Resologics)
 - The Formula to WIN (What's Important Now) (Will Baggett, Emergent Executives)
 - Attack of the Self-Righteous Citizen: Handling First Amendment Auditors and Other Unruly Visitors (Rebecca Bruch, Lemons Grundy & Eisenberg)
 - Radical Care in the Workplace: The Art of Cultivating Accountability and Compassion in Leadership (Christine Perigen-Fonner, Roam Life)
 - Concurrent Breakout Sessions (Day 1):
 - Responding to Requests for Employee-related Public Records (Scott Husbands, University of Nevada, Reno)
 - Managing Educational Due Process Claims for School Districts (Stephanie Bedker, Freeman Mathis & Gary)
 - Embracing the Human Side of HR Training (Jeff Coulam, Carson City)



The Power of the POOL

- Adverse Actions and Social Media Harassment: The Courts are Moving the Goal Posts (Jonathan McGuire, Simons Hall Johnston)
- Concurrent Breakout Sessions (Day 2)
 - Translating Respectful Intentions into Respectful Action: Transgender 101 (Pryce Scott, Northern Nevada HOPES)
 - Pregnant Workers Fairness Act & PUMP Act Practical Application of Family-Friendly Policies (Kim Cullen, the Children's Cabinet; Charity Felts, University of Nevada, Reno)
 - Promoting Mental Health in the Workplace (Ethan Opdahl, Specialty Health)
- Overall Conference Rating 4.83 out of 5.00

NEWSLETTERS:

- 3 quarterly issues delivered (August, November, February)
- 1 more to be developed and released in May

ALERTS:

- 7 Alerts issued to date:
 - o Release Time to Vote 10-16-24
 - New Exempt Salary Levels Struck Down by Federal District Court 11-15-24
 - Windfall Elimination Provision Repealed 1-5-25
 - Nevada Supreme Court Clarifies Rules for Investigating Peace Officers 1-9-25
 - o Title IX January 9 Ruling 1-9-25
 - 2025 HR-Related Legislative Tracking 2-3-25
 - Updates SSA Form-1945 Now Available 3-28-25

SALARY SCHEDULE DATABASE:

- 14 Cities and Towns
- 10 Counties
- 1 Hospital
- 14 School Districts
- 12 Special Districts

POLICY DEVELOPMENT AND REVIEW:

- Annual updates in review
- Sample Color-coded, School, and CDL policies will be revised and released by June 30, 2025



The Power of the POOL

HR-RELATED LEGISLATIVE TRACKING:

- 60 Assembly Bills
- 1 Initiative Petition
- 3 Assembly Joint Resolutions
- 63 Senate Bills

HR COMPLIANCE ASSESSMENTS:

- 19 PHASE I's 12 in process; 7 complete this FY:
 - Boulder City
 - City of Ely
 - o Kingsbury GID
 - Mineral County
 - North Lake Tahoe Fire Protection District
 - White Pine County School District
 - White Pine County Tourism
- 1 PHASE II 1 in process

HR SCHOLARSHIPS: 7 new scholarships awarded this FY:

- 1 aPHR
- 1 PHR
- 1 PSHRA-CP
- 2 SHRM-CP
- 1 SHRM-SCP
- 1 CLRP

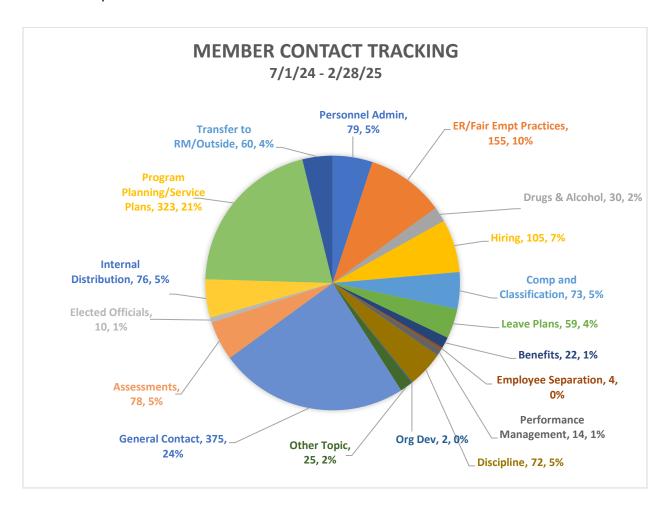
POOL/PACT Human Resources FY 24/25 ACCOMPLISHMENTS TO DATE

The Power of the POOL

MEMBER CONTACT TRACKING:

POOL/PACT HR Business Partners recorded 1,562 contacts with members between July 1, 2024, and February 28, 2025, as shown below. The top reasons for contact (excluding Program Planning/Service Plans and General Contact) were:

- Employee Relations (ER)/Fair Employment Practices,
- Hiring,
- · Personnel Administration,
- · Compensation and Classification, and
- Discipline.



MEMBER CONTACT CODES

(created 11/19/19; revised 5/3/24)

Personnel Administration		
Α1	Human Resources Policies/Procedures	
A2	Job Descriptions/Class Specifications	
А3	Personal Records/Recordkeeping	
A4	Collective Bargaining Agreements	

	Employee Relations/Fair		
	Employment Practices		
В1	Harassment/Discrimination		
В2	Employee Bullying		
В3	School Bullying		
В4	Investigations/Internal Inquiries		
В5	Employee Dating		
В6	ADA		
В7	Pregnancy/Nursing		
	Domestic Violence/Sexual Assault		
В8	Accom		
В9	Workplace Violence		
B10	Nepotism		
B11	Ethical Standards		
B12	Political Activity		
B13	Solicitation		
B14	Social Networking		
B15	Outside Employment		
B16	Children/Animals in the Workplace		
B17	Whistleblower		
B18	Remote Work		
B19	Workplace Safety/OSHA		
B20	Conflict Resolution		
B21	Employee Assistance Program		
B22	Title IX		
B23	Retaliation		
B24	Religious Accommodation		

Drugs and Alcohol		
C1	General	
C2	Pre-employment Testing	
С3	Reasonable Suspicion Testing	
C4	Random Testing	
C5	CDL Testing	
C6	Post-accident Testing	
C7	Marijuana/Cannabis	

	Hiring		
D1	Recruitment		
D2	Interviewing		
D3	Background/Reference Checks		
D4	Hiring (includes offer letters)		
D5	NEO/Onboarding		
D6	Volunteer Programs		

Ü	compensation and Classification
E1	Classification/Reclassification of Job
	Employment Status (temp/contract/at-will/volunteer)
	Exemption Status (e.g., Salary Level)
E4	Wage and Hour Practices/FLSA

Leave Plans		
F1	Holidays	
F2	Annual	
F3	Sick	
F4	FMLA	
F5	LWOP	
F6	Court Leave	
F7	Bereavement Leave	
F8	Catastrophic Leave	
F9	Military Leave	
F10	Bermuda Triangle	
F11	Other Leave	
F12	Unapproved Absences	

	Benefits
G1	Retirement/PERS
G2	Workers' Compensation
G3	Other Benefits
G4	Health Insurance
G5	Unemployment Claims

H1 Resignation H2 Job Abandonment H3 Reduction in Force/Layoffs Performance Management I1 Coaching/Counseling (Pre-discipline)		Employee Separation
H3 Reduction in Force/Layoffs Performance Management	Н1	Resignation
Performance Management	Н2	Job Abandonment
	Н3	Reduction in Force/Layoffs
I1 Coaching/Counseling (Pre-discipline		Performance Management
	11	Coaching/Counseling (Pre-discipline)

12 Performance Evaluations

J3 Last Chance Agreement

13 Performance Improvement/PIPs		
Discipline		
	Discipline Procedures/Due	
J1	Process/Grievance	
12	Termination/Discharge	

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Other Topic	
11	Other topic not listed (list on back of tracking sheet)
L2	New Federal/State Legislation

	Other Contact/Services	
	Program Planning (includes	
M1	confirmation of trainings)	
M2	Service Plans	
M3	HR Scholarships	
M4	Checking In/Follow Up/Inquires	
M5	Training/Briefing/Round Table	
M6	Transfer to Risk Management	
	Transfer to Outside Entity (e.g.,	
M7	Davies)	
M8	eLearning	
M9	Oversight Committee	
M10	Web Access/Email List	
	Enterprise Risk Management	
M11	Excellence Program (ERMEP)	

Assessments					
N1	Phase I				
N2	Phase II				
N3	Assessment General				

Elected Officials				
01	Concerns/Issues			
02	Open Meeting Law			

Internal Distribution					
P1	Briefings Sent				
P2	Forms/Policies Sent				









POOL/PACT Annual Board Meeting 2025 Enterprise Risk Management Report April 3, 2025

The following list represents the enterprise risk management projects, programs, and activities since the 2024 Annual Board Meeting, as well as upcoming activities. It is organized according to major service area.

Wayne Carlson, Executive Director, waynecarlson@poolpact.com
Alan Kalt, CFO, alankalt@poolpact.com
Mike Van Houten, Learning Experience Architect, elearning@poolpact.com
Jarrod Hickman, Risk Management Specialist, jarrodhickman@poolpact.com
Marshall Smith, Risk Manager, marshallsmith@poolpact.com

1. AQUATIC SAFETY

- a. Incline Village GID (6/3/24)
- b. Carson City (declined assessment)
- c. Carson Valley Swim Center (6/4/24)
- d. Fernley Swim Center (6/4/24)
- e. Mason Valley Swim Center (did not respond to request)
- f. Hawthrone Swim Center (6/4/24)
- g. Aquatic Risk Management Seminar Carson City (6/6/24)
- h. Sun Valley Swimming Pool (6/7/24)
- i. Storey County Swimming Pool (6/7/24)

2. CYBERSECURITY

a. Quarterly Cybersecurity Webinar Series

- i. 05/08/2024
- ii. 09/10/2024
- iii. 12/172024
- iv. 03/11/2025

b. Passive Network Assessments

- i. Mineral County School District (04/15/2024)
- ii. City of Carlin (05/15/2024)

- iii. White Pine County School District (05/20/2024)
- iv. White Pine County (06/24/2024)
- v. Carson Water Sub-conservancy (08/19/2024)
- vi. Lyon County School District (09/15/2024)
- vii. Churchill County School District (09/15/2024)
- viii. Pershing County School District (01/05/2025)
- ix. City of Lovelock (01/05/2025)
- x. Esmeralda County School District (01/26/2025)
- xi. Storey County School District (02/10/2025)
- xii. Humboldt General Hospital (04/06/2025)
- xiii. City of Winnemucca (04/06/2025)
- xiv. Pahranagat Valley Fire Protection District (03/09/2025)
- xv. City of Caliente (03/09/2025)
- xvi. Lincoln County School District (05/04/2025)
- xvii. Lincoln County (05/04/2025)

c. New eLearning Course Development

- i. 2025 KnowB4 Security Awareness Training
- ii. 2025 KnowB4 Mobile Device Security
- iii. 2025 KnowB4 Human Firewalls in Action
- iv. 2025 KnowB4 Social Engineering Red Flags
- v. 2025 KnowB4 Phishing
- vi. 2025 KnowB4 Common Threats
- vii. 2025 KnowB4 Ransomware Ready

3. ENTERPRISE RISK MANAGEMENT CONFERENCE TRAINING

- Enterprise Risk Management Financial Leadership Preconference (09/04/2024)
- b. Enterprise Risk Management Conference (09/04/2024, 09/05/2024)
 - i. See attached agenda for training provided (ATTACHMENT 1)
- c. HR Leadership Preconference *Navigating the NRS 289 Minefield* (10/29/2024)
- d. AGRiP Governance Conference, *Practical Applications of AI in Risk Management* (03/19/2025)

4. ENTERPRISE RISK MANAGEMENT EXCELLENCE PROGRAM (ERMEP)

- a. Completed
 - i. Boulder City
 - ii. White Pine County School District (Conditional Award)

b. Award Track - Pending Applications

- i. Pershing County
- ii. Pershing County School District

- iii. Eureka County
- iv. City of Caliente
- v. Pahranagat Valley Fire District
- vi. Lincoln County School District
- vii. City of Lovelock
- viii. City of Winnemucca
- ix. Mineral County School District
- x. Round Mountain
- xi. Lincoln County
- xii. Lyon County
- xiii. Elko County School District
- xiv. Esmeralda County
- xv. Lander County School District
- xvi. Town of Tonopah
- xvii. Tonopah Library District

c. Grant or Assessment Track

- i. Town of Pioche (RM Grant)
- ii. Eighth Judicial District (RME Grant)
- iii. Storey County School District (PNA)
- iv. White Pine County Fire Protection District (RM Grant)
- v. Humboldt County School District (RME Grant)
- vi. Community Chest (RM Grant)
- vii. Tahoe Douglas Fire Protection District (RME Grant)
- viii. Mineral County (RM Grant)
- ix. Lander County School District (RME Grant)
- x. Churchill County (RM Grant)

5. FINANCIAL LEADERSHIP TRAINING SERIES - Alan Kalt

- a. Local Government Financial Year End Housekeeping (05/15/2024)
- b. Local Government Finance Debt Management (07/10/2024)
- c. Investment Training (08/13/2024)
- d. Local Government Finance and Budget Training
 - i. 02/10/2025
 - ii. 02/11/2025
 - iii. 02/28/2025
 - iv. 03/25/2025
 - v. 03/28/2025
- e. Board Finance Training (03/06/2025)

6. GOVERNING BOARD TRAINING - Wayne Carlson

a. In-Person Training

- i. Board Governance, Open Meeting Law, Board Ethics; Sun Valley General Improvement District (01/09/2025)
- ii. Open Meeting Law, Elko County (01/13/2025)
- iii. POOL/PACT 101 (January 14, 2025)
- iv. Board Governance, Open Meeting Law, Board Ethics; Fernley Swimming Pool District (01/15/2025)
- v. Board Governance, Open Meeting Law, Board Ethics; City of Carlin (01/22/2025)
- vi. Board Orientation, Humboldt County (01/27/2025)
- vii. Board Governance, Open Meeting Law, Board Ethics; Topaz Ranch Estate General Improvement District (01/29/2025)
- viii. Board Governance, Open Meeting Law, Board Ethics; Esmeralda County (03/03/2025)
- ix. Board Governance, Open Meeting Law, Board Ethics; City of Lovelock (03/24/2025)

b. New eLearning Course Development Mike Van Houten

i. Ethics in Nevada Government

7. LAW ENFORCEMENT AND FIRE SERVICES

a. Quarterly Law Enforcement Roll-Call Webinars

- i. Vehicle Pursuit & Intervention Tactics (02/13/2024)
- ii. Use of Force & Dealing with Mentally Ill (6/11/24)
- iii. Property and Evidence & First Aid (8/27/24)
- iv. Stops/Seizures/Arrests and Opioid Use Disorder (11/19/24)

b. Nevada Detention Administrators Working Group (NDAWG) MSS

- i. 1/9/24 Elko County Sheriff's Office
- ii. 5/7/24 Lander County Sheriff's Office
- iii. 7/10/24 White Pine County Sheriff's Office
- iv. 11/12/24 Mineral County Sheriff's Office

c. TargetSolutions Fire and EMS Learning Management System

- i. See attached training and usage reports. (ATTACHMENT 2)
- Tips and Tricks for Operating the TargetSolutions Platform, (04/15/2025)

8. OCCUPATIONAL SAFETY

a. Portable fire extinguisher (pfe) training

- i. Lincoln County School District, Alamo Schools (01/28/2025)
- ii. Lincoln County (01/29/2025)
- iii. Lincoln County School District, Panaca Schools (01/29/2025)
- iv. Lincoln County School District, Caliente Schools (01/30/2025)
- v. Lincoln County School District, Pioche Schools (01/30/2025)

vi. Eighth Judicial District Court (03/14/2025)

b. Safety Committee and Written Workplace Safety Program (WWSP) Review/Development

i. Written Workplace Safety Plan Development

- 1. City of Lovelock (04/18/2024)
- 2. Lander County School District (05/08/2024)
- 3. Forklift Safety Program Development, Pershing County School District (06/28/2024)
- 4. Spanish Occupational Safety Curriculum, Pershing County (07/05/2024)
- 5. Lincoln County (08/22/2024)
- 6. Lincoln County (10/03/2024)
- 7. East Fork Swimming Pool District (11/07/2024)
- 8. Humboldt County (12/16/2024)
- 9. Compressed Gas (Chlorine) Safety Program, City of Winnemucca (02/13/2025)
- 10. Carson City (02/24/2025)
- 11. Eighth Judicial District (03/17/2025)
- 12. Heat Illness Prevention Model Plan and Job Hazard Analysis Form (03/17/2025)

ii. Safety Committee Training/Development

- 1. Nuts and Bolts of Written Workplace Safety, Lander County School District (06/25/2024)
- 2. Safety Committee Development, Lander County School District (07/09/2024)
- 3. Heat Illness, Vehicle Inspections, and Personal Protective Equipment; Humboldt County (07/17/2024)
- 4. Safety Committee Development, Lincoln County (07/18/2024)
- 5. Nuts and Bolts of Written Workplace Safety, Town of Tonopah (08/13/2024)
- 6. Safety Committee Development, Lander County School District (08/28/2024)
- 7. Safety Committee Development, Mineral County School District (09/24/2024)
- 8. Safety Committee Development, Pershing County (09/24/2024)
- 9. Safety Committee Development, Mineral County (10/07/2024)
- 10. Safety Committee Development, Lincoln County School District (11/19/2024)
- 11. Safety Committee Development, City of Winnemucca (01/15/2025)

12. Safety Committee Development, Lincoln County School District (01/29/2025)

iii. New eLearning Course Development, Mike Van Houten

- 1. Heat Illness Prevention
- 2. OSHA Rights and Responsibilities
- 3. Bloodborne Pathogens Awareness
- 4. Bloodborne Pathogens Awareness Spanish
- 5. Ice Cleat Personal Protective Equipment Use Training
- 6. Office Ergonomics Tips and Tricks
- 7. Ladder Safety
- 8. Lockout/Tagout Spanish
- 9. Slips, Trips, and Falls Spanish
- 10. Fire Extinguisher Safety Spanish
- 11. Arc Flash Safety

9. OTHER RISK MANAGEMENT

- a. New eLearning Course Development
 - i. HIPAA Privacy Rule/Protecting Patient Privacy
- b. Nevada Risk Management Association Quarterly Meetings
 - i. Reno (1/21/24
 - ii. Lovelock (4/1/25)

10. SCHOOL SAFETY

- a. In-Person Training
 - Emergency Response Training, White Pine County School District (04/30/2025)
 - ii. School Safety Workshop, Lander County School District (06/05/2024)
 - School District Emergency Operation Plan Development Committee Training (07/15/2024)
 - iv. *OpenGate Set-up, Use, and Troubleshooting*; Humboldt County School District (12/02/2024)
 - v. Nevada School Safety Workshop (12/04/2024, 12/05/2024)
 - vi. Emergency Management Training, Douglas County School District (02/06/2025)
 - vii. Emergency Operations Plan Annual Update: 14 District Master Plans, 134 Individual School Plans, and 14 District Functional Annexes
 - viii. Hazard Vulnerability Assessment, Elko County School District

b. New eLearning Course Development

- i. Gatekeeper School Safety Series
 - 1. Introduction
 - 2. Lockdown/Lockout

3. Active Assailant

c. Nevada Rural School Resource Officers Working Group

- i. Initial Planning Meeting (1/23/24)
- ii. First Quarterly Meeting, City of Winnemucca (2/11/25)
- iii. White Pine County Sheriff's office (7/25)

11. PENDING PROJECTS

- a. Nevada Aquatic Facility Operators Working Group
- b. CyberSecurity Summit, in-person seminar 7/29/25
- c. Nevada Rural Voluntary Fire Department Working Group
- d. Implement AI-powered technology to streamline internal workflows, support member services, and enhance operational efficiency through automated, context-aware assistance.
- e. POOL/PACT Certified Public Official Designation Program

ATTACHMENT 1



AGENDA

DAY 01: SEPTEMBER 4, 2024

9:00am – 11:50pm: Enterprise Financial Leadership (Pre Conference)

Securing Your Entity's Success with Effective Financial Leadership

Alan KALT; Chief Financial Officer, POOL/PACT

SUGGESTED AUDIENCE: Chief Financial Officers, Comptrollers, Controllers, Treasurers

12:00pm - 12:50pm: LUNCH ON YOUR OWN

OPENING GENERAL SESSIONS

1:00pm - 1:15pm: Welcome and Introduction

◆Paul JOHNSON; PACT Executive Committee Chair, and Chief Financial Officer, White Pine County School District

*Dan MURPHY; Enterprise Risk Management Committee Chair, and School Safety Specialist, Pershing County School District

1:15pm – 2:30pm: Opening Keynote

Innovating Your Enterprise

◆Robert RUIZ; Associate Director of Risk Management Services, Texas Association of Counties

2:40pm - 3:00pm: BREAK

3:00pm – 5:00pm: **Board Governance**

Innovating Your Board With Balanced Governance

◆Dr. Thomas ALSBURY; President, Balanced Governance Solutions, and Professor, Northwest University

6:00pm: DINNER PROVIDED





AGENDA

DAY 02: SEPTEMBER 5, 2024

GENERAL SESSIONS

8:30am - 9:20am: Emergency Management Planning

Functional Emergency Response Exercise Planning

*Ann CYR; Risk Manager, Carson City School District

◆Jon BAKKEDAHL; Deputy Emergency Manager, Carson City Fire Department

9:30am - 10:20am: Employee Wellness

The Panasonic Model and Nevada Public Entities (Increasing Employee Health, Productivity, and Engagement)

◆Ethan **OPDAHL**; President, SpecialtyHealth

10:30am - 11:20am: Public Works

Impact of Climate Change on Public Entities and Mitigation Strategies

◆Brian FOOTE; BELFOR Property Restoration

11:30 - 12:30: LUNCH PROVIDED

BREAKOUT SESSIONS 12:30pm - 1:20pm (I HOUR)

12:30pm – 1:20pm (Room A): Facilities Management

Technology Applications in Facilities Management

- ◆Mike SPEERS; Facilities Director, Lander County School District
- ◆Paul SIKORA; Purchasing, Grants, and Risk Manager, Boulder City

SUGGESTED AUDIENCE: Facility Management, Public Works, Buildings and Grounds

12:30pm – 1:20pm (Room B): Human Resources

Innovating Your HR Department

◆Stacy NORBECK; General Manager, POOL/PACT Human Resources

SUGGESTED AUDIENCE: HR/Personnel Management

BREAKOUT SESSIONS 12:30pm -2:20pm (2 HOURS)

12:30pm – 2:20pm (2 HOUR SESSION, Room C): School Districts Developing SRO Programs

- ◆Jeff KAYE; President, School Safety Operations, Inc.
- ◆Ana BRIBIESCA; Sergeant/School Resource Officer, Elko County Sheriff's
- ◆Office National Association of School Resource Officers (NASRO)

SUGGESTED AUDIENCE: Superintendents, School Administrators, School Resource Officers, School Specialists

2 of 3 - 071924



AGENDA

DAY 02: SEPTEMBER 5, 2024

12:30pm – 2:20pm (2 HOUR SESSION, Room D): Cybersecurity

Cyber Incident Response Tabletop

*Antonio (Tony) RUCCI; Cybersecurity Consultant

SUGGESTED AUDIENCE: : County/City Managers, Information Technology Managers and/or Professionals

BREAKOUT SESSIONS 1:30pm - 2:20pm (I HOUR)

1:30pm – 2:20pm (Room A): Occupational Safety

Technological Applications in Safety Management and SCATS Consultations

- ◆Robert ALBRIGHT; Training Supervisor; Safety, Consultation, and Training Section (SCATS)
- ◆Luke **HENDRICKSON**; Consultation Supervisor; SCATS
- ◆Elko, Nevada SCATS Consultant

SUGGESTED AUDIENCE: Risk Managers, Safety Directors, Safety Committee Members

1:30pm - 2:20pm (Room B): Law Enforcement

Why Detention Medical Services are a Necessity and Not a Luxury

- ◆ Justin AMES; Undersheriff, Elko County Sheriff's Office
- ◆Ryan POWELL; Commander Jail Operations, Lyon County Sheriff's Office
- Dave HOCKADAY; Chairman, Lyon County Board of County Commissioner
- ◆ Carlos BONILLA; Administrator, RECON Technologies, Inc.

SUGGESTED AUDIENCE: County/City Managers, Commissioners, Councilmembers, Detention Facility Administrators

CLOSING GENERAL SESSION

2:30pm – 4:30pm: Panel Discussion

Practical Al Use Cases for Public Entities

- •Jonathan REYNOLDS; Principal, Pershing County High School (Al in the classroom)
- ◆Ryan JOHNSON Solutions Architect, DevBlue Research
- ◆Robert RUIZ; Associate Director of Risk Management Services, Texas Association of Counties
- ◆Mike VAN HOUTEN; Learning Experience Architect, POOL/PACT
- ◆Behzad ZAMANIAN; Chief Information Officer, Washoe County

For more information contact Marshall Smith or Jarrod Hickman at (775) 88577474

ATTACHMENT 2

TARGETSOLUTIONS USAGE REPORT - Last 12 months (as of 04/01/2025) **Total Active and** Courses Completed- Users Completing One or **Custom Activities** Users Completing One or **Registered Users** Member Organization Offline Employees Total **More Courses** Completed-Total **More Custom Activity** Austin Volunteer Fire Department Battle Mountain Volunteer Fire Department (NV) Boulder Fire Department Caliente Volunteer Fire Department (NV) Carlin Volunteer Fire Department Carson City Fire Department Elko County Ambulance Service Elko County Fire Protection District Elko Fire Department TOTALS+C3:C34 Ely Fire Department Esmeralda County Fire District Eureka County EMS Eureka County Fire Department Fallon Churchill Volunteer Fire Department Grass Valley Volunteer Fire Department Imlay Volunteer Fire Department (NV) Lander County EMS Lincoln County Fire and EMS (NV) Lovelock Volunteer Fire Department Lyon County Search and Rescue Mason Valley Fire Protection District Mineral County Fire & EMS North Lake Tahoe Fire North Lyon County Fire Protection District Pahranagat Valley Vol Fire Department Pioche Volunteer Fire Department (NV) Smith Valley Fire Protection District

Storey County Fire Protection District

Tahoe Douglas Fire Protection District

Tonopah Volunteer Fire Department

Town of Kingston Fire Company

White Pine County Fire Protection District

TOTALS

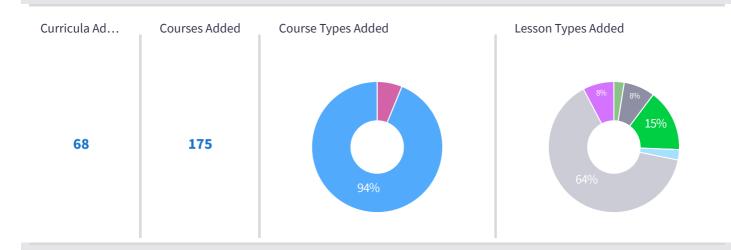
TARGETSOLUTIONS: Top 25 Assigments Completed (as of 04/02/2025) **Course Title Number of Completions** Morning Safety Briefing 1601 Daily SCBA Checkout 987 909 FAO, EVDT & F-endorsement Training Documentation Firefighter Fitness, NFPA 1500 v2 842 **Company Training** 794 **CCFD Engine Company Training Documentation** 734 Daily Medical Checks 715 Daily vehicle maintenance/inspection, NFPA 1002 4.2 693 Weekly/Monthly Preventitive Maintenance, NFPA 1002 4.2 635 Pass On 630 Daily Physical Fitness Training Documentation 564 Physical Fitness 513 Daily Apparatus and Equipment Checks 416 349 **CCFD EMS Training Document** Non-CEU EMS Training Documentation 343 **CCFD Truck Company Operations Training Documentation** 334 Firefighter Fitness, NFPA 1500 305 Monthly Sets and Reps 300 Department MCS Drills 283 260 Technical Rescue: Rope Rescue Operations **Company Training Documentation** 220 JPR Training Documentation 211 205 14 - Fire Suppression 12 - Fire Hose 199 193 05 - FF Personal Protective Equipment

Filters

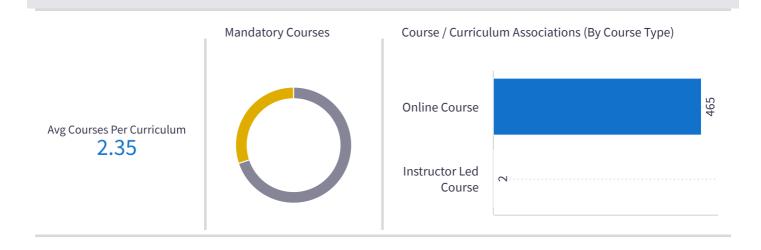
Curriculums Added 4/1/24 to 4/3/25 | Courses Added 4/1/24 to 4/3/25 | Lessons Added 4/1/24 to 4/3/25 | Name Exclude:

Content Overview

Created Content



Curricula Overview



Filters

Curriculums Added 4/1/24 to 4/3/25 | **Courses Added** 4/1/24 to 4/3/25 | **Lessons Added** 4/1/24 to 4/3/25 | **Name** Exclude:

Curriculum Categories



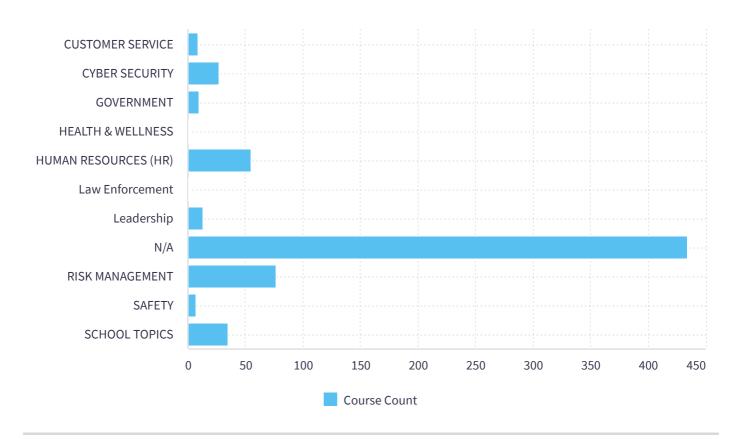
Courses Overview



Filters

Curriculums Added 4/1/24 to 4/3/25 | **Courses Added** 4/1/24 to 4/3/25 | **Lessons Added** 4/1/24 to 4/3/25 | **Name** Exclude:

Course Categories



Annual Meeting Content Overview Apr 3, 2025 10:04:02 AM Course Content D62F20D4-838...

Filter statement

Filters

Curriculums Added 4/1/24 to 4/3/25 | **Courses Added** 4/1/24 to 4/3/25 | **Lessons Added** 4/1/24 to 4/3/25 | **Name** Exclude:

Course Additions Breakdown (see full list following)

Course Name	Date Added	Certificate Enabled	Allow Re- enrollment	Allow Self Enrollment Type
2024-25 DCSD Policies and Regulations	8/7/24	false	false	Off
BOULDER CITY - Cybersecurity - 2024 - Security Bytes: Mobile Security	8/27/24	true	true	Off
BOULDER CITY - Cybersecurity - 2024 - Beating Ransomware	8/27/24	true	true	Off
BOULDER CITY - Cybersecurity - 2024 - Introduction to Ransomware	8/27/24	true	true	Off
BOULDER CITY - Cybersecurity - 2024 - Phishing Emails: Think Before you Act	8/27/24	true	true	Off
Blue Bird Property Eviction Procedure Acknowledgment	3/25/25	false	false	Off
Blue Bird Property Handbook	1/29/25	false	false	Off
Blue Bird Property Incident Report Acknowledgment	3/25/25	false	false	Off
Boulder City - Americans with Disabilities Act (ADA) Title II Online Training Schedule - GENERAL REQUIREMENTS - ALL EMPLOYEES	11/12/24	false	false	Specific Le

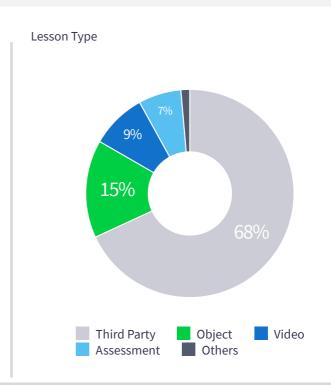
Lessons Overview

Filters statement

Filters

Curriculums Added 4/1/24 to 4/3/25 | Courses Added 4/1/24 to 4/3/25 | Lessons Added 4/1/24 to 4/3/25 | Name Exclude:

Average Grade To Pass 73.86



Filters

Days in Date Added 4/1/24 to 4/2/25

Total Enrollments

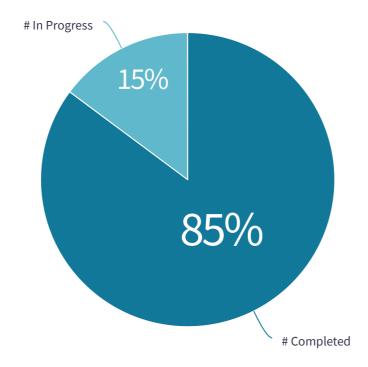
Enrollment Completion Numbers

Total Course Enrollment Count

77,256

Completed 65,805
In Progress 11,441

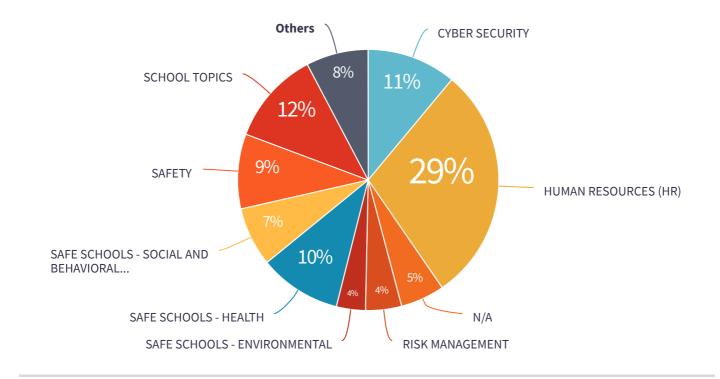
Completion Percentage



Filters

Days in Date Added 4/1/24 to 4/2/25

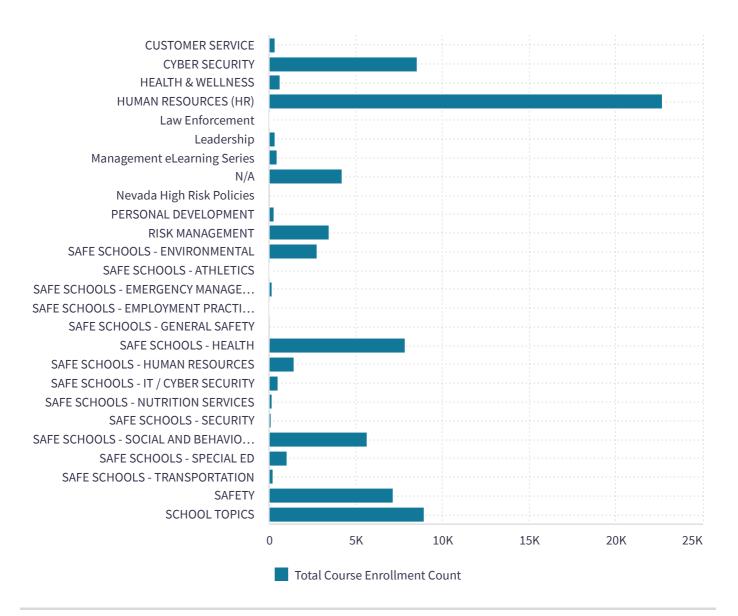
Category Breakdown



Filters

Days in Date Added 4/1/24 to 4/2/25

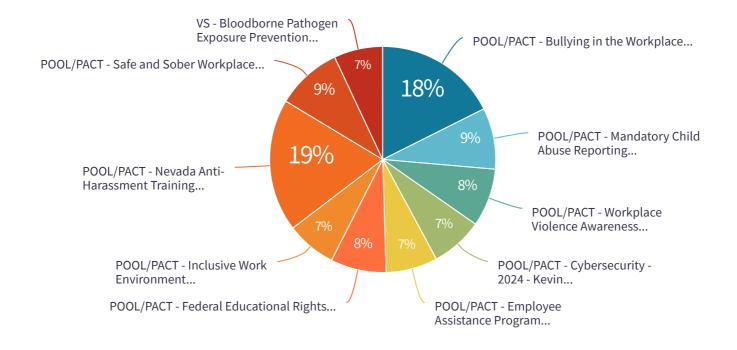
All categories - Course Enrollment Breakdown



Filters

Days in Date Added 4/1/24 to 4/2/25

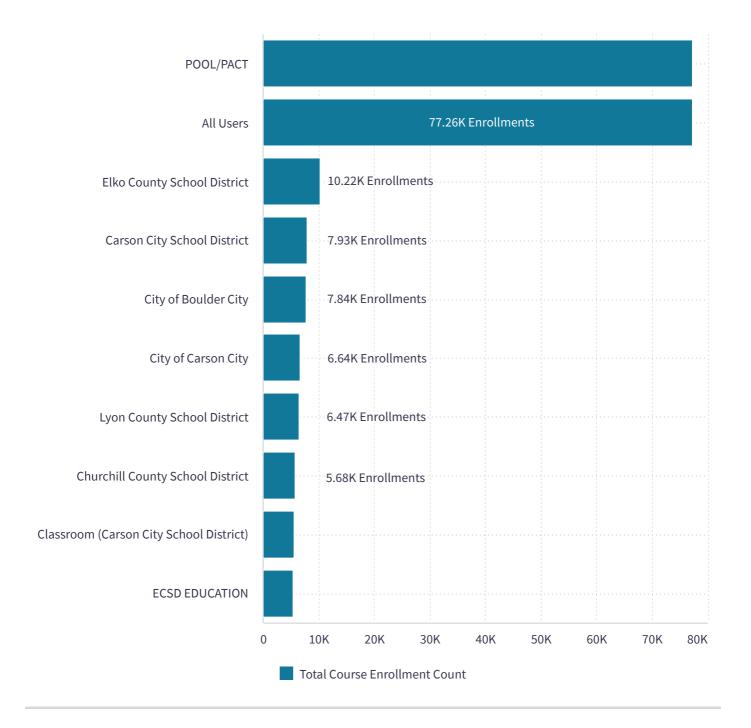
Top Ten Courses



Filters

Days in Date Added 4/1/24 to 4/2/25

Top Departments



Filters

User Status Active

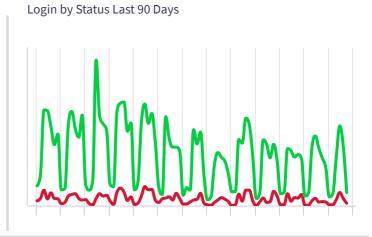
Users & Logins

Login Activity

Total Logins Past Year

56,062

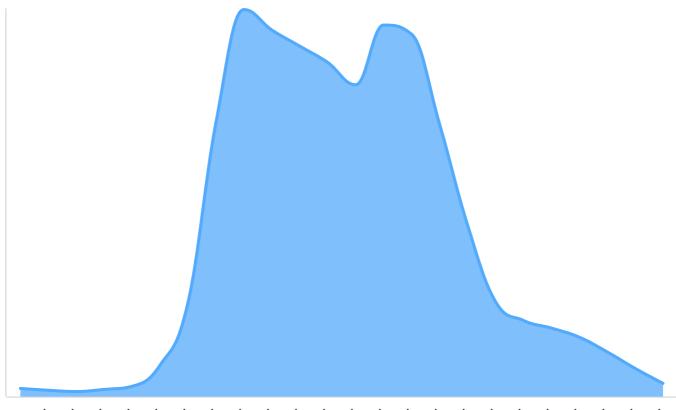
Last 90 Days 13,275



Filters

User Status Active

Daily Login Traffic



User Details

New Users Last 30 Days

126

Inactive Users **0**

New Users Last 90 Days

845

Inactive Users 12

New Users Last 360 Days

3,861

Inactive Users 305

Course Name	Date Added	Certificate Enable	d Allow Re-enrollment	Allow Self Enrollment	: Type Due Type
2024-25 DCSD Policies and Regulations	8/7/2024	FALSE	FALSE	Off	None
BOULDER CITY - Cybersecurity - 2024 - Security Bytes: Mobile Security	8/27/2024	TRUE	TRUE	Off	Time From Enrollment
BOULDER CITY - Cybersecurity - 2024 - Beating Ransomware	8/27/2024	TRUE	TRUE	Off	Time From Enrollment
BOULDER CITY - Cybersecurity - 2024 - Introduction to Ransomware	8/27/2024	TRUE	TRUE	Off	Time From Enrollment
BOULDER CITY - Cybersecurity - 2024 - Phishing Emails: Think Before you Act Blue Bird Property Eviction Procedure Acknowledgment	8/27/2024 3/25/2025	TRUE FALSE	TRUE FALSE	Off Off	Time From Enrollment None
Blue Bird Property Handbook	1/29/2025	FALSE	FALSE	Off	Date
Blue Bird Property Incident Report Acknowledgment	3/25/2025	FALSE	FALSE	Off	None
Boulder City - Americans with Disabilities Act (ADA) Title II Online Training Schedule - GENERAL REQUIREMENTS	11/12/2024	FALSE	FALSE	Specific Learners	None
Boulder City - Americans with Disabilities Act (ADA) Title II Online Training Schedule - PUBLIC SAFETY	11/14/2024	FALSE	FALSE	Specific Learners	None
Boulder City - Americans with Disabilities Act (ADA) Title II Online Training Schedule - PUBLIC WORKS	11/14/2024	FALSE	FALSE	Specific Learners	None
Boulder City - Americans with Disabilities Act (ADA) Title II Online Training Schedule - REASONABLE MODIFICAT		FALSE	FALSE	Specific Learners	None
Boulder City - Creating an Inclusive Work Environment - Virtual Attendance Boulder City - Cybersecurity - 2024 - Business Email Compromise: Not Just for Execs and Finance Anymore	2/26/2025 7/11/2024	FALSE TRUE	FALSE TRUE	Off Off	None Time From Enrollment
Boulder City - Executive Training - NRS 288	1/28/2025	FALSE	FALSE	Off	None
Boulder City - POOL/PACT Human Resources Presents Ethics in the Workplace Training	12/10/2024	FALSE	FALSE	Specific Learners	None
Boulder City - Safety Kickoff 2025	2/25/2025	FALSE	FALSE	Off	None
Boulder City - Workers Compensation Training 101 (2024)	10/24/2024	FALSE	FALSE	Specific Learners	None
Boulder City - become a pro in MS SHAREPOINT	11/18/2024	FALSE	FALSE	Specific Learners	None
Business Writing Fundamentals	1/30/2025	TRUE	TRUE	Specific Learners	Time From Enrollment
CCSD - Controlling Workplace Exposure to Bloodborne Pathogens	5/3/2024	TRUE	TRUE	Specific Learners	Time From Enrollment
CITY OF WINNEMUCCA-WATER DEPT Carson City - Nevada Anti-harassment Training for Supervisors - 2024	12/4/2024 6/26/2024	FALSE TRUE	FALSE TRUE	Off Specific Learners	None None
Carson City - Preventing Sexual Harassment: A Guide for Supervisors	6/26/2024	TRUE	TRUE	Specific Learners	Time From Enrollment
Carson City - Safe and Sober Workplace - Supervisor Supplement - 2024	6/26/2024	TRUE	TRUE	Specific Learners	Time From Enrollment
Carson School District - Standard Response Protocol - 2024 - CCSD	5/29/2024	TRUE	TRUE	Specific Learners	Time From Enrollment
Carson School District - Suicide Prevention and Intervention - 2024	4/19/2024	TRUE	FALSE	Off	None
Carson School District - Suicide Prevention and Intervention - 2024 - CCSD	5/29/2024	TRUE	FALSE	Off	None
Communicating Change	3/10/2025	TRUE	FALSE	Specific Learners	None
First Amendment Audits	1/15/2025	FALSE	FALSE	Off	None
First Amendment Audits INACTIVE - POOL/PACT - Cybersecurity - 2024 - Mobile Device Security	1/17/2025 5/23/2024	TRUE FALSE	TRUE FALSE	Specific Learners Off	Time From Enrollment Time From Enrollment
INACTIVE - POOL/PACT - Cybersecurity - 2024 - Physical Security: First Steps	8/27/2024	TRUE	TRUE	Off	Time From Enrollment
IVGID - Confined Space Training	5/3/2024	TRUE	FALSE	Off	None
LASO - BASE - Policy Assessment - ####: Policy Name	12/9/2024	FALSE	FALSE	Off	None
LASO - Laser Labs Tint Meter Training	1/15/2025	FALSE	TRUE	Specific Learners	None
LASO - Policy Assessment - 502: Vehicle Towing	12/9/2024	FALSE	FALSE	Off	None
LE Form - Body Worn Video Supervisor Checklist	10/31/2024	FALSE	TRUE	Specific Learners	None
LE Form - Entry Assessment	10/31/2024	FALSE	TRUE	Specific Learners	None
LE Jail Policy - Americans with Disabilities	10/31/2024	FALSE	TRUE	Specific Learners	None
LE Policy - Audits and Inspections LE Policy - Biased Based Policing	10/31/2024 10/31/2024	FALSE FALSE	TRUE TRUE	Specific Learners Specific Learners	None None
LE Policy - Active Shooter-Killer	10/31/2024	FALSE	TRUE	Specific Learners	None
Leading With Emotional Intelligence	3/4/2025	TRUE	TRUE	Specific Learners	None
Lyon County - Medication Management - 2025	1/21/2025	TRUE	TRUE	Off	Time From Enrollment
Managing Conflict	3/10/2025	TRUE	TRUE	Specific Learners	None
Medication Management - Copy	1/21/2025	FALSE	FALSE	Off	None
POOL/PACT - Bullying in the Workplace - 2025	1/10/2025	TRUE	TRUE	All Learners	None
POOL/PACT - HIPAA Privacy Rule - 2024 POOL/PACT - HIPAA Privacy Rule - 2025	5/17/2024 2/3/2025	TRUE TRUE	TRUE TRUE	All Learners All Learners	Time From Enrollment Time From Enrollment
POOL/PACT - OSHA Rights and Responsibilities - 2025	1/10/2025	TRUE	TRUE	All Learners	None
POOL/PACT - Open Meeting Law - 2024	4/8/2024	TRUE	TRUE	Off	Time From Enrollment
POOL/PACT - Open Meeting Law - 2025	1/10/2025	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Workplace Violence Awareness - 2025	1/8/2025	TRUE	TRUE	All Learners	None
POOL/PACT - Arc Flash Safety (Full Course)	5/31/2024	FALSE	FALSE	Off	None
POOL/PACT - Bloodborne Pathogens Awareness - 2025	12/23/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Bloodborne Pathogens Awareness in Spanish	6/28/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Customer Service in the Public Sector - 2024	5/20/2024 7/11/2024	TRUE TRUE	TRUE TRUE	All Learners All Learners	Time From Enrollment Time From Enrollment
POOL/PACT - Cybersecurity - 2024 - Business Email Compromise POOL/PACT - Cybersecurity - 2024 - Malware Foundations	5/30/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2024 - Phishing	9/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2024 - Physical Security	9/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2024 - Ransomware Ready!	9/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2024 - Security and Disaster Preparedness	8/27/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2025 - Common Threats	9/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2025 - KnowBe4 Security Awareness Training - 15 Min	3/21/2025	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2025 - KnowBe4 Security Awareness Training - 30 Min	3/21/2025	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - 2025 - KnowBe4 Security Awareness Training - 45 Min POOL/PACT - Cybersecurity - 2025 - Mobile Device Security	3/21/2025 9/17/2024	TRUE TRUE	TRUE TRUE	All Learners All Learners	Time From Enrollment Time From Enrollment
POOL/PACT - Cybersecurity - 2025 - Social Engineering Red Flags	9/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Cybersecurity - Human Firewalls in Action: Physical Security	9/17/2024	FALSE	FALSE	Off	None
POOL/PACT - Defensive Driving In Nevada - Carson City 2024-2025	8/23/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Due Process - 2024	5/30/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Escape from Fort Desert Pine Game	4/19/2024	TRUE	FALSE	All Learners	None
POOL/PACT - Ethics in Nevada Government - 2024 - video version	4/15/2024	TRUE	TRUE	Off	None
POOL/PACT - Ethics in Nevada Government - 2025 - self-paced POOL/PACT - Ethics in Nevada Government - 2025 - video version	1/8/2025 1/8/2025	TRUE TRUE	TRUE TRUE	All Learners All Learners	None None
POOL/PACT - Ethics in Nevada Government - 2025 - video version POOL/PACT - Federal Educational Rights and Privacy Act (FERPA) 2024	10/11/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Fire Extinguisher Safety - Spanish	6/28/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - GHS - Hazard Communication - 2025	12/23/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Gatekeeper Series - Part 1 - Introduction	9/3/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Gatekeeper Series - Part 2 - Lockdown/Lockout	9/3/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Gatekeeper Series - Part 3 - Active Assailant	9/3/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - HR Briefing - Reporting Requirements	4/23/2024	TRUE	FALSE	All Learners	None
POOL/PACT - Heat Illness Prevention 2025	3/14/2025	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Ice-Breakers Model JD110 - Instructional Video POOL/PACT - Ice-Breakers Model JD125 - Instructional Video	11/20/2024 11/20/2024	TRUE TRUE	TRUE TRUE	All Learners All Learners	Time From Enrollment Time From Enrollment
POOL/PACT - Ice-Breakers Model JD125 - Instructional video POOL/PACT - Inclusive Work Environment - 2025	3/27/2025	TRUE	TRUE	All Learners	None
POOL/PACT - Ladder Safety	8/8/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Lock Out Tag Out in Spanish	7/10/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Mandatory Child Abuse Reporting Laws - 2025	12/23/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Nevada Anti-Harassment Training for Employees 2025	1/8/2025	TRUE	TRUE	All Learners	None
POOL/PACT - Nevada Anti-harassment Training for Supervisors - 2025	1/8/2025	TRUE	TRUE	Off	None

POOL/PACT - Office Ergonomics - Tips and Tricks	8/12/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Office Ergonomics 2024 - Interactive Self Assessment	4/23/2024	TRUE	TRUE	All Learners	None
POOL/PACT - Preventing Sexual Harassment: A Guide for Employees - 2024	5/30/2024	TRUE	TRUE	All Learners	None
POOL/PACT - Safe and Sober Workplace - Supervisor Supplement - 2025	1/8/2025	TRUE	TRUE	Off	Time From Enrollment
POOL/PACT - Safe and Sober Workplace for Employees - 2024 - CCSD	5/29/2024	TRUE	TRUE	Off	None
POOL/PACT - Safe and Sober Workplace for Employees - 2025	1/8/2025	TRUE	TRUE	All Learners	None
POOL/PACT - Slips, Trips and Falls in Spanish	6/28/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Title VI Overview (Full Course)	8/22/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Understanding and Abiding by Title VI of the Civil Rights Act of 1964	9/13/2024	TRUE	TRUE	All Learners	Time From Enrollment
POOL/PACT - Whistleblower Protections - What, When and How - 2025	1/8/2025	TRUE	TRUE	All Learners	None
POOL/PACT - Youth Suicide Prevention in Schools - 2024	8/13/2024	TRUE	FALSE	All Learners	None
SCSD Policy and Document Review	8/22/2024	FALSE	FALSE	Off	None
The Secrets of Skilled Delegation	3/4/2025	TRUE	TRUE	Specific Learners	None
VS - ASD Overview - 2024	4/19/2024	TRUE	TRUE	All Learners	None
VS - ASD Overview - 2024 - CCSD	5/29/2024	TRUE	TRUE	Off	None
VS - Alert Driving	6/14/2024	FALSE	FALSE	All Learners	Time From Enrollment
VS - Arc Flash Safety	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Bloodborne Pathogen Exposure Prevention (Microlearning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Bloodborne Pathogen Exposure Prevention (Support staff)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Bloodborne Pathogen Exposure Prevention (teachers and staff)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Browser Security Basics	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Bullying: Recognition & Response (Full Course) - 2024	4/19/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Bullying: Recognition & Response (Full Course) - 2024 - CCSD	5/29/2024	TRUE	TRUE	Off	Time From Enrollment
VS - Bullying: Recognition and Response (Micro-Learning course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Cell Phone Use in the Workplace	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
·	6/14/2024	TRUE	TRUE		Time From Enrollment
VS - Child Abuse: Identification & Intervention (Micro-Learning Course)			TRUE	All Learners	Time From Enrollment
VS - Child Abuse: Mandatory Reporting	6/14/2024	TRUE		All Learners	
VS - Classroom Safety (Migra Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Classroom Safety (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Combustible Dusts	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Concussion Awareness (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Confined Space Entry Awareness	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Crime Prevention through Physical Security	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Crisis Response and Recovery	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Crowd Management	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Customer Service Overview (Spanish version)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Cyberbullying	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Cyberbullying (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Cybersecurity Overview	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Cybersecurity Overview (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Dangers of Distracted Driving	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - De-Escalation Strategies (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Digital Citizenship for Administrators	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Digital Citizenship for Elementary Teachers	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
					Time From Enrollment
VS - Digital Citizenship for Secondary Teachers	6/14/2024	TRUE	TRUE	All Learners	
VS - Driving Hazard Recognition	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Driving Preparation	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Drug Free Workplace	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Eating Disorder Awareness and Prevention (Teachers, Faculty and Staff)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Environmental Awareness	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Environmental Driving Hazards	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Ergonomics for Industrial Environments	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Fall Prevention and Protection - General Industry	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Fire Extinguisher Safety Basics	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Fire Safety	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Fire and Explosion Hazards	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Food Service Equipment: Safe Use (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Hand Safety	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Hand and Power Tool Safety	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Hazard Communication: Right to Understand (GHS) (Micro-Learning Course)	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Hazing Prevention in K12 Environments	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Hearing Conservation	6/14/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Ladder Safety (Spanish Version)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Lead Awareness	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Lock Out Tag Out for Authorized Employees	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Making Schools Safe and Inclusive for Transgender Students (Full Course) - 2024	4/19/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Making Schools Safe and Inclusive for Transgender Students (Full Course) - 2024 - CCSD	5/29/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Medication Administration: Naloxone	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Pedestrian Safety	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Pedestrian Salety VS - Playground Supervision (Spanish Version)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Reasonable Suspicion for Drug and Alcohol Use in the Workplace	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Responding to Bullying (K12 Teachers and Staff)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Seizure First Aid Ready by Epilepsy Foundation of America	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Seizure Training for School Personnel by Epilepsy Foundation of America	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Self-Harm Awareness and Prevention (Teachers, Faculty and Staff)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Sexual Misconduct: Staff-to-Student (Micro-Learning Course)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Slips, Trips and Falls (Micro-Learning Course)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Slips, Trips and Falls (Full Course)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Slips, Trips and Falls (refresher)	6/17/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Special Education Support Staff: Safety and Injury Prevention (Micro-Learning Course))	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Special Education Support Staff: Safety and Injury Prevention (Spanish Version)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Special Education Support Staff: Safety and Injury Prevention (full course)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Student Alcohol & Substance Misuse (Micro-Learning Course)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Student Safety Restrain System	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Students Experiencing Homelessness: Awareness and Understanding (Micro-Learning Course)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Students Experiencing Homelessness: Awareness and Understanding - 2024	4/19/2024	TRUE	TRUE	All Learners	None
VS - Students Experiencing Homelessness: Awareness and Understanding - 2024 - CCSD	5/29/2024	TRUE	TRUE	Off	None
VS - Termination: Practice and Procedure	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Understanding Boundaries	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Understanding Boundaries (Spanish Version)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Water Damage Prevention (Micro-Learning Course)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Water Damage Prevention (Micro-Learning Course) VS - Water Damage Prevention (full course)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Water Damage Prevention (full course) VS - Workplace Violence: Awareness and Prevention (employee)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment
VS - Workplace Violence: Awareness and Prevention (supervisor)	6/18/2024	TRUE	TRUE	All Learners	Time From Enrollment

White Pine County Personnel Policies Acknowledgement 6/20/2024 FALSE Time From Enrollment FALSE Off Time From Enrollment White Pine County Social Media Policy FALSE FALSE Off 6/20/2024 temporary name FALSE 8/8/2024 FALSE Off None

Member Relation Manager Report – April 18, 2025

The 2024 – 2025 Renewal Presentations for the POOL members was a lot softer than the prior term. The POOL staff attended and presented at 43 member board meetings during May and June to discuss the measures that matter for POOL/PACT Members and the services provided to the membership. All markets were notified of the final membership of POOL and PACT with the gain of Mt Grant General Hospital, Baker Water and Sewer and CART to POOL. Internally, staff concluded that the renewal message to the members went well. Individual insurance agencies' debriefings were also completed and the feedback from these meetings included timeliness of applications, proposals and access to the POOLPACT.com site. It was discussed at these meetings that POOL/PACT continues to work with Dynamics 365, our CRM System, to provide all the applications processing through a portal. There has been some delay in implementing this system, but we are back on track and working to have the 2025 schedules and applications in the system by July.

The member renewal applications were sent to all member's agents on November 21st, a full week earlier than the prior renewal year.

The application process was slow and many members did not return their applications until right at the due date of January 15th. Although the majority of applications were submitted by the due date, since the majority came in on the due date and in keeping with our timeline, additional hours were needed to review and compile the information for placement into our market submission documents. Submissions were released to the markets the first week in February, a full week earlier than the prior year, with quotes due by March 21st.

Future projects include the roll out of the on-line/portal renewal applications process. This will include training of the insurance agencies on how to use the portal and how to keep the schedules up to date within the system.

Renewal Marketing Report

Marketing Meetings/Indications/State of the Market

Attendance to AGRiP in both San Antonio and Las Vegas:

San Antonio (October 2024): Meetings were scheduled with 6 markets and vendors for the two-day attendance. These meetings were scheduled to discuss the market conditions and to provide insight into the upcoming renewal process. Also, information meetings with additional markets were held. Attendees to AGRiP San Antonio: Stephen Romero

Las Vegas (March 2025): Meetings were scheduled with 12 markets and vendors over the two-day conference. The meetings were to firm up the pricing with our current markets and additional meetings were scheduled with markets outside the current placements to possibly fill any gaps that we may find in our coverage or additional placements. Attendees to AGRiP Las Vegas: Josh Foli, Wayne Carlson, Alan Kalt, Stephen Romero, Mike Van Houten, Marshall Smith and Stacy Norbeck

Property – In February, Dan Murphy, Alan Kalt and Stephen Romero attended 16 meetings in 2 1/2 days while locally in London with our London Broker, Steve Firman, WTW, and Underwriters. The meetings provided insight into the markets of our program and how through Strength, Service, Accountability, and Stability (Opportunity Values) our relationship has been positive for 21 years. Discussing the

Opportunity Values and how they relate in all parts of the POOL through relationships. We provided information on Risk Management Programs (ERMEP and Loss Control Grants) and E-Learning, which are offered through POOL and how additionally, our Member Mitigation Measures being performed by your communities and fire districts, continues to be on the leading edge of mitigation measures for flood and wildfire. The property market has stabled in 2024. The underwrites had concerns over the future of their reinsurance treaties, due to the large loss of property in LA (Q1) right after renewing the reinsurance. The markets agreed that with POOL's ongoing risk management, mitigation projects and appraisal programs, favorable pricing over other purchasers would be achievable.

Liability – We had marketing meetings with Old Republic and GEM.

Our **Old Republic** meeting was to discuss their renewal quoting of the School Liability piece. Last year, we pushed back for a close to flat rate. In the meeting with Old Republic, trending factors were discussed and how claims are driving these upward through all liability markets. By not keeping with a trending factor, down the road, rates may take a large increase. Current trending factors are between 6% - 12%. We agreed and understood the smoothing of rate over time, requesting that for this year we keep the rate increase to a minimum a 3.5% increase over expiring. Old Republic's participation is \$2.5M X \$500K for Schools Only.

The **GEM** meeting was to catch up on their membership of 21, over 16 states. GEM will continue to review prospective new members but is focused only on exceptional pools. GEM's participation is \$7M X \$3M for all members at 100%.

Though we did not meet with **CRL**, they did not attend AGRIP, CRL has been doing a full underwriting review and making needed adjustments in their pricing models for long term stability. As a Pool, they are still plagued with law enforcement losses and mega verdicts that have impacted their program. Due to POOL's adverse developments in losses, the increase is higher than the base increase (CRL rating is loss driven and POOL had a clean year drop off and a bad year come on along with claim development in prior years). The renewal will be discussed during the POOL renewal presentation. In the CRL liability program, they include the POOL's Cyber Liability. The POOL's limits remain as expiring with a limit of \$2.5M xs \$500K, Munis only, at 70% CRL/30% PRM quota share. The Cyber limit remains at \$1M for all members within this program and, with the use of PRM, will have a Pool Aggregate limit of \$15M.

Workers Compensation - CRL and Safety National have both provided their renewals and due to reduced claim development in losses, pricing has reflected this. The Renewal will be discussed during the PACT reinsurance renewal presentation.

Equipment Breakdown – Boiler Re – I met with Boiler Re at AGRiP to review through their stewardship report. In addition, they will be doing a high level building assessment on those buildings that they do boiler inspections in. Any recommendations will be provided to the members. The underwriter provided a flat rate for the renewal terms, and this will be shown during the renewal presentation.

All other lines of coverage for POOL will be reviewed during the renewal presentation.





A Strategic Partnership with your Peers

April 2025

FOCUSED SOLUTIONS

MEMBER CONTROL

POOLS UNITED



FOCUSED SOLUTIONS

MEMBER CONTROL

POOLS UNITED





Government Entities Mutual

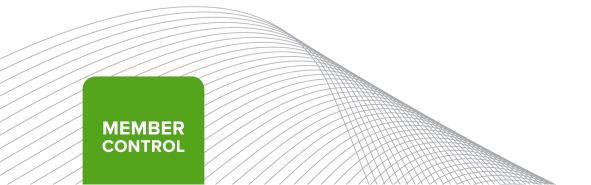
- Formed in 2003
- Owned by 23 public entity pools from 17 states
- Domiciled and regulated in Washington, D.C.
- Providing reinsurance to our members
- A Pool of Pools



The GEM Proposition

A dependable, stable source of reinsurance acting in the best interests of our members

A safe forum for knowledge exchange





Alignment with POOL/PACT

Extract from POOL/PACT website

... entities obtain coverage at a reasonable cost and access risk management resources...





GEM Members

- Arizona School Risk Retention Trust
- California Joint Powers Insurance Authority
- California Transit Indemnity Pool
- Cities & Villages Mutual Insurance Co. (WI)
- Colorado Intergovernmental Risk Sharing Agency
- Delaware Valley Property/Liability Trust (PA)
- Enduris (WA)
- Miami Valley Risk Mgt. Association (OH)
- Michigan Municipal Risk Mgt. Authority
- Midwest Public Risk (MO)
- Montana Municipal Interlocal Authority
- Nevada Public Agency Insurance Pool

- Oregon Public Entity Excess Pool
- Ohio Township Association Risk Mgt. Authority
- Park District Risk Mgt. Agency (IL)
- Primex (NH)
- Texas Council Risk Management Fund
- Texas Water Conservation Association Risk Management Fund
- Virginia Transit Liability Pool
- Washington Cities Insurance Authority
- Washington State Transit Insurance Pool
- Wisconsin Municipal Mutual Insurance Co.
- Wyoming Association of Risk Management

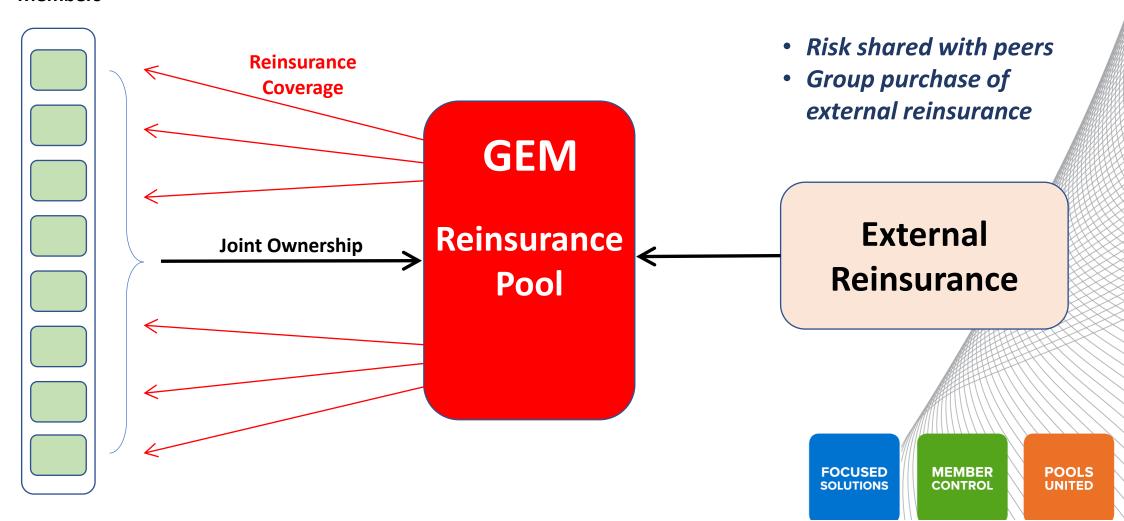
FOCUSED SOLUTIONS

MEMBER CONTROL

POOLS UNITED

Pool Of Pools

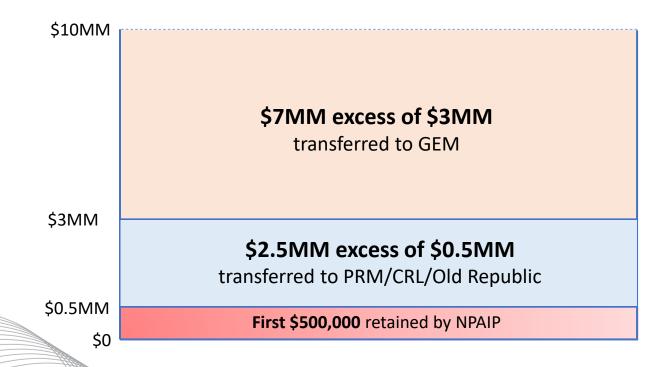
GEM Members





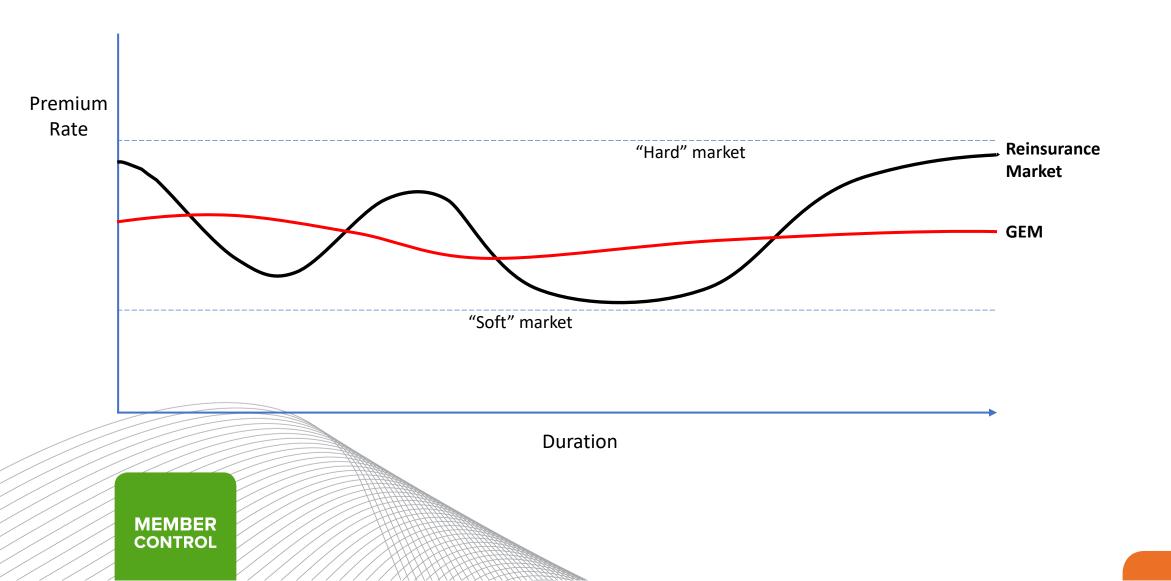
Coverage Provided to NPAIP

Liability: \$7,000,000 excess of \$3,000,000





Pricing Stability





Surplus – Recent Performance





Member Participation

- Quarterly Roundtables
- Annual Leadership Summits
- Member Work Group





Playing The Long Game

- Maintaining high standards in new membership and underwriting
- Cautious use of our surplus managing our risk exposure
- Knowledge pooling
- >Staying true to our goals

FOCUSED SOLUTIONS

MEMBER CONTROL

POOLS UNITED



GEM is *your* company



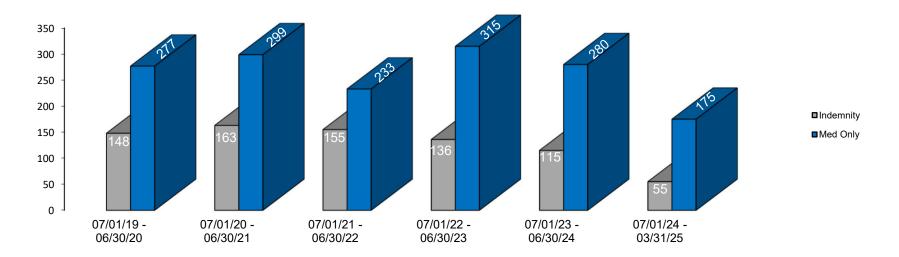


Worker's Compensation Report



Claim Frequency excluding Incidents 07/01/2019 - 03/31/2025

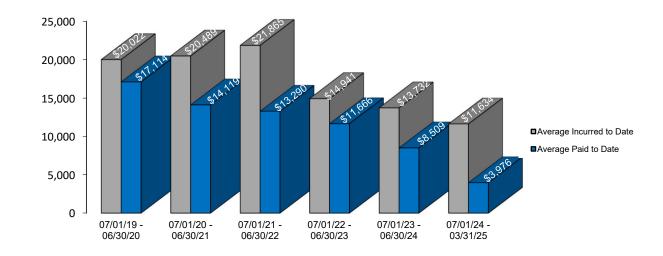
	Inder	Indemnity		Medical Only		
Policy Year	Open	Closed	Open	Closed	Total Claims	
07/01/19 - 06/30/20	13	135	0	277	425	
07/01/20 - 06/30/21	12	151	4	295	462	
07/01/21 - 06/30/22	9	146	2	231	388	
07/01/22 - 06/30/23	23	113	8	307	451	
07/01/23 - 06/30/24	37	78	19	261	395	
07/01/24 - 03/31/25	38	17	101	74	230	
					2,351	





Average Incurred & Paid by Policy Year 07/01/2019 - 03/31/2025

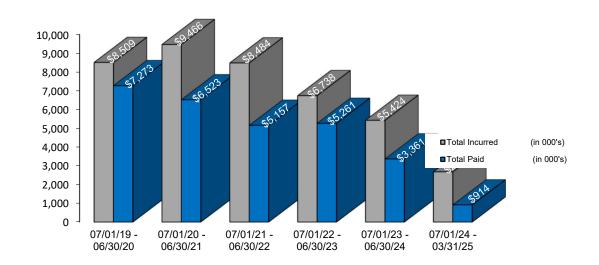
Policy Year	Average Incurred to Date	Average Paid to Date
07/01/19 - 06/30/20	\$20,022	\$17,114
07/01/20 - 06/30/21	\$20,489	\$14,119
07/01/21 - 06/30/22	\$21,865	\$13,290
07/01/22 - 06/30/23	\$14,941	\$11,666
07/01/23 - 06/30/24	\$13,732	\$8,509
07/01/24 - 03/31/25	\$11,634	\$3,976





Incurred vs Paid by Policy Year 07/01/2019 - 03/31/2025

	All CI	All Claims		
Policy Year	Total Incurred (in 000's)	Total Paid (in 000's)		
07/01/19 - 06/30/20	\$8,509	\$7,273		
07/01/20 - 06/30/21	\$9,466	\$6,523		
07/01/21 - 06/30/22	\$8,484	\$5,157		
07/01/22 - 06/30/23	\$6,738	\$5,261		
07/01/23 - 06/30/24	\$5,424	\$3,361		
07/01/24 - 03/31/25	\$2,676	\$914		





Lag Time Average by Location 07/01/2019 -03/31/2025

Location	Avg. Days
White Pine County Fp District	115
Winnemucca (City Of)	59
Round Mountain (Town Of)	52
Ely (City Of)	39
Esmeralda County	39
Churchill County Communications	37
Battle Mountain General Hospital	34
Beatty Water & Sanitation District	29
Rtc Washoe County	26
Tahoe-Douglas Fpd	25
Caliente (City Of)	24
East Fork Fire & Paramedic District	22
Elko County	21
Nevada Rural Housing Authority	21
Pershing General Hospital	20
White Pine County	19
West Wendover (City Of)	19
Nye County	19
Tahoe Reno Industrial Gid	18
Pershing County School District	18
Lincoln County	18
Wells (City Of)	18
Storey County	17
Tonopah (Town Of)	17
Eureka County	17
Alamo Sewer & Water Gid	15
Elko (City Of)	14
Douglas County Mosquito Abatement Distri	14
Lander County	14



Lag Time Average by Location 07/01/2019 -03/31/2025

	Avg.
Location	Days
Humboldt General Hospital	14
Pershing County Water Conservation Distr	13
Pahrump (Town Of)	13
Incline Village General Improvement Dist	13
Lyon County	13
Mineral County	13
Mcgill Ruth Sewer & Water Gid	13
Eureka County School District	13
Mt Charleston Fire Protection District	13
Lander County School District	12
White Pine Historical Railroad Foundatio	12
North Lake Tahoe Fpd	12
Central Lyon County Fpd	12
Yerington (City Of)	11
Elko Convention & Vistors Authority	11
White Pine County School District	11
Carlin (City Of)	10
Mount Grant General Hospital	10
Humboldt County	10
Pershing County	10
Lincoln County School District	10
Douglas Co Sewer Improvement District #1	10
Boulder City (City Of)	10
Fernley (City Of)	10
Esmeralda County School District	9
Mineral County School District	9
Smith Valley Fpd	8
Mason Valley Swimming Pool District	8
Lovelock (City Of)	8



