



Nevada Public Agency Insurance Pool  
Public Agency Compensation Trust  
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**Minutes of Joint Meeting  
of the Executive Committees  
and the Cooperative for Human Resources Management Committee of  
Nevada Public Agency Insurance Pool and for Public Agency Compensation Trust  
Date: May 18, 2006  
Time: 8:30 a.m.  
Place: Conference Call and  
201 S. Roop St., Conference Room 2A&B, Carson City, NV**

**1. Roll**

POOL Executive Committee Members Present: Mike Rebaleati, Marilou Walling, Mike Pennacchio, Claudette Springmeyer, Cash Minor, Lisa Jones, Dan Newell and Jeff Zander  
PACT Executive Committee Members Present: Alan Kalt, Mike Tourin, Paul Johnson, Linda Bingaman, Cash Minor, Claudette Springmeyer and Roger Mancebo; Members Absent: Toni Inserra

CHRM Oversight Committee Members Present: Curtis Calder, Dee Zambetti, Ann Murdoch, Marilou Walling, Nancy Medford, Linda Bingaman, Bill Diest and Geof Stark; Members Absent: Ben Zunino, Richard Stokes

Others Present: Wayne Carlson, Stephen Balkenbush, Mitch Brust, Bruce Brooks, R.J. Gillum, Brian Elkins, Michael Brown, Debra Connally and Ann Wiswell

Chairman Rebaleati opened the joint meeting at about 8:35 a.m.

**2. Action Item: Approval of Minutes of Meetings:  
a. Joint Executive Committee of April 24, 2006**

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

**3. Action Item: Consideration of Options for Continuation of the Cooperative for Human Resources Management Services Including But Not Limited to the Following:**

- a. Whether to Contract with Larry Beller & Associates
- b. Contract Options with Larry Beller & Associates
- c. Develop In-House Capacity to Provide Services
- d. Conduct Request for Proposal Process to Select Service Provider
- e. Search for a Service Provider and Negotiate a Contract
- f. Search for Various Service Providers to Deliver All or Portions of Services

Chairman Rebaleati provided opening remarks about the discussion process. He noted that the first item to discuss would be item 3.a. as to whether to contract with Larry Beller & Associates. Curtis Calder moved, seconded by Bill Diest, not to extend any contract with Larry Beller & Associates. Discussion ensued regarding the effect of not contracting and leaving members unserved. Wayne Carlson interjected that since Curtis Calder and Bill Diest were on the CHRM Oversight Committee and not the Executive Committee, and since the CHRM Oversight Committee is advisory to the Executive Committees, the first motion being by the chair of the CHRM Oversight Committee, that committee would be acting to make a recommendation to the Executive Committees. Further discussion ensued regarding the services and whether to extend a contract. In response to questions, Wayne Carlson reviewed the recommendations taken to the

board and the board decision, noting that there was no offer on the table from Beller or the board since the board's action was rejected by Beller. The CHRM Oversight Committee members discussed the issues further. Various comments were made regarding what options would be available if the contract with Beller were not extended. Claudette Springmeyer commented that CHRM would go on in some form under one of the options whether or not a contract with Beller was given. Alan Kalt also commented that CHRM services would continue in some form. Chairman Rebaleati called for the vote. A roll call vote of CHRM members was taken. There were two ayes and six nays and the motion was declared defeated.

Chairman Rebaleati then stated that the Executive Committee should address item 3.a. and called for a motion. Cash Minor moved, seconded by Claudette Springmeyer, not to extend a contract with Larry Beller and Associates. Discussion ensued. Paul Johnson asked about the effect of not continuing CHRM services on the underwriting and costs of the pool coverages. Wayne Carlson commented that as long as some services were provided, there would be no adverse effect. Questions arose regarding what options would be considered if no agreement were extended to Larry Beller & Associates and whether CHRM services would continue. In response to these questions, Chairman Rebaleati reviewed portions of the "Considerations on CHRM Options" that was included in the board packet. He also discussed an option to delegate to staff to work with Mitch Brust to put together a means to continue CHRM services either as an in-house service or via an alternative private providers and/or employee leasing arrangements in order to assure retention of staff and continuation of services for a two year period. Additional discussion ensued regarding these options and not contracting with Larry Beller & Associates. Claudette Springmeyer asked about the consultant's non-compete agreement. Wayne Carlson responded that Larry Beller indicated that he values CHRM and does not want to harm its continuation or his staff and he would be reasonable if the pools were reasonable in a transition process since he has a lease obligation to the POOL. Chairman Rebaleati then called for a roll call vote. Cash Minor restated his motion. There were eight ayes and five nays and Chairman Rebaleati declared the motion passed.

