



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

**Date: Friday, March 16, 2012**

**Time: 10:00 A.M.**

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

**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 may be taken upon a matter raised under Public Comments until the matter itself has been included specifically on an agenda as an item upon which action may be taken.**
- 5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.**

- 1. Roll**
- 2. Public Comment**
- 3. For Possible Action: Consent Agenda - Approve as a Whole Unless Moved From Consent Agenda**
  - a. Approval of Minutes of Meetings: Joint Executive Committee – August 23, 2011**
  - b. Executive Director's Report**
  - c. Financial and Investments Reports**
- 4. For Possible Action: Acceptance of Reports**
  - a. POOL Claims Audit Report**
  - b. Large Loss Report for POOL and PACT**
  - c. Loss Control Committee Report**
  - d. Retreat Report: Progress on Action Items**
- 5. For Possible Action: Approval of Prospective Members:**
  - a. PACT: Virginia City Convention and Visitors Authority; Palomino Valley GID**
  - b. POOL: Palomino Valley GID**

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**Carson City, Nevada 89701**

**AGENDA Continued**

6. **For Possible Action:** Acceptance of Proposals for Contracts
  - a. Alternative Service Concepts – Claims Management for POOL and PACT
  - b. Aetna Horizon Behavioral Services Employee Assistance Program
7. **For Possible Action:** POOL/PACT HR Services Grant
  - a. Pooling Resources, Inc. Grant Financial Report
  - b. Human Resources Oversight Committee Report
  - c. Acceptance of Pooling Resources, Inc. Grant Proposal for 2012-2015
8. **For Possible Action:** Approval of Lease Agreement Terms and Rates
  - a. State of Nevada (current lease term expires 2/1/2013; option to renew for 5 years)
  - b. CCMSI (current lease expires 1/7/2013; one year terms extended each year)
  - c. Draft policy on lease rates for future leases
9. **For Possible Action:** Review of POOL and PACT Program Renewal Status and Action on Options
  - a. Willis Pooling Report
  - b. Market Conditions and Status Overview
  - c. Review of POOL Coverage Form Changes for 2012-2013
  - d. Review of Reinsurance Coverage and Retention for POOL and PACT
10. **For Possible Action:** Review of Services and Approval of
  - a. PACT Budget for 2012-2013
  - b. Transfer of Portion of Net Asset Gains to Public Compensation Mutual
11. **For Possible Action:** Review of Services and Approval of
  - a. POOL Budget for 2012-2013
  - b. Transfer of Portion of Net Asset Gains to Public Risk Mutual
12. **For Possible Action:** Review of Financial Performance of
  - a. Public Risk Mutual
  - b. Public Compensation Mutual
13. **For Possible Action:** POOL and PACT Investment Issues
  - a. Review and Revise Investment Policies
  - b. Review and Adopt Money Management Controls Procedure
14. **For Possible Action:** Return to Work Services Options
  - a. Implementation of a Return to Work Program; Membership Willingness
  - b. Norm Peterson & Associates Our System Proposal
  - c. Request for Proposal from Other Vendors
15. **For Possible Action:** Review and Revise Drafts of Annual Meeting Agendas Including:

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

16. Public Comment

17. For Possible Action: Adjournment

This Agenda was posted at the following locations:

N.P.A.I.P. / P.A.C.T.  
201 S. Roop Street, Suite 102  
Carson City, NV 89701

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

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

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

#### NOTICE TO PERSONS WITH DISABILITIES

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

# PUBLIC RISK MUTUAL

## Your Portfolio Summary As of December 31, 2011

Inception Date	Mkt Value	Current Month	Current Quarter	2011 Jan-March	2011 March-YTD	Past 12 Months	Annualized			
Manager	WFC						3-Years	5-Years	Since 3/31/2011	10/18/2004-3/31/2011
	3/31/2011	11,047,118	0.08%	6.16%	2.36%	0.59%	N/A	N/A	N/A	8.18%

Manager	Inception Date	Mkt Value 12/31/2011	Current Month	Current Quarter	2011 YTD	Past 12 Months	Annualized		
							3-Years	5-Years	Since Inception
EAGLE	10/29/2004	7,166,974	0.73%	0.84%	5.50%	5.50%	4.41%	5.94%	4.81%

Closed	Inception Date	Date closed	2011 YTD	Annualized Since Inception
SMID	10/29/2004	8/25/2011	-11.97%	7.82%
LCCORE	10/29/2004	8/24/2011	-7.37%	1.86%

All information is provided by the managers listed above and/or Wells Fargo. It is combined on this report for illustration only. All information obtained is believed reliable, accuracy is not assured. Please view the manager reports for more complete data including fees, expenses and weighting. Returns listed are time weighted per the manager. This report is provided as a service of Raymond James Financial Services Advisors, Inc. and not as part of your advisor's affiliation with Raymond James Financial Services, Inc. The source data included is provided by EAGLE Asset Management, PFM and Wells Fargo. Raymond James relies on mathematical formulas, computer programs, and pricing information from third-party vendors to provide this data. Periodic software enhancements have occasionally caused possible inconsistencies with some performance calculations. In the case of any inconsistency, notify your financial representative. For PFM, Eagle Asset Management and Wells Fargo's contact information contact PARMs. The entities listed are not affiliated with Raymond James Financial Services. SIPC coverage only applies to those assets held at Raymond James. Other entities mentioned may be SIPC members. Contact your representative, or refer to the other entities statement regarding SIPC membership.

# PUBLIC AGENCY COMPENSATION TRUST

## (PACT & CLAIMS)

### Your Portfolio Summary As of December 31, 2011

Manager	Inception Date	Mkt Value 12/31/2011	Current Month	Current Quarter	2011	Past 12 Months	Annualized		
							3-Years	5-Years	Since Inception
EAGLE	7/29/1996	13,603,370	0.53%	0.62%	5.67%	5.67%	3.87%	5.96%	5.12%
EAGLE	7/29/1996	30,338,391	0.51%	0.58%	5.57%	5.57%	3.78%	5.91%	5.16%
PFM	6/30/2011	2,327,824	0.19%	0.33%	0.46%	N/A	N/A	N/A	0.46%
PFM	6/30/2011	3,262,009	0.20%	0.35%	0.52%	N/A	N/A	N/A	0.52%
(Pledged)	4/12/2010	4,349,838	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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## PUBLIC COMPENSATION MUTUAL

### Your Portfolio Summary As of December 31, 2011

Manager	Inception Date W/FC	Mkt Value 12/31/2011	Current Month	Current Quarter	2011 Jan- March	2011 March - YTD	Past 12 Months	Annualized			
								3-Years	5-Years	Since 3/31/2011	07/16/2007- 3/31/2011
	3/31/2011	29,473,810	0.05%	3.69%	1.91%	-1.11%	N/A	N/A	N/A	N/A	2.19%

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# NEVADA PUBLIC AGENCY INSURANCE POOL

## Your Portfolio Summary As of December 31, 2011

Manager	Inception Date	Mkt Value 12/31/2011	Current Month	Current Quarter	2011 YTD	Past 12 Months	Annualized		
							3-Years	5-Years	Since Inception
EAGLE	7/12/1991	29,097,224	0.49%	0.57%	5.76%	5.76%	3.92%	5.97%	5.44%
None	10/20/2006	697,570	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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# POOLING RESOURCES INC.

## Your Portfolio Summary As of December 31, 2011

Manager	Inception Date	Mkt Value 12/31/2011	Current Month	Current Quarter	2011	Past 12 Months	Annualized		
							3-Years	5-Years	Since Inception
PFM	6/30/2011	968,005	0.16%	0.31%	0.43%	N/A	N/A	N/A	0.43%

All information is provided by the managers listed above and/or Wells Fargo. It is combined on this report for illustration only. All information obtained is believed reliable, accuracy is not assured. Please view the manager reports for more complete data including fees, expenses and weighting. Returns listed are time weighted per the manager. This report is provided as a service of Raymond James Financial Services Advisors, Inc. and not as part of your advisor's affiliation with Raymond James Financial Services, Inc. The source data included is provided by EAGLE Asset Management, PFM and Wells Fargo. Raymond James relies on mathematical formulas, computer programs, and pricing information from third-party vendors to provide this data. Periodic software enhancements have occasionally caused possible inconsistencies with some performance calculations. In the case of any inconsistency, notify your financial representative. For PFM, Eagle Asset Management and Wells Fargo's contact information contact PARMS. The entities listed are not affiliated with Raymond James Financial Services. SIPC coverage only applies to those assets held at Raymond James. Other entities mentioned may be SIPC members. Contact your representative, or refer to the other entities statement regarding SIPC membership.



## ALL RESULTS

The following chart highlights the top three highest rated services overall and by organization size, type, and respondent's reported job function  
(*Note: There may be more than three top priorities when ratings are tied*):

	Total Completes (n = 70)	Type of Organization					Size of Organization			Respondent Type	
		City (n = 15)	County (n = 12)	School District (n = 18)	Hospital (n = 7)	Special District (n = 27)	50 or fewer (n = 27)	51 - 250 (n = 34)	More than 250 (n = 9)	CEO only (n = 37)	HR only (n = 34)
Feasibility of Services											
HR Assessment Phase II	4.0	4.5	4.4	4.0	4.3	3.4	3.7	4.4	4.0	3.9	4.2
Compensation and benefits survey	3.8	4.0	4.2	3.5	4.0	3.4	3.6	3.9	4.0	3.8	3.8
Collective bargaining agreement concessions database	3.7	4.0	4.7	4.3	2.0	3.0	3.2	3.9	4.8	3.8	3.7
Classification and compensation study	3.7	3.9	3.9	3.3	4.3	3.4	3.4	3.8	3.9	3.6	3.7
Conflict resolution or mediation services	3.7	3.7	4.0	3.8	4.0	3.4	3.5	3.8	4.2	3.6	3.8
Contract with a labor expert to provide negotiation training to members	3.6	3.9	3.8	4.3	2.4	2.9	3.0	3.9	4.3	3.6	3.5
Contract for or write job descriptions specific for positions in your organization	3.6	3.8	3.1	3.9	3.9	3.3	3.6	3.6	3.6	3.5	3.6
Allow members a certain number of hours annually to consult with contracted labor expert	3.6	3.8	3.8	4.1	3.3	3.1	3.0	3.9	4.4	3.7	3.6
Contract a reduced rate for members to access a labor expert (members pay fees)	3.4	3.3	3.7	3.7	3.0	3.1	3.0	3.6	3.9	3.5	3.3
Host a web-based/computerized succession planning program	3.4	3.5	3.9	3.2	3.4	3.1	3.1	3.6	3.6	3.3	3.5
Facilitate a shared payroll system for members to utilize	2.6	2.9	2.8	2.8	2.0	2.4	2.5	2.8	2.6	2.7	2.6
Coordinate or conduct shared recruitments	2.5	2.6	2.6	2.7	2.7	2.1	2.3	2.5	3.0	2.7	2.2

# 2012 POOL/PACT Human Resources Member Survey Results

## OVERVIEW

At the December 2011 POOL/PACT retreat, members voted on the top priorities on which the POOL should focus. The suggested human resource services identified during the Board Retreat included higher level assistance with recruitment, negotiations, payroll, compensation and benefits, job descriptions, employee relations, and succession planning. In order to assess if human resources services should be expanded and where resources should be focused, an on-line survey approved by the Oversight Committee was developed. The survey was sent to the Chief Executive Officer and/or Human Resources representative of each POOL/PACT member organization, Oversight Committee members, and Executive Committee members on January 25, 2012. The survey was dispatched to a total of 176 individuals with 70 persons completing the survey (i.e., 39.8% response rate). At least 53 entities were represented (the exact number is unknown as some persons responded anonymously). The survey closed on February 14, 2012.

## SURVEY DESCRIPTION

The survey consisted of two sections: one section regarding the feasibility of suggested human resource services identified during the Board Retreat and by Oversight Committee members, and one section requesting demographic information.

The “Feasibility of Services” section requested respondents rate the suggested service on whether s/he believed POOL/PACT HR should explore the feasibility of the service, using the following five-point scale:

1. **Absolutely not:** my organization would not benefit from this service
2. **Probably not:** it is unlikely my organization would benefit from this service
3. **Not sure:** my organization may or may not benefit from this service
4. **Perhaps:** my organization may benefit from this service
5. **Absolutely:** my organization would definitely benefit from this service

The suggested services were:

- Coordinate or conduct shared recruitments (e.g., recruit for Deputy Sheriffs for eastern Nevada)
- Contract with a labor expert to provide negotiation training to members
- Create database of member collective bargaining agreement concessions for members to access during negotiations
- Allow members a certain number of hours annually to consult with contracted labor expert
- Contract a reduced rate for members to access a labor expert (members pay fees)
- Facilitate a shared payroll system for members to utilize
- Contract for or perform an annual or biennial compensation and benefits survey
- Contract for or perform a classification and compensation study of your organization
- Contract for or write job descriptions specific for positions in your organization
- Contract for or provide conflict resolution or mediation services

- Host a web-based/computerized succession planning program
- Offer a HR Assessment Phase II for organizations completing the Phase I assessment. Phase II would involve reviewing records for FLSA compliance (exempt/non-exempt, employee/independent contractor, overtime pay, etc.)

Respondents were also asked to list any comments and additional services s/he would like POOL/PACT HR to consider.

The “Demographics” section collected the following information:

1. Type of organization:
  - City
  - County
  - School District
  - Hospital
  - Special District
2. Number of employees
  - 50 or fewer
  - 51-250
  - More than 250
3. Respondent’s position in organization:
  - Chief Executive Officer (i.e., highest level manager; e.g., General Manager, Executive Director, Administrator, Chief, Superintendent, Town Manager)
  - Human Resources

#### Notes:

To assist with the analyses, some service descriptions have been shortened as follows:

- Create database of member collective bargaining agreement concessions for members to access during negotiations: ***collective bargaining agreement concessions database***
- Contract for or perform an annual or biennial compensation and benefits survey: ***compensation and benefits survey***
- Contract for or perform a classification and compensation study of your organization: ***classification and compensation study***
- Contract for or provide conflict resolution or mediation services: ***conflict resolution or mediation services***
- Offer a HR Assessment Phase II for organizations completing the Phase I assessment. Phase II would involve reviewing records for FLSA compliance: ***HR Assessment Phase II***

## OVERALL RESULTS

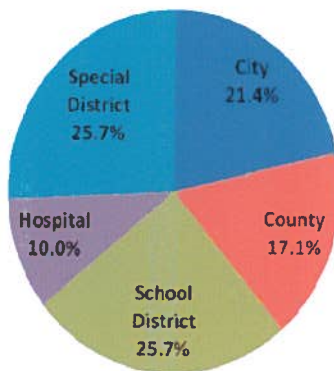
The following lists and describes the overall results of the survey.

### DEMOGRAPHIC INFORMATION

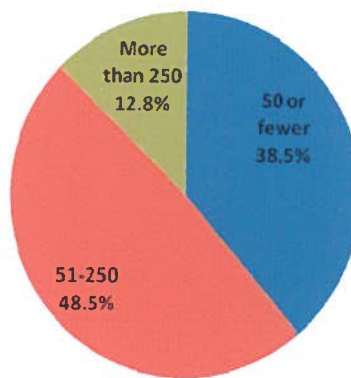
Although demographic information was collected last, it is reported first for reference:

1. **Type of organization:** Special Districts and School Districts were highly represented followed by Cities, Counties, and Hospitals.
2. **Number of employees:** Most organizations had between 51 and 250 employees followed by organizations with less than 50 employees. Organizations with more than 250 employees had the least respondents.
3. **Respondents' position:** Slightly more persons reported their positions as Chief Executive Officer than Human Resources.

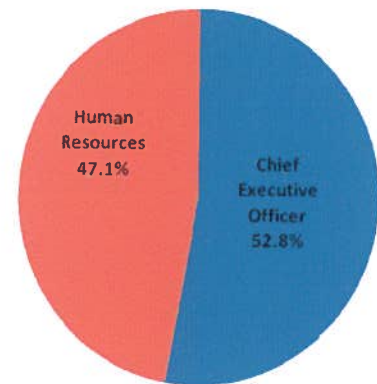
**Type of Organization**



**Number of Employees**



**Respondents' Position**



### FEASIBILITY OF SERVICES

Of the twelve services evaluated, five services received the top three rankings of 4.0, 3.8, and 3.7:

1. Offering a Phase II HR Assessment (4.0 overall rating)
2. Contracting for or performing an annual or biennial compensation and benefits survey (3.8 overall rating).
3. Three services tied for the third highest rating (3.7 overall rating) as follows:
  - Creating collective bargaining agreement concessions database
  - Contracting for or performing a classification and compensation study of your organization
  - Contracting for or providing conflict resolution or mediation services

Three services tied closely in fourth place with a 3.6 overall rating:

- Contract with a labor expert to provide negotiation training to members
- Allow members a certain number of hours annually to consult with contracted labor expert
- Contract for or write job descriptions specific for positions in your organization

The services which received the lowest rating were:

- Contract a reduced rate for members to access a labor expert (3.4 overall rating)
- Host a web-based/computerized succession planning program(3.4 overall rating)
- Facilitate a shared payroll system for members to utilize (2.6 overall rating)
- Coordinate or conduct shared recruitments (2.4 overall rating)

The following chart lists each suggested service and its overall rating in order of rank:

Ranking	Feasibility of Services	Overall Rating (n = 70)
1	HR Assessment Phase II	4.0
2	Compensation and benefits survey	3.8
3	Collective bargaining agreement concessions database	3.7
	Classification and compensation study	3.7
	Conflict resolution or mediation services	3.7
4	Contract with a labor expert to provide negotiation training to members	3.6
	Allow members a certain number of hours annually to consult with contracted labor expert	3.6
	Contract for or write job descriptions specific for positions in your organization	3.6
5	Contract a reduced rate for members to access a labor expert (members pay fees)	3.4
	Host a web-based/computerized succession planning program	3.4
6	Facilitate a shared payroll system for members to utilize	2.6
7	Coordinate or conduct shared recruitments (e.g., recruit for Deputy Sheriffs for eastern Nevada)	2.5

**Note:** There may be more than three top priorities when ratings are tied.

## COMMENTS AND ADDITIONAL SERVICES

Nineteen respondents listed the following comments and additional services s/he would like POOL/PACT HR to consider:

- *It could be beneficial if your website hosted a forum where employers can pose HR/employment law questions for like professionals to share their similar experiences/outcomes.*
- *I like the idea of pursuing some sort of shared services regarding payroll services. Or, maybe, some sort of discounted pricing on an off-the-shelf payroll solution designed for public entities.*
- *This is not really a service but I would like Pool/Pact to consider what other conferences are taking place when they schedule things like the PRIMA conference in Las Vegas. This conflicts with the Nevada Rural Water Conference in Reno March 20 through March 22. I would like to attend the PRIMA but cannot due to this conflict.*
- *I believe HR always benefits from training being taught by an Employment Law Attorney. They can talk about actual cases. The question and answer time alone is very beneficial. Job Description would be very helpful as well.*
- *Unemployment appeal hearings representation*
- *As a very small GID, we have no employees and therefore, no need for employee services.*
- *I am the only employee of Sierra Estates GID; therefore, my answers should not be included in your survey results. I am an anomaly.*
- *An in-depth workshop on developing marginal staff and documenting "plan of improvement" and progressive discipline for termination.*
- *As previously indicated, the provision of services for school districts must be considered separately from other agencies.*
- *Facilitate general discussion meetings between HR departments to encourage idea sharing.*
- *I would be extremely happy with the items that I checked as additional resources. POOL/PACT has been a phenomenal help to my organization just as it is.*
- *The services and training provided by POOL/PACT HR are great; we just wish they were more accessible to members in Southern Nevada. Thanks!*
- *Social media training*
- *Caliente has had the good fortune of hiring one of the best City Clerks who is familiar with HR issues. We are constantly looking at ways in which we can improve our employee benefits and salaries. It is good to know you have these opportunities for us to consider and with certain budget restraints the City of Caliente has, we will be interested in those opportunities we can afford. We do not intend to ignore the issues.*
- *We are quite happy with the current level of services provided by P/P HR and we are hesitant to support expansion of these services due to the potential impacts to our premiums.*
- *Help with training our staff to prevent employment related injuries.*



- *Database of employment contracts would be very beneficial. ACCURATE Database of class and comp would be beneficial. The data MUST be right.... Had problems in the past where the data was not correct therefore we could not rely on the data. If the entities had to submit their contracts, paytables, class and comp items, we could agree numbers used in the class/comp study as being reliable.*
- *Please make sure you continue to do everything you are already doing. This service is the best I have EVER experienced...Anywhere! I would really love to see added support, regardless of cost allocation, on complex labor matters. Also, Bill Z and Jeannie are truly the GREATEST!*
- *Everyone is always patient and helpful*

## CONCLUSIONS

Overall, respondents reported **HR Assessment Phase II** and **compensation and benefits survey** as their two top priorities with the only exceptions being School Districts and Large Organizations. As all responding School Districts have more than 250 employees and account for 78% of Large Organizations (the other 22% being Counties); a quick analysis of Large Counties was conducted showing that Large Counties rated both the **HR Assessment Phase II** and **compensation and benefits survey** as high priorities. From this it can be concluded that all organizations regardless of type, size, and the respondent's position, except School Districts, identified their top priorities as **HR Assessment Phase II** and **compensation and benefits survey**.