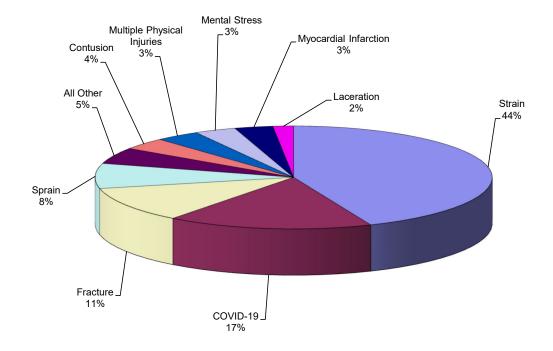
Lag Time Average by Location 07/01/2019 -03/31/2025

Location	Avg. Days
Churchill County	8
North Lyon County Fire Protection District	7
East Fork Swimming Pool District	7
Grover C. Dils Medical Center	7
Nevada Northern Railway Foundation	7
Pahrump Library District	6
Smokey Valley Library District	6
Indian Hills Gid	5
Southern Nevada Health District	4
Palomino Valley Gid	4
Mason Valley Fpd	4
Topaz Ranch General Improvement District	3
Walker River Irrigation	3
Tahoe Transportation	3
Washoe Co Fire Suppression Dist	3
Moapa Valley Fire Protections District	3
Churchill County Mosquito & Weed Abatement Distric	2
Minden Garnerville Sanitation District	1



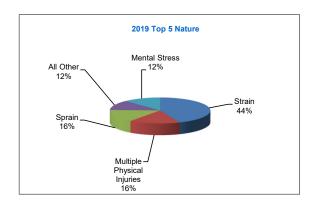
Top Ten Nature of Injury 07/01/2019 - 03/31/2025

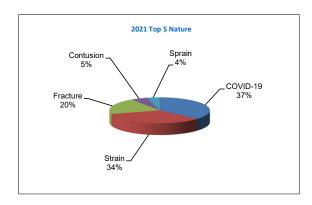
Nature of Injury	# of Claims	To	otal Incurred
Strain	795	\$	16,152,491
COVID-19	91	\$	6,183,781
Fracture	110	\$	4,115,514
Sprain	173	\$	2,907,231
All Other	119	\$	1,902,557
Contusion	231	\$	1,373,060
Multiple Physical Injuries	24	\$	1,339,709
Mental Stress	28	\$	1,254,475
Myocardial Infarction	9	\$	1,152,145
Laceration	215	\$	619,109

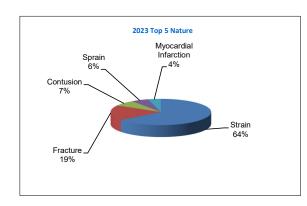


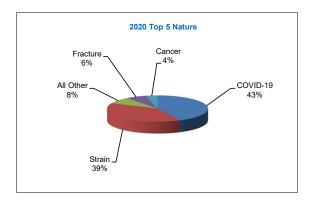


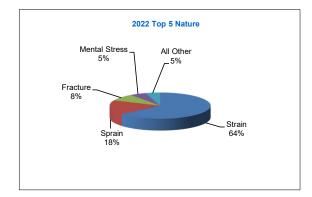
Nature of Injury Trends for 07/01/2019 - 03/31/2025

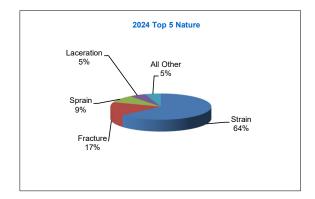








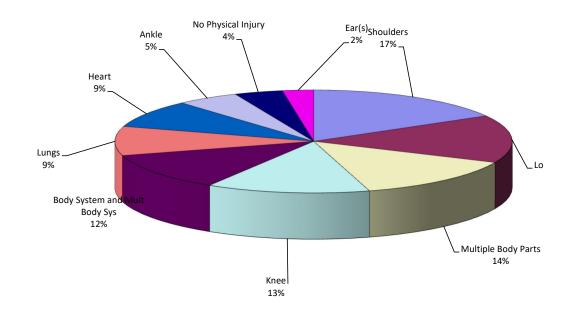






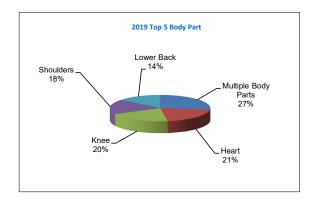
Top Ten Part of Body 07/01/2019 - 03/31/2025

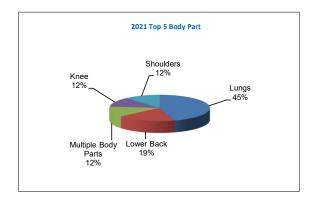
Part of Body	# of Claims	Total Incurred
Shoulders	165	\$ 5,433,481
Lower Back	189	\$ 4,871,734
Multiple Body Parts	175	\$ 4,459,561
Knee	223	\$ 4,304,433
Body System and Mult Body Sys	131	\$ 3,830,887
Lungs	92	\$ 2,969,162
Heart	46	\$ 2,839,802
Ankle	90	\$ 1,652,023
No Physical Injury	47	\$ 1,277,252
Ear(s)	29	\$ 823,166

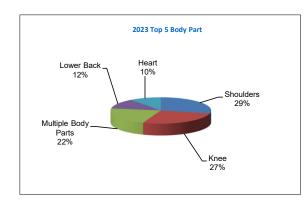


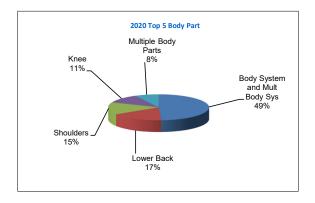


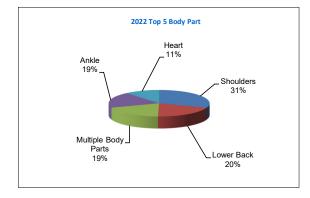
Body Part Trends for 07/01/2019 - 03/31/2025

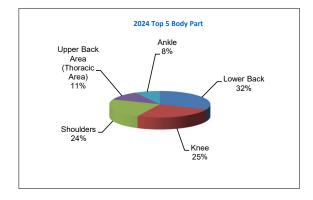








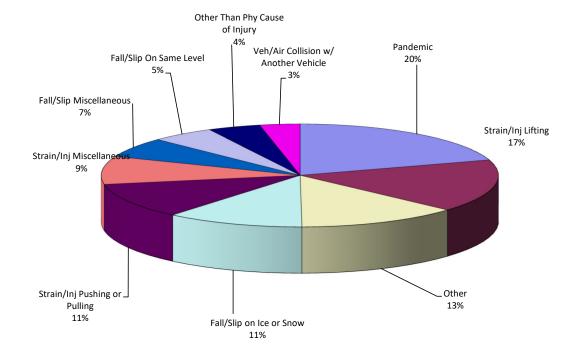






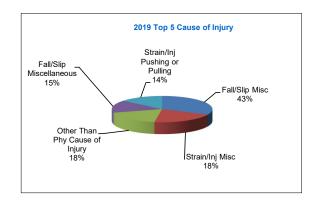
Top Ten Cause of Injury 07/01/2019 - 03/31/2025

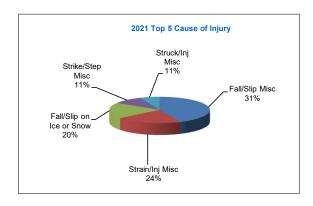
Cause of Injury	# of Claims	Total Incurred
Pandemic	96	\$ 6,187,321
Strain/Inj Lifting	187	\$ 5,093,729
Other	149	\$ 4,029,854
Fall/Slip on Ice or Snow	119	\$ 3,432,292
Strain/Inj Pushing or Pulling	152	\$ 3,421,227
Strain/Inj Miscellaneous	180	\$ 2,702,359
Fall/Slip Miscellaneous	87	\$ 1,933,540
Fall/Slip On Same Level	102	\$ 1,589,574
Other Than Phy Cause of Injury	50	\$ 1,315,232
Veh/Air Collision w/ Another Vehicle	51	\$ 1,004,555

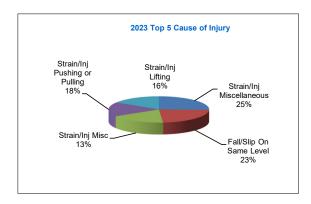


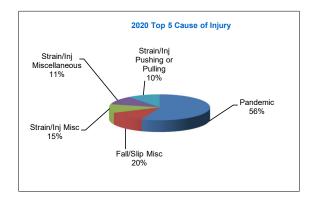


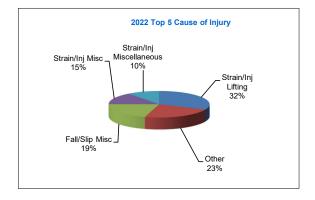
Cause of Injury Trends for 07/01/2019 - 03/31/2025

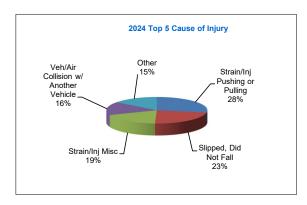














13

Total

Historical Data Excluding Incidents 07/01/2019 - 03/31/2025

31

139

	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Nbr of Claims						
Indemnity	148	163	155	136	115	55
Med Only	277	299	233	315	280	175
Total	425	462	388	451	395	230
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Total Incurred						
Indemnity	\$8,114,946	\$8,798,915	\$7,997,148	\$5,952,075	\$4,619,493	
Med Only	\$394,467	\$666,968	\$486,519	\$786,291	\$804,583	
Total	\$8,509,413	\$9,465,884	\$8,483,666	\$6,738,367	\$5,424,076	\$2,675,934
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Total Paid						
Indemnity	\$6,878,834	\$5,953,806	\$4,818,198	\$4,611,189	\$2,759,779	
Med Only	\$394,467	\$569,284	\$338,475	\$650,224	\$601,308	. ,
Total	\$7,273,301	\$6,523,091	\$5,156,673	\$5,261,413	\$3,361,088	\$914,399
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Average Incurred						
Indemnity	\$54,831	\$53,981	\$51,595	\$43,765	\$40,170	
Med Only	\$1,424	\$2,231	\$2,088	\$2,496	\$2,874	. ,
Average Incurred	\$20,022	\$20,489	\$21,865	\$14,941	\$13,732	\$11,634
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Open Claims			_			
Indemnity	13	12	9	23	37	38
Med Only	0	4	2	8	19	101



Summary by Location 07/01/2019 - 03/31/2025

Location	# of Claims	# Open Claims	Total Incurred
Nye County	168	15	\$7,102,781
Lander County	46	4	\$3,292,153
Lyon County	157	20	\$2,930,272
Boulder City (City Of)	121	14	\$2,627,677
Tahoe-Douglas Fpd	96	14	\$2,426,865
North Lake Tahoe Fpd	134	20	\$2,300,859
East Fork Fire & Paramedic District	75	7	\$2,243,335
Incline Village General Improvement Dist	124	21	\$2,077,853
Elko County	137	19	\$1,982,507
Elko (City Of)	109	9	\$1,432,988
Ely (City Of)	28	6	\$1,143,637
Storey County	52	6	\$1,133,649
Humboldt General Hospital	86	13	\$1,130,734
Central Lyon County Fpd	46	6	\$937,696
Humboldt County	51	10	\$719,302
Winnemucca (City Of)	25	4	\$617,827
Mineral County	50	7	\$595,523
Pershing County	39	5	\$498,526
Churchill County	70	8	\$493,644
Eureka County	34	5	\$432,186
White Pine County	47	4	\$410,061
Mount Grant General Hospital	80	2	\$378,995
Southern Nevada Health District	64	3	\$343,451
Esmeralda County School District	12	0	\$293,134
Round Mountain (Town Of)	8	0	\$250,137
Carlin (City Of)	16	1	\$248,174
Battle Mountain General Hospital	13	1	\$244,839
West Wendover (City Of)	24	7	\$215,124
Churchill County Communications	8	2	\$181,737
Lander County School District	30	5	\$180,547
Yerington (City Of)	19	3	\$178,130



Summary by Location 07/01/2019 - 03/31/2025

Location	# of Claims	# Open Claims	Total Incurred
Mt Charleston Fire Protection District	7	0	\$172,538
Pahrump (Town Of)	21	0	\$155,101
Caliente (City Of)	5	0	\$150,451
White Pine County School District	49	2	\$146,196
Mineral County School District	13	0	\$139,794
North Lyon County Fire Protection District	32	2	\$115,785
Pershing General Hospital	17	1	\$108,603
Tahoe Reno Industrial Gid	4	0	\$97,908
Tonopah (Town Of)	5	1	\$97,161
Esmeralda County	11	1	\$91,326
Lovelock (City Of)	14	0	\$90,400
Beatty Water & Sanitation District	2	0	\$82,965
Grover C. Dils Medical Center	28	0	\$76,458
Palomino Valley Gid	1	0	\$73,634
Indian Hills Gid	4	1	\$61,623
Moapa Valley Fire Protections District	2	1	\$60,198
Nevada Northern Railway Foundation	17	2	\$59,445
Wells (City Of)	8	2	\$51,392
Lincoln County	15	1	\$48,897
Pershing County School District	14	0	\$46,332
White Pine Historical Railroad Foundatio	21	0	\$40,502
Fernley (City Of)	14	1	\$36,021
Topaz Ranch General Improvement District	3	1	\$33,930
Nevada Rural Housing Authority	13	2	\$25,623
Lincoln County School District	14	2	\$24,861
East Fork Swimming Pool District	9	1	\$23,712
Rtc Washoe County	3	0	\$21,829
Eureka County School District	5	1	\$20,997
White Pine County Fp District	4	1	\$20,497
Pershing County Water Conservation Distr	5	0	\$19,601
Mason Valley Fpd	6	0	\$14,363

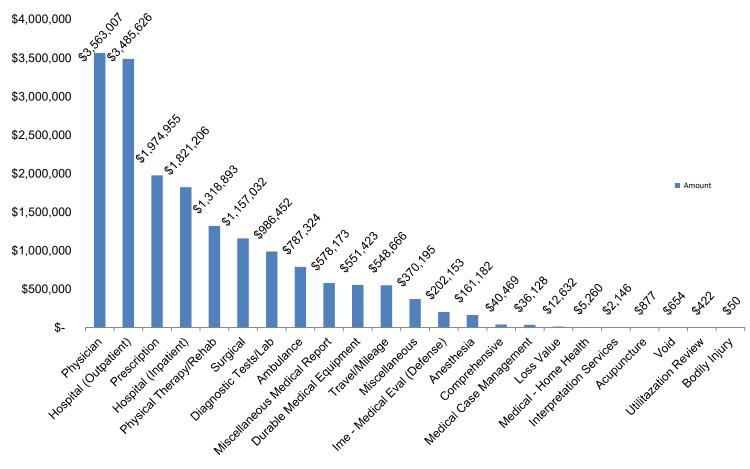


Summary by Location 07/01/2019 - 03/31/2025

Location	# of Claims	# Open Claims	Total Incurred
Douglas Co Sewer Improvement District #1	1	1	\$12,000
Elko Convention & Vistors Authority	1	0	\$9,205
Minden Garnerville Sanitation District	1	0	\$6,523
Washoe Co Fire Suppression Dist	1	0	\$3,245
Churchill County Mosquito & Weed Abatement Distric	3	0	\$2,474
Walker River Irrigation	1	0	\$2,453
Tahoe Transportation	1	0	\$2,281
Smith Valley Fpd	1	0	\$1,875
Alamo Sewer & Water Gid	1	1	\$1,730
Mcgill Ruth Sewer & Water Gid	1	0	\$1,342
Pahrump Library District	1	0	\$875
Mason Valley Swimming Pool District	1	0	\$441
Douglas County Mosquito Abatement Distri	1	0	\$407
Smokey Valley Library District	1	0	\$0
Grand Total	2351	266	\$41,297,339

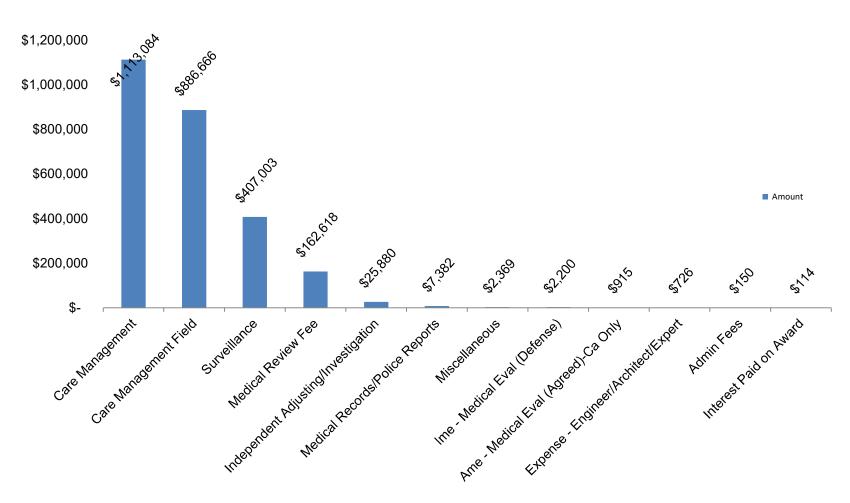


Medical Payments by Type 07/1/2019 - 03/31/2025



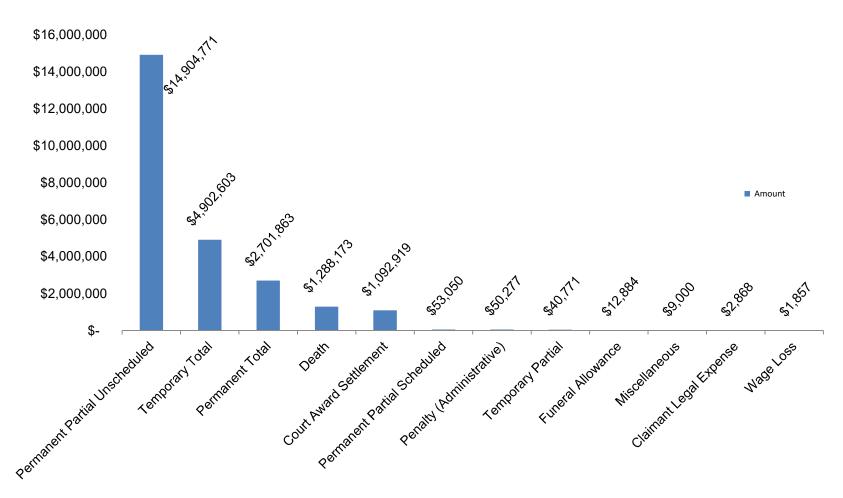


Expense Payments by Type 07/01/2019 - 03/31/2025



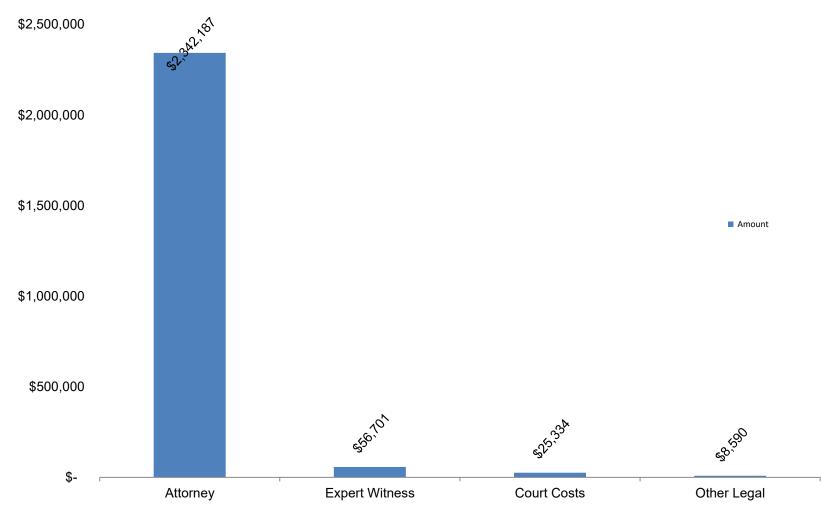


Indemnity Payments by Type 07/01/2019 - 03/31/2025



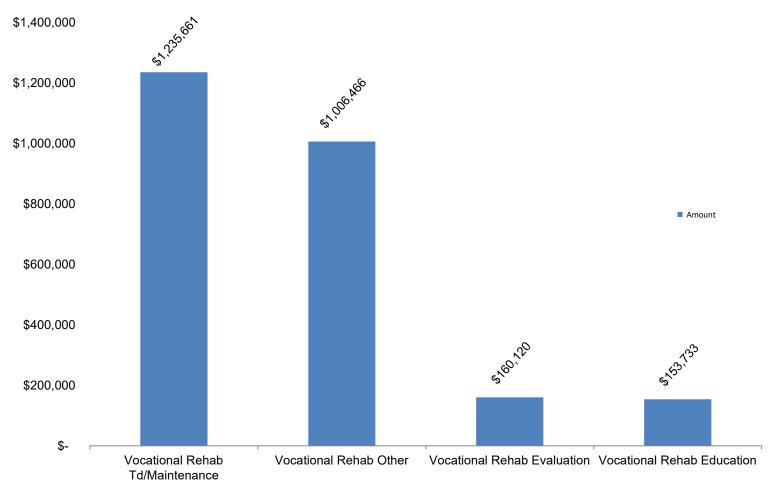


Legal Payments by Type 07/01/2019 - 03/31/2025





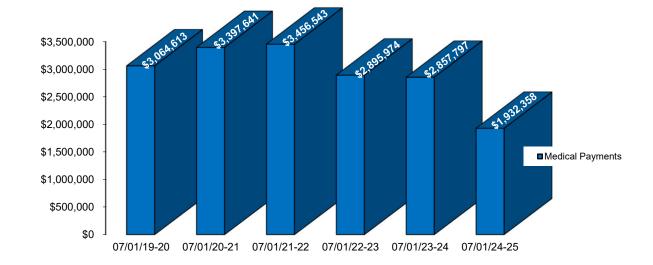
Voc Rehab Payments by Type 07/01/2018 - 03/31/2024





Medical Payment Trends 07/01/2018 - 03/31/2024

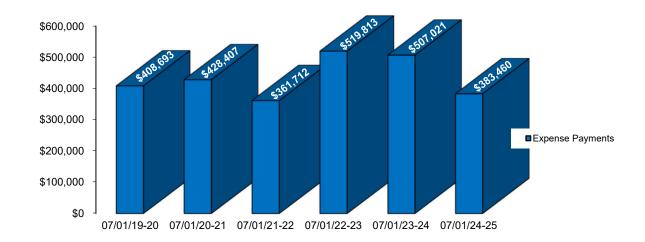
Policy Year	Medical Payments
07/01/19-20	\$3,064,613
07/01/20-21	\$3,397,641
07/01/21-22	\$3,456,543
07/01/22-23	\$2,895,974
07/01/23-24	\$2,857,797
07/01/24-25	\$1,932,358
Total	\$17,604,926





Expense Payment Trends 07/01/2018 - 03/31/2024

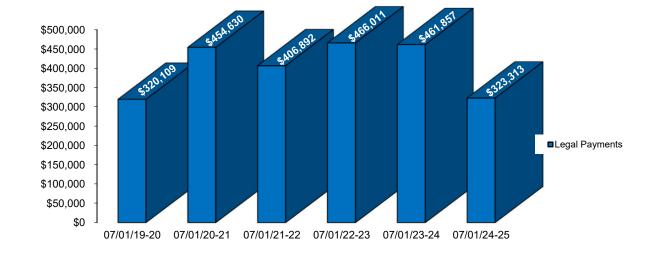
Policy Year	Expense Payments
07/01/19-20	\$408,693
07/01/20-21	\$428,407
07/01/21-22	\$361,712
07/01/22-23	\$519,813
07/01/23-24	\$507,021
07/01/24-25	\$383,460
Total	\$2,609,106





Legal Payment Trends 07/01/2018 - 03/31/2024

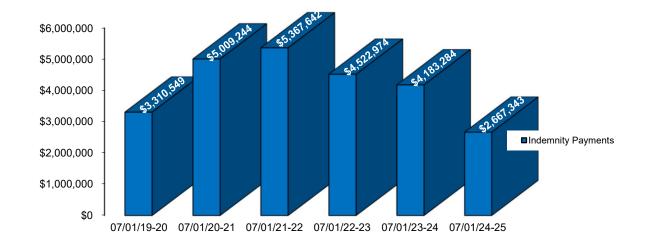
Policy Year	Legal Payments
07/01/19-20	\$320,109
07/01/20-21	\$454,630
07/01/21-22	\$406,892
07/01/22-23	\$466,011
07/01/23-24	\$461,857
07/01/24-25	\$323,313
Total	\$2,432,812





Indemnity Payment Trends 07/01/2018 - 03/31/2024

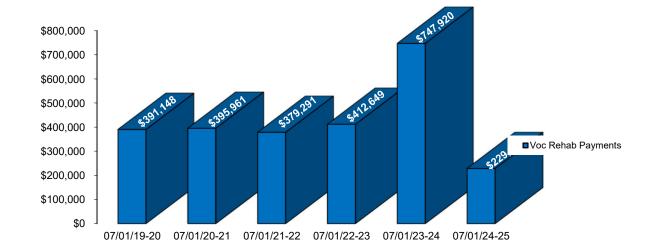
Policy Year	Indemnity Payments
07/01/19-20	\$3,310,549
07/01/20-21	\$5,009,244
07/01/21-22	\$5,367,642
07/01/22-23	\$4,522,974
07/01/23-24	\$4,183,284
07/01/24-25	\$2,667,343
Total	\$25,061,035





Voc Rehab Payment Trends 07/01/2018 - 03/31/2024

Policy Year	Voc Rehab Payments
07/01/19-20	\$391,148
07/01/20-21	\$395,961
07/01/21-22	\$379,291
07/01/22-23	\$412,649
07/01/23-24	\$747,920
07/01/24-25	\$229,011
Total	\$2,555,980



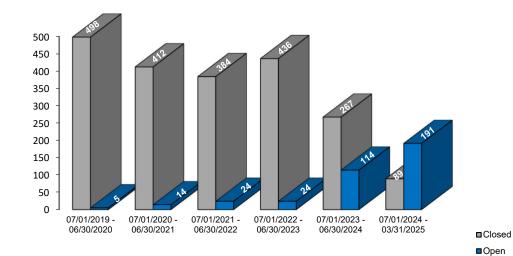


Liability Report



Total Claims by Policy Year excluding Incidents 07/01/2019 - 03/31/2025

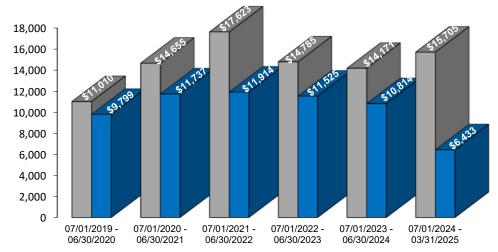
	Total C	Claims
Policy Year	Closed	Open
07/01/2019 - 06/30/2020	498	5
07/01/2020 - 06/30/2021	412	14
07/01/2021 - 06/30/2022	384	24
07/01/2022 - 06/30/2023	436	24
07/01/2023 - 06/30/2024	267	114
07/01/2024 - 03/31/2025	89	191





Average Incurred & Paid by Policy Year 07/01/2019 - 03/31/2025

Policy Year	Average Incurred to Date	Average Paid to Date
07/01/2019 - 06/30/2020	\$11,010	\$9,799
07/01/2020 - 06/30/2021	\$14,655	\$11,737
07/01/2021 - 06/30/2022	\$17,623	\$11,914
07/01/2022 - 06/30/2023	\$14,785	\$11,525
07/01/2023 - 06/30/2024	\$14,171	\$10,814
07/01/2024 - 03/31/2025	\$15,705	\$6,433



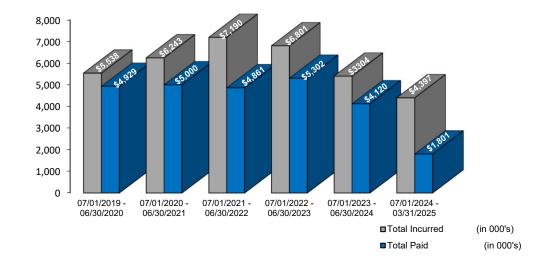
■Average Incurred to Date

■Average Paid to Date



Incurred vs Paid by Policy Year 07/01/2019 - 03/31/2025

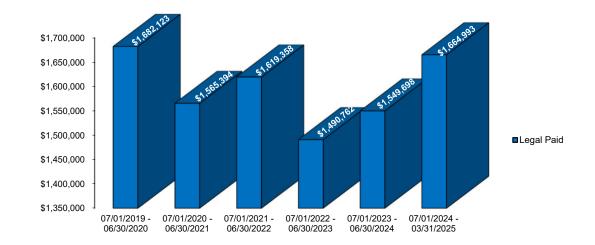
	All Claims	
Policy Year	Total Incurred (in 000's)	Total Paid (in 000's)
07/01/2019 - 06/30/2020	\$5,538	\$4,929
07/01/2020 - 06/30/2021	\$6,243	\$5,000
07/01/2021 - 06/30/2022	\$7,190	\$4,861
07/01/2022 - 06/30/2023	\$6,801	\$5,302
07/01/2023 - 06/30/2024	\$5,399	\$4,120
07/01/2024 - 03/31/2025	\$4,397	\$1,801





Legal Expenses Paid to Date by Policy Year for All Claims 07/01/2019 - 03/31/2025

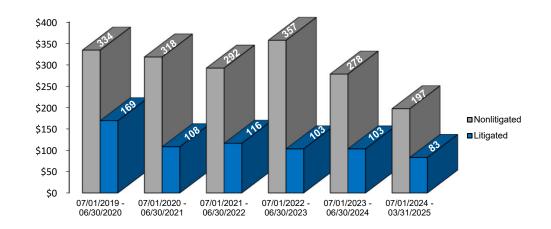
Policy Year	Legal Expenses Paid to Date
07/01/2019 - 06/30/2020	\$1,682,123
07/01/2020 - 06/30/2021	\$1,565,394
07/01/2021 - 06/30/2022	\$1,619,358
07/01/2022 - 06/30/2023	\$1,490,762
07/01/2023 - 06/30/2024	\$1,549,698
07/01/2024 - 03/31/2025	\$1,664,993
Grand Total	\$9,572,328





Litigated Claims by Policy Year for claims reported 07/01/2019 - 03/31/2025

	Litigated Claims	
Policy Year	Nonlitigated	Litigated
07/01/2019 - 06/30/2020	334	169
07/01/2020 - 06/30/2021	318	108
07/01/2021 - 06/30/2022	292	116
07/01/2022 - 06/30/2023	357	103
07/01/2023 - 06/30/2024	278	103
07/01/2024 - 03/31/2025	197	83





	Avg.
Location	Days
Elko Co. Agricultural Assoc., Dba Elko Co. Fair Board	347
Lovelock (City Of)	157
Nevada Association Of Counties	148
White Pine Television District #1	116
Ely (City Of)	96
Palomino Valley General Improvement Dist	95
Rtc Washoe County	91
Nye County School District	89
West Wendover Recreation District	87
Indian Hills Gid	85
Moapa Valley Fire Protection District	77
Smokey Valley Library District	75
Boulder City (City Of)	71
Humboldt County School District	64
Elko County	64
Nye County	64
Churchill County School District	60
West Wendover (City Of)	58
Pahranagat Valley Fire District	58
Pershing County	56
Humboldt County	55
Genoa (Town Of)	55
Lincoln County School District	52
Zephyr Heights Gid	52
Eureka County	51
Sun Valley Gid	50
Caliente (City Of)	48
Canyon Gid	46



	Avg.
Location	Days
Lyon County	46
Churchill County	45
Sparks, City Of	45
Mineral Co Housing Authority	45
Carson City	43
Nevada Volunteers	42
Douglas County School District	41
Elko (City Of)	40
Elko Central Dispatch	40
Humboldt General Hospital	39
North Lake Tahoe Fpd	39
Winnemucca (City Of)	38
White Pine County School District	36
White Pine County	36
Pahrump (Town Of)	34
Douglas County Sewer Improvement District #1	33
Lander County	33
Mineral County	33
Stagecoach Gid	33
Yerington (City Of)	33
Topaz Ranch General Improvement District	32
Lincoln County	31
Elko County School District	31
Fernley (City Of)	30
Storey County	29
Douglas County	28
Elko Tv District	28
Beatty Water & Sanitation District	28



	Avg.
Location	Avg. Days
Round Mountain (Town Of)	27
Churchill County Mosquito & Weed Abateme	26
Esmeralda County	24
Carson City School District	23
Tonopah (Town Of)	21
Storey County School District	21
Lyon County School District	20
East Fork Swimming Pool District	20
Tahoe-Douglas Fpd	19
Minden Gardnerville Sanitation District	18
White Pine County Fire Protection	18
Central Nevada Health District	17
Mineral County School District	17
Nevada League Of Cities	15
Lander County School District	15
Walker Basin Conservancy	15
Northern Nye County Hospital Districtq	14
Nevada Rural Housing Authority	14
Elko Convention & Visitors Authority	14
Incline Village Gid	13
North Lyon Fire Protection District	12
Esmeralda County School District	12
Southern Nevada Health District	8
Nevada Public Agency Insurance Pool	8
Gardnerville Ranchos Gid	8
Carlin (City Of)	6
Tahoe Reno Industrial Gid	6
Wells (City Of)	6

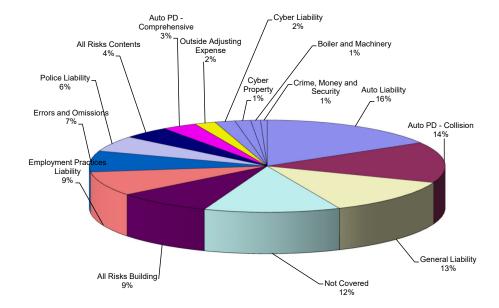


Location	Avg. Days
Nevada-Tahoe Conservation District	6
Nv Association Of Conservation Districts	6
Virginia City Convention & Tourism Autho	6
Mt Charleston Fire Protection District	6
Pershing Water Conservation District	6
Pershing County School District	6
Moapa Valley Water District	6
Nevada Commission For The Reconstruction	4
Western Nevada Regional Youth Center	4
Eureka County School District	4
Gardnerville (Town Of)	3
Minden (Town Of)	3
Douglas County Mosquito Abatement District	3
Kingsbury Gid	3
Carson Water Subconservancy District	2
Tahoe Douglas District	2
Fernley Swimming Pool District	1
Pahrump Library District	1
Silver Springs Stagecoach Hospital District	1
Skyland Gid	1



Frequency of Claims by Coverage 07/01/2019 - 03/31/2025

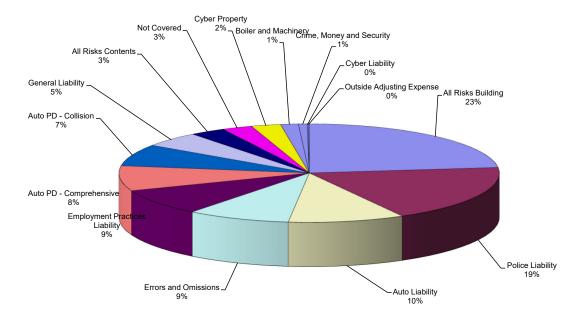
Coverage	# of Claims
Auto Liability	406
Auto PD - Collision	352
General Liability	308
Not Covered	304
All Risks Building	213
Employment Practices Liability	210
Errors and Omissions	181
Police Liability	136
All Risks Contents	106
Auto PD - Comprehensive	78
Outside Adjusting Expense	47
Cyber Liability	45
Cyber Property	35
Boiler and Machinery	22
Crime, Money and Security	15





Severity of Claims by Coverage 07/01/2019 - 03/31/2025

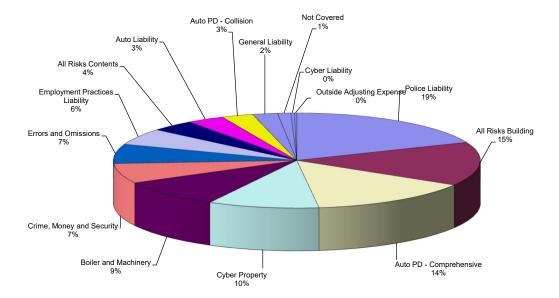
Coverage	Total Incurred
All Risks Building	\$ 8,253,178
Police Liability	\$ 6,647,183
Auto Liability	\$ 3,510,483
Errors and Omissions	\$ 3,114,042
Employment Practices Liability	\$ 3,062,620
Auto PD - Comprehensive	\$ 2,926,960
Auto PD - Collision	\$ 2,550,118
General Liability	\$ 1,764,156
All Risks Contents	\$ 1,067,773
Not Covered	\$ 922,224
Cyber Property	\$ 888,823
Boiler and Machinery	\$ 536,215
Crime, Money and Security	\$ 262,758
Cyber Liability	\$ 36,161
Outside Adjusting Expense	\$ 26,457





Average Incurred by Coverage 07/01/2019 - 03/31/2025

Coverage	Aver	age Incurred
Police Liability	\$	48,876
All Risks Building	\$	38,747
Auto PD - Comprehensive	\$	37,525
Cyber Property	\$	25,395
Boiler and Machinery	\$	24,373
Crime, Money and Security	\$	17,517
Errors and Omissions	\$	17,205
Employment Practices Liability	\$	14,584
All Risks Contents	\$	10,073
Auto Liability	\$	8,647
Auto PD - Collision	\$	7,245
General Liability	\$	5,728
Not Covered	\$	3,034
Cyber Liability	\$	804
Outside Adjusting Expense	\$	563





Historical Data Excluding Incidents 07/01/2019 - 03/31/2025

	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Nbr of Claims						
Open	5	14	24	24	114	191
Closed	498	412	384	436	267	89
Total	503	426	408	460	381	280
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Total Incomed	07/01/19 - 00/30/20	07/01/20 - 00/30/21	07/01/21 - 00/30/22	07/01/22 - 00/30/23	07/01/23 - 00/30/24	07/01/24 - 03/31/25
Total Incurred	#070.040	#4.050.000	#0.405.544	#0.000.000	#0.000.047	#0.044.507
Open Closed	\$873,642	\$1,950,622	\$3,495,511	\$2,263,399	\$2,900,647	\$3,844,507
	\$4,664,420	\$4,292,348	\$3,694,691	\$4,537,891	\$2,498,590	<u></u>
Total	\$5,538,062	\$6,242,970	\$7,190,202	\$6,801,290	\$5,399,237	\$4,397,392
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Total Paid						
Open	\$264,534	\$707,612	\$1,166,115	\$763,691	\$1,621,401	\$1,248,228
Closed	\$4,664,420	\$4,292,348	\$3,694,691	\$4,537,891	\$2,498,590	\$552,886
Total	\$4,928,954	\$4,999,960	\$4,860,807	\$5,301,582	\$4,119,991	\$1,801,114
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Average Incurred	<u> </u>					
Open	\$174,728	\$139,330	\$145,646	\$94,308	\$25,444	\$20,128
Closed	\$9,366	\$10,418	\$9,622	\$10,408	\$9,358	\$6,212
Average Incurred	\$11,010	\$14,655	\$17,623	\$14,785	\$14,171	\$15,705
	07/01/19 - 06/30/20	07/01/20 - 06/30/21	07/01/21 - 06/30/22	07/01/22 - 06/30/23	07/01/23 - 06/30/24	07/01/24 - 03/31/25
Open Claims	J J. 10 00,00/20	J J 1120 00/00/21	JJ. 1121 VOIVOILE	JJ	JJ.1120 00100124	J
Claims	5	14	24	24	114	191
Total	5	14	24	24	114	191



Location	# of Claims	# Open Claims	Total Incurred
Beatty Water & Sanitation District	4	0	\$17,510
Boulder City (City Of)	99	5	\$991,509
Caliente (City Of)	10	3	\$536,027
Canyon Gid	3	1	\$47,030
Carlin (City Of)	17	2	\$87,588
Carson City	70	17	\$1,715,662
Carson City School District	45	5	\$810,109
Carson Water Subconservancy District	1	0	\$3,694
Central Nevada Health District	1	0	\$2,711
Churchill County	34	10	\$387,734
Churchill County Mosquito & Weed Abateme	1	0	\$0
Churchill County School District	11	2	\$84,958
Douglas County	92	2	\$323,232
Douglas County Mosquito Abatement District	1	0	\$39,952
Douglas County School District	119	32	\$1,872,172
Douglas County Sewer Improvement District #1	11	2	\$51,460
East Fork Swimming Pool District	4	0	\$250
Elko (City Of)	131	14	\$954,176
Elko Central Dispatch	1	0	\$0
Elko Co. Agricultural Assoc., Dba Elko Co. Fair Board	1	0	\$1,140
Elko Convention & Visitors Authority	10	0	\$12,984
Elko County	116	15	\$1,998,243
Elko County School District	55	13	\$1,229,699
Elko Tv District	1	0	\$8,059
Ely (City Of)	44	5	\$513,428
Esmeralda County	22	3	\$171,159
Esmeralda County School District	13	1	\$195,890
Eureka County	31	4	\$402,357
Eureka County School District	15	2	\$604,380
Fernley (City Of)	46	9	\$305,051



Location	# of Claims	# Open Claims	Total Incurred
Fernley Swimming Pool District	1	0	\$8,212
Gardnerville (Town Of)	20	2	\$198,523
Gardnerville Ranchos Gid	10	0	\$24,679
Genoa (Town Of)	5	0	\$16,880
Humboldt County	54	10	\$558,822
Humboldt County School District	23	6	\$930,345
Humboldt General Hospital	6	4	\$1,231,610
Incline Village Gid	75	7	\$585,905
Indian Hills Gid	7	2	\$18,807
Kingsbury Gid	7	5	\$140,348
Lander County	34	8	\$1,724,851
Lander County Hospital District Battle Mountain General Hosp	2	0	\$20,004
Lander County School District	10	1	\$145,558
Lincoln County	48	11	\$684,014
Lincoln County School District	15	4	\$503,218
Lovelock (City Of)	6	0	\$49,981
Lyon County	104	31	\$1,972,469
Lyon County School District	69	12	\$584,302
Minden (Town Of)	2	0	\$29,685
Minden Gardnerville Sanitation District	4	1	\$306,190
Mineral Co Housing Authority	1	0	\$0
Mineral County	51	9	\$572,145
Mineral County School District	33	4	\$732,706
Moapa Valley Fire Protection District	7	3	\$80,405
Moapa Valley Water District	5	0	\$33,418
Mt Charleston Fire Protection District	9	3	\$439,401
Nevada Association Of Counties	1	0	\$1,147
Nevada Commission For The Reconstruction	2	0	\$11,146
Nevada League Of Cities	1	0	\$1,340
Nevada Public Agency Insurance Pool	4	1	\$83,598



Location	# of Claims	# Open Claims	Total Incurred
Nevada Rural Housing Authority	12	3	\$29,641
Nevada Volunteers	2	0	\$9,461
Nevada-Tahoe Conservation District	2	0	\$7,949
North Lake Tahoe Fpd	3	3	\$95,235
North Lyon Fire Protection District	20	3	\$104,659
Northern Nye County Hospital Districtq	2	0	\$306
Nv Association Of Conservation Districts	4	0	\$24,819
Nye County	197	11	\$3,910,855
Nye County School District	67	8	\$854,929
Pahranagat Valley Fire District	1	0	\$14,843
Pahrump (Town Of)	15	1	\$344,087
Pahrump Library District	3	0	\$4,573
Palomino Valley General Improvement Dist	3	0	\$4,843
Pershing County	43	7	\$809,433
Pershing County School District	9	3	\$53,160
Pershing Water Conservation District	4	1	\$26,682
Round Mountain (Town Of)	13	1	\$66,323
Rtc Washoe County	13	1	\$38,912
Silver Springs Stagecoach Hospital District	1	0	\$22,155
Skyland Gid	1	1	\$25,000
Smokey Valley Library District	1	0	\$4,827
Southern Nevada Health District	33	3	\$452,773
Sparks, City Of	8	3	\$197,752
Stagecoach Gid	8	0	\$87,932
Storey County	77	18	\$865,161
Storey County School District	18	2	\$86,947
Sun Valley Gid	14	2	\$74,443
Tahoe Douglas District	2	0	\$13,982
Tahoe Reno Industrial Gid	7	1	\$399,868
Tahoe-Douglas Fpd	18	0	\$235,818

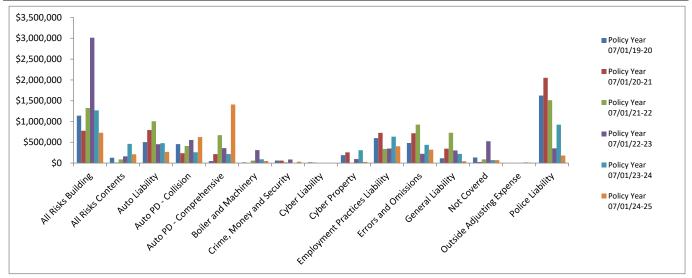


Location	# of Claims	# Open Claims	Total Incurred
Tonopah (Town Of)	13	2	\$133,375
Tonopah Library District	1	0	\$3,161
Topaz Ranch General Improvement District	3	0	\$26,811
Virginia City Convention & Tourism Autho	1	0	\$50,621
Walker Basin Conservancy	14	1	\$137,202
Wells (City Of)	5	1	\$211,211
West Wendover (City Of)	31	6	\$240,863
West Wendover Recreation District	4	0	\$64,325
Western Nevada Regional Youth Center	1	0	\$0
White Pine County	51	12	\$392,790
White Pine County Fire Protection	2	0	\$0
White Pine County School District	20	0	\$61,907
White Pine Television District #1	1	0	\$6,069
Winnemucca (City Of)	50	4	\$187,863
Yerington (City Of)	24	2	\$106,970
Zephyr Heights Gid	11	1	\$20,742
TOTAL	2458	372	\$35,569,153



Total Incurred by Coverage by Policy Year

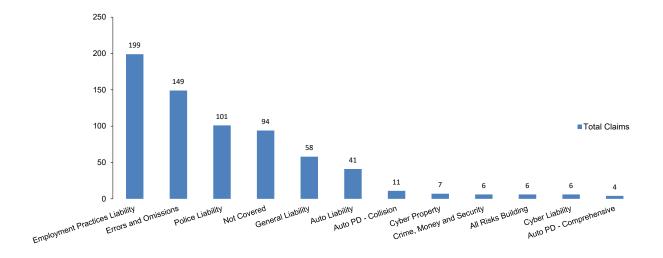
Coverage	Policy Year 07/01/19-20	Policy Year 07/01/20-21	Policy Year 07/01/21-22	Policy Year 07/01/22-23	Policy Year 07/01/23-24	Policy Year 07/01/24-25
All Risks Building	\$1,140,561	\$778,304	\$1,323,872	\$3,013,105	\$1,268,032	\$729,303
All Risks Contents	\$128,988	\$12,217	\$89,864	\$162,571	\$462,616	\$211,517
Auto Liability	\$505,502	\$794,705	\$1,006,003	\$453,663	\$480,285	\$270,325
Auto PD - Collision	\$457,437	\$236,949	\$411,634	\$556,928	\$261,230	\$625,940
Auto PD - Comprehensive	\$51,343	\$215,851	\$672,786	\$360,059	\$218,915	\$1,408,004
Boiler and Machinery	\$17,856	\$3,770	\$60,159	\$313,210	\$90,634	\$50,587
Crime, Money and Security	\$62,799	\$59,483	\$19,670	\$86,773	\$0	\$34,034
Cyber Liability	\$19,975	\$12,491	\$0	\$0	\$325	\$3,370
Cyber Property	\$191,483	\$258,057	\$4,943	\$96,006	\$310,320	\$28,015
Employment Practices Liability	\$601,356	\$728,111	\$341,879	\$350,546	\$635,267	\$405,461
Errors and Omissions	\$483,847	\$717,958	\$925,104	\$224,112	\$438,736	\$324,286
General Liability	\$116,631	\$347,652	\$729,936	\$304,013	\$221,339	\$44,584
Not Covered	\$135,287	\$26,521	\$91,126	\$525,945	\$71,584	\$71,762
Outside Adjusting Expense	\$0	\$0	\$1,164	\$0	\$15,841	\$9,452
Police Liability	\$1,624,996	\$2,050,901	\$1,512,063	\$354,360	\$924,113	\$180,750





Litigated Claims by Coverage for Policy Years 07/01/2019 - 03/31/2025

Litigated Claims by Coverage		
Coverage	Total Claims	
Employment Practices Liability	199	
Errors and Omissions	149	
Police Liability	101	
Not Covered	94	
General Liability	58	
Auto Liability	41	
Auto PD - Collision	11	
Cyber Property	7	
Crime, Money and Security	6	
All Risks Building	6	
Cyber Liability	6	
Auto PD - Comprehensive	4	





Legal Expenses Paid by Type for 07/01/2019 - 03/31/2025

	Legal Expenses paid by Type
Legal Expense Type	Amount
Attorney	\$ 8,793,059
Expert Witness	\$ 500,322
Other Legal	\$ 235,988
Court Costs	\$ 42,959
Grand Total	\$ 9,572,328



■Amount

Pooling Resources, Inc. (dba POOL/PACT HR) SCOPE OF SERVICE FY 2025/2026 – 2029/2030

Goal: Provide the resources and education for members to build strong and compliant foundations for effective human resources (HR) practices within their organizations.

Service	Description
Service Plans	Meet with HR contact(s) and/or key management representatives to develop Service Plans for the upcoming fiscal year based upon the organization's HR needs.
Coaching and Problem Solving	Provide consultation with members to manage and resolve critical employment-related issues to include identifying options, providing step-by-step guidance, monitoring progress, and answering questions.
	Notify claims management (Davies) in the event that a complaint would likely result in legal action against a member.
Training Development	Review annually and update as needed the most frequently presented instructor-led and on-line courses.
	Develop two new instructor-led or online training courses annually.
	Update and revise three instructor-led training or online courses annually.
	Periodically review underutilized courses and update or remove as appropriate.
	Develop new and update existing HR Briefings as necessary to be consistent with changes in law, regulations, and/or policies.
	Research and implement methods and tools to enhance online training capabilities.
Training Delivery	Deliver trainings to members as needed or requested via service plan.
	Offer six regional trainings or state-wide virtual trainings to be selected and scheduled prior to member Service Plan meetings.
	Provide regional workshops or state-wide virtual workshops utilizing outside resources as appropriate.
	Present HR Briefings as requested.
	Host a minimum of three webinars per year.
Annual Conference	Host an annual HR Conference for members which includes speakers on a variety of relevant HR topics, networking opportunities, and round table discussions.

Pooling Resources, Inc. (dba POOL/PACT HR) SCOPE OF SERVICE FY 2025/2026 – 2029/2030

Sample HR Policies	Maintain sample personnel policies for school districts, large organizations,
and Forms	small organizations, and drug/alcohol policies for CDL holders.
	Review and update sample personnel policies and related forms annually and as needed, with immediate changes made if law or court decision necessitates.
	Maintain and review a sample job description template.
	Assist members in adopting and implementing personnel policies, forms, and job descriptions.
Communication	Publish HR Alerts on significant HR-related law or practice changes on an as-needed basis and provided as soon as practicable.
	Maintain annual training catalog with descriptions of certificate programs, facilitator-led courses, online courses, and HR Briefings.
	Facilitate round table discussions with members to discuss current issues and best practices.
	Promote online services including eLearning, webinars, and HR Resource Library.
Website Tools	Maintain HR Resource Library on POOL/PACT HR's website to include sample personnel policies, forms, job description template, Alerts, HR Briefings, Member Salary Schedules, and legislative tracking and summary.
	Post regional HR trainings on POOL/PACT website calendar.
HR Assessments	Conduct HR Compliance Assessment Program, Phase I to interested and committed members to assess core HR practices.
	Conduct HR Compliance Assessment Program, Phase II to interested and committed members who have successfully completed Phase I to assess compensation and benefit practices.
Biennial Member Survey	Conduct a biennial survey with members on services provided, quality of services, and potential needs.
Legislative Tracking	Track all HR-related legislation related to POOL/PACT members during each legislative session.
	Provide comprehensive summary of HR-related legislation.
Other Services	Provide HR Scholarships to assist members in attaining nationally recognized HR certifications as approved by the HR Oversight Committee.
	Work with certifying agencies to attain Continuing Education Credits.

Grant for Provision of Human Resources Management Services

Grant No.: P/P 2025

Effective Date: July 1, 2025

Grantee: Pooling Resources, Inc.

201 S. Roop St., Suite 103 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: \$7,363,582

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, 2025" attached to this grant.
- **2. Term:** The term of this Grant commences on July 1, 2025 and continues through Sixty (60) 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 2025-2026: \$1,373,171 Year 2026-2027: \$1,421,232 Year 2027-2028: \$1,470,975 Year 2028-2029: \$1,522,459 Year 2029-2030: \$1,575,745

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 Statues 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
Josh Foli Chair Nevada Public Agency Insurance Pool	Stacy Norbeck General Manager Pooling Resources, Inc.
Paul Johnson Chair Public Agency Compensation Trust	



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 Meeting of the Board of Trustees and Executive Committee of Public Agency Compensation Trust Date: April 18, 2025

Location: Grand Sierra Resort, Grand Sierra Resort 500 E 2nd St, Reno, NV 89595

Time: upon adjournment of Joint Boards and Executive Committees Meeting which starts at 8:30am

AGENDA

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 r\emoved 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 make 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. <u>For Possible Action</u>: Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda
 - a. Approval of Minutes of Board Meeting of April 19, 2024
 - b. Approval of Minutes of PACT Executive Committee Meeting of December 4, 2024
 - c. Acceptance of Interim Financial Statements
- 4. Information Only: Overview of PACT Risk Management Programs with SpecialtyHealth
- 5. For Possible Action: Acceptance of Audit for June 30, 2024
- 6. <u>For Possible Action:</u> Review of Changes Regarding Effective Dates of Rate and Experience Modification Factor Changes and Payroll Methodology
- 7. For Possible Action: Approval of PACT Retention and Renewal Reinsurance Proposals
- 8. For Possible Action: Approval of Budget for 2025-2026 including Actuarial Overview

- 9. For Possible Action: Action regarding these topics as required by Nevada Administrative Code:
 - a. Review of financial condition of each member and prompt notification to the Members of any Member determined to be operating in a hazardous financial condition
 - b. Review of the loss experience of each Member of the association Claims Experience Report Summary
 - c. Review for removal of Members with excessive loss experience or Members determined by the Board to be operating in a hazardous condition
- 10. For Possible Action: Election of Executive Committee for Two Year Terms 2025-2027
 - a. One Representative from School Districts
 - b. One Representative from Counties and/or Cities with less than 35,000 Population
 - c. Two Representatives from Counties and/or Cities with 35,000 or more Population
 - c. One Representative of Special Districts
- 11. For Possible Action: Election of Chair and Vice Chair
- 12. Public Comment
- 13. For Possible Action: Adjournment

This Agenda was posted at the following locations and on the State Website notice.nv.gov:

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 Administration 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 Board of Trustees and Executive Committee of Public Agency Compensation Trust Date: April 19, 2024

Location: Grand Sierra Resort, Grand Sierra Resort 500 E 2nd St, Reno, NV 89595

Time: upon adjournment of Joint Boards and Executive Committees Meeting which starts at 8:00am

1. Introductions and Roll

A quorum being present, Chair Johnson called the meeting to order.

2. Public Comment

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

3. <u>For Possible Action</u>: Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda

- a. Approval of Minutes of Board Meeting of April 21, 2023
- b. Approval of Minutes of PACT Executive Committee Meeting of December 19, 2023
- c. Acceptance of Interim Financial Statements

On motion by Josh Foli second by Joe Westerlund, to approve the consent agenda as a whole, the motion carried.

4. For Possible Action: Acceptance of Audit for June 30, 2023

Alan Kalt reviewed key results of the PACT audit noting that the auditor gave an unqualified opinion. He highlighted the net position growth from \$5.9 Million to \$11.6 Million. He reviewed the income statement and the cash flow statement, showing the reversal from a net loss to a net gain as a result of stable claims and improved investment income. Administrative expenses showed a slight reduction. PACT's financial position improved greatly. PACT is undergoing regulatory audits for administrative compliance and payroll audit compliance. He showed a pie chart showing the allocation of key expense categories, commenting that the majority of expenses were for loss fund and reinsurance costs. He briefly reviewed key exhibits from the actuarial report explaining the range of confidence levels for consideration with PACT having used 75%. Alan discussed the need for collecting adequate funding to pay for future losses. He reviewed charts showing trends in claims severity and frequency over 10 years, then commented about the structure graph which shows PACT self-insured retentions that must be funded.

On motion by Josh Foli, second by Mike Giles, to accept the audit, the motion carried.

5. <u>For Possible Action:</u> Review of Changes Regarding Effective Dates of Rate and Experience Modification Factor Changes and Payroll Methodology

Alan Kalt reviewed the presentation given to the PACT Executive Committee in December 2023 to review and approve the rates for calendar year 2024 per the board policy to make rate changes on a calendar year basis. He showed the budget draft at the time of presentation and the rate changes chart. Calendar year payroll and calendar year rates align. He reviewed the calculations for the CRL share of reinsurance costs using a 10 year look back period where PACT's oldest clean years are being replaced by adverse years for the next few years. He also reviewed key large claims. Margaret Malzahn of Davies commented about the PACT Claims 101 she presents and invited others to have her do this presentation. Alan then said the rate increases were 1% for schools, 3% for hospitals and 5% for all other classifications.

On motion by Ben Marchant, second by Josh Foli, to accept the report, the motion carried.

6. For Possible Action: Approval of PACT Retention and Renewal Reinsurance Proposals

Stephen Romero reviewed the structure graph and showed the markets participating in the PACT program. He discussed "who pays what" showing how a claim is paid out at the various levels of risk transfer and key large losses. He pointed out that risk management seeks to find ways to prevent such losses. He noted that over the last 10 years PACT has paid out over \$60 Million in losses. Regarding the reinsurance placement, he noted how the markets responded versus the projections for rate changes. He showed a spreadsheet comparing the changes in exposures (4.29% payroll increase) and the renewal reinsurance rates 8% overall.

On motion by Brian Sparks, second by Gina Rackley, to approve the PACT renewal program, the motion carried.

7. For Possible Action: Approval of Special Health Wellness Agreement Effective 7-1-2024

Alan Kalt discussed the Fit For Retirement program purpose and results. He stated that a reduction in the plan costs from \$615,000 to \$500,000 annually was negotiated with no change in scope. He described the purpose of the program was to improve the health and wellness of public safety officers.

On motion by Mike Giles, second by Josh Foli, to approve the SpecialtyHealth agreement, the motion carried.

8. For Possible Action: Approval of Budget for 2024-2025 including Actuarial Overview

Alan Kalt reviewed key elements in the budget including the updated reinsurance costs based upon the renewal quotations. He detailed certain of the expense components. He reviewed a comparison of performance results over time.

On motion by Josh Foli, second by Mike Giles, to approve the budget for 2024-2025, the motion carried.

9. For Possible Action: Action regarding these topics as required by Nevada Administrative Code:

- a. Review of financial condition of each member and prompt notification to the Members of any Member determined to be operating in a hazardous financial condition
- b. Review of the loss experience of each Member of the association Claims Experience Report Summary
- c. Review for removal of Members with excessive loss experience or Members determined by the Board to be operating in a hazardous condition

Wayne Carlson reviewed the claims comparisons by counties, cities, school districts, hospitals, and towns and special districts. The regulatory goal was to require the board to understand the claims and to

hold each other accountable for the results. He noted the overall 3 and 5 year average claims payouts. In response to a question about comparing the claims per \$100 of payroll, he commented that the comparison was done internally. He then discussed frequency of claims comparisons. Paul Johnson reminded the board that the Loss Control Committee also reviewed claims trends to address them. Paul noted that there were no members operating in a hazardous financial condition.

On motion by Josh Foli, second by Rachael Holt, to accept the review, the motion carried.

10. For Possible Action: Election of Executive Committee for Two Year Terms 2024-2026

- a. One Representative from School Districts
- b. One Representative from Counties and/or Cities with less than 35,000 Population
- c. One Representative of Hospitals

Wayne Carlson noted the incumbents were interested in continuing to serve, although Craig Roisum was reluctant given his workload. Gina Rackley nominated Paul Sikora of Boulder City to represent small cities. Hearing no further nominations, Paul closed the nominations.

Paul called for a voice vote on the city candidates and Paul Sikora was elected to represent small cities/counties.

On motion to approve Paul Johnson for school districts and Robyn Dunckhorst for hospitals, the motion carried.

11. For Possible Action: Election of Chair and Vice Chair

Chair Johnson indicated that he was willing to serve as was Vice Chair Giles. On motion by Josh Foli, second by Gina Rackley, the motion carried.

12. Public Comment

Alan Kalt conducted a drawing for the completion of the payroll audits on time and Eureka County was selected. There being no further comment, the comment period was closed.

13. For Possible Action: Adjournment

Chair Johnson adjourned the meeting.



Nevada Public Agency Insurance Pool Public Agency Compensation Trust

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Minutes of Meeting and Agenda of Executive Committee of Public Agency Compensation Trust Date: December 4, 2024 8:30 AM ZOOM Meeting

Minutes

1. Roll

PACT Chair Paul Johnson called the meeting to order at 8:33 am when a quorum of members was present.

PACT Members present: Paul Johnson, Paul Sikora, Josh Foli, Joe Westerlund, Mike Giles, Amanda Osborne, and Robyn Dunckhorst.

PACT Members absent: None.

Staff members present: Wayne Carlson, Alan Kalt, Stephen Romero, and Debbie Connally.

2. Public Comment

There were no public comments.

- 3. For Possible Action: Approval of Consent Agenda
 - a. Approval of December 19, 2023, PACT Executive Committee Minutes
 - b. Approval of interim financial reports for PACT
 - c. Approval of NEAM Investment Report

After a brief discussion, Paul Sikora made a motion to approve the consent agenda items a.-c. Josh Foli second the motion, which carried.

- 4. <u>For Possible Action:</u> Approval of PACT Classification Rates and Experience Modification Factors Effective January 1, 2025
 - a. Review of PACT Loss Fund Contribution Rate Indications by Actuary
 - b. PACT Rate Change Indications Options
 - c. PACT Experience Modifications Plan Renewal

Alan Kalt reviewed the PowerPoint presentation included in the meeting packet. The following items where highlighted during the presentation: Rate Process, Structure Graphs, Renewal Layers, Classification Rates and Actuary Proposed X-mods and PACT Budget Overview.

Kalt reminded the Executive Committee that at the Annual Meeting held in April 2023, the Board approved the new rate setting timeline that would require a December meeting to set the new rates that would become effective on January 1st for the upcoming calendar year payroll cycle. This would allow the Members to update their payroll systems to include the new rates and x-mods for each entity effective January 1st. The assessment cycle using calendar year payroll and three quarterly assessments with a fourth quarter true-up assessment in the second calendar quarter

after the independent PACT payroll audit by SPR would not change.

Kalt reviewed the current year, FY 24/25, Structure Graph noting that there would not be any recommended changes to the various layers in FY 2025/26. Alan reviewed slides created by Stephen Romero which indicate who pays what in a large loss (\$1.5M) scenario. It was explained that our captive Public Compensation Mutual (PCM) pays the next \$700,000 above PACT's \$300,000 SIR as well as 25% of the loss amounts between \$1M and \$3M loss. CRL is liable for the remaining 75% of that \$2M excess layer per large loss claim. It was noted that it is important to understand how large claims affect the other layers of coverage as it has an impact on the renewal rate calculations.

The PACT Assessment factors used by the actuary: payroll assessments are capped at \$36,000 of covered payroll, individual losses are limited to \$100,000 per occurrence, payroll amounts are weighted based on pre-determined class code relativities, experience period over the past four years and the maximum change to a member's experience modification factor (x-mod) from the previous year is limited to +15% to -10%. The Committee reviewed the historical classification rates over the past three years, noting the level of increases in each of the years.

A discussion ensued on the cost of the reinsurance layers which include PCM, CRL and Safety National. Alan Kalt reviewed the CRL Premium analysis for the current year (FY 24-25) which had an increase of 54.2%. CRL uses a 10-year look back on large losses. In the current year, we experienced a \$0 Loss Year being replaced by a \$2,400,000 loss year (2021). Our oldest five years of losses (2011-2015) had 4 years with no losses and our most recent 5 years have significant losses in the CRL Layer in each year. As such, premium increases are likely to be significant until old large losses roll off the calculation.

Kalt reviewed the slides related to the Actuarial reports prepared by Derek Burkhalter from Bickmore Actuarial. The slides show the multi-year trends for Loss Rates, Claim Severity and Claim Frequency. Derek points out that a reasonable goal might be to maintain a fund at the 85% confidence level. This could provide stability in the required level of contributions from year to year. Noting that if you fund at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for current claims. Additional contributions for years by that time long past may be required while costs are increasing dramatically on then-current claims. The additional burden of funding increases in past years as well as current years may well be prohibitive. It was noted that you only get one opportunity to fund the injured workers' claims as PACT has never had to have a special assessment and does not plan on any in the future. Kalt noted that at the 80% confidence level for the PACT \$300,000 SIR level \$9.603M was needed in funding compared to the 75% CL at \$9.252M.

A review of the PACT expense budget classifications of Loss Fund & Insurance, Program Expenses and Administrative Expenses noted cost containment and stability have been incorporated into the FY 25-26 budget. Kalt reviewed distinct items within the proposed budget and the impact on the Classification Rate assessment. The Committee reviewed PACT's Historical Paid Loss Ratio as noted below:

Description	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025B	FY 2026B Opt 1
Assessments	10,083,799	11,792,275	12,675,642	14,834,560	15,055,750	18,562,181	18,915,112	18,197,290	19,824,556
Heart Lung Assessments	1,104,106	1,109,118	1,490,539	2,013,904					
Total Assessments	11,187,905	12,901,393	14,166,181	16,848,464	15,055,750	18,562,181	18,915,112	18,197,290	19,824,556
Loss Fund and Claims Expense									
Claims and adjustment Expenses	6,431,493	8,822,730	9,103,742	10,922,746	8,485,681	8,572,744	7,856,139	9,460,000	9,603,000
Heart Lung loss expenses	1,450,372	1,506,637	1,601,459	2,113,304					
Excess insurance premiums	526,516	537,133	432,826	467,538	474,027	495,712	771,938	1,026,889	1,283,611
Re-insurance premiums (PCM)	1,931,416	1,607,000	2,237,700	2,522,875	2,583,635	2,601,409	2,912,546	3,158,377	3,411,047
Total Loss/Claims Expenses	10,339,797	12,473,500	13,375,727	16,026,463	11,543,343	11,669,865	11,540,623	13,645,266	14,297,658
Paid Loss Ratio (Total Claims/Total Assessments	92.4%	96.7%	94.4%	95.1%	76.7%	62.9%	61.0%	75.0%	72.1%
Reduction in Net Position During Fiscal Year	\$ (2,941,036)	\$ (1,597,504)	\$ (28,702)	\$ (3,237,099)	(4,013,117)	\$ 3,304,866	\$ 6,427,656	1,119,943	2,202,914

5 Yr Net Position Accumulated Loss \$ (11,817,458) 7 Yr P/L Ratio % 82.74%

A discussion on the four years where the Paid Loss Ratio was over 90% was held. It was noted that large losses from members who have left the program have impacted the ratio significantly. It was noted that the past three years have shown improvement in the Paid Loss Ratio, increases in investment income, as well as an increase in Net Position. The seven-year average ratio is 82.74% which is greater than the acceptable range of 65-75%.

The proposed Tentative Budget and Classification Rate assessment for Fiscal Year 2025-2026 was discussed at length. It was recommended to consider separate rate increases for the group of classifications based on rate relativity of classifications historical loss experience based on size of class (in terms of payroll) as recommended by the actuary. As such, the budget was developed using a 0% classification increase for School, -9% for hospital Classifications, 0% for General Government Classifications, 2% for Police and 4% for the Fire Classifications. This should generate adequate assessments to reach the 80% confidence interval funding in the actuarial report. Alan Kalt noted that we will receive the renewal pricing from CRL and PCM on the reinsurance layers in March. The budget estimated a 25% increase for CRL and 8% for PCM due to the historical losses in those layers. He indicated that if the increases were above the projected amounts, the investment earnings could absorb those increases, if not, there would be a reduction in Net Position.

There was a discussion on the use of Net Position and investment earnings to smooth out the rate of increase if the rate increases become significant. Kalt reminded the Committee that PCM had to transfer capital back to PACT in FY 22 in the amount of \$2.5M and \$2.0M in FY 23 to maintain capital adequacy in PACT.

Josh Foli appreciated the hard work by staff in developing the budget recommendations. He noted that PERS just sent out their contribution rates effective July 1, 2025, which reflected an increase in the Regular Members from 33.5% to 36.75% and an increase from 50% to 58.75% for the Police/Fire classification. He noted that this will have a significant impact on our members, especially those with Police/Fire employees. As such, he questions the timing of moving to the 80% CL From the 75% CL in the current year. Kalt noted that the difference in funding levels is approximately \$351K as computed by the actuary. Kalt walked the Board through Option 2 budget which keeps the classification rates flat at the current rate. It reflected a reduction of approximately \$350K in assessments. Alan noted that the Hospital rate should reflect the negative adjustment as recommended by the Actuary in its rate relativity study. After further discussions, it was also recommended to fund the estimated claims/losses at the 75% funding level. This reduction would allow for an increase in the estimated re-insurance cost by CRL and PCM at their excess layers. There was a discussion about this being a Legislative year and we do not know what changes may occur to the Workers Compensation statutes. This is another unknown going into this early rate setting discussion.

After a question-and-answer period, Josh Foli made a motion to approve the PACT Classification Rates at a FLAT RATE with the exception of REDUCING the Hospital rate -9%, funding losses at the 75% Confidence Level and accepting the Actuary's X-Mod rates that are calculated in the Actuary's X-Modification Study. Amanda Osborne seconded the motion, which carried unanimously.

5. Report on Status of PACT Renewal Processing and Changes in Membership

Wayne Carlson reviewed the Member Status Report included in the packet. He noted that Southern Nevada Health District fired their Nevada agent, hired an agent from Missouri and left POOL/PACT for political reasons and accepted a much lower coverage level for POOL related coverages. The four rural hospitals left as a new agent outside of the Nevada Rural Hospital Partners organization came in and offered a lower rate. Chairperson Johnson asked if we need to provide additional training for agents to better understand our coverages and services. He also asked Wayne why he felt members left PACT. Wayne responded that short-term lower rates during tough economic times have driven some members to leave (hospitals) and they have forgotten why the POOLs were formed in the first place when the insurance market refused to provide coverage to Local Governments. As for agent training, which could assist in the process, many of the agents have been long-standing partners with POOL/PACT, understanding our program and services. It is the out-of-state agents that do not understand our programs.

6. For Possible Action: Approval of Churchill County School District for PACT Membership

Wayne Carlson reviewed the Churchill County School District underwriting application. Noting their loss ratio. They are looking to go to a fully insured program supported by members' services and a quality claims administrator to process their claims. During a CCSD Board meeting, it was explained that they could pay PACT to process and pay the runoff of existing claims like what Incline Village General Improvement District did in the past. It will be something for them to consider after they become a member. This would take their long-term liability off their financial statements. After a question-and-answer period, Josh Foli made a motion to approve Churchill County School District for PACT membership based on the information included in the packet. Mike Giles seconded the motion, which carried.

7. Public Comment

There was none.

