



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

Date: Tuesday, April 2, 2019

Time: 8:30 A.M.

Place: at 201 S. Roop Street, Carson City, NV 89701

Conference Call-In Phone No: 1-800-593-9034; Passcode: 150420

<https://poolpact.my.webex.com/poolpact.my/j.php?MTID=ma2eb72d5fa1799d08b3255e2abd0fa65>
Meeting number: 626 331 661 Password: PoolPact

1. Roll

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

2. Public Comment

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

3. For Possible Action: Consent Agenda

a. Approval of Minutes of Joint Meeting of February 19, 2019

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

4. For Possible Action: Status update for the Formation of Nevada Risk Pooling, Inc. and Approval of Final Grant for Submission to Boards

Mike Rebaleati indicated that the grant documents had been updated based upon the review from the February 19, 2019 Joint Executive Committee meeting. The proposed final grant language was included in the packet.

On motion and second to approve the grant final draft with an addition of an organization chart for submission to the board, the motion carried.

5. For Possible Action: Acceptance of Report of Public Risk Mutual and Public Compensation Mutual Annual Audit

Alan Kalt reviewed highlights of both audits in a PowerPoint presentation and responded to questions. He noted that reserves were established at a 75% actuarial confidence level and rates were calculated at a 70% actuarial confidence level.

On motion and second to accept the reports of both audits, the motion carried.

6. **For Possible Action: Review of NPAIP and PACT Program Renewal Status and Options**
 - a. **Willis Pooling Report**
 - b. **Review of Reinsurance Coverage and Retention for NPAIP and PACT**
 - c. **Renewal Reinsurance Strategies**

Mary Wray reviewed the NPAIP proposed reinsurance renewals noting the changes in program costs using current year's exposures with last year's rates compared to this year's rates. Her figures did not include NPAIP loss fund or PRM proposals. Stephen Romero reviewed the PACT reinsurance proposals on a similar comparative basis without PACT loss fund or PCM proposals. The committee discussed these proposals. Alan Kalt presented several staff options and recommendations for consideration by the committee. He responded to questions.

On motion and second to accept all of staff recommendations for NPAIP, the motion carried.

On motion and second to accept all of staff recommendations for PACT, the motion carried.

7. **For Possible Action: Review of Services and Approval of**
 - a. **PACT Budget for 2019-2020**
 - b. **NPAIP Budget for 2019-2020**

Based upon discussions on the renewal options and recommendations, Alan Kalt reviewed the budget effects for both PACT and NPAIP. Josh Foli noted that the current year FY 2018-19 PACT budgeted revenues appeared to be overstated and should be further reviewed as it may have included Douglas County as a member at the time of budget adoption. Alan Kalt indicated that he would review the PACT budget further and compute the FY 18-19 estimated assessments revenue based on current year actual membership. He noted that if the revised estimated FY 18-19 assessment revenues are less than the approved budget amount, it would impact the percentage increase for FY 19-20. He will make appropriate corrections for the annual board meeting. It was suggested that Options 2 and 3 of the budget detail both be presented to the PACT board for consideration. The goal is to keep the PACT rates to 10% plus exposure changes if possible. There was discussion to try to move the Confidence Level from 70% to 75% as financial conditions allow. This higher confidence level would agree with the audit loss reserves computed by the actuary. It was noted that it may take several years to get to the 75% confidence level especially in light of potential legislative changes that may have an impact on future claims and liabilities. It was suggested to show Option 2 of the budget detail to the NPAIP board.

8. **For Possible Action: Approval of Prospective Members of NPAIP and/or PACT**
 - a. **White Pine County TV District #1**

Wayne Carlson reviewed the applications for NPAIP and PACT. He noted that currently this entity had no property coverage and wanted to bind it as soon as possible. He indicated that their auto liability premium currently was quite high and their liability coverage was deficient. He responded to questions about the property valuation and indicated that the agent had worked with the entity to make a reasonable estimate of replacement cost valuation and that an appraisal would be completed in the future. Regarding PACT, he indicated that that coverage expired in August 2019 so they would want coverage to replace that as well.

On motion and second to approve for membership in both NPAIP and PACT, the motion carried.

9. For Possible Action: Review and Revise Drafts of April 16-17,2019 Annual Meeting Agendas Including:

- a. Executive Committee and Officers Up for Election at the Annual Meeting, Candidates and Conduct of the Elections**
- b. Draft Joint Board Agenda, NPAIP Board Agenda, PACT Board Agenda**

- a. Wayne Carlson commented that NPAIP Executive Committee member Dan Corona decided not to seek reelection and that Geof Stark of Churchill County was the only declared candidate for that position. All other incumbents indicated willingness to continue to serve. All PACT Executive Committee incumbents were willing to continue to serve and there were no declared candidates in competition for those positions. He invited committee members to let him know if any other candidates come forward. No action was deemed needed.
- b. Wayne Carlson reviewed the draft agendas and took notes on changes needed for the annual board meeting packet. No action was deemed needed.

10. Public Comment

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

11. For Possible Action: Adjournment

On motion and second to adjourn, the motion carried.

The Agenda was posted at the following locations and linked to the Official State Website <https://notice.nv.gov>:

**N.P.A.I.P.
201 S. Roop
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 Courthouse
155 North Taylor Street
Fallon, NV 89406**