Other services to be considered for feasibility are:

- **Create a database of member collective bargaining agreement concessions for members to access during negotiations:** This service was a top priority for Cities, Counties, and School Districts, Mid-sized and Large-sized organizations, as well as both CEOs and HR. Special Districts who account for 59% of Small Organizations and Hospitals did not indicate this as a top priority and rated it lower than other organization types (3.0 and 2.0 overall rating respectively).
- **Contract for or perform a classification and compensation study of your organization:** This service was selected as a top priority for Hospitals and Special Districts but also received high ratings from both Cities and Counties (3.9 each). School Districts and Small Organizations rate this lowly (3.3 and 3.4 respectively).
- **Contract for or provide conflict resolution or mediation services:** Hospitals and Special Districts rated this service as a top priority, but all organization types, sizes, and job functions rated the service highly.
- **Contract with a labor expert to provide negotiation training and allow members a certain number of hours annually to consult with contracted labor expert:** School Districts were the only organization type that rated this as a top priority, but both Cities and Counties rated these services highly (3.8 - 3.9 overall ratings). However, Hospitals, Special Districts, and Small Organizations rated these services lowly, ranging from 2.4 – 3.3 overall ratings.

## ALL RESULTS

The following chart highlights the top three highest rated services overall and by organization size, type, and respondent's reported job function  
(*Note: There may be more than three top priorities when ratings are tied*):

	Total Completes (n = 70)	Type of Organization					Size of Organization			Respondent Type	
		City (n = 15)	County (n = 12)	School District (n = 18)	Hospital (n = 7)	Special District (n = 27)	50 or fewer (n = 27)	51 - 250 (n = 34)	More than 250 (n = 9)	CEO only (n = 37)	HR only (n = 34)
Feasibility of Services											
HR Assessment Phase II	4.0	4.5	4.4	4.0	4.3	3.4	3.7	4.4	4.0	3.9	4.2
Compensation and benefits survey	3.8	4.0	4.2	3.5	4.0	3.4	3.6	3.9	4.0	3.8	3.8
Collective bargaining agreement concessions database	3.7	4.0	4.7	4.3	2.0	3.0	3.2	3.9	4.8	3.8	3.7
Classification and compensation study	3.7	3.9	3.9	3.3	4.3	3.4	3.4	3.8	3.9	3.6	3.7
Conflict resolution or mediation services	3.7	3.7	4.0	3.8	4.0	3.4	3.5	3.8	4.2	3.6	3.8
Contract with a labor expert to provide negotiation training to members	3.6	3.9	3.8	4.3	2.4	2.9	3.0	3.9	4.3	3.6	3.5
Contract for or write job descriptions specific for positions in your organization	3.6	3.8	3.1	3.9	3.9	3.3	3.6	3.6	3.6	3.5	3.6
Allow members a certain number of hours annually to consult with contracted labor expert	3.6	3.8	3.8	4.1	3.3	3.1	3.0	3.9	4.4	3.7	3.6
Contract a reduced rate for members to access a labor expert (members pay fees)	3.4	3.3	3.7	3.7	3.0	3.1	3.0	3.6	3.9	3.5	3.3
Host a web-based/computerized succession planning program	3.4	3.5	3.9	3.2	3.4	3.1	3.1	3.6	3.6	3.3	3.5
Facilitate a shared payroll system for members to utilize	2.6	2.9	2.8	2.8	2.0	2.4	2.5	2.8	2.6	2.7	2.6
Coordinate or conduct shared recruitments	2.5	2.6	2.6	2.7	2.7	2.1	2.3	2.5	3.0	2.7	2.2

**Nevada POOL****Estimated Expenses and Cost Plus Fees - Includes Current Staff**  
**7/1/2012 - 6/30/2017****(Estimated Claim Load at 53.75% = Q4 2011 average)**

	<u>Estimated 7/1/12</u> <u>- 6/30/13</u>	<u>Estimated</u> <u>7/1/13 - 6/30/14</u>	<u>Estimated</u> <u>7/1/14 - 6/30/15</u>	<u>Estimated</u> <u>7/1/15 - 6/30/16</u>	<u>Estimated</u> <u>7/1/16 - 6/30/17</u>
Operating Expenses Allocated by Claim Load	\$ 260,270	\$ 265,476	\$ 270,785	\$ 276,201	\$ 281,725
Expenses Allocated to Funds by Other Methods:					
Salaries, Bonuses, etc.	\$ 234,639	\$ 241,678	\$ 248,929	\$ 256,396	\$ 264,088
Benefits/Taxes	\$ 62,922	\$ 67,543	\$ 72,576	\$ 78,060	\$ 84,040
Subcontracting	\$ 8,145	\$ 8,308	\$ 8,474	\$ 8,644	\$ 8,816
Total Expenses Allocated by Other Methods	\$305,706	\$317,529	\$329,979	\$343,100	\$356,945
Total Estimated Expenses	<u>\$565,977</u>	<u>\$583,005</u>	<u>\$600,764</u>	<u>\$619,301</u>	<u>\$638,670</u>
Profit Margin %:	15%	15%	15%	13%	13%
Revenue Needed for the Margin above:	\$665,855	\$685,888	\$706,781	\$711,841	\$734,103
Maximum Quarterly Cost Plus Deposit	\$166,500	\$171,500	\$176,700	\$178,000	\$183,500
Suggested Quarterly Cost Plus Deposit (95% of amount above)	\$158,175	\$162,925	\$167,865	\$169,100	\$174,325

**Nevada PACT****Estimated Expenses and Cost Plus Fees - Includes Current Staff**  
**7/1/2012 - 6/30/2017****(Estimated Claim Load at 42.31% = Q4 2011 average)**

	<u>Estimated 7/1/12</u> <u>- 6/30/13</u>	<u>Estimated</u> <u>7/1/13 - 6/30/14</u>	<u>Estimated</u> <u>7/1/14 - 6/30/15</u>	<u>Estimated</u> <u>7/1/15 - 6/30/16</u>	<u>Estimated</u> <u>7/1/16 - 6/30/17</u>
Operating Expenses Allocated by Claim Load	\$204,888	\$ 208,986	\$ 213,165	\$ 217,429	\$ 221,777
Expenses Allocated to Funds by Other Methods:					
Salaries, Bonuses, etc.	\$ 266,210	\$ 274,196	\$ 282,422	\$ 290,895	\$ 299,622
Benefits/Taxes	\$ 71,388	\$ 76,631	\$ 82,341	\$ 88,564	\$ 95,348
Subcontracting	\$0	\$0	\$0	\$0	\$0
Total Expenses Allocated by Other Methods	\$337,599	\$350,828	\$364,763	\$379,459	\$394,970
Total Estimated Expenses	<u>\$542,486</u>	<u>\$559,813</u>	<u>\$577,929</u>	<u>\$596,887</u>	<u>\$616,747</u>
Profit Margin %:	15%	15%	15%	13%	13%
Revenue Needed for the Margin above:	\$638,219	\$658,604	\$679,916	\$686,077	\$708,904
Maximum Quarterly Cost Plus Deposit	\$159,600	\$164,700	\$170,000	\$171,500	\$177,200
Suggested Quarterly Cost Plus Deposit (95% of amount above)	\$151,620	\$156,465	\$161,500	\$162,925	\$168,340



CULTURAL AFFAIRS	CARSON CINEMA GROUP, LLC PO BOX 1724 CARSON CITY NV 89701	LIBRARY AND ARTS NEVADA ARTS COUNCIL 716 NORTH CARSON STREET, SUITE A CARSON CITY, NV 89701	CARSON CITY	3,046	\$1.15 \$1.15 \$1.18	\$3,502.90 \$3,502.90 \$3,594.28	07/01/11 - 06/30/12 07/01/12 - 06/30/13 07/01/13 - 06/30/14	June 30, 2014
EMPLOYMENT TRAINING AND REHABILITATION	DIXON HERZ RICHARD OFFICE COMPLEX 2802 KIETZKE LANE RENO, NV 89502	EMPLOYMENT TRAINING AND REHABILITATION 1300 S. CURRY STREET CARSON CITY, NV 89703-5146	CARSON CITY	5,080	\$1.400 \$1.400 \$1.400	\$7,112.00 \$7,112.00 \$7,112.00	4/14/10 - 4/30/10 5/1/10 - 4/30/11 5/1/11 - 4/30/12	April 30, 2014
EMPLOYMENT TRAINING AND REHABILITATION	DIXON RICHARD & LEE 2802 KIETZKE LANE RENO, NEVADA 89502	EMPLOYMENT TRAINING AND REHABILITATION EMPLOYMENT SECURITY 1300 S. CURRY ST CARSON CITY, NV 89703-5146	CARSON CITY	20,066	\$1.450 \$1.450 \$1.450	\$29,096.00 \$29,096.00 \$29,096.00	month to month month to month month to month	February 28, 2015
EMPLOYMENT TRAINING AND REHABILITATION	DIXON RICHARD & LEE 2802 KIETZKE LANE RENO, NEVADA 89502	EMPLOYMENT TRAINING AND REHABILITATION EMPLOYMENT SECURITY 1300 S. CURRY ST 89703-5146 CARSON CITY, NV	CARSON CITY	10,066	\$1.480 \$1.480 \$1.480	\$14,896.00 \$14,896.00 \$14,896.00	month to month month to month month to month	February 28, 2015
PUBLIC SAFETY	DIXON RICHARD & LEE 2802 KIETZKE LANE RENO, NEVADA 89502	HIGHWAY PATROL DIVISION 1310 SOUTH CURRY STREET CARSON CITY, NV 89701	CARSON CITY	2,227	\$1.460 \$1.460 \$1.460	\$3,253.00 \$3,253.00 \$3,253.00	02/01/10 - 02/28/11 02/01/11 - 02/28/12 02/01/12 - 02/28/13	February 14, 2014
BUSINESS & INDUSTRY	EAST COLLEGE PARKWAY, L.P. 2540 CAMINO DIABLO, SUITE 100 WALNUT CREEK, CA 94597 c/o Alana Commercial 50 W. Liberty Street, 4th Floor E. Tower Reno, NV 89501	BUSINESS AND INDUSTRY INSURANCE DIVISION 1818 COLLEGE PARKWAY CARSON CITY, NV 89706	CARSON CITY	20,700	\$0.00 \$1.40 \$1.434	\$0.00 \$29,880.00 \$29,704.50	08/01/10 - 09/30/12 10/01/12 - 09/30/14 10/01/14 - 09/30/15	September 30, 2015
HEALTH AND HUMAN SERVICES	FEDERIGHI & CO. 1051 MacArthur Blvd San Leandro, CA 94577 C/O PARKWAY COMMERCIAL PROPERTIES 3427 GONI RD, SUITE 109 CARSON CITY, NV 89706	MENTAL HEALTH AND DEVELOPMENTAL SERVICES RURAL CLINICS 1665 OLD HOT SPRINGS ROAD, SUITE 150 CARSON CITY, NV 89706	CARSON CITY	11,140	\$1.290 \$1.340 \$1.390	\$14,334.02 \$14,691.02 \$15,448.02	03/01/07 - 08/31/08 09/01/08 - 08/31/09 09/01/09 - 08/31/10	August 31, 2012
HEALTH AND HUMAN SERVICES	FEDERIGHI & CO. 1051 MacArthur Blvd San Leandro, CA 94577 C/O PARKWAY COMMERCIAL PROPERTIES 3427 GONI RD, SUITE 109 CARSON CITY, NV 89706	MENTAL HEALTH AND DEVELOPMENTAL SERVICES Suite 182 REGIONAL CENTER 1665 HOT SPRINGS ROAD CARSON CITY, NV 89706	CARSON CITY	8,039	\$1.310 \$1.360 \$1.400	\$10,531.04 \$10,933.04 \$11,508.32	07/01/08 - 06/30/09 08/01/09 - 08/31/10 09/01/10 - 08/31/11	August 31, 2012
HEALTH AND HUMAN SERVICES	HELMAN K. BAUER AND EMILY A. BAUER TRUSTEES OF THE H. & E. FAMILY TRUST DATED SEPTEMBER 1, 1989 C/O JOHN UHART COMMERCIAL REAL ESTATE 301 W. WASHINGTON ST #1 CARSON CITY, NV 89703	HEALTH DIVISION BUREAU OF LICENSURE AND CERTIFICATION 3656 RESEARCH WAY #26 CARSON CITY, NV 89706-1427 (WAREHOUSE/STORAGE)	CARSON CITY	1,250	\$0.71 \$0.71 \$0.71	\$887.50 \$887.50 \$887.50	04/01/10 - 03/31/11 04/01/11 - 03/31/12 04/01/12 - 03/31/13	March 31, 2015
HEALTH AND HUMAN SERVICES	HEFMA II, INC. 2051 Hilltop Drive, Suite A18 REDDING, CA 96002	WELFARE DIVISION OF WELFARE AND SUPPORTIVE SERVICES 1470 COLLEGE PARKWAY CARSON CITY, NV 89706-7924	CARSON CITY	43,900	\$1.330 \$1.380 \$1.410	\$57,180.00 \$59,905.70 \$60,672.87	04/01/06 - 03/31/07 04/01/07 - 03/31/08 04/01/08 - 03/31/09	September 30, 2013
EDUCATION	KO MOODY VENTURES, LLC 2012 STREET SUITE 108 SACRAMENTO, CA 95811 c/o JOHN UHART COMMERCIAL REAL ESTATE SERVICES 301 WASHINGTON STREET, SUITE 1 CARSON CITY, NV 89703	EDUCATION PUBLIC CHARTER SCHOOL AUTHORITY 1748 STEWART STREET, SUITE 40 CARSON CITY, NV 89706	CARSON CITY	1,728	\$1.450 \$1.450 \$1.450	\$2,503.20 \$2,503.20 \$2,503.20	12/01/12 - 06/30/13 07/01/13 - 06/30/14 07/01/14 - 06/30/15	November 30, 2016
HEALTH AND HUMAN SERVICES	J.S. DEVO LIMITED PARTNERSHIP 716 NORTH CARSON STREET, SUITE E CARSON CITY, NV 89701	HEALTH DIVISION MENTAL HEALTH AND DEVELOPMENTAL SERVICES CHILD AND FAMILY SERVICES 4128 AND 4150 TECHNOLOGY WAY CARSON CITY, NV 89706	CARSON CITY	98,746	\$0.00 \$1.29 \$1.29	\$0.00 \$123,432.50 \$123,432.50	10/01/06 - 12/31/06 01/01/07 - 12/31/07 01/01/08 - 12/31/08	December 31, 2011
COMMISSION ON MINERAL RESOURCES	KING 400 THE TRUST FOR METHODIST DEVELOPMENT OF THE FIRST UNITED METHODIST CHURCH C/O 187 SONOMA STREET CARSON CITY, NEVADA 89701	COMMISSION, MINERAL RESOURCES 400 W. KING ST, SUITE 106 CARSON CITY, NV 89703-4218	CARSON CITY	3,123	\$1.370 \$1.370 \$1.370	\$4,278.20 \$4,965.86 \$4,964.87	03/01/09 - 02/28/10 03/01/10 - 02/28/11 03/01/11 - 02/28/12	February 28, 2013