8. For Possible Action: Adjournment

Chairperson Paul Johnson adjourned the meeting at 9:41 am

PUBLIC AGENCY COMPENSATION TRUST

Statement of Assets, Liabilities and Equity February 28, 2025

	Operating Fund (Unrestricted)	Trust Fund (Restricted)	TOTAL FUNDS
ASSETS			
Cash and Equivalents	6,490,636.55	10,907,051.67	17,397,688.22
Pledged Account Cash Equivalents	-	982,737.74	982,737.74
Investments	14,825,126.72	39,204,602.41	54,029,729.13
Investments - State of Nevada Investments Interest Receivable	100 206 27	5,717,834.05	5,717,834.05
Investments Interest Receivable Investments Receivable - Broker	100,286.37	266,688.33	366,974.70
Member Assessments Receivable	411,804.57	_	411,804.57
Agent Compensation Receivable	111,001.01	_	-
Other A/R		-	_
Interfund Account	(1,684.38)	1,684.38	-
Specific Recoverable		1,054,910.45	1,054,910.45
Prepaid Expenses	13,270.00	1,637,463.04	1,650,733.04
TOTAL ASSETS	21,839,439.83	59,772,972.07	81,612,411.90
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	-	-	_
Payable To Investment Brokers	424,946.01	742,184.89	1,167,130.90
Payable For Risk Management Grants	12,459.30		12,459.30
Agent Compensation Payable			-
Specific Recoverable		1,054,910.45	1,054,910.45
Loss Reserves		200,034,967.60	200,034,967.60
Claims Payments Voucher Payments		(142,009,072.19) 2,423,922.28	(142,009,072.19) 2,423,922.28
Voucher Fayments		2,423,322.20	2,423,922.20
Fund Balances:			
Fund Balance	21,402,034.52	(2,473,940.96)	18,928,093.56
TOTAL LIABILITIES AND FUND BALANCES	21,839,439.83	59,772,972.07	81,612,411.90
TO THE EINDIETTIES AND TOND BALANCES	21,033,733.03	33,112,312.01	31,012,711.30

Unaudited Report for Management and Insurance Division Use Only

PUBLIC AGENCY COMPENSATION TRUST

Income Statement For The Eight Months Ending February 28, 2025

	Operating Fund (Unrestricted)	Trust Fund (Restricted)	TOTAL FUNDS
REVENUES			
Assessments	2,275,646.49	6,826,939.51	9,102,586.00
Agent Compensation	110,806.00	-	110,806.00
PCM Risk Mitigation Services	575,000.00	-	575,000.00
Investment Interest Income	422,809.95	1,202,059.03	1,624,868.98
Bank Interest Income	164,468.10	151,317.31	315,785.41
Investment Realized Gains/(Losses)	,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	-
Investment Unrealized Gains/(Losses)	277,352.57	929,199.87	1,206,552.44
Premium/Discount Investments	4,127.83	52,189.38	56,317.21
Total Revenues	3,830,210.94	9,161,705.10	12,991,916.04
LOSS RESERVES & INSURANCE EXPENSES			
Claims and Adjustment Expenses	-	5,735,314.30	5,735,314.30
Excess Insurance Premiums	-	733,124.00	733,124.00
Reinsurance Premium (PCM)	-	2,009,875.00	2,009,875.00
Willis Surplus Lines Taxes		1,552.43	1,552.43
Total Loss Reserves & Insurance Expenses		8,479,865.73	8,479,865.73
PROGRAM EXPENSES			
Member Education and Services	192,026.58	_	192,026.58
PRI Grant	340,858.00	_	340,858.00
Spec. Health-Cardiac Wellness	307,594.54	_	307,594.54
Loss Control Expense	270,664.00	_	270,664.00
Risk Management Grants	48,690.71	_	48,690.71
Claims TPA Fees (Davies)	-	550,925.77	550,925.77
In-House Broker/Underwriting	_	20,000.00	20,000.00
Specialty Health MCO Contract		43,083.04	43,083.04
Total Loss Fund and Program Costs	1,159,833.83	614,008.81	1,773,842.64
ADMINISTRATION EXPENSES			
Sponsorship Fees	5,000.00	_	5,000.00
Travel	26,649.11	_	26,649.11
Casualty Insurance	26,536.00	_	26,536.00
Dues & Seminar Fees	16,291.80	_	16,291.80
Audit Expense	26,627.00	_	26,627.00
Printing & Copying Expense	2,570.52	_	2,570.52
Postage	1,681.03	_	1,681.03
Office Supplies	1,731.87	-	1,731.87
Telephone Expense	257.96	-	257.96
Legal Expense	879.75	_	879.75
Board & Committee Meetings	13,510.13	-	13,510.13
Actuary Expense	44,790.00	_	44,790.00
Bank Service Charges	46,861.21	-	46,861.21
Agent Compensation	55,445.00	-	55,445.00
Licenses	-	-	-
SMEP Awards	13,675.00	-	13,675.00
NRP Grant	325,160.00	-	325,160.00
Insurance Division Fees	721,367.63	67,350.49	788,718.12
Nevada Insolvency Fund	-	28,775.00	28,775.00
Investment Expense	54,514.78	4,928.78	59,443.56
Total Administrative Expenses	1,383,548.79	101,054.27	1,484,603.06
REVENUES OVER EXPENSES	1,286,828.32	(33,223.71)	1,253,604.61

PUBLIC AGENCY COMPENSATION TRUST

Income Statement
For The Eight Months Ending February 28, 2025

Unaudited Report for Management and Insurance Division Use Only

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Specialty Health

4-Month Metabolic Reset Program Overview

Reset Program Made Simple

Health Questionnaire

Teaching Packet

Initial Consultation & Lab Review

Program Agreement Commitment

E-Learning Videos & Training

Follow-up Communications

4-Month Lab re-test



Program Outline:

Nutritional Interventions

Metabolic Enhancing Tools

Exercise & Physical Activity

Sleep Optimization

Stress Management

Training Resource Library



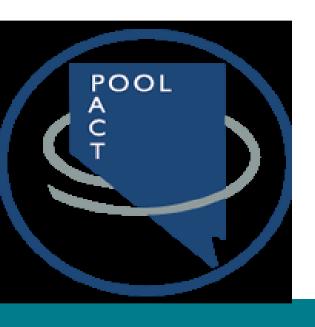
specialtyhealth

Insulin Resistance

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RxSugar*

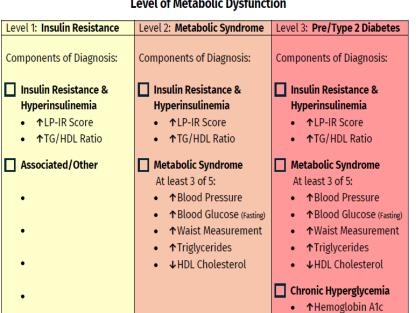


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Being insulin sensitive and maintaining glycemic control are paramount for metabolic health!

Progress Report Level of Metabolic Dysfunction







• • • • • • •



Our Top 10 List

Insulin Resistance

Insulin Resistance — A Paradigm Shift

National Law Enforcement Officers Memorial Fund, Destination Zero Award, 2023

We learned a lot in 23 years—most important, that insulin resistance is public enemy #1 for law enforcement. Understand this and the police could lead the nation out of the metabolic mess it is in.

- I. What is actually "bad" and "good" are lipoproteins
- 2. LP-IR Score better than Triglyceride/HDL ratio
- 3. Dietary Choices
- 4. Genetic Lottery
- GlycA tracks Systemic inflammation

In Memory of

Dr. Sarah Hallberg and Dr. Gerald Reaven









Game Changers

- 6. Variability on the "compensatory" insulin response between individuals can be enormous
- 7. Coronary calcium score of Zero is Powerful!
- 8. Strength and fitness are critical
- 9. Considering Dr. Reaven's "Diseases of Civilization" IR is REVERSABLE!
- 10. First, Do No Pharma!!





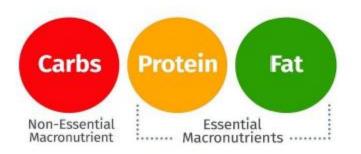
Nutritional Management



THE METABOLIC SOLUTION



4 - Month Metabolic Reset Program **Nutritional Management**







Threat Assessment Model for COPS

Nutrition

- **High Carb Quantity**
- Poor Carb Quality
- Refined Carbs/Sugar
- Carb frequency
- High Fat + High Carb meals
- **Processed Foods**

"The Job" Hypervigilance

- Chronic Stress-> Cortisol -> Glucose -> Insulin
- Disordered sleeping
- Shift work
- Trauma exposure
- Sedentary

Family History

- Diabetes
- Obesity
- Heart Attack
- **Stroke**
- Age of onset



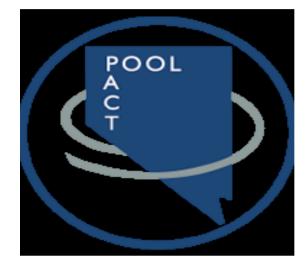
Insulin Resistance

Cardiovascular Disease Heart Attack Stroke Diabetes Overweight/Obesity



Sleep & Metabolic Health



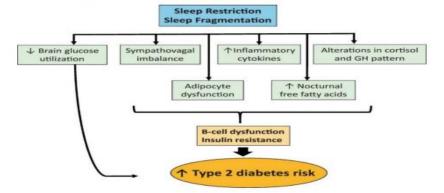


THE METABOLIC SOLUTION

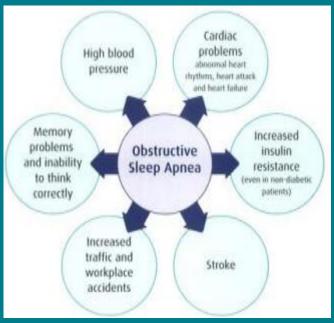


Sleep & Metabolic Health

Poor sleep and stress are deeply intertwined and can have a significant impact on metabolic health. Studies show that poor/restricted sleep also results in elevated cortisol and epinephrine (adrenaline) stress hormone levels, alterations in glucose metabolism, increased insulin resistance, and an elevated type 2 diabetes risk through multiple mechanistic pathways.



Sleep Risk Factors





PROGRAM SUPPORT TOOLS

Advanced Blood Testing

Medical Support

.

Learning Library

Training and Consultation

Coptimizer RX Sugar







specialtyhealth

INSULIN RESISTANCE & METABOLIC DISEASE

Insulin Defined

Insulin Resistance; Overflow Paradigm

Insulin Resistance; Part 1

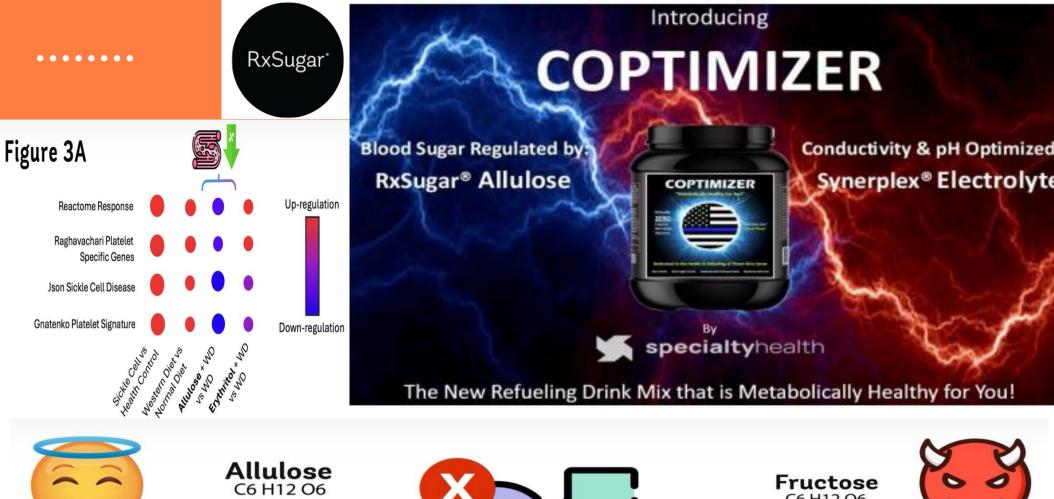
Insulin Resistance; Part 2

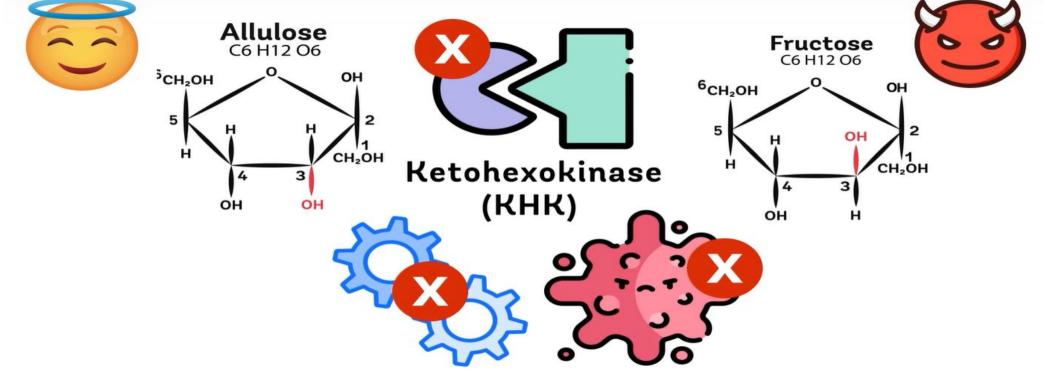
Insulin Resistance; Part 3

Metabolic Syndrome; Precursor to Type 2 Diabetes

Metabolic Flexibility & Inflexibility

Metabolic Health & Dementia - Type 3 Diabetes







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Specialty Health

4-Month Metabolic Reset Program Overview

Reset Program Made Simple

Health Questionnaire

Teaching Packet

Initial Consultation & Lab Review

Program Agreement Commitment

E-Learning Videos & Training

Follow-up Communications

4-Month Lab re-test



Program Outline:

Nutritional Interventions

Metabolic Enhancing Tools

Exercise & Physical Activity

Sleep Optimization

Stress Management

Training Resource Library



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Members American Institute of Certified Public Accountants

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September 23, 2024

Board of Directors Public Agency Compensation Trust 201 S. Roop St., Suite 102 Carson City, NV 89701

Dear Board members,

We have audited the financial statements of the business-type activities of Public Agency Compensation Trust (PACT) for the years ended June 30, 2024 and 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. Professional standards require that we provide you with the following information related to our audit which is divided into the following sections:

Section I – Required Communications with those Charged with Governance

Section II – Other Recommendations and Related Information

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the Board in our Audit Committee Letter.

Section II presents recommendations related to internal controls, procedures, and other matters during our current audit year. These comments are offered in the interest of helping the Board in its efforts toward continuous improvement, not just in the areas of internal controls and accounting procedures, but also in operations and administrative efficiency and effectiveness.

Section I – Communications Required under AU 260

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated November 14, 2023, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our letter regarding planning matters dated November 14, 2023.

Significant Audit Findings:

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by PACT are described in Note 1 of the financial statements. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events, and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting PACT's financial statements were for the unpaid claims loss liability and receivables.

Management's estimate of the loss reserves is based on a study prepared by an independent actuary. Accounts receivable is based on management's estimate of what they believe is collectible derived from known facts.

We evaluated the key factors and assumptions used to develop the loss reserves and accounts receivable balance in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were in Note 10 regarding the unpaid loss liability and the blending of the Heart & Lung rates with the worker's compensation rate.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatement

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We proposed adjustments to record the loss reserve to reflect the actuarial study which is a normal adjustment. We also recommended another adjustment to correct the accounts payable by an immaterial amount as noted in our letter to the Audit Committee. Management agreed and recorded all adjustments.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the Auditor's Report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the Management Representation Letter dated September 23, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Section II – Other Recommendations and Related Information

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We provided a letter to the Audit Committee dated September 23, 2024 with our findings and recommendations.

This information is intended solely for the use of the Board of Directors charged with governance and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bertrand & Associates LLC

PUBLIC AGENCY COMPENSATION TRUST FINANCIAL STATEMENTS June 30, 2024 and 2023

CONTENTS

EXECUTIVE DIRECTOR'S LETTER	3
INDEPENDENT AUDITOR'S REPORT	6
MANAGEMENT'S DISCUSSION AND ANALYSIS	8
FINANCIAL STATEMENTS Statements of Net Position Statements of Revenues, Expenses and Changes in Net Position Statements of Cash Flows Notes to Financial Statements	14 15 16 17
REQUIRED SUPPLEMENTARY INFORMATION Comparative Schedule of 10 Year Claims Development	25

EXECUTIVE DIRECTOR'S LETTER

Members of Public Agency Compensation Trust:

As the Executive Director, I am pleased to present the PACT Annual Audited Financial Statements for the year ended June 30, 2024, the conclusion of our 27th full year of operations. As noted in part of PACT's Mission Statement, we excel in financial strength, security, durability, and cost-effective risk sharing and financing. This financial report will demonstrate our commitment to our Mission Statement.

In addition to the preparation of the audited financial statements in accordance with GASB pronouncements and other financial standards, this report includes a required Management Discussion and Analysis of the financial results over the years.

Over the years, the Board adopted fiscally responsible policies to retain net position to achieve long-term, stable financial results for members. In 2021, the Board updated the Net Position policy to target at least ten times the highest self-insured retention with a goal of twenty times the highest self-insured retention (refer to notes in the financial statement for current retention amounts). In 2020, they approved a change in the accounting policy related to the transfer of capital to PCM to expense 100% in the year of transfer effective retroactively to July 1, 2018, noting that the unamortized balances will be a reduction in PACT's Net Position as Contributed Surplus to PCM would be eliminated in the restatement of the 2019 financial statement.

Since Fiscal Year 2007, PACT has contributed \$53,700,939 to the PCM captive to serve as one of the workers compensation reinsurers for PACT. This investment into the PCM captive has resulted in growing PCM's total surplus to \$71,446,256 as of December 31, 2023. The benefits of the captive include reduced administrative costs, reinsurance opportunities and a broader investment portfolio including risk assets. During the PACT Annual Board Meeting held on April 21, 2022, the PACT Board approved a transfer of \$2,500,000 from PCM to PACT by June 30, 2022, and an additional transfer of \$2,000,000 by December 31, 2022, to strengthen the net position of PACT. No transfers were made in fiscal year 2023-24.

Net position increased during the year because of an operating income of \$3,710,727 and non-operating net investment income of \$2,716,929 due primarily increases in book yield offset by unrealized loss on securities as interest rate increases resulted in our book yield being lower than the market yield.

Through the oversight of the Audit Committee, Executive Committee, and the Board of Trustees, coupled with the Nevada Division of Insurance regulatory review, PACT Members can be assured that PACT will remain financially sound. Members should be proud of the success we have achieved together.

PACT has been serving its membership for over 25 years. We are government risk experts with a passion for risk management services. As the risk management arm for our members, PACT manages claims and provides a broad array of in-depth risk control services, training, risk consultation, and programs and resources to guide our members' efforts toward reducing the probability of losses and the effect of losses that do occur. With services such as POOL/PACT Human Resources, our extensive support system for human resources issues, members receive support services no one else offers.

Other factors that set PACT apart include the following:

- 1) Davies Claims Solutions (DCS PACT's claims administrator) experienced adjusters manage claims efficiently and effectively and maintain quality as evidenced by multiple internal and external claims audits.
- 2) SpecialtyHealth, the managed care organization, and MCMC, the bill reviewer, for PACT helped the adjusters manage claims and costs effectively.
- 3) Enterprise risk control efforts of the staff risk management team have proven effective and further initiatives are being implemented under the oversight of the Members' Enterprise Risk Control Committee, and
- 4) The continuing Fit For Retirement Program helps reduce potential heart claims.

Workers' compensation self-funded programs experience significant volatility particularly when the retention levels per loss are high. PACT management, consistent with board policy, selected a 75% actuarial confidence level as a prudent level to keep PACT Board's goals of creating and sustaining a durable financial position. PACT maintains an interest in PCM as its sole policyholder and is entitled to a return of those capital contributions before any other distributions can be made by PCM. The captive continues to enjoy financial success as a reinsurance option for PACT.

The table below shows some key financial ratios tracked by management and the board to benchmark PACT's financial condition and risk retention strategies:

	2018/2019					1				
Financial Ratios	As restated		2019/2020	20	20-2021	20	21-2022	202	22-2023	2023-2024
Total Revenue	\$ 12,901,393	\$	14,741,181	\$	17,423,464	\$	15,630,750	\$	19,138,181	\$19,490,112
Revenue over (under) Expenses	\$ (4,586,884)	\$	(3,415,620)	\$	(2,939,790)	\$	(342,855)	\$	3,230,413	\$ 3,710,727
Operating Net Position	\$ (4,586,884)	\$	(3,415,620)	\$	(2,939,790)	\$	(342,855)	\$	3,230,413	\$ 3,710,727
Non-operating Net Investment Income	\$ 2,989,380	\$	3,386,918	\$	(297,309)	\$	(3,670,262)	\$	74,453	\$ 2,716,929
Total Assets	\$ 62,770,202	\$	66,154,708	\$	66,665,348	\$	65,507,785	\$	71,969,433	\$78,090,902
Total Liabilities	\$ 52,049,318	\$	55,462,526	\$	59,210,265	\$	59,565,819	\$	60,722,601	\$60,416,414
Net Position	\$ 10,720,884	\$	10,692,182	\$	7,455,083	\$	5,941,966	\$	11,246,832	\$17,674,488
Net Position to SIR (Board Target 20:1);										
Benchmark >5:1	21.44		21.38		24.85		19.81		37.49	58.91
SIR to Net Position (Benchmark: captives										
<.10; group capitves <.25)	0.05		0.05		0.04		0.05		0.03	0.02
% Assets attributable to Net Position	17.1%	I	16.2%	ı	11.2%	ı	9.1%		15.6%	
Total assets/total liabilities	1.21		1.19		1.13		1.10		1.19	1.29
Revenues to Net Assets (Benchmark: <2.5:1			4.00						4.70	
and >0	1.20		1.38		2.34		2.63		1.70	1.10
Loss Reserves to Net Position (discounted): Benchmark <3:1 and >0	4 17		4.50		7.82		2.05		5.23	5.23
Total liabilities to liquid assets: Benchmark	4.17		4.50		1.02		2.03		5.25	3.23
<100%	90%		91%		97%		98%		99%	99%
Change in members' Net Position: >-10%	-72.8%		-0.3%		-30.3%		-20.3%		89.3%	57.2%
Return on Net Position: Net Operating			04.55						00 ==:	04.55
Income/Net Position	-42.8%		-31.9%	l	-39.4%		-5.8%		28.7%	21.0%
Return on Net Position: Total Income/Net Position	-42.8%		-31.9%		-39.4%		-5.8%		28.7%	21.0%
i Osiuoii	-42.0%		-31.9%		-39.4%		-5.0%		20.1%	∠1.0%

We continue to provide stability in the mist of uncertainty in a risky workers compensation world, allowing members to focus on serving their communities.

Economic Factors:

For the fiscal year ending June 30, 2024, economic conditions showed signs of limited growth continuing for the nation and Nevada. There has been an increase in the interest rates and the inflation rates having an impact on the national economy. Medical inflation still exceeds the general inflation rate, and this affects the underlying costs of claims payable by PACT. While Nevada retains a fee schedule to limit cost increases, recent reviews of the fee schedule components resulted in increases in the last few years. Wage inflation is accelerating and affects the cost of the indemnity component of claims. Changes in NRS and NAC added a COLA to death claims, increased the PPD actuarial tables rating criteria and increased the lump sum payouts from 25% to 30%, thus affecting the cash flow and long-term liability.

A legislative change in 2003 resulted in adoption of the 5th Edition of the AMA guide to rating impairments, which increased costs overall. The 2009 Legislature fixed the 5th Edition into statute rather than having the most current edition be implemented by regulation. The Legislature has not considered changes to this statute since.

The Nevada Supreme Court reached a decision in 1998 interpreting the special provisions for heart and lung coverage for qualifying police officers and firefighters that concluded that once these persons meet the five years of continuous service eligibility for benefits, those benefits are available for life regardless of any connection to actual work at the time the claims are made. PACT undertook an actuarial study to estimate the lifetime cost of risk associated with this decision. That study indicated that the present value of the future benefits for former employees was estimated to range from \$5,668,000 to \$22,258,000, depending upon the interpretation as to which legal theory may be applicable. A subsequent actuarial study confirmed a change in the range of values to between twenty and eighty million, again depending upon the assumptions made about claims manifestation.

A legislative change in the 2017 session increased disability claims costs for heart and lung claims because a bill eliminated the disablement time frame for public safety for such claims. Another element may impact the employer's process for reviewing physical examinations potentially impeding the Fit For Retirement program efforts. Another 2017 change in legislation called for regulatory adoption of updated actuarial disability rating schedules. While the regulation

change was not adopted until after the close of fiscal year end June 30, 2018, it will have a future effect on disability claims valuations for all types of claims beginning in fiscal year ending June 30, 2019.

In the 2019 Legislative session, several bills impacted PACT's future financial picture. For firefighters, a bill expanding the list of cancers that are associated with employment also added language to include substances anticipated to be a human carcinogen. Further it extended coverage for up to lifetime similar to the heart-lung provisions. Another bill expanded vocational rehabilitation programs which will increase costs. Post-traumatic stress disability claims coverage was expanded to include all first responders including dispatchers related to mass casualty events directly witnessed or heard. Two bills added an inflationary increase in the PTD benefits for open claims and for new claims after July 1, 2019. PACT reviewed the actuarial rate implications of these bills for funding beginning July 1, 2020, and increased the heart lung rate by \$1.00. In addition, PACT reduced the rate discount by half in anticipation of earlier impact of these legislative changes. Additional changes limited post-employment cancer claims to medical only, if retired on or after July 1, 2019.

The 2021 Legislative Session added a requirement for telehealth as an option for medical care which will increase employee access to care and reduce travel costs in a claim. Further, it authorized the use of a physician assistant or advanced practice registered nurse to file claims (C-4). One significant change allows public safety employees to elect PTD benefits and still earn income.

The 2023 Legislative Session increased disability lump sum payouts to 30% up from 25% and tightened claims handling standards and benefits penalties for errors increased significantly, thus creating an incentive for claims adjusters to be more careful, but also incentivizing claimants to seek penalties even over minor problems. Because PACT ultimately is responsible for claims, we are watching these situations carefully.

Preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff. Staff includes Wayne Carlson, Executive Director, Alan Kalt, Chief Financial Officer, Debbie Connally, Controller, Melissa Mack, Accounting Technician, Jennifer Turner, Administrative Data Analyst, Stephen Romero, Member Services Manager, Marshall Smith, Risk Manager, Jarrod Hickman, Risk Management Specialist and Mike Van Houten, e-learning Manager and Webmaster. Thanks also to the dedicated professional staff from Bertrand & Associates, LLC, our independent auditors, for their contribution and support throughout the audit process. Special thanks to the Executive Committee, Audit Committee and Board of Directors for their keen interest and support in the planning and conducting of the financial operations of PACT in a responsible and progressive manner.

Thank you for your participation in PACT and for having confidence in our ongoing ability to meet the Mission, Vision, and Motto you set for our member services consortium. We welcome your comments and suggestions to further strengthen PACT's financial position, to provide you with additional information and to enhance Member services. Thank you for your continued active participation as a Member of PACT.

Sincerely,

Wayne Carlson
PACT Executive Director

BERTRAND & ASSOCIATES, LLC CERTIFIED PUBLIC ACCOUNTANTS

Member American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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To the Executive Director and the Board of Directors Nevada Public Agency Insurance Pool Carson City, Nevada

Opinion

We have audited the accompanying statements of net position of the Public Agency Compensation Trust as of June 30, 2024 and 2023 and the related statements of revenues, expenses and changes in net position, and statements of cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Public Agency Compensation Trust as of June 30, 2024 and 2023 and the respective revenues and expenses and changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Public Agency Compensation Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Public Agency Compensation Trust's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Public Agency Compensation Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggerate, that raise substantial doubt about Public Agency Compensation Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 8 and the 10-year claims development schedule on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Carson City, Nevada

Bertrand & AssociATES, LLC

PUBLIC AGENCY COMPENSATION TRUST MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024 AND 2023

Public Agency Compensation Trust's (PACT) discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the entity's financial activities, (c) identify changes in PACT's financial position (its ability to address subsequent years challenges) and (d) identify any material deviations from the financial plan.

We encourage readers to read this information in conjunction with the Executive Director's transmittal letter, financial statements and notes to gain a more complete understanding of the information presented.

Organization Overview

Public Agency Compensation Trust was formed by local governments for the purpose of organizing an association of self-insured public agencies providing workers' compensation coverage. Approved by the Division of Insurance on March 20, 1996, the Trust began operations on April 1, 1996. The Trust's objective is to provide member services that will reduce the cost of claims.

PACT provides workers compensation coverage to member governmental entities and hospitals pursuant to state statutes. The program is fully funded by member entities and is governed by a Board of Trustees composed of representatives of each member. Any member may withdraw from the program by giving 120 days' notice in advance of the next renewal date. PACT's independent actuary is an approved Rate Service Organization and develops PACT loss rates to be assessed and collected.

Background:

PACT is subject to Governmental Accounting Standards Board (GASB) requirements set forth in GASB Statement No. 34 – *Basic Financial Statements* – *and Management's Discussion and Analysis* – *for State and Local Government*. PACT's financial information must be accompanied by enhanced analysis, both short and long term, and explanations of significant financial statement elements. Since PACT operates as an enterprise fund created pursuant to NRS 277, the Interlocal Cooperation Act, its financial statements will be presented in a manner that reflects its operations much like a private company. PACT also is regulated by the Nevada Division of Insurance as an association of self-insured public agencies and must file certain financial schedules in addition to the GASB required information.

Using this Annual Report:

Since the financial statements report information about PACT using accounting methods similar to those used by private sector organizations, these statements offer short- and long-term financial information about PACT's activity. The financial statements show a comparison of two audited years ending June 30, 2024 and June 30, 2023 to facilitate understanding of changes in the financial position over time.

The Statement of Net Position includes all of PACT's assets and liabilities and information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing rate of return, evaluation of the capital structure and for assessing the solvency, liquidity, and financial flexibility of PACT.

Current year revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of PACT's operations for the fiscal year compared to the previous fiscal year and can be used as a measure of PACT's credit worthiness and whether PACT successfully recovers its costs through its sources of revenue.

The Statement of Cash Flows serves to provide information about PACT's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operations, capital and related financing activities and investing activities. It also discloses from where cash comes, for what it was used and the change in cash balance during the reporting period. Since PACT incurs financial obligations to pay claims that occurred in the past from current year resources and at the same time receives revenue that it must retain for payment of future claims from future resources, cash flow may vary significantly from year to year.

Financial Highlights

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, including the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

The auditor's report offers an unmodified opinion on the financial statements, the best opinion that can be attained.

Critical Accounting Estimates

Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of income and expenses during the accounting period. Actual results could differ from these estimates.

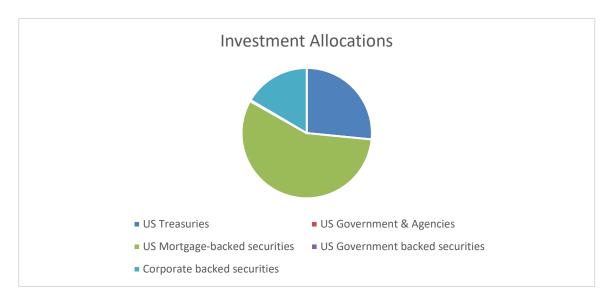
PACT has identified the estimates inherent in the valuation of investments and loss reserves (including reserves for incurred but not reported claims (IBNR) as critical in that they involve a higher degree of judgment and are subject to a significant degree of variability. In developing these estimates, management makes subjective and complex judgements that are inherently uncertain and subject to material change as facts and circumstances develop. Although variability is inherent in these estimates, management believes the amounts provided are appropriate and conservative based upon the facts available as of the date of the financial statements. PACT uses the assistance of an independent actuarial firm to determine IBNR and overall loss reserve adequacy.

Investments

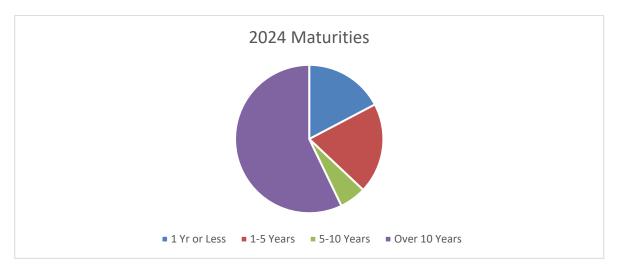
One significant estimate inherent in the valuation of investments is the evaluation of fair value. Investments consist predominantly of government and government backed securities and are reported at their fair value in the statement of position. Fair value is determined utilizing the market value of the investments as reflected on the applicable brokerage statements. Net increases and decreases in the fair value are included in the statement of activities and changes in net position. Nevada Revised Statutes and the Board approved Investment Policy outline the restrictions on the types of allowed investments. PACT is authorized to make investments in bonds and debentures of the United States, bills and notes of the U.S. Treasury, and in high-grade corporate backed securities. PACT is authorized to purchase negotiable certificates of deposits issued by commercial banks or insured savings and loan associations.

Cash and investments of \$64,223,063 are available to meet current liabilities, including reserves for loss and loss adjustment expenses of \$9,133,189. Total current liabilities include accounts payable, risk management grants payable, specific recoverable and current portion of reserves for workers compensation claims. This is a conservative measure of cash and investments available to pay current obligations. PACT's cash ratio is 7.0, meaning that it has 7.0 times the unrestricted cash and investments on hand to meet its obligations. Last year's cash ratio was 6.3. The increase in the cash ratio is due primarily to the decrease in the current portion of liabilities due to the timing of receipts and related payments.

Investment balances as of June 30, 2024 were \$52,397,839 compared to the prior year amount of \$42,884,469. This represents an increase of \$9,513,370 or 22.2%. The increase is due an increase in the amount of investments due to positive operating results and higher yields during the year. The cash balance was \$11,825,224 compared to \$14,759,925 or a \$2,934,701 decrease in fiscal year 2024. This is primarily due to the purchase of additional investments during the fiscal year. As stated in Note 3, the following is a summary of the fair value of investments as of June 30, 2024:



Investment Descriptions	Fair Value 6-30-2024	Fair Value 6-30-2023
U.S. Treasuries	\$ 15,431,279	\$13,966,961
U.S. Mortgage-backed securities	32,926,111	26,658,341
U.S. Government backed securities	173,355	210,156
Corporate backed securities	9,598,738	7,402,344
Less pledged investments	(5,731,644)	(5,353,333)
Total investments	<u>\$52,397,839</u>	<u>\$42,884,469</u>



Investment Income Receivable

Investment income receivable on June 30, 2024 is \$352,904 compared to \$196,124 in 2023. This is a change of \$156,780 or 79.9%. This is due primarily to the increase in investment balances at year end and higher investment yields as well as the timing of the payment of accrued interest on the investments.

Pledged Investments

Pledged investments on June 30, 2024 are \$6,454,253 compared to \$6,166,373 in 2023. Restricted investments are those investments pledged to the Nevada Division of Insurance as solvency assurance for future claims as required by statutes. Pledged investments include cash equivalents, investments and investment income receivable for the specific restricted securities. The amount pledged exceeds the statutory requirement. See Note 8-Pledged Investments for more details.

Contributed Surplus Public Compensation Mutual

In May of 2007, PACT's board of directors authorized the startup of a member-owned nonprofit captive mutual insurance company and contributed surplus to the company. The company, named Public Compensation Mutual, ("PCM") is domiciled in Nevada. PCM subsequently converted from an association captive to a pure captive form owned by PACT. PCM is one of the workers compensation reinsurers for PACT. The benefits of the captive are reduced administrative costs, reinsurance opportunities and a broader investment portfolio which can include risk assets. Management considers the contribution to PCM a development cost that can provide lower operating costs in the future and estimates that the savings in reinsurance cost to PACT will recoup the contributed capital. At the annual board meeting held on April 17, 2020, the Board approved a change in the accounting policy related to the transfer of capital to PCM to expense 100% in the year of transfer effective retroactively to July 1, 2018 noting that the unamortized balances will reduce PACT's Net Position and Contributed Surplus to PCM would be eliminated in the restatement of the 2019 financial statement. As of July 1, 2018, Contributed Surplus from PACT was \$53,700,939. As of June 30, 2018, the accumulated amortization was \$26,645,207 resulting in Contributed Surplus, net of accumulated amortization of \$27,055,732 and the same reduction in PACT's Net Position as of July 1, 2018. This accounting change will impact PACT's financial benchmarks and make PACT more comparable with our peers in years without the transfers. During the Annual Board Meeting held on April 21, 2022, a transfer of surplus contribution of \$2,500,000 from PCM to PACT was approved to be completed by June 30, 2022, and an additional transfer of \$2,000,000 by December 31, 2022, to improve the net position of PACT. The following chart indicates PACT's contributions to PCM since inception:

Fiscal Year	Contributions	Total Contributions
2007	\$ 5,000,000	\$ 5,000,000
2008	\$ 4,000,000	\$ 9,000,000
2009	\$ 4,600,000	\$13,600,000
2010	\$ 4,500,000	\$18,100,000
2011	\$ 7,517,375	\$25,617,375
2012	\$ 1,542,062	\$27,159,437
2013	-	\$27,159,437
2014	-	\$27,159,437
2015	\$ 448,242	\$27,607,679
2016	\$ 1,093,260	\$28,700,939
2017	\$15,100,000	\$43,800,939
2018	\$ 9,900,000	\$53,700,939
2019	-	\$53,700,939
2020	-	\$53,700,939
2021	-	\$53,700,939
2022	(\$2,500,000)	\$51,200,939
2023	(\$2,000,000)	\$49,200,939
2024	-	\$49,200,939

As noted above, PACT has contributed a net amount of \$49,200,939 to PCM in accordance with PACT's Capitalization Strategy Policy which allows PACT's Executive Committee to distribute a portion of the Net Assets to provide additional capitalization to PCM to reduce reliance on other excess or reinsurance providers. PCM increased its reinsurance capacity and thereby reduced PACT's retention as a result of the additional contributions to surplus.

Reserves for Claim Losses

Loss reserves are estimates of losses and loss development and as such will differ from the ultimate results. Therefore, one of the critical accounting estimates is the proper amount of reserves to be set aside to meet future liabilities of the current in-force business. Changes in or deviations from the assumptions used to develop the loss reserves significantly affect PACT's reserve levels and related future operations. Assumptions include PACT's methodology for underwriting and claims handling and current estimates of the legal, inflation rate, and social environments. Annually, PACT retains an independent actuary to provide a loss reserve opinion including a confidence level range for PACT's loss reserves. PACT's policy is to book reserves at the 75% confidence level as recommended by the actuary. The actuarial analysis for the current fiscal year revealed an overall increase in case reserves and IBNR reserves over prior years estimated incurred losses for Workers Compensation and Heart Lung. See Note 10 Unpaid Loss Liabilities and the Supplemental Schedule on Unpaid Loss Liabilities for Workers Compensation and Heart Lung in the financial statements for more details.

Reserves for current portion of claims increased from \$7,241,880 to \$7,510,775 in fiscal year ending June 30, 2024. The noncurrent reserve for workers compensation claims decreased from \$51,629,120 to \$51,283,225 in 2024, a decrease of \$345,895 or 0.7%. The development schedule included in the financial statement provides the history of the claims reserve changes each year over 10 years included in the financial statements for more details.

Change in Net Position

PACT's Total Net Position increased from \$11,246,832 to \$17,674,488 during the fiscal year ending June 30, 2024, an increase of \$6,427,656 or 57.2%. This increase primarily is due to the net operating income of \$3,710,727 and non-operating net investment income of \$2,716,929.

The following is the comparative Statements of Net Position for PACT as of June 30, 2024 and 2023.

CONDENSED STATEMENTS OF NET POSITION

	<u>2024</u>	<u>2023</u>
Cash and investments	\$ 64,223,063	\$ 57,644,394
Receivables	7,373,780	7,911,313
Prepaid Expenses	39,806	247,353
Total current assets	71,636,649	65,803,060
Pledged investments	6,454,253	6,166,373
Total noncurrent assets	6,454,253	6,166,373
Total assets	78,090,902	71,969,433
Payables	1,622,414	1,851,601
Current portion of reserve for claims	7,510,775	7,241,880
Total current liabilities	9,133,189	9,093,481
Reserve for Worker's Compensation claims	51,283,225	51,629,120
Total noncurrent liabilities	51,283,225	51,629,120
Total liabilities	60,416,414	60,722,601
Net position -unrestricted	11,220,235	5,080,459
Net position -restricted for pledged securities	6,454,253	6,166,373
Total net position	\$ 17,674,488	\$ 11,246,832

Total Assessment Revenues

PACT's primary revenue source comes from Member assessments for workers compensation. The assessments for workers compensation increased from \$18,563,181 to \$18,915,112 during fiscal year ending June 30, 2024. This is an increase of \$351,931 or 1.9% due primarily to a class rate increase of 3% and an increase in members' payroll during the year resulting in additional assessments.

During fiscal year 2023 and 2024, PCM provided \$575,000 to PACT to support risk management services to the membership.

Loss Fund and Program Expenses

Overall Loss and Program expenses decreased from \$13,877,965 to \$13,756,642 in FY 2024, a decrease of \$121,323 or 0.9%. This decrease primarily resulted from a decrease in the claims and adjustment expense of \$716,605 or 8.4% from \$8,572,744 to \$7,856,139 due to claim development during the year. Reinsurance premiums increased \$311,137 from

\$2,601,409 to \$2,912,546 because of increased pricing in the reinsurance layers of coverage due to increased claims activity. PACT continues to invest in Member education and services as \$712,355 was expensed in Fiscal Year 2023 compared to \$697,797 in Fiscal Year 2024. Underwriting and claims processing increased \$57,312 during the year from \$983,850 to \$1,041,162 due to inflation and claims volume. Loss control expenses remained within a relevant range during the two fiscal years.

Administration Expenses

Total administrative expenses were \$2,022,743 in Fiscal Year ending June 30, 2024 compared to \$2,029,803 in FY 2022, a decrease of \$7,060 or 0.3%. There was a decrease in the Insurance Division fees of \$25,224 (a decrease of 5.0%) due to decreased claims over the past several years because two large members with a high mod rate left in 2021 and 2023 and a reduction in professional services of \$19,018. These were offset by slight increases in management fees, and administrative and overhead costs.

Non-operating Net Investment Income

Investments are marked to market value at the time of the financial statements, which may result in a negative or positive overall result. Restrictions imposed by law on the types of investments PACT may utilize are similar to local governments. The investment portfolio consists of governmental type investments which, if held to maturity, will yield the respective coupon rates although interim performance may lag. Most of PACT's investments are anticipated to be held to maturity. Non-operating net investment income was \$2,716,929 for Fiscal Year end June 30, 2024 compared to \$74,453 in 2023. The investment income was impacted by the mark to market value adjustment because of rising interest rates and implementation of a sweep account in fiscal year 2024 to take advantage of higher yields. See Note 3 Investment Securities for more details.

Revenues, Expenses and Changes in Net Position:

CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>2024</u>	<u>2023</u>
Total revenues	\$ 19,490,112	\$ 19,138,181
Loss fund provision and program expenses	13,756,642	13,877,965
Administration expenses	2,022,743	2,029,803
Total expenses	15,779,385	15,907,768
Increase in operating net position	3,710,727	3,230,413
Non-operating net investment income	2,716,929	74,453
Increase in net position	\$ 6,427,656	\$ 3,304,866

Capital Assets and Debt Administration:

PACT has no physical assets and no borrowed funds. It has pledged certain investments to satisfy a regulatory solvency security requirement and thus, cannot access those funds without approval from the Nevada Division of Insurance.

Subsequent Events:

There were no subsequent events that would affect the financial statements for the current fiscal year.

Requests for Information:

While the purpose of this discussion and financial report is to provide a general overview of PACT's financial position, requests for additional financial information should be addressed to Wayne Carlson, Executive Director, 201 S. Roop St., Suite 102, Carson City, NV 89701-4790.

PUBLIC AGENCY COMPENSATION TRUST STATEMENTS OF NET POSITION June 30, 2024 and 2023

ASSEIS	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and cash equivalents	\$ 11,825,224	\$ 14,759,925
Investments	52,397,839	42,884,469
Investment income receivable	352,904	196,124
Member assessments receivable	5,230,272	5,654,347
Commissions receivable	68,662	64,137
Receivable from State of Nevada	446,246	348,451
Specific recoverables	1,275,696	1,648,254
Prepaid expenses	39,806	247,353
Total current assets	71,636,649	65,803,060
Noncurrent assets:		
Pledged investments	6,454,253	6,166,373
Total noncurrent assets	6,454,253	6,166,373
TOTAL ASSEIS	78,090,902	71,969,433
LIABILITIES Current liabilities:		
Accounts payable	263,144	99,858
Commissions payable	61,138	59,580
Specific recoverable	1,275,696	1,648,254
Risk Management Grants payable	22,436	43,909
Current portion of reserve for claims losses	7,510,775	7,241,880
Total current liabilities	9,133,189	9,093,481
Noncurrent liabilities:		
Reserve for claims losses	51,283,225	51,629,120
Total non-current liabilities	51,283,225	51,629,120
TOTAL LIABILITIES	60,416,414	60,722,601
NET POSITION		
Net position -unrestricted	11,220,235	5,080,459
Net position -restricted for pledged securities	6,454,253	6,166,373
TOTAL NET POSITION	\$ 17,674,488	\$ 11,246,832
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See accompanying notes

PUBLIC AGENCY COMPENSATION TRUST STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION Years ended June 30, 2024 and 2023

REVENUES	<u>2024</u>	<u>2023</u>
Assessments for workers compensation	\$ 18,915,112	\$ 18,563,181
PCM risk management services	575,000	575,000
Total Revenues	19,490,112	19,138,181
LOSS FUND AND PROGRAM EXPENSES		
Claims and adjustment expenses	7,856,139	8,572,744
Excess insurance premium	771,938	495,712
Re-insurance premium	2,912,546	2,601,409
Member education and services	697,797	712,355
Risk management grants	41,060	75,895
Loss control expense	436,000	436,000
Underwriting and claims processing	1,041,162	983,850
Total loss fund and program expenses	13,756,642	13,877,965
ADMINISTRATION EXPENSES		
Management fees	688,514	665,230
Professional services	83,582	102,600
Administrative and overhead	739,450	727,947
Insurance Division fees	482,567	507,791
Nevada insolvency fund and related expenses	28,630	26,235
Total administration expenses	2,022,743	2,029,803
Increase in operating net position	3,710,727	3,230,413
Non-operating net investment income	2,716,929	74,453
Increase in net position	6,427,656	3,304,866
Beginning net position	11,246,832	5,941,966
Capital contribution from Public Compensation Mutual	<u> </u>	2,000,000
Net position, end of year	\$ 17,674,488	\$ 11,246,832

See accompanying notes

PUBLIC AGENCY COMPENSATION TRUST STATEMENTS OF CASH FLOWS For Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES	\$ 19,909,662	¢ 17.740.255
Assessments and risk management services		\$ 17,740,355
Payment for claims	(7,933,139)	(8,068,744)
Payment to vendors	(7,670,123)	(7,114,530)
Net cash provided from operating activities	4,306,400	2,557,081
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and net realized investment income	1,885,447	1,212,632
Sale of investments	13,639,645	11,869,738
Purchases of investments	(22,766,193)	(15,392,604)
Net cash used from investing activities	(7,241,101)	(2,310,234)
CASH FLOWS FROM FINANCING ACTIVITIES		
PCM contribution of capital	-	2,000,000
Net cash provided from financing activities	-	2,000,000
(Decrease) increase in cash and cash equivalents	(2,934,701)	2,246,847
Cash and cash equivalents, beginning of fiscal year	14,759,925	12,513,078
Cash and cash equivalents, year ended June 30	11,825,224	14,759,925
RECONCILIATION FOR OPERATING LOSS		
TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating net income	3,710,727	3,230,413
Adjustments to reconcile operating loss		
to net cash provided (used) by operating activities:		
Decrease (increase) in member assessments receivable	424,075	(1,393,914)
(Increase) Receivable from State of Nevada	(97,795)	(302,028)
Decrease (increase) in specific recoverable	372,558	(128,184)
Decrease (increase) in prepaid expenses	207,547	(2,076)
(Increase) in agent compensation receivable	(4,525)	(3,912)
Increase (decrease) in accounts payable	163,286	(53,085)
Increase (decrease) in agent compensation payable	1,558	(1,210)
(Decrease) increase in specific recoverable	(372,558)	691,416
(Decrease) increase in Risk Management Grants payable	(21,473)	15,661
(Decrease) increase in loss reserves	(77,000)	504,000
Net cash provided by operating activities	\$ 4,306,400	\$ 2,557,081

See accompanying notes

PUBLIC AGENCY COMPENSATION TRUST NOTES TO FINANCIAL STATEMENTS June 30, 2024 and 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of program

Public Agency Compensation Trust (PACT) was formed by local governments for the purpose of organizing a self-insured workers' compensation group. The Trust began operations April 1, 1996. The Trust's objective is to provide members with a lower cost alternative achieved through enhanced claims management, program administration, and member services that will reduce the cost of claims. PACT provides workers' compensation coverage to member governmental entities and hospitals pursuant to state statutes. The program is fully funded by member entities and is governed by a Board of Trustees comprised of representatives of each member. Any member may withdraw from the program by giving 120 days' notice. PACT's independent actuary, who is an approved Rate Service Organization, develops PACT rates.

Principles of presentation

PACT has prepared its financial statements in accordance with accounting principles generally accepted in the United States of America. PACT prepares its financial statements using the accrual method of accounting, recognizing income when earned and expenses when incurred. PACT has implemented Governmental Accounting Standards Board (GASB) Statements No. 34 and No. 37, Basic Financial Statements - and Management's Discussion and Analysis – for State and Local Governments and GASB Statement 38, Certain Financial Statement Note Disclosures.

The financial statements have been prepared on the basis of accounting principles generally accepted in the United States of America for governmental entities and insurance enterprises, where applicable, which may differ from the basis of accounting followed in statutory reporting. Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Measurement focus and basis of accounting

The financial statements are reported using the economic resources management focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Expenditures are recorded when the related fund liability is incurred.

Cash and cash equivalents

The Operating Fund has a checking account, money market investment account, and an investment account for long-term investments. For the purposes of the Statement of Cash Flows, PACT considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. The Claims Fund has two checking accounts, one for payment of claims and the other for claims-related expenses as required by Nevada Revised Statute 616B.368.

Investments and investment income

Investments consist of government and government-backed securities and are reported at their fair value in the statement of position. Fair value is determined utilizing the market value of the investments as reflected on the applicable brokerage statements. Net increases and decreases in the fair value are included in the statement of activities and changes in net position. PACT is authorized to make investments in bonds and debentures of the United States, bills and notes of the U.S. Treasury, and in high-grade corporate-backed securities. PACT also is authorized to purchase negotiable certificates of deposit issued by commercial banks or insured savings and loan associations. PACT's investments have been restricted by policy of the Board to those allowable for local governments.

Income Taxes

In accordance with Internal Revenue Service Code Section 115, organizations formed, operated, and funded by political subdivisions may exclude income from those activities that qualify for exclusion. Accordingly, no provision for income taxes has been provided in the accompanying financial statements.

Budget

Budgetary to actual results is not presented as there are no legal budgetary requirements.

PUBLIC AGENCY COMPENSATION TRUST NOTES TO FINANCIAL STATEMENTS June 30, 2024 and 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Credit Risk

Credit risk is the risk that the issuer of a security will default on the principal and interest of the security. PACT's policy is to invest in corporate debt issues with a minimum of an "AA" rating from Moody's or Standard and Poor's rating services or U.S. Government and government-backed securities. However, in a special circumstance, a security with a rating of BBB+ was approved by the Board. In addition, PACT's policy is to diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one issuer will be minimized.

Concentration of Credit Risk

PACT limits investments in fixed-income securities to 10% of the total fixed-income portfolio to any one issuer. No more than 20% of the total investment pool will be invested in any one class of security, industry or company. PACT will not directly invest in securities maturing more than ten (10) years from the date of purchase, except as permitted by law. The policy does not place a limit on the purchase of U.S. Government and government-backed securities.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. PACT will, to the extent possible, minimize this risk by matching investment maturities to liability due dates. This allows PACT to hold investments to maturity thus mitigating losses from the sale of investments prior to their maturity date. Additionally, exposure to fair value losses arising from increasing interest rates is minimized by investing in investments with short to mid-term durations.

Member Assessments

Member assessments and reports are due 20 days after the end of the quarter. Assessment rates are based on independent actuarial estimates that are reviewed and approved by the membership and Insurance Commissioner.

Losses and loss adjustment expense

Reserves for losses and allocated loss adjustment expenses are provided based on case-based estimates for losses reported and PACT's historical loss experience for claims incurred but not reported (IBNR). The liability for unpaid losses and loss adjustment expenses includes the estimated cost of investigating and settling all claims incurred as of the balance sheet date. Such amounts are determined based on an evaluation prepared by management and an independent consulting actuary using a 75% confidence level. Although such estimates are best estimates of the expected values, the actual results may vary from these values.

The liability represents the estimated ultimate cost of settling claims, including the effects of inflation and other societal and economic factors. The liability also includes unallocated costs which are estimated by management. Any adjustments resulting from the settlement of losses will be reflected in earnings at the time the adjustments are determined. The loss reserve estimates were not discounted. On November 4, 2019 the Board adopted the policy to no longer discount the reserves beginning in the year ended June 30, 2020 and going forward, as the investment earnings will be used to offset administrative costs of the program rather than being held for future claim payments.

Blending of Heart and Lung Rates

The Board approved the actuary's rate relativity study in 2021 which blended the heart lung rate with the class code rates for police officers and firefighters and blended the reserves for claim losses effective July 1, 2021. Historically, the heart and lung loss rate reflected reserves set aside for the purpose of covering post-employment heart or lung disease claims that may be the responsibility of PACT members pursuant to the Last Injurious Exposure Rule interpretation of the law and court case that determined that coverage for such claims applies to former employees who meet the statutory eligibility requirements for the heart and lung disease benefit. Previously, post-employment claims were not reflected in the rate classification for the appropriate police officer and firefighter classification. A separate heart lung rate was assessed on these classifications to reserve for these claims reserves.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables and allowances for doubtful accounts

Management has evaluated receivables for doubtful accounts and has determined that a provision for doubtful accounts is not needed.

Insurance Division Annual Fees

The Insurance Division annually assesses fees to the Trust based on the prior year's claims expenditures. It is the policy of management to record the invoice or credit received each year as the expense or credit to the expense for that year as these invoices cannot be estimated and therefore accrued.

Supplementary development schedule - Unaudited

The statements and development schedule reports claims paid on a reported year basis. The development schedule reflects undiscounted loss reserves for the 10 years reported.

NOTE 2 – CASH & EQUIVALENTS

The carrying amount of PACT's deposits with financial institutions on June 30, 2024 and 2023 are \$11,825,224 and \$14,759,925 respectively. The financial institution balances were \$12,389,707 and \$15,278,420 respectively. The difference between the carrying amounts and financial institution balances results from outstanding checks and deposits not yet reflected in the bank's records.

	June 30, 2024		Ju	ne 30, 2023
Amounts insured by FDIC	\$	250,000	\$	250,000
Amounts collateralized		9,664,236		10,993,005
Cash equivalents at brokerage firm		2,475,471		4,035,415
Total deposits at financial institutions	\$	12,389,707	\$	15,278,420

PACT maintains its cash, cash equivalents, and investments in a commercial bank and a brokerage institution. All amounts in the commercial bank are insured by the FDIC or collateralized. Amounts at the brokerage firm up to the SPIC insurance limit are insured through SPIC and additional amounts are insured by the broker through an insurance policy.

NOTE 3 – INVESTMENT SECURITIES

Actual maturities may differ from contractual maturities as some borrowers have the right to call or prepay with or without call or prepayment penalties. Restricted investments are those investments pledged to the Insurance Commission. Corporate securities have bond ratings from BBB+ to AAA.

A summary of investments as of June 30, 2024 is as follows:

Investment Maturities in Years

	Fair Value	1	year or less	1-5	5-10	Over 10
U.S. Treasuries & agencies	\$ 15,431,279	\$	6,403,538	\$ 5,540,439	\$ 2,923,920	\$ 563,382
U.S. Mortgage-backed securities	32,926,111		-	7,897	14,424	32,903,790
U.S. Government backed securities	173,355		24,644	-	148,711	-
Corporate backed securities	9,598,738		2,933,609	6,665,129	-	-
Less pledged investments	(5,731,644)		(298,406)	(1,873,016)	(35,125)	(3,525,097)
Total investments	\$ 52,397,839	\$	9,063,385	\$ 10,340,449	\$ 3,051,930	\$ 29,942,075

PUBLIC AGENCY COMPENSATION TRUST NOTES TO FINANCIAL STATEMENTS June 30, 2024 and 2023

NOTE 3 – INVESTMENT SECURITIES (continued)

A summary of investments as of June 30, 2023 is as follows:

	Investment Maturities in Years									
	Fair Value		1 year or less		1-5		5-10		Over 10	
U.S. Treasuries & agencies	\$	13,966,961	\$	5,485,406	\$	6,686,539	\$	1,795,016	\$	-
U.S. Mortgage-backed securities		26,658,341		-		46,113		16,205		26,596,023
U.S. Government backed securities		210,156		-		28,512		181,644		-
Corporate backed securities		7,402,344		2,350,328		5,052,016		-		-
Less pledged investments		(5,353,333)		(1,515,289)		(767,391)		-		(3,070,653)
Total investments	\$	42,884,469	\$	6,320,445	\$	11,045,789	\$	1,992,865	\$	23,525,370

Investment income receivable was \$352,904 on June 30, 2024 and \$196,124 on June 30, 2023.

PACT categorizes fair value measurement within the fair value hierarchy established by accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table presents the fair value hierarchy for financial instruments measured at fair value on a recurring basis as of June 30, 2024 and 2023:

	June 30, 2024 Fair Value	active for it	ted price in we markets dentical ets rel 1)	oth obs inp	ervable	Signific unobse inputs (Level 3	rvable
U.S. Treasuries & agencies	\$ 10,114,215	\$	10,114,215	\$	-	\$	-
U.S Mortgage-backed securities	29,401,014		-	2	29,401,014		-
U.S. Government backed securities	3,283,873				3,283,873		-
Corporate backed securities	 9,598,737				9,598,737		
Total cash and investments	\$ 52,397,839	\$	10,114,215	\$ 4	2,283,624	\$	
	1 20 2022	acti for i	ted price in ve markets dentical	oth obs	ervable	Signific unobse	
	June 30, 2023	active for it	ve markets dentical ets	oth obs inp	er ervable uts	unobse inputs	rvable
U.S. Treasuries & agencies U.S. Mortgage-backed securities U.S. Government backed securities Corporate backed securities Total cash and investments	\$ June 30, 2023 Fair Value 10,695,883 24,576,087 210,156 7,402,343 42,884,469	active for it	ve markets dentical	oth obs inp (Le	er ervable	unobse	rvable

NOTE 4 - MEMBER ASSESSMENTS RECEIVABLE

Member assessments receivable was \$5,230,272 and \$5,654,347 for the years ended June 30, 2024 and 2023. Amounts receivable at both years' end are primarily assessments for the last quarter of the fiscal year determined based on the annual payroll audits.

NOTE 5 - LIABILITY OF MEMBERSHIP

Members of PACT are jointly and severally liable to pay benefits to injured workers as required by law. Workers compensation pools can be subject to assessments by the Insurance Commissioner should other self-insured workers compensation pools encounter financial difficulties.

NOTE 6 – REINSURANCE & EXCESS INSURANCE

Public Agency Compensation Trust retains a portion of claims prior to the application of coverage provided by its reinsurance and excess insurance contracts. The retention amounts per event are as follows:

Workers Compensation	2023-2024	2022-2023
PACT Retention	\$300,000	\$300,000

PACT Coverage Limits and Reinsurance

Public Agency Compensation Trust offers limits as shown in the policy form. Highlights of some of the limits and sub-limits are shown in the table below. However, PACT obtains various reinsurance and excess insurance policies from several reinsurance companies to bear a portion of the risks not retained by PACT under its retention. The limits shown below include the PACT retention.

COVERAGE LIMITS:

Workers Compensation	2023-2024	2022-2023		
Workers Compensation Coverage Limit	Statutory	Statutory		
Employers Liability Limit	\$2,000,000	\$2,000,000		

REINSURANCE:

	2023-2024	2022-2023
Public Compensation Mutual	\$700,000 excess of Retention plus	\$700,000 excess of Retention plus
Worker Compensation and	25% of \$2,000,000 excess of	25% of \$2,000,000 excess of
Employers Liability	\$1,000,000	\$1,000,000
County Reinsurance Ltd.	75% of \$2,000,000 excess of	75% of \$2,000,000 excess of
	\$1,000,000 workers compensation	\$1,000,000 workers compensation
	plus 75% of \$1,000,000 excess of	plus 75% of \$1,000,000 excess of
	\$1,000,000 employers' liability	\$1,000,000 employers' liability
Safety National Casualty	Statutory plus 50% of \$3,000,000	Statutory plus 50% of \$3,000,000
Company	Quota Share excess of Loss Fund*	Quota Share excess of Loss Fund*
	subject to a minimum of \$10,618,230	subject to a minimum of \$10,133,198
	aggregate retention	aggregate retention
*Note	Loss Fund: \$3.98 per \$100 Payroll	Loss Fund: \$3.98 per \$100 Payroll

Both Public Compensation Mutual and County Reinsurance, Ltd. are nonprofit captive insurance companies in which PACT has a financial interest.

PUBLIC AGENCY COMPENSATION TRUST NOTES TO FINANCIAL STATEMENTS June 30, 2024 and 2023

NOTE 7 - RELATED PARTY TRANSACTIONS

PARMS Contract

Public Agency Risk Management Services, Inc. (PARMS) began to contract with the Nevada Risk Pooling (NRP) to provide management services from July 1, 2020 through June 30, 2022. The Board approved a two-year extension to July 1, 2024 at their April 21, 2022 meeting. PARMS serves as the Executive Director/Administrator. On March 11, 2024, the Board approved a two-year extension to July 1, 2026 with all other terms and conditions unchanged.

Nevada Risk Pooling Grant

Effective July 1, 2019, Public Agency Compensation Trust (PACT) jointly with Nevada Public Agency Insurance Pool (NPAIP) provided a five-year grant to Nevada Risk Pooling, Inc. (NRP), a nonprofit organization formed by the executive director of PACT, Wayne Carlson, and whose directors are Josh Foli, Alicia Heiser, Gina Rackley, Paul Johnson, and Geof Stark. The NRP contract allocation is for PACT to pay 50% and NPAIP 50%. NRP will manage all administrative and risk management duties for NPAIP and PACT.

The cost of this grant is \$1,200,000 for the first year, \$1,242,000 in Fiscal Year 2020-2021, \$1,285,470 in Fiscal Year 2021-2022, \$1,330,461 for Fiscal Year 2022-2023, and \$1,377,028 in Fiscal Year 2023-2024. NRP manages all administrative and risk management duties for NPAIP and PACT. For both years ended June 30, the contract cost was paid 50% by NPAIP and 50% by PACT.

Effective September 1, 2021, Nevada Risk Pooling assumed the brokering and loss control duties previously provided by Willis Pooling. The Board approved bringing these services in-house at their August 24, 2021 meeting. The contract amounts for Fiscal Years Ending June 30, 2024 and 2023 from PACT were \$436,000 and \$436,000. Grant costs to PACT for the years ending June 30, 2024 and 2023 were \$1,124,514 and \$1,101,230 respectively. The grant was extended for another five years beginning July 1, 2024.

Pooling Resources, Inc. Grant

Effective July 1, 2015, Nevada Public Agency Insurance Pool (NPAIP) jointly with Public Agency Compensation Trust (PACT) provided a grant to Pooling Resources, Inc. (PRI), a nonprofit organization formed by the executive director of NPAIP, Wayne Carlson, and whose directors are Josh Foli, Paul Johnson and Geof Stark. PRI provides human resources management services to NPAIP members. PRI pays NRP a management fee to provide operational and financial oversight of PRI. In 2023-2024, PRI's grant cost allocation for POOL was to pay 65% and PACT 35%. Grant costs to PACT for the years ended June 30, 2024 and 2023 were \$496,395 and \$481,937.

Effective July 1, 2020, the grant provided to PRI was renewed for a period of five years. Minimum future payments of the contract are \$511,287.

Public Compensation Mutual

PACT is the sole owner and policyholder of Public Compensation Mutual which was formed by PACT as a non-profit pure captive mutual insurance company. PCM provided \$575,000 for the years ending June 30, 2024 and 2023 to PACT to provide risk management services to the membership. Since 2007, PACT has contributed \$53,700,939 to PCM. No contributions were made in fiscal year 2024 or 2023 to PCM. The Board approved at an annual meeting the transfer of \$2,000,000 from PCM to PACT in fiscal year ended June 30, 2023 by December 31, 2022.

NOTE 7 - RELATED PARTY TRANSACTIONS (continued)

Office accommodations

Nevada Public Agency Insurance Pool (NPAIP) owns the building occupied in part by PACT at no cost or obligation because PACT is comprised of common membership with NPAIP members.

NOTE 8 – PLEDGED INVESTMENTS

According to NRS 616B.353.1(d) and (e) and related regulations, an association of self-insured employers must deposit with the Commissioner a bond or other authorized security, payable to secure payment of the workers compensation benefits to employees. The amounts pledged for years ended June 30, 2024 and 2023 were \$6,454,253 and \$6,166,373. In the event that PACT becomes delinquent in its payment of workers' compensation benefits, the proceeds will be used to satisfy losses, costs or expenses incurred by the Insurance Division.

The minimum required deposits were \$5,755,000 and \$5,726,000 for the years ended June 30, 2024 and 2023. Management does not intend to withdraw available funds; however, a withdrawal of funds in excess of the minimum required deposit is available upon giving notice to and receiving approval from the Nevada Division of Insurance.

	 June 30, 2024	Ju	ine 30, 2023
Cash equivalents	\$ 688,002	\$	795,841
Investments	5,731,644		5,353,332
Investment income receivable	34,607		17,200
Total	\$ 6,454,253	\$	6,166,373

NOTE 9 – ALLOCATION AND RETURN OF ASSESSMENTS REVENUES

The Nevada Revised Statute 616B.368 requires that 75% of assessment revenues collected be placed in a separate account and that disbursements from this account be limited to paying claims, claims related expenses, excess insurance costs, assessments, payments, and penalties related to the subsequent injury fund and the uninsured employer's claim fund. Initially, all funds collected for member assessments and prepayments of assessments and deposits are deposited into the operating account. Periodically, 75% of the assessments are transferred to a separate bank or investment account to comply with this statute.

NOTE 10 - UNPAID LOSS LIABILITIES

The current portion of the long-term loss reserve for 2024 and 2023 is \$7,510,775 and \$7,241,880 with the long-term portion for 2024 and 2023 being \$51,283,225 and \$51,629,120 respectively.

Incurred losses and loss adjustment expenses are comprised of two significant factors. Provisions for events of the current year decreased from \$7,990,744 for 2023 to \$7,719,139 for 2024. The decrease in the provision for insured events of prior fiscal years of \$582,000 and \$137,000 for years 2023 and 2024 reflects changes in case reserves and actuarial reserve calculations for all prior years cumulatively. Individual case reserves may increase or decrease as the case develops over time for various reasons.

NOTE 10 – UNPAID LOSS LIABILITIES (continued)

The following represents changes in those aggregate liabilities:

	<u>2024</u>	<u>2023</u>
Unpaid losses and loss adjustment expenses at beginning of year or period	\$ 58,871,000	\$ 58,367,000
Incurred losses and loss adjustment expenses: Provision for insured events of current year	7,719,139	7,990,744
Increase in provision for insured events of prior fiscal years Total incurred losses and loss adjustment	137,000 7,856,139	582,000 8,572,744
Payments: Claims and claim adjustment expenses		
attributable to insured events of current fiscal year/period	(1,879,000)	(1,633,000)
Claims and claims adjustment expenses		
attributable to insured events of prior years Total Payments	<u>(6,054,139)</u> (7,933,139)	(6,435,744) (8,068,744)
Unpaid claims and claims adjustment expenses at end of fiscal year	\$ 58,794,000	\$ 58,871,000

NOTE 11 – CONCENTRATIONS

PACT is the sole owner and policyholder of Public Compensation Mutual (PCM) which was formed by PACT as a non-profit pure captive mutual insurance company. Re-insurance premiums were paid by PACT to PCM for the years ended June 30, 2024 and 2023 in the amounts of \$2,912,546 and \$2,601,409 respectively.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated the activities and transactions subsequent to June 30, 2024 to determine the need for any adjustments to and disclosure within the financial statements for the year ended June 30, 2024. Management has evaluated subsequent events through September 23, 2024 which is the date the financial statements were available for issue.

PUBLIC AGENCY COMPENSATION TRUST

COMPARATIVE S CHEDULE OF CLAIM DEVELOPMENT FOR WORKERS COMPENSATION – (UNAUDITED) EARNED ASSESSMENTS AND ALLOCATED EXPENSES FOR TEN-YEAR PERIOD - YEAR ENDED JUNE 30,

Required Contributions	2015	<u>2016</u>	<u>2017</u>	2018	<u>2019</u>	2020	2021	2022	<u>2023</u>	<u>2024</u>
& Investment Income:										
Earned	\$17,557,830	\$18,508,907	\$14,573,896	\$11,270,837	\$15,890,773	\$14,712,479	\$17,126,155	\$11,960,488	\$19,212,634	\$22,207,041
Ceded	1,626,286	1,621,360	1,770,677	2,457,932	2,144,133	2,670,526	2,990,413	3,057,662	3,097,121	3,684,484
Net earned	15,931,544	16,887,547	12,803,219	8,812,905	13,746,640	12,041,953	14,135,742	8,902,826	16,115,513	18,522,557
Unallocated Expenses	6,114,625	6,130,390	7,370,873	8,345,504	9,336,538	4,781,074	4,336,791	4,430,263	4,237,903	4,238,762
Estimated Incurred Claims & Expen	nse End of Polic	ey Year:								
Incurred	8,324,685	8,809,127	8,905,595	8,020,826	8,054,118	10,592,201	10,164,050	8,426,681	7,990,744	7,719,139
Ceded	-	-	-	-	-	-	-	-	-	
Net Incurred	8,324,685	8,809,127	8,905,595	8,020,826	8,054,118	10,592,201	10,164,050	8,426,681	7,990,744	7,719,139
Net Paid (cumulative) as of:										
End of policy year	1,512,648	1,581,898	1,788,670	1,734,359	2,245,351	2,453,286	2,271,045	1,632,000	1,633,000	1,879,000
One Year Later	2,901,684	3,378,486	4,153,214	3,738,335	4,193,000	5,213,000	4,583,000	4,056,000	4,313,000	
Two Years Later	3,545,887	4,117,819	5,062,121	4,341,000	5,674,000	6,252,000	5,537,000	4,886,000		
Three Years Later	3,855,565	4,541,756	5,478,000	4,840,000	5,915,000	6,793,000	6,406,000			
Four Years Later	3,929,559	4,769,000	5,950,000	5,061,000	6,220,000	7,051,000				
Five Years Later	3,985,000	5,127,000	6,266,000	5,348,000	6,357,000					
Six Years Later	4,092,000	5,649,000	6,443,000	5,471,000						
Seven Years Later	4,539,000	6,066,000	6,457,000							
Eight Years Later	4,595,000	6,119,000								
Nine Years Later	4,666,000									
Re-estimated ceded claims & Exper	ises -	34,027	36,567	41,272	39,269	8,651	5,653	2,127	-	-
Re-estimated Claims & Expense										
End of policy year	8,324,685	8,809,127	8,905,595	8,020,826	8,054,118	10,592,201	10,164,050	8,426,681	7,990,744	7,719,139
One Year Later	8,035,685	8,841,127	9,105,595	7,561,826	8,059,118	9,665,459	9,934,305	7,251,000	8,302,000	
Two Years Later	7,921,685	8,772,127	9,116,595	9,460,826	8,553,118	9,366,459	10,071,305	7,050,000		
Three Years Later	7,702,685	8,638,127	9,173,595	7,509,826	8,103,118	9,405,459	10,183,305			
Four Years Later	7,570,685	8,499,127	9,467,595	7,704,826	8,299,118	9,347,459				
Five Years Later	7,411,685	9,092,127	9,425,595	7,534,826	8,014,118					
Six Years Later	7,419,685	9,159,127	9,366,595	7,486,826						
Seven Years Later	7,440,685	9,273,127	9,217,595							
Eight Years Later	7,647,685	9,340,127								
Nine Years Later	7,668,685									
Increase (decrease) in estimated										
incurred claims & expenses from										
end of policy year	(656,000)	531,000	312,000	(534,000)	(40,000)	(1,244,742)	19,255	(1,376,681)	311,256	-

		_			_				_			_		
			2022-23	2022-23		2023-24	2023-24	2023-24	2024-25	2024-25	2024-25	2025-26	2025-26	2025-26
			CLASS	LOSS		CLASS	LOSS	%	CLASS	LOSS	%	CLASS	LOSS	%
Class Code	DEPARTMENT		RATE	RATE	1	RATE	RATE	Change	RATE	RATE	Change	RATE	RATE	Change
6301S	SCHOOL DISTRICTS, COUNTY & CITY		2.96	1.96	5	3.14	2.07	6%	3.17	2.10	1%	3.17	2.10	0%
6301SB	SCHOOL TRUSTEES - Deemed Wage \$250/Month		2.96	1.96	5	3.14	2.07	6%	3.17	2.10	1%	3.17	2.10	0%
6301SV	SCHOOL VOLUNTEERS - Deemed Wage \$100/Month		2.96	1.96	5	3.14	2.07	6%	3.17	2.10	1%	3.17	2.10	0%
7704	FIREMEN, AMBULANCE (Part of Fire Dept.)		25.78	17.27	7	28.87	19.35	12%	30.32	20.31	5%	30.32	20.31	0%
7710V	VOLUNTEERS AMBULANCE (Not Part of Fire Dept.) - Deemed Wage \$2,000/Month		1.64	1.10)	1.84	1.23	12%	1.93	1.29	5%	1.93	1.29	0%
7720	LAW ENFORCEMENT		22.16	14.85	5	24.82	16.63	12%	26.06	17.46	5%	26.06	17.46	0%
7726V	VOLUNTEERS POLICE - Deemed Wage \$900/Month		1.18	0.79	e e	1.32	0.88	12%	1.38	0.93	5%	1.38	0.93	0%
8810	CLERICAL EMPLOYEES NOT OTHERWISE CLASSIFIED		0.81	0.54	1	0.86	0.58	6%	0.88	0.59	3%	0.88	0.59	0%
8833H	HOSPITALS		3.30	2.21	L	3.50	2.35	6%	3.54	2.37	1%	3.22	2.16	-9%
9410	GOVERNMENT EMPLOYEES, Not Otherwise Classified		5.23	3.50)	5.54	3.71	6%	5.71	3.82	3%	5.71	3.82	0%
9410A	COURT ASSIGNED PERSONS - Deemed Wage \$50/Month		4.92	3.30)	5.22	3.50	6%	5.38	3.60	3%	5.38	3.60	0%
9410B	GOVERNMENT BOARDS - Deemed Wage \$250/Month		4.87	3.26	5	5.16	3.46	6%	5.32	3.56	3%	5.32	3.56	0%
9410V	GOVERNMENT VOLUNTEERS - Deemed Wage \$100/Month		4.78	3.21	L	5.07	3.40	6%	5.22	3.50	3%	5.22	3.50	0%
9908	PRISONERS INCLUDING JUVENILE DETAINEES - \$1/Day for each day worked		189.43	126.92	2	212.16	142.15	12%	222.77	149.26	5%	222.77	149.26	0%

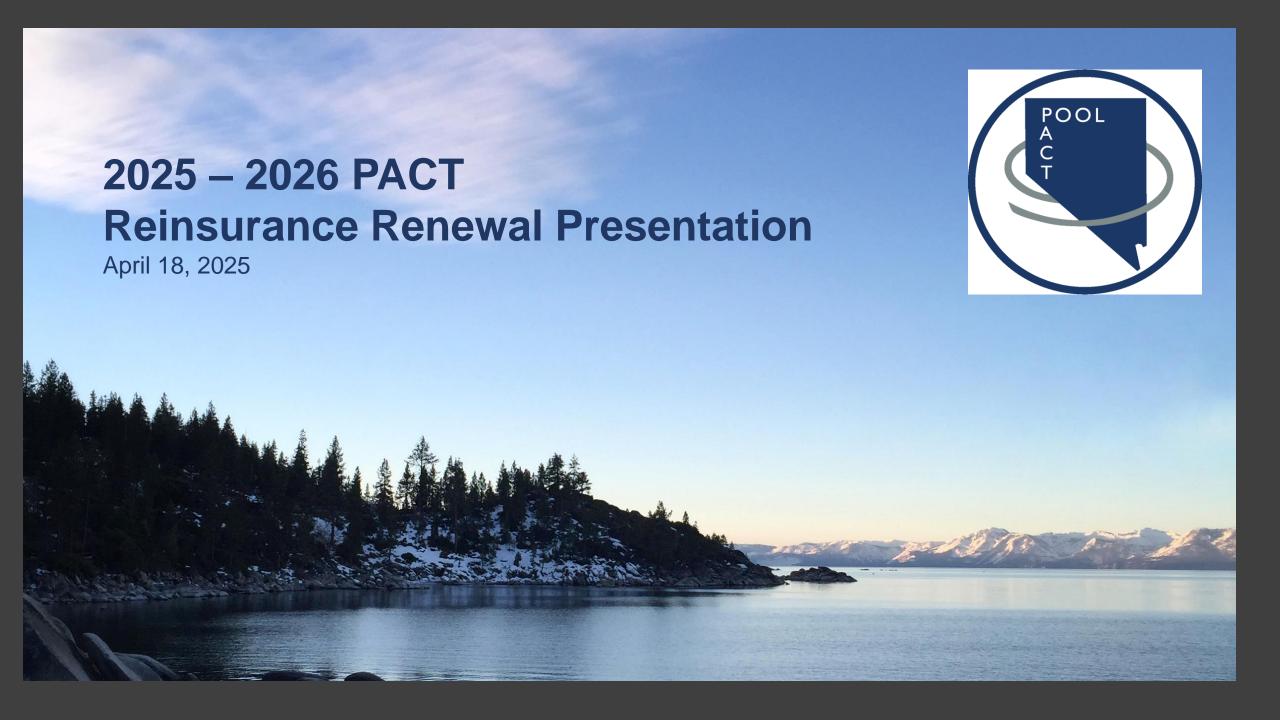
2021-22 using Board approved Rate Relativity Study as determined by independent actuary. 75% CL

2022-23 using Board approved 8% Flat Rate increase on FY 2021-22 rates.75% CL

2023-24 using Board approved 6% Flat Rate Govt and 12% Police/Fire increase on FY 2022-23 rates.75% CL

2024-25 using Board approved 1% Schools, 5% Fire/Police, 1% Hospitals, 3% Gov'tincrease on FY 2023-24 rates.75% CL

2025-26 using Board approved rates Flat Rate for Schools, Police/Fire, Government, -9% Hospitals compared to FY 2024-25 rates.75% CL



Public Agency Compensation Trust 2025-2026

Workers Compensation Structure



Claims Happen

<u>UNDER</u> \$1,000,000 (within PACT and PCM Layers)

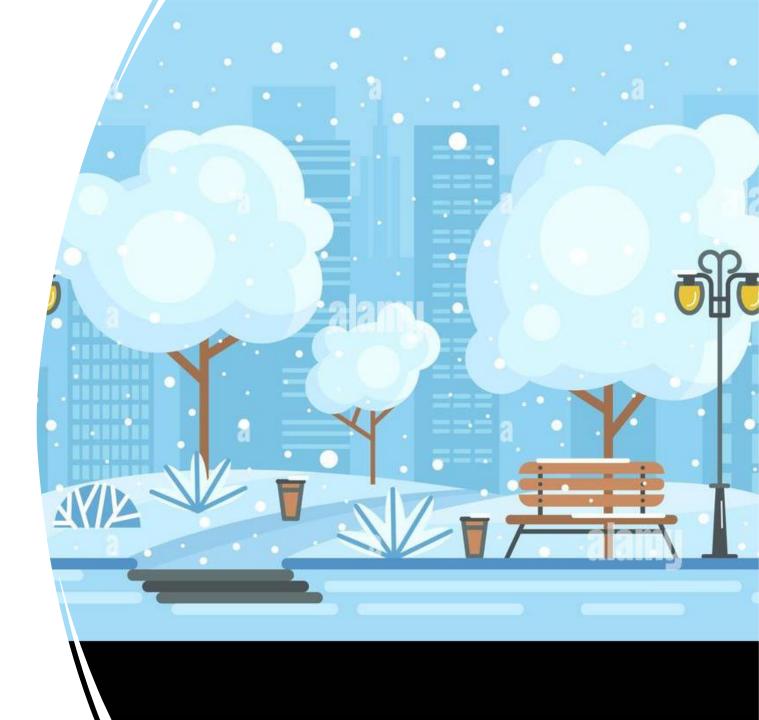
Workers' Compensation – Over the last 10yrs -

\$66,129,130

(\$300K PACT and \$700K PCM)

Who Pays What

 An employee was spreading ice melt after a storm. They lost their traction and fell, hitting the back of their head. The employee passed from the injuries. Total Incurred Loss is valued at **\$1.1M** (Total Incurred = Amount Paid plus Open Reserves). Who Pays What?