Chairman Rebaleati then opened discussion of the options. Paul Johnson commented about having staff work with Mitch Brust to develop strategies for continuation of services. Chairman Rebaleati invited him to make a motion regarding his ideas. Paul Johnson moved, seconded by Mike Tourin, to have staff work with Mitch Brust and the other consultants to develop a strategy to provide CHRM services. Chairman Rebaleati called for the vote. The motion carried unanimously.

Chairman Rebaleati then discussed budget considerations, logistics and the scope of CHRM services. He suggested that the current budget and scope of services should be maintained. Chairman Rebaleati commented on the scope of CHRM and the need to flexible in defining the scope. The budget approved was for about \$1.1 million. Claudette Springmeyer suggested the scope of service be status quo with the budget as a not to exceed amount and that future meetings further define the scope. She suggested that the focus for now should be on staff developing a means to deliver the current scope. Discussion ensued regarding staffing issues and continuation of services under the existing contract through June 30, 2006. Mike Tourin moved, seconded by Dan Newell, to continue the current scope of services within the budget and to have staff work out the details as soon as possible, not to exceed 90 days, and bring back proposals to the Executive Committees for approval. Cash Minor recommended that since the contract expires June 30, 2006, 60 days would be better. Wayne Carlson commented that sooner was better because the current staff was nervous about their future and that assuring them soon was critical. He asked whether it mattered if the POOL became the employer or co-employer under a leasing arrangement or do they want it run it through PARMS or any other option in order to assure continuation of CHRM as the goal. Mike Tourin amended his motion to a time frame up to 60 days and the second, Dan Newell, concurred. Wayne Carlson indicated that the CHRM Oversight Committee still needed to review the scope of CHRM services. He noted that the proposed scope from Beller was the same as existing because the CHRM committee did not have time to modify them prior to the board meeting. He further noted that the scope should remain

the same during this process over the next two years. Others commented about the scope. Chairman Rebaleati called for the motion to be restated, which it was. Chairman Rebaleati called for the vote. The motion carried.

Chairman Rebaleati reminded the members that communication was critical on all sides to avoid the problems that surfaced from the board retreat and subsequent meetings. Others expressed agreement. Alan Kalt commented about the evolution of CHRM as a joint effort by the boards and Larry Beller & Associates and the value of that effort. He emphasized the need to build this toward success in the future by cooperation and communication. He noted the value of the committees in doing their work to advise the board. In response to a question, Wayne Carlson reiterated that part of the transition process would include negotiating with Larry Beller regarding releasing him from the lease in exchange for equipment, software, non-compete agreements and so forth. Mitch Brust commented that staff was providing services currently and would continue through the end of the current contract. He commented about the development of service plans and the focus groups input that has occurred. He expressed that the opportunity to continue to provide CHRM services will help with staff turnover.

**4. Action Item: Approval of Prospective Members of PACT**  
**a. Indian Hills General Improvement District**

Chairman Kalt reviewed Indian Hills General Improvement District as a prospective member. Wayne Carlson commented on their good loss record, noting that they presently are a member of the POOL. On motion and second to approve for membership, the motion carried.

**b. Storey County School District**

Chairman Kalt reviewed Storey County School District as a prospective member. Wayne Carlson commented on their loss record, noting that they presently are a member of the POOL. Marilou Walling indicated that she had met with management and they were very interested in membership. She noted that the new superintendent and business manager valued the POOL services and wanted to join PACT as well. On motion and second to approve for membership, the motion carried.

Chairman Rebaleati then set the next meeting of the Executive Committees for June 26, 2006 at 9:30 a.m. to facilitate a decision on the proposals.

**5. Public Comment**

Chairman Rebaleati set the next meeting of the Executive Committees for June 26, 2006 at 9:30 a.m. to facilitate a decision on the proposals. Comments were made about the value of the process and participation by members.

**6. Action Item: Adjournment**

Chairman Kalt declared the meeting adjourned at about 10:45 a.m.