EMPLOYMENT, TRAINING AND REHABILITATION	NORTH CARSON STREET LLC 2527 Biocfield Court Thousand Oaks, CA 91382 c/o John Uhart 301 W. WASHINGTON STREET #1 CARSON CITY, NV 89703	EMPLOYMENT, TRAINING AND REHABILITATION 1923 NORTH CARSON STREET CARSON CITY, NV 89701	CARSON CITY	30,528	\$1,399 \$1,400 \$42,739.20 \$1,400 \$43,655.04 \$1,400 \$44,876.16 \$1,400 \$46,095.00 \$1,400 \$47,314.16 \$1,400 \$48,533.12 \$1,400 \$49,752.08 \$1,400 \$50,971.04 \$1,400 \$52,190.00 \$1,400 \$53,409.04 \$1,400 \$54,628.00 \$1,400 \$55,847.04 \$1,400 \$57,066.00 \$1,400 \$58,285.04 \$1,400 \$59,504.00 \$1,400 \$60,723.04 \$1,400 \$61,942.00 \$1,400 \$63,161.04 \$1,400 \$64,380.00 \$1,400 \$65,599.04 \$1,400 \$66,818.00 \$1,400 \$68,037.04 \$1,400 \$69,256.00 \$1,400 \$70,475.04 \$1,400 \$71,694.00 \$1,400 \$72,913.04 \$1,400 \$74,132.00 \$1,400 \$75,351.04 \$1,400 \$76,570.00 \$1,400 \$77,789.04 \$1,400 \$79,008.00 \$1,400 \$80,227.04 \$1,400 \$81,446.00 \$1,400 \$82,665.04 \$1,400 \$83,884.00 \$1,400 \$85,103.04 \$1,400 \$86,322.00 \$1,400 \$87,541.04 \$1,400 \$88,760.00 \$1,400 \$89,979.04 \$1,400 \$91,198.00 \$1,400 \$92,417.04 \$1,400 \$93,636.00 \$1,400 \$94,855.04 \$1,400 \$96,074.00 \$1,400 \$97,293.04 \$1,400 \$98,512.00 \$1,400 \$99,731.04 \$1,400 \$100,950.00 \$1,400 \$102,169.04 \$1,400 \$103,388.00 \$1,400 \$104,607.04 \$1,400 \$105,826.00 \$1,400 \$107,045.04 \$1,400 \$108,264.00 \$1,400 \$109,483.04 \$1,400 \$110,702.00 \$1,400 \$111,921.04 \$1,400 \$113,140.00 \$1,400 \$114,359.04 \$1,400 \$115,578.00 \$1,400 \$116,797.04 \$1,400 \$118,016.00 \$1,400 \$119,235.04 \$1,400 \$120,454.00 \$1,400 \$121,673.04 \$1,400 \$122,892.00 \$1,400 \$124,111.04 \$1,400 \$125,330.00 \$1,400 \$126,549.04 \$1,400 \$127,768.00 \$1,400 \$128,987.04 \$1,400 \$130,206.00 \$1,400 \$131,425.04 \$1,400 \$132,644.00 \$1,400 \$133,863.04 \$1,400 \$135,082.00 \$1,400 \$136,301.04 \$1,400 \$137,520.00 \$1,400 \$138,739.04 \$1,400 \$140,158.00 \$1,400 \$141,377.04 \$1,400 \$142,596.00 \$1,400 \$143,815.04 \$1,400 \$145,034.00 \$1,400 \$146,253.04 \$1,400 \$147,472.00 \$1,400 \$148,691.04 \$1,400 \$149,910.00 \$1,400 \$151,129.04 \$1,400 \$152,348.00 \$1,400 \$153,567.04 \$1,400 \$154,786.00 \$1,400 \$156,005.04 \$1,400 \$157,224.00 \$1,400 \$158,443.04 \$1,400 \$159,662.00 \$1,400 \$160,881.04 \$1,400 \$162,100.00 \$1,400 \$163,319.04 \$1,400 \$164,538.00 \$1,400 \$165,757.04 \$1,400 \$166,976.00 \$1,400 \$168,195.04 \$1,400 \$169,414.00 \$1,400 \$170,633.04 \$1,400 \$171,852.00 \$1,400 \$173,071.04 \$1,400 \$174,290.00 \$1,400 \$175,509.04 \$1,400 \$176,728.00 \$1,400 \$177,947.04 \$1,400 \$179,166.00 \$1,400 \$180,385.04 \$1,400 \$181,604.00 \$1,400 \$182,823.04 \$1,400 \$184,042.00 \$1,400 \$185,261.04 \$1,400 \$186,480.00 \$1,400 \$187,699.04 \$1,400 \$188,918.00 \$1,400 \$190,137.04 \$1,400 \$191,356.00 \$1,400 \$192,575.04 \$1,400 \$193,794.00 \$1,400 \$195,013.04 \$1,400 \$196,232.00 \$1,400 \$197,451.04 \$1,400 \$198,670.00 \$1,400 \$199,889.04 \$1,400 \$201,108.00 \$1,400 \$202,327.04 \$1,400 \$203,546.00 \$1,400 \$204,765.04 \$1,400 \$205,984.00 \$1,400 \$207,203.04 \$1,400 \$208,422.00 \$1,400 \$209,641.04 \$1,400 \$210,860.00 \$1,400 \$212,079.04 \$1,400 \$213,298.00 \$1,400 \$214,517.04 \$1,400 \$215,736.00 \$1,400 \$216,955.04 \$1,400 \$218,174.00 \$1,400 \$219,393.04 \$1,400 \$220,612.00 \$1,400 \$221,831.04 \$1,400 \$223,050.00 \$1,400 \$224,269.04 \$1,400 \$225,488.00 \$1,400 \$226,707.04 \$1,400 \$227,926.00 \$1,400 \$229,145.04 \$1,400 \$230,364.00 \$1,400 \$231,583.04 \$1,400 \$232,802.00 \$1,400 \$234,021.04 \$1,400 \$235,240.00 \$1,400 \$236,459.04 \$1,400 \$237,678.00 \$1,400 \$238,897.04 \$1,400 \$240,116.00 \$1,400 \$241,335.04 \$1,400 \$242,554.00 \$1,400 \$243,773.04 \$1,400 \$244,992.00 \$1,400 \$246,211.04 \$1,400 \$247,430.00 \$1,400 \$248,649.04 \$1,400 \$249,868.00 \$1,400 \$251,087.04 \$1,400 \$252,306.00 \$1,400 \$253,525.04 \$1,400 \$254,744.00 \$1,400 \$255,963.04 \$1,400 \$257,182.00 \$1,400 \$258,401.04 \$1,400 \$259,620.00 \$1,400 \$260,839.04 \$1,400 \$262,058.00 \$1,400 \$263,277.04 \$1,400 \$264,496.00 \$1,400 \$265,715.04 \$1,400 \$266,934.00 \$1,400 \$268,153.04 \$1,400 \$269,372.00 \$1,400 \$270,591.04 \$1,400 \$271,810.00 \$1,400 \$273,029.04 \$1,400 \$274,248.00 \$1,400 \$275,467.04 \$1,400 \$276,686.00 \$1,400 \$277,905.04 \$1,400 \$279,124.00 \$1,400 \$280,343.04 \$1,400 \$281,562.00 \$1,400 \$282,781.04 \$1,400 \$284,000.00 \$1,400 \$285,219.04 \$1,400 \$286,438.00 \$1,400 \$287,657.04 \$1,400 \$288,876.00 \$1,400 \$290,095.04 \$1,400 \$291,314.00 \$1,400 \$292,533.04 \$1,400 \$293,752.00 \$1,400 \$294,971.04 \$1,400 \$296,190.00 \$1,400 \$297,409.04 \$1,400 \$298,628.00 \$1,400 \$299,847.04 \$1,400 \$301,066.00 \$1,400 \$302,285.04 \$1,400 \$303,504.00 \$1,400 \$304,723.04 \$1,400 \$305,942.00 \$1,400 \$307,161.04 \$1,400 \$308,380.00 \$1,400 \$309,599.04 \$1,400 \$310,818.00 \$1,400 \$312,037.04 \$1,400 \$313,256.00 \$1,400 \$314,475.04 \$1,400 \$315,694.00 \$1,400 \$316,913.04 \$1,400 \$318,132.00 \$1,400 \$319,351.04 \$1,400 \$320,570.00 \$1,400 \$321,789.04 \$1,400 \$323,008.00 \$1,400 \$324,227.04 \$1,400 \$325,446.00 \$1,400 \$326,665.04 \$1,400 \$327,884.00 \$1,400 \$329,103.04 \$1,400 \$330,322.00 \$1,400 \$331,541.04 \$1,400 \$332,760.00 \$1,400 \$333,979.04 \$1,400 \$335,198.00 \$1,400 \$336,417.04 \$1,400 \$337,636.00 \$1,400 \$338,855.04 \$1,400 \$340,074.00 \$1,400 \$341,293.04 \$1,400 \$342,512.00 \$1,400 \$343,731.04 \$1,400 \$344,950.00 \$1,400 \$346,169.04 \$1,400 \$347,388.00 \$1,400 \$348,607.04 \$1,400 \$349,826.00 \$1,400 \$351,045.04 \$1,400 \$352,264.00 \$1,400 \$353,483.04 \$1,400 \$354,702.00 \$1,400 \$355,921.04 \$1,400 \$357,140.00 \$1,400 \$358,359.04 \$1,400 \$359,578.00 \$1,400 \$360,797.04 \$1,400 \$362,016.00 \$1,400 \$363,235.04 \$1,400 \$364,454.00 \$1,400 \$365,673.04 \$1,400 \$366,892.00 \$1,400 \$368,111.04 \$1,400 \$369,330.00 \$1,400 \$370,549.04 \$1,400 \$371,768.00 \$1,400 \$372,987.04 \$1,400 \$374,206.00 \$1,400 \$375,425.04 \$1,400 \$376,644.00 \$1,400 \$377,863.04 \$1,400 \$379,082.00 \$1,400 \$380,301.04 \$1,400 \$381,520.00 \$1,400 \$382,739.04 \$1,400 \$383,958.00 \$1,400 \$385,177.04 \$1,400 \$386,396.00 \$1,400 \$387,615.04 \$1,400 \$388,834.00 \$1,400 \$390,053.04 \$1,400 \$391,272.00 \$1,400 \$392,491.04 \$1,400 \$393,710.00 \$1,400 \$394,929.04 \$1,400 \$396,148.00 \$1,400 \$397,367.04 \$1,400 \$398,586.00 \$1,400 \$399,805.04 \$1,400 \$401,024.00 \$1,400 \$402,243.04 \$1,400 \$403,462.00 \$1,400 \$404,681.04 \$1,400 \$405,900.00 \$1,400 \$407,119.04 \$1,400 \$408,338.00 \$1,400 \$409,557.04 \$1,400 \$410,776.00 \$1,400 \$411,995.04 \$1,400 \$413,214.00 \$1,400 \$414,433.04 \$1,400 \$415,652.00 \$1,400 \$416,871.04 \$1,400 \$418,090.00 \$1,400 \$419,309.04 \$1,400 \$420,528.00 \$1,400 \$421,747.04 \$1,400 \$422,966.00 \$1,400 \$424,185.04 \$1,400 \$425,404.00 \$1,400 \$426,623.04 \$1,400 \$427,842.00 \$1,400 \$429,061.04 \$1,400 \$430,280.00 \$1,400 \$431,499.04 \$1,400 \$432,718.00 \$1,400 \$433,937.04 \$1,400 \$435,156.00 \$1,400 \$436,375.04 \$1,400 \$437,594.00 \$1,400 \$438,813.04 \$1,400 \$440,032.00 \$1,400 \$441,251.04 \$1,400 \$442,470.00 \$1,400 \$443,689.04 \$1,400 \$444,908.00 \$1,400 \$446,127.04 \$1,400 \$447,346.00 \$1,400 \$448,565.04 \$1,400 \$449,784.00 \$1,400 \$451,003.04 \$1,400 \$452,222.00 \$1,400 \$453,441.04 \$1,400 \$454,660.00 \$1,400 \$455,879.04 \$1,400 \$457,098.00 \$1,400 \$458,317.04 \$1,400 \$459,536.00 \$1,400 \$460,755.04 \$1,400 \$461,974.00 \$1,400 \$463,193.04 \$1,400 \$464,412.00 \$1,400 \$465,631.04 \$1,400 \$466,850.00 \$1,400 \$468,069.04 \$1,400 \$469,288.00 \$1,400 \$470,507.04 \$1,400 \$471,726.00 \$1,400 \$472,945.04 \$1,400 \$474,164.00 \$1,400 \$475,383.04 \$1,400 \$476,602.00 \$1,400 \$477,821.04 \$1,400 \$479,040.00 \$1,400 \$480,259.04 \$1,400 \$481,478.00 \$1,400 \$482,697.04 \$1,400 \$483,916.00 \$1,400 \$485,135.04 \$1,400 \$486,354.00 \$1,400 \$487,573.04 \$1,400 \$488,792.00 \$1,400 \$490,011.04 \$1,400 \$491,230.00 \$1,400 \$492,449.04 \$1,400 \$493,668.00 \$1,400 \$494,887.04 \$1,400 \$496,106.00 \$1,400 \$497,325.04 \$1,400 \$498,544.00 \$1,400 \$499,763.04 \$1,400 \$500,982.00 \$1,400 \$502,201.04 \$1,400 \$503,420.00 \$1,400 \$504,639.04 \$1,400 \$505,858.00 \$1,400 \$507,077.04 \$1,400 \$508,296.00 \$1,400 \$509,515.04 \$1,400 \$510,734.00 \$1,400 \$511,953.04 \$1,400 \$513,172.00 \$1,400 \$514,391.04 \$1,400 \$515,610.00 \$1,400 \$516,829.04 \$1,400 \$518,048.00 \$1,400 \$519,267.04 \$1,400 \$520,486.00 \$1,400 \$521,705.04 \$1,400 \$522,924.00 \$1,400 \$524,143.04 \$1,400 \$525,362.00 \$1,400 \$526,581.04 \$1,400 \$527,800.00 \$1,400 \$529,019.04 \$1,400 \$530,238.00 \$1,400 \$531,457.04 \$1,400 \$532,676.00 \$1,400 \$533,895.04 \$1,400 \$535,114.00 \$1,400 \$536,333.04 \$1,400 \$537,552.00 \$1,400 \$538,771.04 \$1,400 \$539,990.00 \$1,400 \$541,209.04 \$1,400 \$542,428.00 \$1,400 \$543,647.04 \$1,400 \$544,866.00 \$1,400 \$546,085.04 \$1,400 \$547,304.00 \$1,400 \$548,523.04 \$1,400 \$549,742.00 \$1,400 \$550,961.04 \$1,400 \$552,180.00 \$1,400 \$553,399.04 \$1,400 \$554,618.00 \$1,400 \$555,837.04 \$1,400 \$557,056.00 \$1,400 \$558,275.04 \$1,400 \$559,494.00 \$1,400 \$560,713.04 \$1,400 \$561,932.00 \$1,400 \$563,151.04 \$1,400 \$564,370.00 \$1,400 \$565,589.04 \$1,400 \$566,808.00 \$1,400 \$568,027.04 \$1,400 \$569,246.00 \$1,400 \$570,465.04 \$1,400 \$571,684.00 \$1,400 \$572,903.04 \$1,400 \$574,122.00 \$1,400 \$575,341.04 \$1,400 \$576,560.00 \$1,400 \$577,779.04 \$1,400 \$578,998.00 \$1,400 \$580,217.04 \$1,400 \$581,436.00 \$1,400 \$582,655.04 \$1,400 \$583,874.00 \$1,400 \$585,093.04 \$1,400 \$586,312.00 \$1,400 \$587,531.04 \$1,400 \$588,750.00 \$1,400 \$590,000.00 \$1,400 \$591,219.04 \$1,400 \$592,438.00 \$1,400 \$593,657.04 \$1,400 \$594,876.00 \$1,400 \$596,095.04 \$1,400 \$597,314.00 \$1,400 \$598,533.04 \$1,400 \$599,752.00 \$1,400 \$600,971.04 \$1,400 \$602,190.00 \$1,400 \$603,409.04 \$1,400 \$604,628.00 \$1,400 \$605,847.04 \$1,400 \$607,066.00 \$1,400 \$608,285.04 \$1,400 \$609,504.00 \$1,400 \$610,723.04 \$1,400 \$611,942.00 \$1,400 \$613,161.04 \$1,400 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ADMINISTRATION	SIERRA MEDICAL COMPLEX, LTD 907 Spencer Street Carson City, NV 89703 CAPITAL PLAZA BUSINESS CENTER C/O CARSON PROPERTIES 187 SONOMA STREET CARSON CITY, NV 89701	HEARINGS DIVISION 1050 E. WILLIAM # 400 CARSON CITY, NV 89701-3111	CARSON CITY	2,640	\$1.25 \$1.25 \$1.29 \$1.29 \$1.33	\$3,300.00 \$3,300.00 \$3,405.60 \$3,405.60 \$3,511.20	05/01/11 - 04/30/12 05/01/12 - 04/30/13 05/01/13 - 04/30/14 05/01/14 - 04/30/15 05/01/15 - 04/30/16	April 30, 2016
ADMINISTRATION	SIERRA MEDICAL COMPLEX, LTD 907 Spencer Street Carson City, NV 89703 CAPITAL PLAZA BUSINESS CENTER C/O CARSON PROPERTIES 187 SONOMA STREET CARSON CITY, NV 89701	APPEALS DIVISION 1050 E. WILLIAM #450 CARSON CITY, NV 89701-3111	CARSON CITY	3,720	\$1.25 \$1.25 \$1.29 \$1.29 \$1.33	\$4,650.00 \$4,650.00 \$4,798.80 \$4,798.80 \$4,947.60	05/01/11 - 04/30/12 05/01/12 - 04/30/13 05/01/13 - 04/30/14 05/01/14 - 04/30/15 05/01/15 - 04/30/16	April 30, 2016
BUSINESS & INDUSTRY	SIERRA MEDICAL COMPLEX, LTD 907 Spencer Street Carson City, NV 89703 CAPITAL PLAZA BUSINESS CENTER C/O CARSON PROPERTIES 187 SONOMA STREET CARSON CITY, NV 89701	ATTORNEY FOR INJURED WORKERS 1000 E WILLIAM, 206, 208, 210, 212, 213 CARSON CITY, NV 89701-3111	CARSON CITY	4,119	\$1,467 \$1,360 \$1,401	\$6,044.76 \$5,603.50 \$5,771.60	04/01/09 - 03/31/10 04/01/10 - 03/31/11 04/01/11 - 03/31/12	March 31, 2012
COMMISSION ON PUBLIC UTILITIES	SIERRA MEDICAL COMPLEX, LTD 907 Spencer Street Carson City, NV 89703 CAPITAL PLAZA BUSINESS CENTER C/O CARSON PROPERTIES 187 SONOMA STREET CARSON CITY, NV 89701	COMMISSION, PUBLIC UTILITIES 1150 EAST WILLIAMS STREET CARSON CITY, NV 89701-3111	CARSON CITY	23,279	\$1,350 \$1,214 \$1,250 \$1,288 \$1,326	\$31,410.35 \$28,269.31 \$28,117.38 \$28,990.92 \$30,880.65	06/01/09 - 03/31/10 04/01/10 - 05/31/10 06/01/10 - 05/31/11 06/01/11 - 05/31/12 06/01/12 - 05/31/13	May 31, 2013
BUSINESS & INDUSTRY	SOUTH CARSON MINI STORAGE PO BOX 1724, CC, NV, 89702 716 N CARSON ST. #E. CARSON CITY, NV 89701	BUSINESS AND INDUSTRY REAL ESTATE DIVISION 1179 FAIRVIEW DRIVE, SUITES E, F, G CARSON CITY, NV 89701	CARSON CITY	3,000	\$1,1200 \$1,1424 \$1,1652 \$1,1885 \$1,2123	\$3,360.00 \$3,427.20 \$3,465.74 \$3,565.66 \$3,636.97	06/01/10 - 05/31/11 06/01/11 - 05/31/12 06/01/12 - 05/31/13 06/01/13 - 05/31/14 06/01/14 - 05/31/15	May 31, 2015
BUSINESS & INDUSTRY	SOUTH CARSON MINI STORAGE PO BOX 1724, CC, NV, 89702 716 N CARSON ST. #E. CARSON CITY, NV 89701	FINANCIAL INSTITUTIONS 1179 FAIRVIEW DRIVE, SUITES 201, 202, 203, 204 CARSON CITY, NV 89701	CARSON CITY	3,293	\$1,370 \$1,233 \$1,270 \$1,308 \$1,347	\$4,511.41 \$4,060.27 \$4,182.07 \$4,307.54 \$4,436.76	03/01/09 - 02/28/10 03/01/10 - 02/28/11 03/01/11 - 02/28/12 03/01/12 - 02/28/13 03/01/13 - 02/28/14	February 28, 2015
PUBLIC SAFETY	STAUB, RICHARD & JANET PO BOX 392 CARSON CITY, NV 89702	HIGHWAY PATROL DIVISION 1971 CALIFORNIA STREET CARSON CITY, NV 89701	CARSON CITY	1,850	\$1,387 \$0,973 \$1,002 \$1,063 \$1,095	\$4,569.66 \$1,800.00 \$1,854.00 \$1,909.62 \$2,025.82	03/01/10 - 01/31/11 02/01/10 - 01/31/11 02/01/11 - 01/31/12 02/01/12 - 01/31/13 02/01/13 - 01/31/14	January 31, 2015
EDUCATION	TANGLWOOD LLC PO Box 12580 Reno, NV 89510 C/O EUGENE BERGER MANAGEMENT CORPORATION 5011 MEADOWOOD MALL WAY #200 RENO, NEVADA 89502-6547	EDUCATION 755 NORTH ROOF STREET, SUITE 211 CARSON CITY, NV 89701	CARSON CITY	5,575	\$1,250 \$1,288 \$1,327 \$1,367 \$1,408	\$6,968.75 \$7,177.81 \$7,393.15 \$7,614.34 \$7,843.38	02/01/08 - 01/31/09 02/01/09 - 01/31/10 02/01/10 - 01/31/11 02/01/11 - 01/31/12 02/01/12 - 01/31/13	January 31, 2013
GOVERNOR	TANGLWOOD LLC PO Box 12580 Reno, NV 89510 C/O EUGENE BERGER MANAGEMENT CORPORATION 5011 MEADOWOOD MALL WAY #200 RENO, NEVADA 89502-6547	STATE OFFICE OF ENERGY 755 N. ROOF STREET, SUITE 202 CARSON CITY, NV 89701	CARSON CITY	4,207	\$1.15 \$1.15 \$1.194 \$1.194 \$1.220	\$4,828.05 \$4,828.05 \$4,983.19 \$4,983.19 \$5,132.68	01/01/10 - 12/31/10 01/01/11 - 12/31/11 01/01/12 - 12/31/12 01/01/13 - 12/31/13 01/01/14 - 12/31/14	December 31, 2014
GOVERNOR	TASSAJARA PROPERTIES, LLC 2896 La Cresta Circle Minden, NV 89423 c/o Sperry Van Ness PO 311 UP NORTH CARSON STREET CARSON CITY, NV 89706	AGENCY FOR NUCLEAR PROJECTS 1761 COLLEGE PARKWAY, SUITE 118 CARSON CITY, NV 89706	CARSON CITY	3,053	\$1.50 \$1.50 \$1.35	\$4,579.50 \$4,579.50 \$4,121.55	02/07/09 - 12/31/09 01/01/10 - month to month 02/01/10 - 01/31/12	January 31, 2012
HEALTH AND HUMAN SERVICES	TASSAJARA PROPERTIES, LLC PO 311 UP NORTH CARSON ST. CARSON CITY, NV 89706	AGING SERVICES SENIOR RX PROGRAM 3416 GOLF RD, SUITE 102 (S.09&46) 1761 COLLEGE PARKWAY, SUITE 112 (1.162 sf) and Suite 113 (1.176 sf), and suite 115 (1.500 sf), 3310 Golf Road #172-173 (2,700 sf), Carson City, NV 89706	CARSON CITY	11,632	\$1,516 \$1,400 \$1,400 \$1,470 \$1,470 \$1,550	\$11,270.53 \$16,284.60 \$16,284.60 \$17,089.04 \$17,089.04 \$18,028.60	01/01/10 - 12/31/10 (7,426sf) 02/01/10 - 01/31/11 02/01/11 - 01/31/12 02/01/12 - 01/31/13 02/01/13 - 01/31/14 02/01/14 - 01/31/15	January 31, 2015
PUBLIC SAFETY	WANNER, DARRYL C/O JOHN UHART COMMERCIAL REAL ESTATE SERVICES 301 W. WASHINGTON STREET, SUITE #1 CARSON CITY, NV 89703	PAROLE AND PROBATION 117 & 119 EAST LONG STREET CARSON CITY, NV 89701	CARSON CITY	5,643	\$1,210 \$1,210 \$1,230 \$1,230	\$6,828.03 \$6,828.03 \$6,940.88 \$7,053.75	07/01/10 - 06/30/11 07/01/11 - 06/30/12 07/01/12 - 06/30/13 07/01/13 - 06/30/14	June 30, 2014