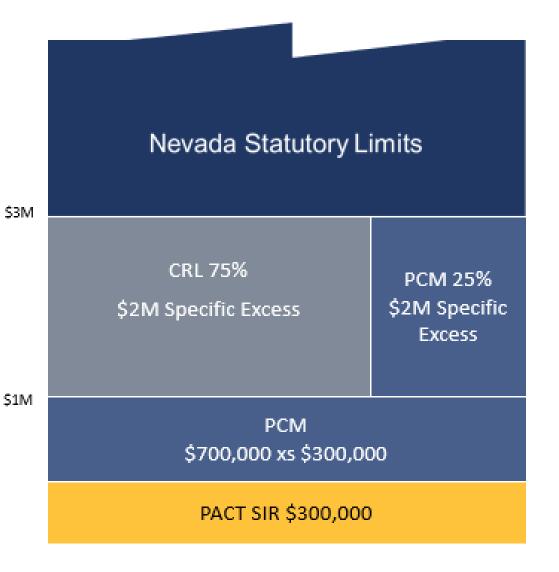




- As the loss develops it will be paid out as follows:
- Claim: \$1,100,000
- PACT will pay the first \$300,000
- **PCM** will pay the next **\$700,000**
- Markets will pay the remaining\$100,000

(CRL paying \$75,000 and **PCM** paying **\$25,000**)

Note that PCM total payment is \$725,000



Claims Happen – Some Large Losses

- Heart Claim: Duty Belt pressed on right thigh groin: DVT: HA \$2.8M
- Officer: Directing traffic, was truck by a car. \$2.8M
- COVID Claim: Contact with inmate with COVID: Death \$2.6M
- COVID Claim: LE : Died Lung Disease: \$2.5M
- Fire Fighters: Major burns, fire caused by downed aircraft \$2.3M
- Fire Fighter: Heart Myocardial infarction \$1.8M
- Fire Fighter: Heart, A Fib, Brain \$751K

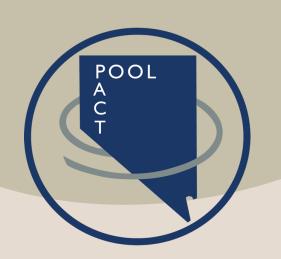
- Building Maintenance: Spreading ice melt, slipped, fell on head, death \$1.1M
- Fire Fighter: Exposed to toxic fumes \$710K
- Building Inspector: Slip, trip, fall multiple body parts \$787K
- Building Maintenance: Slip, Trip, Fall off roof, multiple body parts \$685K
- Fire Fighter: Strain, lifting patient, multiple body parts \$750K
- LE: Shot in line of Duty: Survived \$900K

2025 – 2026 PACT Reinsurance Renewal Quotes

20)25 - 2026 PACT Renewa	I Quotes & Indications		
	Premium with 2024 Rates applied to 2025 Exposures			
Insurance Market	CRL/Safety National	CRL/Safety National		
	\$300,000 Retention PACT, \$700,000 xs \$300,000 PCM, 75/25 Quota Share with CRL up to \$3M with Safety National attaching at \$3M and aggregate split 50/50 between Safety National	\$300,000 Retention PACT, \$700,000 xs \$300,000 PCM, 75/25 Quota Share with CRL up to \$3M with Safety National attaching at \$3M and aggregate split 50/50 between Safety National	% Rate Change	\$ Change
	and PCM Premit	and PCM		
PCM	\$2,657,488	\$3,299,701	24.17%	\$642,213
CRL	\$834,861	\$810,765	-2.89%	-\$24,096
Safety National	\$134,493	\$147,000	9.30%	\$12,507
				•
Total Premium	\$3,626,842	\$4,257,466	17.39%	\$630,624
DACT CID	Program		No Change	No Change
PACT SIR PCM Primary Layer	\$300,000 \$700k xs \$300k	\$300,000 \$700k xs \$300k	No Change No Change	No Change No Change
PCM 25% \$2M Specific Excess	\$2M xs \$1M	\$2M xs \$1M	No Change	No Change
CRL 75% \$2M Specific Excess	\$2M xs \$1M	\$2M xs \$1M	No Change	No Change
Excess of \$3M	Statutory	Statutory	No Change	No Change
PCM 50% Aggregate Limit	\$3,000,000	\$3,000,000	No Change	No Change
CRL 50% Aggregate Limit	\$3,000,000	\$3,000,000	No Change	No Change
Payroll	\$278,423,878	\$234,268,418	-15.86%	-\$44,155,460

PACT Budget Annual Board Presentation

April 18, 2025



Budget Elements

Assessments Actuarial Data

Loss Fund & Insurance Expense

Program Expenses

Administration Expenses

SUMMARY

PACT Financial Strength & Stability

- Must fund the Legal Liability Created by Statutory Coverage....
- Collect the Rate During the Year of Operation The Goal is to never have a Special Assessment Claim payments can exceed 50 years
- Develop Programs and provide Risk Management Services to protect covered Employees and the Member's Financial Liability
- Member Owned Program.... Member pay the Claims...
 PACT PCM CRL Non-Profit Programs
 Safety National is the only For-Profit Insurance Company in the Quilt What's your Unfunded Liability? Nevada PERS
- Long-Term Program Commitment : Bend the Curve Support your Employees : Invest in Safety & Wellness

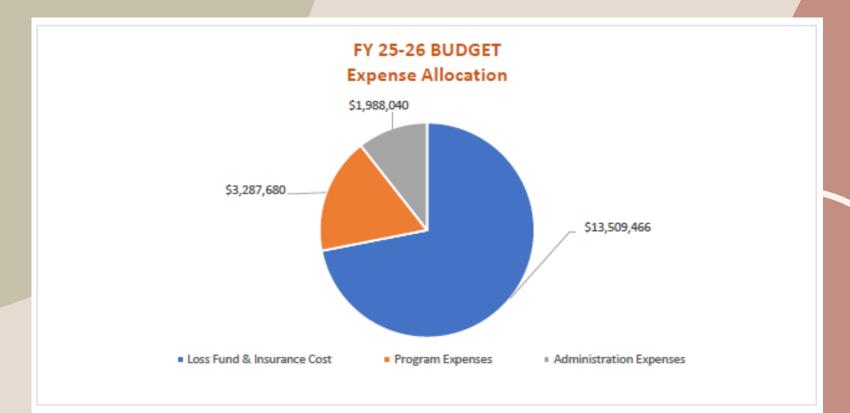
PACT BUDGET 2025-2026

PACI BUDGET 2023-2026												
					Appi E	utive Committee roved FY 2025-26 Budget 75% CL						
Presented at Executive Committee December 24						hools 0, Fire 0,						
and 3-31-25 Adoption set at Annual Meeting	F	Y 2023-2024	FY 2	024-25 Budget	Poli	ce 0, Hospital -9,			Percentage	% of Total		
April 18, 2025.		Audit		80% CL		Govt 0	Do	llar Change	Change	Revenues	Notes	
Revenues			_	st 6 members								
Assessments	\$	18,915,112		18,197,290	\$	18,657,911	\$	460,621	2.53%	97.0%	Executive Committee Approved: Flat Rate:-9% Hospitals, Capped X-Mod Rates, 75% CL	
PCM Risk Management Fee	\$	575,000	\$	575,000	\$	575,000	\$	-	0.00%	3.0%		
Total Revenues	\$	19,490,112	\$	18,772,290	\$	19,232,911	\$	460,621	2.45%	100.0%		
Loss Fund & Insurance Expense												
Claims and Adjustment Expenses including HL		7,856,139		9,460,000	\$	9,252,000	\$	(208,000)	-2.20%		Executive Committee Approved December 2024 75% CL	
Heart Lung Loss Reserves Expenses	\$	-	\$	-			\$	-			Heart Lung Losses blended in Claims & Adjustment Expenses FY 22	
Excess Insurance Premiums	\$	771,938		1,026,889		957,765	\$	(69,124)	-6.73%		CRUSafety National Quotes :	
Reinsurance Premium (PCM)	\$	2,912,546	-	3,158,377	\$	3,299,701	\$	141,324	4.47%	17.2%	Actuarial 75% CL Plus PCM Admin Cost Allocation	
Total Loss Fund and Insurance Expenses	\$	11,540,623	\$	13,645,266	\$	13,509,466	\$	(135,800)	-1.00%	70.2%		
Program Expenses		CO7 707	۱,	1 510 005		1 401 745	_	(50.000)	2.440/	7.50	DDL Tools Calation 24/7/205 CMD EAD MCDC On line Education	
Member Education and services	\$	697,797 436,000		1,513,825 436,000		1,461,745 336,901	\$	(52,080) (99,100)	-3.44% -22.73%		PRI, Target Solution, 2477365, CWP,EAP, MSDS On-line, E-learning Willis Fees: To NRP to provide serives In-House : PACT Total NRP Allocaton @ 50%	
Loss control expenses	\$	436,000		435,000		425,000	\$	(99,100)	0.00%		Board Policy: LCC Monitor Amounts \$500K -\$100K ERMEP Incentives	
Risk Management Grants	\$	1,041,162		1,033,043		1,064,034	\$	30,991	3.00%	I .	Davies cost plus contract amount	
Underwriting and claims processing	S				-		Ť				Davies cost pius contract amount	
Total Program Expenses	٥	2,216,019	\$	3,407,868	\$	3,287,680	\$	(120,188)	-3.53%	17.1%		
Administration Expenses											NRP Reduced Grant Amount by \$500K	
Management Services	\$	688,514	\$	487,744	\$	336,901	\$	(150,844)	-30.93%	ı	Updated Apportionment 60/40 9.8% PCM 30.2% PACT	
Professional Fees	\$	83,582		87,761		90,833	\$	3,072	3.50%		Independent Audit, Payroll Audits, Actuarial	
Administrative and Overhead	\$	739,450		761,634		780,674	s	19,041	2.50%		Rent, Utilities, Copier, Phone, Training, Technology, Support	
Insurance Division Fees	\$	482,567		853,278		750,000	\$	(103,278)	-12.10%		Estimated budget amount payable to State of Nevada	
Nevada Insolvency Fund and related expenses	\$	28,630		27,547		29,632	\$	2,085	7.57%	I .	State of Nevada mandated fees	
Total Administrative Expenses	\$	2,022,743	\$	2,217,963	\$	1,988,040	\$	(229,924)	-10.37%	10.3%		
,												
Operating Income (Loss)	\$	3,710,727	\$	(498,807)	\$	447,726	\$	946,533				
Investment Income		2,716,929		1,618,750		1,988,040	\$	369,290	13.59%		Earnings from Investment Portfolio managed by NEAM, SAA	
Net Gain (Loss)	\$	6,427,656	\$	1,119,943	\$	2,435,766	\$	1,315,823	117.49%	12.7%	<u>-</u> , ·	
Net Gain (Loss) After Loss Control Grants	\$	6,427,656	\$	1,119,943	\$	2,435,766						
										110%		
Transfer/Return of Capital from PCM To PACT	No	ne	Nor	ne at this time	Non	e at this time						

PACT FY 26 Budget

PACT FY 26 Budget Allocation:			% Total	% Allocation
Loss Fund & Insurance Cost		\$	13,509,466	71.92%
Program Expenses		Ş	3,287,680	17.50%
Administration Expenses		\$	1,988,040	10.58%
	Total	\$	18,785,185	100.0%





Assessments/Revenues

Assessments

Covered Payroll * Classification * Mod Factor

Mod-Factor Considerations FY 25 26
Individual Losses limited to \$100,000
Payroll amounts weighted based on class codes
Experience period 4 Year Period FY 20-FY 24
Max Change -10% +15%

PACT Average 1.0 Lowest 0.73 Highest 1.41

PCM Investment in Risk Mitigation Services (\$575,000 annually)

Investment Earnings (Interest Income Only)
Covers Administrative Expenses



Loss Fund and Insurance Expense

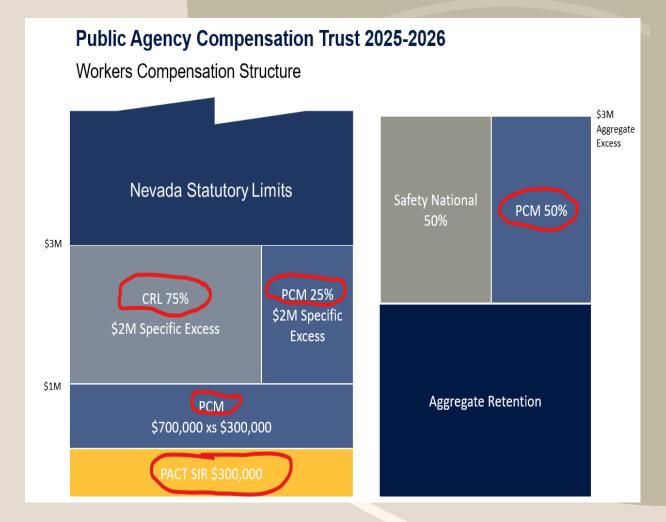
Claims & Claims Adjustment Expense (PACT Funding Layer)

Determined by Actuary 4 years of data: Various Confidence Levels provided \$9,252,000 @ 75% CL

Excess Insurance Premiums
CRL and Safety National
\$810,765 CRL \$147,000 Safety National
10 Years Data

PCM Reinsurance Premiums
Actuarial Rate + PCM Admin Expenses
\$3,299,701

Est. Total \$13,509,466



Actuarial Data: PACT Rating



PACT Funding Projections

Funding Projections

The following table presents our estimates of ultimate costs for the upcoming program year.

Projected Ultimate Costs Fiscal Year 2025-26, SIR of \$300,000

		+	Con	Confidence Level					
Dollars (\$000s)	Expected ¹	70%	75%	80%	85%	90%			
Loss & ALAE	\$8,173	\$8,949	\$9,252	\$9,603	\$10,020	\$10,576			
Total Funding Rate ²	\$2.927	\$3.205	\$3.314	\$3.439	\$3.589	\$3.788			

Expected values represent the "best actuarial" or "central" estimate.

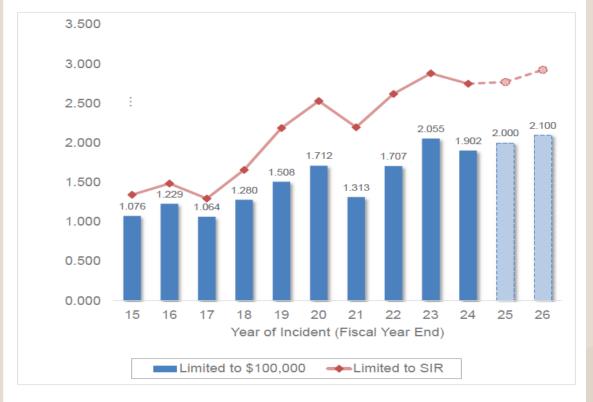
² Rate is per \$100 of payroll.

Actuarial Projections

Loss Rate Trend

We have evaluated the trend in PACT's projected ultimate loss & ALAE rate. This rate equals projected ultimate loss and ALAE (limited to either \$100,000 per occurrence or the current SIR of \$300,000) divided by payroll in \$100s, as displayed in the following graph.

Loss & ALAE Rate Trend¹ Ultimate Loss & ALAE / Payroll (\$100s)



Losses are at expected (no risk margin) and are not discounted to reflect net present value.

Average Claim Size (Severity) Trend

We have evaluated the trend in PACT's projected ultimate claim size (or "severity"). The ultimate claim size equals projected ultimate loss & ALAE (limited to either \$100,000 per occurrence or the current SIR of \$300,000) divided by the projected ultimate number of reported claims, as displayed in the following graph.

Average Claim Size Trend¹ Ultimate Loss & ALAE / Ultimate Reported Claims



Actuarial Projections

Comparison of Funding Projections: Prior vs. Current Reports

The following table compares our funding estimate for the 2024-25 year from our prior report to our funding estimate of the 2025-26 year from our current report.

Change in Funding Estimates

At Expected (without Risk Margin) Net of Reinsurance

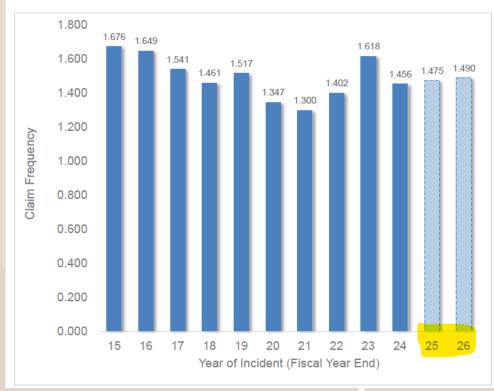
/ L ZXPOOLOG (WILLIOGE TO	on man g/,			
	Prior	Current		
	Report ¹	Report ¹	Dollar	Percent
Dollars (\$000s)	2024-25	2025-26	Change	Change
Ultimate Loss and ALAE	\$8,044	\$8,173	\$129	1.6%
Rate (Undiscounted) ²	\$2.927	\$2.927	0	0.0%

- The SIR in both the prior and current reports is \$300,000.
- 2 Rate is per \$100 of payroll.

Claim Frequency Trend

We have evaluated the trend in PACT's claim frequency. The claim frequency equals projected ultimate number of reported claims divided by payroll in \$ millions, as displayed in the following graph.

Claim Frequency Trend
Ultimate Reported Claims / Payroll (\$ Millions)



CRL and Safety National Rating: PACT

CRL Reinsurance Structure

Ceding Entity's Retention: WC: \$1,000,000 per Occurrence; 25% of 1,000,000 excess of \$1,000,000

EL: \$1,000,000 per Occurrence; 25% of 1,000,000 excess of \$1,000,000

Reinsurance Limit: WC: 75% of \$2,000,000 excess of \$1,000,000 EL: 75% of \$1,000,000 excess of \$1,000,000

Method: Expenses inside the limit of liability

Deductibles inside the retention 0.3790 (per \$100 in payroll)

Rate: 0.3790 Premium: \$810,765

Certificate: CRL WC Certificate Approved 12-27-17

SNCC Excess Structure

Ceding Entity's Retention: WC: \$3,000,000 per Occurrence EL: \$3.000,000 per Occurrence

Excess Limit: S3,000,000 per Occurrence

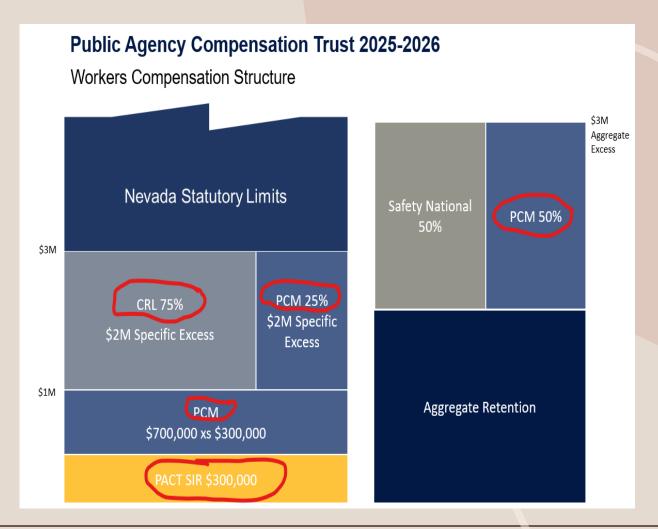
Excess Limit: WC: Difference between the Ceding Entity's Retention and Statutory Limits per Occurrence

EL: Difference between the Ceding Entity's Retention and \$5,500,000 per Occurrence

Method: Expenses inside the limit of liability

Deductibles inside the retention

Aggregate Excess: \$1,500,000 Aggregate Limit (50% of \$3,000,000); \$500,000 Loss Limit



CRL and Safety National Rating: PACT

Premium Analysis

Rate x Exposure = Premium 4.3% -15.9% -12.3%

Rates: 4.3%

	Last Year's Losses	Renewal Losses	\$ Change	% Change
7/1/2012	\$1,243,627		(\$1,243,627)	N/A
7/1/2013	\$1,433,815	\$1,517,508	\$83,693	5.8%
7/1/2014	\$0	\$0	\$0	0.0%
7/1/2015	\$0	\$117,822	\$117,822	1000.0%
7/1/2016	\$0	\$0	\$0	0.0%
7/1/2017	\$4,000,000	\$4,000,000	\$0	0.0%
7/1/2018	\$1,639,349	\$2,000,000	\$360,651	22.0%
7/1/2019	\$723,726	\$863,344	\$139,618	19.3%
7/1/2020	\$3,004,605	\$2,862,747	(\$141,858)	-4.7%
7/1/2021	\$2,423,690	\$2,000,000	(\$423,690)	-17.5%
7/1/2022		\$0	\$0	N/A
Total:	\$14,468,812	\$13,361,421	(\$1,107,391)	-7.7%

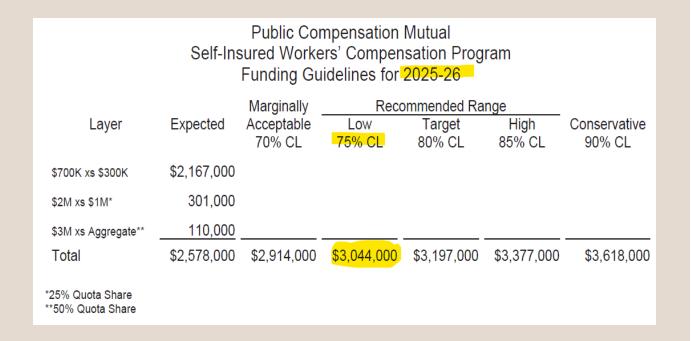
Exposures: -15.9%

*Composite change, based on overall changes in payroll.

Premium: -12.3%

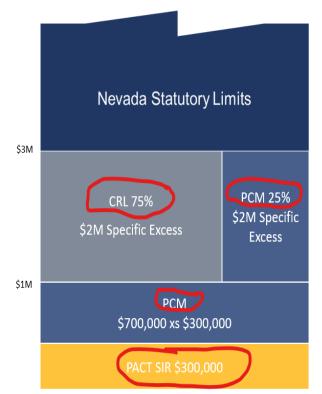
Last Year	Renewal	\$ Change	% Change
\$1,041,519	\$913,610	(\$127,909)	-12.3%

PCM Reinsurance: PACT



Public Agency Compensation Trust 2025-2026

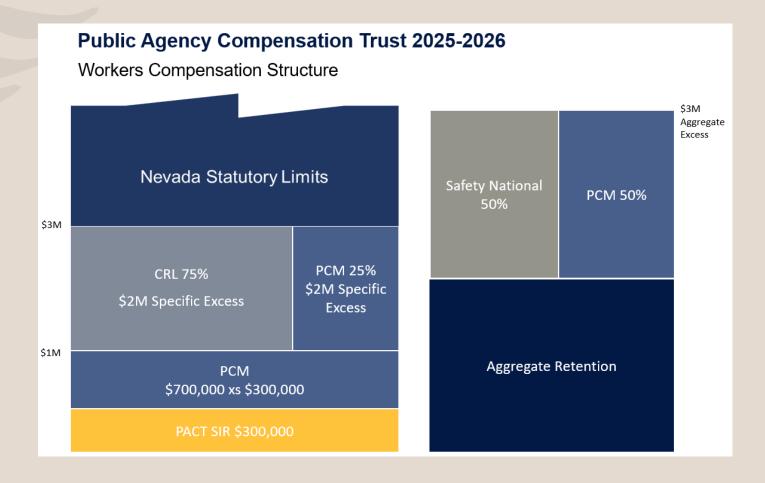
Workers Compensation Structure





PACT Cost of Coverage FY 2025-26 Budget 71.92%





PACT: \$300,000 Layer 80% CL = **\$9,252,000** Loss Fund Contribution

PCM: \$700,000 Layer + 25% 75% CL = **\$3,299,701** Loss Fund Contribution

CRL: \$2M Specific Excess 75% Quota Share **\$810,765**

Safety National = \$147,000

Claims and Insurance Summary

> PACT has not reached the 65% Benchmark for amount spent on Loss Fund and Claims expense in the past 6 years....

> Best Rate was in FY 2017 at 68.2%.... Worse Rate FY 2019 at 96.7% Six Year Average is 86.4%

Claims are driving the increases
Proposed Budget **71.92%** of Costs



PACT Program & Administration Budget

PACT BUDGET 2025-2026

Presented at Executive Committee December 24					App S	cutive Committee proved FY 2025-26 Budget 75% CL chools 0, Fire 0,					
and 3-31-25 Adoption set at Annual Meeting	FY		FY 2	024-25 Budget	Pol	ice 0, Hospital -9,			Percentage	% of Total	
April 18, 2025.	<u> </u>	Audit	╙	80% CL	┡	Govt 0	Do	llar Change	Change	Revenues	Notes
Program Expenses											
Member Education and services	\$	697,797	\$	1,513,825	\$	1,461,745	\$	(52,080)	-3.44%	7.6%	PRI, Target Solution, 24/7/365, CWP,EAP, MSDS On-line, E-learning
Loss control expenses	\$	436,000		436,000		336,901	\$	(99,100)	-22.73%		Willis Fees: To NRP to provide serives In-House : PACT Total NRP Allocaton @ 50%
Risk Management Grants	\$	41,060		425,000		425,000		-	0.00%		Board Policy: LCC Monitor Amounts \$500K -\$100K ERMEP Incentives
Underwriting and claims processing	\$	1,041,162	\$	1,033,043	\$	1,064,034	\$	30,991	3.00%	5.5%	Davies cost plus contract amount
Total Program Expenses	\$	2,216,019	\$	3,407,868	\$	3,287,680	\$	(120,188)	-3.53%	17.1%	
Administration Expenses											NRP Reduced Grant Amount by \$500K
Management Services	\$	688,514		487,744	_	336,901			-30.93%		Updated Apportionment 60/40 9.8% PCM 30.2% PACT
Professional Fees	\$	83,582		87,761		90,833		3,072	3.50%		Independent Audit, Payroll Audits, Actuarial
Administrative and Overhead	\$	739,450		761,634		780,674		19,041	2.50%		Rent, Utilities, Copier, Phone, Training, Technology, Support
Insurance Division Fees	\$	482,567		853,278		750,000	\$	(103,278)	-12.10%		Estimated budget amount payable to State of Nevada
Nevada Insolvency Fund and related expenses	\$	28,630	_	27,547	.	29,632		2,085	7.57%		State of Nevada mandated fees
Total Administrative Expenses	\$	2,022,743	\$	2,217,963	\$	1,988,040	\$	(229,924)	-10.37%	10.3%	
Constitution to a second	,	2 710 727	ć	(498,807)	Ś	447 726		046 522			
Operating Income (Loss) Investment Income	\$	3,710,727 2,716,929	Ş	1,618,750	- T	447,726 1,988,040	\$	946,533 369,290	13.59%		Forming of form Investment Bertfelia assuranced by NEANA CAA
			•			2,435,766	*			13.70/	Earnings from Investment Portfolio managed by NEAM, SAA
Net Gain (Loss)	•	6,427,656	•	1,119,943	•	2,433,700	Þ	1,315,823	117.49%	12.7%	
Net Gain (Loss) After Loss Control Grants	s	6,427,656	s	1,119,943	s	2,435,766					
The case (East) right assistant and a	Ť	0, 127,030	Ť	2,225,510	Ť	2,103,100				110%	
Transfer/Return of Capital from PCM To PACT	Nor	ie .	Nor	ne at this time	No	ne at this time					

NRP Expense Allocations



- Allocation Based on Time and Effort to Support the Various Programs.
- POOL/PRM 60% PACT/PCM 40%
- Captive Allocation 9.8% Regulatory Filings

Allocation %	POOL	PRM	Total	PACT	PCM	Total	Totals	Change
FY 2021-2022	40.1%	9.9%	50.0%	40.1%	9.9%	50.0%	\$ 2,544,740.00	
FY 2022-2023	40.1%	9.9%	50.0%	40.1%	9.9%	50.0%	\$ 2,599,279.10	\$ 54,539.10
FY 2023-2024	40.1%	9.8%	50.0%	40.2%	9.8%	50.0%	\$ 2,655,680.64	\$ 56,401.54
FY 2024-2025	40.2%	9.8%	50.0%	40.2%	9.8%	50.0%	\$ 2,155,680.64	\$ (500,000.00)
FY 2025-2026	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,231,129.46	\$ 75,448.82
FY 2026-2027	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,309,219.00	\$ 78,089.53
FY 2027-2028	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,390,041.66	\$ 80,822.66
FY 2028-2029	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,473,693.12	\$ 83,651.46
								•
Dollar Difference from 50/50	POOL	PRM	Total	PACT	PCM	Total	Proof Total	
FY 2025-2026	91,959.82	95,445.63	187,405.45	\$ (282,851.08)	95,445.63	(187,405.45)	\$ -	
FY 2026-2027	95,178.41	98,786.23	193,964.64	\$ (292,750.87)	98,786.23	(193,964.64)	\$ 0.00	
FY 2027-2028	98,509.65	102,243.74	200,753.40	\$ (302,997.15)	102,243.75	(200,753.40)	\$ 0.00	
FY 2028-2029	101,957.49	105,822.28	207,779.77	\$ (313,602.05)	105,822.28	(207,779.77)	\$ 0.00	

Public Compensation Mutual

PCM	2023	2024	2025			Notes
			Renewal 75% CL			
REVENUES	Audit	Audit	Budget	\$ Difference	% Difference	
Premiums earned	\$ 2,756,977	\$ 3,035,461	\$ 3,299,701	\$ 264,240	10.2%	75% CL + Admin Expenses
Net Investment Income	2,998,880	4,213,795	2,617,250	\$ (1,596,545)	-55.1%	Kelly's est @ 95% - investment fees
Net Realized and Unrealized G/L on invest	2,081,667	1,556,957	-	\$ (1,556,957)	35.3%	No adjustment for Realized/Unrealized Gains/Los
Total Revenues	7,837,524	8,806,213	5,916,951	\$ 4,840,643	449.7%	
EXPENSES						
Administration expenses						
NRP Contract	166,370	144,208	218,651	74,443	46.0%	60/40 Split Captives 9.8%
Actuary	7,180	7,320	7,800	480	6.8%	Increase consistent with Prior Years
Audit	17,035	17,151	18,250	1,099	6.1%	Increase consistent with Prior Years
Insurance Division Audit/Fees	6,383	7,753	11,000	3,247	30.3%	
Technology Agreement				-		
Meeting, Training, Legal	408	256		(256)		
Total Administratiion expenses	197,376	176,688	255,701	79,013	40.0%	
Program/Member Services expenses						
RM Payment to PACT: for Target Solutions						
Risk Management Services Payment to PACT	575,000	575,000	575,000	-	0.0%	Transfer to pay for member services
Associations, Conferences, Training & Education						
Total Program/ Member Services	575,000	575,000	575,000			
Total Combined expenses	772,376	751,688	830,701	58,155	7.5%	
Loss and Loss Adjustment Expenses	2,030,001	1,164,257	3,197,000	(1,200,000)	-27.3%	Actuarial Loss Calculations 80% CL
					4	
Total Expenses	\$ 2,802,377	\$ 1,915,945	\$ 4,027,701	\$ (1,141,845)	\$ (0)	
Revenues over Expenses	\$ 5,035,147	\$ 6,890,268	\$ 1,889,250			
Proposed Transfer of Capital TO PACT		\$ -	\$ -	Provide Cash/Net	Position to PACT for	or Financial Strength

Summary

- PACT Loss Fund contribution based on 75% Confidence Level
- July 1, 2025
 Actuary Recommended Slight Increases
 Same Rate Approved Executive Committee
 Hospital Rates -9%
 - X-Mod Updated by Actuary
- Payroll Assessment Period is a Calendar
 Year Basis Payroll Audits February March
- Covered Payroll Capped at \$36,000



PACT Financial Strength & Stability

- Must fund the Legal Liability Created by Statutory Coverage....
- Collect the Rate During the Year of Operation The Goal is to never have a Special Assessment Claim payments can exceed 50 years
- Develop Programs and provide Risk Management Services to protect covered Employees and the Member's Financial Liability
- Member Owned Program.... Member pay the Claims...
 PACT PCM CRL Non-Profit Programs
 Safety National is the only For-Profit Insurance Company in the Quilt What's your Unfunded Liability? Nevada PERS
- Long-Term Program Commitment : Bend the Curve Support your Employees : Invest in Safety & Wellness
- Thank You for Your Membership

Continuing the Conversation... Working Together We Achieve More

QUESTIONS AND ANSWERS



Thank You for Your Membership & Service to your Organization & Community

PACT Counties

												TOTAL			Α	verage
	Claims		Claims		Claims		Claims			Claims		Claims	TOTAL Claims	Average Annua	Anr	nual Cost
	Frequency	Claims Cost	s Frequency	Claims Costs	Frequency	Claims Costs	Frequency	Clair	ms Costs	Frequency	Claims Costs	Frequency	Costs	Cost 5 years	3	years
	7/1/19-	7/1/19-	7/1/20-	7/1/20-	7/1/21-	7/1/21-	7/1/22-	7	//1/22-	7/1/23-	7/1/23-	2019/2020-	2019/2020-	2019/2020-	202	21/2022-
Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/	/30/23	6/30/24	6/30/24	2023/2024	2023/2024	2023/2024	20	23/2024
CHURCHILL COUNTY	20	\$ 174,605	29	\$ 24,387	30	\$ 35,806	30	\$	20,409	20	\$ 149,840	129	\$ 405,047	\$ 81,009	\$	68,685
ELKO COUNTY	53	\$ 713,513	42	\$ 33,068	59	\$ 426,274	75	\$	274,980	43	\$ 209,509	272	\$ 1,657,345	\$ 331,469	\$	303,588
ESMERALDA COUNTY	3	\$ 7,448	4	\$ 26,257	2	\$ 12,008	1	\$	-	2	\$ 9,680	12	\$ 55,393	\$ 11,079	\$	7,229
EUREKA COUNTY	12	\$ 131,031	18	\$ 91,672	46	\$ 12,399	25	\$	41,296	14	\$ 45,451	115	\$ 321,849	\$ 64,370	\$	33,049
HUMBOLDT COUNTY	27	\$ 62,514	. 9	\$ 5,118	9	\$ 118,928	13	\$	179,668	12	\$ 114,249	70	\$ 480,477	\$ 96,095	\$	137,615
LANDER COUNTY	12	\$ 282,506	7	\$ 6,587	5	\$ 2,706,009	11	\$	106,929	5	\$ 60,355	40	\$ 3,162,386	\$ 632,477	\$	957,764
LINCOLN COUNTY	6	\$ 7,066	2	\$ 19,264	8	\$ 2,073	7	\$	6,306	18	\$ 14,656	41	\$ 49,365	\$ 9,873	\$	7,678
LYON COUNTY	120	\$ 1,117,833	66	\$ 232,983	59	\$ 246,535	80	\$	633,977	62	\$ 338,196	387	\$ 2,569,523	\$ 513,905	\$	406,236
MINERAL COUNTY	8	\$ 61,248	6	\$ 7,252	10	\$ 153,886	8	\$	164,565	11	\$ 49,347	43	\$ 436,298	\$ 87,260	\$	122,599
NYE COUNTY (No Longer Member)	160	\$ 2,051,16	230	\$ 4,668,361	2	\$ -	0	\$	-	0	\$ -	392	\$ 6,719,522	\$ 1,343,904	\$	-
PERSHING COUNTY	6	\$ 6,485	11	\$ 358,442	15	\$ 56,569	11	\$	17,739	5	\$ 12,072	48	\$ 451,306	\$ 90,261	\$	28,793
STOREY COUNTY	12	\$ 14,165	8	\$ 191,795	8	\$ 570,272	9	\$	81,142	16	\$ 104,490	53	\$ 961,864	\$ 192,373	\$	251,968
WHITE PINE COUNTY	20	\$ 69,289	11	\$ 39,235	14	\$ 122,572	28	\$	83,652	9	\$ 14,625	82	\$ 329,374	\$ 65,875	\$	73,616
TOTAL	459	\$ 4,698,86	443	\$ 5,704,420	267	\$ 4,463,333	298	\$ 1,	,610,661	217	\$ 1,122,470	1,684	\$ 17,599,750	\$ 3,519,950	\$ 2	,398,821

PACT Cities

											TOTAL		Average	Average
	Claims		Claims		Claims		Claims		Claims		Claims	TOTAL	Annual Cost 5	Annual Cost 3
	Frequency	Claims Cost	s Frequency	Claims Costs	Frequency	Claims Costs	years	years						
	7/1/19-	7/1/19-	7/1/20-	7/1/20-	7/1/21-	7/1/21-	7/1/22-	7/1/22-	7/1/23-	7/1/23-	2019/2020-	2019/2020-	2019/2020-	2021/2022-
Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	2023/2024	2023/2024	2023/2024	2023/2024
BOULDER CITY	29	\$ 267,697	27	\$ 382,539	62	\$ 485,820	74	\$ 834,439	46	\$ 695,977	238	\$ 2,666,472	\$ 533,294	\$ 672,079
CALIENTE	1	\$ 141,072	0	\$ -	0	\$ -	4	\$ 9,378	0	\$ -	5	\$ 150,451	\$ 30,090	\$ 3,126
CARLIN CITY	7	\$ 2,545	12	\$ 9,453	27	\$ 215,981	15	\$ 3,476	7	\$ 62,000	68	\$ 293,455	\$ 58,691	\$ 93,819
CITY OF ELKO	36	\$ 326,864	70	\$ 281,095	53	\$ 480,164	55	\$ 245,897	60	\$ 47,733	274	\$ 1,381,753	\$ 276,351	\$ 257,932
ELY CITY	5	\$ 473,141	4	\$ 313,641	7	\$ 336,548	7	\$ 9,621	1	\$ 27,269	24	\$ 1,160,220	\$ 232,044	\$ 124,479
CITY OF FERNLEY	2	\$ 1,543	2	\$ 1,555	3	\$ 2,459	2	\$ 3,252	3	\$ 10,593	12	\$ 19,402	\$ 3,880	\$ 5,435
CITY OF LOVELOCK	5	\$ 4,783	5	\$ 11,154	3	\$ 2,203	2	\$ 70,956	3	\$ 3,127	18	\$ 92,223	\$ 18,445	\$ 25,429
WELLS CITY	4	\$ 39,162	0	\$ -	3	\$ 447	2	\$ 2,539	1	\$ 2,360	10	\$ 44,509	\$ 8,902	\$ 1,782
CITY OF WEST WENDOVER	2	\$ 1,529	7	\$ 4,336	2	\$ 17,634	4	\$ 3,219	4	\$ 112,935	19	\$ 139,654	\$ 27,931	\$ 44,596
CITY OF WINNEMUCCA	10	\$ 18,744	12	\$ 49,565	10	\$ 31,831	11	\$ 197,443	20	\$ 245,642	63	\$ 543,225	\$ 108,645	\$ 158,305
CITY OF YERINGTON	4	\$ 3,968	1	\$ 1,473	7	\$ 12,017	7	\$ 16,984	5	\$ 21,603	24	\$ 56,045	\$ 11,209	\$ 16,868
TOTAL	105	\$ 1,281,050	140	\$ 1,054,811	177	\$ 1,585,104	183	\$ 1,397,204	150	\$ 1,229,240	755	\$ 6,547,410	\$ 1,309,482	\$ 1,403,849

PACT Schools

												TOTAL		Average		Average
	Claims	Clair	ns	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	TOTAL Claims	Annual Co	st A	Annual Cost
	Frequency	Cost	s	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	5 years		3 years
	7/1/19-	7/1/1		7/1/20-	7/1/20-	7/1/21-	7/1/21-	7/1/22-	7/1/22-	7/1/23-	7/1/23-	2019/2020-	2019/2020-	2019/202		2021/2022-
Member Name	6/30/20	6/30/	20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	2023/2024	2023/2024	2023/202	4	2023/2024
ESMERALDA COUNTY SCHOOL DISTRICT	3	\$ 9	841	7	\$ 272,658	4	\$ 8,966	1	\$ 1,210	2	\$ 5,285	17	\$ 297,959	\$ 59,59	92 \$	5,154
EUREKA COUNTY SCHOOL DISTRICT	1	\$ 2	461	0	\$ -	0	\$ -	1	\$ 12,855	4	\$ 8,264	6	\$ 23,581	\$ 4,7	16 \$	7,040
LANDER COUNTY SCHOOL DISTRICT	3	\$ 2	280	3	\$ 47,763	5	\$ 7,881	9	\$ 40,650	6	\$ 21,031	26	\$ 119,606	\$ 23,92	21 \$	23,187
LINCOLN COUNTY SCHOOL DISTRICT	10	\$ 3	390	3	\$ 731	4	\$ 5,602	3	\$ 1,531	5	\$ 8,375	25	\$ 19,629	\$ 3,92	26 \$	5,169
MINERAL COUNTY SCHOOL DISTRICT	7	\$ 4	575	10	\$ -	9	\$ 4,823	23	\$ 140,399	13	\$ 40,280	62	\$ 190,078	\$ 38,0	16 \$	61,834
PERSHING COUNTY SCHOOL DISTRICT	9	\$ 1	700	8	\$ 35,019	2	\$ 4,002	2	\$ 1,251	4	\$ 8,077	25	\$ 50,048	\$ 10,0	10 \$	4,443
WHITE PINE COUNTY SCHOOL DISTRICT	7	\$ 9	191	9	\$ 3,891	38	\$ 14,123	27	\$ 68,711	32	\$ 18,968	113	\$ 114,883	\$ 22,97	77 \$	33,934
TOTAL	40	\$ 33,	439	40	\$360,061	62	\$ 45,398	66	\$266,607	66	\$110,280	274	\$ 815,784	\$ 163,15	7 \$	\$ 140,762

PACT Hosptials

	Claims Frequency 7/1/19-	Claims Costs 7/1/19-	Claims Frequency 7/1/20-	Claims Costs 7/1/20-	Claims Frequency 7/1/21-	Claims Costs 7/1/21-	Claims Frequency 7/1/22-	Claims Costs 7/1/22-	Claims Frequency 7/1/23-	Claims Costs 7/1/23-	TOTAL Claims Frequency 2019/2020-	TOTAL Claims Costs 2019/2020-	Average Annual Cost 5 years 2019/2020-	Average Annual Cost 3 years 2021/2022-
Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	2023/2024	2023/2024	2023/2024	2023/2024
BATTLE MOUNTAIN GENERAL HOSPITAL(No Longer Member	0	\$ -	1	\$ 567	8	\$ 2,877	8	\$ 101,687	0	\$ -	17	\$ 105,131	\$ 21,026	\$ 34,855
GROVER C. DILS MEDICAL CENTER (No Longer Member)	7	\$ 4,521	6	\$ 13,860	6	\$ 51,542	6	\$ 2,555	4	\$ 7,373	29	\$ 79,851	\$ 15,970	\$ 20,490
HUMBOLDT GENERAL HOSPITAL	8	\$ 38,843	13	\$ 353,735	20	\$ 98,147	20	\$ 131,089	21	\$ 254,313	82	\$ 876,127	\$ 175,225	\$ 161,183
MT. GRANT GENERAL HOSPITAL(No Longer Member)	11	\$ 58,389	32	\$ 165,998	13	\$ 17,656	13	\$ 70,422	10	\$ 30,606	79	\$ 343,070	\$ 68,614	\$ 39,561
NORTHERN NYE HOSPITAL DISTRICT	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
PERSHING GENERAL HOSPITAL(No Longer Member)	20	\$ 2,978	9	\$ 92,393	3	\$ 581	3	\$ 8,154	2	\$ 2,860	37	\$ 106,966	\$ 21,393	\$ 3,865
SILVER SPRINGS STAGECOACH HOSPITAL DISTRICT	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
SOUTHERN NEVADA HEALTH DISTRICT (No Longer Membe	13	\$ 12,540	5	\$ 37,409	18	\$ 20,785	18	\$ 17,250	15	\$ 66,860	69	\$ 154,845	\$ 38,711	\$ 34,965
TOTAL	59	\$ 117,271	66	\$ 663,963	68	\$ 191,587	68	\$ 331,157	52	\$ 362,011	313	\$ 1,665,989	\$ 340,940	\$ 294,918

PACT Special Districts and Towns

CAMPAINS		Claims Frequency 7/1/19-	Claims Costs 7/1/19-	Claims Frequency 7/1/20-	Claims Costs 7/1/20-	7/1/21-	7/1/21-	7/1/22-	7/1/22-	7/1/23-	7/1/23-	2019/2020-	TOTAL Claims Costs 2019/2020-	years 2019/2020-	3 years 2021/2022-
BLE BRE PROPERTY LIC 0 \$ 1 0 \$	Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	2023/2024	2023/2024	2023/2024	2023/2024
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PACT Special Districts and Towns

TOTAL	223	\$	2.215.160	267	\$	1.398.677	166	\$	2.156.407	172	\$	3.084.275	139	\$ 1	1.869.961	967	\$	10.724.480	\$	2.144.896	\$ 2,37	0,214
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WHITE PINE COUNTY FIRE PROTECTION DISTRICT	1	\$	2.795	1	\$	1.644	0	\$	-	0	\$	-	1	\$	1.430	3	\$	5.869	\$		\$	477
NEVADA NORTHERN RAILWAY FOUNDATION	3	\$	3.813	3	\$	4.631	8	\$	12,199	8	\$	53.749	11	\$	13.464	33	\$		\$	17.571	\$ 2	6,471
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WHITE PINE COUNTY:		•	- ,= . •		•			*						•			-	-,	•			
WASHOE FIRE SUPPRESSION DISTRICT	1	\$	3.245	0	\$	_	0	\$	-	0	\$	-	0	\$	-	1	\$	3.245	\$	649	\$	- 1
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RTC OF WASHOE COUNTY	2	\$	2,716	1	\$	19,112	0	\$	-	0	\$	-	0	\$	-	3	\$	21,829	\$	4,366	\$	-
PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT	0	\$	-	0	\$	-	0	\$	-	1	\$	73,733	0	\$	-	1	\$	73,733	\$	14,747	\$ 2	4,578
NORTH LAKE TAHOE FIRE PROTECTION DISTRICT	36	\$	286,982	30	\$	202,343	40	\$	378,806	27	\$	603,017	40	\$	505,258	173	\$	1,976,407	\$	395,281	\$ 49	5,694
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT	30	\$	191,561	24	\$	43,107	39	\$	873,824	41	\$	466,756	29	\$	411,447	163	\$	1,986,695	\$	397,339	\$ 58	4,009
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WASHOE COUNTY:																						
TRI GENERAL IMPROVEMENT DISTRICT	0	\$	-	1	\$	92,547	1	\$	292	2	\$	5,069	0	\$	-	4	\$	97,908	\$	19,582	\$	1,787
CANYON GENERAL IMPROVEMENT DISTRICT	0	\$	-	0	\$	-	0	\$	-	0	\$	-	0	\$	-	0	\$	-	\$	-	\$	-
STOREY COUNTY:																						
PERSHING COUNTY WATER CONSERVATION DISTRICT	1	\$	1,147	1	\$	15,530	1	\$	1,492	1	\$	629	0	\$	-	4	\$	18,797	\$	3,759	\$	707
PERSHING COUNTY:																						

PACT Summary of All Claims as of 6/30/24

													Average
Claims		TOTAL Claims	TOTAL Claims	Average Annual	Annual Cost 3								
Frequency	Claims Costs	Frequency	Costs	Cost 5 years	years								
7/1/19-		7/1/20-		7/1/21-		7/1/22-		7/1/23-		2019/2020-	2019/2020-	2019/2020-	2021/2022-
6/30/20	7/1/19-6/30/20	6/30/21	7/1/20-6/30/21	6/30/22	7/1/21-6/30/22	6/30/23	7/1/22-6/30/23	6/30/24	7/1/23-6/30/24	2023/2024	2023/2024	2023/2024	2023/2024
886	\$ 8,345,785	956	\$ 9,181,933	740	\$ 8,441,829	787	\$ 6,689,904	624	\$ 4,693,962	3,993	\$ 37,353,413	\$ 7,470,683	\$ 6,608,565

PACT Executive Committee

Counties/Cities

	Term	Entity	Officers	With Less Than 35,000 Population (Total 2)	Counties/Cities With 35,000 or More Population (Total 2)	Districts	Districts	-
VACANT	2023-2025	City of Lovelock	Vice Chair	Х				
Josh Foli	2023-2025	Lyon County	Fiscal Officer		Х			
Amanda Osborne	2023-2025	Elko County			Х			
Joe Westerlund	2023-2025	Town of Tonopah					Х	
Robyn Dunckhorst	2024-2026	Humboldt General Hospital						Х
Paul Sikora	2024-2026	Boulder City		Х				
Paul Johnson	2024-2026	White Pine Co. School District	Chair			Х		

Voting Special Districts/Towns:		
Curtis Trujillo	Incline Village GID	X
Joe Westerlund	Town of Tonopah	X
Scott Lindgren	Tahoe Douglas Fire Protection District	X
Voting Hospitals:		
Robyn Dunckhorst	Humboldt General Hospital	X



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 Meeting of the Board of Directors and Executive Committee of Nevada Public Agency Insurance Pool Date: April 18, 2025

Location: Grand Sierra Resort, Grand Sierra Resort 500 E 2nd St, Reno, NV 89595

Time: upon adjournment of Joint Board and Executive Committee Meeting, which starts at 8:30am, and the Public Agency Compensation Trust meeting.

AGENDA

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 make 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. <u>For Possible Action</u>: Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda
 - a. Approval of Minutes of Board Meeting of April 19, 2024
 - b. Acceptance of Minutes of POOL Executive Committee of October 18, 2024
 - c. Acceptance of Interim Financial Statements
 - 4. For Possible Action: Acceptance of Audit for June 30, 2024
 - 5. <u>For Possible Action</u>: Approval of Renewal Reinsurance and Insurance Proposals and Options
 - 6. For Possible Action: Approval of Budget for 2025-2026 including Actuarial Funding Update

- 7. For Possible Action: Approval of POOL Coverage Form Changes for 2025-2026
 - a. POOL Cyber Risk Coverage Form
- 8. For Possible Action: Action regarding these topics:
 - a. Review of financial condition of each member and prompt notification to the Members of any Member determined to be operating in a hazardous financial
 - b. Review of the loss experience of each Member of the association Claims Experience **Report Summary**
 - c. Review for removal of Members with excessive loss experience or Members determined by the Board to be operating in a hazardous condition
- 9. For Possible Action: Election of Executive Committee for Two Year Terms from 2024-2026
 - a. One Representative from Counties and/or Cities with Less Than 35,000 Population
 - b. Two Representatives from Counties and/or Cities with 35.000 or More Population
 - c. One Representative of School Districts
- 10. For Possible Action: Election of Chair and Vice Chair
- 11. Public Comment
- 12. For Possible Action: Adjournment

This Agenda was posted at the following locations and on the State's Website notice.nv.gov:

Carson City Courthouse 885 E. Musser Street

89701

Carson City, NV

Fallon, NV 89406

N.P.A.I.P. / P.A.C.T. 201 S. Roop Street, Suite 102 Carson City, NV 89701

Churchill County Administration 155 North Taylor Street

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

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 AMENDED Agenda for the Joint Meeting of the Board of Directors/Trustees and of the Executive Committees of Nevada Public Agency Insurance Pool and

Public Agency Compensation Trust
Date: April 19, 2024 Time: 8:00 a.m.
Location: Grand Sierra Resort, Grand Sierra Resort
500 E 2nd St.

Reno, NV 89595

1. Introductions and Roll

Chair Paul Johnson requested introductions of those present at the meeting. A sign-in sheet was collected and reviewed for determination that a quorum was present. Seeing that a quorum was present, Chair Johnson called the meeting to order.

2. Public Comment

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

Before continuing to the next agenda item, Chair Johnson invited Alan Kalt and Stephen Romero to present their Measures that Matter training that had been deferred from the Training Day. He first invited Derek Burkhalter, the actuary for POOL and PACT, to provide an overview of the work that he does in developing the reserves and rates for the programs. Alan Kalt then reviewed the programs and services offered by the pools and how they are measured. Stephen Romero reviewed how staff was able to help fire district members meet the coverage needs required to fulfill contract terms that had significant financial impact for the districts. The next presenter was Mike Van Houten, ELearning administrator, who provided a review of the Absorb Learning Management System, available ELearning courses and metrics about utilization showing an 87% course completion rate. He described how new courses are developed upon request from members. Stacy Norbeck, POOL/PACT HR Manager, presented a review of the POOL/PACT HR program and the value of the training. She commented specifically about the Essential Management course and cited the pretest results of 22% compare with 93% post test results. Jarrod Hickman, Risk Management Specialist, reviewed the Enterprise Risk Management program implementation and achievements by members. He noted that there are 46 participants in the program currently at various stages of the ERM program, including three members who achieved the full completion recognition. Alan Kalt then discussed financial leadership and how he assisted members in improving their financial results from debt management to investment income. He cited the financial leadership training classes he conducted along with the sample policies and technical assistance provided. He noted some examples of helping a member refinance a bond saving them over \$2 million. For other members he helped them set up a sweep account to gain additional revenue given the current market conditions.

3. <u>For Possible Action:</u> Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda

- a. Approval of Minutes of Board:
 - 1) Joint Board Meeting April 21, 2023
- b. Acceptance of Minutes of Committee Meetings
 - 1) Joint Executive Committee: 9/1/2023; 3/12/2024; 4/2/2024
 - 2) Loss Control Committee: 7/13/2023; 10/16/2023; 2/6/2024
 - 3) HR Oversight Committee: 9/8/2023; 12/8/2023

On motion by Mike Giles, second by Josh Foli to approve the consent agenda, the motion carried.

4. For Possible Action: Acceptance of Investment Reports and Action on Recommendations:

- a. NEAM Investment Advisor Report
- b. Strategic Asset Alliance Investment Advisor Report
- a. Chip Clark, President of NEAM, presented a state of the investment market overview. He reviewed current market positive returns. The economic outlook has been strong in recent times although there are some indications of a future slowdown which has caused the Federal Reserve to hold off rate reductions. Consumer spending continues to be robust following wage gains. He reviewed consumer low debt ratios and savings rates, noting the effect of stimulus funds in recent years. He discussed the negative effect of inflation in certain sectors. The labor market remains strong. Further, rate cut expectations have moderated significantly from six down to two rate cuts from the Federal Reserve.

Patrick Scully, NEAM Asset Manager, reviewed how the macro environment will affect the pools and captives' investment results going forward. He estimated interest rates will decline later this year and next. He complimented Alan Kalt for coming in second in predicting a quarterly interest rate at their recent investment conference. He highlighted the shift in investment income in recent years and how that is working positively. He reviewed the increase in book yields and how that is positively affecting core fixed income opportunities.

Kelly Sullivan, NEAM Account Manager, reviewed the specific results for the pools. The fixed income portfolio generates substantial income compared to the prior year. Book yield has nearly doubled over the last year for the pools. She mentioned using a loss harvesting approach to exit low yield securities to replace them with higher yields with a payback period of two years for future yields at higher levels for five to ten years. She noted the negative total returns in 2022 versus the very positive returns in 2023 commenting that positive income returns dominated in 2023.

b. Alton Cogert, President of Strategic Asset Alliance, commented that four times a representative of the pools achieved the best prediction of interest rates, Wayne Carlson, Josh Foli, Alan Kalt and Cash Minor. This year, Alan Kalt came in second by a small margin. He then reviewed the long-term market conditions over 40 years comparing various investment risks and returns over time. He noted the positive total returns this year versus last year. He described the increase in book yield as well. The strategic outlook for key indicators appears to be positive, especially for the top-tech stocks. Federal Reserve's projections appear to be for reduced number of rate cuts as they seek to reach their target inflation rate. The challenge for fixed income investors is to focus on duration as a way to create long term income returns. Expect continued economic growth. Use due diligence, diversification, and patience to capitalize on the growth over the long term.

On motion by Ben Marchant, second by Josh Foli to accept the reports, the motion carried.

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

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

Alan Kalt indicated that there are no recommended changes to the guidelines. On motion by Mike Giles, second by Joe Westerlund to accept the reports, the motion carried.

6. For Possible Action: Acceptance of Reports:

- a. Executive Director
- b. Chief Financial Officer
 - a. Public Risk Mutual Audit
 - b. Public Compensation Mutual Audit
 - c. Pooling Resources, Inc. Audit
 - d. Nevada Risk Pooling, Inc. Audit
- c. POOL/PACT HR General Manager
- d. Risk Management
- e. ELearning
- f. Member Relations Manager
- g. Davies Claims Solutions Report and Claims Overview
- a. Wayne Carlson highlighted aspects of his written report. He commented about certain members who have given notice of potential withdrawal from either POOL or PACT. He encouraged members to contact them to encourage them to remain.
- b. Alan Kalt reviewed the audits of the various organizations, highlighting the net income and net position of each organization. He highlighted the efforts of accounting staff Deb Connally, Melissa Mack, Jennifer Turner, and Tiffany Garcia for their diligence in preparing for the six audits each year.
- c. Stacy Norbeck discussed the POOL/PACT HR services, training and utilization results this year. She revised the number of courses and evaluations indicating that the evaluations were highly positive. She reminded the group about the upcoming HR conference and highlighted the number of attendees for last year's conference. She recognized members who had achieved successful HR Phase I or II assessments. She showed a pie chart showing the number and types of contacts with her staff over the year and the top topics.
- d. Marshall Smith indicated he had no additional comments on his written report.
- e. Mike VanHouten showed statistics about the ELearning program with over sixty-six courses assigned and 87% completed. He showed a pie chart of the types of courses taken. He encouraged more people to take the cyber security training. He noted the most assigned courses related to abuse and bullying. He further showed that school districts are the highest utilizers.
- f. Stephen Romero stated that he will provide more during the separate board meetings.
- g. Margaret Malzahn indicated that she had no additional comments to the written report.

On motion by Tyler Vanni, second by Varlin Higby, to accept the reports, the motion carried.

7. <u>For Possible Action:</u> Approval of Grant to Nevada Risk Pooling, Inc. for Administrative Services to POOL/PACT and PRM/PACM

Alan Kalt noted that NRP brought former Willis services in staff and that the grant is reduced by \$500,000 in the base year subject to a 3.5% increase in subsequent years.

On motion by Mike Giles, second by Gina Rackley, to approve the grant, the motion carried.

8. Public Comment

Chair Johnson recognized Geof Stark for his service to the pools considering his retirement. He highlighted Geof's active participation with the pools serving on several committees. Alan Kalt highlighted Geof's involvement in the Executive Committee, HR Oversight Committee and Loss Control Committee. Geof thanked everyone for their support.

9. Adjournment

Chair Johnson adjourned the meeting.





Nevada Public Agency Insurance Pool Public Agency Compensation Trust

201 S. Roop Street, Suite 102 Carson City, NV 89701-4779

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Notice of Meeting and Agenda of
Executive Committee of
Nevada Public Agency Insurance Pool and
Date: October 18, 2024
8:30 A.M.
Zoom Meeting

MINUTES

1. Roll

Chair Josh Foli called the meeting to order at 8:34 am.

POOL Members present: Josh Foli, Gina Rackley, Amanda Osborne, Scott Lindgren, and Ann Cyr. Others present: Wayne Carlson, Alan Kalt, Stephen Romero, Deb Connaly, Marshal Smith, Jarrod Hickman, and Michael Bertrand.

2. Public Comment

Chair Foli opened public comment, hearing none, closed the comment period.

- 3. For Possible Action: Approval of Consent Agenda
 - a. Approval of minutes of POOL Executive Committee Meeting of June 24, 2024

On motion by Gina Rackley and second by Dan Murphy to approve the consent agenda, the motion carried.

- 4. For Possible Action: Review and Accept FY2023-2024 Financial Audit for POOL
 - a. Audit Overview Presentation
 - b. Audit Committee letter.
 - c. Communications with the Board
 - d. Financial Audit for FY023-2024

Chief Financial Officer Alan Kalt reviewed the PowerPoint presentation included in the meeting packet. The following are the financial highlights given in the presentation. In the Statement of Net Position it was noted that Cash decreased from \$5,700,870 to \$5,253,220 during the year whereas Investments increased from \$24,076,484 to \$29,134,391. He noted that the sweep account on the cash account generated \$299,248 in bank interest income with an average yield of 5.6% during the year. He praised Debbie Connaly for reactivating the sweep accounts to take advantage of the short-term rates. The claim reserves increased \$203,000 or 1.7% using the 75% Confidence Level from the prior year as calculated by Derek, our independent actuary. Net Position grew by \$3,374,875 during the year. On the Statement of Revenues, Expenses and Change in Net Position, total revenues increased from \$22,134,614 to \$26,921,645 primarily due to the increase in premium written to provide increased funding needed for our losses and loss adjustment expenses and excess insurance premiums due to higher claims activity in the past few years. Our loss and loss adjustment expenses increased \$2,718,317 and the excess insurance premiums increased by \$2,749,989 due to the rate required by PRM and CRL due to losses in those layers. Bad debt expense was

\$775,981 due to the adverse ruling on the UE coverage case on the Elko County School District loss. Administrative expenses decreased by \$25,551 compared to the prior year and reflected 6.5% of total expenses. Non-operating net investment income was \$1,389,273 in FY 24 compared to a loss of (\$108,063) due to increases in investment yields. Net Position grew by \$3,374,875 in FY 24 compared to \$2,787,670 in FY 23. Kalt noted that if we funded the claim liabilities at 80% CL as recommended by the actuary, the current year increase in Net Position would be like the FY 23 increase. Alan reviewed information included in the Bickmore Actuarial report providing the value of the claim's liability reserves as of June 30, 2024. It was noted that the expected liability at 75% CL is \$12.156M compared to \$12.735M at 80% CL, a difference of \$579,000. The expected or 50% confidence level amount is estimated at \$10.535M and the 90% CL is \$14.419M. Alan commented that management will be looking at moving towards the 80% CL as recommended by the actuary for the FY 25-26 Budget. A review of the charts and graphs associated with the Liability and Property claims frequency and severity were included in the presentation.

Michael Bertrand reviewed the Audit Committee letter, Unqualified opinion in the financial statements and the Communications with the Board letter included in the packet. He praised staff for their hard work and dedication to the audit process. He noted that the POOL audit was completed on October 1st and the PACT audit September 23rd which is very timely.

After a brief discussion, Gina Rackley made a motion to accept the FY 2023-2024 financial audit and required communications with the Board, Ann Cyr seconded the motion, which carried. Chair Foli extended his thanks and appreciation to staff and Michael Bertrand and Associates for all the challenging work to complete the audit in an efficient and effective manner.

5. Public Comment

Chair Foli opened public comment, hearing none, closed the comment period.

6. **For Possible Action: Adjournment** The meeting adjourned at 9:04 am.

NEVADA PUBLIC AGENCY INSURANCE POOL Balance Sheet February 28, 2025

ASSETS

Current Assets Cash - Claims - Wells Fargo Cash - Admin Wells Fargo Wells Fargo Sweep Account A/R PARMS Building Accounts Receivable Total Current Assets	(\$ 99,357.27) (189,075.07) 4,864,569.56 47.00 12,505.55	4,588,689.77
Property and Equipment		
Land - 2nd & Roop Streets	166 653 05	
Building - 2nd & Roop Streets	466,653.05 1,783,715.41	
Building Depreciation	(991,712.07)	
Equipment	71,510.74	
Equip Accumulated Depreciation	(234,059.66)	
Building Equipment	84,098.13	
Building Equipment Acc. Depr.	(1,155.00)	
Building Fixtures	345,751.31	
Building Furniture	4,359.75	
Total Property and Equipment		1,529,161.66
Other Assets	205 510 00	
Lease Asset	205,519.00	
Investment Cash Equivalents Investments	1,286,778.02 39,603,029.83	
Investment Income Receivable	241,200.99	
Assessments Receivable	322,549.96	
Specific Recoverable	456,307.69	
Maintenance Deductibles	42,899.89	
Prepaid Reinsurance	4,597,353.59	
Prepaid Specialty Insurance	218,942.30	
Prepaid Commission - Current	558,052.44	
Prepaid Davies Claim Solutions	72,580.85	
Prepaid Schools Security Programt	7,805.00	
Other Prepaid	1,036.00	
Prepaid Casualty Insurance	21,878.48	
Total Other Assets		47,635,934.04
Total Assets	:	\$ 53,753,785.47

LIABILITIES AND CAPITAL

Current Liabilities

Payable For Risk Mmgt Grants \$ 127,287.36 Lease Obligations \$ 49,771.00

NEVADA PUBLIC AGENCY INSURANCE POOL Balance Sheet February 28, 2025

Lease Obligations	155,211.00		
Deferred Rent Income	537.00		
Loss Fund	106,618,397.07		
Loss Reserves - LAE	71,014.11		
Loss Payments	(128,521,030.58)		
Loss Payments - LAE	(51,285,333.98)		
Specific Recoverable	50,769,945.29		
Aggregate Recoverable	765,730.03		
Deductible Reimbursement	21,396,700.40		
Vouchers Within Deductible	14,419,053.95		
Unearned Assessment Reserve	9,171,503.99		
Payable to Investment Broker	741,184.89		
•		-	
Total Current Liabilities			24,479,971.53
Long-Term Liabilities		_	
mali marithm			0.00
Total Long-Term Liabilities		-	0.00
Total Liabilities			24,479,971.53
Total Elabinics			27,777,771.55
Capital			
Retained Earnings	26,412,612.30		
Net Income	2,861,201.64		
Tvot moone	2,001,201.01	-	
Total Capital			29,273,813.94
1			
Total Liabilities & Capital		\$	53,753,785.47

NEVADA PUBLIC AGENCY INSURANCE POOL

Income Statement

For the Eight Months Ending February 28, 2025

	Current Month	1	Year to Date	
Revenues				
PRM Risk Mitigation Services	\$ 0.00	0.00 \$	475,000.00	2.26
Rental Income	16,017.27	0.53	171,213.35	0.81
Building Supplies Reimbursement	83.31	0.00	250.35	0.00
Copier Paper Reimbursement	76.72	0.00	471.99	0.00
Equipment Lease Reimbursement	0.00	0.00	66.85	0.00
Bldg Equip Maint Reimbursement	885.80	0.03	2,823.09	0.01
Phone Charges Reimbursement	76.57	0.00	257.96	0.00
Postage Reimbursement	683.40	0.02	1,495.05	0.01
Technology Services Reimbursement	16,599.60	0.55	132,796.80	0.63
Assessments Written	0.00	0.00	27,507,594.00	130.71
Taxes Written	0.00	0.00	8,559.62	0.04
Change in Unearned Assessments	2,292,873.00	76.01	(9,171,503.99)	(43.58)
Investment Interest Income	127,424.77		889,669.46	4.23
Bank Interest Income	19,326.04		281,727.45	1.34
Investment Discount/Premium	4,036.65		(91.06)	(0.00)
Realized Gain/(Loss) Investment	0.00		0.00	0.00
Invest. Unrealized Gain/(Loss)	538,480.04		707,497.81	3.36
Other Income	0.00		36,896.49	0.18
o wier meenie			30,090.19	0.10
Total Revenues	3,016,563.17	100.00	21,044,725.22	100.00
Cost of Sales Reinsurance Ceded	1 140 227 00	38.10	9 024 224 00	38.18
	1,149,337.00		8,034,234.00	
Special Insurance Program	54,732.00		314,382.00	1.49
Loss Fund Expense	694,664.00		5,554,162.00	26.39
Commission Expense - Current	139,510.00		1,115,630.00	5.30
In-House Broker/Underwriting	21,250.00		170,000.00	0.81
Davies Claims Solutions Fees	72,578.00		518,277.60	2.46
Loss Control Fees	20,833.00		166,664.00	0.79
Tax Expense	0.00	0.00	25,103.89	0.12
Total Cost of Sales	2,152,904.00	71.37	15,898,453.49	75.55
Gross Profit	863,659.17	28.63	5,146,271.73	24.45
Expenses				
Sponsorship Fees	0.00	0.00	5,000.00	0.02
Counsel Opinions	0.00		68,277.21	0.32
Travel	6,618.58		36,386.82	0.17
Casualty Insurance	4,394.00		35,152.00	0.17
Dues & Seminar Fees	585.00		12,078.29	0.06
Audit Expense	0.00		17,615.00	0.08
Printing/Copying/Subscriptions	432.60		2,633.81	0.01
Postage	0.00		13.87	0.00
Office Supplies	412.07		5,532.08	0.03
Communications Expense	80.24		596.16	0.03
-	562.50		38,830.90	0.00
Legal Expense Paged & Committee Meetings				
Board & Committee Meetings	104.04		13,510.14	0.06
Actuary Expense	0.00	0.00	10,370.00	0.05

NEVADA PUBLIC AGENCY INSURANCE POOL

Income Statement For the Eight Months Ending February 28, 2025

	Current Month		Year to Date	
Member Education & Services	12,236.33	0.41	449,308.57	2.14
Bank Charges	0.00	0.00	203.04	0.00
Loss Control Excellence Awards	0.00	0.00	13,675.00	0.06
Consultants Appraisals	0.00	0.00	103,800.00	0.49
Licenses	0.00	0.00	0.00	0.00
PRI Grant	79,127.75	2.62	633,022.00	3.01
Equip Depreciation Expense	0.00	0.00	0.00	0.00
Loss Control Grants	18,477.85	0.61	147,957.73	0.70
Technology Services	9,327.96	0.31	97,870.67	0.47
Cyber/Data Project	15,067.25	0.50	123,005.86	0.58
NRP Grant	40,691.00	1.35	325,528.00	1.55
Investment Expense	559.09	0.02	34,997.35	0.17
Building Maintenance & Repairs	4,216.63	0.14	19,590.30	0.09
Conference Room Expense	0.00	0.00	176.47	0.00
Custodial Services	3,114.50	0.10	21,944.00	0.10
Building Depreciation Expense	3,716.00	0.12	29,728.00	0.14
Bldg. Equipment Maintenance	941.76	0.03	4,307.14	0.02
Building Equipment Lease	317.70	0.01	953.10	0.00
Building Copier Paper	120.48	0.00	654.93	0.00
Building Insurance Expense	1,073.00	0.04	8,584.00	0.04
Building Office Supplies	0.00	0.00	354.52	0.00
Building Tax Expense	0.00	0.00	4,805.82	0.02
Postage For Meter	500.00	0.02	1,836.00	0.01
Building Utilities	 3,146.93	0.10	16,771.31	0.08
Total Expenses	 205,823.26	6.82	2,285,070.09	10.86
Net Income	\$ 657,835.91	21.81	\$ 2,861,201.64	13.60

Nevada Public Agency Insurance Pool Budget Comparison to Actuals As of February 28, 2025

Account Description	Budget Amount	YTD	Remaining Budget
INCOME:			
Assessments Written	28,097,503	18,344,650	9,752,853
PRM Risk Mitigation Services	475,000	475,000	-
TOTAL INCOME	28,572,503	18,819,650	9,752,853
LOSS FUND AND INSURANCE EXPENSES:			
Losses and Loss Adjustment Expenses	8,614,000	5,554,162	3,059,838
Excess Insurance Premiums	13,092,806	8,034,234	5,058,572
Special Insurance Programs	536,301	277,486	258,815
Agent Commissions & Taxes Written	1,826,871	1,140,734	686,137
TOTAL LOSS FUND & INSURANCE EXPENSES	24,069,978	15,006,615	686,137
PROGRAM EXPENSES:			
Broker Services & Loss Control Fees	505,000	336,664	168,336
Davies Claims Solutions Fees	840,604	518,278	322,326
Member Education, Training & Services	2,097,450	1,219,011	878,439
Total Program Expenses	3,443,054	2,073,953	1,369,101
	• • •	, ,	•
ADMINISTRATION EXPENSES:			
Management Services	487,278	325,528	161,750
Casualty Insurance, Travel, Technology Services	177,478	169,409	8,069
Operating Expenses	231,966	96,013	135,953
Legal Expense, Consultant Appraisals	162,749	182,447	(19,698)
TOTAL ADMINISTRATION EXPENSES	1,059,471	773,398	286,073
TOTAL LOSS FUND, PROGAM & ADMINISTRATION			
EXPENSES	28,572,503	17,853,966	2,341,311
NET INCOME	-	965,683	7,411,542
OTHER INCOME:			
Non-Operating Investment Income	845,000	1,843,806	(998,806)
TOTAL OTHER INCOME	845,000	1,843,806	(998,806)
OTHER EXPENSES:			
Risk Management Grants		147,958	(147,958)
TOTAL OTHER EXPENSES	-	147,958	(147,958)
NET INCOME (LOCA)	0.45.000	4.005.040	(050.040)
NET INCOME (LOSS)	845,000	1,695,849	(850,849)

Building Ownership

Account Description	Budget Amount	YTD	Remaining Budget
BUILDING INCOME:			
Rental Income	268,737	171,213	97,524
Technology Services Income	50,000	132,797	(82,797)
TOTAL BUILDING INCOME	318,737	304,010	14,727
BUILDING EXPENSES:			
Building Utilities and Maintenance	107,171	74,612	32,559
Building Roof Reparis			=
Depreciation	77,250	29,728	47,522
TOTAL BUILDING EXPENSES	184,421	104,340	80,081
NET BUILDING	134,316	199,670	(65,354)
Net Operating Income	<u>-</u>	965,683	(965,683)
Net Other Income	845,000	1,695,849	(850,849)
Net Building Income	134,316	199,670	(65,354)
	979,316	2,861,202	(1,881,886)

4/3/2025 at 2:19 PM Page: 5

NEVADA PUBLIC AGENCY INSURANCE POOL

General Ledger Trial Balance

As of Feb 28, 2025

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

Account ID	Account Description	Debit Amt	Credit Amt
1104	Cash - Claims - Wells Fargo		99,357.27
1105	Cash - Admin Wells Fargo		189,075.07
1106	Wells Fargo Sweep Account	4,864,569.56	
1107	Land - 2nd & Roop Streets	466,653.05	
1108	Building - 2nd & Roop Streets	1,783,715.41	001 712 07
1110	Building Depreciation	205 510 00	991,712.07
1112	Lease Asset	205,519.00	
1205 1206	Investment Cash Equivalents	1,286,778.02	
	Investments Investment Income Receivable	39,603,029.83	
1214	Assessments Receivable	241,200.99	
1301	Specific Recoverable	322,549.96	
1310	Maintenance Deductibles	456,307.69	
1313 1325	A/R PARMS	42,899.89 47.00	
1401	Prepaid Reinsurance	4,597,353.59	
1403	Prepaid Specialty Insurance	218,942.30	
1403	Prepaid Commission - Current	558,052.44	
1414	Prepaid Davies Claims Solution	72,580.85	
1418	Prepaid Schools Security Prog	7,805.00	
1420	Other Prepaid	1,036.00	
1463	Prepaid Casualty Insurance	21,878.48	
1500	Equipment	71,510.74	
1510	Equip Accumulated Depreciation	/1,510./4	234,059.66
1600-BLD	Building Equipment	84,098.13	234,037.00
1610-BLD	Building Equipment Acc. Depr.	04,070.13	1,155.00
1620-BLD	Building Fixtures	345,751.31	1,133.00
1625-BLD	Building Furniture	4,359.75	
2005	Payable For Risk Mmgt Grants	1,555.75	127,287.36
2009	Lease Obligations		49,771.00
2010	Lease Obilgations		155,211.00
2011	Deferred Rent Income		537.00
2110	Loss Fund		106,618,397.07
2114	Loss Reserves - LAE		71,014.11
2200	Loss Payments	128,521,030.58	,
2210	Loss Payments - LAE	51,285,333.98	
2310	Specific Recoverable	, ,	50,769,945.29
2311	Aggregate Recoverable		765,730.03
2312	Deductible Reimbursement		21,396,700.40
2320	Vouchers Within Deductible		14,419,053.95
2330	Unearned Assessment Reserve		9,171,503.99
2400	Payable To Investment Broker		741,184.89
3501	Retained Earnings		26,412,612.30
3900	PRM Risk Mitigation Services		475,000.00
4000-BLD	Building Accounts Receivable	12,505.55	
4020-BLD	Building Supplies Reimbursemnt		250.35
4027-BLD	Copier Paper Reimbursement		471.99
4050-BLD	Rental Income		171,213.35
4060-BLD	Equipment Lease Reimbursements		66.85
4065-BLD	Bldg Equip Maint Reimbursement		2,823.09
4076-BLD	Phone Charges Reimbursement		257.96
4080-BLD	Postage Reimbursement		1,495.05
4090-BLD	Technology Services Reimbursem		132,796.80
4110	Assessments Written		27,507,594.00
4115	Taxes Written		8,559.62
4330	Change in Unearned Assessments	9,171,503.99	
4401	Reinsurance Ceded	8,034,234.00	
4403	Special Insurance Programs	314,382.00	
5110	Loss Fund Expense	5,554,162.00	
5411	Commission Expense - Current	1,115,630.00	

4/3/2025 at 2:19 PM Page: 6

NEVADA PUBLIC AGENCY INSURANCE POOL

General Ledger Trial Balance

As of Feb 28, 2025

Filter Criteria includes: Report order is by ID. Report is printed in Detail Format.

