



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

**Date: April 21, 2014**

**Time: 2:00 P.M.**

**Place: 201 S. Roop St., Suite 102  
Carson City, Nevada 89701**

**1. Roll**

Members Present: Lisa Jones, Josh Foli, Pat Irwin, James Eason, Steve West, Gerry Eick, Roger Mancebo, Alan Kalt, Mike Rebaleati

Members Absent: Paul Johnson, Kevin Curnes, Pat Whitten

Others Present: Wayne Carlson, Doug Smith, Ann Wiswell, Bob Lombard

**2. Public Comment**

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

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

**a. Approval of Minutes of Meeting of Joint Executive Committee March 3, 2014**

Wayne Carlson noted that the draft minutes contained agenda instructions which were not needed for the minutes. On motion and second to approve the minutes with correction, the motion carried.

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

**a. Willis Pooling Report**

**b. Select POOL and PACT Program Renewal Options**

a and b. Bob Lombard first reviewed the spreadsheets showing the property options, explaining in detail what each option entailed. Wayne and Doug added commentary about the risk retentions NPAIP and PRM would take in each option. Bob commented on the Lloyds pricing for options to increase retention by NPAIP/PRM and for an additional \$25,000,000 earthquake capacity.

Extensive discussion and consideration of the options occurred. On motion and second to eliminate Option 1 (\$500,000 NPAIP Property retention with no increase in earthquake limits) and to show the other options to the board for selection, the motion carried.

Bob then turned to the liability options spreadsheet on which there were three options. These options entailed PRM increasing its share of risk either on a quota share bases or as excess or

increasing GEM's share and reducing Brit's. Option 1 had PRM taking 10% of the \$7,000,000 excess \$3,000,000 layer with GEM taking 40% and Brit taking 50%. Option 2 eliminated Brit, replacing it with a combination of GEM taking \$3,000,000 excess of \$3,000,000 and PRM taking \$4,000,000 excess of \$6,000,000. Option 3 eliminated PRM and leaving GEM at \$3,000,000 excess of \$3,000,000 with Brit taking \$4,000,000 excess of \$6,000,000.

Considerable discussion ensued about each option and the level of risk taking PRM might take. Doug Smith explained the actuarial funding recommendations about each option as respects both NPAIP and PRM. No change in the NPAIP retention was considered. Additional capitalization from POOL to PRM was considered and recommended for any of the options.

On motion and second to eliminate Options 2 and 3, then to create a substitute new option for 50% Brit with PRM/GEM splitting up to 15% PRM and 35% GEM, subject to approval of the PRM board and to recommend additional capital from POOL to PRM of \$1,000,000, the motion carried.

Chair Rebaleati recessed the Joint Meeting to allow the captives (PRM and PCM) to formally approve the indications for the options. The captive boards met and Doug Smith advised them regarding the captive options and funding. The boards approved the options and in the course of the discussions, added an option for NPAIP to consider changing its motion to PRM/GEM splitting up to 20% PRM and 30% GEM. (Both PRM and PCM boards met and handled their agenda items independently of NPAIP/PACT.

Chair Rebaleati called the Joint Meeting back to order. He called for a motion on the captives proposed additional option to NPAIP. On motion and second to amend the previously approved motion to change the PRM/GEM split to be up to 20% PRM and 30% GEM, the motion carried.

Chair Kalt then opened up discussion regarding the PACT options. Bob Lombard reviewed the renewal as is and Option 1, which would increase the PACT retention from \$500,000 plus a \$500,000 corridor to \$500,000 with no corridor and PCM's retention from \$250,000 to \$500,000. PCM's quota share with CRL and Safety National remain unchanged.

On motion and second to present the renewal and option 1 to the board, the motion carried.

## **5. For Possible Action: Update on Annual Meeting Activities**

Wayne Carlson reviewed the scenario workshop process and how it would focus on local communities. He said that the information collected could be the basis for a future board retreat at which the pools could discuss what role the pools could have in addressing the results of those scenario outcomes. Wayne responded to questions regarding the scenario workshop and other board activities. He also advised the board that Kevin Curnes would be running for reelection, but was planning to retire this year. He noted two potential candidates that the NPAIP Chair would appoint as replacements assuming he retires mid-term as planned. Ann Wiswell noted that one of the candidates may be a good replacement for Kevin on the Loss Control Committee.

## **6. Public Comment**

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

7. **For Possible Action: Adjournment**

On motion and second to adjourn, the meeting adjourned at 3:50 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**