PUBLIC SAFETY	WHITECROSS LP 112 North Curry Street Carson City, NV 89703 C/O JOHN UHART COMMERCIAL REAL ESTATE SERVICES 301 W. WASHINGTON STREET, SUITE #1 CARSON CITY, NV 89703	CRIMINAL JUSTICE OFFICE OF CRIMINAL JUSTICE ASSISTANCE 1555 A. HOT SPRINGS ROAD CARSON CITY, NV 89701	CARSON CITY	1,885	\$1,100 \$1,133 \$1,167 \$1,202 \$1,238	\$2,073.50 \$2,135.71 \$2,199.78 \$2,265.77 \$2,333.74	06/04/09 - 03/31/10 06/01/10 - 03/30/11 06/01/11 - 03/30/12 06/01/12 - 03/30/13 06/01/13 - 03/30/14	March 31, 2014
PUBLIC SAFETY	WHITECROSS LP 112 North Curry Street Carson City, NV 89703 C/O JOHN UHART COMMERCIAL REAL ESTATE SERVICES 301 W. WASHINGTON STREET, SUITE #1 CARSON CITY, NV 89703	CRIMINAL JUSTICE OFFICE OF PROFESSIONAL RESPONSIBILITY 1555 B. HOT SPRINGS ROAD CARSON CITY, NV 89701	CARSON CITY	1,885	\$0,618 \$0,618 \$0,619 \$0,637 \$0,657	\$1,166.67 \$1,166.67 \$1,166.67 \$1,201.67 \$1,237.72	07/01/09 - 06/30/10 07/01/10 - 06/30/11 07/01/11 - 06/30/12 07/01/12 - 06/30/13 07/01/13 - 06/30/14	June 30, 2016
BUSINESS & INDUSTRY	WHITECROSS LP 112 North Curry Street Carson City, NV 89703 C/O JOHN UHART COMMERCIAL REAL ESTATE SERVICES 301 W. WASHINGTON STREET, SUITE #1 CARSON CITY, NV 89703	HOUSING DIVISION 1505 HOT SPRINGS ROAD, SUITE 50 CARSON CITY, NV 89706	CARSON CITY	6,988	\$0,678 \$1,150 \$1,150 \$1,180 \$1,180 \$1,210	\$1,274.85 \$8,036.20 \$8,036.20 \$8,245.84 \$8,245.84 \$8,455.46	07/01/15 - 06/30/15 12/01/11 - 11/20/12 12/01/12 - 11/30/13 12/01/13 - 11/30/14 12/01/14 - 11/30/15 12/01/15 - 11/30/16	November 30, 2016
BUSINESS & INDUSTRY	WHITECROSS LP 112 North Curry Street Carson City, NV 89703 C/O JOHN UHART COMMERCIAL REAL ESTATE SERVICES 301 W. WASHINGTON STREET, SUITE #1 CARSON CITY, NV 89703	MANUFACTURED HOUSING 1555 HOT SPRINGS ROAD, SUITE 60 CARSON CITY, NV 89706	CARSON CITY	1,623	\$1,05 \$1,05 \$1,0815	\$1,704.15 \$1,704.15 \$1,755.27	03/01/10 - 02/28/11 03/01/11 - 02/28/12 03/01/12 - 02/28/13	February 28, 2013
PUBLIC SAFETY	WILLIAMS, DEBRA 5544 CACHET COURT CARSON CITY, NV 89706	HIGHWAY PATROL DIVISION 2800 EAST GRAVES LANE, #17 CARSON CITY, NV 89701 (Aircraft Storage)	CARSON CITY			\$320.63 \$320.63 \$320.63 \$320.63	01/01/11 - 12/31/11 01/01/12 - 12/31/12 01/01/13 - 12/31/13 01/01/14 - 12/31/14	December 31, 2015
			CARSON CITY Total	611,312		\$320.63	01/01/15 - 12/31/15	

**FINAL REPORT**

**NEVADA PUBLIC AGENCY INSURANCE POOL (NPAIP)**

**2011 - CLAIM REVIEW**

**OF**

**PROPERTY, CASUALTY AND OTHER LIABILITY CLAIMS**

**August 23, 2011**

**Casualty Claim Consultants & Auditors LLC – (865) 977-7872**

## **EXECUTIVE SUMMARY**

The Nevada Public Agency Insurance Pool (NPAIP), hereinafter referred to as the Pool, engaged the services of Casualty Claim Consultants and Auditors LLC, a claim management consulting firm to conduct a claim review of its pending/open claim files. This is the forth such property and casualty claim review conducted by this claims Consultant/Examiner.

The pending claim file review commenced on March 14, 2011 and incorporated a review of 65 pending claims, comprising 80 separate suffixes, with individual pending case reserves of \$10,000 or greater, inclusive of allocated loss adjustment expenses.

With respect to this year's review of pending/open claims with case reserves in excess of \$10,000, the loss pick relative to the subject claims review incorporated claims where the incurred outstanding case reserves included allocated loss adjustment expenses (ALAE); primarily those that related to Legal Defense. As such, a large number of claims exhibited minimal loss case reserves of \$0.00, \$2,500 or \$5,000 while exhibiting Legal Expense reserves that when combined with the current outstanding loss reserves equated to \$10,000 or more.

Pool claims are administered by Alternative Services Concepts (ASC), a property and casualty third-party administrator (TPA), from its offices located in Reno, Nevada. The 65 pending claims represent a statistically valid sample of claims, suggesting that the results of the sample are reflective of the pending claims universe. The findings of the statistically valid sample represent a confidence level of better than 95%.

### **General Findings:**

- Recommended case reserves for loss are appropriate and reflected a total increase in the current case reserves of only \$133,500 or less than a 2% increase in the aggregate. This variance between currently posted case reserves and recommended case reserves is well within the acceptable margin of plus or minus 10%. (See Exhibit I)
- Recommended case reserves for Legal Expense are appropriate and reflected a total decrease in the current case reserves of only \$110,231 or approximately 3% less than what was posted. This variance between currently posted case reserves and recommended case reserves is well within the acceptable margin of plus or minus 10%. (See Exhibit II)
- Remarks with respect to the individual claim file suffixes relative to case reserve variances are addressed in Exhibit III.
- Case reserve recommendations were compared to the current case reserves that appeared on the Claim Abstract summaries for each individual claim and, as such, were time limited depending on the date the Claim Abstract was printed.

This is important from the perspective that it is this Examiner's understanding that several case reserve were revised during the course of the claim review process that suggests that they more closely reflected this Examiner's recommendations.

## **EXECUTIVE SUMMARY**

That being the case, by the time this Examiner conducted the case review wrap-up session the current case reserve and recommended case reserve variance was probably closer to only 1%.

- Overall, in addition to the case reserves being appropriate in the aggregate, the case reserve methodology when applied to bodily injury claims is one that this Examiner recommends as being one that will produce the best results.
- Claim oversight by the claims manager is excellent and the TPA does an excellent job of keeping clients and excess insurers informed of pertinent developments.
- Other comments addressed herein center more around general housekeeping issues, some of which might influence data integrity with respect to the number of claims and incurred dollars related thereto from a coding perspective.



## **Executive Director's Report March 2012**

### **POOL and PACT Budgets:**

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

Both program budgets rely on the actuarial confidence level to general sufficient margin. We know that exposures may be down below the draft budget levels since we do not have all applications in so that comparisons can be made. If the exposures are down, gross POOL/PACT revenues will be affected as will potential reinsurance costs and the draft budget will need further revision prior to the annual board meeting.

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

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

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

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

We received a proposal from Norman Peterson & Associates for a Return to Work program. The Loss Control Committee had been looking into a return to work program for some time. The proposal amount is not included in the PACT budget. The action requested is to consider the potential costs of a RTW program; whether or not to entertain this proposal or to conduct an RFP for additional providers; and whether or not such a program would be embraced by the membership if adopted.

### **NPAIP Building Leases:**

The first floor space remains unoccupied. Other tenants have been contacted for possibly taking additional space, but declined. We have not yet advertised the space due to the abundance of available properties in Carson City. Presently the lease rates vary by tenant quite a bit. The forgone rent based upon full allocation of common area and conference room is \$4,365 per month based upon a \$1.77 per square foot rate.

The State Risk Management lease utilizes a rate that is substantially below others based upon approval by the Executive Committee. The actual occupied space without allocation of use of common areas or the conference room makes the per square foot rate \$1.494 as of 1/2012 subject to a 3% increase per year; however, if fully allocated

the space utilized, the effective rate is \$.56 (comparable to industrial space, not office space). The State exercised its option for an extension for 3 years that expires in January 2013. They have not agreed to be allocated rent on the common and conference space. I have enclosed a spreadsheet showing the present State property lease rates in Carson City for reference. The lease rate range is from \$.56 to \$1.576 with an average rate of about \$1.28.

CCMSI presently is under a one year lease term that has remained the same for 3 years. They are allocated a portion of the common area, but not the conference room space. Their rate equivalent is \$1.48, the negotiated State rate when they took over the lease.

PARMS has an existing lease that expires 1/1/2013 at \$1.77 per square foot based upon a full allocation of common and conference room space. PRI does not have a lease, but the rent incorporated into the grant is based upon the same rate and allocation methodology as PARMS.

The challenge for the committee is to establish lease rates and allocation policies for renewal leases for the various tenants. An average, fully leased and fully allocated lease net income at \$1.30 per square foot would yield about 3.1% ROI based on the original construction cost.

#### **Renewal Strategies:**

##### **POOL:**

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

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

County Reinsurance, Ltd. (CRL), a member owned captive insurance company in which NPAIP placed a substantial capital contribution, reinsures the liability layer of \$1,500,000 above the POOL retention of \$500,000 on an 80% quota share basis with PRM bearing 20%. CRL is considering offering expanded capacity which may enable us to adjust our POOL retention and/or PRM's participation. CRL preliminary indications are for a 2-3% overall rate increase.

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

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

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

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

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

**PACT:**

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

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

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

**PACT Cardiac Wellness Program:**

Participation continues to be low and we continue to promote the program to more agencies. We have had some success stories that demonstrate the efficacy of the program. SpecialtyHealth developed a promotional educational video that is quite convincing. It utilizes several local governmental agency employees as examples of the risks and successes.

**Capitalization for Captives:**

Based upon POOL and PACT audit results, additional contributions to the surplus of the captives is possible in the discretion of the Executive Committee. The net asset gains based upon the FY 2010-2011 audits are:

PACT: \$ 271,155

POOL: \$2,475,162

Both of these gains were suppressed by the inclusion of the substantial amortization costs associated with prior substantial contributions to surplus.

**Public Agency Retirees Trust:**

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

**Board Retreat:**

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

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

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

**POOL Form Changes:**

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

# POOL/PACT HR STRATEGIC PLAN FY 11/12

Page 1

ID	Objective/Action Plan	Due Date	% Complete	2011												2012											
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun												
1	<b>Develop two new instructor-led courses annually</b>																										
2	Achieving a Drug- and Alcohol-Free Workplace Part I - All Employees	9/30/2011	100%																								
3	Achieving a Drug- and Alcohol-Free Workplace Part II - Managers and Supervisors	9/30/2011	100%																								
4	Advanced EMS Day 1	12/8/2011	100%																								
5	Advanced EMS Day 2	2/10/2012	100%																								
6	<b>Update and revise instructor-led training courses</b>																										
7	EMS Cert Program - Session 1: Personal Insights and Legal Aspects 101	8/15/2011	100%																								
8	EMS Cert Program - Session 2: Keeping Your Organization Out of Hot Water: Legal Compliance	8/15/2011	100%																								
9	EMS Cert Program - Session 3: Coaching, Evaluating, and Due Process	9/15/2011	100%																								
10	EMS Cert Program - Session 4: Managing Time, Over Time	9/15/2011	100%																								
11	HR Rep Cert Program - Session 1: HR Records Administration	2/23/2012	100%																								
12	HR Rep Cert Program - Session 2: Selection and Recruitment	3/13/2012	90%																								
13	HR Rep Cert Program - Session 3: Legal Compliance	3/28/2012	75%																								
14	HR Rep Cert Program - Session 4: Compensation and Benefits	4/23/2012	0%																								
15	HR Rep Cert Program - Session 5: Employee Relations	5/4/2012	0%																								
16	Achieving a Harassment-Free Workplace	8/1/2011	100%																								
17	Addressing Misconduct and Harassment in a School Environment	8/1/2011	100%																								
18	Combating Unlawful Harassment	11/4/2011	100%																								
19	Unlawful Harassment - A Refresher Course	11/4/2011	100%																								
20	Interviewing Techniques	12/30/2011	100%																								
21	Bullying in the Workplace	3/9/12	90%																								
22	A Perfect Storm	3/15/2012	90%																								
23	The Good, The Bad, and The Ugly: Lessons Learned Workshop	10/3/2011	100%																								



ID	Objective/Action Plan	Due Date	% Complete	2011												2012											
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun												
1	<b>Develop two new e-learning courses annually</b>																										
2	Addressing Misconduct in a School Environment	9/30/2011	100%																								
3	Achieving a Drug- and Alcohol-Free Workplace (Part I - All Employees)	6/29/2012	50%																								
4	Achieving a Drug- and Alcohol-Free Workplace (Part II - Managers and Supervisors)	6/29/2012	50%																								
5	<b>Offer two regional training courses throughout the state in fall &amp; spring</b>																										
6	<b>EMS Cert Program - Lyon County</b>	9/29/2011	100%																								
7	Session 1 - Personal Insights & Legal Aspects 101	9/12/2011	100%																								
8	Session 2 - Keeping Your Organization Out of Hot Water: Legal Compliance	9/14/2011	100%																								
9	Session 3 - Coaching, Evaluating, and Due Process	9/28/2011	100%																								
10	Session 4 - Managing Time, Over Time	9/29/2011	100%																								
11	<b>EMS Cert Program - Carson City</b>	10/26/2011	100%																								
12	Session 1 - Personal Insights & Legal Aspects 101	10/11/2011	100%																								
13	Session 2 - Keeping Your Organization Out of Hot Water: Legal Compliance	10/12/2011	100%																								
14	Session 3 - Coaching, Evaluating, and Due Process	10/25/2011	100%																								
15	Session 4 - Managing Time, Over Time	10/26/2011	100%																								
16	<b>EMS Cert Program - Carson City 2</b>	2/8/2012	100%																								
17	Session 1 - Personal Insights & Legal Aspects 101	1/24/2012	100%																								
18	Session 2 - Keeping Your Organization Out of Hot Water: Legal Compliance	1/25/2012	100%																								
19	Session 3 - Coaching, Evaluating, and Due Process	2/7/2012	100%																								
20	Session 4 - Managing Time, Over Time	2/8/2012	100%																								
21	<b>EMS Cert Program - Douglas County</b>	2/29/2012	100%																								
22	Session 1 - Personal Insights & Legal Aspects 101	2/14/2012	100%																								
23	Session 2 - Keeping Your Organization Out of Hot Water: Legal Compliance	2/15/2012	100%																								
24	Session 3 - Coaching, Evaluating, and Due Process	2/28/2012	100%																								
25	Session 4 - Managing Time, Over Time	2/29/2012	100%																								



ID	Objective/Action Plan	Due Date	% Complete	2011												2012											
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun												
1	<b>Offer two regional training courses throughout the state in fall &amp; spring (continued)</b>																										
2	Advanced EMS - Carson City 1	3/7/2012	100%																								
3	Day 1	3/6/2012	100%																								
4	Day 2	3/7/2012	100%																								
5	Advanced EMS - Carson City 2	5/2/2012	0%																								
6	Day 1	5/1/2012	0%																								
7	Day 2	5/2/2012	0%																								
8	Human Resources Representative Certificate Program	5/23/2012	0%																								
9	Session 1 - Personnel Records and Administration	4/24/2012	0%																								
10	Session 2 - Selection and Recruitment	4/25/2012	0%																								
11	Session 3 - Legal Compliance	5/8/2012	0%																								
12	Session 4 - Compensation and Benefits	5/22/2012	0%																								
13	Session 5 - Employee Relations and HR Policy Administration	5/23/2012	0%																								
14	391 Changes for School Districts	10/26/2011	100%																								
15	Silver Springs	10/3/2011	100%																								
16	Yerington	10/4/2011	100%																								
17	Carson City	10/6/2011	100%																								
18	Minden	10/10/2011	100%																								
19	Fallon	10/11/2011	100%																								
20	Winnemucca	10/24/2011	100%																								
21	Elko 1	10/25/2011	100%																								
22	Elko 2	10/25/2011	100%																								
23	Ely	10/26/2011	100%																								
24	Internal Investigations (Boulder City)	9/21/2011	100%																								
25	Workplace Violence (Lovelock)	7/21/2011	100%																								



# POOL/PACT HR STRATEGIC PLAN FY 11/12

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ID	Objective/Action Plan	Due Date	% Complete												
				2011						2012					
1	<b>Offer two regional training courses throughout the state in fall &amp; spring (continued)</b>			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2	Workplace Violence (Douglas County)	3/8/2012	100%												
3	Power - NACO (Fallon)	9/20/2011	100%												
4	Power - Nevada League of Cities (Mesquite) CANCELLED	10/5/2011	0%												
5	Power - School Board (Reno)	3/2/2012	100%												
6	Selection Techniques - Nevada Rural Water Association (Reno)	3/22/2012	0%												
7	<b>Develop three new HR Briefings annually</b>														
8	Handling Employee Complaints	11/28/2011	100%												
9	Reasonable Suspicion	6/29/2012	0%												
10	Social Media	6/29/2012	0%												
11	<b>Review/update ten HR Briefings annually</b>														
12	Americans with Disabilities Act	9/13/2011	100%												
13	Bullying in the Workplace	2/27/2012	100%												
14	COBRA	6/29/2012	75%												
15	Conducting an Administrative Inquiry	6/29/2012	0%												
16	Core Management Skills: Communication	6/29/2012	75%												
17	Core Management Skills: Time Management	6/29/2012	75%												
18	Employee Assistance Program (EAP)	1/9/2012	100%												
19	Employee or Independent Contractor	9/13/2011	100%												
20	Exit Interviews	6/29/2012	0%												
21	Fair Labor Standards Act (FLSA)	9/13/2011	100%												
22	Family Medical Leave Act (FMLA)	9/13/2011	100%												
23	FLSA Classification	9/13/2011	100%												
24	FLSA Firefighters	6/29/2012	0%												
25	FLSA First Responders	6/29/2012	0%												



ID	Objective/Action Plan	Due Date	% Complete	2011												2012											
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun												
1	<b>Review/update ten HR Briefings annually (continued)</b>																										
2	Guidelines for Interns and Summer/Seasonal Hires	11/28/2011	100%																								
3	Hiring Retirees into Critical Labor Shortage	6/29/2012	0%																								
4	HIPAA	6/29/2012	75%																								
5	1-9	11/28/2011	100%																								
6	Job Descriptions	9/13/2011	100%																								
7	Military Leave	6/29/2012	75%																								
8	Performance Management	6/29/2012	0%																								
9	Personnel Policy Manual	2/23/2012	100%																								
10	Personnel Records Maintenance	2/28/2012	100%																								
11	Preventing Identity Theft	6/29/2012	0%																								
12	Preventing Sexual Misconduct in the Educational Environment	11/28/2011	100%																								
13	Unlawful Harassment	9/13/2011	100%																								
14	Volunteer Program	6/29/2012	0%																								
15	Workers Compensation	6/29/2012	75%																								
16	<b>Review/update e-learning courses</b>																										
17	Achieving a Harassment-Free Workplace	6/29/2012	100%																								
18	Bullying in the Workplace	6/29/2012	75%																								
19	Due Process: What Supervisors and Managers Should Know	2/14/2012	100%																								
20	Workplace Violence	2/1/2012	100%																								



ID	Objective/Action Plan	Due Date	% Complete	2011												2012											
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun												
1	<b>Offer four mandatory on-line training courses for new employees</b>																										
2	Unlawful Harassment	6/29/2012	60%																								
3	Bullying in the Workplace	6/29/2012	60%																								
4	Workplace Violence	6/29/2012	60%																								
5	Drug & Alcohol Awareness	6/29/2012	60%																								
6	<b>Level 3 Surveys (new courses as appropriate)</b>																										
7	Lyon County EMS Graduates 9/29/11	12/28/2011	100%																								
8	Carson City EMS Graduates 10/26/11	12/28/2011	100%																								
9	Carson City EMS Graduates 2/8/12	4/6/2012	0%																								
10	Douglas County EMS Graduates 2/29/12	4/30/2012	0%																								
11	FRISK	5/1/2012	0%																								
12	<b>Member Services Survey</b>																										
13	2012 Member Services Survey	2/14/2012	100%																								
14	<b>Issue Alerts as Needed</b>																										
15	2011 HR-Related Legislation	7/1/2011	100%																								
16	Lie Detector Tests for Peace Officers Appointed as a Category I, II, or Reserve Officer	7/7/2011	100%																								
17	New Cell Phone Law Effective October 1, 2011	9/29/2011	100%																								
18	Updated NERC Poster	10/3/2011	100%																								
19	Revised Federal Drug Testing Custody and Control Form	10/7/2011	100%																								
20	Last Chance Agreements	10/25/2011	100%																								
21	Family Medical Leave Act Forms Expiration Date Extended	1/20/2012	100%																								
22	Family Medical Leave Act Forms Updated	2/16/2012	100%																								
23	*Bath Salts* Now a Schedule 1 Controlled Substance	2/16/2012	100%																								