Account ID	Account ID Account Description		Credit Amt		
5413	In-House Broker/Underwriting	170,000.00			
5414	Davies Claims Solutions Fees	518,277.60			
5415	Tax Expense	25,103.89			
5417	Loss Control Fees	166,664.00			
5456	Sponsorship Fees	5,000.00			
5457	Counsel Opinions	68,277.21			
5462	Travel	36,386.82			
5463	Casualty Insurance	35,152.00			
5464	Dues & Seminar Fees	12,078.29			
5465	Audit Expense	17,615.00			
5466	Printing/Copying/Subscriptions	2,633.81			
5467	Postage	13.87			
5468	Office Supplies	5,532.08			
5469	Communications Expense	596.16			
5470	Legal Expense	38,830.90			
5472	Board & Committee Meetings	13,510.14			
5474	Actuary Expense	10,370.00			
5475	Member Education & Services	449,308.57			
5476	Bank Charges	203.04			
5477	Loss Control Excellence Awards	13,675.00			
5478	Consultants Appraisals	103,800.00			
5482	PRI Grant	633,022.00			
5484	Loss Control Grants	147,957.73			
5486	Technology Services	97,870.67			
5488	Cyber/Data Project	123,005.86			
5490	NRP Grant	325,528.00			
6100	Investment Interest Income	ŕ	889,669.46		
6101	Bank Interest Income		281,727.45		
6102	Investment Discount/Premium	91.06			
6111	Invest. Unrealized Gain/(Loss)		707,497.81		
6160	Other Income		36,896.49		
6200	Investment Expense	34,997.35			
7100-BLD	Building Maintenance & Repairs	19,590.30			
7200-BLD	Conference Room Expense	176.47			
7275-BLD	Custodial Services	21,944.00			
7300-BLD	Building Depreciation Expense	29,728.00			
7400-BLD	Bldg Equipment Maintenance	4,307.14			
7450-BLD	Building Equipment Lease	953.10			
7475-BLD	Building Copier Paper	654.93			
7500-BLD	Building Insurance Expense	8,584.00			
7725-BLD	Building Office Supplies	354.52			
7750-BLD	Building Tax Expense	4,805.82			
7800-BLD	Postage for Meter	1,836.00			
7900-BLD	Building Utilities	16,771.31			
	Total:	262,430,627.73	262,430,627.73		

4/3/2025 at 2:19 PM Page: 7

BERTRAND & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Members American Institute of Certified Public Accountants

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October 1, 2024

To the Board of Directors Nevada Public Agency Insurance Pool 201 S. Roop St Suite 201 Carson City, NV 89701

Dear Board members,

We have audited the financial statements of the business-type activities of Nevada Public Agency Insurance Pool (POOL) for the years ended June 30, 2024 and 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. Professional standards require that we provide you with the following information related to our audit which is divided into the two following sections:

Section I – Required Communications with those Charged with Governance

Section II – Other Recommendations and Related Information

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the Board in our Audit Committee Letter.

Section II presents recommendations related to internal controls, procedures, and other matters during our current audit year. These comments are offered in the interest of helping the Board in its efforts toward continuous improvement, not just in the areas of internal controls and accounting procedures, but also in operations, and administrative efficiency and effectiveness.

Section I – Communications Required under AU 260

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated November 14, 2023 our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our letter regarding planning matters dated November 14, 2023.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by POOL are described in Note 2 to the financial statements.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

The most sensitive estimates affecting POOL's financial statements were for the loss reserves, specific and aggregate recoverable and member deductibles.

NPAIP received an adverse decision as a result of arbitration with United Educators to collect a specific recoverable on a claim. Management had made an allowance for doubtful accounts of 50% in the previous year and after the decision charged off the remaining balance of \$775,981 in the audit year ending June 30, 2024.

Management's estimate of the loss reserves is based on a study prepared by an independent actuary. Member deductibles receivable is based on their judgment on what they believe is collectible derived from known facts. Specific and aggregate recoverables are based on estimated recoverables from excess insurers after taking into consideration the Self-Insured Retention (SIR) and member deductible.

We evaluated the key factors and assumptions used to develop the loss reserves, member deductibles receivable and specific and aggregate recoverables balance in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were

described in Note 6 regarding the unpaid loss liability as that is based on expected trends in claim severity, claim frequency, and other factors that may vary as claims are settled. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We proposed various adjustments which are discussed in detail in our letter to the Audit Committee.

Disagreements with Management

For the purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 1, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

Section II - Other Recommendations and Related Information

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the

prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We provided an Audit Committee recommendations letter dated October 1, 2024 to the Audit Committee. In this letter we identified any exceptions noted and recommendations.

This information is intended solely for the use of the Board of Directors charged with governance and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bertrand & Associates LLC

NEVADA PUBLIC AGENCY INSURANCE POOL FINANCIAL STATEMENTS June 30, 2024 and 2023

CONTENTS

EXECUTIVE DIRECTOR'S LETTER	3
INDEPENDENT AUDITOR'S REPORT	6
MANAGEMENT'S DISCUSSION AND ANALYSIS	8
BASIC FINANCIAL STATEMENTS	
Statements of Net Position	14
Statements of Revenues, Expenses and Changes in Net Position	15
Statements of Cash Flows	16
Notes to the Financial Statements	17
REQUIRED SUPPLEMENTARY INFORMATION	
Required Supplementary Schedule – 10 Year Claims Development	29

EXECUTIVE DIRECTOR'S LETTER

Members of Nevada Public Agency Insurance Pool

As the Executive Director, I am pleased to present the NPAIP Annual Audited Financial Statements for the year ended June 30, 2024, the conclusion of our 37th full year of operations. As noted in part of NPAIP's Mission Statement, we excel in financial strength, security, durability, and cost-effective risk sharing and financing. This financial report will demonstrate our commitment to our Mission Statement.

In addition to the preparation of the audited financial statements in accordance with GASB pronouncements and other financial standards, this report includes a required Management Discussion and Analysis of the financial results.

Over the years, the NPAIP Board adopted fiscally responsible policies to retain net position to achieve long-term, stable financial results for members. The NPAIP Net Assets policy sets a target of a minimum of ten times the retention with a goal of twenty times the retention to provide flexibility in coverage placement. In 2020, the Board approved a change in the accounting policy related to the transfer of capital to Public Risk Mutual (PRM) to expense 100% in the year of transfer effective retroactively to July 1, 2018 noting that the unamortized balances reduced NPAIP's Net Position as Contributed Surplus to PRM was eliminated in the restatement of the 2019 financial statement.

Even with this accounting change, a restated Net Position of \$13,332,286 on July 1, 2018, we have exceeded the Net Assets to Retention goal for 2019 (28.1:1) and has grown to 52.8:1 in the current year as shown in the audit. Net position increased during the year because of an increase in operating net position of \$1,985,602 which was increased by non-operating net investment income of \$1,389,273 due to increased market and book yield on our fixed rate investments.

Since Fiscal Year 2004, NPAIP contributed \$29,477,263 to the PRM captive to serve as one of the reinsurers for NPAIP for certain property, liability, and cyber risk coverage during the year. The benefits of the captive include reduced administrative costs, reinsurance opportunities and a broader investment portfolio including risk assets. As PRM grows in financial strength, additional member services and program costs can be funded directly through the captive. See the separate annual audited financial statements of PRM for more details.

Through the oversight of the Audit Committee, Executive Committee, and the Board of Directors, NPAIP members can be assured that NPAIP will remain financially sound. Members should be proud of the success we have achieved together.

NPAIP has been serving its membership for over 37 years. We are government risk experts with a passion for risk management services. We provide comprehensive coverage and risk management solutions for our members. As the risk management arm for our members, NPAIP manages claims and provides a broad array of in-depth enterprise risk management services, training, and risk consultation. With services such as POOL/PACT Human Resources, our extensive support system for human resources issues, members receive unmatched support services. Our award-winning e-learning program has an extensive library and support to create member specific training. Our interactive enterprise risk management programs and resources guide our members' efforts toward reducing the probability of losses and the impact of losses that do occur.

Both property and casualty coverages can experience significant volatility particularly when the retention levels per loss are high. Because NPAIP retains a substantial portion of the property and casualty risk, it is important to the long-term viability of NPAIP to be able to meet its financial obligations to its Members by growing its Net Position. Insurance market conditions periodically make it important to be able to increase our retentions. Increased retention results in higher volatility that requires a stronger funding cushion. Consistent with NPAIP board policy, funding at a 75% actuarial confidence level for pricing is a prudent level to develop a strong financial position in keeping with the NPAIP Board's goals of creating and sustaining a durable financial position. NPAIP is the sole owner of PRM and is its sole policyholder and is entitled to a return of those capital contributions before any other distributions can be made by PRM. The captive continues to enjoy financial success as a reinsurance partner for NPAIP.

NPAIP continued its membership in the following reinsurers in which it has a financial interest:

- ❖ Public Risk Mutual, its own pure captive, provides reinsurance for property and liability coverage.
- County Reinsurance, Ltd., a captive mutual reinsurer for all members other than schools for liability coverage
- Government Entities Mutual (GEM), a captive mutual reinsurer, which provides a layer of liability reinsurance.

The table below shows key financial ratios tracked by management and the board to benchmark NPAIP's financial condition and risk retention strategies:

Financial Paties	_	DOOL	DOOL	DOOL	POOL	BOOL
Financial Ratios	l	POOL	POOL	POOL	POOL	POOL
		2019/2020	2020/2021	2021/2022	2022/2023	2022/2024
Total Revenue	\$	17,925,920	\$ 19,077,614	\$ 21,286,385	\$22,134,077	\$26,921,645
Total Net Income	\$	3,477,108	\$ 1,863,749	\$ 840,422	\$ 2,787,670	\$ 3,374,875
Net Operating Income	\$	2,045,875	\$ 2,048,101	\$ 2,575,303	\$ 2,895,196	\$ 1,985,602
Net Investment Income	\$	1,431,233	\$ (184,352)	\$ (1,734,881)	\$ (108,063)	\$ 1,389,273
Total Assets	\$	29,195,428	\$ 31,413,137	\$ 33,659,438	\$35,331,249	\$39,045,468
Total Liabilities	\$	11,649,531	\$ 12,003,491	\$ 13,109,365	\$12,293,511	\$12,632,855
Net Position	\$	17,545,897	\$ 19,409,646	\$ 20,250,068	\$23,037,738	\$26,412,613
Net Position to SIR (Board target: 20:1)		35.1	38.8	40.5	46.1	52.8
SIR to Net Position (Benchmark: captives <.10; group captives <.25)		2.85%	2.58%	2.47%	2.17%	1.89%
% Assets attributable to Net Position		60.1%	61.8%	60.2%	65.2%	67.6%
Total assets/total liabilities		2.51	2.62	2.57	2.87	3.09
Revenues to Net Position (Benchmark: <2.5:1 and >0		1.02	0.98	1.05	0.96	1.02
Loss Reserves to Net Position (discounted): Benchmark <3:1 and >0		0.65	0.59	0.62	0.55	0.46
Total liabilities to liquid assets: Benchmark <100%		59%	40%	24%	20.1%	32.4%
Change in Net Position: >-10%		-35.0%	38.0%	15.4%	18.7%	14.6%
Return on Net Position: Net Operating Income/Net Position		11.7%	10.6%	12.7%	12.6%	7.5%
Return on Net Position: Total Income/Net Position		19.8%	9.6%	4.2%	12.1%	12.8%

We continue to provide stability in the mist of uncertainty, allowing members to focus on serving their communities. We will continue to offer reliability and stability in a risky property and casualty world.

Economic Factors:

For the fiscal year ending June 30, 2024, economic conditions showed continued signs of growth and inflation continuing for the nation and Nevada. NPAIP's investments, showing positive results this year due to higher book yields, reinstating our overnight sweep accounts, and loss harvesting to enhance our income in future fiscal years. We have performed consistently with fixed income investment markets considering the statutory requirements to invest in governmental securities. NPAIP's investments are anticipated to be held to maturity. NPAIP is restricted by Nevada statutes to invest in governmental

securities in the same manner as other political subdivisions. Management adjusts the mix of investments as market conditions change.

Medical inflation continues to be higher than the overall consumer price index nationally, which affects the underlying costs of liability claims payable by NPAIP. Based upon claims activity and the tendency of plaintiffs to appeal judgments more often, litigation costs continue to rise. NPAIP's defense costs have risen because of the types of cases being filed and the increase in the hourly rate that assures retention of competent counsel to defend civil rights cases. The fiscal year ending June 30, 2024 evidenced hardening insurance market conditions for property and liability reinsurance. Inflation in property claims costs impacts results. Rates in property coverage increased as did liability rates. NPAIP was able to retain its coverage capacity at current levels.

Preparation of this report included the efficient and dedicated services of the entire staff. Staff includes Wayne Carlson, Executive Director, Steven Romero, Member Relations, Marshall Smith, Risk Manager, Jarrod Hickman, Risk Management Specialist, Alan Kalt, Chief Financial Officer, Debbie Connally, Controller, Melissa Mack, Accounting Technician, Jennifer Turner, Administrative Data Analyst and Mike Van Houten, e-learning Manager and Webmaster. Thanks also to the dedicated professional staff from Bertrand & Associates, LLC, our independent auditors, for their contribution and support throughout the audit process. Special thanks to the Executive Committee, Audit Committee and Board of Directors for their keen interest and support in the planning and conducting of the financial operations of NPAIP in a responsible and progressive manner.

Thank you for your participation in NPAIP and for having confidence in our ongoing ability to meet the Mission, Vision, and Motto you set for our member services consortium. We welcome your comments and suggestions to further strengthen NPAIP's financial position, to provide you with additional information and to enhance Member services. I am honored to serve as Executive Director. Thank you for your continued active participation as a Member of NPAIP.

Sincerely,

Wayne Carlson

NPAIP Executive Director

BERTRAND & ASSOCIATES LLC

CERTIFIED PUBLIC ACCOUNTANTS

Member American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

777 E. William St. Suite 206 Carson City, NV 89701 Tel 775.882.8892 Fax 775.562.2667 E-mail: michael@bertrandcpa.com

To the Executive Director and the Board of Directors Nevada Public Agency Insurance Pool Carson City, Nevada

Opinion

We have audited the accompanying statements of net position of the Nevada Public Agency Insurance Pool as of June 30, 2024 and 2023 and the related statements of revenues, expenses and changes in net position and statements of cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Nevada Public Agency Insurance Pool as of June 30, 2024 and 2023 and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Nevada Association of County Commissioners and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Nevada Public Agency Insurance Pool's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis,

evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Nevada
 Public Agency Insurance Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggerate, that raise substantial doubt about Nevada Public Agency Insurance Pool's ability to continue as a going concern for a reasonable period.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 8 and the 10-year claims development schedule on page 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Carson City, Nevada October 1, 2024

Bertrand & ASSOCIATES, LLC

NEVADA PUBLIC AGENCY INSURANCE POOL MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023, AND 2024

Nevada Public Agency Insurance Pool's (NPAIP) discussion and analysis is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the entity's financial activities, (c) identify changes in NPAIP's financial position (its ability to address next and subsequent years challenges), and (d) identify any material deviations from the financial plan.

We encourage readers to read this information in conjunction with the Executive Director's letter, financial statements, and notes to gain a more complete understanding of the information presented.

Organization Overview

Nevada Public Agency Insurance Pool is a self-funded quasi-governmental entity formed by an interlocal cooperation agreement between political subdivisions of the state of Nevada and organized to operate as a group self-insurer. The purpose of the organization is to seek the prevention or lessening of casualty losses to its members and injuries to persons, which might result in claims being made against such members. In addition to self-funding property, casualty and cyber coverage, the program provides risk management services with emphasis on risk control, claims administration, and management support services. NPAIP is fully funded by member participants. Members file claims with Davies Claims Solutions (DCS) which is contracted to perform claims management services for NPAIP.

NPAIP provides property, casualty, and cyber coverage to member governmental entities pursuant to state statutes. The program is fully funded by member entities and is governed by a Board of Directors composed of representatives of each member. Any member may withdraw from the program by giving 120 days' notice in advance of the renewal date. NPAIP's independent actuary develops required NPAIP contributions to be assessed and collected.

Background:

NPAIP is subject to Governmental Accounting Standards Board (GASB) requirements set forth in GASB Statement No. 34 – *Basic Financial Statements* – *and Management's Discussion and Analysis* – *for State and Local Government*. NPAIP's financial information must be accompanied by enhanced analysis, both short and long term, and explanations of significant financial statement elements. Since NPAIP operates as an enterprise created pursuant to NRS 277, the Interlocal Cooperation Act, its financial statements will be presented in a manner that reflects its operations like a private company.

Using this Annual Report:

Since the financial statements report information about NPAIP, it uses accounting methods like those used by private sector organizations, these statements offer short- and long-term financial information about NPAIP's activity. The financial statements show a comparison of two audited years ending June 30, 2023, and June 30, 2024 to facilitate understanding of changes in the financial position over time.

The Statement of Net Position includes all NPAIP's assets and liabilities and information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing rate of return, evaluation of the capital structure and for assessing the solvency, liquidity, and financial flexibility of NPAIP.

The current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of NPAIP's operations for the fiscal year compared to the previous fiscal year and can be used as a measure of NPAIP's credit worthiness and whether NPAIP successfully recovers its costs through its sources of revenue.

The Statement of Cash Flows serves to provide information about NPAIP's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operations, capital and related financing activities and investing activities. It also discloses from where cash comes, for what it was used and the change in cash balance during the reporting period. Since NPAIP incurs financial obligations to pay for

claims that occurred in the past from current year resources and at the same time receives revenue that it must retain for payment of future claims from future resources, cash flow may vary significantly from year to year.

Financial Highlights

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, including the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

The auditor's report offers an unmodified opinion on the financial statements, the best opinion that can be attained.

Critical Accounting Estimates

Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of income and expenses during the accounting period. Actual results could differ from these estimates.

NPAIP recognizes the uncertainty inherent in the valuation of investments and loss reserves, including reserves for incurred but not reported claims (IBNR), as critical in that they involve a higher degree of judgment and are subject to a significant degree of variability. In developing these estimates, management makes subjective and complex judgments that are inherently uncertain and subject to material change as facts and circumstances develop. Although variability is inherent in these estimates, management believes the amounts provided are appropriate and conservative based upon the facts available as of the date of the financial statements. NPAIP uses the assistance of an independent outside actuarial firm in relation to the IBNR and overall loss reserve adequacy.

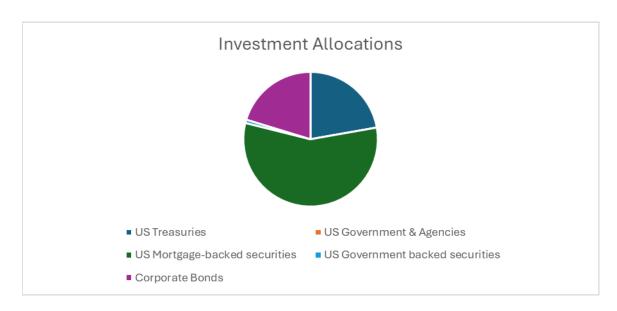
NPAIP implemented GASB 87 related to recognizing leases. NPAIP leases office space to various tenants with varying renewal dates. Prior year financial statements were restated for this change. The leases are capitalized at a rate of 2%, which is our estimation of the average rate of return on fixed income investments at the time the leases were entered into. As such, interest income is recorded on the leases annually based on this rate.

Investments

One significant estimate inherent in the valuation of investments is the evaluation of fair value. Investments consist of government and government backed securities reported at their fair value in the Statement of Net Position. Fair value is determined utilizing the market value of the investments as reflected on the applicable brokerage statements. Net increases and decreases in the fair value are included in the Statement of Revenue, Expenses and Changes in Net Position. Nevada Revised Statutes and the Board approved Investment Policy outline the restrictions on the types of allowed investments. NPAIP is authorized to make investments in bonds and debentures of the United States, bills, and notes of the U.S. Treasury, and in high-grate corporate backed securities. NPAIP is authorized to purchase negotiable certificates of deposits issued by commercial banks or insured savings and loan associations.

Cash and investments of \$34,387,611 are available to meet current liabilities, including reserves for loss and loss adjustment expenses of \$5,397,459. Total current liabilities include accounts payable, risk management grants payable, specific recoverables and current portion of reserves for claims. This is a conservative measure of cash and investments available to pay current obligations. NPAIP's cash ratio is 6.4, meaning that it has 6.4 times the unrestricted cash and investments on hand to meet its obligations. Last year's cash ratio was 5.4. The increase in the cash ratio is due primarily to the increase in cash and investments of \$4,610,257 during the year from \$29,777,354 to \$34,387,611. The total current liabilities of \$5,397,456 compares to the prior year total of \$5,518,240, a reduction of \$120,784. The reduction primarily was in the current portion of reserve for claims and claims adjustment expenses from \$5,198,461 to \$5,038,051.

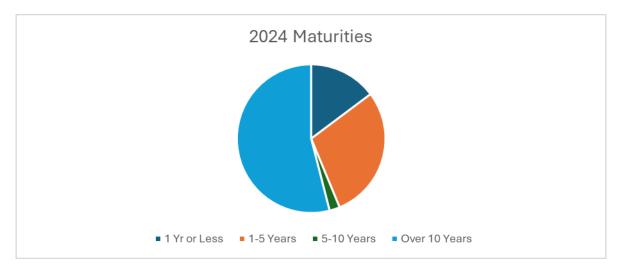
Investment balances as of June 30, 2024, were \$29,134,391 compared to the prior year's amount of \$24,076,484. This represents an increase of \$5,057,907 or 21.0%. The increase is due primarily to the increase in non-operating net investment income and operations during the year due to higher market rates. As discussed in Note 3, the following is a summary of the fair value of investments as of June 30, 2024:



Investment Descriptions

U.S. Treasuries
U.S. Mortgage-backed securities
U.S. Government backed securities
Corporate bonds
Total investments

Fair Value 6-30-2024 Fair Value 6-30-2023 \$ 5,489,750 \$ 4,705,803 16,368,667 13,138,795 1,262,991 141,379 6,012,983 6,090,507 \$29,134,391 \$24,076,484



Accrued Interest

The investment income receivable on June 30, 2024, is \$190,355 compared to \$110,456 in 2023. This is a change of \$79,899 or 72.3%. This is due primarily to the increase in investment balances and investment yields at year end and the timing of the payment of accrued interest on the investments.

Specific and Aggregate Recoverables

Specific and aggregate recoverables on June 30, 2024 are \$2,313,971, compared to \$2,872,486 in 2023. This is a decrease of \$558,515 or 19.4% due in part to the mediation settlement in favor of United Educators on a settled Elko County School District case from the NPAIP's settlement. The prior year's write-off was 50% and the remaining 50% was written off in the current year. See Note 10 for more details.

Contributed Surplus Public Risk Mutual

In May of 2004, NPAIP's board of directors authorized the startup of a member-owned nonprofit captive mutual

insurance company and contributed surplus to the company. The company, named Public Risk Mutual, ("PRM") is domiciled in Nevada. PRM subsequently converted from an association captive to a pure captive form owned by NPAIP. PRM is one of the reinsurers for NPAIP. The benefits of the captive include reduced administrative costs, reinsurance opportunities, a broader investment portfolio which can include risk assets, and to build equity to enable provision of coverage not obtainable elsewhere. Management considers the contributed surplus costs a development cost that can provide lower operating costs in the future and estimates that the savings in reinsurance cost to NPAIP will recoup the contributed capital. At the annual meeting held on April 17, 2020, the Board approved a change in the accounting policy related to the transfer of capital to PRM to expense 100% in the year of transfer effective retroactively to July 1, 2018, noting that that the unamortized balances will reduce NPAIP's Net Position and Contributed Surplus to PRM would be eliminated in the restatement of the 2019 financial statement. As of July 1, 2018, Contributed Surplus from NPAIP was \$29,477,263. As of June 30, 2018, the accumulated amortization was \$18,125,819 resulting in Contributed Surplus, net of accumulated amortization of \$11,351,444 and the same reduction in NPAIP's Net Position as of July 1, 2018. This accounting change impacts NPAIP's financial benchmarks and makes NPAIP more comparable with our peers in years without the transfer. The following chart indicates NPAIP's surplus contributions to PRM since inception:

Fiscal Year	Contributions	Total Contributions
2004	\$ 1,000,000	\$ 1,000,000
2005	\$ -	\$ 1,000,000
2006	\$ -	\$ 1,000,000
2007	\$ 1,000,000	\$ 2,000,000
2008	\$ 1,100,000	\$ 3,100,000
2009	\$ 3,800,000	\$ 6,900,000
2010	\$ 808,416	\$ 7,708,416
2011	\$ 5,265,924	\$12,974,340
2012	\$ 2,276,619	\$15,250,959
2013	\$ 1,237,581	\$16,488,540
2014	\$ 1,500,000	\$17,988,540
2015	\$ -	\$17,988,540
2016	\$ 1,488,723	\$19,477,263
2017	\$ 4,300,000	\$23,777,263
2018	\$ 5,700,000	\$29,477,263
2019	\$ -	\$29,477,263
2020	\$ -	\$29,477,263
2021	\$ -	\$29,477,263
2022	\$ -	\$29,477,263
2023	\$ -	\$29,477,263
2024	\$ -	\$29,477,263

As noted above, NPAIP has contributed \$29,477,263 to PRM in accordance with NPAIP's Capitalization Strategy Policy which allows NPAIP's Executive Committee to distribute a portion of the Net Assets to provide additional capitalization of PRM to reduce reliance on other excess or reinsurance providers. PRM increased its reinsurance capacity and thereby reduced NPAIP's retention because of the additional contributions to PRM's surplus.

Reserves for Claim Losses

Loss reserves are estimates of losses and loss development and as such will differ from the ultimate results. Therefore, one of the critical accounting estimates is the appropriate amount of reserves to be set aside to meet future liabilities of the current in-force business. Changes in or deviations from the assumptions used to develop the loss reserves can significantly affect NPAIP's reserve levels and related future operations. Assumptions include company methodology for underwriting and claims handling and current estimates of the legal, inflation rate, and social environment. Annually, NPAIP retains an outside independent actuary to provide a loss reserve opinion and to establish a range for NPAIP's loss reserves. NPAIP's policy is to book reserves at the 75% confidence level as recommended by the actuary. The actuarial analysis for the current fiscal year revealed an overall increase in case reserves and IBNR reserves over prior years estimated incurred losses. The current analysis for June 30, 2024, reflects that NPAIP's retention is in addition to the member deductible. This resulted in an increased reserve for NPAIP and a lower reserve

for PRM. See Note 6 Unpaid Claim Liabilities and the Supplemental Schedule of Claim Development in the financial statements for more details.

Reserves for the current portion of claims decreased from \$5,198,461to \$5,038,051 in the fiscal year ending June 30, 2024. The noncurrent reserve for claims and claims loss adjustment expenses increased from \$6,754,539 to \$7,117,949 in 2024. Total reserves increased to \$12,156,000 from \$11,953,000 from, an increase of \$203,000 or 1.7% based on claim payments and decreased claims costs and development as calculated by the actuary. The development schedule included in the financial statement provides the history of the claims reserve changes each year over 10 years included in the financial statements for more details.

Change in Net Position

NPAIP's Total Net Position increased from \$23,037,201 to \$26,412,613 during the fiscal year ending June 30, 2024, an increase of \$3,374,875 or 14.6%. This increase resulted from an overall increase in operating net position of \$1,985,602 and by net investment income of \$1,389,273 for fiscal year 2024. The following is the comparative Statements of Net Position for NPAIP as of June 30, 2024, and 2023.

CONDENSED STATEMENTS OF NET POSITION

	2024	2023
Cash and investments	\$ 34,387,611	\$ 29,777,354
Accrued interest	190,355	110,456
Receivables	114,025	534,022
Prepaid expense	275,097	330,599
Capital assets, net	1,558,890	1,569,699
Specific and aggregate recoverables, net	2,313,971	2,872,486
Leased assets	205,519	136,633
Total assets	39,045,468	35,331,249
Accounts payable	229,256	77,819
Risk management grants payable	42,080	126,059
Lease obligations	205,519	136,633
Reserve for claims and claims related expense	12,156,000	11,953,000
Total liabilities	12,632,855	12,293,511
Net position -unrestricted	24,853,723	21,468,039
Net position -invested in capital assets	1,558,890	1,569,699
Total net position	\$ 26,412,613	\$ 23,037,738

Total Operating Revenues

NPAIP's primary revenue source comes from premiums written. Premium written increased from \$21,371,509 to \$26,197,269 during fiscal year ending June 30, 2024, an increase of \$4,825,760 or 22.6%. This increase is attributable to a rate increase needed to fund property coverage due to a hard market and increased claims, allocation of special insurance programs into the rates, changes in members deductible options and operating programs. In fiscal year 2024 and 2023, NPAIP received \$475,000 from PRM to pay for risk mitigation services to support member services.

Program Expenses

Total program expenses increased to \$23,292,681 from \$17,569,968 in Fiscal Year 2023. This reflects an increase of \$5,722,713 or 32.6% in the current year driven by increases in the reinsurance/excess insurance program from \$8,849,884 to \$11,599,873 an increase of \$2,749,989 or 31.1%. This increase is due to the losses in those layers and the continued hardening in the global reinsurance market during the year. Losses and loss adjustment expenses increased \$2,78,317 or 90.2% due to significant increases in claims cost during the year. Special insurance programs covering student accident and environmental coverage were \$522,586. Agent commissions increased from \$1,336,938 to \$1,596,131, an increase of \$259,193. The other changes in program expenses were insignificant.

Administration Expenses

Total administrative expenses were \$1,643,362 in Fiscal Year ending June 30, 2024, compared to \$1,668,913 in FY 2023. This represents a decrease of \$25,551 or 1.5%. The management fees increased from \$665,230 to \$688,514 to account for contractual increases. Operating expenses decreased from \$479,445 to \$461,357, a decrease of \$18,088 due to expense mitigation measures. Consultant appraisals increased from \$94,950 to \$137,850 due to the region and number of properties within the re-appraisal cycle. Technology services decreased from \$150,846 to \$47,016 due to system upgrades in the prior year.

Non-operating Net Investment Income

Investments are marked to market value at the time of the financial statements, which may result in a negative or positive overall result. Restrictions imposed by law on the types of investments NPAIP may utilize are like other local governments. The investment portfolio consists of governmental type investments which, if held to maturity, will yield the respective coupon rates although interim performance may lag. NPAIP's investments are anticipated to be held to maturity. Non-operating net investment income was (\$108,063) for Fiscal Year end June 30, 2023, compared to \$1,389,273 in 2024. The investment income increased due to higher book yields and increased values of investments during the year. Some loss harvesting occurred in the current year to increase yields in subsequent years as a strategic move to take advantage of the higher investment yield curve. See Note 3 Investment Securities for more details.

Revenues, Expenses and Changes in Net Position: CONDENSED STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION

	2024	2023
Revenues	\$ 26,921,645	\$ 22,134,614
Loss fund provision and program expenses	23,292,681	17,569,968
Administration expenses	1,643,362_	1,668,913
Total expenses	24,936,043	19,238,881
Increase in operating net position	1,985,602	2,895,733
Non-operating net investment loss Increase in net position	1,389,273 3,374,875	(108,063) 2,787,670
Net position- beginning balance Net position, end of year	23,037,738 \$ 26,412,613	20,250,068 \$ 23,037,738

Capital Assets and Debt Administration:

NPAIP owns land and the office building as the only physical assets and has no borrowed funds. The capital assets of land, building and equipment net is \$1,558,890 as of June 30, 2024. This represents 4.0% of the total assets. This building generates rental income and diversifies NPAIP's investments. NPAIP remains debt free.

Subsequent Events:

There were no subsequent events that would affect the financial statements for the current fiscal year.

Requests for Information:

While the purpose of this discussion and financial report is to provide a general overview of NPAIP's financial position, address requests for additional financial information to Wayne Carlson, Executive Director, 201 S. Roop St., Suite 102, Carson City, NV 89701-4790.

NEVADA PUBLIC AGENCY INSURANCE POOL Statements of Net Position June 30, 2024 and 2023

ASSETS	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and cash equivalents	\$ 5,253,220	\$ 5,700,870
Investments	29,134,391	24,076,484
Investment income receivable	190,355	110,456
Deductibles receivable	63,566	348,772
Assessments receivable	40,576	155,561
Other Receivables	9,883	29,689
Prepaid expense	275,097	330,599
Total current assets	34,967,088	30,752,431
Capital assets:		
Land, building & equipment, net	1,558,890	1,569,699
Non current assets:		
Specific and aggregate recoverables, net	2,313,971	2,872,486
Lease assets	205,519	136,633
Total non-current assets	2,519,490	3,009,119
Total Assets	39,045,468	35,331,249
LIABILITIES		
Other current liabilities:		
Accounts payable	229,256	77,819
Risk Management Grants payable	42,080	126,059
Current portion of lease obligations	88,069	115,901
Current portion of reserve for claims and		
claims adjustment expenses	5,038,051	5,198,461
Total current liabilities	5,397,456	5,518,240
Noncurrent liabilities:		
Lease obligations	117,450	20,732
Reserve for claims and claims adjustment expenses	7,117,949	6,754,539
Total non-current liabilities:	7,235,399	6,775,271
Total Liabilities	12,632,855	12,293,511
NET POSITION		
Net Position, unrestricted	24,853,723	21,468,039
Net Position, invested in capital assets	1,558,890	1,569,699
Total Net Position	\$ 26,412,613	\$ 23,037,738

See accompanying notes

NEVADA PUBLIC AGENCY INSURANCE POOL Statements of Revenues, Expenses and Changes in Net Position For Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Premiums written	\$ 26,197,269	\$ 21,371,509
Lease income	244,787	239,666
PRM risk mitigation services	475,000	475,000
Other Income	4,589	48,439
Total revenues	26,921,645	22,134,614
PROGRAM EXPENSES		
Losses and loss adjustment expenses	5,731,541	3,013,224
Excess insurance premiums	11,599,873	8,849,884
Special insurance programs	522,586	493,655
Bad debt expense	775,981	775,980
In-house brokering & loss control fees	505,000	505,000
Third party administrator fees	937,179	917,036
Member education and training	1,442,067	1,389,976
Loss control awards and grants	158,986	265,965
Agent commissions	1,596,131	1,336,938
Taxes written	23,337	22,310
Total program expenses	23,292,681	17,569,968
	, ,	
ADMINISTRATIVE EXPENSES		
Management fees	688,514	665,230
Building maintenance and utilities	113,297	91,785
Depreciation	78,462	71,669
Travel	50,132	57,961
Casualty insurance	56,118	54,504
Operating expenses	461,357	479,445
Legal expenses	10,616	2,523
Consultant appraisals	137,850	94,950
Technology services	47,016	150,846
Total pool administration expenses	1,643,362	1,668,913
Total program and administration expenses	24,936,043	19,238,881
Increase in operating net position	1,985,602	2,895,733
Non-operating net investment income (loss)	1,389,273	(108,063)
Increase in net position	3,374,875	2,787,670
and once in net position	0,017,010	2,101,010
Beginning net position	23,037,738	20,250,068
Net position, end of year	\$ 26,412,613	\$ 23,037,738

See accompanying notes

Cook flows from an autima activities	<u>2024</u>	<u>2023</u>
Cash flows from operating activities: Premiums written	\$ 26,617,266	\$ 21,179,941
Lease income	244,787	239,666
PRM risk mitigation services	475,000	475,000
Other revenues	4,589	48,439
Payments for claims	(5,528,541)	(3,636,224)
Payments to vendors	(18,524,464)	(16,090,892)
r ayments to vendors	(10,324,404)	(10,090,892)
Net Cash Provided from Operating Activities	3,288,637	2,215,930
Cash flows from investing activities:		
Interest and dividend income, net of expenses	968,589	589,273
Purchases of investments	(10,584,700)	(5,169,953)
Proceeds from sales of investments	5,947,477	3,582,992
Net Cash used from Investing Activities	(3,668,634)	(997,688)
Cash flows from capital activities:		
Equipment purchases	(67,653)	-
Net Cash Used for Capital Activities	(67,653)	-
(Decrease) increase in Cash Equivalents	(447,650)	1,218,242
Cash and Cash Equivalents, beginning of fiscal year	5,700,870	4,482,628
Cash and Cash Equivalents, year ended June 30	5,253,220	5,700,870
Reconciliation of Operating Income to Net Cash Provided by Opera	ting Activities:	
Operating Net Income	1,985,602	2,895,733
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	78,462	71,669
(Increase) in accrued interest	(79,899)	(26,294)
Decrease (increase) in deductibles receivable	285,206	(63,583)
Decrease (increase) in other receivables	134,791	(127,985)
Decrease in recoverables	558,515	339,941
Decrease in prepaid expense	55,502	78,936
(Increase) decrease in leased assets	(68,886)	163,372
Increase (decrease) in accounts payable	151,437	(325,124)
(Decrease) in Risk Management Grants liability	(83,979)	(4,363)
Increase (decrease) increase in lease obligations	68,886	(163,372)
Increase (decrease) in reserve for claims and loss adjustments	203,000	(623,000)
Net Cash Provided by Operating Activities	\$ 3,288,637	\$ 2,215,930

See accompanying notes

NEVADA PUBLIC AGENCY INSURANCE POOL Notes to Financial Statements June 30, 2024 and 2023

NOTE 1 - NATURE OF ORGANIZATION

The Nevada Public Agency Insurance Pool (NPAIP) is a quasi-governmental entity formed by an intergovernmental agreement between political subdivisions of the state of Nevada and organized to operate as a group self-insurer. The purpose of the organization is to seek the prevention or lessening of casualty losses to its members and injuries to persons, which might result in claims being made against such members. In addition to self-funding and excess insurance protection, the program provides risk management services with emphasis on loss control, claims administration, and management support services. The NPAIP is fully funded by member participants. Members file claims with Davies Claims Solutions, which has been contracted to perform claims adjustments for the NPAIP.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Presentation

The Nevada Public Agency Insurance Pool (NPAIP) has prepared its financial statements in accordance with accounting principles generally accepted in the United States of America. NPAIP has implemented Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis – for State and Local Governments*.

The financial statements have been prepared on the basis of accounting principles generally accepted in the United States of America for governmental entities and insurance enterprises, where applicable, which may differ from the basis of accounting followed in statutory reporting.

Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Measurement Focus, Basis of Accounting

The financial statements are reported using the economic resources management focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Expenditures are recorded when the related fund liability is incurred.

Cash Equivalents

For purposes of the statement of cash flows, the NPAIP considers investments with original maturity dates less than 90 days to be cash equivalents.

Investment and Interest Income

Investments are recorded at fair market value. Interest income, and realized and unrealized gains and losses are shown as net investment income.

NPAIP is authorized, by state statutes, to make investments in bonds and debentures of the United States, and bills and notes of the U.S. Treasury, the maturities of which cannot be more than 10 years from date of purchase except as permitted by law. NPAIP is also authorized to purchase negotiable certificates of deposit issued by commercial banks or insured savings and loan associations, the U.S. Postal Service, and Government National Mortgage Association securities.

Budget

A budget is prepared by management though there is no legal budgetary requirement.

Credit Risk

Credit risk is the risk that the issuer of a security will default on the principal and interest of the security. NPAIP's policy is to invest in securities with credit ratings of AAA, AA, or A as rated by a Nationally Recognized Statistically Rating Organization pursuant to statutory limitations. In addition, NPAIP's policy is to diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one issuer will be minimized.

NEVADA PUBLIC AGENCY INSURANCE POOL

Notes to Financial Statements June 30, 2024 and 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentration of Credit Risk

NPAIP limits investments in fixed income securities to 10% of the total fixed income portfolio to any one issuer. Corporate bond allocation cannot exceed 20% of the total par value of the portfolio. NPAIP will not directly invest in securities that have a weighted average life of more than ten (10) years from the date of purchase, except as permitted by law. The policy does not place a limit on the purchase of U.S. government and government backed securities.

Liquidity Risk

Liquidity risk is the risk that an investment may not be converted into cash if a need for cash arises. Management minimizes liquidity risk through planning investment maturities to ensure that funds are available to meet cash flow needs and maintain a portion of the funds in money market mutual funds which offer same-day liquidity for short-term funds.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Management seeks to minimize this risk by matching investment maturities to liability due dates. This allows NPAIP to hold investments to maturity thus mitigating losses from the sale of investments prior to their maturity date. Additionally, exposure to fair value losses arising from increasing interest rates is minimized by investing in investments with short to mid-term durations.

<u>Deductibles</u> and <u>Specific Excess Recoverable Receivables</u>

Deductibles receivable represents the portion of a claim to be collected from members. Specific excess recoverables represents amounts to be collected from excess insurers on claims made by members against the NPAIP in excess of NPAIP's retention.

Receivables and allowances for doubtful accounts

Management has evaluated receivables for doubtful accounts and made a provision of \$775,980 for doubtful accounts for the year ended June 30,2023. The specific recoverable related to the allowance was deemed uncollectible during the year and was written off. No allowance is deemed necessary for the year ended June 30, 2024.

Fixed Assets

Equipment on the books is depreciated over the estimated useful lives of the assets using the straight-line method and the lives assigned to assets range from 5 years to 7 years. The capitalization policy allows for the recording as an asset and depreciation for amounts of and in excess of \$5,000. The office building cost is depreciated using the straight-line method over a period of 40 years and building improvements depreciated over 20 years with no salvage value.

Lease assets

Lease assets represent the amounts to be collected on office space that NPAIP has leased to various tenants. Lease obligation represents the obligation the NPAIP has to provide that leased space over the term of the contract. Leases are capitalized at a rate of 2% which is management's estimation based on the average rate of return NPAIP earned on investments at the time the lease was entered into. Interest income is recorded on the leases annually based on this rate. Lease assets and the related obligation are reduced each year as rental income is recognized.

Legal Fees

Legal fees included in administration expenses are primarily for corporate legal work only; all legal expenses associated with a particular claim are charged directly to that claim's experience. Legal work on claims affects losses incurred and loss adjustment expenses.

Losses and Loss Adjustment Expenses

Reserves for losses and allocated loss adjustment expenses are provided based on case basis estimates for losses reported and NPAIP's historical loss experience for claims incurred but not reported (IBNR). The liability for unpaid losses and loss adjustment expenses includes the estimated cost of investigating and settling all claims incurred as of the balance sheet date. Such amounts are determined based on an evaluation prepared by management and an independent consulting actuary using a 75% confidence level. Although such estimates are best estimates of the expected values, and actual results may vary from these values.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Member Loss Fund Contributions and Unearned Member Loss Fund Contributions

Member contributions are collected in advance and recognized as revenue in the period for which insurance protection is provided.

Federal Income Taxes

In accordance with Internal Revenue Service code Section 115, organizations formed, operated and funded by political subdivisions may exclude income from those activities that qualify for exclusion. Accordingly, no provision for income taxes has been provided in the accompanying financial statements.

Supplementary Development Schedule - Unaudited

The Claims Development Schedule reports claims on a reported year basis.

NOTE 3 – CASH AND INVESTMENTS

The carrying amount of NPAIP's deposits with financial institutions at June 30, 2024 and 2023 was \$5,253,220 and \$5,700,870 respectively. The financial institution balance at June 30, 2024 and 2023 was \$5,828,198 and \$6,080,599 respectively. The difference between the carrying amount and bank balance results from outstanding checks and/or deposits not yet reflected in the bank's records.

	<u>2024</u>		<u>2023</u>
Amounts insured by FDIC	\$ 250,000		\$ 250,000
Amounts collateralized	4,086,529		4,339,187
Amounts uninsured and uncollateralized	-		-
Cash equivalents at brokerage firm	1,491,669		1,491,412
Total deposits at financial institutions	\$ 5,828,198	_	\$ 6,080,599

NPAIP maintains its cash, cash equivalents and investments in a commercial bank and a brokerage institution. All amounts in the commercial bank are insured by the FDIC or collateralized. Amounts at the brokerage firm are insured through SIPC and additional amounts above SIPC coverage limits are insured by the broker through an insurance policy.

A summary of investments as of June 30, 2024 is as follows:

	Investment Maturities in Years								
	Fair Value	l year or less 1-5 5-10	Over 10						
U.S. Treasuries	\$ 5,489,750	\$ 896,906 \$ 4,285,500 \$ 307,344	\$ -						
U.S. Mortgage-backed securities	16,368,667	627,904 1,385 9,488	15,729,890						
U.S. Government backed securities	1,262,991	16,775 905,206 341,010	-						
Corporate bonds	6,012,983	2,760,776 3,252,207 -	<u>-</u>						
Total investments	\$ 29,134,391	\$ 4,302,361 \$ 8,444,298 \$ 657,842	\$ 15,729,890						

NOTE 3 – CASH AND INVESTMENTS (continued)

A summary of investments as of June 30, 2023 is as follows:

•	Investment Maturities in Years								
	Fair Value 1 year or less				1-5		5-10		Over 10
U.S. Treasuries	\$ 4,705,803	\$	832,756	\$	3,566,141	\$	306,906	\$	-
U.S. Mortgage-backed securities	13,138,795		35		620,291		10,877		12,507,592
U.S. Government backed securities	141,379		-		19,407		121,972		-
Corporate bonds	6,090,507		1,586,025		4,504,482		-		-
Total investments	\$ 24,076,484	\$	2,418,816	\$	8,710,321	\$	439,755	\$	12,507,592

Actual maturities may differ from contractual maturities as some borrowers have the right to call or prepay with or without call or prepayment penalties. NPAIP categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

	June 30, 2024 Fair Value	Quoted price in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
U.S. Treasuries	\$ 5,489,750	\$ 5,489,750	\$ -	\$ -
U.S. Mortgage-backed securities	16,368,667	-	16,368,667	-
U.S. Government backed securities	1,262,991	-	1,262,991	-
Corporate bonds	6,012,983		6,012,983	
Total cash and investments	\$ 29,134,391	\$ 5,489,750	\$ 23,644,641	\$ -
		Quoted price	Significant	
	June 30, 2023 Fair Value	markets for identical assets (Level 1)	other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
U.S. Treasuries	Fair Value \$ 4,705,803	identical assets	other observable inputs (Level 2)	unobservable inputs
U.S. Mortgage-backed securities	Fair Value \$ 4,705,803 13,138,795	identical assets (Level 1)	other observable inputs (Level 2) \$ - 13,138,795	unobservable inputs (Level 3)
U.S. Mortgage-backed securities U.S. Government backed securities	Fair Value \$ 4,705,803 13,138,795 141,379	identical assets (Level 1)	other observable inputs (Level 2) \$ - 13,138,795 141,379	unobservable inputs (Level 3)
U.S. Mortgage-backed securities	Fair Value \$ 4,705,803 13,138,795	identical assets (Level 1)	other observable inputs (Level 2) \$ - 13,138,795	unobservable inputs (Level 3)

NOTE 4 – LAND, BUILDING AND EQUIPMENT

Building and equipment are reported at cost less accumulated depreciation and land at cost. Depreciation is calculated on the straight line basis over the estimated useful lives of the assets. NPAIP capitalizes equipment and building related expenditures that are greater than \$5,000. When assets are disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in operations. Activity for the years ended June 30, 2024 and 2023 was as follows:

Property and equipment activity for the year ended June 30, 2024 was as follows:

	Estimated				
	Useful Life	June 30, 2023	Additions	Dispositions	June 30, 2024
Land	-	\$ 466,652	\$ -	\$ -	\$ 466,652
Building	40	1,783,716	-	-	1,783,716
Equipment, furniture, fixtures & vehicles	5-7	438,068	67,653	-	505,721
		2,688,436	67,653	-	2,756,089
Less accumulated depreciation	_	(1,118,737)	(78,462)	-	(1,197,199)
Capital assets net accumulated depreciat	ion	\$ 1,569,699	\$ (10,809)		\$ 1,558,890

Property and equipment activity for the year ended June 30, 2023 was as follows:

	Estimated							
	Useful Life	Jun	e 30, 2022	Additi	ions	Dispositions	Jı	ine 30, 2023
Land	-	\$	466,652	\$	-	\$ -	\$	466,652
Building	40		1,783,716		-	-		1,783,716
Equipment, furniture, fixtures & vehicles	5-7		438,068		-	-		438,068
			2,688,436		-	-		2,688,436
Less accumulated depreciation			(1,047,068)	ı	(71,669)	-		(1,118,737)
Capital assets net accumulated depreciati	ion	\$	1,641,368	\$	(71,669)	\$ -	\$	1,569,699
	•							

Depreciation expense for years ended June 30, 2024 and 2023 was \$78,462 and \$71,669 respectively.

NOTE 5 – RETENTION

Nevada Public Agency Insurance Pool retains a portion of claims prior to the application of coverage provided by its reinsurance contracts. The retention amounts per event are as follows:

	2023-2024	2022-2023
Property	\$200,000	\$200,000
Liability	\$500,000	\$500,000
Monies & Securities	\$500,000	\$500,000
Equipment Breakdown	\$50,000	\$50,000
Cyber Risk	\$250,000 except \$500,000 for	\$250,000 except \$500,000 for
	school districts	school districts

NOTE 6 – UNPAID CLAIMS LIABILITIES

NPAIP estimates losses and loss adjustment expense based on historical experience and payment and reporting patterns. These estimates are based on data available at the time of the estimate and are reviewed by NPAIP's independent consulting actuary.

Inherent in the estimates of the ultimate liability for unpaid claims are expected trends in claim severity, claim frequency, and other factors that may vary as claims are settled. The amount and uncertainty in the estimates are affected by such factors as the knowledge of the actual facts and circumstances and amount of historical claims experienced relative to the development period that has been affected by the change in premium levels and increase in closing and settlement of claims.

As discussed in Note 2, the NPAIP establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claims adjustment expenses, both allocated and unallocated. The following represents changes in those aggregate liabilities for NPAIP in the last two years:

	<u>2024</u>	<u>2023</u>
Unpaid losses and loss adjustment expenses		
at beginning of year or period	\$ 11,953,000	\$ 12,576,000
Incurred losses and loss adjustment expenses:		
Provision for insured events of current year	6,334,000	6,604,000
Decrease in provision for insured events		
of prior fiscal years	(602,459)	(3,590,776)
Total incurred losses and loss adjustment	5,731,541	3,013,224
Payments:		
Claims and claim adjustment expenses		
attributable to insured events of current		
fiscal year/period	(1,139,000)	(860,000)
Claims and claims adjustment expenses		
attributable to insured events of prior	(4,389,541)	(2,776,224)
Total Payments	(5,528,541)	(3,636,224)
Unpaid claims and claims adjustment expenses		
At end of fiscal year	\$ 12,156,000	\$ 11,953,000

In 2024 the current portion of the reserve, cash expected to be paid within 12 months, is \$5,038,051 and the long-term portion is \$7,117,949. At the end of 2023 the current portion was \$5,198,461 and the long-term portion was \$6,754,539.

At June 30, 2024 and 2023, NPAIP recorded the liability for losses and loss adjustment expenses based on an estimate by its independent consulting actuary. The reserve balances were developed by an independent actuary and are management's best estimate of reserves at June 30, 2024 and 2023.

NOTE 7 - RELATED PARTY TRANSACTIONS

<u>PARMS</u>

Public Agency Risk Management Services, Inc. (PARMS) a service corporation wholly owned by Mr. Wayne Carlson, leased space at 201 S. Roop St. in Carson City, Nevada from the Nevada Public Agency Insurance Pool through a lease agreement for the Executive Director's office space. Lease payments received from PARMS for the years ending June 30, 2024 and 2023 were \$7,564 and \$7,416. The lease was renewed on May 9, 2024 for 12 months.

PARMS began to contract with the Nevada Risk Pooling (NRP) to provide management services from July 1, 2020 through June 30, 2022. The Board approved a two-year extension to July 1, 2024 at their April 21, 2022 meeting. On March 11, 2024, the Board approved a two-year extension to July 1, 2026 with all other terms and conditions remaining unchanged. PARMS serves as the Executive Director/Administrator.

Nevada Risk Pooling

Effective July 1, 2019, Nevada Public Agency Insurance Pool (NPAIP) jointly with Public Agency Compensation Trust (PACT) provided a five-year grant to Nevada Risk Pooling, Inc. (NRP), a nonprofit organization formed by the executive director of NPAIP, Wayne Carlson, and whose directors are Josh Foli, Alicia Heiser, Gina Rackley, Paul Johnson and Geof Stark. The NRP contract allocation is for NPAIP to pay 50% and PACT 50%. NRP will manage all administrative and risk management duties for NPAIP and PACT.

Effective August 1, 2021, Nevada Risk Pooling assumed the brokering and loss control duties previously provided by Willis Pooling. The Board approved bringing these services in-house at their August 24, 2021 meeting. The contract amounts for Fiscal Year Ending June 30, 2024 and 2023 from POOL were \$505,000 for both years.

Grant costs to NPAIP for the years ending June 30, 2024 and 2023 were \$1,193,514 and \$1,170,23 of which \$688,514 and \$665,230 were recorded as management fees for fiscal years 2024 and 2023 respectively. The grant was extended for another five years beginning July 1, 2024.

NRP rents office space at 201 S. Roop St. in Carson City, Nevada from the Nevada Public Agency Insurance Pool through a separate agreement for a term of 12 months.

Pooling Resources, Inc

Effective July 1, 2006, Nevada Public Agency Insurance Pool (NPAIP) jointly with Public Agency Compensation Trust (PACT) provided a grant to Pooling Resources, Inc. (PRI), a nonprofit organization formed by the executive director of NPAIP, Wayne Carlson, and whose chairman is Geof Stark with directors Paul Johnson, and Michael Giles. PRI provides human resources management services to NPAIP members. The total contract is allocated for NPAIP to pay 65% and PACT 35%. The cost of this grant for NPAIP was \$921,877 and \$895,026 for the years ended June 30, 2024 and 2023 respectively. This grant cost is reported as part of member services & education expenses.

The grant was renewed for five years beginning July 1, 2021 through June 30, 2025. Future grant payments are as follows:

Year ended:
2025
949,533
\$ 949,533

PRI uses office space at 201 S. Roop St. Suite 103 in Carson City, Nevada from the Nevada Public Agency Insurance Pool through a separate agreement for a term of 12 months.

NOTE 7 - RELATED PARTY TRANSACTIONS (continued)

Other Related Party Transactions

NPAIP is the sole policy holder of Public Risk Mutual Company (PRM) which was formed by NPAIP as a non-profit captive mutual insurance company. PRM provided \$475,000 for both years ending June 30, 2024 and 2023 to NPAIP to provide risk management services to the membership. Since 2004, NPAIP has contributed \$29,477,263 into PRM. No contributions were made in fiscal year 2024 or 2023 to PRM.

On July 1, 2017, NPAIP at no cost to NPAIP assumed ownership from PARMS of servers, computers and software and absorbed all costs related to the maintenance, replacement, and improvements for all technological needs of NPAIP, PACT, PRM, (Public Risk Mutual), PCM (Public Compensation Mutual), NRP (Nevada Risk Pooling) and PRI (Pooling Resources, Inc). The related companies of PACT, PRM, PCM, PARMS, NRP, and PRI make payments to NPAIP for use of the information technology equipment and services.

NOTE 8 – EXCESS INSURANCE OR REINSURANCE

Nevada Public Agency Insurance Pool offers limits as shown in the policy form. Highlights of some of the limits and sublimits are shown in the table below. However, NPAIP obtains various reinsurance policies from several reinsurance companies to bear a portion of the risks not retained by the NPAIP under its retention. The limits shown below include the NPAIP retention:

COVERAGE LIMITS:

PROPERTY	2023-2024	2022-2023
Property per event	\$300,000,000	\$300,000,000
Earthquake aggregate	\$150,000,000	\$150,000,000
Flood aggregate	\$150,000,000	\$150,000,000
except flood zone A and X	\$25,000,000	\$25,000,000
Equipment breakdown	\$100,000,000	\$100,000,000

LIABILITY	2023-2024	2022-2023
Per Event and Aggregate per Member	\$10,000,000	\$10,000,000
Per Wrongful Act and Aggregate per Member	\$10,000,000	\$10,000,000
Law Enforcement per Event and Aggregate per	\$10,000,000	\$10,000,000
Member		
Emergency Response to Pollution Sublimit	\$1,000,000	\$1,000,000
Aggregate		
Sexual Abuse Sublimit per Event and Aggregate	\$2,500,000	\$2,500,000
per Member		

CYBER RISK COVERAGE	2023-2024	2022-2023
Per Private or Security Liability Event	\$3,000,000	\$3,000,000
Aggregate all members combined	\$15,000,000	\$15,000,000

NOTE 8 – EXCESS INSURANCE OR REINSURANCE (continued)

REINSURANCE:

Property	2023-2024	2022-2023
Public Risk Mutual	\$300,000 excess of retention plus 4% of	\$300,000 excess of retention plus 4% of
	\$100,000,000 excess of \$50,000,000	\$100,000,000 excess of \$50,000,000
Travelers Boiler Re	\$100,000,000 excess of retention	\$100,000,000 excess of retention
Lloyds of London	\$300,000,000 excess of retention,	\$300,000,000 excess of retention,
various syndicates	excluding equipment breakdown and	excluding equipment breakdown and
	monies and securities	monies and securities

Liability	2023-2024	2022-2023
Public Risk Mutual	30% of \$2,500,000 excess of retention	30% of \$2,500,000 excess of retention
	excluding school districts; 25% of	excluding school districts; 25% of
	\$7,000,000 excess of \$3,000,000 for all	\$7,000,000 excess of \$3,000,000 for all
	Members	Members
County Reinsurance,	70% of \$2,500,000 excess of retention	70% of \$2,500,000 excess of retention
Ltd.	excluding school districts	excluding school districts
United Educators	N/A	\$2,500,000 excess of retention for all
		school districts
Old Republic	\$2,500,000 excess of retention for all	\$2,500,000 excess of retention for all
	school districts	school districts
Government Entities	\$7,000,000 excess of \$3,000,000 for all	\$7,000,000 excess of \$3,000,000 for all
Mutual, Inc.	Members	Members

Cyber Risk	2023-2024	2022-2023
Public Risk Mutual	\$1,000,000 excess of \$2,000,000	\$1,000,000 excess of \$2,000,000
	per Event	per Event
County Reinsurance, Ltd.	\$2,000,000 excess of retention per	\$2,000,000 excess of retention per
-	Event	Event

NOTE 9 – LEASES

NPAIP has long-term lease agreements with three organizations to lease office space in the building it owns at 201 S. Roop Street, Carson City, Nevada. All long-term leases are classified as operating leases. Short-term rental agreements of a year were obtained for organizations related to NPAIP and are discussed in Related Parties Note 7. As a practical expedient management has elected to simply include the lease payments on the income statement and not create a related lease asset and lease liability.

NOTE 9 – LEASES (continued)

The following table shows the gross value of long-term leases and the net lease asset balances on June 30, 2024.

	Gross asset	Recognized	Net Asset
Lease description by tenant	 balance	lease income	balance
State of Nevada - Sagebrush Ecosystem	\$ 105,834	\$ 23,259	\$ 82,575
CCMSI, Inc	118,756	16,156	102,600
State of Nevada, Risk Management Division	 162,701	142,357	20,344
	\$ 387,291	\$ 181,772	\$ 205,519

State of Nevada, on behalf of the Sagebrush Ecosystem program

A four-year lease with the State of Nevada, Department of Administration, Public Works Division on behalf of the Department of Conservation and Natural Resources, Sagebrush Ecosystem program for office space was entered into July 1, 2023 for a rate of \$ 27,525 per year until June 30, 2027. The lease can be terminated by the tenant for any legitimate reason related to funding from its federal or state sources. Payments received in years ended June 30, 2024 and 2023 were \$27,525 for both years.

Lease asset receivable	
2025	\$ 27,525
2026	27,525
2027	 27,525
	\$ 82,575

CCMSI, Inc.

A three-year lease with CCMSI, Inc. for office space was entered into on January 1, 2024 with lease payments of \$3,300 per month for the first 12 months increasing to \$3,400 the second 12 months and \$3,500 for the final 12 months of the lease. There is no renewal provision and the lease can be terminated at any time by mutual agreement. Payments received in years ended June 30, 2024 was \$19,800. Lease payments are discounted with a present value of 2%. Future lease receipts are as follows.

Lease asset receivable	
2025	\$ 40,200
2026	41,400
2027	 21,000
	\$ 102,600

State of Nevada, Risk Management Division

A five-year lease was entered into with the State of Nevada, Department of Administration, Public Works Division on behalf of the Department of Administration, Risk Management Division on February 1, 2020 at a rate of \$33,195 per year for the first year, \$34,025 for each of the next two years and \$34,876 for each of the last two years of the agreement ending on January 31, 2025. There is no renewal included in the lease and the lease can be terminated by the tenant for any legitimate reason related to an impairment of funding from its federal or state sources.

Payments received in the years ended June 30, 2024 and 2023 were \$34,876 and \$34,380. Lease payments are discounted with a present value of 2%. Future lease receipts are as follows.

Lease asset receivable		
2025	_\$	20,344
	\$	20,344

NEVADA PUBLIC AGENCY INSURANCE POOL Notes to Financial Statements June 30, 2024 and 2023

NOTE 9 – LEASES (continued)

PARMS rental agreement

A lease was entered into for the Executive Director's office space for the period of July 1, 2019 to June 30, 2024 at a rate of \$7,128 per year adjusted annually by a 2% increase in subsequent years. The agreement did not have an option to renew, and termination is allowed upon mutual agreement. Payments received in years ended June 30, 2024 and 2023 were \$7,632 and 7,564. Lease payments are discounted with a present value of 2%. Upon expiration of the lease a twelve-month rental agreement was obtained.

Nevada Risk Pooling agreement

A five-year lease with Nevada Risk Pooling, Inc. (NRP) for office space was entered into July 1, 2019 at a rate of \$51,732 per year adjusted annually by a 2% increase in subsequent years. The agreement does not have an option to renew, and termination is allowed upon mutual agreement. Payments received in years ended June 30, 2024 and 2023 were \$55,998 and \$54,900. Upon expiration of the lease a twelve-month rental agreement was obtained.

Pooling Resources, Inc

A one-year rental agreement with Pooling Resources Inc. (PRI) was entered into July 1, 2023. Payments received in the years ended June 30, 2024 and 2023 were \$83,144 and \$81,513. The agreement does not have an option to renew. This is a short-term lease and a lease asset and liability was not created, and all payments are shown as lease income.

NOTE 10 - SPECIFIC AND AGGREGATE RECOVERABLES

Specific and aggregate reinsurance recoverables represent amounts to be collected from reinsurers on claims made by members against NPAIP in excess of the NPAIP's retention. The specific and aggregate recoverable at year-end June 30, 2024 is \$2,313,971. The recoverable on June 30, 2023 was \$3,648,466 less an allowance of \$775,980 for a net recoverable of \$2,872,486. The 2023 amounts included a \$1,551,961 anticipated recoverable by United Educators on a settled Elko County School District case. United Educators disputed coverage arising from NPAIP's settlement. As there was a risk that the entire amount may not be collectible, management had made an allowance of \$775,980 in the prior year as a conservative contingency measure for 50% of the recoverable.

Both parties to the coverage dispute essentially agree upon the facts although they disagree on interpretation of the facts in the underlying complaint and in defense counsel's report regarding the applicability of certain exclusions in the United Educator's coverage. United Educators asserts that certain United Educator's coverage exclusions are triggered. NPAIP asserts that the facts and language in question triggers a sublimit within the coverage, not an exclusion. The parties entered into voluntary mediation on November 16 and 17 of 2023 in an attempt to resolve the matter short of litigation. That mediation effort failed. Subsequently, NPAIP invoked the reinsurance Arbitration provision. The Arbitration Panel met in July 2024 and issued its ruling adverse to the Nevada Public Agency Insurance Pool determining United Educators owed no coverage. As a consequence, NPAIP wrote off the remaining 50% of the outstanding liability in fiscal year end June 30, 2024.

NOTE 11 – CONCENTRATIONS

NPAIP is the sole owner and policyholder of Public Risk Mutual (PRM) which was formed by NPAIP as a non-profit pure captive mutual insurance company. Re-insurance premiums were paid to PRM for the years ended June 30, 2024 and 2023 in the amounts of \$2,116,396 and \$1,598,640 respectively.

NEVADA PUBLIC AGENCY INSURANCE POOL Notes to Financial Statements June 30, 2024 and 2023

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated the activities and transactions subsequent to June 30, 2024 to determine the need for any adjustments to, and disclosure within the financial statements for the year ended June 30, 2024. Management has evaluated subsequent events through October 1, 2024 which is the date the financial statements were available for issue.

NEVADA PUBLIC AGENCY INSURANCE POOL COMPARATIVE SCHEDULE OF CLAIMS DEVELOPMENT (UNAUDITED)

EARNED ASSESSMENTS AND ALLOCATED EXPENSES FOR TEN-YEAR PERIOD - YEAR ENDED JUNE 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Required Contributions & Investment Incom	me:									
Earned	\$15,129,697	\$15,659,967	\$13,926,199	\$14,701,651	\$17,193,234	\$19,357,153	\$18,893,262	\$19,551,504	\$22,026,551	28,310,918
Ceded	(5,253,026)	(5,044,561)	(5,633,992)	(5,794,600)	(5,960,178)	(6,807,601)	(7,672,109)	(8,101,074)	(9,343,539)	(12,122,459)
Net earned	9,876,671	10,615,406	8,292,207	8,907,051	11,233,056	12,549,552	11,221,153	11,450,430	12,683,012	16,188,459
Unallocated Expenses	5,755,797	6,213,405	6,801,212	7,157,245	7,591,756	5,358,681	5,079,480	5,354,285	6,882,118	7,082,043
Estimated Incurred Claims & Expense End	of Policy Year:									
Incurred	4,317,000	5,255,500	7,062,141	5,939,000	6,142,102	6,433,168	7,529,891	10,799,669	7,174,955	6,797,099
Ceded	-	(87,500)	(1,427,141)	(201,000)	(145,102)	(261,168)	(279,968)	(4,195,669)	(570,955)	(463,099)
Net Incurred	4,317,000	5,168,000	5,635,000	5,738,000	5,997,000	6,172,000	7,249,923	6,604,000	6,604,000	6,334,000
Paid (cumulative) as of:										
End of policy year	551,000	485,000	988,000	1,232,000	1,160,000	776,000	1,079,000	1,418,000	860,000	1,139,000
One Year Later	1,681,000	2,291,000	2,367,000	2,984,000	2,240,000	1,886,000	2,036,000	2,446,000	3,307,000	
Two Years Later	2,061,000	3,272,000	3,253,000	3,353,000	2,536,000	2,414,000	2,679,000	3,035,000		
Three Years Later	2,277,000	3,939,000	3,958,000	3,628,000	3,100,000	3,386,000	3,380,000			
Four Years Later	2,395,000	4,529,000	4,281,000	3,707,000	3,244,000	3,711,000				
Five Years Later	2,608,000	4,519,000	4,571,000	3,709,000	3,422,000					
Six Years Later	3,015,000	4,532,000	4,583,000	3,714,000						
Seven Years Later	3,015,000	4,533,000	4,584,000							
Eight Years Later	3,015,000	4,533,000								
Nine Years Later	3,015,000									
Re-estimated ceded claims & Expenses	480,478	3,069,083	4,990,281	1,781,597	2,216,454	261,168	279,968	4,195,669	570,955	463,099
Re-estimated Claims & Expense										
End of policy year	4,317,000	5,168,000	5,635,000	5,738,000	5,997,000	6,172,000	7,249,923	6,604,000	6,604,000	6,334,000
One Year Later	3,864,000	4,769,000	5,269,000	5,269,000	4,774,000	4,747,000	5,916,000	5,261,000	6,334,000	
Two Years Later	3,134,000	5,406,000	4,761,000	4,569,000	4,353,000	4,354,000	4,241,000	5,378,000		
Three Years Later	3,140,000	4,838,000	5,048,000	4,172,000	4,242,000	4,381,000	4,217,000			
Four Years Later	3,080,000	4,875,000	4,828,000	3,814,000	3,863,000	4,087,000				
Five Years Later	3,177,000	4,626,000	4,812,000	3,757,000	3,644,000					
Six Years Later	3,030,000	4,580,000	4,714,000	3,739,000						
Seven Years Later	3,021,000	4,558,000	4,701,000							
Eight Years Later	3,015,000	4,535,000								
Nine Years Later	3,015,000									
Increase (Decrease) in Estimated										
Incurred Claims & Expenses from End of										
Policy Year	(1,302,000)	(633,000)	(934,000)	(1,999,000)	(2,353,000)	(2,085,000)	(3,032,923)	(1,226,000)	(270,000)	-

This information is required by the Governmental Accounting Standards Board

STRENGHT - STABILITY - SERVICE - ACCOUNTABILITY



April 18, 2025

State of the Market

The 2024 market was a mixed bag, with some line of coverage having positive returns and other lines continuing to be impacted. Capacity has come back to the Property market and the filling of programs has become not as difficult, though there was concern with our underwriters over wildfire, due to LA's impact in Q1 just after their reinsurance renewals. Large losses continue from law enforcement liability claims and are having nuclear vertices. Sexual assault and molestation loss remain, as many state look at reviver legislation, changing the statute of limitations.

