



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

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

**Date: Thursday, December 27, 2012**

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

**Place: Conference Call-In # 1-800-593-9034, Passcode: WayneC  
and at 201 S. Roop Street, Carson City, NV 89701**

**1. Roll**

Members Present: Cash Minor, Michael Rebaleati, Alan Kalt, Steve West, Bill Kohbarger, Gerry Eick, Roger Mancebo, Pat Whitten, Kevin Curnes

Members Absent: Paul Johnson, Lisa Jones, Dan Newell, Josh Foli

**2. Public Comment**

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

**3. For Possible Action: Acceptance of Audits**

- a. Nevada Public Agency Insurance Pool**
- b. Public Agency Compensation Trust**

Chair Kalt opened discussion of the audit of Public Agency Compensation Trust. Wayne Carlson reviewed highlights of the financial results, noting the reasons for the decline in net assets from increased claims reserves and amortization costs of contributions to Public Compensation Mutual, its captive. Gerry Eick commented that Note 9 on Pooling Resources, Inc. should be expanded in the future to clarify any obligations that run between PRI and PACT/NPAIP both for shortfalls or return of funds per the grant. Wayne Carlson noted that the grant contains provisions that address these concerns, but that he would convey the discussion to Michael Bertrand, CPA, the auditor.

On motion and second to accept the Public Agency Compensation Trust audit, the motion carried.

Chair Rebaleati opened discussion of the audit of Nevada Public Agency Insurance Pool. Wayne Carlson reviewed highlights of the financial results, noting the improved gains in net assets. Gerry Eick commented on the audit committee letters for both NPAIP and PACT stating that the discussion about the percentage of testing was rather broad and further details as to the nature of the tests, particularly the claims account test would be better. He said the statement does not say whether the tests are administrative or processing of claims, thus what was tested is not clear. Wayne Carlson said he would so advise the auditor.

On motion and second to accept the Nevada Public Agency Insurance Pool audit, the motion carried.



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4. **For Possible Action: Approval of Transfer of Net Asset Gains**

- a. **From Nevada Public Agency Insurance Pool to Public Risk Mutual**
- b. **From Public Agency Compensation Trust to Public Compensation Mutual**

Chair Rebaleati opened discussion of the net asset gains transfer from NPAIP to PRM. Wayne Carlson noted that board policy authorized transfer of up to 50% of the gains in the discretion of the Executive Committee. Gerry Eick commented that the amount would be about 60% of cash flow and wondered whether a lower amount of \$1,500,000 in lieu of the approximate \$1,750,000 available would be better. He asked whether that difference adversely would affect PRM's capacity decisions in the future and Wayne responded that it would not. He noted also that additional cash flow came in since the audit period with the renewals.

On motion and second to transfer \$1,500,000 from NPAIP to PRM, the motion carried.

Chair Kalt opened discussion of the net asset gains transfer from PACT to PCM. Wayne Carlson explained there was a reduction in net assets. Based upon this, Chair Kalt stated that since there were no gains, then no action was needed on this item.

5. **For Possible Action: Request from Lyon County School District to Refund Contributions**

Chair Rebaleati opened discussion. Wayne Carlson provided a synopsis of the documentation he previously provided to the committee members. He noted the application procedures provided information to the member's agent and member and that the member signs off on the property schedule each year. Several committee members commented about their internal review process and felt that it was a member's responsibility to be certain the information was accurate. They acknowledged that NPAIP has certain safeguard coverages for omitted locations and buildings to be covered automatically. It was also noted that had the building not been added during the preceding years, no member would willingly pay retroactive additional contributions for their oversight so should not expect such a refund.

On motion and second to deny the request, the motion carried.

6. **For Possible Action: Request from Truckee Carson Irrigation District for NPAIP Membership**

Chair Rebaleati opened discussion. Wayne Carlson and Ann Wiswell provided background on this request for membership noting that TCID staff and board members had stated that they had cleared up the problems they had in the past that resulted in the canal breach loss. Wayne noted that he had discussed this also with the agent. Several members added comments about the risks and concerns over future breaches.

On motion and second to deny membership, the motion carried.

7. **For Possible Action: Consider Replacement of Toni Inserra on PACT Executive Committee due to withdrawal of South Lyon Medical Center as a Member of PACT effective December 1, 2012**

Chair Kalt opened discussion. Wayne Carlson commented that this item was on the agenda for the Executive Committee to determine whether or not to fill the vacancy at this time or to defer to the annual meeting. He noted that with the withdrawal of this hospital member and another hospital soon, the number of hospital members would be reduced to five and that raised the issue as to whether to consider continuing the seat on the Executive Committee as a required seat. Several members commented about whether to do so. Wayne noted





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that since the agenda on called for action regarding filling the vacancy, the discussion and action should be limited to that issue.

On motion and second to leave the position vacant until the annual meeting, the motion carried.

**8. Public Comment**

Chair Kalt opened public comment. Cash Minor suggested the PACT Bylaws being amended to consider hospitals for the executive committee in a many similar to special districts or as an at large seat for both. Other committee members suggested similar changes be considered at the annual meeting. Chair Kalt directed staff to develop options for the annual meeting.

Chair Kalt asked whether Gerry Eick would be interested in becoming a members of the Audit Committee to which Gerry responded in the affirmative. Wayne Carlson noted that that would increase the committee from three to four, but that it was unlikely that a tie vote would ensue under most circumstances. Chair Kalt thanked Gerry for his willingness to join the Audit Committee.

**9. For Possible Action: Adjournment**

On motion and second to adjourn, the meeting adjourned at 11:04 a.m.

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

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