# POOL/PACT HR STRATEGIC PLAN FY 11/12

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ID	Objective/Action Plan	Due Date	% Complete												
				2011						2012					
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	<b>Statewide Webinars</b>														
2	Boundaries in the Workplace (EAP Webinar)	9/27/2011	100%												
3	The Balancing Act (EAP Webinar)	12/14/2011	100%												
4	Dealing Effectively with Change (EAP Webinar)	3/15/2012	0%												
5	Creative Skills for Dealing with Job Burnout (EAP Webinar)	6/29/2012	0%												
6	Violence in the Workplace (EAP Webinar)	6/29/2012	0%												
7	<b>Continue to offer member service programs (upon request)</b>														
8	Succession Planning	6/29/2012	0%												
9	Recruitment and Hiring Coaching	6/29/2012	100%												
10	<b>Coaching and problem solving</b>														
11	Assist members with HR-related issues by providing advice and consultation	6/29/2012	60%												
12	<b>Develop member service plans to include trainings, briefings, &amp; policy development (year-to-date)</b>	6/29/2012	60%												
13	Training: (99 Scheduled; 68 Completed; 2,004 Participants; Evaluation Average 4.6)	6/29/2012	60%												
14	HR E-learning (8,775 Enrolled; 3,765 Completed)	6/29/2012	60%												
15	HR Briefings (10 Scheduled; 9 Completed)	6/29/2012	60%												
16	Policy Development (40 Scheduled; 5 Completed)	6/29/2012	60%												
17	<b>Sample Personnel Policy Annual Update (ADA &amp; NV Legislation)</b>														
18	Large Organization Sample Personnel Policies	7/22/2011	100%												
19	Small Organization Sample Personnel Policies (less than 50 employees)	7/20/2011	100%												
20	School District Sample Personnel Policies and Administrative Regulations	7/26/2011	100%												
21	<b>Sample Personnel Policy Annual Update (End of Fiscal Year 11/12)</b>														
22	Large Organization Sample Personnel Policies	6/29/2012	0%												
23	Small Organization Sample Personnel Policies (less than 50 employees)	6/29/2012	0%												
24	School District Sample Personnel Policies and Administrative Regulations	6/29/2012	0%												

# POOL/PACT HR STRATEGIC PLAN FY 11/12

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ID	Objective/Action Plan	Due Date	% Complete												
				2011						2012					
1	<b>HR Compliance Assessment Program 09/10</b>			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2	City of Yerington (On-site assessment 10/23/09)	6/29/2012	75%												
3	Tahoe Douglas Fire Protection District (On-site assessment 11/18/09)	6/29/2012	75%												
4	Churchill County School District (On-site assessment 2/9/10)	6/29/2012	75%												
5	West Wendover (On-site assessment 4/15/10)	6/29/2012	75%												
6	Town of Tonopah (On-site assessment 6/24/10)	6/29/2012	75%												



ID	Objective/Action Plan	Due Date	% Complete												
				2011						2012					
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	<b>HR Compliance Assessment Program 10/11</b>														
2	Elko County School District (On-site assessment 7/27/10)	6/29/2012	75%												
3	Town of Pahrump (On-site assessment 10/6/10)	6/29/2012	75%												
4	Mineral County School District (On-site assessment 11/15/10)	6/29/2012	75%												
5	Sun Valley GID (On-site assessment 12/1/10)	6/29/2012	75%												
6	Indian Hills GID (On-site assessment 12/8/10)	6/29/2012	75%												
7	Lyon County School District (On-site assessment 4/27/11)	6/29/2012	75%												
8	City of Fernley (On-site assessment 5/11/11)	6/29/2012	75%												
9	Beatty Water & Sanitation District (On-site assessment 5/26/11)	6/29/2012	75%												
10	Esmeralda County School District (On-site assessment 6/10/11)	6/29/2012	75%												

# POOL/PACT HR STRATEGIC PLAN FY 11/12

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ID	Objective/Action Plan	Due Date	% Complete												
				2011						2012					
1	<b>HR Compliance Assessment Program 11/12</b>			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2	Douglas County (On-site assessment 9/13/11)	11/7/2011	100%												
3	Gardnerville Ranchos GID (On-site assessment 10/18/11)	6/29/2012	75%												
4	Churchill County (On-site assessment 11/8/11)	6/29/2012	75%												
5	Humboldt County School District (On-site assessment 1/24/12)	6/29/2012	50%												
6	Lincoln County School District (On-site assessment 1/31/12)	6/29/2012	50%												
7	City of Wells (On-site assessment 2/2/12)	6/29/2012	50%												
8	City of Elko (On-site assessment 2/3/12)	6/29/2012	50%												
9	Kingsbury GID (On-site assessment 3/27/12)	6/29/2012	0%												
10	City of Ely (On-site assessment TBD)	6/29/2012	0%												
11	White Pine County (On-site assessment TBD)	6/29/2012	0%												
12	City of Winnemucca (On-site assessment TBD)	6/29/2012	0%												
13	Moapa Valley Water District (On-site assessment TBD)	6/29/2012	0%												



# **PUBLIC AGENCY COMPENSATION TRUST**

## **INVESTMENT GUIDELINES**

### **1. Scope**

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

### **2. Statement of Purpose**

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

### **3. Investment Strategy**

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

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

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

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

- 1) capital preservation;

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

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

#### **4. Investment Risk**

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

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

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

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

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

#### **5. Investment Responsibility**

- A. Investment authority for PACT rests with the Board of Trustees. This authority may be delegated to the Executive Committee and the Executive Director.
- B. The Board of Trustees may contract with investment advisor(s) to advise and manage the PACT's investments. Such advisor(s) shall provide a comprehensive report at least annually to the Board of Directors or its designee of all transactions and the investment performance of funds under management. The report shall suggest changes in policies or improvements that might be made in the investment program.
- C. The Executive Director will manage all investment activity as closely as is practicable. The Executive Director will make day-to-day investments. In all cases, the Executive Director will:
1. Ensure that all investments are made in accordance with PACT policies;

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

## **6. Authorized Investments**

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

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

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

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

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

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

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

## **7. Authorized Financial Dealers and Institutions**

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

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

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

## **8. Investment Guidelines and Limitations**

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

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

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

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

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

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

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

## **9. Safekeeping and Custody**

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

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

## **10. Collateralization**

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

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

The right of collateral substitution is granted.

## **11. Selection and Performance Review of Investment Managers**

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

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

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

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

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

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

## **12. Reporting**

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

## **13. Investment Policy Adoption**

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

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

# NEVADA PUBLIC AGENCY INSURANCE POOL

## INVESTMENT GUIDELINES

### 1. Scope

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

### 2. Statement of Purpose

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

### 3. Investment Strategy

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

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

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

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

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

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

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

#### **4. Investment Risk**

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

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

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

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

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

#### **5. Investment Responsibility**



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

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- A. The following types of securities are eligible investments subject to asset allocation:
  - 1. U.S. Treasury Securities;
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  - 6. Repurchase Agreements;
  - 7. Money Market Mutual Funds;

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

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

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

## **7. Authorized Financial Dealers and Institutions**

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

- a. audited financial statements
- b. proof of National Association of Security Dealers certification
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- e. completed broker/dealer questionnaire
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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.

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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.

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

## **9. Safekeeping and Custody**

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

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

## **10. Collateralization**

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

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

The right of collateral substitution is granted.

## **11. Selection and Performance Review of Investment Managers**

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

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

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

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

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- Failure to adhere to any aspect of this investment policy statement including communication and reporting requirements.'
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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**



Nevada Public Agency Insurance Pool  
Public Agency Compensation Trust  
201 S. Roop Street, Suite 102  
Carson City, NV 89701-4779  
Toll Free Phone (877) 883-7665  
Telephone (775) 885-7475  
Facsimile (775) 883-7398

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

**Date: August 23, 2011**

**Time: 1:30 P.M.**

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

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

**Notices:**

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

**1. Roll**

Members Present: Mike Rebaleati, Pat Whitten, Lisa Jones, Dan Newell, Alan Kalt, Cash Minor, Roger Mancebo, Paul Johnson, Toni Inserra

Members Absent: Josh Foli, Jeff Zander, Steve West

Others present: Wayne Carlson, Ann Wiswell, Doug Smith

**2. Public Comment**

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

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

**a. Approval of Minutes of Meetings:**

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

**7. Public Comment**

Chair Kalt called for public comment. None was received.

**8. For Possible Action: Adjournment**

On motion and second to adjourn, the meeting adjourned at about 2:45 p.m.

**The Agenda was posted at the following locations:**

**N.P.A.I.P. / P.A.C.T.  
201 S. Roop Street, Suite 102  
Carson City, NV 89701**

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

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

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

**Notice of Meetings and Agendas for the Joint Meeting of  
the Board of Directors and of the Executive Committees of  
Nevada Public Agency Insurance Pool and  
the Board of Trustees of  
Public Agency Compensation Trust  
Place: John Ascuaga's Nugget,  
Sparks, Nevada**

**Date: April 26, 2012 Time: 1:30 p.m.**

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

**JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA**

**April 26, 2012**

**Notices:**

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- 4. The general Public Comment periods are limited to those items not listed on the agenda. Public Comment periods are devoted to comments by the general public, if any, and may include discussion of those comments; however, no action may be taken upon a matter raised under Public Comments until the matter itself has been included specifically on an agenda as an item upon which action may be taken.**
- 5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.**

**Board Governance Workshops**

**1:30 p.m. – 3:00 p.m. United Educators Enterprise Risk Management Process (Janice Abraham, President, UE)**

**3:00 p.m. – 3:15 p.m. Break**

**3:15 p.m.- 5:00 p.m. County Reinsurance, Ltd. Enterprise Risk Management Responding to Crisis (Phil Bell, Executive Director, CRL)**

**5:30 p.m. – 6:30 p.m. Board Attitude Assessment and Adjustment**

**6:30 p.m. – 8:30 p.m. Dinner and POOL's 25<sup>th</sup> Anniversary Celebration**

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## **JOINT BOARDS and EXECUTIVE COMMITTEES' AGENDA**

**April 27, 2012**

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- 5. At the discretion of the Chair of the meeting, public comments on specific agenda items may be allowed, but must be limited to the specific agenda item.**

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

7. **For Possible Action:** Loss Control Committee
  - a. Loss Control Committee Report
  - b. Recognition of Members for Loss Control Excellence Program Awards
  - c. Risk Management Grants Reports
8. **For Possible Action:** Employee Assistance Program
  - a. Employee Assistance Program Report
  - b. Approval of Aetna Horizon Behavioral Services, Inc. Contract for the Period July 1, 2012 – July 1, 2015
9. **For Possible Action:** POOL/PACT Human Resources
  - a. HR Oversight Committee Report
  - b. Grant Progress Report
  - c. Grant Financial Report
  - d. Approval of Grant for the period July 1, 2012 - July 1, 2015
10. **For Possible Action:**
11. **For Possible Action:** Stewardship Reports
  - a. Alternative Service Concepts
  - b. Willis Pooling
12. Public Comment
13. **For Possible Action:** Adjournment

This Agenda was posted at the following locations:

N.P.A.I.P. / P.A.C.T.  
201 S. Roop Street, Suite 102  
Carson City, NV 89701

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

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

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

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## **Money Management and Controls – All Entities (General Policy)**

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

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

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

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

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



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

### Banking

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

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

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

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

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

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

### **Investments (aka: Trust Accounts)**

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

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

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

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

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

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

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

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



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 of the Executive Committee of  
Public Agency Compensation Trust**

**Place: John Ascuaga's Nugget, Sparks, Nevada**

**Time: 10:00 a.m. or**

**Upon adjournment of Joint Board Meeting**

**Date: April 27, 2012**

**AGENDA**

**April 27, 2012**

**Notices:**

- 1. Items on the agenda may be taken out of order;**
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- 1. Introductions and Roll**
- 2. Public Comment**
- 3. For Possible Action: Consent Agenda: Approve as a Whole Unless Moved From Consent Agenda**
  - Approval of Minutes of Board Meetings:  
Board Meeting April 28-29, 2011**
- 3. For Possible Action: Acceptance of Audit for June 30, 2011**
- 4. For Possible Action: Acceptance of Reports**
  - a. Claims Review Report**
  - b. Large Loss Report**
  - c. Actuarial Update**
  - d. Claims Services Audit Report**

5. **For Possible Action:** Acceptance of Budget for 2012-2013
6. **For Possible Action:** Approval of Contracts
  - a. Alternative Service Concepts – Claims Management Services
6. **For Possible Action:** Cardiac Wellness Program Status Report
7. **For Possible Action:** Acceptance of Renewal Reinsurance Proposals and Options
8. **For Possible Action:** Approval of Renewal Risk Retention Options
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 from 2012-2014
  - a. One Representative from Counties and/or Cities with less than 35,000 Population
  - b. One Representative from Hospitals
  - c. One Representative of School Districts
11. **For Possible Action:** Election of Chair and Vice Chair
12. Public Comment
15. **For Possible Action:** Adjournment

**ANNUAL MEETING OF THE MEMBERS OF PUBLIC COMPENSATION MUTUAL**

**Time:** Upon Adjournment of the Meeting of Public Agency Compensation Trust

**Agenda:** See separate agenda for Public Compensation Mutual

This Agenda was posted at the following locations:

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Carson City, NV 89701

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DRAFT



Account Description	Actual 6/30/2011	Budget Amount 2011-2012 Approved by board 4/26/2011	Budget Amount 2012-2013 Approved by Ex Com 3/ /2012
<b>INCOME:</b>			
Assessments	11,275,085	8,731,263	11,940,586
Heart/Lung Assessments	1,503,026	1,559,478	1,774,328
Agent Compensation	-	0	0
Investment Revenues	1,801,376	650,000	900,000
Bank Interest Income	1,268	2,000	2,000
<b>TOTAL INCOME</b>	<b>14,580,755</b>	<b>10,942,741</b>	<b>14,616,915</b>
<b>LOSS RESERVES EXPENSES:</b>			
Claims and Adjustment Expenses	6,312,209	6,064,580	6,760,325
Heart/Lung Reserves Expense	1,503,026	1,160,284	1,785,328
<b>TOTAL LOSS FUND EXPENSES</b>	<b>7,815,235</b>	<b>7,224,864</b>	<b>8,545,654</b>
<b>PROGRAM EXPENSES:</b>			
Letter of Credit	-	-	-
Reinsurance Premium	760,706	800,000	912,928
Claims TPA Fees (ASC)	564,021	658,480	638,219
Underwriting Fees (Willis Pooling)	30,000	30,000	30,000
Nevada Insolvency Fund	15,800	20,000	20,000
Security Bond/Regulatory Assessments	193,935	500	332,000
Specialty Health MCO Contract	48,000	100,000	50,000
<b>Total Program Expenses</b>	<b>1,612,462</b>	<b>1,608,980</b>	<b>1,983,147</b>
<b>ADMINISTRATION EXPENSES:</b>			
Management Services	471,955	462,000	475,860
Sponsorship Fees	1,393	2,000	3,000
Travel	22,132	15,000	15,000
Casualty Insurance	32,120	32,000	33,000
Dues and Seminar Fees	11,518	17,000	18,000
Audit Expense	40,840	53,000	45,000
Printing & Copying Expense	11,962	5,000	5,000
Postage	2,383	2,000	3,700
Office Supplies	3,249	5,000	5,000
Telephone Expense	2,136	5,000	5,000
Legal Expense	12,860	10,000	10,000
Miscellaneous Expenses	617	-	-
Board & Committee Meetings	7,237	15,000	10,000
Actuary Expense	36,400	35,000	36,000
Member Services incl EAP	110,599	105,000	115,000
Bank Service Charges	-	5,000	5,000
PRI Contract Services	566,500	583,500	525,000
Education and Training	313	40,000	5,000
Insurance Division Fees	378,848	300,000	260,000
Loss Control Expense	409,500	406,000	406,000
Investment Expense	92,822	-	100,000
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>2,215,385</b>	<b>2,097,500</b>	<b>2,080,560</b>
<b>TOTAL LOSS FUND, PROGRAM &amp; ADMINISTRATION EXPENSES</b>	<b>11,643,082</b>	<b>10,931,344</b>	<b>12,609,361</b>

<b>NET INCOME</b>	<b>2,937,673</b>	<b>11,397</b>	<b>2,007,554</b>
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Loss Control Grants (Paid from Net Assets)	-	-	-
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<b>Account Description</b>	<b>Actual 6/30/2011</b>	<b>Budget 2011-12</b>	<b>Budget 2012-13</b>
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**OTHER EXPENSES:**

Specialty Health - Cardiac Wellness	131,296	840,000	427,000
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PCM Amortization Expense	2,235,177	-	2,389,381
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<b>TOTAL OTHER EXPENSES</b>	<b>2,366,473</b>	<b>840,000</b>	<b>2,816,381</b>
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912,636

## Change

3,209,323	\$ 8,456,311
214,851	\$ 2,818,771
0	\$ 11,275,082
250,000	
0	\$ 13,109,512
3,674,174	34%

695,745	
625,044	
1,320,789	18%

112,928	
(20,261)	
0	
0	
331,500	
(50,000)	
374,167	23%

13,860	
1,000	
0	
1,000	
1,000	
(8,000)	
0	
1,700	
0	
0	
0	
0	
(5,000)	
1,000	
10,000	
0	
(58,500)	
(35,000)	
(40,000)	
0	
100,000	
(16,940)	
1,678,016	15%

1,996,158 17515%

0

(413,000)

1,976,381



## **The OUR SYSTEM®**

### **A WORKERS' COMPENSATION COST CONTROL AND INJURY MANAGEMENT PROGRAM**

**A Proposal for**

# **Public Agency Compensation Trust**

**December 2, 2011**

**Presented by**

**Norman Peterson & Associates, Inc.**

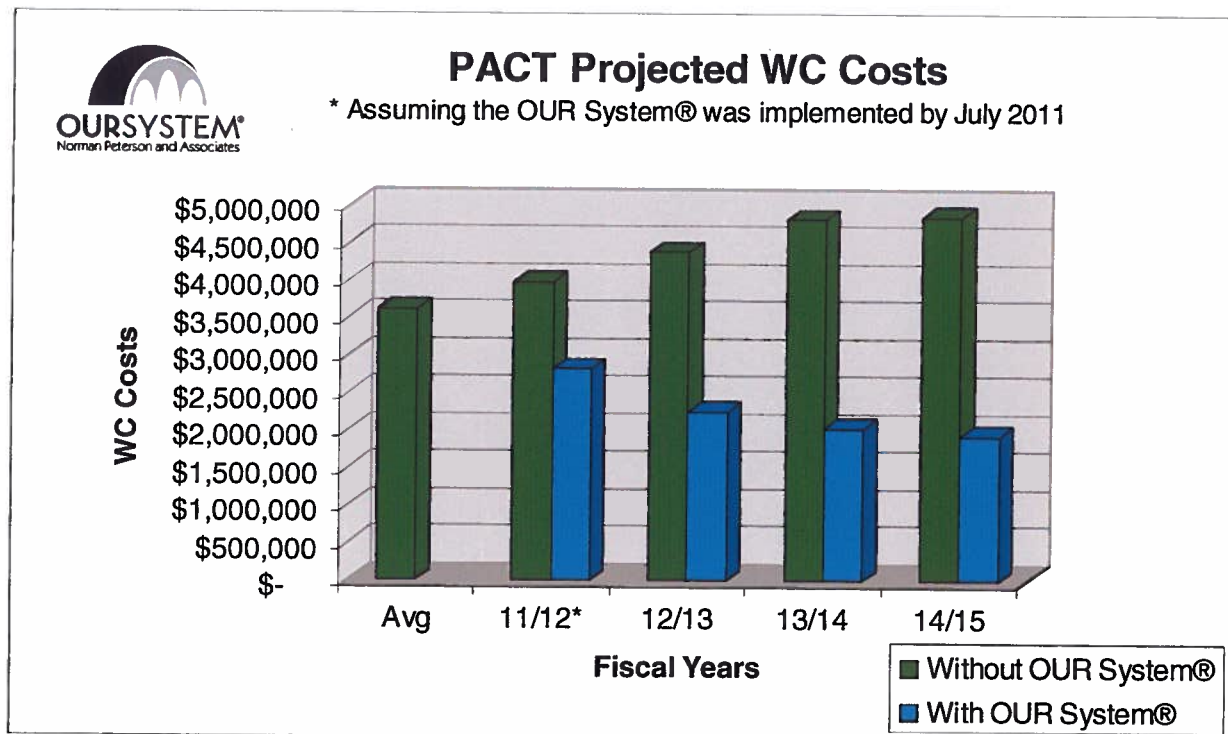
**526 Washington Street, Suite 1  
Ashland, OR 97520  
Phone: 541-488-0162  
Fax: 541-488-5408**

## OUR System® Savings

These findings are based upon workers' compensation data for fiscal years 2008-09 through 2010-11 provided by Alternative Service Concepts (ASC). After analyzing the data for the Public Agency Compensation Trust (PACT), NPA predicts a savings of approximately \$650,000 in the first year of OUR System® implementation. With an estimated cost of \$250,000 under Investment Option 1 - OUR System®, PACT will realize a return on investment in 4.6 months.