For buyers, the buying challenges have lighted, though there is still potential for rate increases.

Property

■ The Property market has leveled and capacity is again available. CAT losses have not decline, and secondary losses continue to be more frequent, such as climate change loss, wind, hail and wildfire. With the flatting of the market, rates have leveled or decreased, depending on experience, Non-CAT exposed areas (such as Nevada), and will have -5% to +5% increases in rate.

Liability

• Due to inflation, including social inflation, and its impact on claim cost, civil turmoil/law enforcement and continued Sexual Assault and Molestation, Liability markets are remaining conservative in pricing. For the Liability and Excess Liability, markets are remaining close to last year at a +15% to +25% increase in rate, depending on risk hazard and could be higher due to adverse loss development.

Workers Compensation

■ With the continued rise in health care costs, markets will continue to look for rate increases. Depending on the hazard classes and losses, rates are expected between a Flat to +10% increase.

Cyber

While market stabilization has continued in 2024, losses also continue. Markets want to see focus on improved cyber security hygiene. There are still reduced limits and increase retentions along with increase rates, but not has large as in the past years, Flat to +5%.

2023-2024 NPAIP Reinsurance Renewal Submission

Markets Approached

Property

- London
- Public Risk Mutual (PRM)

Casualty

- Old Republic Schools Only
- CRL Other than Schools
- GEM All Members
- Public Risk Mutual (PRM) Other than Schools

Cyber

- CRL All Members
- PRM All Members

Joint Purchase Insurance Programs

- Travelers Boiler Re Equipment Breakdown
- Gerber Student Accident Second Year Rate Guaranty
- Ironshore Environmental Liability
- Property and Casualty Terrorism Second Year of 2-year Term

CLAIMS HAPPEN

UNDER \$500,000 (WITHIN POOL AND PRIN LAYERS)

Liability – Over the last 10yrs -\$27,890,273 (100% POOL) Property – Over the last 10yrs -\$28,491,565 (\$200K POOL and \$300K PRM)

Nevada Public Agency Insurance Pool 2025-2026

Property Structure



Who Pays What

• Heavy winter snowstorm causes a member to have a building's roof collapse from the weight of snow. This building was on the schedule for a Replacement Value of \$311,970 and contents of \$19,130. The building is located in the town's historic district. Current reserve is set at \$991,000 for the total loss. The member's deductible is \$5,000. Who Pays What?



Property Loss: \$991,000

- **POOL** would pay the Replacement Cost value for the Building and Contents. The first \$200,000 is paid by the POOL, vouchered back to the member their \$5,000 Maintenance Deductible
- PRM would pay the Replacement Cost value for the Building and Contents for the next \$300,000
- The Market will pay \$491,000



Property

300,000,000 Loss Limit Property including

Earthquake 150,000,000

Flood 150.000.000

Flood Zone A 25.000.000

Equipment Breakdown 100,000,000

PRM \$300,000

NPAIP \$200,000

Maintenance Deductible

NEVADA PUBLIC AGENCY INSURANCE POOL 2025-2026

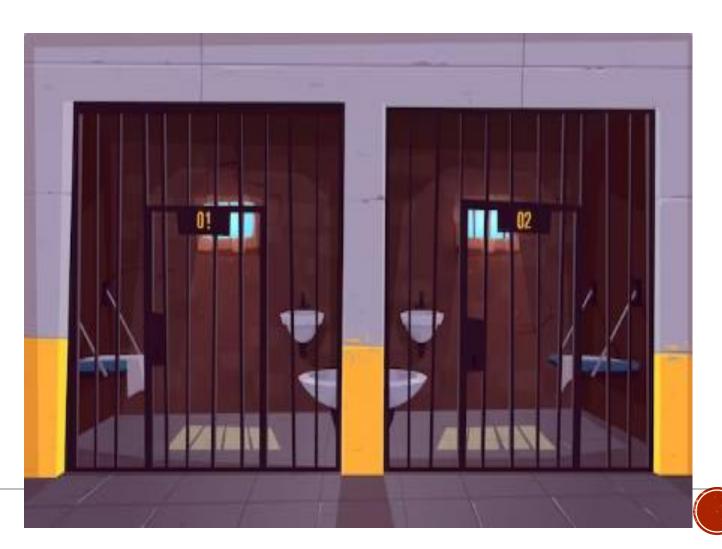
Liability Structure



Who Pays What

• A member has an incustody death loss of an inmate. The total incurred loss is \$2,026,000. The member's deductible is \$2,000.

Who Pays What?



Liability Claim: \$2,026,000

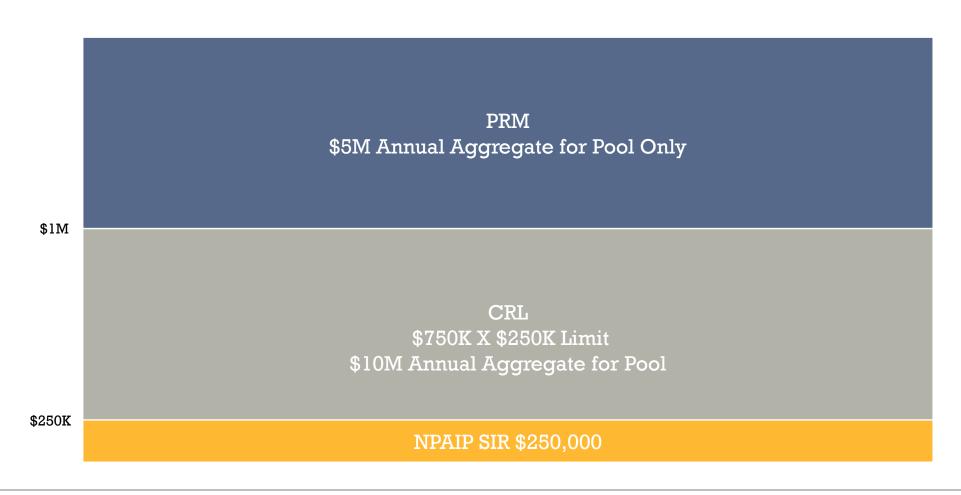
POOL would pay the SIR for the first \$500,000, invoicing back to the member their \$2,000 Maintenance Deductible

The Municipality Market (other than schools) will pay
 \$1,526,000 (CRL at 70% (\$1,068,200) and PRM at 30%



NEVADA PUBLIC AGENCY INSURANCE POOL 2025-2026

Cyber Liability Structure - \$1M Limit with a \$15M Pool Aggregate



CLAIMS HAPPEN — SOME LARGE LOSSES

- Property Flood Loss: Flash flood happened over a community that included 4 of our members. Incurred loss \$3.32M
- Multiple Locations Due to Winter Storm: Freezing and flooding to multiple members. Incurred loss \$2.44M
- Property Freeze Damage: Building damage due to freezing. Incurred loss \$1.2M
- Property Equipment Fire: Fire to equipment, total loss and included business interruption. Incurred loss \$1.1M
- Property Water Damage Loss: Faulty valve did not close and caused 500K gallons of water to fill a building. Incurred loss \$1.1M
- Property Building: Building collapsed due to ice and snow. Current Reserved at \$991K
- Property Earthquake: Cracks to building allowing waster to enter building. Incurred loss \$687K
- Property Fire: Fire to building was a total loss. Current reserved loss is \$616K
- Property Auto: Ambulance Caught Fire. Incurred loss \$521K
- Property Water Damage: Frozen water pipe cause leak. Incurred loss \$415K

- **E&O Liability:** Built houses on old landfill. Incurred loss \$2.6M
- **E&O Liability (School):** Sexual Molestation. Incurred loss \$2.6M
- **E&O Liability (School):** Violation of ADA. Incurred loss \$2.3M
- Police Liability: In Custody Death. Incurred loss \$2M
- Police Liability: Alleged release of DUI motorist that cause fatal accident. Current reserve of \$1.7M
- ► Liability: Alleged negligence with connection to flooding of property. Incurred loss \$1.7M
- Liability: Alleged negligence due to flooding. Incurred loss \$1.64M
- Police Liability: In Custody Death. Current reserve of \$1.2M
- Police Liability: Officer shot and killed individual. Incurred loss \$1.1M
- Police Liability: Alleged 8th and 14th amendment violation. Incurred loss \$1M
- Police Liability: Alleged 4th amendment violation. Incurred loss \$536K

NPAIP Exposures 2024 vs. 2025

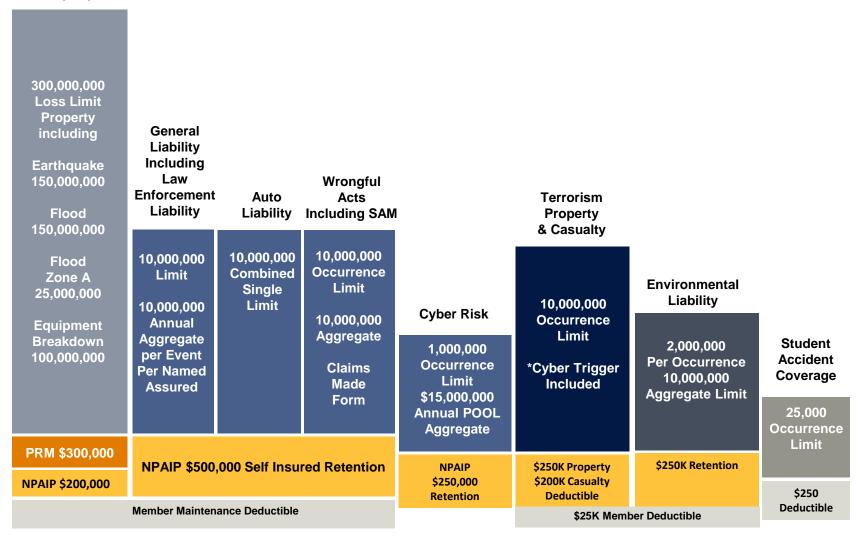
Exposure Data								
	2024 - 2025 - Expiring	2025 - 2026 - Submission	% Change					
Property Total Insured Value	7,529,505,868	7,758,854,327	3.05%					
Equipment Breakdown - Building & Contents	6,874,171,051	7,010,789,511	1.99%					
Liability Payroll - All Members	831,132,505	829,717,923	-0.17%					
Liability Payroll - NO SCHOOLS	458,900,507	424,398,881						
Number of Employees - NO SCHOOLS	6,257	6,146						
Number of Employees - SCHOOLS ONLY	7,091	7,028	-0.89%					
Law Enforcement Officers	742.5	753	1.41%					
Number of Autos - All Members	6,064	6,067						
Number of Autos - NO SCHOOLS	4,715	4,711	-0.08%					
Number of Autos - SCHOOLS ONLY	1,349	1,356	0.52%					
ADA	45,886	45,192	-1.51%					

NPAIP Renewal Reinsurance Comparison and Quotes

2025 - 2026 NPAIP Renewal Quotes								
	Premium with 2024 Rates applied to 2025 Exposures	Premium with 2025 Rates applied to 2025 Exposures						
Coverages	\$300 Million Property and \$150 Million Flood and Quake, EXCEPT \$25 Million Flood Zone A, \$100 Million Equipment Breakdown, \$2.5M xs \$500K Old Republic 100% (Schools), 70% CRL & 30% PRM (Non-Schools), \$7M xs \$3M GEM 100%	\$300 Million Property and \$150 Million Flood and Quake, EXCEPT \$25 Million Flood Zone A, \$100 Million Equipment Breakdown, \$2.5M xs \$500K Old Republic 100% (Schools) includes a \$7,500 RM Grant, 70% CRL & 30% PRM (Non-Schools), \$7M xs \$3M GEM 100%	Expiring % Rate Change YOY					
CRL - Casualty w/o Schools (1)	\$1,278,622	\$1,588,609	24.24%					
Old Republic - Casualty Schools	\$863,583	\$894,000	3.52%					
PRM Casualty (3)	\$1,066,329	\$1,158,326	8.63%					
GEM	\$914,516	\$966,953	5.73%					
Lloyds of London/Property	\$7,148,816	\$6,135,000	-14.18%					
PRM Property (2)	\$1,312,957	\$1,362,325	3.76%					
NPAIP Cyber Liability	\$300,000	\$300,000	0.00%					
Travelers Boiler Re	\$193,498	\$193,498	0.00%					
Total	\$13,078,321	\$12,598,711	-3.67%					
Joint Purchase Insurance Programs								
Terrorism Property - Retention \$200K	\$181,868	\$176,523	-2.94%					
Terrorism Liability Retention \$250K	\$44,000	\$44,000	0.00%					
Student Accident - \$25,000 Limit	\$160,432	\$160,432	0.00%					
Environmental Liability \$250k Ded.	\$380,345	\$381,086	0.19%					
Total	\$766,645	\$762,041	-0.60%					
Grand Total	\$13,844,966	\$13,360,752	-3.50%					

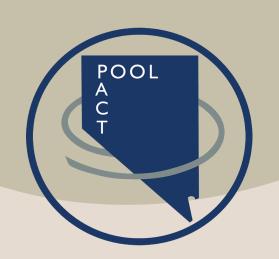
NPAIP 2025-2026 Program Structure

Property



POOL Budget Annual Board Presentation

April 18, 2025



Budget Elements

Assessments Actuarial Data

Loss Fund & Insurance Expense

Program Expenses

Administration Expenses

SUMMARY

POOLFinancial Strength, Stability, Service, Accountability

- Member Owned...Member Governed.... Members Served
- Focused on Solutions.. Members United.. Promoting Best Practices / Ideas
- Sound Risk Financing Solutions to Create Long-term Stability Collections of Premiums to Manage Risks and Pay Claims Challenge of Social Inflation in Claims, Nuclear Verdicts, Inflation in Building Cost
- Develop Programs and provide Human Resources and Risk Management Services to protect Members, Employees and the Member's Financial Liability
- Member Owned Program... Members pay the Gaims...

 POOL PRM CRL GEM Non-Profit Programs

 Lloyds Property Program is the For-Profit Insurance Company in the Quilt
 - What's your Unfunded Liability? Nevada PERS
- Long-Term Program Commitment: Bend the Curve: Rate Stability Support your Organization, Employees and Community



Overview

- POOL and PRM Loss Fund contribution based on 75% Confidence Level
- Growth in Total Insured Values
- Coverage and Capacity Remain Strong
- Human Resource & Risk Management
 Services to address Member's Needs
- Claims Management : Proactive
- E-Learner: Member Development



POOL Budget

	POOL BUDGET 2025-2026									
	FY 2023-2024 Audit	FY 2024-2025 Budget 75% CL 100% OR GEM 100%	. E	FY 2025-2026 Budget 75% CL 100% OR GEM 100%	Dollar Difference	Percentage Change	% of Total Revenues	Notes		
Revenues										
Premiums Written	26,197,26	9 28,127,503	3 \$	28,809,528	\$ 682,025	2.4%	97.3%	Estimated Required Premium		
Other Income	4,58	50,000	0 \$	50,000	s -	0.0%	0.2%	Technology reimbursement		
Rental Income	244,78			276,799	\$ 8,062	3.0%		Rent for building offices, FMV		
PRM Risk Management Services Payment	475,00			475,000	\$ -	0.0%	1.6%	Fixed Amount from PRM		
Total Revenues	\$ 26,921,64	5 \$ 28,921,240	0 \$	29,611,327	\$ 690,087	2.4%	100%			
Loss Fund and Insurance Expenses								8-% CL +\$644,000		
Losses and loss adjustment expenses	5,731,54	1 \$ 8,644,000	9	8,954,000	\$ 310,000	3.6%	30.2%	Actuarial Amount at 75% CL		
Excess Insurance Premiums	11,599,87	3 13,092,806	5 \$	12,884,234	\$ (208,572)	-1.6%	43.5%	Property, Liability Insurance, OR, 100% GEM		
Special Insurance programs	522,58	536,301	1 \$	541,518	\$ 5,217	1.0%	1.8%	Environmental & Student Accident		
Agent Commissions & Taxes Written	1,619,46	8 1,826,871	1 \$	1,974,871	\$ 148,000	8.1%	6.7%	7% Board Policy State Tax Regs		
Total Loss Fund and Insurance Costs	\$ 19,473,46	8 \$ 24,099,978	8 \$	24,354,623	\$ 254,645	1.1%	82.2%			
Program Expenses										
Pooling and loss control fees	505,00	0 \$ 505,000	0 \$	487,278	\$ (17,722)	-3.5%	1.6%	Willis Broker & LC Services: NRP In-house 50% of POOL		
Third party administrator fees	937,17	9 \$ 840,604	4 \$	865,822	\$ 25,218	3.0%	2.9%	Davies Claims Administration		
Bad Debt Expense	775,98	1 \$ -	\$	-						
Loss Control Grants & Educational Incentives	158,98	6 \$ 425,000	0 \$	425,000						
Member education and training	1,442,06	7 \$ 1,672,451	1 \$	1,664,479	\$ (7,972)	-0.5%	5.6%	Members Services Dividend		
Total Program Expenses	\$ 3,819,21	3 \$ 3,443,054	4 \$	3,442,579	\$ (476)	0.0%	11.6%			
Administrative Expenses										
Management Services	\$ 688,51	4 \$ 487,278	8 \$	632,749	\$ 145,471	29.9%	2.1%	Proposed 60/40 split 9.8 Captive		
Casualty Insurance, Travel, Technology Services	153,26	The second secon		183,518		3.4%		Insurance, Travel, Technology support		
Operating expenses	461,35	*		484,425		0.0%		Copier, phones, utilities, meeting costs		
Legal Expenses, Consultant appraisals	148,46		_	186,635	\$ 23,886	14.7%		Coverage Counsel, CenturRisk Appraisals		
Total pool administration expenses	\$ 1,451,60	3 \$ 1,311,930	0 \$	1,487,327	\$ 175,397	13.4%	5.0%			
Total Loss Fund Dragram and Administration Funances	¢ 24.744.20	4 \$ 28.854.962	2 \$	20 204 520	¢ 420.566	4.50/	00.00			
Total Loss Fund, Program and Administration Expenses	\$ 24,744,28	4 \$ 28,854,962	2 3	29,284,528	\$ 429,566	1.5%	98.9%			
Net Operating Income (Loss)	\$ 2,177,36	1 \$ 66,277	7 5	326,799	\$ 260,521	393.1%	1.1%			
Non-Operating Investment Income	\$ 1,389,27			1,412,616		67.2%		Earnings from investment portfolio		
Net Gain (Loss)	\$ 3,566,63			1,739,415	\$ 828,137	90.9%	5.9%			
Building Cost Expenses as noted below	\$ 191,75		_	196,263	Ţ 020,107	20.370	3.5%			
Net Gain (Loss) including Loss Control Grants & Build Exp	\$ 3,374,87		_	1,543,151			5.2%	Net Margin for Contingencies/Loss Development		
		,						<u> </u>		

POOL Budget

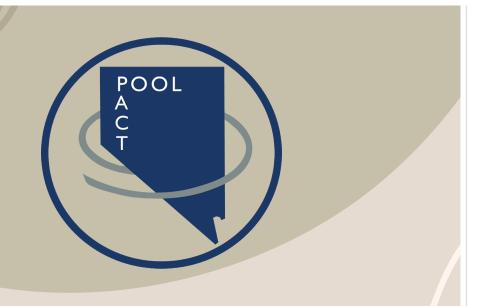
Agent Commissions

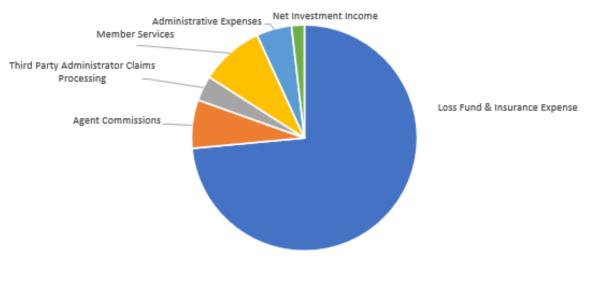
■ Net Investment Income

Member Services

POOL Budget FY 25-26	Арр	roved Budget	% Allocation
Loss Fund & Insurance Expense	\$	22,379,752	77.0%
Agent Commissions	\$	1,974,871	6.8%
Third Party Administrator Claims Processing	\$	865,822	3.0%
Member Services	\$	2,151,757	7.4%
Administrative Expenses	\$	1,487,327	5.1%
Building Cost	\$	196,263	0.7%
Total Budget	\$	29,055,791	100.0%







Loss Fund & Insurance Expense

Administrative Expenses

■ Third Party Administrator Claims Processing

Loss Fund & Insurance

Loss and Loss Adjustment Expenses:

Historical Loss Ratios: 65% Benchmark

FY 2017-2018 90.9%

FY 2018-2019 76.0%

FY 2019-2020 65.0%

FY 2020-2021 69.0%

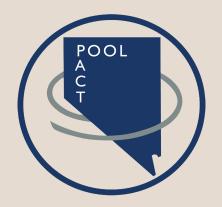
FY 2021-2022 68.9%

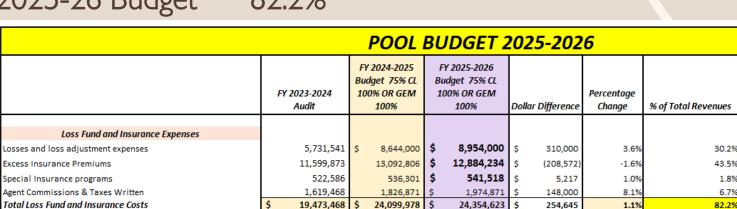
FY 2022-2023 64.2%

FY 2023-2024 72.3%

FY 2024-2025 EST 83.3%

FY 2025-26 Budget 82.2%







Loss Fund & Insurance

Loss and Loss Adjustment Expenses:

Actuary Determination: 75% Confidence Level

Excess Insurance Premiums

Property: POOL, PRM, Lloyds Syndicate, Terrorism

Equipment Breakdown: Boiler Re

School Liability: POOL, Old Republic, GEM

Muni-Liability: POOL, PRM, GEM, CRL

Cyber: POOL, PRM, CRL

Special Insurance:

Student Accident:

Environmental Liability: Ironshore

Developing Capacity and Coverage: Quilt Math



POOL

POOL Cost of Coverage FY 2025-26 Property



Nevada Public Agency Insurance Pool 2025-2026

Property Structure



POOL: \$200,000 Layer 75% CL = **\$4,172,000** Loss Fund Contribution

PRM: \$300,000 Layer 75% CL = \$1,362,325 Loss Fund Contribution

Lloyds Property: \$6,135,000 Lloyd Terrorism Property: \$176,523

POOL Property Funding Actuary Projections POOL & PRM

EXECUTIVE SUMMARY

Funding Projections

The following table presents our estimates of ultimate costs for the upcoming program year.

Projected Ultimate Costs Fiscal Year 2025-26, SIR of \$200,000

		/	. ,			
		(Con	Confidence Level		
Dollars (\$000s)	Expected ¹	70%	75%	80%	85%	90%
Loss & ALAE	\$3,957	\$4,575	\$4,863	\$5,208	\$5,634	\$6,201
Member Deductibles	<u>(562)</u>	<u>(650)</u>	<u>(691)</u>	<u>(740)</u>	<u>(800)</u>	<u>(881)</u>
Total Loss & ALAE	\$3,395	\$3,925	\$4,172	\$4,468	\$4,834	\$5,320
Total Funding Rate ²	\$0.044	\$0.051	\$0.054	\$0.058	\$0.062	\$0.069

Expected values represent the "best actuarial" or "central" estimate.

As you requested, we have completed our review of the Public Risk Mutual (PRM) self-insured property captive program. This captive became effective on September 1, 2004 and provides coverage for some of the excess layers of insurance for the primary program, known as Nevada Public Agency Insurance Pool (POOL). Currently, PRM retains the per occurrence layer between \$200,000 and \$500,000. Effective July 1, 2022, PRM also provides 15% coverage in the layer \$100,000,000 excess of \$50,000,000. The table below shows our funding recommendations for 2025-26.

Public Risk Mutual Self-Insured Property Program Funding Guidelines for 2025-26

		Marginally	Reco	mmended Ra	nge	
Layer	Expected	Acceptable	Low	Target	High	Conservative
		70% CL	75% CL	80% CL	85% CL	90% CL
\$300K xs \$200K	\$1,155,000	\$1,202,000	\$1,232,000	\$1,274,000	\$1,341,000	\$1,455,000

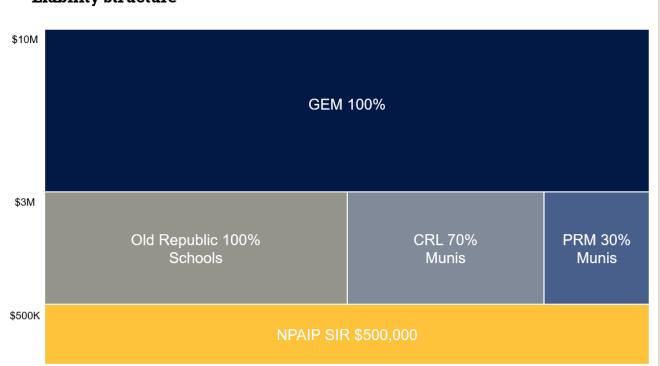
² Rate is per \$100 of Total Insured Value.

POOL Cost of Coverage FY 2025-26 Liability





Liability Structure



POOL: \$500,000 Layer 75% CL = **\$4,782,000** Loss Fund Contribution

PRM: 30% Layer of \$2.5M 75% CL = \$1,158,326 Loss Fund Contribution

CRL: 70% Layer of \$2.5M \$1,588,609

Old Republic: \$2.5M \$894,000

GEM: \$7M XS \$3M \$966,953

POOL Liability Funding Actuary Projections POOL & PRM

EXECUTIVE SUMMARY

Funding Projections

The following table presents our estimates of ultimate costs for the upcoming program year.

Projected Ultimate Costs Fiscal Year 2025-26, SIR of \$500,000

	1 100ai 1 cai 2	020 20, 011	τοι φοσο,	700		
		(Con	fidence Lev	vel	→
Dollars (\$000s)	Expected ¹	70%	75%	80%	85%	90%
Loss & ALAE	\$5,136	\$5,963	\$6,348	\$6,810	\$7,381	\$8,151
Member Deductibles	(1,267)	<u>(1,471)</u>	(1,566)	(1,680)	(1,821)	(2,011)
Total Loss & ALAE	\$3,869	\$4,492	\$4,782	\$5,130	\$5,560	\$6,140
Total Funding Rate ²	\$0.466	\$0.541	\$0.576	\$0.618	\$0.670	\$0.740

Expected values represent the "best actuarial" or "central" estimate.

Public Risk Mutual Self-Insured Liability Program Funding Guidelines for 2025-26 Recommended Range Marginally Acceptable Target High Conservative Layer Expected 85% CL 70% CL 80% CL 90% CL \$500K xs \$500K (Other)¹ \$179,000 \$500K xs \$1M (Other)¹ 125,000 \$500K xs \$1.5M (Other) 104.000 \$1M xs \$2M (Other)^{1, 2} 152,000 \$1M xs \$2M (Schools)² 39.000 \$892,000 **\$1,028,000** \$1,187,000 \$1,385,000 \$599,000 \$1,650,000 Total ¹30% Quota Share

²Cyber Claim Coverage

Rate is per \$100 of payroll.

Claims and Insurance Summary

> POOL has reached the 65% Benchmark for amount spent on Loss Fund and Claims expense only once in the past 8 years....

Best Rate was in FY 2020 at 65.0%.... Worse Rate FY 2018 at 90.0% Eight Year Average is 74.21%

Claims and related insurance cost are driving the increases
Proposed Budget 82.2% of Costs



POOL Program and Administrative Expenses

POOL BUDGET 2025-2026									
	FY 2023-2024 Audit	FY 2024-2025 Budget 75% C 100% OR GEN 100%	L	FY 2025-2026 Budget 75% CL 100% OR GEM 100%	Dollar Difference	Percentage Change	% of Total Revenues	Notes	
Drogram Funances									
Program Expenses Pooling and loss control fees	505,000	\$ 505,00	ء ا م	487,278	\$ (17,722)	-3.5%	1.60/	Willis Broker & LC Services: NRP In-house 50% of POOL	
Third party administrator fees	937,179			865,822		3.0%		Davies Claims Administration	
Bad Debt Expense	775,981		ې اې	003,022	\$ 25,216	3.0%	2.570	Davies Claims Administration	
Loss Control Grants & Educational Incentives	1	7	۽ اي	425.000					
	158,986			425,000	6 (7.072)	0.50/	F 600	Manchan Coming Divided	
Member education and training	1,442,067			1,664,479		-0.5%		Members Services Dividend	
Total Program Expenses	\$ 3,819,213	\$ 3,443,05	4 5	3,442,579	\$ (476)	0.0%	11.6%		
Administrative Expenses									
Management Services	\$ 688,514	\$ 487,27	8 \$	632,749	\$ 145,471	29.9%	2.1%	Proposed 60/40 split 9.8 Captive	
Casualty Insurance, Travel, Technology Services	153,266	177,47		183,518		3.4%		Insurance, Travel, Technology support	
Operating expenses	461,357	484,42		484,425		0.0%		Copier, phones, utilities, meeting costs	
Legal Expenses, Consultant appraisals	148,466	162,74		186,635		14.7%		Coverage Counsel, CenturRisk Appraisals	
Total pool administration expenses	\$ 1,451,603	\$ 1,311,93	0 \$	1,487,327	\$ 175,397	13.4%	5.0%		
Total Loss Fund, Program and Administration Expenses	\$ 24,744,284	\$ 28,854,96	2 \$	29,284,528	\$ 429,566	1.5%	98.9%		

NRP Expense Allocations



- Allocation Based on Time and Effort to Support the Various Programs.
- POOL/PRM 60% PACT/PCM 40%
- Captive Allocation 9.8% Regulatory Filings

Allocation %	POOL	PRM	Total	PACT	PCM	Total	Totals	Change
FY 2021-2022	40.1%	9.9%	50.0%	40.1%	9.9%	50.0%	\$ 2,544,740.00	
FY 2022-2023	40.1%	9.9%	50.0%	40.1%	9.9%	50.0%	\$ 2,599,279.10	\$ 54,539.10
FY 2023-2024	40.1%	9.8%	50.0%	40.2%	9.8%	50.0%	\$ 2,655,680.64	\$ 56,401.54
FY 2024-2025	40.2%	9.8%	50.0%	40.2%	9.8%	50.0%	\$ 2,155,680.64	\$ (500,000.00)
FY 2025-2026	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,231,129.46	\$ 75,448.82
FY 2026-2027	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,309,219.00	\$ 78,089.53
FY 2027-2028	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,390,041.66	\$ 80,822.66
FY 2028-2029	50.2%	9.8%	60.0%	30.2%	9.8%	40.0%	\$ 2,473,693.12	\$ 83,651.46
Dollar Difference from 50/50	POOL	PRM	Total	PACT	PCM	Total	Proof Total	
FY 2025-2026	91,959.82	95,445.63	187,405.45	\$ (282,851.08)	95,445.63	(187,405.45)	\$ -	
FY 2026-2027	95,178.41	98,786.23	193,964.64	\$ (292,750.87)	98,786.23	(193,964.64)	\$ 0.00	
FY 2027-2028	98,509.65	102,243.74	200,753.40	\$ (302,997.15)	102,243.75	(200,753.40)	\$ 0.00	
FY 2028-2029	101,957.49	105,822.28	207,779.77	\$ (313,602.05)	105,822.28	(207,779.77)	\$ 0.00	

Public Risk Mutual Budget

1		PRM Budget	2024		Е	Board Approv	ed 3 - XX-2025	Notes
ı				75%CL				
١	REVENUES		Audit	Budget	\$.	Difference	% Difference	
١		Premiums earned	\$ 2,138,000	\$ 2,613,998	\$	475,998	22.3%	75% CL + Admin Expenses
١		Net Investment Income	1,752,750	1,752,750	\$	-	0.0%	Kelly's est @ 95% - investment fees
١		Net realized and unrealized gains (losses)	1,000,000	-	\$	(1,000,000)	-100.0%	No adjustment for Realized/Unrealized Gains/Losses
ı								
١		Total Revenues	4,890,750	4,366,748	\$	(524,002)	-10.7%	
١								
١								
١	EXPENSES							
١		Administration expenses						
١		NRP Contract	119,597	218,651		99,054		New Apportionment: 60/40 9.8% PRM
		Actuary Audit	13,750	14,250		500	3.6%	
١			19,500	19,750		250		Increase consistent with Prior Years
١		Insurance Division Audit/Fees	7,500	7,500		-		Same as last year
١		Board and Committee Meetings	500	500	\$	-	#DIV/0!	Paid through NRP
١		Total Administration expenses	160,847	260,651	+	99.804	#DIV/0: 62.0%	
١		Total Administration expenses	100,847	200,031	3	33,004	02.0%	
١		Program / Member Services						
١		Cyber Assessments/RM Services POOL						
١		Payment to POOL for Risk Management Svs	475,000	475,000	s	_	0.0%	Transfer to pay for member services
١		Legal (Cyber: Gunderson Law)	,	,				Final Amounts determined by Board
١		Total Program/Member Services	475,000	475,000		-	0.0%	· ·
١								
١		Total Combined Expenses	635,847	735,651		54,506	8.0%	
١								
		Total Loss and Loss Adjustment Expenses	2,339,000	2,461,000	\$	122,000	5.2%	Actuarial Estimate: ADVERSE CLAIM DEVELOPMENT 80%CL
		TOTAL Expenses	2,974,847	3,196,651		176,506	13%	
IJ		Revenues over total expenses	\$ 1,915,903	\$ 1,170,097				

POOLFinancial Strength, Stability, Service, Accountability

- Member Owned...Member Governed.... Members Served
- Focused on Solutions.. Members United.. Promoting Best Practices / Ideas
- Sound Risk Financing Solutions to Create Long-term Stability Collections of Premiums to Manage Risks and Pay Claims Challenge of Social Inflation in Claims, Nuclear Verdicts, Inflation in Building Cost
- Develop Programs and provide Human Resources and Risk Management Services to protect Members, Employees and the Member's Financial Liability
- Member Owned Program.... Members pay the Gaims...

 POOL PRM CRL GEM Non-Profit Programs

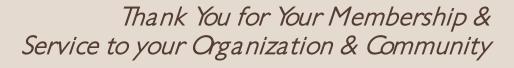
 Lloyds Property Program is the For-Profit Insurance Company in the Quilt

 What's your Unfunded Liability? Nevada PERS
 - What's your Unfunded Liability? Nevada PERS
- Long-Term Program Commitment: Bend the Curve: Rate Stability Support your Organization, Employees and Community



Continuing the Conversation... Working Together We Achieve More

QUESTIONS AND ANSWERS



Strength, Stability, Service, Accountability





MEMORANDUM

TO: Members of the Nevada Public Agency Insurance Pool ("NPAIP")

Wayne Carlson, Marshall Smith, Stephen Romero, Donna Squires

FROM: Philip J. Tacason, Esq., Coverage Counsel for NPAIP

DATE: April 3, 2025

RE: Recommended Changes for the 2025-2026 Cyber Risk Security Coverage Form

All:

Below is an outline of the recommended changes for the 2025-2026 Cyber Risk Security Coverage Form. Please feel free to contact Wayne Carlson, Donna Squires, or me if you have any questions.

Philip J. Tacason, Esq.,

Coverage Counsel, Nevada Public Agency Insurance Pool

Philip J. Tacason, Attorney

Philip.Tacason@lewisbrisbois.com

5555 Kietzke Lane, Suite 200, Reno, NV 89511

T: 775.399.6392 F: 775.827.9256

Recommended Change #1: New Reporting Claim Email Address

Description of Change: Please note that the Claims reporting email address has changed to:

NPAIP@us.davies-group.com

The Claims reporting email address is no longer ASC-NPAIP@us.davies-group.com.

See: Required Notice to Claims Contacts (Page 17)¹

Recommended Change #2: Maintenance Deductible

Description of Change: Prior Cyber Risk Coverage Forms did not include a Maintenance Deductible. New in the 2025-2026 Cyber Risk Coverage Form is a Maintenance Deductible of 10 percent, not to exceed \$25,000.

See: Declarations Page (Pages 3 and 19)

Recommended Change #3: Compliance with Vulnerability Obligations

Description of Change: The 2024-2025 Cyber Risk Coverage Form added Compliance with Vulnerability Assessments as an Obligation of the Named Assured. The prior iteration of this Obligation provided that failure to timely implement and comply with the vulnerability assessment recommendations may subject the Named Assured to a financial penalty.

The 2025-2026 Cyber Risk Coverage Form specifies the maximum amount of such financial penalty—10 percent of the amount of the Claim or Event, not to exceed \$25,000:

Compliance with Vulnerability Assessments

The Named Assureds shall fully participate and cooperate in any periodic vulnerability assessments offered by the POOL or its cybersecurity consultants, which identify weak areas of security, and shall implement the recommendations within a reasonable period of time, as determined by the POOL. Failure to timely implement and comply with the vulnerability assessment recommendations may subject the Named Assured to a financial penalty of 10 percent of the amount of the Claim or Event, but not to exceed \$25,000.

See: Named Assured's Obligations, Compliance with Vulnerability Assessments (Page 25)

¹ The page numbers cited in this Memorandum refer to the PDF page numbers of the document entitled 2025-2026 Redlined Cyber Risk Coverage Form.

Recommended Change #4: Revisions to Part Two, Third-Party Liability Coverage

Description of Change: Part Two of the existing Cyber Risk Coverage Form is entitled "Security and Privacy Liability Coverage." To remove any potential ambiguity as to what is covered by Part Two, the 2025-2026 Cyber Risk Coverage Form changes the title of Part Two to "Third-Party Liability Coverage." In addition, certain language in Part Two has also been simplified for purposes of clarity and avoiding redundancy.

See: Table of Contents (Page 21) and Part Two: Third-Party Liability Coverage (Page 39).

Recommended Change #5: Consolidations of Prior Parts Three and Parts Four

Description of Change: The existing Cyber Risk Coverage Form contains Part Three (Security Failure/Privacy Event Management Coverage) and Part Four (Network Interruption Coverage), subject to their respective coverage agreements and sublimits.

To avoid any potential ambiguity as to what costs are covered by which part, the 2025-2026 Cyber Risk Coverage Form consolidates the existing Part Three and Part Four into a single coverage Part entitled, "First-Party Event Management and Network Interruption Coverage." The new Part Three encompasses the Security Failure/Privacy Event Management coverage agreement of the existing Part Three, as well as the Network Interruption coverage agreement of the existing Part Four. The new Part Three will be subject to a single sublimit of \$250,000.

In conjunction with the revised definition of **Privacy Response Expenses** and the added definition of **Privacy Monitoring Expenses** (see below, Recommended Change #7), this change is intended to avoid any potential ambiguity as to what costs are covered under which Part and are subject to which sublimits.

See: Declarations Page (Pages 3 and 19), Table of Contents (Page 21), Existing Part Three (Pages 43-44), and Existing Part Four (Pages 50-54).

Recommended Change #6: Revised Definition of "Cyber Security Threat Monies"

Description of Change: The existing Cyber Risk Coverage Form defines "Cyber Security Threat Monies" as follows:

[A]ny funds, including any cryptocurrency, which the **Named Assured** pays, with the prior written consent of the POOL, for the purpose of terminating the **Cyber Security Threat**.

The 2025-2026 Cyber Risk Coverage Form includes the below, more detailed definition:

"Cyber Security Threat Monies" means any actual, reasonable, and necessary monetary amounts, including amounts in bitcoin and cryptocurrencies, at the

actual rate of exchange at the date and time of the transaction in the equivalent of United States of America dollars, paid with the POOL's prior written consent, to a party who is not covered by this Form and whom the **Named Assured** reasonably believes to be responsible for the **Cyber Security Threat**.

Cyber Security Threat Monies also include any reasonable and necessary expenses incurred by the Named Assured in order to facilitate, mitigate, or negotiate any actual amount paid in response to the Cyber Security Threat.

This more detailed definition is intended to make clear what monetary amounts are defined as **Cyber Security Threat Monies**. This new definition also recognizes that such monetary amounts are often paid in cryptocurrencies such as Bitcoin, and includes such payments made in those currencies. This new definition also requires that the monies be paid with the POOL's prior written consent, to a party who is not covered by the Cyber Risk Coverage Form. *See*: Definitions, **Cyber Security Threat Monies** (Page 31).

Recommended Change #7: Revised Definition of "Privacy Response Expenses" and Added Definition of "Privacy Monitoring Expenses"

Description of Change: The existing Cyber Risk Coverage Form contains the following definition of "**Privacy Response Expenses**," which are covered under the existing Part Three of the Form:

"Privacy Response Expenses" means the following reasonable and necessary costs incurred by the Named Assured within one year of the discovery of a Privacy or Security Event that results in the actual or reasonably suspected theft, loss or unauthorized disclosure of or access to electronic Personal Information in the care, custody or control of the Named Assured or for which the Named Assured is legally responsible:

- a. For the services of a security expert designated by the POOL to determine the scope and cause of a **Privacy or Security Event** and the extent to which **Personal Information** was disclosed to or accessed by unauthorized persons;
- b. For the services of consultants or attorneys designated by the POOL to determine the **Named Assured**'s obligations, if any, under applicable law to give notice to affected individuals;
- c. To notify affected individuals if required by applicable law or if the **Named Assured** voluntarily elects to give such notice, and for the services of a contractor designated by the POOL to assist with providing such notice and responding to questions and concerns raised by individuals who are notified;

- d. For the services of a contractor designated by the POOL to provide identity theft protection services to affected individuals if the **Named Assured** elects to provide such services; and
- e. For the services of a public relations consultant designated by the POOL to avert or mitigate damage to the **Named Assured**'s reputation as a result of the Privacy or Security Event.

The 2025-2026 Cyber Risk Coverage Form simplifies the definition of Privacy Response Expenses and adds a new definition, **Privacy Monitoring Expenses**, which are covered under Part Two. **Privacy Monitoring Expenses** consist of the existing costs listed under sub-points a., b., c., and d.

"Privacy Monitoring Expenses" means the following reasonable and necessary costs incurred by the Named Assured arising out of a Claim alleging a Privacy or Security Event:

- a. For the services of consultants or attorneys designated by the POOL to determine the **Named Assured**'s obligations, if any, under applicable law to give notice to affected individuals;
- To notify affected individuals if required by applicable law or if the Named Assured voluntarily elects to give such notice, and for the services of a contractor designated by the POOL to assist with providing such notice and responding to questions and concerns raised by individuals who are notified;
- For the services of a contractor designated by the POOL to provide identity theft protection services to affected individuals if the Named Assured elects to provide such services; and
- For the services of a public relations consultant designated by the POOL to avert or mitigate damage to the Named Assured's reputation as a result of the Privacy or Security Event;

The revised definition of **Privacy Response Expenses**, in conjunction with the new definition of **Privacy Monitoring Expenses**, is intended to remove any potential ambiguity as to what costs are covered by Parts Two and Three of the new Cyber Risk Coverage Form.

See: Definitions (Pages 30, 32-34), Part Two (Pages 39 and 42), and Part Three (Page 44).

(end of memorandum)

NEVADA PUBLIC AGENCY INSURANCE POOL

CYBER RISK COVERAGE FORM



POOL/PACT 201 S. Roop St., Suite 102 Carson City, NV 89701 (775) 885-7475

www.poolpact.com



ell Road #390 Reno, Nevada 89509 (775) 329-1181 (800) 291-6826 www.ascrisk.com

NEVADA PUBLIC AGENCY INSURANCE POOL (POOL)

CYBER RISK COVERAGE FORM DECLARATIONS

FORM NUMBER	COVEAGE PERIOD	NAMED ASSURED	MAINTENANCE DEDUCTIBLE
CRCF	07/01/202 <u>5</u> 4 – 07/01/202 <u>56</u>	Per Attachment A	none 10%, up to \$25,000
202 <u>5</u> 42	12:01 A.M., Standard Time		

Commented [PT1]: The Maintenance Deductible for the 2025-2026 Cyber Risk Coverage Form is now 10 percent, not to exceed \$25,000.

CYBER SECURITY RISK COVERAGE		
PART ONE: Terms and Conditions		
SECURITY RISK COVERAGE LIMITS	Limit per Named Assured	Annual Aggregate Limit Per All Named
	Per PRIVACY OR	Assureds
	SECURITY EVENT	Assureds
DADT TIMO D:		04 000 000
PART TWO: Privacy or Security Third-Party	\$1,000,000	\$1,000,000 up to
Liability Coverage Limits		\$15,000,000 aggregate all
		POOL Members combined
The following sublimits are a part of a	and not in	
addition to the Limits of Liability:		
PART THREE: First-Party Event	\$ 100,000 250,000	
Management and Network		
Interruption Coverage Limit Security		
Failure/Privacy Event Management		
Coverage Limit		
PART FOUR: Network Interruption	\$250,000	
Coverage Limit	,,	
Proof of Loss Preparation Costs (as	\$50,000	
defined, Separate Limit)		
Retroactive Date	1	July 1, 2013
		, , == :=

Commented [PT2]: To remove any potential ambiguities in the previous Form, Part Two is now called "Third-Party Liability Coverage."

Commented [PT4]: \$250,000 is the POOL's self-insured retention limit.

Commented [PT3]: The former Parts Three and Four ("Security Failure/Privacy Event Management Coverage" and "Network Interruption Coverage") have been consolidated into Part Three, which is now called "First-Party Event Management and Network Interruption Coverage."

This change simplifies the Cyber Risk Coverage Form and makes clear that the coverage provided by the previous Parts Three and Four are included under the Form's first-party coverage.

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This Declarations Page, together with the Nevada Public Agency Insurance Pool (hereinafter referred to as POOL) Cyber Risk Coverage Form, edition 20254-20265, outlines the coverage provided by POOL. In accepting coverage, the **Named Assured** agrees to pay an annual contribution, as determined by POOL.

Countersigned:

Authorized Representative Date: July 1, 202<u>5</u>4

POOL CYBER RISK COVERAGE FORM
Attachment A
Effective July 1, 2023 it is understood and agreed that the Named Assureds covered hereunder are as follows:
Alamo Sewer & Water General Improvement District
Amargosa Library District
Baker Water and Sewer General Improvement District
Beatty Library District
Beatty Water & Sanitation
Boulder, City of including Damboree, Inc.
Caliente, City of
Canyon General Improvement District
Carlin, City of including these subentities:
Carlin Volunteer Fire/Ambulance
Carlin Open Door Senior Citizens Center
Carlin Friends of the Library
Carson City, A Consolidated Municipality
Carson City School District
Carson-Truckee Water Conservancy District
Carson Water Subconservancy District
Central Nevada Health District
Central Nevada Historical Society
Central Nevada Regional Water Authority
Churchill County including these subentities:
Road Commission
Planning Commission
Parks and Recreation Commission
Museum Board
Library Board
Fire Board
Cemetery Board
Board of Equalization
Coalition for Senior Citizens
CC Communications
Churchill County Volunteer Fire Department
Churchill County Mosquito & Weed Abatement District
Churchill County School District
Community Chest, Inc.
Consolidated Agencies of Human Services
County Fiscal Officers Association
Douglas County Mosquito Abatement District
Douglas County Redevelopment Agency
Douglas County School District
Douglas County Lake Tahoe Sewer Authority
East Fork Swimming Pool District
Eighth Judicial District Court
0

Elko, City of

Elko Convention and Visitors Authority
Elko County including these subentities:
Elko Central Dispatch Administrative Authority
Elko Senior Citizens Center
Jackpot, Town of
1 /
Jarbidge, Town of
Local Emergency Planning Commission Montello, Town of
'
Mountain City, Town of
North East Area Fire Protection District
Northeastern Nevada Regional Development Authority
Tuscarora, Town of and Water District
Volunteer Fire Departments (several)
Elko County Fair Board and Elko County Agricultural Association
Elko County School District
Elko TV District
Ely, City of including Nevada Northern Railway Foundation, Inc.
Esmeralda County
Goldfield, Town of
Goldfield TV District
Silver Peak, Town of
Esmeralda County School District
Eureka County including these subentities:
Diamond Valley Weed
Diamond Valley Rodent
Crescent Valley, Town of
Eureka, Town of
Devil's Gate GID
Eureka Television District
Eureka County Fair Board
Eureka County Recreation Board
Eureka Volunteer Fire Department
Diamond Valley Volunteer Fire Department
Crescent Valley Volunteer Fire Department
Pine Valley Volunteer Fire Department
Dunphy Volunteer Fire Department
Beowawe Volunteer Fire Department
Eureka EMS
Crescent Valley EMS
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Eureka County School District
Fernley, City of
Fernley Swimming Pool District
Gardnerville, Town of
Gardnerville-Ranchos General Improvement District
Genoa, Town of
Gerlach GID
Humboldt County including these subentities:
Denio Television District
Golconda Fire Protection District
Golconda Water District
Humboldt Development Authority
Humboldt Fire Protection District
Kings River GID
McDermott Fire Protection District
McDermott GID
Orvada Community Services District
Orvada Fire Protection District
Orvada GID
Orvada Rodent Control District
Paradise Fire Protection District
Paradise Sewer District
Paradise Weed Control District
Pueblo Fire Protection District
Quinn River Television District
Sixth Judicial District Court
Senior Citizens of Humboldt County
Union Justice Court
Wildfire Support Group, Inc.
Winnemucca Rural Fire Protection District
Winnemucca Convention & Visitors Authority
Humboldt County Fair & Recreation Board
Humboldt County Fairgrounds Agricultural District #3
Community Halls of Golconda, Orvada, McDermott, Paradise Valley, Kings River, Denio, Jackson Mountain

Humboldt County School District
Humboldt General Hospital
Humboldt River Basin Water
Incline Village General Improvement District
Indian Hills General Improvement District
Kingsbury General Improvement District
Lakeridge General Improvement District
Lander County including these subentities:
Argenta Television District
Austin Ambulance Service
Austin Volunteer Fire Department
Austin, Town of
Battle Mountain Ambulance Service
Battle Mountain Volunteer Fire Department
Battle Mountain, Town of
Kingston, Town of
Kingston, Town of Kingston Volunteer Fire Department
·
Lander County Convention & Tourism Lander County Community Health Office
Lander County Community Realth Office Lander County Hospital District dba Battle Mountain General Hospital
Lander County Hospital District and Battle Mountain General Hospital
Lincoln County including these subentities:
Alamo, Town of
, ,
Lincoln County Emergency Management
Lincoln County Fair Board
Lincoln County Television District
Meadow Valley Ambulance
Panaca, Town of
Lincoln County Fire District
Pioche Public Utilities
Pioche, Town of
Pioche Volunteer Fire Department
Lincoln County Senior Citizens (only for Property and Automobile Liability coverage)
Pioche Housing Authority (only for Property coverage)
Lincoln County Workforce
Lincoln County Regional Development Authority
Lincoln County School District
Lincoln County Water District
Logan Creek Estates General Improvement District

Lovelock, City of
Lovelock Meadows Water
Lyon County including these subentities:
Central Lyon Vector Control District
Dayton Utilities
Lyon County Fair & Rodeo
Mason Valley Mosquito Control District
Walker River Weed Control District
Willowcreek General Improvement District
Dayton Valley Dog Park Association
Lyon County School District
Marla Bay General Improvement District
Mason Valley Swimming Pool District
McGill Ruth Water District
Minden, Town of
Minden Gardnerville Sanitation District
Mineral County including these subentities:
Hawthorne Fire Department
Hawthorne Utilities
Luning Volunteer Fire Department
Mina Care and Share Center
Mina Volunteer Fire Department
Mineral County Care and Share
Mineral County Airport Land Advisory Board
Mineral County Convention & Tourism Authority Board
Mineral County Parks & Recreation
Mineral County Planning Commission
Schurz Volunteer Fire Department
Walker Lake Volunteer Fire Department
Walker Lake Water District
Mineral County Housing Authority
Mineral County School District
Moapa Valley Fire Protection District
Moapa Valley Water District
Mt. Charleston Fire Protection District
Mt. Grant General Hospital

Nevada Association of Conservation Districts including the following conservation districts:
Clover Valley
Esmeralda
Jiggs
Lahonton
Lander
Lincoln
Mason Valley
Northeast Elko
Paradise Sonoma
Quinn River
Smith Valley
Stillwater
Vya
Washoe Storey
White Pine
Nevada Association of Counties
Nevada Association of School Boards
Nevada Association of School Superintendents
Nevada Commission for Reconstruction of V&T Railway
Nevada League of Cities
Nevada Public Agency Insurance Pool
Nevada Risk Pooling, Inc.
Nevada Rural Housing Authority including these subentities
Blue Bird Property, LLC.
Pioche Apartments Manager LLC
Pioche Apartments
Nevada Volunteers
North Lake Tahoe Fire Protection District
North Lyon County Fire Protection District
Northern Nye County Hospital
Nye County School District

Pahranagat Valley Fire District
Pahrump Library District
Palomino Valley General Improvement District
Pershing County including these subentities:
Grass Valley Volunteer Fire
· · · · · · · · · · · · · · · · · · ·
Imlay Volunteer Fire
Imlay, unincorporated town of
Lovelock Valley Weed District
Pershing County Television District
Pershing County Volunteer Ambulance
Public Administrator
Rye Patch Volunteer Fire
Senior Citizen's Center
Eleventh Judicial District Court - Juvenile Court appointed workers
Volunteer Police Reserves
WIC Program Administrator
Pershing County School District
Pershing County Water Conservation District
Pooling Resources, Inc.
Regional Transportation Commission of Washoe County
Round Mountain, Town of
Sierra Estates General Improvement District
Silver Springs General Improvement District
Silver Springs Stagecoach Hospital District
Skyland General Improvement District
Smoky Valley Library District
Southern Nevada Area Communications Council
Stagecoach General Improvement District

Storey County including these subentities:
Comstock Cemetary Foundation, Inc.
Storey County Library District
Storey County Planning Commission
Storey County Fire Protection District
Storey County Volunteer Firemen
Storey County Sheriff's Reserve
Virginia Divide Sewer
Storey County School District
Sun Valley General Improvement District
Tahoe Douglas District
Tahoe Douglas FPD
Tonopah, Town of including Tonopah Historic Mining Park Foundation and Tonopah Development Corporation
Tonopah Library District
Topaz Ranch Estates General Improvement District
TRI General Improvement District
Truckee Meadows Regional Planning Agency
US Board of Water Commissioners
Virginia City Tourism Commission
Walker Basin Conservancy
Walker River Irrigation District
Washoe County Fire Suppression including these subentities:
Gerlach Volunteer Fire Department
Red Rock Volunteer Fire Department
Washoe County Water Conservation District
Wells, City of
West Wendover, City of
West Wendover Recreation District
Western Nevada Development District
Western Nevada Regional Youth Center

White Pine County including these subentities:
Agriculture District
Lund Water GID
Regional Planning Commission
Regional Transportation Commission
Soil Conservation
Baker, Town of
Cherry Creek, Town of
Lund, Town of
McGill, Town of
Ruth, Town of
White Pine County Youth Center
Tri-County Weed Control District
White Pine County Fire District including these subentities:
Volunteer Fire Departments of Baker, Cherry Creek, Cold Creek, Lackawanna, Lund, McGill, Ruth
Volunteer Ambulance Services
White Pine County School District
White Pine County Tourism & Recreation
White Pine Television District #1
Winnemucca, City of
Yerington, City of
Zephyr Cove GID
Zephyr Heights GID

POOL Cyber Risk Coverage Form Endorsement Number 1

Effective July 1, 2024 it is hereby agreed and understood that the employees (except the applicable district court judge) working on behalf of the following Judicial Districts with respect to the specified County are included as Assureds while acting within the course and scope of their duties as employees working on behalf of such Judicial Districts.

DISTRICTS

1st Judicial District Carson City Storey County

3rd Judicial District Lyon County

4th Judicial District Elko County

5th Judicial District Mineral County Esmeralda County

6th Judicial District Humboldt County

7th Judicial District Eureka County White Pine County Lincoln County

8th Judicial District Clark County

10th Judicial District Churchill County

11th Judicial District Lander County Mineral County Pershing County

The inclusion hereunder of more than one Assured shall not operate to increase the Limits of Liability.

ALL OTHER TERMS, CONDITIONS AND EXCEPTIONS REMAIN UNALTERED.

Required Notice to Claims Contacts

AFTER INFORMATION IS DISCOVERED THAT MAY RESULT IN A PRIVACY OR SECURITY EVENT OR A CYBER SECURITY THREAT UNDER THIS CYBER RISK COVERAGE FORM, THE NAMED ASSURED MUST <u>IMMEDIATELY</u> NOTIFY THE POOL AS REQUIRED IN THE COVERAGE FORM.

THE NAMED ASSURED MUST ALSO IMMEDIATELY NOTIFY THE INDIVIDUAL CLAIMS CONTACTS LISTED BELOW.

Donna Squires Claim Manager



639 Isbell Rd, Suite 390, Reno, NV 89509 P. <u>+1 775-391-6785</u> M. <u>+1 615-571-6473</u> E. Donna.Squires@us.davies-group.com

Claims reporting email:

ASC_NPAIP@us.davies-group.com

Antonio A. (Tony) Rucci

Independent CyberSecurity Consultant 865.719.1715 | Tony@TonyRucci.com https://www.TonyRucci.com

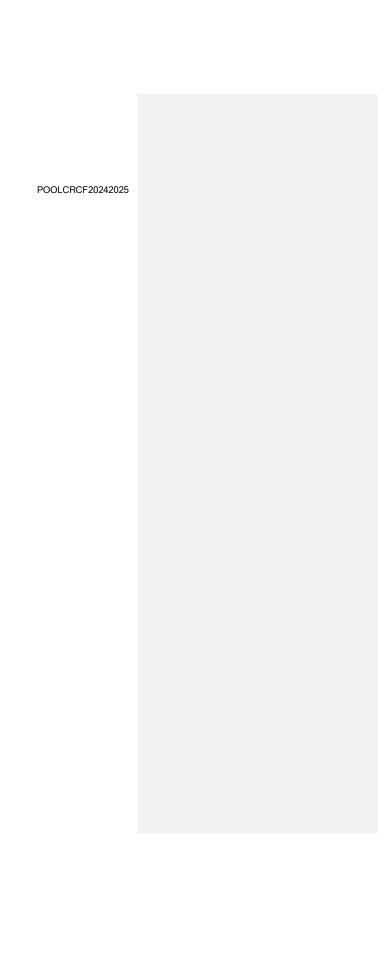
Marshall Smith Risk Manager



201 S. Roop Street, Suite 102 Carson City, NV 89701 Phone: 775.885.7475



John R. Funk, Esq. Shareholder Gunderson Law Firm 3895 Warren Way Reno, Nevada 89509 (775) 829-1222 Telephone (775) 829-1226 Facsimile jfunk@gundersonlaw.com **Commented [PT5]:** Please note the new Claims Reporting Email address.



NEVADA PUBLIC AGENCY INSURANCE POOL (POOL) CYBER RISK COVERAGE FORM DECLARATIONS

FORM NUMBER	COVERAGE PERIOD	NAMED ASSURED	MAINTENANCE DEDUCTIBLE
CRCF	07/01/202 <u>5</u> 4 - 07/01/202 <u>6</u> 5	Per Attachment A	none 10%, up to \$25,000
20254202	12:01 A.M., Standard Time		
65			

CYBER SECURITY RISK COVERAGE PART ONE: Terms and Conditions		
SECURITY RISK COVERAGE LIMITS	Limit per Named Assured Per PRIVACY OR SECURITY EVENT	Annual Aggregate Limit Per All Named Assureds
PART TWO: Privacy or Security Third-Party Liability Coverage Limits	\$1,000,000	\$1,000,000 up to \$15,000,000 aggregate all POOL Members combined
The following sublimits are a part of a addition to the Limits of Liability:		
PART THREE: First-Party Event Management and Network Interruption Coverage Limit Security Failure/Privacy Event Management Coverage Limit	\$100,000250,000	
PART FOUR: Network Interruption Coverage Limit	\$250,000	
Proof of Loss Preparation Costs (as defined, Separate Limit)	\$50,000	
Retroactive Date		July 1, 2013

This Declarations Page, together with the Nevada Public Agency Insurance Pool (hereinafter referred to as POOL) Cyber Risk Coverage Form, edition 20254-20265, outlines the coverage provided by POOL. In accepting coverage, the **Named Assured** agrees to pay an annual contribution, as determined by POOL.

Countersigned

Authorized Representative Date: July 1, 202<u>5</u>4

POOL Cyber Risk Coverage 155234957.1

Commented [PT6]: See changes and comments on Declarations Page above, p. 2.

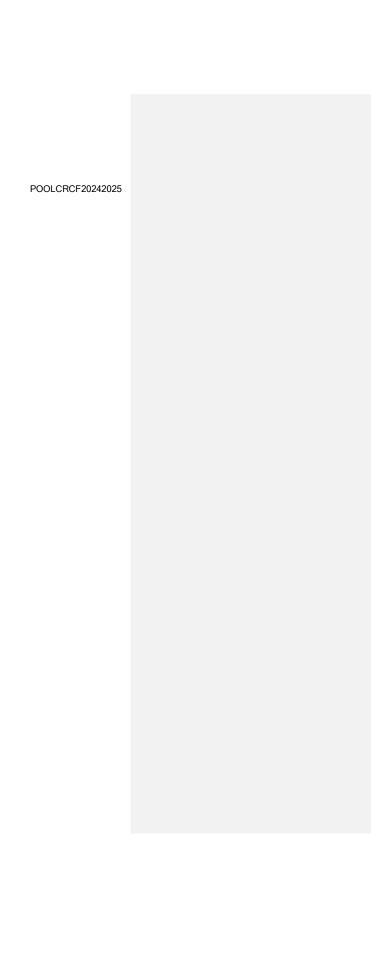


TABLE OF CONTENTS FOR CYBER RISK COVERAGE FORM

DECLARATIONS:	Page
PART ONE (COMMON TERMS AND CONDITIONS): Named Assured Limit of Liability: Notice and Authority Notice of Claim or First Party Event Named Assured 's Obligations: Discovery: Subrogation: Other Coverage: Assignment: Action against POOL: Bankruptcy: Worldwide Territory: Headings: Law Enforcement Cooperation: Definitions: Duties of the Named Assured in the Event of a Claim or First Party Event: Common Exclusions:	Pages 2 - 16 Page 2 Pages 2 - 3 Pages 4 - 5 Pages 4 - 5 Pages 5 - 6 Pages 6 - 7 Page 7 Page 8 Page 14 Page 14 Page 14
PART TWO (SECURITY AND PRIVACY THIRD-PARTY LIABILITY COVE Security and PrivacyThird-Party Liability Coverage Agreement: Discretionary Defense: Settlement: Territory: Exclusions: Notice of Privacy or Security Event Claim	
PART THREE (FIRST-PARTY EVENT MANAGEMENT AND NETWORK COVERAGE): SECURITY FAILURE/PRIVACY EVENT MANAGEMENT COVERAGE): Coverage Agreement: Duties of the Named Assured in the Event of Cyber Security Threat: Confidentiality:	Pages 21-22 Page 22 Page 22 Page 22 Page 22 Page 22
PART FOUR (NETWORK INTERRUPTION COVERAGE): Coverage Agreement: Definitions: Notice of Network Interruption Claim: Network Interruption-Conditions: Appraisal: Definitions; Exclusions:	Pages 23 - 27 Page 23 Pages 23 - 25 Page 25 Page 25 - 26 Pages 26 - 27 Pages xxx Page 27

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MANDATORY IMMEDIATE NOTICE TO POOL!

AFTER INFORMATION IS **DISCOVERED** THAT MAY RESULT IN A **PRIVACY OR SECURITY EVENT, OR A CYBER SECURITY THREAT** UNDER THIS CYBER RISK
COVERAGE FORM, THE **NAMED ASSURED** MUST IMMEDIATELY NOTIFY THE POOL.

POOL CYBER-RISK COVERAGE FORM

PART ONE: COMMON TERMS & CONDITIONS:

All terms or phrases in **bold print** in the body of this Coverage Form are defined terms.

Named Assured: The Named Assured means each member listed on Attachment A of this Coverage Form and all Boards, Departments, Divisions, Commissions, and Authorities under the supervision or control of the Named Assured whether now or hereafter constituted.

It is agreed that the unqualified word **Assured** wherever used within this coverage includes not only the **Named Assured**, but also:

- any official, trustee, director, officer, volunteer or employee of the Named Assured while acting within the course and scope of their duties as such, and
- 2. the interest of the Named Assured in any joint venture or interlocal cooperation agreement to which the Named Assured is a party and any activities under the supervision or control of the Named Assured whether now or hereafter constituted, provided no separate independent legal entity is formed and subject to the Other Insurance or Coverage provisions contained herein.

1. LIMIT OF LIABILITY

- a) In General
 - i. The Limit of Liability shown in the Declarations establishes the most the POOL will pay, regardless of the number of Privacy or Security Events, Cyber Security Threats, Assureds, Claims made, First Party Claims made, or individuals or entities making such Claims or First Party Claims. The POOL shall not be responsible to pay any loss upon exhaustion of the Limit of Liability.
 - ii. If a Sublimit of Liability is stated in the Declarations with respect to a Coverage Section of this Coverage Form, then such Sublimit of Liability shall be the POOL'S maximum liability for all loss with respect to such Coverage Section and the POOL shall not be responsible to pay any loss under such Coverage Section upon exhaustion of such Sublimit of Liability. Each Sublimit of Liability shall be part of and not in addition to the Limit of Liability and shall in no way serve to increase the Limit of Liability.

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iii. The Limit of Liability applies separately to each Named Assured listed on Attachment A. The Annual Aggregate Limit Per Named Assured shown in the Declarations applies per Named Assured listed on Attachment A without regard to any subentities listed on Attachment A. Subentities of a Named Assured do not receive separate limits of liability.

b) Pool Aggregate Limit

- i. All Cyber Risk Coverage is subject to a Pool Aggregate Limit as stated in the Declarations for each Coverage Period. The Pool Aggregate Limit is a shared limit among the Named Assureds (including all associated Assureds) and is the most the POOL will pay for all Cyber Risk Coverage, including Claim Expenses, for all Named Assureds (including all associated Assureds) covered under any Coverage Period. Claim Expenses erode the Pool Aggregate Limit.
- ii. If the Pool Aggregate Limit is exceeded, the amount recoverable by any Named Assured (including all associated Assureds) will be reduced pro rata in the same proportion that the loss of the Named Assured (including all associated Assureds) bears to the total amount of loss of all Named Assureds (including all associated Assureds).
- iii. The POOL may pay Claims or First Party Claims for Cyber Risk Coverage on a provisional basis until all liabilities and expenses for a particular Coverage Period are resolved, as determined by the POOL. If the POOL determines that the Pool Aggregate Limit may be exceeded, the POOL may delay claims payments until the POOL determines that all liabilities and expenses for a Coverage Period have been resolved.
- iv. Once all liabilities and expenses for a Coverage Period are resolved, the POOL will give notice to all Named Assureds with Claims or First Party Claims of their pro rata share of covered losses. If a Named Assured (including any associated Assureds) received claims payments in excess of its pro rata share, the Named Assured will remit the excess amount to the POOL within thirty (30) days of the date on which the POOL gives notice. If a Named Assured (including any associated Assureds) received claims payments that are less than its pro rata share, the POOL will remit the deficiency to the Named Assured within thirty (30) days of the date on which the POOL receives the last payment due from Named Assureds who received claims payments in excess of their pro rata shares.
- For purposes of the Pool Aggregate Limit, "Cyber Risk Coverage" means all amounts covered under all Coverage Parts of this Cyber Risk Coverage Form.
 Determinations made by the POOL relating to the Pool Aggregate Limit will be made in the sole and absolute discretion of the POOL.

2. NOTICE AND AUTHORITY

Except for the giving of a notice of **Claim** or **First Party Event**, which shall be governed by the provisions of the NOTICE OF CLAIM OR EVENT Section of these Common Terms and Conditions, all notices required under this Coverage Form to be given by a **Named Assured** to the POOL shall be given in writing to the POOL at the address stated in the Declarations.

It is agreed that any **Named Assured** shown on Attachment A shall act on behalf of all of its **Assureds** with respect to the giving of notice of a **Claim** or **First Party Event**, the giving and receiving of notice of cancellation and nonrenewal, the payment of contributions and the receiving of any return contributions that may become due under this Coverage Form, the receipt and acceptance of any endorsements issued to form a part of this Coverage Form, the exercising or declining of the right to tender the defense of a **Claim** to the POOL and the exercising or declining to exercise any right to a Discovery Period.

3. NOTICE OF CLAIM OR FIRST PARTY EVENT

- a) The Named Assured shall, as a condition precedent to the obligations of the POOL under this Coverage Form, give written notice to the POOL of any Claim made against the Named Assured or a First Party Event immediately after:
 - any personnel in the office of any Named Assured first becomes aware of the Claim: or
 - any First Party Event commences or, solely with respect to a Discovery Coverage Section, is discovered.

Notwithstanding the foregoing and regardless of whether any personnel described in (i) above has become aware, in all events each **Claim** under a Claims-Made and Reported Coverage Section must be reported no later than either:

- iii. sixty (60) days after the end of the Coverage Period; or
- iv. the end of any applicable Discovery Period.
- b) If written notice of a Claim or a First Party Event has been given to the POOL pursuant to Clause a) above, then:
 - i. any subsequent Claim made against any Assured; or
 - ii. any subsequent First Party Event;

arising out of, based upon or attributable to the facts giving rise to such **Claim** or First Party Event for which such notice has been given, or alleging any related act thereto, shall be considered made at the time such notice was given; and

c) Solely with respect to any Claims-Made and Reported Coverage Section, if during the Coverage Period or during the Discovery Period (if applicable), any **Assured** shall become aware of any circumstances which may reasonably be expected to give rise to a **Claim** being made, the **Named Assured** shall give immediate written notice to the POOL of such circumstances, the Third Party Events, allegations anticipated and the reasons for anticipating such a Claim, with full particulars as to dates, persons

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and entities involved, then any **Claim** which subsequently is made against an **Assured** and reported to the POOL alleging, arising out of, based upon or attributable to such circumstances or alleging any related act to that alleged or contained in such circumstances, shall be considered made at the time such written notice of circumstances was given.

 Notice as described herein shall be given in writing to the POOL Claims Service organization.

Any notice must reference the Coverage Form Number set forth in the Declarations and the Coverage Section(s) under which a **Named Assured** is providing notice.

If mailed or transmitted by electronic mail, the date of such mailing or transmission shall constitute the date that such notice was given and proof of mailing or transmission shall be sufficient proof of notice.

4. NAMED ASSURED'S OBLIGATIONS

Compliance with Vulnerability Assessments

The **Named Assureds** shall fully participate and cooperate in any periodic vulnerability assessments offeredprovided by the POOL or its cybersecurity consultants, which identify weak areas of security, and shall implement the recommendations within a reasonable period of time, as determined by the POOL. Failure to timely implement and comply with the vulnerability assessment recommendations may subject the **Named Assured** to a financial penalty of 10 percent of the amount of the Claim or Event, but not to exceed \$25,000.

In connection with all Claims under this Coverage Form, each Named Assured shall:

- a) send the POOL copies of all demands, suit papers, other related legal documents and invoices for defense costs received by such Named Assured, as soon as practicable;
- b) immediately record the specifics of any Claim and the date such Named Assured first received such Claim;
- c) cooperate with and help the POOL and/or any counsel or representative appointed pursuant to the terms of this Coverage Form, including, without limitation, as follows:
 - i. by not admitting liability;
 - ii. in making settlements;
 - iii. in enforcing any legal rights any Named Assured may have against anyone who may be liable to any Named Assured;
 - iv. by attending depositions, hearings, and trials;
 - v. by securing and giving evidence, and obtaining the attendance of witnesses;
 - vi. by preserving and furnishing any and all documentation, Computer Systems,

Commented [PT7]: This addition clarifies the potential financial penalty for a Named Assured's failure to timely implement and comply with the vulnerability assessment recommendations.

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Electronic Data, or any other item within the possession, custody or control of such **Named Assured** that may be required; and

- vii. by taking such actions that such Named Assured and the POOL agree are necessary and practicable to prevent or limit loss arising from any Claim.
- d) unless required to do so by law, Named Assureds shall not, without the POOL'S prior written consent:
 - assume any financial obligation or incur any cost unless specifically allowed to settle any Claim on behalf of the POOL pursuant to the Coverage Sections under this Coverage Form.
 - take any action or fail to take any required action which prejudices the POOL'S rights under this Coverage Form.
 - fail to comply with all terms and conditions in all sections of this Cyber Risk Coverage Form.
 - iv. destroy, dispose, compromise, or discard any Computer System, Electronic Data, or other item relevant to the Claim.
 - v. waive any immunities granted to local governments.

In connection with all First Party Claims under this Coverage Form:

All adjusted **First Party Claims** shall be due and payable thirty (30) days after the presentation and written acceptance by the POOL of satisfactory proof of claim to the address set forth in the Common Terms and Conditions. The costs and expenses of establishing or proving a **Named Assured**'s **First Party Claim** under this Coverage Section, including, without limitation, those connected with preparing a proof of loss, shall be such **Named Assured**'s obligation, and are not covered under this Coverage Form.

5. **DISCOVERY**

This Clause applies solely to Claims-made and reported coverage Sections of this Coverage Form, but shall not apply in the event of cancellation for non-payment of contribution:

a) Automatic Discovery Period: If the Named Assured or the POOL shall cancel or refuse to renew this Coverage Form the Named Assured shall have the right following the effective date of such cancellation or nonrenewal to a period of sixty (60) days (the "Automatic Discovery Period") in which to give written notice to the POOL of Claims first made against a Named Assured during the Automatic Discovery Period for Claims occurring prior to the end of the Coverage Period and otherwise covered by this Coverage Form. The Automatic Discovery Period shall not apply where an Optional Discovery Period has been purchased or to Claims that are covered under any subsequent coverage a Named Assured purchases or that is purchased for a Named Assured's benefit, or that would be covered by any subsequent coverage but for the exhaustion of the amount of coverage applicable to such Claims or any applicable retention amount.