Savings	\$650,000
Cost	\$250,000
ROI	4.6 months

The following graph illustrates your estimated incurred cost trend, as well as, the predicted costs after an OUR System® implementation. For the purposes of this graph we used a three year rolling average using 2010-2011 data. This was done to smooth out the fluctuations in incurred losses. Additionally, we added 10% per year for your project costs without the OUR System®. Based on our experience, we predict a 20% decrease in incurred costs in the first two years of OUR System® implementation followed by a 10% drop in the third year and a 5% drop in the fourth year.



## OUR System® Guarantee

If you choose to purchase the OUR System® we guarantee recovery of all fees paid in the first year or we will refund the difference between your savings and our fee.

## What Is the OUR System®?

The Optimum Utilization of Resources (OUR) System® is a unique and proactive return-to-work program preferred by employers, injured workers, physicians, and workers' compensation personnel.

Developed in 1985 by Norman A. Peterson, of Norman Peterson & Associates, the OUR System® was created as a solution to the increasing costs of workers' compensation. Over the years the OUR System® has been implemented in over 25 states and in more than 1,000 organizations and has grown to include over 3,000 transitional work assignments known as "Bridge Assignments". Implementing an OUR System® will help your organization control costs and return workers to meaningful productive work. If you already have a return-to-work program the OUR System® will formalize the process with a consistency of application.

NPA consultants will review your return-to-work efforts, as well as, analyze work/tasks currently being performed within your organization. From these findings our NPA consultants will develop a catalog of temporary full-time equivalent assignments known as "Bridge Assignments". These Bridge Assignments are then grouped by type of injury and physical capacities and plotted on a matrix. The matrix and catalog of Bridge Assignments create the foundation of the OUR System®.

The OUR System® has a proven track record that can work for your organization. Once implemented you can reasonably expect to see a 20% drop in your total incurred costs and a 30% reduction in lost work days.

## **OUR System® Goals**

The primary goal of the OUR System® is to maintain productivity and decrease workers' compensation costs for both the Private and Public sector.

The OUR System® is a three part solution to increasing WC costs. The short-term solution is to document the physical requirements of key existing tasks and develop a means to offer temporary productive transitional work to injured employees currently off work. This will serve to stop the ongoing costs of indemnity in some cases, and in others, improve settlement standing for the employer where that is the likely outcome.

In the mid-term, having documented available transitional work at the earliest possible moment for injured workers will restore productivity and minimize indemnity on new claims, maintaining many at the medical only level. These steps will serve to improve control over the process and reduce ongoing indemnity reserves at the outset of each claim.

The long-term strategy is to remain consistent in handling new claims as described above, and gradually close out the inactive claims, recovering the unused reserves. In addition, over time a residual effect will be seen in the medical and allocated expenses which will naturally recede to some degree when injury management is successfully dealt with in this way.



## **Benefits of the OUR System®**

1. **Reduction of Indemnity:** The OUR System® has the most direct impact on paid indemnity costs. By being prepared and equipped with temporary transitional work (Bridge Assignments) in advance, injured workers can be returned to useful and productive work almost instantly, thus dramatically reducing the number of days the employer must pay indemnity benefits.
2. **Impact on Medical Costs:** Since the OUR System® is not an accident prevention program, it is sometimes assumed that it can have no impact on the medical cost of workers' compensation claims. However, there is substantial evidence that workers quickly brought back to work in productive and appropriate assignments, with doctor approval, will not aggravate their injury and will, in fact, recover sooner and reduce the need for medical treatment. Some studies show as much as a 50% faster recovery time.
3. **Control of Reserves:** The OUR System® will impact reserves in two ways. First, existing open claims may be re-evaluated and worked into a newly implemented OUR System®. The result, early closure of some claims and improved settlement standing on other claims. The second area of impact is on the future setting of reserves. After a period of successful claims management, reducing lost work days and claim costs and closing claims more quickly than historical expectations, reserves may be set at reduced levels from the beginning of the claim to more accurately reflect the life of the claim under the OUR System®.

### **Additional Benefits:**

- Enables medical providers to quickly assess feasibility and suitability of Bridge Assignments.
- Employers receive productivity for their money.
- Recovery period is reduced and risk of re-injury is minimized.
- Improves settlement posture on long term cases.
- Fraud is discouraged.
- Assists in meeting ADA & FEHA requirements.

## How It Works

We propose to design, develop and implement the following steps for PACT. The OUR System® implementation consists of the steps listed below.

1. A professional team from NPA, with the active participation of selected personnel, will perform detailed analyses of work/tasks currently being done at PACT.
2. Tasks not currently being performed, but considered important to PACT will be similarly analyzed and included in the system.
3. These tasks will be consolidated into temporary full-time equivalent assignments ("Bridge Assignments") and organized by body part to accommodate the type and number of injuries predicted. Each Bridge Assignment will be documented using written job analyses (see Appendix B). The assignments will be developed in accordance with the injuries that account for the most lost/restricted workdays.
4. Individual Bridge Assignments will be documented and plotted on a job analysis Matrix according to level of physical demand on each of five body part groupings (leg/foot, hand/arm, etc.) to facilitate selection of appropriate placement of injured employees (see Appendix A).
5. Documentation of the OUR System® including plans, policies, forms and Bridge Assignments will be assembled into an easy-to-use manual and will serve as a reference for management and outside service providers.
6. All personnel involved in the management and administration of the OUR System® will be trained in the use of the system.
7. We will provide OUR System® training for designated medical providers.

Please refer to Appendix C for a more detailed description of the OUR System Implementation Process.

## **PROGRAM OPTIONS**

There are two options for the administration of the OUR System®. The first option is for PACT to purchase the OUR System® and administer the program in-house. The second option includes the development of the OUR System® along with NPA administering the program through our Placement Administration Team (PAT) Service. Please see Appendix F for the proposed Implementation Schedule.

### **Option 1 - The OUR System®**

Implementation of the OUR System will include the steps 1 through 7 listed in the previous section. Once complete you will have a turnkey Return-to-Work System consisting of:

- A set of physical capacity specific Bridge Assignments accommodating all injuries at all times.
- A matrix mapping all Bridge Assignments by injured body part and level of physical capacity.
- The total Bridge Assignments of all matrices will be a minimum of 50 FTE.
- Customized return-to-work policies and procedures.
- A return-to-work forms package.

#### **Included in the OUR System®**

- OUR System® manuals for all designated personnel
- OUR System® Implementation for all relevant personnel
- OUR System® pre-briefing and final training for all key personnel
- Medical Provider training

### **Option 2 - The OUR System® + Placement Administration Team (PAT)**

There are no upfront fees with the PAT option. The OUR System® + PAT is billed to individual claim files, and as a return-to-work administration is a service similar to a Nurse Case Manager, typically no RFP is necessary.

With the PAT option NPA RTW Specialists will perform the on-going return-to-work administration for the OUR System®, which is to include the steps below. A workflow chart for the Placement Administration Team (PAT) can be found in Appendix D.

- Contacting PACT personnel to gather information on the injured worker such as department supervisor contact information, physician contact information, and the nature of the injury.
- Work with personnel to select appropriate Bridge Assignments (BA) to present to the physician.
- Continue to make contact with the physician until a decision regarding return-to-work has been made.
- Once the physician has given approval for return-to-work, PACT will contact the worker regarding the time and place of the return-to-work assignment.
- This process is repeated until the worker is deemed permanent and stationary or the worker cannot return to their usual and customary job.

### **Benefits of the Placement Administration Team (PAT) Service**

1. Assists PACT with return-to-work activities
2. Utilizes NPA's established network of contacts
3. Access to NPA's databank for tough or unusual injuries
4. NPA's sole focus is on Return-to-Work activities
5. Monthly management reports by PACT member

### **Option 3 - The OUR System® + Direct RTW Services**

This option includes the implementation of the OUR System® for all PACT members and Direct Return-to-Work services on specific claims upon referral. This option allows PACT members who already have the infra-structure to self administer the OUR System® program. For members who do not have the infra-structure, NPA RTW Specialists will assist with return-to-work on individual referred claims.

### **Additional Service - Critical Claims Management Team (CCMT)**

The CCMT quarterly meetings serve to review critical claims with the key players involved in the workers' compensation process. This team deals with strategic issues of all claims which meet prescribed criteria. The key players may include attorneys, claims examiners, nurse case managers, the risk manager, the HR manager and an NPA consultant.

CCMT meetings will be arranged and billed separately under Options 1 & 3 as they are an elective service under these options. Conversely, CCMT meetings are included in Option 2 - The OUR System® + PAT and will not be invoiced. The benefits of CCMT are:

- Reduced total incurred costs
- Reduced PPD payments
- Reduced number of open claims
- Reduced total reserved requirements
- Aids in claim closure

## INVESTMENT OPTIONS:

NPA is aware that all public agencies are under great financial constraints and have limited personnel resources. For this reason we have several payment options.

### 1. OUR System® Installation

This option includes the creation, implementation and staff training of the OUR System® for PACT. The administration of the OUR System® is then handled by PACT. There are two payment options for the OUR System® Installation.

#### a. Flat Fee Payment Option

The OUR System® can be purchased for a one time payment of **\$250,000**, half due at signing and the other half due at implementation. Usual and customary travel expenses will be billed separately.

#### b. One Year Payment Plan

The fee for implementing the OUR System® at PACT is \$250,000 plus a service charge of \$37,500 for a total of **\$287,500**. PACT and NPA will agree on a fee per file. NPA will generate invoices monthly until the \$287,500 is paid off. The rate per file is intended to pay for the OUR System® within one year. With this option NPA becomes a service provider much like a Nurse Case Manager and as a result typically no RFP is required. For example, PACT currently averages 651 claim files per year, if we billed each file \$442 your system would be paid off in one year's time. There are no upfront fees with this option; however, incurred usual and customary travel expenses will be added to the purchase price.

### 2. OUR System® Installation + Placement Administration Team (PAT)

This service includes the creation, implementation and staff training of the OUR System®, as well as, the on-going Return-to-Work Administration on claim files for a specified contracted period. There are no upfront fees with this option and NPA will incur all usual and customary travel expenses.

The OUR System® + PAT are funded by billing **\$375** to each claim as they are opened. This payment structure distributes the cost of the OUR System®, as well as, the PAT service fee across all files over the contract period. According to your current data we estimate your total fees in year one will be **\$244,125**.

Should PACT choose to discontinue the PAT service prior to the contract end date but wishes to continue using the OUR System®, the purchase price is \$287,500 minus \$100 per billed file. For example: If at the end of year one there has been 651 billed files and PACT decides to discontinue the PAT service the OUR System® purchase price will be  $\$287,500 - (651 \times \$100) = \$222,400$ .

### 3. OUR System® Installation + Direct RTW Services

This option includes the creation and implementation of the OUR System® for all PACT members and includes NPA's Direct RTW Services to members that need RTW assistance with individual claims. The Direct RTW Service fee is **\$500** per

referred claim and is a one time fee for the life of the claim.

**a. Flat Fee Payment Option – for the OUR System®**

The purchase price for this OUR System® option is **\$250,000**, half due at signing and the other half due at implementation. Usual and customary travel expenses will be billed separately.

**b. One Year Payment Plan – for the OUR System®**

A one year payment plan option is also available. The purchase price for this option is \$250,000 plus a service charge of \$37,500 for a total of **\$287,500**. PACT and NPA will agree on a fee per file. NPA will generate invoices monthly until the \$287,500 is paid off. The rate per file is intended to pay for the OUR System® within one year. With this option NPA becomes a service provider much like a Nurse Case Manager and as a result typically no RFP is required. For example, PACT currently averages 651 claim files per year, if we billed each file \$442 your system would be paid off in one year's time. Usual and customary travel expenses will be billed separately.

**4. Additional Service - Critical Claims Management Team (CCMT)**

The Critical Claims Management Team meetings will be billed at \$2,000 per meeting plus usual & customary travel expenses. CCMT meetings are included in Option 2 - OUR System® + PAT and will not be invoiced.

INVESTMENT OPTIONS	Cost	Savings	ROI
<b>Option 1</b>			
OUR System®			
Flat Fee	\$250,000	\$650,000	4.6 months
OUR System®			
One Year Payment Plan	\$287,500	\$650,000	5.3 months
<b>Option 2</b>			
OUR System® + PAT	\$244,125	\$850,000	3.4 months
<b>Option 3</b>			
OUR System® + Direct RTW	\$250,000		
Flat Fee	\$500/referred claim	\$725,000	4.1 months
OUR System® + Direct RTW	\$287,500		
One Year Payment Plan	\$500/referred claim	\$725,000	4.8 months
<b>Additional Service</b>			
CCMT	\$2,000/mtg		

NPA will honor the investment option pricing listed above for up to one year from the proposal date. After which time investment option pricing will be re-calculated based on the latest available loss run data.

## **5. NPA Guarantee**

NPA guarantees that the workers' compensation savings will be greater than the fee paid as agreed upon above, by the end of one year of full and conscientious operation of the OUR System®. This guarantee shall only be in effect when in accordance with stipulations describing the documentation and monitoring of avoided costs and other savings. The stipulations are as follows:

For the purpose of this evaluation audit, PACT shall make available to NPA upon request, the most current OSHA log and loss run data available. The calculations of savings will be based upon any mutually agreed upon measurement technique by NPA and PACT. Failure to realize said savings will cause NPA to reimburse PACT the amount of documented shortfall within 60 days of the audit.

If the OUR System® program is not used as designed and if NPA is not consulted when problems arise, then the above stated guarantee will be null and void.



## Acceptance of Proposal

We appreciate the opportunity to create this proposal and to assist in your cost-savings efforts. I will contact you within the next week to review the proposal and discuss our next steps. In the meantime, please feel free to contact any of our client references listed in Appendix E to discuss their experiences with the OUR System®. If you have any questions or comments, please do not hesitate to contact me at 541-488-0162. We look forward to working with you.

Please signify your acceptance of this proposal by having your authorized representative sign and return the contract to our office.

Sincerely,

Norman Peterson, President  
Norman Peterson & Associates

ACCEPTED BY:

Name & Title		Date
Options	Price	Check One
OUR System® - Flat Fee	\$250,000	
OUR System® - One Year Payment Plan	\$287,500	
OUR System® + PAT	\$375/claim	
OUR System® + Direct RTW Flat Fee	\$250,000 \$500/referred claim	
OUR System® + Direct RTW One Year Payment Plan	\$287,500 \$500/referred claim	

## SAMPLE CITY AND COUNTY

## ALL DEPARTMENTS

## BRIDGE ASSIGNMENT MATRIX &amp; INDEX

Physical Demand Level	Leg/Foot Injury	Hand/Arm Injury	Lower Back Injury	Neck/Shoulder, Upper Back Injury	Mid-Torso Injury
Level 4	3, 6, 7, 13, 15, 17	15, 17	15, 17	15, 17	15, 17
Level 3	5, 10, 12, 14, 16	3, 11, 13, 16	3, 13, 14, 16	5, 10, 13, 16	3, 10, 13, 14, 16
Level 2	2, 9, 11	1, 2, 4, 5, 6, 8, 9, 10, 12, 18	2, 5, 6, 7, 9, 10, 11, 12	2, 3, 6, 9, 11, 12, 14	2, 5, 6, 7, 9, 11, 12
Level 1	1, 4, 8, 18	7, 14	1, 4, 8, 18	1, 4, 7, 8, 18	1, 4, 8, 18

OURS #TITLETAB #

A - 1	Clerical Support I	1
A - 2	Clerical Support II	2
A - 3	Safety Specialist	3
A - 4	Library Helper I	4
A - 5	Library Helper II	5
A - 6	Inventory Specialist	6
A - 7	Activities Helper	7
D - 8	DPS Paperwork I	8
D - 9	DPS Paperwork II	9
D - 10	Maintenance Checker	10
D - 11	Sign Assistant	11
D - 12	Cleaner I	12
D - 13	Cleaner II	13
D - 14	Painter I	14
D - 15	Painter II	15
D - 16	DPS Helper I	16
D - 17	DPS Helper II	17
D - 18	DPS Utility	18



## **CITY AND COUNTY**

### **BRIDGE ASSIGNMENT**

Bridge assignments are designed to be performed by injured workers who cannot do their regular jobs. They are temporary, productive work assignments specifically developed to help employees safely continue working during their recoveries. For injuries requiring longer recovery periods, employees may be moved through a series of Bridge Assignments with physical requirements matching each stage of their recovery. This process accelerates their return to their usual and customary position while benefiting the organization.

**TITLE:** DPS Utility

**All work is to be performed in a safe and careful manner in order to protect all employees from any undue harm.**

#### **DESCRIPTION**

Worker may perform any combination of the following or similar tasks as directed: Assists in Sign Shop assembling various signs. Applies facing to signs, ensuring that it is aligned correctly, smooth and that no bubbles will be present in finished sign. Does not process through roller or move signs which weigh more than three pounds. Trims excess backing with utility knife. Weeds (removes unwanted material) from signs using tweezers and utility knife. May be assigned to work in Nature Center. Greets visitors, provides information and answers questions as able. Organizes and labels slides. Makes labels. Assists with inventory and pricing of store items. Sells merchandise. May be assigned to monitor completed concrete jobs which are apt to be damaged, ensuring that concrete is not walked on or otherwise damaged. A chair or stool can be provided to sit on.

#### **MACHINES AND/OR TOOLS USED**

Utility knife, tweezers, rolling chair, pen, clipboard, cash register, price gun, chair or stool.

#### **VEHICLES AND/OR EQUIPMENT DRIVEN**

None.

#### **REQUIRED TRAINING, LICENSING AND/OR CERTIFICATIONS**

None.

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CITY AND COUNTY

OUR # : D - 18  
TITLE : DPS Utility**BRIDGE ASSIGNMENT ANALYSIS**EnduranceMinutes at One TimeTotal Hours in an 8 Hour Day

Sit 0 - 5 min.  
 Stand 0 - 5 min.  
 Walk 0 - 5 min.  
 Drive 0

May sit or stand at will.  
 May sit or stand at will.  
 $\frac{1}{4}$  -  $\frac{1}{2}$   
 0

	Nvr	Rare	Seld	Occas	Freq	Cont		Nvr	Rare	Seld	Occas	Freq	Cont
Time in an 8 hour day	0	up to 30 min.	30 to 90 min.	1.5 to 2.5 hrs.	2.5 to 5 hrs.	5 to 8 hrs.	Time in an 8 hour day	0	up to 30 min.	30 to 90 min.	1.5 to 2.5 hrs.	2.5 to 5 hrs.	5 to 8 hrs.
<b>LIFT</b>							<b>PHYSICAL ACTIVITIES</b>						
01 - 10 lbs.						X(1)	Bend/Stoop			X			
11 - 20	X						Twist			X			
21 - 35	X						Crouch/Squat	X					
36 - 50	X						Kneel	X					
<b>CARRY</b>							Crawl	X					
01 - 10 lbs.						X(1)	Walk-Level			X			
11 - 20	X						Walk-Uneven	X					
21 - 35	X						Climb Stairs	X					
36 - 50	X						Climb Ladder	X					
<b>PUSH</b>							Reach Above Shldr	X					
01 - 10 lbs.					X(1)		Use of Arms						X(1)
11 - 20	X						Use of Wrists						X(1)
21 - 35	X						Use of Hands						X(1)
36 - 50	X						Grasping						X(1)
<b>PULL</b>							Fingering					X	
01 - 10 lbs.					X(1)		Foot Control	X					
11 - 20	X						<b>ENVIRONMENT</b>						
21 - 35	X						Inside						X
36 - 50	X						Outside				X(2)		

**SPECIAL NOTES/POSSIBLE HAZARDS/POSSIBLE ACCOMMODATIONS:**

1. Items weighing less than 3 pounds.
2. Time spent outside is only if assigned to monitor concrete, amount of time will vary depending on factors which affect speed of concrete setting.

Possible Hazards: Blood Borne Pathogens.

Nature of assignment allows pacing.

## NORMAN PETERSON & ASSOCIATES

### OUR System® Bridge Assignment Development Stages

**PRE-BRIEFING:** The OUR System implementation is designed to be non-disruptive to your organization. To make this process as efficient as possible, we typically ask to be put on the agenda of your organization's regularly scheduled managers' and supervisors' meetings. At the pre-briefing:

- A representative of Norman Peterson and Associates (NPA) will introduce the OUR System®, explain how Bridge Assignments (temporary transitional positions) will be developed with your staff and outline the goals for the program.
- A clear picture of the on-site implementation will be given with who is going to do what, selection of date(s) for the onsite implementation, and obtain a commitment to collect input, in the form of Wish Lists, from this group and other employees.
- This group of people will be asked to distribute Wish Lists and set up interview appointments for our Return to Work (RTW) Specialists. Also, they may be needed intermittently to assist the team of RTW Specialists during the onsite bridge assignment development.
- The number of days on-site will vary according to the districts' sizes.