- b) Optional Discovery Period: Except as indicated below, if the Named Assured or the POOL shall cancel or refuse to renew this Coverage Form or in the event of Bankruptcy (as that term is defined in Clause 10. below), the Named Assured shall have the right to a period of up to three (3) years following the effective date of such cancellation or nonrenewal (an "Optional Discovery Period"), upon payment of an additional contribution amount of up to:
 - i. one hundred percent (100%) of the full annual contribution, for a period of one (1) year,
 - ii. one hundred and seventy-five percent (175%) of the full annual contribution, for a period of two (2) years, or
 - iii. two hundred percent (200%) of the full annual contribution, for a period of three (3) years,

in which to give written notice to the POOL of **Claims** first made against a **Named Assured** during the Optional Discovery Period for any Third-Party Events occurring prior to the end of the Coverage Period and otherwise covered by this Coverage Form.

If the **Named Assured** exercises its right to purchase an Optional Discovery Period, that period incepts at the end of the Coverage Period and there shall be no Automatic Discovery Period.

As used herein, "full annual contribution" means the contribution amount charged to the **Named Assured**, plus an additional contribution charged for any endorsements to this Coverage Form.

The right to purchase an Optional Discovery Period shall terminate unless written notice of election, together with any additional contribution due, is received by the POOL no later than thirty (30) days after the effective date of the cancellation, nonrenewal or transaction.

Any Discovery Period cannot be canceled and any additional contribution charged for an Optional Discovery Period shall be fully earned at inception. The Discovery Period shall not apply to any cancellation resulting from non-payment of contribution.

 The Automatic or Optional Discovery Period does not reinstate or increase the Limit of Liability described in Section 1.

6. SUBROGATION

A **Named Assured** may be able to recover all or part of a **Claim** from someone other than the POOL. Such **Named Assured** must do all that is possible after a **Claim** to preserve any, and all, rights of recovery. As a condition of any payment by the POOL under this Coverage Form, a **Named Assured**'s rights to recovery will be transferred to the POOL. Each **Named Assured** will do whatever is necessary, including signing documents, to help the POOL obtain that recovery.

7

7. OTHER COVERAGE

Coverage as is provided by this Coverage Form shall apply only in the event of a **Privacy or Security Event** unless coverage is expressly excluded. All coverage, where appropriate, under this Coverage Form is available up to the applicable Liability Limitor Sublimit, but not both. There is absolutely no coverage under this Coverage Form if coverage or indemnity coverage is available from other sources. There is absolutely no coverage if provided under this Coverage Form beyond the applicable Liability Limit or Sublimit.

8. ASSIGNMENT

This Coverage Form and any and all rights hereunder are not assignable without the prior written consent of the POOL, which shall be in the sole and absolute discretion of the POOL.

9. ACTION AGAINST POOL

LIMITATION ON RIGHT TO SUE. An **Assured** shall not sue or maintain any litigation or lawsuit for damages against the POOL. By acceptance of this coverage, the **Assured** specifically agrees to waive any right to sue or maintain any litigation or lawsuit for damages against the POOL. However, this Section does not prohibit any declaratory relief action seeking to interpret wording of this Coverage Form. Carson City County, Nevada shall be the sole venue for any and all disputes or declaratory relief litigation brought by an **Assured** arising from or in any way relating to this Coverage Form or the POOL.

10. BANKRUPTCY

Bankruptcy or insolvency of any **Assured** shall not relieve the POOL of any of its obligations hereunder.

11. WORLDWIDE TERRITORY

Where legally permissible, this Coverage Form shall apply to **Claims** occurring or suffered anywhere in the world.

12. HEADINGS

The descriptions in the headings of this Coverage Form are solely for convenience and are not a part of the terms and conditions of coverage.

13. LAW ENFORCEMENT COOPERATION

A **Named Assured** may receive a request from a law enforcement authority to keep confidential certain information about an actual or possible First Party **Claim** or Third-Party **Claim** (including, without limitation, a **Privacy or Security Event**). In such circumstances, a notice of such First Party **Claim**, or of a **Claim** relating to or arising out of such Third-Party **Claim**, shall be considered timely under the Coverage Form if:

- a) Immediately after receipt of such request, a Named Assured or employee of the Named Assured requests permission to share such information with the POOL;
- b) The Named Assured only withholds from the POOL that portion of the information

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that it has been instructed not to share with the POOL as may be required by law;

 The Named Assured provides full notice of such Claim to the POOL as soon as legally permitted.

In addition, to the extent the procedure set forth above is followed in connection with an authorized law enforcement request, any failure or delay in providing information to the POOL shall not be the basis for denial of coverage for a **Claim** or First Party **Claim** under the Coverage Form on the basis of a **Named Assured**'s failure to provide documentation and otherwise cooperate, as required by the Common Terms and Conditions.

Notwithstanding the above, no coverage shall be afforded for any **Claim** or First Party **Claim** if the information withheld relating to such First Party **Claim** or Third Party **Claim** was: (i) known to the **Named Assured**, or prior to the inception date of the first POOL Coverage Form (or any other coverage agreement or insurance providing substantively identical coverage) provided through the POOL (or an insurance company affiliate of the POOL) to the **Named Assured** and continually renewed by the POOL (or an affiliate) until the inception date of this Coverage Form, and (ii) not disclosed in the Application.

14. **DEFINITIONS**

The following definitions are common to all sections in this Coverage Form:

"Bodily Injury" means physical injury, sickness or disease sustained by any person, including death resulting from these at any time. Bodily Injury also means mental illness, mental anguish or emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from physical injury, sickness, disease or death of any person.

"Business Income Loss" means the sum of the following incurred during the Period of Indemnity and the Extended Period of Indemnity (if any):

- a. net profits that would have been earned but for the Material Interruption (after charges and expenses, but not including any capital receipts, outlays properly chargeable to capital, and deductions for taxes and profits); and
- b. charges and expenses which necessarily continue (including ordinary payroll).

If there would have been no net profit, **Business Income Loss** means the charges and expenses which necessarily continue less any loss from business operations that would have been sustained had there been no **Material Interruption**.

"Claim" means any demand, Suit for damages, Regulatory Action or PCI-DSS Assessment resulting from a Privacy or Security Event. All Claims because of a single Privacy or Security Event will be deemed to be a single Claim and to have been made at the time the first such Claim is made against any Named Assured, regardless of the number of individuals or entities making such Claims or the time period over which such Claims are made, even if subsequent Claims are made after the Coverage Period or any Discovery Period under Part One, Section 5.

"Claim Expenses" means:

- Reasonable and necessary fees charged by attorneys designated by the POOL to assist with the investigation, adjustment, negotiation, arbitration, defense or appeal of a Claim;
- All other reasonable and necessary fees, costs, and expenses resulting from the investigation, adjustment, negotiation, arbitration, defense or appeal of a Claim and incurred by the POOL or by the Named Assured with the POOL'S prior consent; and
- Contributions on appeal bonds, attachment bonds or similar bonds; however, the POOL is not obligated to apply for or furnish any such bond;

Provided, however, Claim Expenses do not include:

- a. Any internal salary, administrative, overhead, or other related expenses of any Named Assured or any charges by a Named Assured for time spent cooperating with the investigation and defense of any Claim;
- b. Privacy Response Expenses;
- b.c. Privacy Monitoring Expenses; or
- e.d.PCI-DSS Assessments.

"Computer System" means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- a. operated by and either owned by or leased to the Named Assured; or
- b. operated by a third party service provider and used to provide hosted computer application services to the Named Assured or for processing, maintaining, hosting or storing the Named Assured's electronic data pursuant to a written contract with the Named Assured for such services.

"Cyber Security Threat" means a credible threat or series of related credible threats, including, but not limited to, a demand for Cyber Security Threat Monies, directed at a Named Assured to:

- Release, divulge, disseminate, destroy or use confidential information taken from the Named Assured as a result of a Privacy or Security Event;
- 2. Introduce malicious code into a Computer System;
- Corrupt, damage, or destroy a Computer System;
- 4. Restrict or hinder access to a Computer System;

"Cyber Security Threat Expenses" means all reasonable and necessary costs and expenses which a Named Assured incurs as a direct result of a Cyber Security Threat, other than Cyber Security Threat Monies.

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Commented [PT8]: This incorporates a newly defined term, Privacy Monitoring Expenses, which includes reasonable and necessary costs incurred by the Named Assured arising out of a Claim alleging a Privacy or Security Event. Please see the full definition of Privacy Monitoring Expenses below.

The costs included in the newly defined **Privacy Monitoring Expenses** were previously defined as **Privacy Response Expenses**. By clarifying which expenses are **Privacy Monitoring Expenses** and which are **Privacy Response Expenses**, the hope is that the Cyber Risk Form is clearer as to which expenses are included under each definition.

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"Cyber Security Threat Monies" means any actual, reasonable, and necessary monetary amounts, including amounts in bitcoin and cryptocurrencies, at the actual rate of exchange at the date and time of the transaction in the equivalent of United States of America dollars, paid with the POOL's prior written consent, to a party who is not covered by this Form and whom the Named Assured reasonably believes to be responsible for the Cyber Security Threat. funds, including any cryptocurrency, whichthe Named Assured pays, with the prior written consent of the POOL, for the purpose of terminating the Cyber Security Threat.

Cyber Security Threat Monies also include any reasonable and necessary expenses incurred by the Named Assured in order to facilitate, mitigate, or negotiate any actual amount paid in response to the Cyber Security Threat.

"Electronic Data" means any software or electronic data stored on a Computer System, including without limitation Personal Information.

"Electronic Equipment and Electronic Data Damage" means damage to, loss of use or destruction of electronic equipment caused by the reprogramming of the software (including the firmware) of such electronic equipment rendering it useless for its intended purpose, the reasonable and necessary expenses to determine whether electronic Data can or cannot be restored, recollected, or recreated, and the reasonable and necessary expenses to restore, recreate or recollect Electronic Data which an Assured incurs as a result of a Privacy or Security Event.

"Expenses to Reduce Loss" means expenses incurred by the Named Assured during the Period of Indemnity, over and above normal operating expenses, for the purpose of reducing Business Income Loss or shortening the Period of Indemnity.

"Extra Expenses" means expenses incurred by the **Named Assured** during the **Period of Indemnity** or the Extended **Period of Indemnity** (if any), other than Expenses to Reduce Loss, that would not have been incurred but for a **Material Interruption**.

"Discover" or "Discovered" means the time when any assured first becomes aware of facts which would cause a reasonable person to assume that a Privacy or Security Event or a Cyber Security Threat has occurred, regardless of when the Privacy or Security Event occurred, even though the exact amount or details may not then be known.

"First Party Claim" means a Claim based upon a First Party Event.

"First Party Event" means a Privacy or Security Event or Cyber Security Threat.

"Material Interruption" means the actual and measurable interruption or suspension of a Named Assured's business directly caused by a Privacy or Security Event.

"Network Interruptions Costs" means Business Income Loss, Expenses to Reduce Loss, Extra Expenses, and Proof of Loss Preparation Costs.

"PCI-DSS Assessment" means any monetary penalty owed by a Named Assured due to the Named Assured's noncompliance with Payment Card Industry Data Security Standards under an agreement between the Named Assured and a financial institution or other person enabling the Named Assured to accept credit cards, debit cards, prepaid cards, or other payment cards,

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Commented [PT9]: New for the 2025-2026 Cyber Risk Form is a more detailed definition of "Cyber Security Threat Monles," which should remove any ambiguities as to what payments are included under the same.

"Personal Information" means an individual's name in combination with one or more of the following:

- information concerning the individual that constitutes "nonpublic personal information" as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
 - medical or health care information concerning the individual, including without limitation "protected health information" as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and implementing regulations;
- the individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or personal identification numbers that allow access to the individual's financial account information; or
- other nonpublic personally identifiable information, including confidential corporate information, as protected under any local, state, federal or foreign law;

Provided, however, **Personal Information** does not include information that is lawfully available to the public, including without limitation information lawfully available from any **Named Assured** or any local, state, federal or foreign governmental entity.

"Privacy or Security Event" means:

- a. the actual or reasonably suspected theft, loss, or unauthorized disclosure of or access to Personal Information in the care, custody, or control of the Named Assured or for which the Named Assured is legally responsible including information that is entrusted to a third-party for storage, regardless of whether such Personal Information is maintained in electronic, paper, or any other format; or
- a violation or failure of the security of a Computer System, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

Any **Privacy or Security Event** that is continuous or part of a series of repeated or related **Privacy or Security Events** will be considered to be a single **Privacy or Security Event** and will be considered to have commenced when the first such **Privacy or Security Event** commenced regardless of:

- The number of individuals or entities engaged in such Privacy or Security Events;
- b. The number of individuals or entities affected by such Privacy or Security Events;
- c. The number of locations where such **Privacy or Security Events** occurred; or
- d. The number of such **Privacy or Security Events** occurring or period of time over which they occur, even if subsequent **Privacy or Security Events** take place after the Coverage Period.

"Privacy Monitoring Expenses" means the following reasonable and necessary costs incurred by the Named Assured arising out of a Claim alleging a Privacy or Security

Event:

- a. For the services of consultants or attorneys designated by the POOL to determine the Named Assured's obligations, if any, under applicable law to give notice to affected individuals;
- b. To notify affected individuals if required by applicable law or if the Named Assured voluntarily elects to give such notice, and for the services of a contractor designated by the POOL to assist with providing such notice and responding to questions and concerns raised by individuals who are notified;
- c. For the services of a contractor designated by the POOL to provide identity theft protection services to affected individuals if the Named Assured elects to provide such services; and
- d. For the services of a public relations consultant designated by the POOL to avert or mitigate damage to the Named Assured's reputation as a result of the Privacy or Security Event;

"Privacy Response Expenses" means the following reasonable and necessary costs incurred by the Named Assured within one year of the discovery of a Privacy or Security Event that results in the actual or reasonably suspected theft, loss or unauthorized disclosure of or access to electronic Personal Information in the care, custody or control of the Named Assured or for which the Named Assured is legally responsible:

a. For the services of a security expert designated by the POOL to determine the scope and cause of a **Privacy or Security Event** and the extent to which **Personal Information** was disclosed to or accessed by unauthorized persons.

Commented [PT10]: As noted above, Privacy Monitoring Expenses is a new definition for the 2025-2026 Form.

These costs included in the newly defined **Privacy Monitoring Expenses** were previously defined as **Privacy Response Expenses**. By clarifying which expenses are **Privacy Monitoring Expenses** and which are **Privacy Response Expenses**, the hope is that the Cyber Risk Form is clearer as to which expenses are included under each definition.

Privacy Monitoring Expenses are covered under Part Two, Third-Party Liability, of the Coverage Form. Note that Privacy Response Expenses, defined below, are covered under Part Three, which is the newly consolidated, first-party coverage part.

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Commented [PT11]: Although Privacy Response Expenses are still covered under Part Three of the Form, the definition of Privacy Response Expenses has been narrowed. Certain expenses that were previously defined as Privacy Response Expenses are now included under the newly defined Privacy Monitoring Expenses, which are covered under Part Two.

- b.a. For the services of consultants or attorneys designated by the POOL to determine the Named Assured's obligations, if any, under applicable law to give notice to affected individuals:
- c.a. To notify affected individuals if required by applicable law or if the Named Assured voluntarily elects to give such notice, and for the services of a contractor designated by the POOL to assist with providing such notice and responding to questions and concerns raised by individuals who are notified;
- d.a. For the services of a contractor designated by the POOL to provide identity theft protection services to affected individuals if the Named Assured elects to provide such services; and
- e.a. For the services of a public relations consultant designated by the POOL to avert
 or mitigate damage to the Named Assured's reputation as a result of the Privacy
 or Socurity Event;
- f.e. Computer Systems and Electronic Data Damage.

Provided, however, Privacy Response Expenses do not include:

- any internal salary, administrative, overhead or other related expenses of any Named Assured or any charges by a Named Assured for time spent cooperating with the investigation and response to any Privacy or Security Event;
- b. Claim Expenses;
- b.c. Privacy Monitoring Expenses;
- e.d. PCI-DSS Assessments;
- d.e. Network Interruption Costs;
- e.f._Cyber Security Threat Expenses; or
- f.g. Cyber Security Threat Monies.

"Proof of Loss Preparation Costs" means fees and expenses incurred by a Named Assured for the services of a third-party forensic accounting firm to establish and prove the amount of loss, including those costs in connection with preparing a proof of loss. Proof of Loss Preparation Costs does not include any fees or expenses for consultation on coverage or negotiation of claims.

"Property Damage" means damage to, loss of use of, or destruction of any tangible property; however, Property Damage does not include the loss of use or damage of electronic equipment and Computer System caused by the reprogramming of the software (including the firmware) of such electronic equipment and Computer System rendering it useless for its intended purpose. For purposes of this definition, "tangible property" shall not include Electronic Data.

"Regulatory Penalties" means any civil fine or civil monetary penalty imposed in a

Commented [PT12]: These defined costs, previously included under Privacy Response Expenses, are now separately defined as Privacy Monitoring Expenses.

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Regulatory Action payable by a **Named Assured** to the governmental entity bringing the **Regulatory Action** and any sum of money that a **Named Assured** is legally obligated to

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deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a **Regulatory Action**.

"Regulatory Action" means a request for information, civil investigative demand, Suit, civil investigation or civil proceeding commenced by or on behalf any local, state, federal or foreign governmental entity in the entity's regulatory or official capacity.

"Suit" means a civil proceeding arising out of a **Privacy or Security Event** and includes an arbitration proceeding or other alternative dispute resolution proceeding including requests to toll or waive statute of limitations and to which the **Named Assured** must submit or does submit with the consent of the POOL.

"Waiting Hours Period" means the number of hours set forth in the Declarations that must elapse once a Material Interruption has begun.

15. DUTIES OF THE NAMED ASSURED IN THE EVENT OF A CLAIM OR FIRST PARTY EVENT

The following duties of the **Named Assured** are common to all sections in this Coverage Form:

After a situation that results in, or may result in, a **Claim** or **First Party Event** under this Coverage Form, is discovered, the **Named Assured** must notify the POOL in writing immediately the date first discovered and cooperate with the POOL in the investigation and settlement of the **Claim** or **First Party Event**. Additionally, the **Named Assured** must:

- Submit to an examination under oath at the POOL'S request and provide a signed statement of any written questions the POOL may provide;
- b) Immediately record the specifics of the Claim or First Party Event and the date discovered:
- c) Immediately send the POOL copies of any demands, notices, summonses, or legal papers received in connection with the Claim;
- d) Authorize the POOL to obtain records and other information if the POOL requests;
- e) Assist the POOL, upon the POOL's request, in the enforcement of any right against any person or organization which may be liable to the **Named Assured** because of a **Claim** which this Coverage Form may provide coverage.
- f) The Named Assured will not, except at its own costs, voluntarily make any payment, assume any obligation, or incur any expense without the POOL'S express prior written consent.

16. COMMON EXCLUSIONS

The following Exclusions are common to all sections in this Coverage Form. This Coverage Form shall not cover any loss in connection with a **Claim** or **First Party Event** made against a **Named Assured**:

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- a) alleging, arising out of, based upon or attributable to any dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law, if committed by any:
 - past or present directors, officers, trustees, general or managing partners or principals (or the equivalent positions) of a **Named Assured** occurring at a time when such **Assured** served in such capacity, whether acting alone or in collusion with other persons; or
 - ii. past or present employee or independent contractor employed by a **Named Assured** if any person referenced in Sub-paragraph (i) above knew or had reason to know prior to the act of, participated in, approved of or acquiesced to the dishonest, fraudulent, malicious, or criminal act committed by such employee or independent contractor that caused a direct loss to a **Named Assured** or any other person.
- alleging, arising out of, based upon or attributable to any (i) misappropriation of a trade secret by any Named Assured on behalf of or to the benefit of any Named Assured or (ii) infringement of patent.
- alleging, arising out of, based upon or attributable to any Bodily Injury or Property Damage, except emotional distress as a result of a Privacy or Security Event.
- d) alleging, arising out of, based upon or attributable to any:
 - fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused;
 - ii. war (whether war is declared or not), invasion, use of military force, civil war, popular or military uprising, rebellion, revolution, or any action taken to hinder or defend against any of these events;
 - iii. electrical or mechanical failures of infrastructure not under the control of a Named Assured, including any electrical power interruption, surge, brownout or blackout; provided, however, this Sub-paragraph (iii) shall not apply to a Privacy or Security Event that is caused by such electrical or mechanical failure;
 - iv. failure of telephone lines, data transmission lines or other telecommunications or networking infrastructure not under the control of a Named Assured; provided, however, this Sub-paragraph (iv) shall not apply to a Privacy or Security Event that is caused by such failure of telephone lines, data transmission lines or other telecommunication or networking infrastructure; or
 - v. satellite failure.
- e) arising out of, based upon or attributable to any seizure, confiscation, nationalization, or destruction of a Computer System by order of any governmental or public authority.

- f) for any profit or advantage to which any Named Assured is not legally entitled.
- g) for, arising out of or resulting from any actual or alleged false, deceptive or unfair trade practices; however, this exclusion does not apply to any Claim or loss covered hereunder that results from a theft, loss or unauthorized disclosure of or access to Personal Information.
- h) for, arising out of or resulting from:
 - the actual or alleged unlawful collection or acquisition of Personal Information by or on behalf of the Assured; or the failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (i.e., opt-in or opt-out) from the collection, disclosure or use of Personal Information; or
 - ii. the distribution of unsolicited email, direct mail, or facsimiles, wiretapping, audio or video recording, or telemarketing, if such distribution, wiretapping, recording or telemarketing is done by or on behalf of the Assured, including actual or alleged violations of:
 - (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - (3) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the dissemination, recording, sending, transmitting, communicating or distribution of material or information.
- i) for, or arising out of, any actual or alleged violation of the Fair Labor Standards Act of 1938, the National Labor Relations Act, the Worker Adjustment and Retraining Act of 1988, the Certified Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act of 1970, the Employee Retirement Security Act of 1974 or any similar law or legislation of any state, locality or foreign government, or any amendment to such laws, or any violation of any order, ruling or regulation issued pursuant to such laws.
- j) for, or arising out of, any actual or alleged discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy.
- k) any actual or alleged violation of the Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair Credit Transactions Act (FACTA).

- I) arising out of or resulting from any of the following:
 - i. trading losses, trading liabilities or change in value of accounts;
 - any loss of monies, securities or tangible property of others in the care, custody or control of the **Assured**;
 - the monetary value of any electronic fund transfers or transactions by or on behalf of the **Assured** that is lost, diminished, or damaged during transfer from, to or between accounts; or
 - iv. the value of coupons, price discounts, prizes awards, or any other valuable consideration given in excess of the total contracted or expected amount that is lost, diminished or damaged.

PART TWO: SECURITY AND THIRD-PARTY LIABILITY COVERAGE:

The Duties, Terms, and Conditions, of the $\bf Named\ Assured$ are those common to all parts of this Coverage Form found in Part One.

THIS IS A CLAIMS MADE AND REPORTED COVERAGE SECTION AND A THIRD-PARTY LIABILITY COVERAGE SECTION.

All terms or phrases in **bold print** in the body of this Coverage Form are defined terms.

1. SECURITY AND PRIVACY THIRD-PARTY LIABILITY COVERAGE AGREEMENT

With respect to the POOL'S DISCRETIONARY DEFENSE provisions and the SETTLEMENT provisions of this Part, solely with respect to **Claims** first made against a **Named Assured** during the Coverage Period or the Discovery Period (if applicable) and reported to the POOL pursuant to the terms of this Coverage Form.

this Security and Privacy Third-Party Liability Coverage Agreement affords the following coverage:

- a) The POOL shall pay on a Named Assured's behalf all loss that such Named Assured is legally obligated to pay resulting from a Claim alleging a Privacy or Security Event up to the Limit of Liability set forth in the Declarations.
- b) The POOL shall pay on a **Named Assured**'s behalf all **Privacy Monitoring Expenses** that such **Named Assured** incurs as a result of a **Privacy and Security Event** up to the Limit of Liability set forth in the Declarations.
- c) **DISCRETIONARY DEFENSE**:
 - The POOL has the option and sole discretion to defend a Suit or Regulatory Action alleging a Privacy or Security Event, even if the Suit or Regulatory Action is groundless, false, or fraudulent.

The POOL will withdraw any defense it undertakes after the applicable Limit of Liability shown in the Declarations is exhausted in the payment of judgments or settlements, **Regulatory Penalties, Claim Expenses, Privacy**

Commented [PT13]: This clarifies that Part Two is a third-party liability coverage part.

Commented [PT14]: Language removed to avoid redundancy.

Commented [PT15]: This incorporates the newly defined Privacy Monitoring Expenses and makes clear that such expenses are covered under Part Two of the Cyber Risk Coverage Form.

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Response Expenses, PCI-DSS Assessments, Electronic Equipment and Electronic Data Damage, Network Interruption Costs, Cyber Security Threat Expenses, and Cyber Security Threat Monies.

d) SETTLEMENT:

- The POOL has the sole right and discretion to investigate and settle any Claim.
- A Named Assured may not settle any Claim to which this coverage applies without the prior written consent of the POOL.

2. TERRITORY

This Coverage Form provides coverage for **Privacy or Security Events** anywhere in the world resulting in a **Claim** against a **Named Assured**. **Suits**, however, must be brought in the United States of America against a **Named Assured**.

3. EXCLUSIONS

In addition to the Common Exclusions, the POOL shall not be liable to make any payment in connection with a **Claim** made against a **Named Assured**:

- a) alleging, arising out of, based upon or attributable to any:
 - i. purchase, sale, or offer or solicitation of an offer to purchase or sell securities;
 - ii. violation of any securities law, including but not limited to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or any regulation promulgated under the foregoing statutes, or any federal, state or local laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory or common law provided, however, this exclusion does not apply to a **Claim** alleging a **Privacy Event** in violation of Regulation S-P (17 C.F.R. § 248); provided further, however, this exclusion does not apply to a **Claim** alleging a failure to disclose a **Privacy or Security Event** in violation of any Security Breach Notice Law; or
 - iii. violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act, or "RICO"), as amended, or any regulation promulgated thereunder or any federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law;
- alleging, arising out of, based upon or attributable to a Named Assured's employment of any individual or any of a Named Assured's employment practices (including, without limitation, wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim).

This exclusion shall not apply to any **Claim** by an individual to the extent such individual is alleging (1) a **Privacy or Security Event** in connection with such individual's employment or application for employment with a **Named Assured**, or (2) a failure to disclose a **Privacy or Security Event** in violation of any Security Breach Notice Law.

94077962.1 20

alleging, arising out of, based upon or attributable to antitrust, unfair competition, restraint of trade, including, without limitation, violations of any local, state or federal law regulating such conduct, or that is brought by or on behalf of the Federal Trade Commission ("FTC") or any other federal, state or local government agency, or foreign government agency.

However, solely with respect to unfair competition, this Paragraph (c) shall not apply to any **Claim** arising out of a covered **Regulatory Action**.

- c) brought by or on behalf of any Named Assured.
- d) for any of the following:
 - the return of a Named Assured's fees or compensation;
 - ii. a Named Assured 's expenses or charges, including employee compensation and benefits, overhead, over-charges or cost over-runs;
 - a Named Assured's cost of providing, correcting, re-performing or completing any services;
 - iv. civil or criminal fines or penalties imposed by law against a Named Assured and any matters deemed uninsurable under the law pursuant to which this Coverage Form shall be construed; provided, however, this Sub-paragraph (iv) shall not apply to (a) any monetary amounts a Named Assured is required by law or has agreed to by settlement to deposit into a consumer redress fund, or (b) any civil fine or penalty imposed by a governmental agency arising from a Regulatory Action, unless the civil fine or penalty imposed is uninsurable under the law of the jurisdiction imposing such fine or penalty;
 - v. A **Named Assured**'s costs and expenses of complying with any injunctive or other form of equitable relief;
 - vi. taxes incurred by a Named Assured;
 - vii. the amounts for which a Named Assured is not financially liable or which are without legal recourse to any Named Assured;
 - viii. amounts a **Named Assured** agrees to pay pursuant to a contract, including without limitation, liquidated damages, setoffs or penalties; provided, however, this exclusion shall not apply to any **PCI-DSS Assessment**.
- e) alleging, arising out of, based upon or attributable to any obligation a **Named Assured** has under contract; provided, however, this exclusion shall not apply to:
 - i. the obligation to prevent a **Privacy or Security Event**, including without limitation, whether same is in violation of an implied or statutory standard of care:
 - liability a Named Assured would have in the absence of such contract or agreement;

94077962.1 21

the obligation to comply with **PCI Data Security** standards or to indemnify an acquiring bank or payment processor for amounts owed in connection with a **PCI-DSS Assessment**;

- iii. Privacy Monitoring Expenses that such Named Assured incurs as a result of a Privacy and Security Event; or
- iv. with respect to a **Privacy or Security Event**, any liability or obligation under the confidentiality or non-disclosure provisions of any agreement;
- f) alleging, arising out of, based upon or attributable to any Privacy or Security Event, or any related acts thereto, alleged or contained in any Claim which has been reported, or in any circumstances of which notice has been given, under any Coverage Form or policy of which this POOL Coverage Form is a renewal or replacement or which it may succeed in time.
- g) alleging, arising out of, based upon or attributable to any **Privacy or Security Event** occurring prior to the retroactive date or any related acts thereto, regardless of when such related act occurs.
- h) alleging, arising out of, based upon or attributable to any Privacy or Security Event occurring prior to the continuity date, or any related act thereto (regardless of when such related act occurs), if, as of the continuity date, any personnel in the office of a Named Assured knew or could have reasonably foreseen that such Privacy or Security Event did or would result in a Claim against a Named Assured.
- alleging, arising out of, based upon or attributable to any seizure, confiscation, nationalization, or destruction of a **Computer System** by order of any governmental or public authority.
- j) for (1) the theft of money or securities from a Named Assured; or (2) the transfer or loss of money or securities from or to a Named Assured's accounts or accounts under a Named Assured's control, including customer accounts. For purposes of this Sub-paragraph (k), the term "accounts" shall include, but are not limited to, deposit, credit, debit, prepaid and securities brokerage accounts.
- k) In addition to the Common Exclusions, the POOL shall not be liable to make any payment for any Claim:
 - arising out of, based upon or attributable to any Privacy or Security Event, or any related acts thereto, which has been reported, or in any circumstances of which notice has been given, under any Coverage Form of which this Section is a renewal or replacement or which it may succeed in time.
 - arising out of, based upon or attributable to any amounts for: (i) the original creation of; (ii) diminution of value of; (iii) lost profits of; (iv) or loss of use of, a trade secret, patent, copyright, trademark, trade dress or any other intellectual property.
 - iii. arising out of, based upon or attributable to any amounts for improvements and/or upgrades of any type or kind to the Computer System, hardware, software, or media.

Commented [PT16]: This incorporates the newly defined **Privacy Monitoring Expenses**.

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4. NOTICE OF PRIVACY OR SECURITY EVENT CLAIM

In addition to the applicable items of the Common Terms and Conditions, and before coverage will apply for a **Claim** under this Coverage Part, each **Named Assured** must also:

- a) complete and sign a written, detailed and affirmed proof of loss immediately after the discovery of any loss (unless such period has been extended by the POOL in writing) which shall include, among any other pertinent information:
 - a full description of such **Privacy or Security Event** and the circumstances surrounding a **Claim** or potential **Claim**, which shall include, among any other necessary information, the time, place and cause of the **Privacy or Security Event**:
 - ii. a detailed calculation of damages for any Claim or potential Claim; and
 - iii. all underlying documents and materials that reasonably relate to or from any part of the proof of such **Claim** or potential **Claim**.
- b) upon the POOL'S request, submit to an examination under oath.
- immediately record the specifics of any Privacy or Security Event and the date such Named Assured first became aware of such Privacy or Security Event.
- d) provide the POOL with any cooperation and assistance that the POOL may request, including assisting the POOL in:
 - public relations management including not making any public statements without the POOL'S prior written approval and cooperating with the POOL'S public relations or legal representative, if deployed in response to a Privacy or Security Event;
 - any investigation of the circumstances arising from or relating to a **Privacy or** Security Event regardless whether it gives rise to a Claim or potential Claim;
 - iii. enforcing any legal rights a Named Assured may have against anyone who may be liable to the Named Assured or POOL; and
 - iv. executing any documents that the POOL deems necessary to secure its rights under this Coverage Form.

PART THREE (SECURITY FAILURE/PRIVACY EVENT MANAGEMENT COVERAGE) (FIRST-PARTY EVENT MANAGEMENT AND NETWORK INTERRUPTION COVERAGE):

THIS IS A DISCOVERY COVERAGE SECTION AND A FIRST PARTY COVERAGE SECTION

All terms or phrases in **bold print** in the body of this Cyber Risk Coverage Form are defined $$^{94077962.1}$$

POOLCRCF20252026

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Commented [PT17]: This updates the name of Part Three to reflect the consolidation of the prior Parts Three and Four.

terms.

1. FIRST-PARTY EVENT MANAGEMENT AND NETWORK INTERRUPTION COVERAGE AGREEMENTS

With respect to the Security Failure/Privacy Event Management Coverage of this Part, solely with respect to a **Privacy or Security Event** first discovered during the Coverage Period and reported to the POOL pursuant to the terms of this Coverage Form, the POOL affords the following coverage under this Section:

- a) EVENT MANAGEMENT COVERAGE AGREEMENT: The POOL shall pay all expenses, including Cyber Security Threat Expenses, Privacy Response Expenses, and Cyber Security Threat Monies that a Named Assured incurs in managing Cyber Security Threats, solely as a result of an alleged Privacy or Security Event that has actually occurred or is reasonably believed by such Named Assured and the POOL to have occurred up to the Limit of Liability shown in the Declarations
- b) SETTLEMENT: The POOL has the sole right to settle any Claim.

With respect to the Network Interruption Coverage of this Part, this Part affords the following coverage:

NETWORK INTERRUPTION COVERAGE AGREEMENT:

The POOL shall pay for Business Income Loss, Expenses to Reduce Loss, Extra Expenses, and Proof of Loss Preparation Costs that a Named Assured incurs after the Waiting Hours Period and solely as a result of a Privacy or Security Event resulting in a Security Failure or System Failure up to the applicable Network Interruption Sublimit shown in the Declarations.

The maximum liability of the POOL for all **Proof of Loss Preparation Costs** is the **Proof of Loss Preparation Costs** Sublimit set forth in the Declarations.

4.2. DUTIES OF THE NAMED ASSURED IN THE EVENT OF A CYBER SECURITY THREAT

In addition to the Duties and Obligations of the **Named Assured** common to all parts of this Coverage Form, when responding to a **Cyber Security Threat** or suspected **Cyber Security Threat** the **Named Assured** must:

- i. Determine that the cyber security threat has actually occurred;
- With respect to a cyber security threat make every reasonable effort to access your electric data from backups, if any, and remediate the cause of the cyber security threat;
- Immediately notify the POOL before making any payment based upon the cyber security threat;

Commented [PT18]: The Coverage Agreements for the new, consolidated Part Three of the Form combines the coverage agreements from the prior Parts Three and Four. This is intended to reduce ambiguity as to what coverage is provided by the First-Party coverage section.

94077962.1 24

- iv. Fully cooperate with the POOL'S Privacy and Security Event investigative response team, including, but not limited to any cyber security advisor, public relations or legal representative, if deployed to evaluate and assist the Named Assured as it relates to the cyber security threat; and
- Receive express written POOL approval before any payment based upon the cyber security threat is made.

The **Named Assured** will not, except at its own costs, voluntarily make any payment, assume any obligation or incur any expense without the POOL'S express prior written consent.

2.3. CONFIDENTIALITY

To the extent allowed by law, the **Named Assured** shall make every reasonable effort to keep confidential and to not divulge the existence of coverage for **Cyber Security Threats** and amounts paid.

3.4. NOTICE OF NETWORK INTERRUPTION CLAIM

In addition to the applicable items of the Common Obligations, Duties, Terms, and Conditions, and before coverage will apply for a **First Party Claim** under this Coverage Section, each **Named Assured** must also:

- complete and sign a written, detailed and affirmed proof of loss immediately after the discovery of any loss (unless such period has been extended by the POOL in writing) which shall include, among any other pertinent information:
 - a full description of such Privacy or Security Event and the circumstances surrounding a claim or potential claim, which shall include, among any other necessary information, the time, place and cause of the Privacy or Security Event:
 - ii. a detailed calculation of any First Party Claim or potential First Party Claim; and
 - all underlying documents and materials that reasonably relate to or from any part of the proof of such First Party Claim or potential First Party Claim.
- b) upon the POOL'S request, submit to an examination under oath.
- c) Immediately record the specifics of any **Privacy or Security Event** and the date such **Named Assured** first became aware of such **Privacy or Security Event**.
- d) provide the POOL with any cooperation and assistance that the POOL may request, including assisting the POOL in:
 - any investigation of the circumstances arising from or relating to a Privacy or Security Event regardless whether it gives rise to a First Party Claim or potential First Party Claim;

- enforcing any legal rights a Named Assured may have against anyone who may be liable to the Named Assured or POOL;
- iii. executing any documents that the POOL deems necessary to secure its rights under this Coverage Form; and
- iv. any calculation or appraisal conducted by or on behalf of the POOL pursuant to this Network Interruption Coverage Section.

4.5. NETWORK INTERRUPTION CONDITIONS

- For purposes of this Coverage PartSection, no entity shall be considered an IT Service Provider or a Non-IT Service Provider with respect to services it provides as a:
 - a public utility (including, without limitation, a provider of electricity, gas, water or telecommunication services); or
 - ii. an internet service provider (including any provider of internet connectivity).
- b) Any amount recovered under any other Coverage Section of this Coverage Form will not be considered as part of a **First Party Claim** under this Coverage Section.
- c) When calculating **Business Income Loss**, due consideration shall be given to:
 - the experience of the business before the date of the Material Interruption and the probable experience thereafter during the Period of Indemnity had no Material Interruption occurred;
 - ii. the continuation of only those necessary charges and expenses that would have existed had no **Material Interruption** occurred; and
 - Business Income Loss which is made up during the Extended Period of Indemnity (if any) or within a reasonable period of time (no less than one year) after the expiration of the Period of Indemnity and the Extended Period of Indemnity (if any).
- d) Each Named Assured agrees, as soon as practicable, to use overtime, extra time and any other resource owned or controlled by such Named Assured, or obtainable by such Named Assured from other sources (including any other Named Assured), in order to continue its business and reduce its loss.
- e) Each Named Assured must act with due diligence and dispatch to repair or restore the Computer System to the same or equivalent operating conditions that existed prior to the damage in order to continue its business and to reduce loss.
- f) No loss or part of loss shall be paid hereunder to the extent a Named Assured has collected such loss or part of loss from an Outsource Provider or any other third party.

5.6. APPRAISAL

If any **Named Assured** and the POOL disagree on the amount of a loss, either may make a written demand for an appraisal of such a loss. If such demand is made, each party will

94077962.1 26

select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of a claim. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two of these three will be binding.

Such Named Assured and the POOL will:

- a) pay their respective chosen appraiser; and
- b) bear the expenses of the umpire equally.

Any appraisal of a loss shall be calculated in accordance with all terms, conditions and exclusions of this Coverage Form.

6.7. DEFINITIONS

In addition to the common terms applicable to all sections of this Coverage Form, the following definitions apply to this coverage section:

"IT Service Provider" means an entity, other than a Named Assured, that:

- a) provides "cloud computing" or other hosted computer resources to a Named Assured; or
- provides information technology services required by a Named Assured to operate a Computer System under its ownership, operation or control,

pursuant to a written contract with a Named Assured.

"Non-IT Service Provider" means an entity, other than a Named Assured, that provides goods or services to a Named Assured pursuant to a written contract; provided, however, under no circumstances shall an entity be considered a Non-IT Provider with respect to services provided as an IT Provider.

"Outsource Provider" means:

- v. an IT Service Provider,
- vi. a Non-IT Service Provider, or
- vii. any other entity that is not a **Named Assure**d and that a **Named Assured** depends on to conduct its business including, without limitation, any entity providing services as:

94077962.1 27

- (a) a public utility (including, without limitation, a provider of electricity, gas, water or telecommunication services);
- (b) an internet service provider (including any provider of internet connectivity), or
- (c) a securities exchange or market.

"Period of Indemnity" means the period of time beginning after the Waiting Hours Period and ending at the earlier of 180 days thereafter or:

- with respect to a Security Failure or Voluntary Shutdown of a Computer System under the ownership, operation or control of, or leased by, the Named Assured, at the time the Named Assured restores access to the Computer System to the same or similar conditions that existed prior to the time of the Material Interruption; or
- with respect to a Security Failure or System Failure of a Computer System under the ownership, operation or control of an Outsource Provider, the earlier of:
 - (a) the time the Named Assured restores its business to the same or similar conditions that existed prior to the time of the Material Interruption; or
 - (b) the time such Outsource Provider restores access to the Computer System to the same or similar conditions that existed prior to the time of the Material Interruption.

The **Period of Indemnity** shall not be cut short by the end of the Coverage Period.

"Security Failure" means a failure or violation of the security of a Computer System, including, without limitation, that which results in or fails to mitigate any unauthorized access, unauthorized use, denial of service attack or receipt or transmission of a malicious code. "Security Failure" includes any such failure or violation resulting from the theft of a password or access code from a Named Assured's premises, a Named Assured's Computer System, or an employee of a Named Assured by non-electronic means.

"Security Failure" also means the loss of use of all or part of a Computer System caused by the unauthorized reprogramming of software (including firmware) which renders such Computer System, or any component thereof, nonfunctional or useless for its intended purpose.

"Security Failure" also includes any such failure or violation resulting from Cyberterrorism.

"System Failure" means any unintentional and unplanned outage of a Computer System that is not part of or caused by a Security Failure.

"Voluntary Shutdown" means the voluntary and intentional shutdown or impairment of a Computer System under the ownership, operation or control of a Named Assured, by or at the direction of a Named Assured after the discovery of a Security Failure or Privacy or Security Event or suspected Privacy or Security Event, with the reasonable belief that

94077962.1 28

such shutdown would limit the loss that would otherwise be incurred as the result of such **Security Failure** or **Privacy or Security Event**.

7.8. EXCLUSIONS

In addition to the Common Exclusions, the POOL shall not be liable to make any payment:

- a) arising out of, based upon or attributable to any System Failure, Security Failure or related act thereto which has been reported, or in any circumstances of which notice has been given, under any Coverage Form of which this Network Interruption Coverage Section is a renewal or replacement or which it may succeed in time.
- b) arising out of, based upon or attributable to: (1) any liability to third-parties for whatever reason; (2) legal costs or legal expenses of any type; (3) unfavorable business conditions.
- arising out of, based upon or attributable to a System Failure caused by or resulting from electrical or mechanical failure of incoming transmission or other incoming services.
- d) for any: (1) contractual penalties or consequential damages; (2) updating, upgrading, enhancing or replacing any **Computer System** to a level beyond that which existed prior to sustaining loss; or (3) removal of software program errors or vulnerabilities.

29

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PART FOUR: NETWORK INTERRUPTION COVERAGE:

THIS IS A FIRST PARTY COVERAGE SECTION

All terms or phrases in bold print in the body of this Coverage Form are defined terms.

1. COVERAGE AGREEMENT

This Network Interruption Coverage Part affords the following coverage with respect to a Security Failure or System Failure first occurring and reported to the POOL during the Coverage Period pursuant to the terms of this Coverage Form:

NETWORK INTERRUPTION COVERAGE AGREEMENT:

The POOL shall pay for Business Income Loss, Expenses to Reduce Loss, Extra Expenses, and Proof of Loss Preparation Costs that a Named Assured incurs after the Waiting Hours Period and solely as a result of a Privacy or Security Event resulting in a Security Failure or System Failure up to the applicable Network Interruption Sublimit shown in the Declarations.

The maximum liability of the POOL for all **Proof of Loss Preparation Costs** is the **Proof of Loss Preparation Costs**. Sublimit set forth in the Declarations.

2. DEFINITIONS

In addition to the common terms applicable to all sections of this Coverage Form, the following definitions apply to this coverage section:

"IT Service Provider" means an entity, other than a Named Assured, that:

- i. provides "cloud computing" or other hosted computer resources to a Named-Assured; or
- ii. provides information technology services required by a Named Assured to operate a Computer System under its ownership, operation or control,

pursuant to a written contract with a Named Assured.

"Non-IT Service Provider" means an entity, other than a Named Assured, that provides goods or services to a Named Assured pursuant to a written contract; provided, however, under no circumstances shall an entity be considered a Non-IT Provider with respect to services provided as an IT Provider.

"Outsource Provider" means:

viii. an IT Service Provider,

ix. a Non-IT Service Provider, or

 any other entity that is not a Named Assured and that a Named Assured depends on to conduct its business including, without limitation, any entity providing services as: **Commented [PT19]:** As discussed, the prior Part Four (Network Interruption Coverage) has been consolidated into Part Three

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- (a) a public utility (including, without limitation, a provider of electricity, gas, water or telecommunication services);
- (b) an internet service provider (including any provider of internet connectivity), or
- (c) a securities exchange or market.
- "Period of Indemnity" means the period of time beginning after the Waiting Hours-Period and ending at the earlier of 180 days thereafter or:
 - iii. with respect to a Security Failure or Voluntary Shutdown of a Computer System under the ownership, operation or control of, or leased by, the Named Assured, at the time the Named Assured restores access to the Computer System to the same or similar conditions that existed prior to the time of the Material Interruption; or
 - iv. with respect to a Security Failure or System Failure of a Computer System under the ownership, operation or control of an Outsource Provider, the earlier of:
 - (a) the time the Named Assured restores its business to the same or similar conditions that existed prior to the time of the Material Interruption; or
 - (b) the time such Outsource Provider restores access to the Computer System to the same or similar conditions that existed prior to the time of the Material Interruption.
- The Period of Indemnity shall not be cut short by the end of the Coverage Period.
- "Security Failure" means a failure or violation of the security of a Computer System, including, without limitation, that which results in or fails to mitigate any unauthorized access, unauthorized use, denial of service attack or receipt or transmission of a malicious code. "Security Failure" includes any such failure or violation resulting from the theft of a password or access code from a Named Assured's premises, a Named Assured's Computer System, or an employee of a Named Assured by non-electronic means.
- "Security Failure" also means the loss of use of all or part of a Computer System caused by the unauthorized reprogramming of software (including firmware) which renders such Computer System, or any component thereof, nonfunctional or useless for its intended purpose.
- "Security Failure" also includes any such failure or violation resulting from Cyberterrorism:
- "System Failure" means any unintentional and unplanned outage of a Computer System that is not part of or caused by a Security Failure.
- "Voluntary Shutdown" means the voluntary and intentional shutdown or impairment of a Computer System under the ownership, operation or control of a Named Assured, by or at the direction of a Named Assured after the discovery of a Security Failure or Privacy or Security Event or suspected Privacy or Security Event, with the reasonable belief that

94077962.1 31

such shutdown would limit the loss that would otherwise be incurred as the result of such Security Failure or Privacy or Security Event.

3. NOTICE OF NETWORK INTERRUPTION CLAIM

In addition to the applicable items of the Common Obligations, Duties, Terms, and Conditions, and before coverage will apply for a **First Party Claim** under this Coverage Section, each **Named Assured** must also:

- e) complete and sign a written, detailed and affirmed proof of loss immediately after the discovery of any loss (unless such period has been extended by the POOL in writing) which shall include, among any other pertinent information:
 - a full description of such Privacy or Security Event and the circumstances surrounding a claim or potential claim, which shall include, among any other necessary information, the time, place and cause of the Privacy or Security
 - a detailed calculation of any First Party Claim or potential First Party Claim: and
 - iii. all underlying documents and materials that reasonably relate to or from any part of the proof of such First Party Claim or potential First Party Claim.
- f) upon the POOL'S request, submit to an examination under oath.
- g) Immediately record the specifics of any **Privacy or Security Event** and the date such **Named Assured** first became aware of such **Privacy or Security Event**.
- n) provide the POOL with any cooperation and assistance that the POOL may request, including assisting the POOL in:
 - xi. any investigation of the circumstances arising from or relating to a **Privacy** or Security Event regardless whether it gives rise to a **First Party Claim** or potential **First Party Claim**;
 - xii. enforcing any legal rights a Named Assured may have against anyone who may be liable to the Named Assured or POOL;
 - xiii. executing any documents that the POOL deems necessary to secure its rights under this Coverage Form; and
 - xiv. any calculation or appraisal conducted by or on behalf of the POOL pursuant to this Network Interruption Coverage Section.

4. NETWORK INTERRUPTION CONDITIONS

g) For purposes of this Coverage Section, no entity shall be considered an IT Service Provider or a Non-IT Service Provider with respect to services it provides as a:

94077962.1 32

POOLCRCF20252026

- a public utility (including, without limitation, a provider of electricity, gas, water or telecommunication services); or
- an internet service provider (including any provider of internet connectivity).
- h) Any amount recovered under any other Coverage Section of this Coverage Form will not be considered as part of a First Party Claim under this Coverage Section.
- i) When calculating Business Income Loss, due consideration shall be given to:
 - the experience of the business before the date of the Material Interruption and the probable experience thereafter during the Period of Indemnity had no Material Interruption occurred;
 - ii. the continuation of only those necessary charges and expenses that would have existed had no Material Interruption occurred; and
 - iii. Business Income Loss which is made up during the Extended Period of Indemnity (if any) or within a reasonable period of time (no less than one year) after the expiration of the Period of Indemnity and the Extended Period of Indemnity (if any).
- j) Each Named Assured agrees, as soon as practicable, to use overtime, extra time and any other resource owned or controlled by such Named Assured, or obtainable by such Named Assured from other sources (including any other Named Assured), in order to continue its business and reduce its loss.
- k) Each Named Assured must act with due diligence and dispatch to repair or restore the Computer System to the same or equivalent operating conditions that existed prior to the damage in order to continue its business and to reduce loss.
- No loss or part of loss shall be paid hereunder to the extent a Named Assured has collected such loss or part of loss from an Outsource Provider or any other third party.

5. APPRAISAL

If any Named Assured and the POOL disagree on the amount of a loss, either may make a written demand for an appraisal of such a loss. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of a claim. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two of these three will be binding.

Such Named Assured and the POOL will:

- c) pay their respective chosen appraiser; and
- d) bear the expenses of the umpire equally.

Any appraisal of a loss shall be calculated in accordance with all terms, conditions and exclusions of this Coverage Form.

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6. EXCLUSIONS

In addition to the Common Exclusions, the POOL shall not be liable to make any payment:

- e) arising out of, based upon or attributable to any System Failure, Security Failure or related act thereto which has been reported, or in any circumstances of which notice has been given, under any Coverage Form of which this Network Interruption Coverage Section is a renewal or replacement or which it may succeed in time.
- f) arising out of, based upon or attributable to: (1) any liability to third-parties for whatever reason; (2) legal costs or legal expenses of any type; (3) unfavorable business conditions.
- g) arising out of, based upon or attributable to a System Failure caused by or resulting from electrical or mechanical failure of incoming transmission or other incoming services.
- h) for any: (1) contractual penalties or consequential damages; (2) updating, upgrading, enhancing or replacing any **Computer System** to a level beyond that which existed prior to sustaining loss; or (3) removal of software program errors or vulnerabilities.

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34

POOLCRCF20252026

NEVADA PUBLIC AGENCY INSURANCE POOL

CYBER RISK COVERAGE FORM



POOL/PACT

201 S. Roop St., Suite 102 Carson City, NV 89701 (775) 885-7475 www.poolpact.com Claims Service Provider:
Davies Claims Solutions
639 Isbell Road #390
Reno, Nevada 89509
(775) 329-1181
(800) 291-6826
www.ascrisk.com



NEVADA PUBLIC AGENCY INSURANCE POOL (POOL)

CYBER RISK COVERAGE FORM DECLARATIONS

FORM NUMBER	COVEAGE PERIOD	NAMED ASSURED	MAINTENANCE DEDUCTIBLE
CRCF	07/01/2025 - 07/01/2026	Per Attachment A	10%, up to \$25,000
2025	12:01 A.M., Standard Time		
2026			

CYBER SECURITY RISK COVERAGE PART ONE: Terms and Conditions		
SECURITY RISK COVERAGE LIMITS	Limit per Named Assured Per PRIVACY OR SECURITY EVENT	Annual Aggregate Limit Per All Named Assureds
PART TWO: Third-Party Liability Coverage Limits	\$1,000,000	\$1,000,000 up to \$15,000,000 aggregate all POOL Members combined
The following sublimits are a part of a addition to the Limits of Liability:		
PART THREE: First-Party Event Management and Network Interruption Coverage Limit	\$250,000	
Proof of Loss Preparation Costs (as defined, Separate Limit)	\$50,000	
Retroactive Date		July 1, 2013

This Declarations Page, together with the Nevada Public Agency Insurance Pool (hereinafter referred to as POOL) Cyber Risk Coverage Form, edition 2025-2026, outlines the coverage provided by POOL. In accepting coverage, the **Named Assured** agrees to pay an annual contribution, as determined by POOL.

Countersigned:

Authorized Representative Date: July 1, 2025

POOL CYBER RISK COVERAGE FORM

Attachment A

Effective July 1, 2023 it is understood and agreed that the Named Assureds covered hereunder are as follows:

Alamo Sewer & Water General Improvement District

Amargosa Library District

Baker Water and Sewer General Improvement District

Beatty Library District

Beatty Water & Sanitation

Boulder, City of including Damboree, Inc.

Caliente, City of

Canyon General Improvement District

Carlin, City of including these subentities:

Carlin Volunteer Fire/Ambulance

Carlin Open Door Senior Citizens Center

Carlin Friends of the Library

Carson City, A Consolidated Municipality

Carson City School District

Carson-Truckee Water Conservancy District

Carson Water Subconservancy District

Central Nevada Health District

Central Nevada Historical Society

Central Nevada Regional Water Authority

Churchill County including these subentities:

Road Commission

Planning Commission

Parks and Recreation Commission

Museum Board

Library Board

Fire Board

Cemetery Board

Board of Equalization

Coalition for Senior Citizens

CC Communications

Churchill County Volunteer Fire Department

Churchill County Mosquito & Weed Abatement District

Churchill County School District

Community Chest, Inc.

Consolidated Agencies of Human Services

County Fiscal Officers Association

Douglas County Mosquito Abatement District

Douglas County Redevelopment Agency

Douglas County School District

Douglas County Lake Tahoe Sewer Authority

East Fork Swimming Pool District

Eighth Judicial District Court

Elko, City of

Elko Convention and Visitors Authority
Elko County including these subentities:
Elko Central Dispatch Administrative Authority
Elko Senior Citizens Center
Jackpot, Town of
Jarbidge, Town of
Local Emergency Planning Commission
Montello, Town of
Mountain City, Town of
North East Area Fire Protection District
Northeastern Nevada Regional Development Authority
Tuscarora, Town of and Water District
Volunteer Fire Departments (several)
Elko County Fair Board and Elko County Agricultural Association
Elko County School District
Elko TV District
Ely, City of including Nevada Northern Railway Foundation, Inc.
Esmeralda County
Goldfield, Town of
Goldfield TV District
Silver Peak, Town of
Esmeralda County School District
Eureka County including these subentities:
Diamond Valley Weed
Diamond Valley Rodent
Crescent Valley, Town of
Eureka, Town of
Devil's Gate GID
Eureka Television District
Eureka County Fair Board
Eureka County Recreation Board
Eureka Volunteer Fire Department
Diamond Valley Volunteer Fire Department
Crescent Valley Volunteer Fire Department
Pine Valley Volunteer Fire Department
Dunphy Volunteer Fire Department
Beowawe Volunteer Fire Department
Eureka EMS
Crescent Valley EMS

Eureka County School District
Fernley, City of
Fernley Swimming Pool District
Gardnerville, Town of
Gardnerville-Ranchos General Improvement District
Genoa, Town of
Gerlach GID
Humboldt County including these subentities:
Denio Television District
Golconda Fire Protection District
Golconda Water District
Humboldt Development Authority
Humboldt Fire Protection District
Kings River GID
McDermott Fire Protection District
McDermott GID
Orvada Community Services District
Orvada Fire Protection District
Orvada GID
Orvada Rodent Control District
Paradise Fire Protection District
Paradise Sewer District
Paradise Weed Control District
Pueblo Fire Protection District
Quinn River Television District
Sixth Judicial District Court
Senior Citizens of Humboldt County
Union Justice Court
Wildfire Support Group, Inc.
Winnemucca Rural Fire Protection District
Winnemucca Convention & Visitors Authority
Humboldt County Fair & Recreation Board
Humboldt County Fairgrounds Agricultural District #3
Community Halls of Golconda, Orvada, McDermott, Paradise Valley, Kings River, Denio, Jackson Mountain

Humboldt County School District
Humboldt General Hospital
Humboldt River Basin Water
Incline Village General Improvement District
Indian Hills General Improvement District
Kingsbury General Improvement District
Lakeridge General Improvement District
Lander County including these subentities:
Argenta Television District
Austin Ambulance Service
Austin Volunteer Fire Department
Austin, Town of
Battle Mountain Ambulance Service
Battle Mountain Volunteer Fire Department
Battle Mountain, Town of
Kingston, Town of
Kingston Volunteer Fire Department
Lander County Convention & Tourism
Lander County Community Health Office
Lander County Hospital District dba Battle Mountain General Hospital
Lander County School District
Lincoln County including these subentities:
Alamo, Town of
Lincoln County Emergency Management
Lincoln County Fair Board
Lincoln County Television District
Meadow Valley Ambulance
Panaca, Town of
Lincoln County Fire District
Pioche Public Utilities
Pioche, Town of
Pioche Volunteer Fire Department
Lincoln County Senior Citizens (only for Property and Automobile Liability coverage)
Pioche Housing Authority (only for Property coverage)
Lincoln County Workforce
Lincoln County Regional Development Authority
Lincoln County School District
Lincoln County Water District
Logan Creek Estates General Improvement District

Lovelock, City of
Lovelock Meadows Water
Lyon County including these subentities:
Central Lyon Vector Control District
Dayton Utilities
Lyon County Fair & Rodeo
Mason Valley Mosquito Control District
Walker River Weed Control District
Willowcreek General Improvement District
Dayton Valley Dog Park Association
Lyon County School District
Marla Bay General Improvement District
Mason Valley Swimming Pool District
McGill Ruth Water District
Minden, Town of
Minden Gardnerville Sanitation District
Mineral County including these subentities:
Hawthorne Fire Department
Hawthorne Utilities
Luning Volunteer Fire Department
Mina Care and Share Center
Mina Volunteer Fire Department
Mineral County Care and Share
Mineral County Airport Land Advisory Board
Mineral County Convention & Tourism Authority Board
Mineral County Parks & Recreation
Mineral County Planning Commission
Schurz Volunteer Fire Department
Walker Lake Volunteer Fire Department
Walker Lake Water District
Mineral County Housing Authority
Mineral County School District
Moapa Valley Fire Protection District
Moapa Valley Water District
Mt. Charleston Fire Protection District
Mt. Grant General Hospital

Nevada Association of Conservation Districts including the following conservation districts:		
Clover Valley		
Esmeralda		
Jiggs		
Lahonton		
Lander		
Lincoln		
Mason Valley		
Northeast Elko		
Paradise Sonoma		
Quinn River		
Smith Valley		
Stillwater		
Vya		
Washoe Storey		
White Pine		
Nevada Association of Counties		
Nevada Association of School Boards		
Nevada Association of School Superintendents		
Nevada Commission for Reconstruction of V&T Railway		
Nevada League of Cities		
Nevada Public Agency Insurance Pool		
Nevada Risk Pooling, Inc.		
Nevada Rural Housing Authority including these subentities		
Blue Bird Property, LLC.		
Pioche Apartments Manager LLC		
Pioche Apartments		
Nevada Volunteers		
North Lake Tahoe Fire Protection District		
North Lyon County Fire Protection District		
Northern Nye County Hospital		
Nye County School District		

Pahranagat Valley Fire District
Pahrump Library District
Palomino Valley General Improvement District
Pershing County including these subentities:
Grass Valley Volunteer Fire
Imlay Volunteer Fire
Imlay, unincorporated town of
Lovelock Valley Weed District
Pershing County Television District
Pershing County Volunteer Ambulance
Public Administrator
Rye Patch Volunteer Fire
Senior Citizen's Center
Eleventh Judicial District Court - Juvenile Court appointed workers
Volunteer Police Reserves
WIC Program Administrator
Pershing County School District
Pershing County Water Conservation District
Pooling Resources, Inc.
Regional Transportation Commission of Washoe County
Round Mountain, Town of
Sierra Estates General Improvement District
Silver Springs General Improvement District
Silver Springs Stagecoach Hospital District
Skyland General Improvement District
Smoky Valley Library District
Southern Nevada Area Communications Council
Stagecoach General Improvement District

Storey County including these subentities: Comstock Cemetary Foundation, Inc. Storey County Library District Storey County Planning Commission Storey County Fire Protection District
Storey County Library District Storey County Planning Commission
Storey County Planning Commission
· · · · ·
Storey County Fire Protection District
Storey County Volunteer Firemen
Storey County Sheriff's Reserve
Virginia Divide Sewer
Storey County School District
Sun Valley General Improvement District
Tahoe Douglas District
Tahoe Douglas FPD
Tonopah, Town of including Tonopah Historic Mining Park Foundation and Tonopah Development Corporation
Tonopah Library District
Topaz Ranch Estates General Improvement District
TRI General Improvement District
Truckee Meadows Regional Planning Agency
US Board of Water Commissioners
Virginia City Tourism Commission
Walker Basin Conservancy
Walker River Irrigation District
Washoe County Fire Suppression including these subentities:
Gerlach Volunteer Fire Department
Red Rock Volunteer Fire Department
Washoe County Water Conservation District
Wells, City of
West Wendover, City of
West Wendover Recreation District
Western Nevada Development District
Western Nevada Regional Youth Center

White Pine County including these subentities:
Agriculture District
Lund Water GID
Regional Planning Commission
Regional Transportation Commission
Soil Conservation
Baker, Town of
Cherry Creek, Town of
Lund, Town of
McGill, Town of
Ruth, Town of
White Pine County Youth Center
Tri-County Weed Control District
White Pine County Fire District including these subentities:
Volunteer Fire Departments of Baker, Cherry Creek, Cold Creek, Lackawanna, Lund, McGill, Ruth
Volunteer Ambulance Services
White Pine County School District
White Pine County Tourism & Recreation
White Pine Television District #1
Winnemucca, City of
Yerington, City of
Zephyr Cove GID
Zephyr Heights GID

POOL Cyber Risk Coverage Form Endorsement Number 1

Effective July 1, 2024 it is hereby agreed and understood that the employees (except the applicable district court judge) working on behalf of the following Judicial Districts with respect to the specified County are included as Assureds while acting within the course and scope of their duties as employees working on behalf of such Judicial Districts.

DISTRICTS

1st Judicial District Carson City Storey County

3rd Judicial District Lyon County

4th Judicial District Elko County

5th Judicial District Mineral County Esmeralda County

6th Judicial District Humboldt County

7th Judicial District
Eureka County
White Pine County
Lincoln County

8th Judicial District
Clark County

10th Judicial District Churchill County

11th Judicial District Lander County Mineral County Pershing County

The inclusion hereunder of more than one Assured shall not operate to increase the Limits of Liability.

ALL OTHER TERMS, CONDITIONS AND EXCEPTIONS REMAIN UNALTERED.

Required Notice to Claims Contacts

AFTER INFORMATION IS DISCOVERED THAT MAY RESULT IN A PRIVACY OR SECURITY EVENT OR A CYBER SECURITY THREAT UNDER THIS CYBER RISK COVERAGE FORM, THE NAMED ASSURED MUST <u>IMMEDIATELY</u> NOTIFY THE POOL AS REQUIRED IN THE COVERAGE FORM.

THE NAMED ASSURED MUST ALSO IMMEDIATELY NOTIFY THE INDIVIDUAL CLAIMS CONTACTS LISTED BELOW.

Donna Squires Claim Manager



639 Isbell Rd, Suite 390, Reno, NV 89509 P. <u>+1 775-391-6785</u> M. +1 615-571-6473

E. Donna.Squires@us.davies-group.com

Claims reporting email: NPAIP@us.davies-group.com

Antonio A. (Tony) Rucci

Independent CyberSecurity Consultant 865.719.1715 | Tony@TonyRucci.com https://www.TonyRucci.com

Marshall Smith Risk Manager



201 S. Roop Street, Suite 102 Carson City, NV 89701 Phone: 775.885.7475



John R. Funk, Esq. Shareholder Gunderson Law Firm 3895 Warren Way Reno, Nevada 89509 (775) 829-1222 Telephone (775) 829-1226 Facsimile ifunk@gundersonlaw.com

NEVADA PUBLIC AGENCY INSURANCE POOL (POOL)

CYBER RISK COVERAGE FORM DECLARATIONS

FORM NUMBER	COVERAGE PERIOD	NAMED ASSURED	MAINTENANCE DEDUCTIBLE
CRCF 20252026	07/01/2025 – 07/01/2026 12:01 A.M., Standard Time	Per Attachment A	10%, up to \$25,000

CYBER SECURITY RISK COVERAGE		
PART ONE: Terms and Conditions		
SECURITY RISK COVERAGE LIMITS	Limit per Named Assured Per PRIVACY OR SECURITY EVENT	Annual Aggregate Limit Per All Named Assureds
PART TWO: Third-Party Liability Coverage Limits	\$1,000,000	\$1,000,000 up to \$15,000,000 aggregate all POOL Members combined
The following sublimits are a part of a addition to the Limits of Liability:	and not in	
PART THREE: First-Party Event Management and Network Interruption Coverage Limit	\$250,000	
_		
Proof of Loss Preparation Costs (as defined, Separate Limit)	\$50,000	
Retroactive Date		July 1, 2013

This Declarations Page, together with the Nevada Public Agency Insurance Pool (hereinafter referred to as POOL) Cyber Risk Coverage Form, edition 2025-2026, outlines the coverage provided by POOL. In accepting coverage, the **Named Assured** agrees to pay an annual contribution, as determined by POOL.

Countersigned:

Authorized Representative Date: July 1, 2025

POOL Cyber Risk Coverage 155234957.1

TABLE OF CONTENTS FOR CYBER RISK COVERAGE FORM

DECLARATIONS:	Page
PART ONE (COMMON TERMS AND CONDITIONS): Named Assured Limit of Liability: Notice and Authority Notice of Claim or First Party Event Named Assured 's Obligations: Discovery: Subrogation: Other Coverage: Assignment: Action against POOL: Bankruptcy: Worldwide Territory: Headings: Law Enforcement Cooperation: Definitions: Duties of the Named Assured in the Event of a Claim or First Party Event: Common Exclusions:	Pages 2 - 16 Page 2 Pages 2 - 3 Pages 4 Pages 4 - 5 Pages 5 - 6 Pages 6 - 7 Page 7 Page 8 Page 9 - 14 Page 14 -17
PART TWO (THIRD-PARTY LIABILITY COVERAGE): Third-Party Liability Coverage Agreement: Discretionary Defense: Settlement: Territory: Exclusions: Notice of Privacy or Security Event Claim	Pages 17-21 Pages 17-18 Page 17 Page 18 Page 18 Page 18 -20 Page 21
PART THREE (FIRST-PARTY EVENT MANAGEMENT AND NETWO	ORK INTERRUPTION Pages 22-27
First-Party Event Management Coverage Agreement: Network Interruption Coverage Agreement: Duties of the Named Assured in the Event of a Cyber Security Three Confidentiality: Notice of Network Interruption Claim: Network Interruption Conditions: Appraisal: Definitions: Exclusions:	Page 22 Page 22

MANDATORY IMMEDIATE NOTICE TO POOL!

AFTER INFORMATION IS **DISCOVERED** THAT MAY RESULT IN A **PRIVACY OR SECURITY EVENT, OR A CYBER SECURITY THREAT** UNDER THIS CYBER RISK
COVERAGE FORM, THE **NAMED ASSURED** MUST IMMEDIATELY NOTIFY THE POOL.

POOL CYBER-RISK COVERAGE FORM

PART ONE: COMMON TERMS & CONDITIONS:

All terms or phrases in **bold print** in the body of this Coverage Form are defined terms.

Named Assured: The Named Assured means each member listed on Attachment A of this Coverage Form and all Boards, Departments, Divisions, Commissions, and Authorities under the supervision or control of the Named Assured whether now or hereafter constituted.

It is agreed that the unqualified word **Assured** wherever used within this coverage includes not only the **Named Assured**, but also:

- 1. any official, trustee, director, officer, volunteer or employee of the **Named Assured** while acting within the course and scope of their duties as such, and
- 2. the interest of the **Named Assured** in any joint venture or interlocal cooperation agreement to which the **Named Assured** is a party and any activities under the supervision or control of the **Named Assured** whether now or hereafter constituted, provided no separate independent legal entity is formed and subject to the Other Insurance or Coverage provisions contained herein.

1. LIMIT OF LIABILITY

- a) In General
 - i. The Limit of Liability shown in the Declarations establishes the most the POOL will pay, regardless of the number of Privacy or Security Events, Cyber Security Threats, Assureds, Claims made, First Party Claims made, or individuals or entities making such Claims or First Party Claims. The POOL shall not be responsible to pay any loss upon exhaustion of the Limit of Liability.
 - ii. If a Sublimit of Liability is stated in the Declarations with respect to a Coverage Section of this Coverage Form, then such Sublimit of Liability shall be the POOL'S maximum liability for all loss with respect to such Coverage Section and the POOL shall not be responsible to pay any loss under such Coverage Section upon exhaustion of such Sublimit of Liability. Each Sublimit of Liability shall be part of and not in addition to the Limit of Liability and shall in no way serve to increase the Limit of Liability.

iii. The Limit of Liability applies separately to each Named Assured listed on Attachment A. The Annual Aggregate Limit Per Named Assured shown in the Declarations applies per Named Assured listed on Attachment A without regard to any subentities listed on Attachment A. Subentities of a Named Assured do not receive separate limits of liability.

b) Pool Aggregate Limit

- i. All Cyber Risk Coverage is subject to a Pool Aggregate Limit as stated in the Declarations for each Coverage Period. The Pool Aggregate Limit is a shared limit among the Named Assureds (including all associated Assureds) and is the most the POOL will pay for all Cyber Risk Coverage, including Claim Expenses, for all Named Assureds (including all associated Assureds) covered under any Coverage Period. Claim Expenses erode the Pool Aggregate Limit.
- ii. If the Pool Aggregate Limit is exceeded, the amount recoverable by any Named Assured (including all associated Assureds) will be reduced pro rata in the same proportion that the loss of the Named Assured (including all associated Assureds) bears to the total amount of loss of all Named Assureds (including all associated Assureds).
- iii. The POOL may pay Claims or First Party Claims for Cyber Risk Coverage on a provisional basis until all liabilities and expenses for a particular Coverage Period are resolved, as determined by the POOL. If the POOL determines that the Pool Aggregate Limit may be exceeded, the POOL may delay claims payments until the POOL determines that all liabilities and expenses for a Coverage Period have been resolved.
- iv. Once all liabilities and expenses for a Coverage Period are resolved, the POOL will give notice to all Named Assureds with Claims or First Party Claims of their pro rata share of covered losses. If a Named Assured (including any associated Assureds) received claims payments in excess of its pro rata share, the Named Assured will remit the excess amount to the POOL within thirty (30) days of the date on which the POOL gives notice. If a Named Assured (including any associated Assureds) received claims payments that are less than its pro rata share, the POOL will remit the deficiency to the Named Assured within thirty (30) days of the date on which the POOL receives the last payment due from Named Assureds who received claims payments in excess of their pro rata shares.
- v. For purposes of the Pool Aggregate Limit, "Cyber Risk Coverage" means all amounts covered under all Coverage Parts of this Cyber Risk Coverage Form. Determinations made by the POOL relating to the Pool Aggregate Limit will be made in the sole and absolute discretion of the POOL.

2. NOTICE AND AUTHORITY

Except for the giving of a notice of **Claim** or **First Party Event**, which shall be governed by the provisions of the NOTICE OF CLAIM OR EVENT Section of these Common Terms and Conditions, all notices required under this Coverage Form to be given by a **Named Assured** to the POOL shall be given in writing to the POOL at the address stated in the Declarations.

It is agreed that any **Named Assured** shown on Attachment A shall act on behalf of all of its **Assureds** with respect to the giving of notice of a **Claim** or **First Party Event**, the giving and receiving of notice of cancellation and nonrenewal, the payment of contributions and the receiving of any return contributions that may become due under this Coverage Form, the receipt and acceptance of any endorsements issued to form a part of this Coverage Form, the exercising or declining of the right to tender the defense of a **Claim** to the POOL and the exercising or declining to exercise any right to a Discovery Period.

3. NOTICE OF CLAIM OR FIRST PARTY EVENT

- a) The Named Assured shall, as a condition precedent to the obligations of the POOL under this Coverage Form, give written notice to the POOL of any Claim made against the Named Assured or a First Party Event immediately after:
 - any personnel in the office of any Named Assured first becomes aware of the Claim; or
 - ii. any **First Party Event** commences or, solely with respect to a Discovery Coverage Section, is discovered.

Notwithstanding the foregoing and regardless of whether any personnel described in (i) above has become aware, in all events each **Claim** under a Claims-Made and Reported Coverage Section must be reported no later than either:

- iii. sixty (60) days after the end of the Coverage Period; or
- iv. the end of any applicable Discovery Period.
- b) If written notice of a **Claim** or a **First Party Event** has been given to the POOL pursuant to Clause a) above, then:
 - i. any subsequent Claim made against any Assured; or
 - ii. any subsequent First Party Event;

arising out of, based upon or attributable to the facts giving rise to such **Claim** or First Party Event for which such notice has been given, or alleging any related act thereto, shall be considered made at the time such notice was given; and

c) Solely with respect to any Claims-Made and Reported Coverage Section, if during the Coverage Period or during the Discovery Period (if applicable), any **Assured** shall become aware of any circumstances which may reasonably be expected to give rise to a **Claim** being made, the **Named Assured** shall give immediate written notice to the POOL of such circumstances, the Third Party Events, allegations anticipated and the reasons for anticipating such a Claim, with full particulars as to dates, persons

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and entities involved, then any **Claim** which subsequently is made against an **Assured** and reported to the POOL alleging, arising out of, based upon or attributable to such circumstances or alleging any related act to that alleged or contained in such circumstances, shall be considered made at the time such written notice of circumstances was given.

d) Notice as described herein shall be given in writing to the POOL Claims Service organization.

Any notice must reference the Coverage Form Number set forth in the Declarations and the Coverage Section(s) under which a **Named Assured** is providing notice.

If mailed or transmitted by electronic mail, the date of such mailing or transmission shall constitute the date that such notice was given and proof of mailing or transmission shall be sufficient proof of notice.

4. NAMED ASSURED'S OBLIGATIONS

Compliance with Vulnerability Assessments

The **Named Assureds** shall fully participate and cooperate in any periodic vulnerability assessments offered by the POOL or its cybersecurity consultants, which identify weak areas of security, and shall implement the recommendations within a reasonable period of time, as determined by the POOL. Failure to timely implement and comply with the vulnerability assessment recommendations may subject the **Named Assured** to a financial penalty of 10 percent of the amount of the Claim or Event, but not to exceed \$25,000.

In connection with all Claims under this Coverage Form, each Named Assured shall:

- a) send the POOL copies of all demands, suit papers, other related legal documents and invoices for defense costs received by such Named Assured, as soon as practicable;
- b) immediately record the specifics of any **Claim** and the date such **Named Assured** first received such **Claim**;
- c) cooperate with and help the POOL and/or any counsel or representative appointed pursuant to the terms of this Coverage Form, including, without limitation, as follows:
 - by not admitting liability;
 - ii. in making settlements;
 - iii. in enforcing any legal rights any **Named Assured** may have against anyone who may be liable to any **Named Assured**;
 - iv. by attending depositions, hearings, and trials;
 - v. by securing and giving evidence, and obtaining the attendance of witnesses;
 - vi. by preserving and furnishing any and all documentation, **Computer Systems**,

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Electronic Data, or any other item within the possession, custody or control of such **Named Assured** that may be required; and

- vii. by taking such actions that such **Named Assured** and the POOL agree are necessary and practicable to prevent or limit loss arising from any **Claim**.
- d) unless required to do so by law, Named Assureds shall not, without the POOL'S prior written consent:
 - assume any financial obligation or incur any cost unless specifically allowed to settle any Claim on behalf of the POOL pursuant to the Coverage Sections under this Coverage Form.
 - ii. take any action or fail to take any required action which prejudices the POOL'S rights under this Coverage Form.
 - iii. fail to comply with all terms and conditions in all sections of this Cyber Risk Coverage Form.
 - iv. destroy, dispose, compromise, or discard any **Computer System**, **Electronic Data**, or other item relevant to the **Claim**.
 - v. waive any immunities granted to local governments.

In connection with all **First Party Claims** under this Coverage Form:

All adjusted **First Party Claims** shall be due and payable thirty (30) days after the presentation and written acceptance by the POOL of satisfactory proof of claim to the address set forth in the Common Terms and Conditions. The costs and expenses of establishing or proving a **Named Assured**'s **First Party Claim** under this Coverage Section, including, without limitation, those connected with preparing a proof of loss, shall be such **Named Assured**'s obligation, and are not covered under this Coverage Form.

5. **DISCOVERY**

This Clause applies solely to Claims-made and reported coverage Sections of this Coverage Form, but shall not apply in the event of cancellation for non-payment of contribution:

a) Automatic Discovery Period: If the Named Assured or the POOL shall cancel or refuse to renew this Coverage Form the Named Assured shall have the right following the effective date of such cancellation or nonrenewal to a period of sixty (60) days (the "Automatic Discovery Period") in which to give written notice to the POOL of Claims first made against a Named Assured during the Automatic Discovery Period for Claims occurring prior to the end of the Coverage Period and otherwise covered by this Coverage Form. The Automatic Discovery Period shall not apply where an Optional Discovery Period has been purchased or to Claims that are covered under any subsequent coverage a Named Assured purchases or that is purchased for a Named Assured's benefit, or that would be covered by any subsequent coverage but for the exhaustion of the amount of coverage applicable to such Claims or any applicable retention amount.

- b) Optional Discovery Period: Except as indicated below, if the Named Assured or the POOL shall cancel or refuse to renew this Coverage Form or in the event of Bankruptcy (as that term is defined in Clause 10. below), the Named Assured shall have the right to a period of up to three (3) years following the effective date of such cancellation or nonrenewal (an "Optional Discovery Period"), upon payment of an additional contribution amount of up to:
 - i. one hundred percent (100%) of the full annual contribution, for a period of one (1) year,
 - ii. one hundred and seventy-five percent (175%) of the full annual contribution, for a period of two (2) years, or
 - iii. two hundred percent (200%) of the full annual contribution, for a period of three (3) years,

in which to give written notice to the POOL of **Claims** first made against a **Named Assured** during the Optional Discovery Period for any Third-Party Events occurring prior to the end of the Coverage Period and otherwise covered by this Coverage Form.

If the **Named Assured** exercises its right to purchase an Optional Discovery Period, that period incepts at the end of the Coverage Period and there shall be no Automatic Discovery Period.

As used herein, "full annual contribution" means the contribution amount charged to the **Named Assured**, plus an additional contribution charged for any endorsements to this Coverage Form.

The right to purchase an Optional Discovery Period shall terminate unless written notice of election, together with any additional contribution due, is received by the POOL no later than thirty (30) days after the effective date of the cancellation, nonrenewal or transaction.

Any Discovery Period cannot be canceled and any additional contribution charged for an Optional Discovery Period shall be fully earned at inception. The Discovery Period shall not apply to any cancellation resulting from non-payment of contribution.

c) The Automatic or Optional Discovery Period does not reinstate or increase the Limit of Liability described in Section 1.

6. SUBROGATION

A **Named Assured** may be able to recover all or part of a **Claim** from someone other than the POOL. Such **Named Assured** must do all that is possible after a **Claim** to preserve any, and all, rights of recovery. As a condition of any payment by the POOL under this Coverage Form, a **Named Assured**'s rights to recovery will be transferred to the POOL. Each **Named Assured** will do whatever is necessary, including signing documents, to help the POOL obtain that recovery.

7. OTHER COVERAGE

Coverage as is provided by this Coverage Form shall apply only in the event of a **Privacy or Security Event** unless coverage is expressly excluded. All coverage, where appropriate, under this Coverage Form is available up to the applicable Liability Limitor Sublimit, but not both. There is absolutely no coverage under this Coverage Form if coverage or indemnity coverage is available from other sources. There is absolutely no coverage if provided under this Coverage Form beyond the applicable Liability Limit or Sublimit.

8. ASSIGNMENT

This Coverage Form and any and all rights hereunder are not assignable without the prior written consent of the POOL, which shall be in the sole and absolute discretion of the POOL.

9. ACTION AGAINST POOL

LIMITATION ON RIGHT TO SUE. An **Assured** shall not sue or maintain any litigation or lawsuit for damages against the POOL. By acceptance of this coverage, the **Assured** specifically agrees to waive any right to sue or maintain any litigation or lawsuit for damages against the POOL. However, this Section does not prohibit any declaratory relief action seeking to interpret wording of this Coverage Form. Carson City County, Nevada shall be the sole venue for any and all disputes or declaratory relief litigation brought by an **Assured** arising from or in any way relating to this Coverage Form or the POOL.

10. BANKRUPTCY

Bankruptcy or insolvency of any **Assured** shall not relieve the POOL of any of its obligations hereunder.

11. WORLDWIDE TERRITORY

Where legally permissible, this Coverage Form shall apply to **Claims** occurring or suffered anywhere in the world.

12. **HEADINGS**

The descriptions in the headings of this Coverage Form are solely for convenience and are not a part of the terms and conditions of coverage.

13. LAW ENFORCEMENT COOPERATION

A **Named Assured** may receive a request from a law enforcement authority to keep confidential certain information about an actual or possible First Party **Claim** or Third-Party **Claim** (including, without limitation, a **Privacy or Security Event**). In such circumstances, a notice of such First Party **Claim**, or of a **Claim** relating to or arising out of such Third-Party **Claim**, shall be considered timely under the Coverage Form if:

- a) Immediately after receipt of such request, a **Named Assured** or employee of the **Named Assured** requests permission to share such information with the POOL;
- b) The Named Assured only withholds from the POOL that portion of the information

that it has been instructed not to share with the POOL as may be required by law; and

c) The **Named Assured** provides full notice of such **Claim** to the POOL as soon as legally permitted.

In addition, to the extent the procedure set forth above is followed in connection with an authorized law enforcement request, any failure or delay in providing information to the POOL shall not be the basis for denial of coverage for a **Claim** or First Party **Claim** under the Coverage Form on the basis of a **Named Assured**'s failure to provide documentation and otherwise cooperate, as required by the Common Terms and Conditions.

Notwithstanding the above, no coverage shall be afforded for any **Claim** or First Party **Claim** if the information withheld relating to such First Party **Claim** or Third Party **Claim** was: (i) known to the **Named Assured**, or prior to the inception date of the first POOL Coverage Form (or any other coverage agreement or insurance providing substantively identical coverage) provided through the POOL (or an insurance company affiliate of the POOL) to the **Named Assured** and continually renewed by the POOL (or an affiliate) until the inception date of this Coverage Form, and (ii) not disclosed in the Application.

14. DEFINITIONS

The following definitions are common to all sections in this Coverage Form:

"Bodily Injury" means physical injury, sickness or disease sustained by any person, including death resulting from these at any time. Bodily Injury also means mental illness, mental anguish or emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from physical injury, sickness, disease or death of any person.

"Business Income Loss" means the sum of the following incurred during the Period of Indemnity and the Extended Period of Indemnity (if any):

- net profits that would have been earned but for the Material Interruption (after charges and expenses, but not including any capital receipts, outlays properly chargeable to capital, and deductions for taxes and profits); and
- b. charges and expenses which necessarily continue (including ordinary payroll).

If there would have been no net profit, **Business Income Loss** means the charges and expenses which necessarily continue less any loss from business operations that would have been sustained had there been no **Material Interruption**.

"Claim" means any demand, Suit for damages, Regulatory Action or PCI-DSS Assessment resulting from a Privacy or Security Event. All Claims because of a single Privacy or Security Event will be deemed to be a single Claim and to have been made at the time the first such Claim is made against any Named Assured, regardless of the number of individuals or entities making such Claims or the time period over which such Claims are made, even if subsequent Claims are made after the Coverage Period or any Discovery Period under Part One, Section 5.

"Claim Expenses" means:

- Reasonable and necessary fees charged by attorneys designated by the POOL to assist with the investigation, adjustment, negotiation, arbitration, defense or appeal of a Claim;
- All other reasonable and necessary fees, costs, and expenses resulting from the investigation, adjustment, negotiation, arbitration, defense or appeal of a Claim and incurred by the POOL or by the Named Assured with the POOL'S prior consent; and
- c. Contributions on appeal bonds, attachment bonds or similar bonds; however, the POOL is not obligated to apply for or furnish any such bond;

Provided, however, **Claim Expenses** do not include:

- a. Any internal salary, administrative, overhead, or other related expenses of any **Named Assured** or any charges by a **Named Assured** for time spent cooperating with the investigation and defense of any **Claim**;
- b. Privacy Response Expenses;
- c. Privacy Monitoring Expenses; or
- d. PCI-DSS Assessments.

"Computer System" means computers and associated input and output devices, data storage devices, networking equipment and backup facilities:

- a. operated by and either owned by or leased to the Named Assured; or
- b. operated by a third party service provider and used to provide hosted computer application services to the Named Assured or for processing, maintaining, hosting or storing the Named Assured's electronic data pursuant to a written contract with the Named Assured for such services.

"Cyber Security Threat" means a credible threat or series of related credible threats, including, but not limited to, a demand for Cyber Security Threat Monies, directed at a Named Assured to:

- 1. Release, divulge, disseminate, destroy or use confidential information taken from the **Named Assured** as a result of a **Privacy or Security Event**;
- Introduce malicious code into a Computer System;
- 3. Corrupt, damage, or destroy a **Computer System**;
- 4. Restrict or hinder access to a **Computer System**;

"Cyber Security Threat Expenses" means all reasonable and necessary costs and expenses which a Named Assured incurs as a direct result of a Cyber Security Threat, other than Cyber Security Threat Monies.

"Cyber Security Threat Monies" means any actual, reasonable, and necessary monetary amounts, including amounts in bitcoin and cryptocurrencies, at the actual rate of exchange at the date and time of the transaction in the equivalent of United States of America dollars, paid with the POOL's prior written consent, to a party who is not covered by this Form and whom the Named Assured reasonably believes to be responsible for the Cyber Security Threat.

Cyber Security Threat Monies also include any reasonable and necessary expenses incurred by the Named Assured in order to facilitate, mitigate, or negotiate any actual amount paid in response to the Cyber Security Threat.

"Electronic Data" means any software or electronic data stored on a Computer System, including without limitation Personal Information.

"Electronic Equipment and Electronic Data Damage" means damage to, loss of use or destruction of electronic equipment caused by the reprogramming of the software (including the firmware) of such electronic equipment rendering it useless for its intended purpose, the reasonable and necessary expenses to determine whether Electronic Data can or cannot be restored, recollected, or recreated, and the reasonable and necessary expenses to restore, recreate or recollect Electronic Data which an **Assured** incurs as a result of a **Privacy or Security Event**.

"Expenses to Reduce Loss" means expenses incurred by the Named Assured during the Period of Indemnity, over and above normal operating expenses, for the purpose of reducing Business Income Loss or shortening the Period of Indemnity.

"Extra Expenses" means expenses incurred by the Named Assured during the Period of Indemnity or the Extended Period of Indemnity (if any), other than Expenses to Reduce Loss, that would not have been incurred but for a Material Interruption.

"Discover" or "Discovered" means the time when any assured first becomes aware of facts which would cause a reasonable person to assume that a Privacy or Security Event or a Cyber Security Threat has occurred, regardless of when the Privacy or Security Event occurred, even though the exact amount or details may not then be known.

"First Party Claim" means a Claim based upon a First Party Event.

"First Party Event" means a Privacy or Security Event or Cyber Security Threat.

"Material Interruption" means the actual and measurable interruption or suspension of a Named Assured's business directly caused by a Privacy or Security Event.

"Network Interruptions Costs" means Business Income Loss, Expenses to Reduce Loss, Extra Expenses, and Proof of Loss Preparation Costs.

"PCI-DSS Assessment" means any monetary penalty owed by a Named Assured due to the Named Assured's noncompliance with Payment Card Industry Data Security Standards under an agreement between the Named Assured and a financial institution or other person enabling the Named Assured to accept credit cards, debit cards, prepaid cards, or other payment cards.

"Personal Information" means an individual's name in combination with one or more of the following:

- a. information concerning the individual that constitutes "nonpublic personal information" as defined in the Gramm-Leach Bliley Act of 1999, as amended, and implementing regulations;
 - medical or health care information concerning the individual, including without limitation "protected health information" as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and implementing regulations;
- b. the individual's Social Security number, driver's license or state identification number, credit, debit, or other financial account numbers and associated security codes, access codes, passwords or personal identification numbers that allow access to the individual's financial account information; or
- c. other nonpublic personally identifiable information, including confidential corporate information, as protected under any local, state, federal or foreign law;

Provided, however, **Personal Information** does not include information that is lawfully available to the public, including without limitation information lawfully available from any **Named Assured** or any local, state, federal or foreign governmental entity.

"Privacy or Security Event" means:

- a. the actual or reasonably suspected theft, loss, or unauthorized disclosure of or access to Personal Information in the care, custody, or control of the Named Assured or for which the Named Assured is legally responsible including information that is entrusted to a third-party for storage, regardless of whether such Personal Information is maintained in electronic, paper, or any other format; or
- b. a violation or failure of the security of a **Computer System**, including but not limited to unauthorized access, unauthorized use, a denial of service attack or receipt or transmission of malicious code.

Any **Privacy or Security Event** that is continuous or part of a series of repeated or related **Privacy or Security Events** will be considered to be a single **Privacy or Security Event** and will be considered to have commenced when the first such **Privacy or Security Event** commenced regardless of:

- a. The number of individuals or entities engaged in such **Privacy or Security Events**;
- b. The number of individuals or entities affected by such **Privacy or Security Events**;
- c. The number of locations where such **Privacy or Security Events** occurred; or
- d. The number of such **Privacy or Security Events** occurring or period of time over which they occur, even if subsequent **Privacy or Security Events** take place after the Coverage Period.

"Privacy Monitoring Expenses" means the following reasonable and necessary costs incurred by the Named Assured arising out of a Claim alleging a Privacy or Security Event:

- a. For the services of consultants or attorneys designated by the POOL to determine the **Named Assured**'s obligations, if any, under applicable law to give notice to affected individuals;
- To notify affected individuals if required by applicable law or if the Named Assured voluntarily elects to give such notice, and for the services of a contractor designated by the POOL to assist with providing such notice and responding to questions and concerns raised by individuals who are notified;
- For the services of a contractor designated by the POOL to provide identity theft protection services to affected individuals if the Named Assured elects to provide such services; and
- For the services of a public relations consultant designated by the POOL to avert or mitigate damage to the Named Assured's reputation as a result of the Privacy or Security Event;

"Privacy Response Expenses" means the following reasonable and necessary costs incurred by the Named Assured within one year of the discovery of a Privacy or Security Event that results in the actual or reasonably suspected theft, loss or unauthorized disclosure of or access to electronic Personal Information in the care, custody or control of the Named Assured or for which the Named Assured is legally responsible:

For the services of a security expert designated by the POOL to determine the scope and cause of a **Privacy or Security Event** and the extent to which **Personal Information** was disclosed to or accessed by unauthorized persons.

Provided, however, **Privacy Response Expenses** do not include:

- any internal salary, administrative, overhead or other related expenses of any Named Assured or any charges by a Named Assured for time spent cooperating with the investigation and response to any Privacy or Security Event;
- b. Claim Expenses;
- c. Privacy Monitoring Expenses;
- d. PCI-DSS Assessments:
- e. Network Interruption Costs;
- f. Cyber Security Threat Expenses; or
- g. Cyber Security Threat Monies.

"Proof of Loss Preparation Costs" means fees and expenses incurred by a Named Assured for the services of a third-party forensic accounting firm to establish and prove the amount of loss, including those costs in connection with preparing a proof of loss. Proof of Loss Preparation Costs does not include any fees or expenses for consultation on coverage or negotiation of claims.

"Property Damage" means damage to, loss of use of, or destruction of any tangible property; however, Property Damage does not include the loss of use or damage of electronic equipment and Computer System caused by the reprogramming of the software (including the firmware) of such electronic equipment and Computer System rendering it useless for its intended purpose. For purposes of this definition, "tangible property" shall not include Electronic Data.

"Regulatory Penalties" means any civil fine or civil monetary penalty imposed in a Regulatory Action payable by a Named Assured to the governmental entity bringing the Regulatory Action and any sum of money that a Named Assured is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a Regulatory Action.

"Regulatory Action" means a request for information, civil investigative demand, Suit, civil investigation or civil proceeding commenced by or on behalf any local, state, federal or foreign governmental entity in the entity's regulatory or official capacity.

"Suit" means a civil proceeding arising out of a Privacy or Security Event and includes an arbitration proceeding or other alternative dispute resolution proceeding including requests to toll or waive statute of limitations and to which the Named Assured must submit or does submit with the consent of the POOL.

"Waiting Hours Period" means the number of hours set forth in the Declarations that must elapse once a Material Interruption has begun.

15. DUTIES OF THE NAMED ASSURED IN THE EVENT OF A CLAIM OR FIRST PARTY EVENT

The following duties of the **Named Assured** are common to all sections in this Coverage Form:

After a situation that results in, or may result in, a **Claim** or **First Party Event** under this Coverage Form, is discovered, the **Named Assured** must notify the POOL in writing immediately the date first discovered and cooperate with the POOL in the investigation and settlement of the **Claim** or **First Party Event**. Additionally, the **Named Assured** must:

- a) Submit to an examination under oath at the POOL'S request and provide a signed statement of any written questions the POOL may provide;
- Immediately record the specifics of the Claim or First Party Event and the date discovered;
- Immediately send the POOL copies of any demands, notices, summonses, or legal papers received in connection with the Claim;
- d) Authorize the POOL to obtain records and other information if the POOL requests;
- e) Assist the POOL, upon the POOL's request, in the enforcement of any right against any person or organization which may be liable to the Named Assured because of a Claim which this Coverage Form may provide coverage.
- f) The Named Assured will not, except at its own costs, voluntarily make any payment,

assume any obligation, or incur any expense without the POOL'S express prior written consent.

16. COMMON EXCLUSIONS

The following Exclusions are common to all sections in this Coverage Form. This Coverage Form shall not cover any loss in connection with a **Claim** or **First Party Event** made against a **Named Assured**:

- a) alleging, arising out of, based upon or attributable to any dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law, if committed by any:
 - past or present directors, officers, trustees, general or managing partners or principals (or the equivalent positions) of a **Named Assured** occurring at a time when such **Assured** served in such capacity, whether acting alone or in collusion with other persons; or
 - ii. past or present employee or independent contractor employed by a **Named Assured** if any person referenced in Sub-paragraph (i) above knew or had reason to know prior to the act of, participated in, approved of or acquiesced to the dishonest, fraudulent, malicious, or criminal act committed by such employee or independent contractor that caused a direct loss to a **Named Assured** or any other person.
- b) alleging, arising out of, based upon or attributable to any (i) misappropriation of a trade secret by any **Named Assured** on behalf of or to the benefit of any **Named Assured** or (ii) infringement of patent.
- c) alleging, arising out of, based upon or attributable to any **Bodily Injury** or **Property Damage**, except emotional distress as a result of a **Privacy or Security Event**.
- d) alleging, arising out of, based upon or attributable to any:
 - fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused;
 - war (whether war is declared or not), invasion, use of military force, civil war, popular or military uprising, rebellion, revolution, or any action taken to hinder or defend against any of these events;
 - iii. electrical or mechanical failures of infrastructure not under the control of a **Named Assured**, including any electrical power interruption, surge, brownout or blackout; provided, however, this Sub-paragraph (iii) shall not apply to a **Privacy or Security Event** that is caused by such electrical or mechanical failure;
 - iv. failure of telephone lines, data transmission lines or other telecommunications or networking infrastructure not under the control of a Named Assured; provided, however, this Sub-paragraph (iv) shall not apply to a Privacy or Security Event that is caused by such failure of telephone

lines, data transmission lines or other telecommunication or networking infrastructure; or

- v. satellite failure.
- e) arising out of, based upon or attributable to any seizure, confiscation, nationalization, or destruction of a **Computer System** by order of any governmental or public authority.
- f) for any profit or advantage to which any **Named Assured** is not legally entitled.
- g) for, arising out of or resulting from any actual or alleged false, deceptive or unfair trade practices; however, this exclusion does not apply to any Claim or loss covered hereunder that results from a theft, loss or unauthorized disclosure of or access to Personal Information.
- h) for, arising out of or resulting from:
 - i. the actual or alleged unlawful collection or acquisition of Personal Information by or on behalf of the Assured; or the failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (i.e., opt-in or opt-out) from the collection, disclosure or use of Personal Information; or
 - ii. the distribution of unsolicited email, direct mail, or facsimiles, wiretapping, audio or video recording, or telemarketing, if such distribution, wiretapping, recording or telemarketing is done by or on behalf of the **Assured**, including actual or alleged violations of:
 - (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - (3) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the dissemination, recording, sending, transmitting, communicating or distribution of material or information.
- i) for, or arising out of, any actual or alleged violation of the Fair Labor Standards Act of 1938, the National Labor Relations Act, the Worker Adjustment and Retraining Act of 1988, the Certified Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act of 1970, the Employee Retirement Security Act of 1974 or any similar law or legislation of any state, locality or foreign government, or any amendment to such laws, or any violation of any order, ruling or regulation issued pursuant to such laws.

- j) for, or arising out of, any actual or alleged discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy.
- k) any actual or alleged violation of the Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair Credit Transactions Act (FACTA).
- I) arising out of or resulting from any of the following:
 - i. trading losses, trading liabilities or change in value of accounts;
 - ii. any loss of monies, securities or tangible property of others in the care, custody or control of the **Assured**;
 - iii. the monetary value of any electronic fund transfers or transactions by or on behalf of the **Assured** that is lost, diminished, or damaged during transfer from, to or between accounts; or
 - iv. the value of coupons, price discounts, prizes awards, or any other valuable consideration given in excess of the total contracted or expected amount that is lost, diminished or damaged.

PART TWO: THIRD-PARTY LIABILITY COVERAGE:

The Duties, Terms, and Conditions, of the **Named Assured** are those common to all parts of this Coverage Form found in Part One.

THIS IS A CLAIMS MADE AND REPORTED COVERAGE SECTION.

All terms or phrases in **bold print** in the body of this Coverage Form are defined terms.

1. THIRD-PARTY LIABILITY COVERAGE AGREEMENT

With respect to the POOL'S DISCRETIONARY DEFENSE provisions and the SETTLEMENT provisions of this Part, solely with respect to **Claims** first made against a **Named Assured** during the Coverage Period or the Discovery Period (if applicable) and reported to the POOL pursuant to the terms of this Coverage Form,

this Third-Party Liability Coverage Agreement affords the following coverage:

- a) The POOL shall pay on a Named Assured's behalf all loss that such Named Assured is legally obligated to pay resulting from a Claim alleging a Privacy or Security Event up to the Limit of Liability set forth in the Declarations.
- b) The POOL shall pay on a **Named Assured**'s behalf all **Privacy Monitoring Expenses** that such **Named Assured** incurs as a result of a **Privacy and Security Event** up to the Limit of Liability set forth in the Declarations.

c) **DISCRETIONARY DEFENSE**:

i. The POOL has the option and sole discretion to defend a Suit or Regulatory Action alleging a Privacy or Security Event, even if the Suit or Regulatory Action is groundless, false, or fraudulent.

The POOL will withdraw any defense it undertakes after the applicable Limit of Liability shown in the Declarations is exhausted in the payment of judgments or settlements, Regulatory Penalties, Claim Expenses, Privacy Response Expenses, PCI-DSS Assessments, Electronic Equipment and Electronic Data Damage, Network Interruption Costs, Cyber Security Threat Expenses, and Cyber Security Threat Monies.

d) **SETTLEMENT**:

- i. The POOL has the sole right and discretion to investigate and settle any Claim.
- ii. A **Named Assured** may not settle any **Claim** to which this coverage applies without the prior written consent of the POOL.

2. TERRITORY

This Coverage Form provides coverage for **Privacy or Security Events** anywhere in the world resulting in a **Claim** against a **Named Assured**. **Suits**, however, must be brought in the United States of America against a **Named Assured**.

3. EXCLUSIONS

In addition to the Common Exclusions, the POOL shall not be liable to make any payment in connection with a **Claim** made against a **Named Assured**:

- a) alleging, arising out of, based upon or attributable to any:
 - i. purchase, sale, or offer or solicitation of an offer to purchase or sell securities;
 - ii. violation of any securities law, including but not limited to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or any regulation promulgated under the foregoing statutes, or any federal, state or local laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory or common law provided, however, this exclusion does not apply to a Claim alleging a Privacy Event in violation of Regulation S-P (17 C.F.R. § 248); provided further, however, this exclusion does not apply to a Claim alleging a failure to disclose a Privacy or Security Event in violation of any Security Breach Notice Law; or
 - iii. violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act, or "RICO"), as amended, or any regulation promulgated thereunder or any federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law;
- b) alleging, arising out of, based upon or attributable to a Named Assured's employment of any individual or any of a Named Assured's employment practices

94077962.1 18 POOLCRCF20252026 (including, without limitation, wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim).

This exclusion shall not apply to any **Claim** by an individual to the extent such individual is alleging (1) a **Privacy or Security Event** in connection with such individual's employment or application for employment with a **Named Assured**, or (2) a failure to disclose a **Privacy or Security Event** in violation of any Security Breach Notice Law.

alleging, arising out of, based upon or attributable to antitrust, unfair competition, restraint of trade, including, without limitation, violations of any local, state or federal law regulating such conduct, or that is brought by or on behalf of the Federal Trade Commission ("FTC") or any other federal, state or local government agency, or foreign government agency.

However, solely with respect to unfair competition, this Paragraph (c) shall not apply to any **Claim** arising out of a covered **Regulatory Action**.

- c) brought by or on behalf of any **Named Assured**.
- d) for any of the following:
 - i. the return of a **Named Assured**'s fees or compensation;
 - ii. a Named Assured 's expenses or charges, including employee compensation and benefits, overhead, over-charges or cost over-runs;
 - iii. a **Named Assured**'s cost of providing, correcting, re-performing or completing any services;
 - iv. civil or criminal fines or penalties imposed by law against a **Named Assured** and any matters deemed uninsurable under the law pursuant to which this Coverage Form shall be construed; provided, however, this Sub-paragraph (iv) shall not apply to (a) any monetary amounts a **Named Assured** is required by law or has agreed to by settlement to deposit into a consumer redress fund, or (b) any civil fine or penalty imposed by a governmental agency arising from a **Regulatory Action**, unless the civil fine or penalty imposed is uninsurable under the law of the jurisdiction imposing such fine or penalty;
 - v. A **Named Assured**'s costs and expenses of complying with any injunctive or other form of equitable relief;
 - vi. taxes incurred by a **Named Assured**;
 - vii. the amounts for which a **Named Assured** is not financially liable or which are without legal recourse to any **Named Assured**;
 - viii. amounts a **Named Assured** agrees to pay pursuant to a contract, including without limitation, liquidated damages, setoffs or penalties; provided, however, this exclusion shall not apply to any **PCI-DSS Assessment**.
- e) alleging, arising out of, based upon or attributable to any obligation a Named

Assured has under contract; provided, however, this exclusion shall not apply to:

- the obligation to prevent a **Privacy or Security Event**, including without limitation, whether same is in violation of an implied or statutory standard of care;
- ii. liability a Named Assured would have in the absence of such contract or agreement;
 - the obligation to comply with PCI Data Security standards or to indemnify an acquiring bank or payment processor for amounts owed in connection with a PCI-DSS Assessment:
- iii. Privacy Monitoring Expenses that such Named Assured incurs as a result of a Privacy and Security Event; or
- iv. with respect to a **Privacy or Security Event**, any liability or obligation under the confidentiality or non-disclosure provisions of any agreement;
- f) alleging, arising out of, based upon or attributable to any Privacy or Security Event, or any related acts thereto, alleged or contained in any Claim which has been reported, or in any circumstances of which notice has been given, under any Coverage Form or policy of which this POOL Coverage Form is a renewal or replacement or which it may succeed in time.
- g) alleging, arising out of, based upon or attributable to any Privacy or Security Event occurring prior to the retroactive date or any related acts thereto, regardless of when such related act occurs.
- h) alleging, arising out of, based upon or attributable to any Privacy or Security Event occurring prior to the continuity date, or any related act thereto (regardless of when such related act occurs), if, as of the continuity date, any personnel in the office of a Named Assured knew or could have reasonably foreseen that such Privacy or Security Event did or would result in a Claim against a Named Assured.
- i) alleging, arising out of, based upon or attributable to any seizure, confiscation, nationalization, or destruction of a **Computer System** by order of any governmental or public authority.
- j) for (1) the theft of money or securities from a Named Assured; or (2) the transfer or loss of money or securities from or to a Named Assured's accounts or accounts under a Named Assured's control, including customer accounts. For purposes of this Sub-paragraph (k), the term "accounts" shall include, but are not limited to, deposit, credit, debit, prepaid and securities brokerage accounts.
- k) In addition to the Common Exclusions, the POOL shall not be liable to make any payment for any Claim:
 - i. arising out of, based upon or attributable to any Privacy or Security Event, or any related acts thereto, which has been reported, or in any circumstances of which notice has been given, under any Coverage Form of which this Section is a renewal or replacement or which it may succeed in time.

- ii. arising out of, based upon or attributable to any amounts for: (i) the original creation of; (ii) diminution of value of; (iii) lost profits of; (iv) or loss of use of, a trade secret, patent, copyright, trademark, trade dress or any other intellectual property.
- iii. arising out of, based upon or attributable to any amounts for improvements and/or upgrades of any type or kind to the Computer System, hardware, software, or media.

4. NOTICE OF PRIVACY OR SECURITY EVENT CLAIM

In addition to the applicable items of the Common Terms and Conditions, and before coverage will apply for a **Claim** under this Coverage Part, each **Named Assured** must also:

- a) complete and sign a written, detailed and affirmed proof of loss immediately after the discovery of any loss (unless such period has been extended by the POOL in writing) which shall include, among any other pertinent information:
 - a full description of such Privacy or Security Event and the circumstances surrounding a Claim or potential Claim, which shall include, among any other necessary information, the time, place and cause of the Privacy or Security Event;
 - ii. a detailed calculation of damages for any Claim or potential Claim; and
 - iii. all underlying documents and materials that reasonably relate to or from any part of the proof of such **Claim** or potential **Claim**.
- b) upon the POOL'S request, submit to an examination under oath.
- c) immediately record the specifics of any **Privacy or Security Event** and the date such Named Assured first became aware of such **Privacy or Security Event**.
- d) provide the POOL with any cooperation and assistance that the POOL may request, including assisting the POOL in:
 - public relations management including not making any public statements without the POOL'S prior written approval and cooperating with the POOL'S public relations or legal representative, if deployed in response to a Privacy or Security Event;
 - any investigation of the circumstances arising from or relating to a Privacy or Security Event regardless whether it gives rise to a Claim or potential Claim;
 - iii. enforcing any legal rights a Named Assured may have against anyone who may be liable to the Named Assured or POOL; and
 - iv. executing any documents that the POOL deems necessary to secure its rights under this Coverage Form.

PART THREE (FIRST-PARTY EVENT MANAGEMENT AND NETWORK INTERRUPTION **COVERAGE):**

THIS IS A DISCOVERY COVERAGE SECTION AND A FIRST PARTY COVERAGE SECTION

All terms or phrases in **bold print** in the body of this Cyber Risk Coverage Form are defined terms.

FIRST-PARTY EVENT MANAGEMENT AND NETWORK INTERRUPTION COVERAGE **AGREEMENTS**

With respect to the Security Failure/Privacy Event Management Coverage of this Part, solely with respect to a Privacy or Security Event first discovered during the Coverage Period and reported to the POOL pursuant to the terms of this Coverage Form, the POOL affords the following coverage under this Section:

- a. EVENT MANAGEMENT COVERAGE AGREEMENT: The POOL shall pay all expenses, including Cyber Security Threat Expenses, Privacy Response Expenses, and Cyber Security Threat Monies that a Named Assured incurs in managing Cyber Security Threats, solely as a result of an alleged Privacy or Security Event that has actually occurred or is reasonably believed by such Named Assured and the POOL to have occurred up to the Limit of Liability shown in the Declarations.
- b. SETTLEMENT: The POOL has the sole right to settle any Claim.

With respect to the Network Interruption Coverage of this Part, this Part affords the following coverage:

NETWORK INTERRUPTION COVERAGE AGREEMENT:

The POOL shall pay for Business Income Loss, Expenses to Reduce Loss, Extra Expenses, and Proof of Loss Preparation Costs that a Named Assured incurs after the Waiting Hours Period and solely as a result of a Privacy or Security Event resulting in a Security Failure or System Failure up to the applicable Network Interruption Sublimit shown in the Declarations.

The maximum liability of the POOL for all Proof of Loss Preparation Costs is the Proof of Loss Preparation Costs Sublimit set forth in the Declarations.

2. DUTIES OF THE NAMED ASSURED IN THE EVENT OF A CYBER SECURITY THREAT

In addition to the Duties and Obligations of the Named Assured common to all parts of this Coverage Form, when responding to a Cyber Security Threat or suspected Cyber Security Threat the Named Assured must:

- Determine that the **cyber security threat** has actually occurred:
- With respect to a cyber security threat make every reasonable effort to ii. 22

- access your **electric data** from backups, if any, and remediate the cause of the **cyber security threat**;
- iii. Immediately notify the POOL before making any payment based upon the cyber security threat;
- iv. Fully cooperate with the POOL'S **Privacy and Security Event** investigative response team, including, but not limited to any cyber security advisor, public relations or legal representative, if deployed to evaluate and assist the **Named Assured** as it relates to the **cyber security threat**; and
- v. Receive express written POOL approval before any payment based upon the cyber security threat is made.

The **Named Assured** will not, except at its own costs, voluntarily make any payment, assume any obligation or incur any expense without the POOL'S express prior written consent.

3. CONFIDENTIALITY

To the extent allowed by law, the **Named Assured** shall make every reasonable effort to keep confidential and to not divulge the existence of coverage for **Cyber Security Threats** and amounts paid.

4. NOTICE OF NETWORK INTERRUPTION CLAIM

In addition to the applicable items of the Common Obligations, Duties, Terms, and Conditions, and before coverage will apply for a **First Party Claim** under this Coverage Section, each **Named Assured** must also:

- a) complete and sign a written, detailed and affirmed proof of loss immediately after the discovery of any loss (unless such period has been extended by the POOL in writing) which shall include, among any other pertinent information:
 - a full description of such Privacy or Security Event and the circumstances surrounding a claim or potential claim, which shall include, among any other necessary information, the time, place and cause of the Privacy or Security Event;
 - ii. a detailed calculation of any **First Party Claim** or potential **First Party Claim**; and
 - iii. all underlying documents and materials that reasonably relate to or from any part of the proof of such **First Party Claim** or potential **First Party Claim**.
- b) upon the POOL'S request, submit to an examination under oath.
- c) Immediately record the specifics of any **Privacy or Security Event** and the date such **Named Assured** first became aware of such **Privacy or Security Event**.

94077962.1 23

- d) provide the POOL with any cooperation and assistance that the POOL may request, including assisting the POOL in:
 - any investigation of the circumstances arising from or relating to a Privacy or Security Event regardless whether it gives rise to a First Party Claim or potential First Party Claim;
 - ii. enforcing any legal rights a **Named Assured** may have against anyone who may be liable to the **Named Assured** or POOL;
 - iii. executing any documents that the POOL deems necessary to secure its rights under this Coverage Form; and
 - iv. any calculation or appraisal conducted by or on behalf of the POOL pursuant to this Network Interruption Coverage Section.

5. NETWORK INTERRUPTION CONDITIONS

- For purposes of this Coverage Part, no entity shall be considered an IT Service Provider or a Non-IT Service Provider with respect to services it provides as a:
 - i. a public utility (including, without limitation, a provider of electricity, gas, water or telecommunication services); or
 - ii. an internet service provider (including any provider of internet connectivity).
- b) Any amount recovered under any other Coverage Section of this Coverage Form will not be considered as part of a **First Party Claim** under this Coverage Section.
- c) When calculating Business Income Loss, due consideration shall be given to:
 - the experience of the business before the date of the Material Interruption and the probable experience thereafter during the Period of Indemnity had no Material Interruption occurred;
 - ii. the continuation of only those necessary charges and expenses that would have existed had no **Material Interruption** occurred; and
 - iii. Business Income Loss which is made up during the Extended Period of Indemnity (if any) or within a reasonable period of time (no less than one year) after the expiration of the Period of Indemnity and the Extended Period of Indemnity (if any).
- d) Each Named Assured agrees, as soon as practicable, to use overtime, extra time and any other resource owned or controlled by such Named Assured, or obtainable by such Named Assured from other sources (including any other Named Assured), in order to continue its business and reduce its loss.
- e) Each Named Assured must act with due diligence and dispatch to repair or restore the Computer System to the same or equivalent operating conditions that existed prior to the damage in order to continue its business and to reduce loss.
- f) No loss or part of loss shall be paid hereunder to the extent a **Named Assured** has collected such loss or part of loss from an **Outsource Provider** or any other third

party.

6. APPRAISAL

If any Named Assured and the POOL disagree on the amount of a loss, either may make a written demand for an appraisal of such a loss. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of a claim. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two of these three will be binding.

Such Named Assured and the POOL will:

- a) pay their respective chosen appraiser; and
- b) bear the expenses of the umpire equally.

Any appraisal of a loss shall be calculated in accordance with all terms, conditions and exclusions of this Coverage Form.

7. **DEFINITIONS**

In addition to the common terms applicable to all sections of this Coverage Form, the following definitions apply to this coverage section:

"IT Service Provider" means an entity, other than a Named Assured, that:

- a. provides "cloud computing" or other hosted computer resources to a **Named Assured**; or
- b. provides information technology services required by a **Named Assured** to operate a **Computer System** under its ownership, operation or control,

pursuant to a written contract with a Named Assured.

"Non-IT Service Provider" means an entity, other than a Named Assured, that provides goods or services to a Named Assured pursuant to a written contract; provided, however, under no circumstances shall an entity be considered a Non-IT Provider with respect to services provided as an IT Provider.

"Outsource Provider" means:

- v. an IT Service Provider,
- vi. a **Non-IT Service Provider**, or
- vii. any other entity that is not a **Named Assure**d and that a **Named Assured** depends on to conduct its business including, without limitation, any entity providing services as:
 - (a) a public utility (including, without limitation, a provider of electricity, gas, water or telecommunication services);

94077962.1 25

- (b) an internet service provider (including any provider of internet connectivity), or
- (c) a securities exchange or market.

"Period of Indemnity" means the period of time beginning after the Waiting Hours Period and ending at the earlier of 180 days thereafter or:

- i. with respect to a Security Failure or Voluntary Shutdown of a Computer System under the ownership, operation or control of, or leased by, the Named Assured, at the time the Named Assured restores access to the Computer System to the same or similar conditions that existed prior to the time of the Material Interruption; or
- ii. with respect to a **Security Failure** or **System Failure** of a **Computer System** under the ownership, operation or control of an **Outsource Provider**, the earlier of:
 - (a) the time the **Named Assured** restores its business to the same or similar conditions that existed prior to the time of the **Material Interruption**; or
 - (b) the time such Outsource Provider restores access to the Computer System to the same or similar conditions that existed prior to the time of the Material Interruption.

The **Period of Indemnity** shall not be cut short by the end of the Coverage Period.

"Security Failure" means a failure or violation of the security of a Computer System, including, without limitation, that which results in or fails to mitigate any unauthorized access, unauthorized use, denial of service attack or receipt or transmission of a malicious code. "Security Failure" includes any such failure or violation resulting from the theft of a password or access code from a Named Assured's premises, a Named Assured's Computer System, or an employee of a Named Assured by non-electronic means.

"Security Failure" also means the loss of use of all or part of a Computer System caused by the unauthorized reprogramming of software (including firmware) which renders such Computer System, or any component thereof, nonfunctional or useless for its intended purpose.

"Security Failure" also includes any such failure or violation resulting from Cyberterrorism.

"System Failure" means any unintentional and unplanned outage of a Computer System that is not part of or caused by a Security Failure.

"Voluntary Shutdown" means the voluntary and intentional shutdown or impairment of a Computer System under the ownership, operation or control of a Named Assured, by or at the direction of a Named Assured after the discovery of a Security Failure or Privacy or Security Event or suspected Privacy or Security Event, with the reasonable belief that

such shutdown would limit the loss that would otherwise be incurred as the result of such Security Failure or Privacy or Security Event.

8. EXCLUSIONS

In addition to the Common Exclusions, the POOL shall not be liable to make any payment:

- a) arising out of, based upon or attributable to any System Failure, Security Failure or related act thereto which has been reported, or in any circumstances of which notice has been given, under any Coverage Form of which this Network Interruption Coverage Section is a renewal or replacement or which it may succeed in time.
- b) arising out of, based upon or attributable to: (1) any liability to third-parties for whatever reason; (2) legal costs or legal expenses of any type; (3) unfavorable business conditions.
- arising out of, based upon or attributable to a System Failure caused by or resulting from electrical or mechanical failure of incoming transmission or other incoming services.
- d) for any: (1) contractual penalties or consequential damages; (2) updating, upgrading, enhancing or replacing any **Computer System** to a level beyond that which existed prior to sustaining loss; or (3) removal of software program errors or vulnerabilities.

94077962.1 27

POOL Counties

	Claims	Claims	5 Year Ave	3 Year Ave										
	Frequency	Costs	Costs	Costs										
	7/1/19-	7/1/19-	7/1/20-	7/1/20-	7/1/21-	7/1/21-	7/1/22-	7/1/22-	7/1/23-	7/1/23-			2019/2020-	2021/2022-
Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	TOTAL	TOTAL	2023/2024	2023/2024
CARSON CITY	0	\$ -	0	\$ -	16	\$ 1,231,467	23	\$ 268,390	17	\$ 118,184	56	\$ 1,618,041	\$ 1,618,041	\$ 539,347
CHURCHILL COUNTY	2	\$ 582	8	\$ 33,722	10	\$ 214,926	4	\$ 16,345	6	\$ 156,628	30	\$ 422,203	\$ 84,441	\$ 129,300
DOUGLAS COUNTY (No Longer Member)	48	\$ 193,099	38	\$ 116,424	2	\$ -	5	\$ 14,308	0	\$ -	93	\$ 323,832	\$ 64,766	\$ 4,769
ELKO COUNTY	22	\$ 211,262	24	\$ 122,722	24	\$ 1,316,285	27	\$ 155,846	18	\$ 187,758	115	\$ 1,993,873	\$ 398,775	\$ 553,296
ESMERALDA COUNTY	6	\$ 8,316	4	\$ 5,415	6	\$ 56,775	5	\$ 79,206	3	\$ 6,947	24	\$ 156,659	\$ 31,332	\$ 47,643
EUREKA COUNTY	9	\$ 170,219	9	\$ 15,921	5	\$ 64,281	5	\$ 103,607	4	\$ 24,227	32	\$ 378,254	\$ 75,651	\$ 64,038
HUMBOLDT COUNTY	8	\$ 26,573	8	\$ 126,935	20	\$ 221,397	13	\$ 133,184	2	\$ 35,000	51	\$ 543,090	\$ 108,618	\$ 129,860
LANDER COUNTY	7	\$ 66,679	5	\$ 4,284	6	\$ 21,106	6	\$ 523,888	3	\$ 462,976	27	\$ 1,078,933	\$ 215,787	\$ 335,990
LINCOLN COUNTY	8	\$ 41,313	8	\$ 335,666	8	\$ 10,608	9	\$ 126,579	6	\$ 91,531	39	\$ 605,697	\$ 121,139	\$ 76,239
LYON COUNTY	14	\$ 1,033,957	13	\$ 173,542	9	\$ 239,007	18	\$ 127,840	27	\$ 129,273	81	\$ 1,703,618	\$ 340,724	\$ 165,373
MINERAL COUNTY	9	\$ 33,370	12	\$ 37,946	8	\$ 34,534	12	\$ 97,119	6	\$ 58,238	47	\$ 261,207	\$ 52,241	\$ 63,297
NYE COUNTY (No Longer Member)	84	\$ 1,172,214	63	\$ 2,152,203	64	\$ 1,368,877	12	\$ 15,882	1	\$ -	224	\$ 4,709,176	\$ 941,835	\$ 461,586
PERSHING COUNTY	14	\$ 1,177,736	10	\$ 15,251	4	\$ 3,778	2	\$ 16,612	5	\$ 8,285	35	\$ 1,221,662	\$ 244,332	\$ 9,558
STOREY COUNTY	13	\$ 46,734	8	\$ 33,340	9	\$ 66,250	18	\$ 488,518	14	\$ 99,115	62	\$ 733,958	\$ 146,792	\$ 217,961
WHITE PINE COUNTY	8	\$ 3,797	13	\$ 35,550	11	\$ 33,455	4	\$ 950	8	\$ 70,000	44	\$ 143,753	\$ 28,751	\$ 34,802
TOTAL	252	\$ 4,185,851	223	\$3,208,922	202	\$4,882,746	163	\$ 2,168,275	120	\$ 1,448,160	960	\$ 15,893,954	\$ 4,473,223	\$ 2,833,061

POOL Cities

	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	5 Year Ave	3 Year Ave
	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Costs	Costs
	7/1/19-	7/1/19-	7/1/20-	7/1/20-	7/1/21-	7/1/21-	7/1/22-	7/1/22-	7/1/23-	7/1/23-			2019/2020-	2021/2022-
Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	TOTAL	TOTAL	2023/2024	2023/2024
BOULDER CITY	24	\$ 73,49	94 20	\$ 735,488	11	\$ 46,186	18	\$ 109,201	17	\$ 108,069	90	\$ 1,072,438	\$ 214,488	\$ 87,819
CALIENTE	2	\$ 7,39	7 0	\$ -	0	\$ -	3	\$ 228,636	3	\$ 325,113	8	\$ 561,146	\$ 112,229	\$ 184,583
CARLIN CITY	3	\$ 1,35	50 2	\$ -	4	\$ 25,442	4	\$ 18,516	1	\$ 5,532	14	\$ 50,840	\$ 10,168	\$ 16,497
CITY OF ELKO	30	\$ 255,3	5 13	\$ 184,543	22	\$ 72,950	36	\$ 294,751	21	\$ 196,152	122	\$ 1,003,712	\$ 200,742	\$ 187,951
ELY CITY	7	\$ 65,34	7 9	\$ 23,597	12	\$ 218,577	9	\$ 17,967	5	\$ 153,004	42	\$ 478,492	\$ 95,698	\$ 129,849
CITY OF FERNLEY	5	\$ 4,3	6 6	\$ 49,997	6	\$ 18,530	18	\$ 137,828	2	\$ 22,589	37	\$ 233,260	\$ 46,652	\$ 59,649
CITY OF LOVELOCK	2	\$ 39,16	31 1	\$ -	1	\$ 3,794	0	\$ -	2	\$ 13,647	6	\$ 56,602	\$ 11,320	\$ 5,813
CITY OF SPARKS	0	\$ -	0	\$ -	0	\$ -	0	\$ -	4	\$ 40,828	4	\$ 40,828	\$ 8,166	\$ 13,609
WELLS CITY	1	\$ 6,23	34 1	\$ -	0	\$ -	2	\$ 460,135	0	\$ -	4	\$ 466,369	\$ 93,274	\$ 153,378
WEST WENDOVER	4	\$ 138,40	6 8	\$ 5,375	3	\$ 8,111	8	\$ 15,780	2	\$ 8,087	25	\$ 175,758	\$ 35,152	\$ 10,659
CITY OF WINNEMUCCA	3	\$ 2,94	6 13	\$ 11,106	13	\$ 82,014	15	\$ 41,042	6	\$ 40,505	50	\$ 177,612	\$ 35,522	\$ 54,520
CITY OF YERINGTON	2	\$ 13,08	30 7	\$ 38,122	6	\$ 35,977	4	\$ 2,919	2	\$ 19,000	21	\$ 109,097	\$ 21,819	\$ 19,299
TOTAL	83	\$ 607,04	7 80	\$1,048,228	78	\$ 511,581	117	\$1,326,774	65	\$ 932,524	423	\$ 4,426,154	\$ 885,231	\$ 923,626

POOL School Districts

	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	5 Year Ave	3 Year Ave
	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Costs	Costs
	7/1/19-	7/1/19-	7/1/20-	7/1/20-	7/1/21-	7/1/21-	7/1/22-	7/1/22-	7/1/23-	7/1/23-			2019/2020-	2021/2022-
Member Name	6/30/20	6/30/20	6/30/21	6/30/21	6/30/22	6/30/22	6/30/23	6/30/23	6/30/24	6/30/24	TOTAL	TOTAL	2023/2024	2023/2024
CARSON CITY SCHOOL DISTRICT	11	\$ 180,651	7	\$ 20,864	9	\$ 54,717	6	\$ 454,395	9	\$ 94,986	42	\$ 805,613	\$ 161,123	\$ 201,366
CHURCHILL COUNTY SCHOOL DISTRICT	0	\$ -	3	\$ 8,039	1	\$ 46,760	5	\$ 20,658	2	\$ 32,000	11	\$ 107,458	\$ 21,492	\$ 33,139
DOUGLAS COUNTY SCHOOL DISTRICT	128	\$ 46,985	118	\$ 498,066	45	\$ 387,262	37	\$ 590,881	16	\$ 148,618	344	\$ 1,671,812	\$ 334,362	\$ 375,587
ELKO COUNTY SCHOOL DISTRICT	8	\$ 85,739	10	\$ 12,267	12	\$ 542,686	11	\$ 385,549	12	\$ 97,771	53	\$ 1,124,013	\$ 224,803	\$ 342,002
ESMERALDA COUNTY SCHOOL DISTRICT	2	\$ 24,954	7	\$ 7,282	0	\$ -	1	\$ 19,840	1	\$ 94,550	11	\$ 146,626	\$ 29,325	\$ 38,130
EUREKA COUNTY SCHOOL DISTRICT	4	\$ 26,543	2	\$ 3,790	1	\$ 281,726	3	\$ 339,920	4	\$ 36,400	14	\$ 688,380	\$ 137,676	\$ 219,349
HUMBOLDT COUNTY SCHOOL DISTRICT	5	\$ 18,849	4	\$ 10,443	4	\$ 446,020	5	\$ 7,467	0	\$ -	18	\$ 482,780	\$ 96,556	\$ 151,162
LANDER COUNTY SCHOOL DISTRICT	16	\$ -	14	\$ 195,000	12	\$ -	3	\$ 724	2	\$ -	47	\$ 195,724	\$ 39,145	\$ 241
LINCOLN COUNTY SCHOOL DISTRICT	3	\$ 12,346	4	\$ 9,490	3	\$ 6,104	2	\$ 37,499	4	\$ 161,500	16	\$ 226,939	\$ 45,388	\$ 68,368
LYON COUNTY SCHOOL DISTRICT	120	\$ 125,260	85	\$ 227,605	43	\$ 9,724	23	\$ 8,550	22	\$ 113,917	293	\$ 485,057	\$ 97,011	\$ 44,064
MINERAL COUNTY SCHOOL DISTRICT	4	\$ 72,420	4	\$ 28,860	7	\$ 141,617	12	\$ 295,036	7	\$ 142,408	34	\$ 680,341	\$ 136,068	\$ 193,020
NYE COUNTY SCHOOL DISTRICT	37	\$ 130,619	4	\$ 164,369	9	\$1,823,376	3	\$ 9,406	9	\$ 206,214	62	\$ 2,333,983	\$ 466,797	\$ 679,665
PERSHING COUNTY SCHOOL DISTRICT	1	\$ 324	3	\$ 7,193	1	\$ 3,186	1	\$ 457	0	\$ -	6	\$ 11,160	\$ 2,232	\$ 1,214
STOREY COUNTY SCHOOL DISTRICT	2	\$ 720	3	\$ 4,663	3	\$ 1,518	4	\$ 10,885	5	\$ 66,894	17	\$ 84,680	\$ 16,936	\$ 26,432
WHITE PINE COUNTY SCHOOL DISTRICT	14	\$ 10,063	28	\$ -	52	\$ 22,001	69	\$ 10,145	53	\$ 15,000	216	\$ 57,208	\$ 11,442	\$ 15,715
TOTAL	355	\$ 735,475	296	\$1,197,933	202	\$3,766,696	185	\$2,191,412	146	\$1,210,256	945	\$ 8,948,725	\$1,820,355	\$2,389,455

	Claims Frequency	Claims Costs	Claims Frequency	Claims Costs	Claims Frequency	Claims Costs	Claims Frequency	Claims Costs	Claims Frequency	Claims Costs	Claims Frequency	Claims Costs	5 Year Ave Costs	3 Year Ave Costs
Member Name	7/1/19- 6/30/20	7/1/19- 6/30/20	7/1/20- 6/30/21	7/1/20- 6/30/21	7/1/21- 6/30/22	7/1/21- 6/30/22	7/1/22- 6/30/23	7/1/22- 6/30/23	7/1/23- 6/30/24	7/1/23- 6/30/24	TOTAL	TOTAL	2019/2020- 2023/2024	2021/2022- 2023/2024
CARSON CITY:														
CARSON WATER SUBCONSERVANCY DISTRICT	0	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ -		\$ -	\$ -	\$ -
NEVADA ASSN OF COUNTIES	1	\$ 1,147	0	\$ -	0	\$ -	0	\$ -		\$ -		\$ 1,147	\$ 229	
NEVADA COMMISSION FOR RECONSTUCTION OF V&T	1	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ 11,146		\$ 11,146		
NEVADA LEAGUE OF CITIES NEVADA RISKING POOLING, INC.	0	\$ - \$ -	0	\$ - \$ -	0 0	\$ -	1 0	\$ 1,340 \$ -	-	\$ -		\$ 1,340 \$ -	\$ 268 \$ -	
NEVADA RISKING POOLING, INC. NEVADA RURAL HOUSING AUTHORITY	3	\$ 383	4	\$ 4,523	1	\$ - \$ -	1	\$ 14,000	-	\$ - \$ 4,810		\$ 23,716	т.	\$ - \$ 6,270
NEVADA PUBLIC AGENCY INSURANCE POOL	1	\$ -	1	\$ 4,323	0	\$ -	1	\$ 38,022	151	\$ -		\$ 38,022		
POOLING RESOURCES, INC.	0	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ -		\$ -	\$ -	\$ -
WESTERN NEVADA DEVELOPMENT DISTRICT	0	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ -		\$ -	\$ -	\$ -
CLARK COUNTY:														
EIGHT JUDICIAL DISTRICT COURT	0	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ -		\$ -	\$ -	\$ -
MOAPA VALLEY WATER DISTRICT	0	\$ -	2	\$ 17,385		\$ 2,007	1	\$ 11,855		\$ 2,950	-	\$ 34,197	\$ 6,839	
MOAPA VALLEY FIRE PROTECTION DISTRICT	0	\$ -	0	\$ -	0	\$ -	2	\$ 4,179		\$ -	_	\$ 4,179	\$ 836	
MOUNT CHARLESTON FIRE PROTECTION DISTRICT	2	\$ 31,524	2	\$ 4,727	0	\$ -	0	\$ -		\$ 402,150	-	\$ 438,401		
SOUTHERN NEVADA AREA COMMUNICATIONS COUNCIL SOUTHERN NEVADA HEALTH DISTRICT	0 9	\$ - \$ 99,765	0 6	\$ - \$ 15,854	0 8	\$ - \$ 41,829	0 5	\$ - \$ 175,179		\$ - \$ 102,606	-	\$ - \$ 435,233	\$ - \$ 87,047	\$ - \$ 106,538
CHURCHILL COUNTY:	9	\$ 99,765	0	ъ 15,054	0	Ф 41,029	5	ф 1/5,1/9	,	\$ 102,000	35	\$ 435,233	Ф 07,047	\$ 100,556
CENTRAL NEVADA HEALTH DISTRICT	0	\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$ 2,801	1	\$ 2,801	\$ 560	\$ 934
CHURCHILL CO. MOSQUITO & WEED ABATEMENT DIST.	Ö	\$ -	1	\$ -	Ö	\$ -	Ö	\$ -	· · · · · · · · · · · · · · · · · · ·	\$ -		\$ -	\$ -	\$ -
DOUGLAS COUNTY:														
DOUGLAS CO. MOSQUITO ABATEMENT DISTRICT	0	\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$ 9,000	1	\$ 9,000	\$ 1,800	\$ 3,000
DOUGLAS CO. REDEVELOPMENT AGENCY	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
DOUGLAS CO LAKE TAHOE SEWER AUTHORITY	5	\$ -	2	\$ 5,331	0	\$ -	1	\$ 8,338	-	\$ -	-	\$ 13,669	\$ 2,734	
EAST FORK SWIMMING POOL DISTRICT	1	\$ -	1	\$ 250		\$ -	1	\$ -		\$ -	-	\$ 250	\$ 50	
TOWN OF GARDNERVILLE	2	\$ 17,701	1	\$ 710		\$ 58,950	4	\$ 20,979		\$ -		\$ 98,339	\$ 19,668	
GARDNERVILLE RANCHOS GID TOWN OF GENOA	4	\$ 13,093	1 1	\$ - \$ -	1 2	\$ 1,200 \$ 13,588	3 0	\$ 10,386 \$ -		\$ - \$ 3,292		\$ 24,679 \$ 16.880	\$ 4,936 \$ 3,376	
INDIAN HILLS GID	1	\$ 1,116	0	\$ -	2	\$ 2,376	2	\$ 9,465		\$ 3,292		\$ 10,000	\$ 2,591	
KINGSBURY GID	2	\$ 70,348	0	\$ -	0	\$ -	0	\$ -		\$ 25,000		\$ 95,348	\$ 19,070	
LAKERIDGE GID	0	\$ -	Ö	\$ -	0	\$ -	0	\$ -		\$ -		\$ -	\$ -	\$ -
LOGAN CREEK ESTATES GID	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
MARLA BAY GID	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
TOWN OF MINDEN	0	\$ -	0	\$ -	0	\$ -	2	\$ 29,685	0	\$ -	2	\$ 29,685	\$ 5,937	\$ 9,895
MINDEN GARDNERVILLE SANITATION DISTRICT	0	\$ -	1	\$ 5,016	0	\$ -	2	\$ 301,174		\$ -	-	\$ 306,190	\$ 61,238	
NEVADA TAHOE CONSERVATION DISTRICT	0	\$ -	0	\$ -	1	\$ 5,140	0	\$ -		\$ 2,809	_	\$ 7,949	\$ 1,590	
SIERRA ESTATES GID	0	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ -	-	\$ -	\$ -	\$ -
SKYLAND GID TAHOE DOUGLAS DISTICT	0	ф -	0	\$ - \$ -	0 0	ф -	0 0	\$ - \$ -		\$ - \$ 13.982	-	\$ - \$ 13,982	\$ - \$ 2,796	\$ - \$ 4.661
TAHOE DOUGLAS DISTICT TAHOE DOUGLAS FIRE PROTECTION DIST	2	\$ 2,520	1	\$ -	3	\$ - \$ 339,882	10	\$ 16,343	151	\$ 9,478		\$ 368,223	\$ 73,645	
TOPAZ RANCH ESTATES GID	0	\$ -	0	\$ -	0	\$ -	3	\$ 26,811		\$ -			\$ 5,362	
ZEPHYR COVE GENERAL IMPROVEMENT DISTRICT	Ö	\$ -	ő	\$ -	Ö	\$ -	Ö	\$ -	-	\$ -		\$ -	\$ -	\$ -
ZEPHYR HEIGHTS GENERAL IMPROVEMENT DISTRICT	3	\$ 4,586	0	\$ -	3	\$ 9,161	3	\$ 6,993		\$ -		\$ 20,741	\$ 4,148	\$ 5,385
ELKO COUNTY:														
ELKO CENTRAL DISPATCH ADMINISTRATION	0	\$ -	1	\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$ -	\$ -	\$ -
ELKO CO. AGRICULTURAL ASSOCIATION	0	\$ -	1	\$ 1,140		\$ -	0	\$ -	-	\$ -	-	\$ 1,140		
ELKO CONVENTION & VISITORS AUTHORITY	1	\$ 4,468	1	\$ -	2	\$ 6,074	4	\$ -		\$ 2,500		\$ 13,042		
ELKO TV DISTRICT	0	\$ -	1	\$ 8,059	0	\$ -	0	\$ -		\$ -		\$ 8,059	\$ 1,612	
WENDOVER ADMINISTRATIVE AUTHORITY WEST WENDOVER RECREATION	0	\$ - \$ -	0 1	\$ - \$ 60,488	0 1	\$ - \$ 3,200	0 2	\$ - \$ 637		\$ - \$ -		\$ - \$ 64,325	\$ - \$ 12,865	\$ - \$ 1,279
ESMERALDA COUNTY:	U	Φ -	'	φ 00,400	'	φ 3,200	2	φ 037	U	φ -	4	\$ 04,325	φ 12,005	φ 1,279
EUREKA COUNTY:														
COUNTY FISCAL OFFICERS ASSOCIATON	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
CENTRAL NEVADA REGIONAL WATER AUTHORITY	0	\$ -	0	\$ -	0	\$ -	0	\$ -		\$ -		\$ -	\$ -	\$ -
HUMBOLDT COUNTY:														
HUMBOLDT GENERAL HOSPITAL	0	\$ -	2	\$ 256,772		\$ -	0	\$ -		\$ -		\$ 256,772		
HUMBOLDT RIVER BASIN WATER AUTHORITY	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
LANDER COUNTY:	_	•	•	•	-	•	_	•	,	0 4=====	,	A 4= ===	0 0 15 5	
BATTLE MOUNTAIN GENERAL HOSPITAL LINCOLN COUNTY:	0	\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$ 15,500	1	\$ 15,500	\$ 3,100	\$ 5,167
ALAMO SEWER AND WATER DISTRICT	0	s -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	\$ -	\$ -
, E and deficition from the control	J	· -	J	Ψ -	3	Ψ -	U	Ψ -	J	· -	0	Ψ -	Ψ -	Ψ -

LINCOLN COLINTY DECIONAL DEVELOPMENT ALITHODITY	0	æ	0		œ.	0	¢.	0	¢.	0	œ.	0	¢.		¢.	œ.
LINCOLN COUNTY REGIONAL DEVELOPMENT AUTHORITY	•	\$ -	•		\$ -	-	\$ -	-	\$ -	0	\$ -	-	Þ		\$ -	\$ -
LINCOLN COUNTY WATER DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
NEVADA ASSOC OF CONSERVATION DISTRICTS	1	\$ -	0		\$ -	2	\$ 10,510	0	\$ -	1	\$ 14,309		\$		\$ 4,964	\$ 8,273
PAHRANAGAT VALLEY FIRE DISTRICT	0	\$ -	0		\$ -	0	\$ -	1	\$ 14,843	0	\$ -	1	\$	14,843	\$ 2,969	\$ 4,948
LYON COUNTY:																
FERNLEY SWIMMING POOL DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	1	\$ 8,212	! 1	\$	8,212	\$ 1,642	\$ 2,737
MASON VALLEY SWIMMING POOL DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	· -	\$ -	\$ -
NORTH LYON FIRE PROTECTION DISTRICT	5	\$ 59,78	5 2		\$ -	2	\$ 15	6	\$ 18,494	3	\$ 5,400		\$	83,694	•	\$ 7,970
SILVER SPRINGS GID	0	\$ -	0		\$ -	0	¢ 10	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
SILVER SPRINGS STAGECOACH HOSPITAL DISTRICT	0	\$ -	1		\$ 22,155	0	\$ -	0	\$ - \$ -	0	\$ -	1	\$	22,155	T	T
	-	-			. ,		T	0	T	0			Ф			
STAGECOACH GID	3	\$ 31,50			\$ -	3	\$ 41,547	1	\$ 2,187	1	\$ 12,660		\$		\$ 17,586	\$ 18,798
US BOARD OF WATER COMMISSIONERS	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
WALKER BASIN CONSERVANCY	5	\$ 39,6	1 4		\$ 47,007	1	\$ 14,910	1	\$ 19,178	3	\$ 8,806	14	\$	129,511	\$ 25,902	\$ 14,298
WALKER RIVER IRRIGATION DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	-	\$ -	\$ -
WESTERN NEVADA REGIONAL YOUTH CENTER	0	\$ -	0		\$ -	0	\$ -	1	\$ -	0	\$ -	1	\$	-	\$ -	\$ -
MINERAL COUNTY:																
MINERAL COUNTY HOUSING AUTHORITY	1	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$	_	s -	\$ -
NYE COUNTY:	•	Ψ	·		•	·	•	•	•	·	•	•	Ψ.		*	Ψ
AMARGOSA VALLEY LIBRARY DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
	•	ъ -	-		•	-	*		•				-		T	
BEATTY LIBRARY DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
BEATTY WATER & SANITATION	2	\$ 30			\$ -	1	\$ 17,204	0	\$ -	1	\$ -	4	\$		\$ 3,502	\$ 5,735
CENTRAL NEVADA HISTORICAL SOCIETY	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	-	\$ -	\$ -
NORTHERN NYE COUNTY HOSPITAL DISTRICT	1	\$ 30	6 1		\$ -	0	\$ -	0	\$ -	0	\$ -	2	\$	306	\$ 61	\$ -
TOWN OF PAHRUMP (No Longer Member)	6	\$ 15,12	3 2		\$ 13,402	7	\$ 559,847	0	\$ -	0	\$ -	15	\$	588,373	\$ 117,675	\$ 186,616
PAHRUMP LIBRARY DISTRICT	0	\$ -	0		\$ -	1	\$ -	2	\$ 23,140	1	\$ 21,000) 4	\$	44,140	\$ 8,828	\$ 14,713
ROUND MOUNTAIN TOWN	1	\$ 45,74	3 3		\$ 14,500	2	\$ -	3	\$ 3,660	2	\$ 500		\$	64,403		\$ 1,387
SMOKY VALLEY LIBRARY DISTRICT	1	\$ 4.82			\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$	4,827		\$ -
TOWN OF TONOPAH	4	. ,-			•	1	•		T		*		-			•
	4	Ŧ -,			\$ - \$ -		\$ -	3 0	\$ 40,604	3	\$ 79,645		\$	128,375		
TONOPAH LIBRARY DISTRICT	1	\$ 3,16	1 0		\$ -	0	\$ -	U	\$ -	0	\$ -	1	\$	3,161	\$ 632	\$ -
PERSHING COUNTY:		_														
LOVELOCK MEADOWS WATER DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
PERSHING CO WATER CONSERVATION DISTRICT	1	\$ 9,5	0 1		\$ -	0	\$ -	0	\$ -	1	\$ 7,000	3	\$	16,550	\$ 3,310	\$ 2,333
STOREY COUNTY:																
CANYON GID	0	\$ -	1		\$ 41,933	0	\$ -	0	\$ -	0	\$ -	1	\$	41,933	\$ 8,387	\$ -
TAHOE RENO INDUSTRIAL GID	0	\$ -	3		\$ 70,775	2	\$ 1,088,488	1	\$ -	1	\$ -	7	\$		\$ 231,853	
VIRGINIA CITY CONVENTION & TOURISM	1	\$ 50,62			\$ -	0	\$ -	0	\$ -	0	\$ -	1	\$			\$ -
WASHOE COUNTY:		ψ 50,02	. 1 0		Ψ -	U	Ψ -	U	Ψ -	O	Ψ -		Ψ	30,021	ψ 10,124	Ψ -
CARSON TRUCKEE WATER CONSERVANCY DISTRICT	0	æ	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	¢.		\$ -	œ.
	-	\$ -	-		•		•		•	-			Ф		•	\$ -
GERLACH GENERAL IMPROVEMENT DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
INCLINE VILLAGE GID	11	\$ 75,9			\$ 165,928	8	\$ 37,713	19	\$ 158,837	18	\$ 170,323		\$		\$ 121,744	\$ 122,291
NEVADA ASSOC OF SCHOOL BOARDS	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	-	\$ -	\$ -
NEVADA ASSOC OF SCHOOL SUPERINTENDENTS	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	-	\$ -	\$ -
NEVADA VOLUNTEERS	0	\$ -	0		\$ -	0	\$ -	1	\$ 622	1	\$ 15,000) 2	\$	15,622	\$ 3,124	\$ 5,207
NEVADAWORKS	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	´-	\$ -	\$ -
NORTH LAKE TAHOE FIRE PROTECTION DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	1	\$ 5,000		\$	5,000	\$ 1,000	\$ 1,667
PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT	1	\$ -	0		\$ -	1	\$ -	1	\$ 760	1	\$ 14,000		\$	14,760		\$ 4,920
RTC OF WASHOE COUNTY	6	\$ 19,67	•		\$ - \$ -	2	\$ 17,842	1	\$ 893	2	\$ 14,000		\$	38,912		\$ 6,412
	-	\$ 19,0						-		2						
SUN VALLEY GID	0	ъ -	2		\$ 14,253	7	\$ 45,970	2	\$ 14,985	1	\$ 5,000		\$			\$ 21,985
TRUCKEE MEADOWS FIRE PROTECTION DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
TRUCKEE MEADOWS REGIONAL PLANNING AGENCY	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	-	\$ -	\$ -
WASHOE COUNTY FIRE SUPPRESSION	0	\$ -	0		\$ -	0	\$ -	0	\$ -	1	\$ -	1	\$	-	\$ -	\$ -
WASHOE CO. WATER CONSERVATION DISTRICT	0	\$ -	0		\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$	-	\$ -	\$ -
WHITE PINE COUNTY																
WHITE PINE CO. FIRE PROTECTION DISTRICT	0	\$ -	1		\$ -	1	\$ -	0	\$ -	0	\$ -	2	\$	_	\$ -	\$ -
WHITE PINE CO. TOURISM & RECREATION BOARD	0	\$ -	0		\$ -	Ö	\$ -	0	\$ -	0	\$ -	0	\$		\$ -	\$ -
WHITE PINE CO TV DISTRICT #1	0	\$	0		φ - \$ -	1	\$ 6,069	0	\$ - \$ -	0	\$ - \$ -	1	\$		\$ 1,214	Ψ
TOTAL	90	\$ 610,94	- v		\$ 770,206	75	\$2,323,522	91	\$ 973,589	72	\$ 975,380		Ψ		\$1,130,728	\$ 1,424,164
IOIAL	90	φ 010,9 ²	·+ 08	,	ψ 110,200	10	φ ∠,υ∠υ,υ∠∠	ופ	φ 313,309	12	φ 9 10,380	, ১৯৫	Ф	J,00J,04 I	ψ 1,130,728	ψ 1,424,104

POOL Summary of All Claims as of 6/30/24

Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	5 Year Ave	3 Year Ave
Frequenc	y Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Frequency	Costs	Costs	Costs
7/1/19-		7/1/20-		7/1/21-		7/1/22-		7/1/23-				2019/2020-	2021/2022-
6/30/20	7/1/19-6/30/20	6/30/21	7/1/20-6/30/21	6/30/22	7/1/21-6/30/22	6/30/23	7/1/22-6/30/23	6/30/24	7/1/23-6/30/24	TOTAL	TOTAL	2023/2024	2023/2024
780	\$ 6,139,316	667	\$ 6,225,289	557	\$ 11,484,545	556	\$ 6,660,050	403	\$ 4,566,321	2,963	\$ 35,075,522	\$ 7,015,104	\$ 7,570,305

POOL Executive Committee

Counties/Cities

	Re-election Term	Entity	Officers	With Less Than 35,000 Population (Total 2)	Counties/Cities With 35,000 or More Population (Total 2)	Districts	•	
Amanda Osborne	2023-2025	Elko County			X			
VACANT	2023-2025			X				Replace by Appt.
Josh Foli	2023-2025	Lyon County	Chair		X			
Dan Murphy	2023-2025	Pershing Co. School District	Vice Chair			Х		
Gina Rackley	2024-2026	Humboldt County	Fiscal Officer	X				
Ann Cyr	2024-2026	Carson City School District				Χ		
Scott Lindgren	2024-2026	Tahoe Douglas Fire Protection District					Х	

Voting Special Districts/Towns:

Greg Reed or Brad Newton Gardnerville Ranchos GID Χ Susan Severt or Carmen Ortiz Sun Valley GID Χ Town of Tonopah Incline Village GID Х Joe Westerlund Χ vacant Tahoe Douglas Fire Protection District
Eighth Judicial District Scott Lindgren Χ Michael Means Χ