**Wish Lists** will be distributed and explained at the pre-briefing meeting. This is an important tool used by the NPA team while on-site to identify priority tasks that will be incorporated into the design of the Bridge Assignments. The core group will be asked to complete the Wish Lists and also distribute blank copies to their co-workers. It is important that all departments complete Wish Lists. They are to be returned either via e-mail or fax to the NPA office at least one week prior to the on-site implementation, in order to provide time for NPA to assess and rank tasks listed according to their recurrence.

**ON-SITE IMPLEMENTATION:** A team of NPA RTW Specialists will arrive at your district typically a week to 10 days after the pre-briefing.

- They will observe and interview as many people as possible to identify and qualify the tasks that will be used to create the Bridge Assignments.
- The interviews will be with managers, supervisors, key staff members, Leads and "special attention" people who may be identified, etc.
- Tailored Bridge Assignments will be developed for the district in general, as well as, for specific departments such as, custodial, food service, transportation, classified, grounds/maintenance, etc.
- Once rough drafts of the Bridge Assignments have been written, the RTW Specialists will review them with the appropriate management personnel.
- The RTW Specialists will also identify key personnel within the district that can assist with placement of injured workers.

**Visits to Medical Providers:** A NPA RTW Specialist will visit your primary medical providers and explain the OUR System® Bridge Assignments. We will need a list of your primary medical providers, so that appointments can be arranged ahead of time. We prefer to have a representative from the district accompany us on these visits, however it is not requisite.

**PLACEMENT ADMINISTRATION TEAM:** While on-site, the RTW Specialist assigned to your organization will begin working with appropriate personnel to identify injured workers currently off work that are eligible for the OUR System® program. Once the injured workers are identified, the RTW Specialist will perform the on-going return-to-work administration for the OUR System®, which includes the steps listed below. These steps will also be applicable to all new claims.

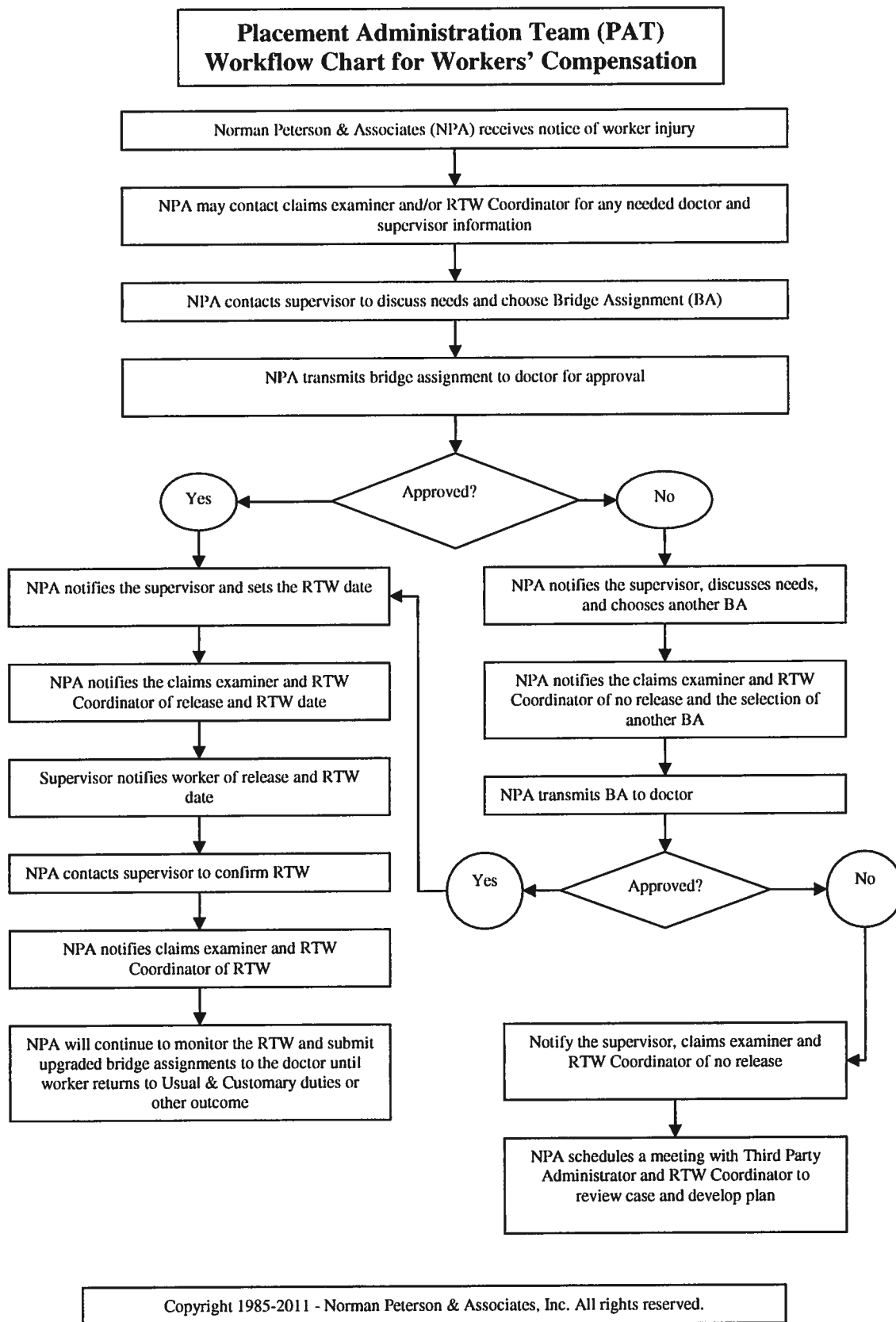
Upon notification, a NPA RTW Specialist will:

- Contact personnel such as department supervisor and claims examiners to gather information on the injured worker, such as physician contact information and the nature of the injury.

- Work with employer personnel to select appropriate Bridge Assignment(s) to submit to the physician for approval.
- Continue to contact the physician until a decision regarding return-to-work is made.
- Once the physician has given approval for return-to-work, the employer will be responsible for contacting the worker regarding time and place of the return-to-work assignment.
- This process is repeated until the worker is deemed permanent and stationary or the worker cannot return to their usual and customary job.

**FOLLOW-UP VISIT:** Approximately three months after our on-site visit we like to schedule a return visit. The purpose of this is to meet personnel and/or medical providers we were unable to meet with during the on-site implementation, and modify Bridge Assignments if necessary. This provides an opportunity to fine-tune the customized system.





## NPA Client References

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Tom McCampbell, Vice President of Claims  
Northern California  
York Risk Services Group  
PO Box 619058  
Roseville, CA 95661  
(916) 783-0100  
tom.mccampbell@yorkrsg.com

MaryJo Castruccio, Assistant Risk Manager  
Contra Costa County  
651 Pine Street, 11th Floor  
Martinez, CA 94553  
(925) 335-1443  
mcast@riskm.cccounty.us

Jon Falappino, Executive Director  
Schools Insurance Group (SIG)  
550 High St. Ste 201  
Auburn, CA 95603  
(530) 823-9582 x4  
sigjfalappino@earthlink.net

Steve Musselman, Risk Manager  
Butte County  
3-A County Center Drive  
Oroville, CA 95965  
(530) 538-7090  
smussel@buttecounty.net

Steve James, Executive Director  
Maryland Association of  
Boards of Education (MABE)  
621 Ridgly Ave, Suite 300  
Annapolis, MD 21401  
(410) 841-5414 x13  
sjames@mabe.org

## OUR System® Implementation

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The following is the implementation schedule for all investment options (1, 2, & 3)

**NPA will carry out twelve on-site OUR System® Implementations for PACT members in the following categories:**

2 for Cities  
2 for Counties  
1 for Fire Protection Services  
1 for Water Districts  
2 for Hospitals  
2 for School Districts  
2 for Other

The on-site implementations will range from one to three consulting days.

**OUR Systems® for remaining PACT members:**

NPA will utilize the bridge assignments developed from the on-site implementations, as well as, bridge assignments from our databank to develop OUR System® manuals for PACT members within each of the six categories listed above.

NPA will conduct four regional OUR System® trainings, these trainings may be in conjunction with other POOL/PACT trainings.

NPA will conduct four OUR System® trainings via webcast.

**The following NPA RTW Services are included in Options 2 & 3:**

- NPA will work with members on an individual basis for specific claims.
- NPA's 1-800-number is available to all members for any questions they may have regarding return-to-work.
- NPA will conduct two refresher webcasts a year about return-to-work for PACT members.
- We will plan on attending two POOL/PACT Executive meetings a year to give a presentation on our performance. Of course this is at the discretion of the Executive Director.



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 of the Executive Committee of  
Nevada Public Agency Insurance Pool  
Place: John Ascuaga's Nugget, Sparks, Nevada  
Time: 1:00 p.m. or  
Upon adjournment of PACT Board Meeting  
Date: April 27, 2012**

**AGENDA**

**April 27, 2012**

**Notices:**

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

- 1. Introductions and Roll**
- 2. Public Comment**
- 3. For Possible Action: Consent Agenda: Approve as a Whole Unless Moved From  
Consent Agenda**
  - Approval of Minutes of Board Meetings:  
Board Meeting April 29, 2011**
- 4. For Possible Action: Acceptance of Audit for June 30, 2011**
- 5. For Possible Action: Acceptance of Reports**
  - a. Claims Review Report**
  - b. Large Loss Report**
  - c. Actuarial Update**
  - d. Claims Services Audit Report**

6. **For Possible Action:** Acceptance of Budget for 2012-2013
7. **For Possible Action:** Approval of Contracts
  - a. Alternative Service Concepts – Claims Management Services
7. **For Possible Action:** Approval of POOL Form Changes Effective July 1, 2012
8. **For Possible Action:** Acceptance of Renewal Reinsurance Proposals and Options
9. **For Possible Action:** Approval of Renewal Risk Retention Options
10. **For Possible Action:** Approval of Lease Agreement Terms and Rates
  - a. Adopt Policy on Lease Requirements for Future Leases
  - b. Approval of Lease Terms:
    - 1) State of Nevada (current lease term expires 2/1/2013)
    - 2) CCMSI (current lease expires 1/7/2013; one year terms extended each year)
    - 3) Public Agency Risk Management Services, inc. (current lease expires 1/1/2013)
    - 4) Pooling Resources, Inc. Grant Rental Costs
11. **For Possible Action:** Election of Executive Committee for Two Year Terms from 2012-2014
  - a. One Representative from School Districts
  - b. One Representative from Counties and/or Cities with under 35,000 population
  - c. One Representative from Special Districts/Towns
12. **For Possible Action:** Election of Chair and Vice Chair
13. Public Comment
14. **For Possible Action:** Adjournment

<p style="text-align: center;"><b><u>ANNUAL MEETING OF THE MEMBERS OF PUBLIC RISK MUTUAL</u></b> Time: Upon Adjournment of the Meeting of Nevada Public Agency Insurance Pool Agenda: See separate agenda for Public Risk Mutual</p>
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This Agenda was posted at the following locations:

N.P.A.I.P. / P.A.C.T.  
201 S. Roop Street, Suite 102  
Carson City, NV 89701

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

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

Churchill County Administrative Complex  
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.**

DRAFT



Account Description	Actual 6/30/2011	Budget Amount 2011-2012	Budget Amount 2012-2013	Budget Change
<b>INCOME:</b>				
Assessments Written	14,560,898	14,500,000	15,298,335	798,335
Taxes Written	6,699	6,000	6,877	877
Investment Revenues	929,230	400,000	500,000	100,000
Bank Interest Income	-	10,000	10,000	0
Other Income	-	4,000	4,000	0
<b>TOTAL INCOME</b>	<b>15,496,827</b>	<b>14,920,000</b>	<b>15,819,212</b>	<b>899,212</b>
<b>LOSS FUND EXPENSES:</b>				
Loss Fund Expense	2,877,489	6,338,000	6,677,799	339,799
<b>TOTAL LOSS FUND EXPENSES</b>	<b>2,877,489</b>	<b>6,338,000</b>	<b>6,677,799</b>	<b>339,799</b>
<b>PROGRAM EXPENSES:</b>				
Reinsurance Ceded	4,642,512	4,632,000	5,043,922	411,922
Commission Expense	907,075	905,000	978,779	73,779
Willis Pooling Fees	255,000	255,000	255,000	0
ASC Claims Admin. Fees	610,664	590,000	665,855	75,855
Tax Expense	6,674	6,000	6,877	877
Loss Control Fees	250,000	250,000	250,000	0
<b>Total Program Expenses</b>	<b>6,671,925</b>	<b>6,638,000</b>	<b>7,200,433</b>	<b>562,433</b>
<b>ADMINISTRATION EXPENSES:</b>				
Management Services	471,955	462,000	475,860	13,860
Sponsorship Fees	1,393	5,000	5,000	0
Counsel Opinions	53,625	30,000	35,000	5,000
Travel	35,618	20,000	20,000	0
Casualty Insurance	34,845	40,000	42,000	2,000
Dues & Seminar Fees	9,225	15,000	15,000	0
Audit Expense	24,600	17,000	17,700	700
Printing/Copying/Subscriptions	11,557	4,000	10,000	6,000
Postage	688	5,000	2,000	(3,000)
Office Supplies	3,486	7,000	5,000	(2,000)
Telephone Expense	1,776	4,000	3,000	(1,000)
Legal Expense	4,990	25,000	15,000	(10,000)
Miscellaneous Expense	44	-	-	0
Board & Committee Meetings	7,340	20,000	10,000	(10,000)
Actuary Expense	20,000	17,000	20,000	3,000
Member Services incl EAP	198,434	96,000	210,000	114,000
Bank Charges	-	5,000	5,000	0
Loss Control Excellence Awards	3,500	10,000	10,000	0
Consultants Appraisals	95,560	70,000	80,000	10,000
Education & Training	6,714	100,000	50,000	(50,000)
Bad Debt Expense	1,775	500	500	0
PRI Contract Services	566,500	583,500	525,000	(58,500)
Equip Depreciation Expense	1,878	22,000	22,000	0
Environmental Consultants	18,305	40,000	20,000	(20,000)
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>1,573,808</b>	<b>1,598,000</b>	<b>1,598,060</b>	<b>60</b>
<b>TOTAL LOSS FUND, PROGRAM &amp; ADMINISTRATION EXPENSES</b>	<b>11,123,222</b>	<b>14,574,000</b>	<b>15,476,292</b>	<b>902,292</b>
				0

<b>NET INCOME</b>	<b>4,373,605</b>	<b>346,000</b>	<b>342,920</b>	<b>(3,080)</b>
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Loss Control Grants (Paid from Net Assets)	162,168	140,000	170,000	30,000
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<b>Account Description</b>	<b>Budget Amount 2011-2012</b>	<b>Budget Amount 2012-2013</b>
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**BUILDING INCOME:**

Conference Room Revenue	-	-	0
Rental Income	236,854	215,000	(11,000)
Phone Equipment Lease	4,634	4,000	0
Postage Reimbursement	-	5,000	(2,000)
<b>TOTAL BUILDING INCOME</b>	<b>241,488</b>	<b>224,000</b>	<b>(13,000)</b>

**BUILDING EXPENSES:**

Building Maintenance & Repairs	25,067	20,000	20,000	0
Building Management & Accting	-	1,000	-	(1,000)
Conference Room Expense	316	200	200	0
Custodial Services	23,441	23,000	23,000	0
Building Depreciation Expense	44,936	44,936	44,936	0
Bldg Equipment Maintenance	-	1,000	1,000	0
Building Insurance Expense	8,440	5,000	5,000	0
Building Misc Expense	94	-	-	0
Building Tax Expense	3,502	3,500	3,500	0
Postage for Meter	2,575	3,000	3,000	0
Building Utilities	25,069	30,000	30,000	0
<b>TOTAL BUILDING EXPENSES</b>	<b>133,440</b>	<b>131,636</b>	<b>130,636</b>	<b>(1,000)</b>

<b>NET BUILDING INCOME</b>	<b>108,048</b>	<b>92,364</b>	<b>80,364</b>	<b>(12,000)</b>
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**OTHER EXPENSES:**

PRM Amortization Expense	972,471	780,000	1,323,890	543,890
<b>TOTAL OTHER EXPENSES</b>	<b>972,471</b>	<b>780,000</b>	<b>1,323,890</b>	<b>543,890</b>

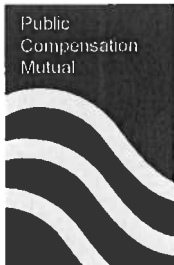
6.03%

8.47%

Actual 2011-12  
1,765,782

6.19%

-0.89%



## **PUBLIC COMPENSATION MUTUAL**

201 South Roop Street, Suite 102  
Carson City NV 89701  
Phone: (775) 885-7475  
Fax (775) 883-7398

**Notice of Annual Members Meeting and Agenda for  
Public Compensation Mutual  
Place: John Ascuaga's Nugget, Sparks, Nevada  
Time: Upon Adjournment of  
Public Agency Compensation Trust Board Meeting  
Date: April 27, 2012**

### **AGENDA**

1. **Roll**
2. **Action Item: Approval of**
  - a. **Minutes of Annual Member Meeting April 29, 2011**
  - b. **Ratification of Board Action Taken Since the 2011 Annual Meeting**
3. **Report - Minutes of Meetings**
  - **Meeting of the Board of Directors April 26, 2011**
  - **Meeting of the Board of Directors July 8, 2011**
  - **Meeting of the Board of Directors December 28, 2011**
  - **Meeting of the Board of Directors February 24, 2012**
  -
4. **Investments Report**
5. **Report - Audited Financial Reports for 2011 (Calendar Year)**
6. **Discussion of Reinsurance Program Provided to Public Agency Compensation Trust for its Fiscal Year 2012-2013**
7. **Action Item: Elections/Ratification of Board Members and Officers**
8. **Action Item: Adjournment**



**Notice of Annual Members Meeting and Agenda for  
Public Risk Mutual  
Place: John Ascuaga's Nugget, Sparks, Nevada  
Time: Upon Adjournment of  
Nevada Public Agency Insurance Pool Board Meeting  
Date: April 27, 2012**

**AGENDA**

- 1. Roll**
- 2. Action Item: Approval of**
  - a. Minutes of Annual Member Meeting April 29, 2011**
  - b. Ratification of Board Action Taken Since the 2011 Annual Meeting**
- 3. Report - Minutes of Meetings**
  - Meeting of the Board of Directors of April 26, 2011**
  - Meeting of the Board of Directors of July 8 2011**
  - Meeting of the Board of Directors of December 22, 2011**
  - Meeting of the Board of Directors of February 24, 2012**
- 4. Investments Report**
- 5. Report - Audited Financial Reports for 2011 (Calendar Year)**
- 6. Discussion of Reinsurance Program Provided to Nevada Public Agency Insurance Pool for its Fiscal Year 2012-2013**
- 7. Action Item: Elections/Ratification of Board Members and Officers**
- 8. Action Item: Adjournment**



# JOINT AND SEVERAL LIABILITY INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT is entered between the Public Agency Compensation Trust, an Association of Self-Insured Employers, and VIRGINIA CITY CONVENTION ~ TOURISM AUTHORITY (VCTA), a member of the Association.

**READ THIS AGREEMENT CAREFULLY.**

**THIS IS A LEGAL DOCUMENT THAT BINDS ITS SIGNATORIES TO SPECIFIC DUTIES AND RESPONSIBILITIES REGARDING FINANCIAL ARRANGEMENTS FOR COVERING WORKERS' COMPENSATION AND OCCUPATIONAL DISEASE LIABILITIES IN THE STATE OF NEVADA.**

## RECITALS

1. As a statutory condition for self-insurance, the Legislature, under NRS616B.353(1)(a), requires that the Association and each member be jointly and severally bound to pay the workers' compensation, premiums, contributions, assessments, liabilities, compensation liabilities and benefits of the other members of the Association.
2. The undersigned member is fully informed of the financial status of the Association and of the prior loss experience of each member of the Association.

### **The Association and each member of the Association agree as follows:**

1. The Association and the members of the Association agree to be jointly and severally bound to pay and to secure payment of all compensation due to the Association and to any and all employees of each member of the Association under Chapter 616 and 617 of NRS, provided that the compensation liability results from an occurrence with a date of injury during the period of membership in the Association.
2. The Association shall have the authority to enforce this indemnity agreement against each of the members. In the event of a failure to enforce the terms of this indemnity agreement by the Association, the State of Nevada, ex rel. Commissioner of Insurance, in the name of the Association shall have the independent right to enforce this agreement against any and all members of the Association for the payment of all compensation liabilities and all liabilities of the members for delinquent premiums, contributions or assessments. The members agree to pay the attorneys' fees and costs incurred by the Association or by the Commissioner, in enforcing this agreement.

- I. The Association, by the signature below, agrees to be bound to the terms and conditions of the above agreement.

Name of Association: Public Agency Compensation Trust


Address of Association: 201 S. Roop St., Suite 102  
Carson City, Nevada 89701

By: \_\_\_\_\_  
Alan Kalt

Title: Chairman

Date: \_\_\_\_\_

- II. The following MEMBER has read the above agreement and agrees to be bound to the terms and conditions by signature below:

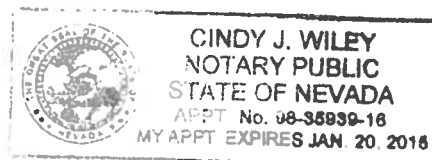
By:  MEMBER SIGNATURE  
RON GALLAGHER, CHAIRMAN Print Name and Title  
VCCTA Company Name  
86 SOUTH C ST / POB 920 Address  
VIRGINIA CITY, NV 89440 City, State & Zip Code

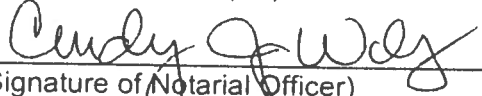
III. State of ( NEVADA )

County of ( STOREY )

On this 8 day of February, 2012, personally appeared before me, a notary public, RON GALLAGHER, know to me to be the person mentioned in the above and foregoing document, and acknowledged to me that he/she executed the above instrument freely and voluntarily and for the purposes therein ~~mentioned~~

(Seal, if Any)



  
(Signature of Notarial Officer)

Notary  
(Title and Rank - Optional)

My Commission Expires JAN 20, 2015

IV. APPROVED BY: \_\_\_\_\_  
STATE OF NEVADA

DATE: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year below written.

DATED this 8<sup>th</sup> day of  
February, 2012

ATTEST:

[Signature]  
Signature  
SECRET COUNTY MANAGER  
Title

By: [Signature]  
Signature  
Chairman  
Member of Board

ATTEST:

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Title

PUBLIC AGENCY COMPENSATION  
TRUST

By: \_\_\_\_\_  
Chairman, PACT Board of Trustees

**PUBLIC AGENCY COMPENSATION TRUST**  
**WORKERS' COMPENSATION PROGRAM APPLICATION**

1. Name of Applicant: VIRGINIA CITY CONVENTION & TOURISM AUTHORITY (VCCTA)  
Contact Person: DENY DOTSON  
Mailing Address: PO BOX 920  
City: VIRGINIA CITY NV, Zip: 89440 Phone: \_\_\_\_\_  
(775) 847-7500 Fax: (775) 847-7507  
Current Policy #: \_\_\_\_\_  
Number of Full Time Equivalent Employees: 4  
Estimated Annual Payroll: \$223,000

2. Related Entities to be included in coverage: N/A  
(For all entities listed below, please complete separate application for each)  
Name: \_\_\_\_\_  
Current Policy #: \_\_\_\_\_  
Name: \_\_\_\_\_  
Current Policy #: \_\_\_\_\_  
Name: \_\_\_\_\_  
Current Policy #: \_\_\_\_\_  
Name: \_\_\_\_\_  
Current Policy #: \_\_\_\_\_

3. Describe any unusual operations or changes in operations that have taken place in last 5 years or are planned: N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Describe any joint operations with other agencies (mutual aid, interlocal cooperative agreements, etc.) and provide name of agency. INTERLOCAL AGREEMENT W/ STOREY CO.  
(JAN-JUNE 2012) FOR SERVICES; WORKING TOWARDS TRANSITION TO  
BRING VCCTA UNDER A COUNTY DEPARTMENT EFFECTIVE 7-1-2012.

5. Do you conduct any operations outside of the State of Nevada? ☒ Yes ☐ No  
If so, describe operations, States, payroll and number of employees: SELECT TRADE  
SHOWS, CONVENTIONS IN CA, AZ; ONE TO TWO EMPLOYEES  
\_\_\_\_\_

6. Do you handle or transport chemicals, hazardous materials, explosives, explosive material,

flammable material, or any petroleum products?

☐ Yes

☒ No

If yes, provide full details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Do your operations involve communicable diseases or blood borne pathogens?

☐ Yes

☒ No

If yes, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Do any employees receive supplemental benefits in addition to workers' compensation benefits?

☐ Yes

☒ No

9. Provide details of any OSHA or State OSHA violation within the past 5 years: N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. Do you have any employees who may be subject to the Longshoremen and Harbor Workers Act, Act or Federal Employee's Liability Act? ☐ Yes ☒ No

Jones

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

11. Do you elect coverage to include Volunteer or Donated Labor?

☒ Yes

☐ No

If yes, please describe what types of tasks are performed: DOCENT(S) IN COSTUME WALKING THE BOARDWALK IN VIRGINIA CITY.

12. Do you now, or have future plans, to own, lease or charter watercraft? ☐ Yes ☒ No

If yes, describe watercraft, use, number of crew members, passenger capacity and whether craft is owned, leased or chartered: \_\_\_\_\_

13. Do you own, lease, charter or use other than commercial aircraft?

☐ Yes

☒ No

If yes, Aircraft Supplemental Questionnaire must be completed.

14. Do you use inmate labor or operate an inmate labor program?

☐ Yes

☒ No

If yes, describe: \_\_\_\_\_  
\_\_\_\_\_

The following information must accompany this application:

1. Letter on your letterhead authorizing your insurer(s) to release all policyholder information. Please list all policy numbers.
2. Current classifications and payroll
3. Current experience modification factor
4. Five years premium and loss information
5. Signed Joint and Several Liability Agreement (Required upon Joining PACT)
6. Signed Interlocal Cooperative Agreement (Required upon Joining PACT)

Applicant hereby certifies that it has received, read and approved the Interlocal Cooperation Agreement and Bylaws of the Trust, is applying to become a Member of the Trust, and acknowledges that the information contained in this application and supporting material is accurate.

  
(Signature)

2-8-12  
(Date)

RON BALLASHER, CHAIRMAN  
(Name and Title - Please Print)

VCCCTA  
(Name of Entity - Please Print)





# Nevada Workers' Compensation Insurance Plan

Midwest Employers Casualty Company

Administered by Berkley Risk Administrators Company, LLC

PO Box 1100, Mpls, MN 55440-1100 222 S 9th St Mpls, MN 55402

Phone (605) 945-2144 Fax (866) 215-8118 Toll Free (800) 634-4589

NCCI Carrier Code 25992

## INFORMATION PAGE

Renewal Of No. WC-27-01-000024-10

### 1. The Insured:

Virginia City Convention & Tourism Authority

PO Box 920

Virginia City, NV 89440

WCIP

Policy Number: WC-27-01-000024-11

Risk ID:

Tax ID#: F 88-0328053

Date of Mailing: 2/22/2011

☐ Individual ☐ Partnership

☐ Corporation ☒ Other

Other workplaces not shown above:

See Schedule

2. The policy period is from 12:01 a.m. 3/16/2011 to 12:01 a.m. 3/16/2012 at the insured's mailing address.

3.A. Workers' Compensation Insurance: Part One of the policy applies to the Workers' Compensation Law of the states listed here:

NV

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A.

The limits of our liability under Part Two are:

Bodily Injury By Accident	\$1,000,000	each accident.
Bodily Injury By Disease	\$1,000,000	policy limit.
Bodily Injury By Disease	\$1,000,000	each employee.

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

SEE WC 00-03-26 (A)

D. This policy includes these endorsements and schedules:

WC000310 WC000326A WC000403 WC000404 WC000414 WC000415B WC000417B WC000419 WC000421C WC000422A WC270601C  
WC990001A WC990601

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans.

All information required below is subject to verification and change by audit.

PREMIUM BASIS ESTIMATED TOTAL ANNUAL REMUNERATION	RATES PER \$100 OF REMUNERATION	CODE NO.	ENTRIES IN THIS ITEM, EXCEPT AS SPECIFICALLY PROVIDED ELSEWHERE IN THIS CONTRACT; DO NOT MODIFY ANY OF THE OTHER PROVISIONS OF THIS POLICY.	ESTIMATED ANNUAL PREMIUM
See Schedule			Manual Premium	\$802.00
			Increased Limits	\$150.00
			Subject Premium	\$952.00
			Modified Premium	\$952.00
			Standard Premium	\$952.00
			Expense Constant	\$240.00
			Terrorism	\$13.00
			Catastrophe	\$13.00
			Total Estimated Annual Premium	\$1,218.00
			Total Fees & Premium	\$1,218.00
			Net Deposit Premium Required	\$792.00
			Premium Paid to Date	(\$1,218.00)
			Total Premium Due	\$0.00
Agency Name and Address				
A & H Insurance				
3301 S Virginia #201				
PO Box 7340				
Reno, NV 89510				

ATE: 2/22/2011

Signature: \_\_\_\_\_



# Nevada Workers' Compensation Insurance Plan

Midwest Employers Casualty Company

Administered by Berkley Risk Administrators Company, LLC

PO Box 1100, Mpls, MN 55440-1100 222 S 9th St Mpls, MN 55402  
Phone (605) 945-2144 Fax (866) 215-8118 Toll Free (800) 634-4589  
NCCI Carrier Code 25992

## Schedule for NV

Renewal Of No. WC-27-01-000024-10

### 1. The Insured:

WCIP

Policy Number: WC-27-01-000024-11

Risk ID:

Virginia City Convention & Tourism Authority  
PO Box 920  
Virginia City, NV 89440

Tax ID#: F 88-0328053

Policy Period: From: 3/16/2011

To: 3/16/2012

Endorsement Eff. Date: 3/16/2011

Date of Mailing: 2/22/2011

PREMIUM BASIS ESTIMATED TOTAL ANNUAL REMUNERATION	RATES PER \$100 OF REMUNERATION	CLASS CODE	ENTRIES IN THIS ITEM, EXCEPT AS SPECIFICALLY PROVIDED ELSEWHERE IN THIS CONTRACT; DO NOT MODIFY ANY OF THE OTHER PROVISIONS OF THIS POLICY.	ESTIMATED ANNUAL PREMIUM
\$133,595	0.60	8810	Virginia City Convention & Tourism Authority 86 South C Street Virginia City NV, 89440  CLERICAL OFFICE EES-NOC	\$802

Manual Premium	\$802.00
Short Rate	\$0.00
Waiver of Subrogation	\$0.00
Increased Limits	Stat Code 9812 1.028 \$150.00
Deductible Factor	\$0.00
Subject Premium	\$952.00
Experience Modification	\$0.00
Modified Premium	\$952.00
SARAP	\$0.00
ARAP	\$0.00
Per Passenger Seat Surcharge	\$0.00
Minimum Premium Adjustment	\$0.00
Standard Premium	\$952.00

### Agency Name and Address

A & H Insurance  
3301 S Virginia #201  
PO Box 7340  
Reno, NV 89510

WC990001A



**Nevada Workers' Compensation Insurance Plan**

Midwest Employers Casualty Company

Administered by Berkley Risk Administrators Company, LLC

PO Box 1100, Mpls, MN 55440-1100 222 S 9th St Mpls, MN 55402

Phone (605) 945-2144 Fax (866) 215-8118 Toll Free (800) 634-4589

NCCI Carrier Code 25992

**ENTITY AND LOCATION SCHEDULE**

1. The Insured:

**WCIP**

Policy Number: **WC-27-01-000024-11**

Risk ID:

Virginia City Convention & Tourism Authority

PO Box 920

Virginia City, NV 89440

Tax ID#: **F 88-0328053**

Policy Period: From: **3/16/2011**

To: **3/16/2012**

Endorsement Eff. Date: **3/16/2011**

Date of Mailing: **2/22/2011**

---

**Entity Information:**

---

Insured Name: **Virginia City Convention & Tourism Authority**

☐ Individual

☐ Partnership

Federal ID Number: **F 88-0328053**

☐ Corporation

☒ Other

**86 South C Street**

**Virginia City, NV 89440**

**Agency Name and Address**

**A & H Insurance**

**3301 S Virginia #201**

**PO Box 7340**

**Reno, NV 89510**

**WC990601**

**8112 864151**



# Nevada Workers' Compensation Insurance Plan

Midwest Employers Casualty Company

Administered by Berkley Risk Administrators Company, LLC

PO Box 1100, Mpls, MN 55440-1100 222 S 9th St Mpls, MN 55402

Phone (605) 945-2144 Fax (866) 215-8118 Toll Free (800) 634-4589

NCCI Carrier Code 25992

## INCLUSION OF SOLE PROPRIETORS, PARTNERS, OFFICERS AND OTHERS COVERAGE

### ENDORSEMENT

1. The Insured:

**WCIP**

Policy Number: **WC-27-01-000024-11**

Risk ID:

Virginia City Convention & Tourism Authority

PO Box 920

Virginia City, NV 89440

Tax ID#: **F 88-0328053**

Policy Period: From: **3/16/2011**

To: **3/16/2012**

Endorsement Eff. Date: **3/16/2011**

Date of Mailing: **2/22/2011**

An election was made by or on behalf of each person designated below to be subject to the Workers' Compensation Law of the state named in the Schedule.

The premium basis for the policy includes the remuneration of such persons.

### **SCHEDULE**

#### Persons

#### State

Other

**NV**

~~John Flannagan~~

Bill SJOVANGEN

Angelo Petrini ✓

~~Joe Curtis~~

RON GALLAGHER

~~Carol Fair~~

DOUG MCQUIDE

~~Catherine G Patrick~~

LEISA FINDLEY

All other terms and conditions of this policy remain unchanged.

#### Agency Name and Address

A & H Insurance

3301 S Virginia #201

PO Box 7340

Reno, NV 89510

WC 00-03-10

8112 864151

**PUBLIC AGENCY COMPENSATION TRUST**  
**PROSPECTIVE MEMBERS UNDERWRITING REVIEW**

**Name of Entity:** Virginia City Convention & Visitors Authority

**Related Entities to be Included:** None

**Insurance Agent:** Ingalls & Associates, LLC

**Experience Modification Factor:** 1.00

**Estimated Annual Premium:** \$ 1,559

**Date:** 2/28/2012

<u>Criteria</u>	<u>Considered</u>	<u>Required</u>	<u>Comments</u>
Cooperative Attitude Toward Loss Control		X	<u>Yes</u>
Exposures Acceptable		X	<u>Yes; Currently POOL Member</u>
Policies/Procedures Exist For Critical Operations		X	<u>Yes</u>
Loss Experience Acceptable		X	<u>Yes (see loss run attached)</u>
Well-Maintained Facilities and Equipment	X		<u>Yes</u>
Sound Financial Condition	X		<u>Likely merger into Storey County 7/1/2012</u>
Quality of Management/Stability of Board	X		<u>yes</u>
Employee Procedures Manual	X		<u>yes</u>
Training Programs for Employees	X		<u>informal</u>
Urban vs. Rural Location	X		<u>rural</u>
Established Risk Management and Safety Program	X		<u>informal</u>
Unusual Operations	X		<u>tourism promotion; volunteer docents</u>

**Attachment: Loss runs**

Policy History Recap (Premium and Losses)

Other: \_\_\_\_\_

\_\_\_\_\_  
(J:\Excel\PACT\Prospective Members Underwriting Review Form.xls)



**Nevada Workers' Compensation Insurance Plan**

Berkley Regional Insurance Company

Administered by Berkley Risk Administrators Company, LLC

**PO Box 1100, Mpls, MN 55440-1100 222 S 9th St Mpls, MN 55402**

Phone (605) 945-2144 Fax (866) 215-8118 Toll Free (800) 634-4589

NCCI Carrier Code 36447

**1. The Insured:**

**Policy Number: WC-27-27-000024-08**

**Virginia City Convention & Tourism Authority  
PO Box 920  
Virginia City, NV 89440**

**Tax ID#: F 88-0328053**

**Policy Period: From: 3/16/2008  
To: 3/16/2009**

This report was created using production data current as of 01/24/2012 and reflects total claims costs as of 01/24/2012. Variances between the values shown on this report and earlier reports may be due to such factors as reassignment of claims, changes in dates of loss, voided payments, etc.



# Workers' Compensation Claims Report

Source: CWS

Insured: Virginia City Convention & Tourism Authority

Policy Year: 03/16/2008 to 03/16/2009

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
<b>No Claim</b>			N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2007 to 03/16/2008

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
1000015732	Orr, Becky	NI/Strain - Upper Extr/Wrist	N/A	05/20/07	\$159.74	\$0.00	\$0.00	\$0.00	\$159.74	C/A	Croft, M
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	1	1	0	0	N/A	\$159.74	\$0.00	\$0.00	\$0.00	\$159.74	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$159.74	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2006 to 03/16/2007

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
27004428	BACHELOR, MILLY	NI/Strain - Multi/Multiple Body Parts	N/A	06/02/06	\$4,888.29	\$1,495.25	\$0.00	\$0.00	\$6,383.54	C/A	Peters, J
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	1	0	1	0	N/A	\$4,888.29	\$1,495.25	\$0.00	\$0.00	\$6,383.54	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$6,383.54	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2005 to 03/16/2006

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
<b>No Claim</b>			N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2004 to 03/16/2005

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
<b>No Claim</b>			N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2003 to 03/16/2004

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
<b>No Claim</b>			N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2002 to 03/16/2003

Policy ID: WC-27-27-000024

Claim #	Claimant	Injury Description	Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
					Medical	Indemnity	Expense				
27001012	HATLEY, DENISE M	NI/Contusion - Head/Soft Tissue	N/A	09/25/02	\$745.76	\$0.00	\$0.00	\$0.00	\$745.76	C/A	Morgan, C
	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
<b>Totals for this policy year:</b>	1	1	0	0	N/A	\$745.76	\$0.00	\$0.00	\$0.00	\$745.76	
Distribution of Reserves:						\$0.00	\$0.00	\$0.00	\$0.00	\$745.76	
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	





# Workers' Compensation Claims Report

Source: CWS

Insured: Virginia City Convention & Tourism Authority

Policy Year: 03/16/2001 to 03/16/2002		Policy ID: WC-27-27-000024		Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status Administrator	
Claim #	Claimant	Injury Description				Medical	Indemnity	Expense				
No Claim				N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified

	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost
<b>Totals for this policy year:</b>	0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Distribution of Reserves:						\$0.00	\$0.00	\$0.00		
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)

Policy Year: <u>03/16/2000 to 03/16/2001</u>		Policy ID: WC-27-27-000024		Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status Administrator	
Claim #	Claimant	Injury Description				Medical	Indemnity	Expense				
No Claim				N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified

	Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost
<b>Totals for this policy year:</b>	0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Distribution of Reserves:						\$0.00	\$0.00	\$0.00		
Recoveries and Estimated recoveries:						(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)



**Nevada Workers' Compensation Insurance Plan**

Midwest Employers Casualty Company

Administered by Berkley Risk Administrators Company, LLC

**PO Box 1100, Mpls, MN 55440-1100 222 S 9th St Mpls, MN 55402**

Phone (605) 945-2144 Fax (866) 215-8118 Toll Free (800) 634-4589

NCCI Carrier Code 25992

**1. The Insured:**

Policy Number: **WC-27-01-000024-11**

**Virginia City Convention & Tourism Authority  
PO Box 920  
Virginia City, NV 89440**

Tax ID#: **F 88-0328053**

Policy Period: From: **3/16/2011**  
To: **3/16/2012**

This report was created using production data current as of 01/24/2012 and reflects total claims costs as of 01/24/2012. Variances between the values shown on this report and earlier reports may be due to such factors as reassignment of claims, changes in dates of loss, voided payments, etc.



# Workers' Compensation Claims Report

Source: CWS

Insured: Virginia City Convention & Tourism Authority

Policy Year: <u>03/16/2011 to 03/16/2012</u>		Policy ID: WC-27-01-000024		Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
Claim #	Claimant	Injury Description				Medical	Indemnity	Expense				
No Claim				N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
		Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
Totals for this policy year:		0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:							\$0.00	\$0.00	\$0.00	\$0.00		
Recoveries and Estimated recoveries:							(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: <u>03/16/2010 to 03/16/2011</u>		Policy ID: WC-27-01-000024		Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
Claim #	Claimant	Injury Description				Medical	Indemnity	Expense				
No Claim				N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
		Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
Totals for this policy year:		0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:							\$0.00	\$0.00	\$0.00	\$0.00		
Recoveries and Estimated recoveries:							(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	

Policy Year: 03/16/2009 to 03/16/2010		Policy ID: WC-27-01-000024		Days Lost	Date of Loss	Paid To Date			Reserve	Total Cost	Claim Status	Administrator
Claim #	Claimant	Injury Description				Medical	Indemnity	Expense				
No Claim				N/A		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	/	Not Specified
		Claims	Medical only	Indemnity	Closed W/No Pay	Days Lost	Medical	Indemnity	Expense	Reserve	Total Cost	
Totals for this policy year:		0	0	0	0	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Distribution of Reserves:							\$0.00	\$0.00	\$0.00	\$0.00		
Recoveries and Estimated recoveries:							(\$0.00)	(\$0.00)	\$0.00	\$0.00	(\$0.00)	