



Nevada Public Agency Insurance Pool
Public Agency Compensation Trust
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**Minutes of 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 PCM Board Meeting
Date: May 1, 2015**

1. Introductions and Roll

A quorum being present, Chair Rebaleati called the meeting to order at 1:53 p.m.

2. Public Comment

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

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

- a. Approval of Minutes of Board and Committee Meetings:**
 - Board Meeting April 25 2014
- b. Acceptance of Interim Financial Statements**

On motion and second to approve the consent agenda as a whole, the motion carried.

4. For Possible Action: Acceptance of Audit for June 30, 2014

Chair Rebaleati noted the audit results and asked whether there were questions.

On motion and second to accept the audit, the motion carried.

5. For Possible Action: Acceptance of Reports

- a. Claims Review Report**
- b. Claims Audit Report**
- c. Large Loss Report**
- d. Actuarial Update**

a. Wayne Carlson reviewed the comparative claims spreadsheet summary by member type.

b. Wayne Carlson commented that an independent claims audit of ASC occurred this year with very positive overall results within a margin of 3% reserves differences similar to the successful PACT audit last year. The auditor was very complimentary of Donna Squires and her staff's claims handling practices.

c. Wayne Carlson reviewed the large losses noting that several involved school districts in recent years and did result in upward pressure on school district rates.

d. Wayne Carlson reviewed the actuarial methodology, key reserves factors, claims trends and their impact on reserves and rate projections. He commented that the overall indications based on the actuarial report were a downward trend of .09 cents for property loss funding and .04 cents for liability loss funding. He said that as has been our practice with upward rate trends where we stabilize costs to avoid large variations, the reduced loss funding changes would be modified to a flat renewal including any budgetary expenses.

On motion and second to accept the reports, the motion carried.

6. For Possible Action: Approval of POOL Form Effective July 1, 2015

a. Discussion regarding POOL Form and Possible Changes

b. Approve Changes to POOL Form 2015-2016

a. Wayne Carlson commented that staff had reviewed possible changes to the form for this year considering emerging issues such as drones, but were not able to develop proposals due to lack of time to have full coverage counsel review and discussion. Thus, there are no changes proposed for this year.

b. On motion and second to approve the pool form for 2015-16 without changes, the motion carried.

7. For Possible Action: Acceptance of Renewal Reinsurance Proposals and Options

Bob Lombard of Willis Pooling handed out his review of current coverages and retention options, showing payroll and incurred claims trends. He reviewed the reinsurance program structure and the retentions, noting the use of Public Risk Mutual, NPAIP's captive, along with CRL, GEM, UE and Brit for higher liability layers and Lloyds for property. He also handed out a spreadsheet showing the estimated premiums using renewal exposures at current year rates and the same exposures with the renewal rates. Since the reinsurers have been stable participants and responded with positive rate reductions even with higher exposures, it was determined by staff and Willis Pooling not to shop the program to other markets this year. The comparative overall reinsurance premiums declined from \$5,305,147 to \$5,081,149 with no changes in the retentions or limits except for an increase in the earthquake and flood property coverage of \$25,000,000 to a total of \$150,000,000.

On motion and second to accept the renewal reinsurance proposals as presented, the motion carried.

8. For Possible Action: Acceptance of Budget for 2015-2016

Chair Rebaleati noted that the budget was in the board packet and asked if there were any comments or questions.

On motion and second to accept the budget, the motion carried.

9. For Possible Action: Action regarding these topics:

- 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**

a. There were no members noted as currently operating in a hazardous financial condition.

b. Chair Rebaleati referred the board to the previous claims by member type spreadsheet discussed previously.

c. Based upon these reviews there was no need to consider removal of a member for financial or claims reasons.

On motion and second to note that the review was completed, the motion carried.

10. For Possible Action: Election of Executive Committee for Two Year Terms from 2015-2017

- a. One Representative from School Districts for a Two Year Term and One Representative to Fill the Current Vacancy for a One-Year Term**
- b. Two Representatives from Counties and/or Cities with under 35,000 population**
- c. Two Representatives from Counties and/or Cities with 35,000 or more population**

Wayne Carlson reviewed the incumbents and candidates list noting that Mike Rebaleati was not a representative of Eureka County and now was on the Eureka County School District board, he was not a candidate for reelection to the Executive Committee or as Chair. He noted that the remaining incumbents whose terms expire in 2015 expressed interest in continuing to serve. He noted that since Mike Rebaleati's position was for smaller counties and cities, there was a declared candidate from Eureka County, Bev Connolly. The packet indicated that she was the Recorder/Auditor in error since she is the County Treasurer. He also noted that Dan Newell's term expires in 2016, but that he had resigned effective after this election due to other conflicting duties and that Kevin Curnes of Carson City School District had retired leaving a vacancy in the school district position. Holly Luna from Douglas County School District had declared interest in being elected to replace Kevin. Chair Rebaleati opened the floor for other nominations and hearing none, closed the nominations.

On motion and second to reelect for terms from 2015-2017 incumbents Cash Minor, Josh Foli, Pat Whitten and Lisa Jones and to elect to fulfill the remaining one year terms to 2016 Bev Connolly and Holly Luna, the motion carried.

11. For Possible Action: Election of Chair and Vice Chair

Wayne Carlson noted that Cash Minor had declared interest in serving as Chair and that Josh Foli had expressed interest in service as Vice Chair.

On motion and second to elect Cash Minor as Chair and Josh Foli as Vice Chair, the motion carried.

12. For Possible Action: Approve Changes to the Bylaws

Wayne Carlson reviewed the proposed bylaws changes noting the key changes were the removal of task forces since none had been used in years, incorporating a provision for review of the claims experience and financial condition of members, adding a provision for appointments to fill vacancies on the executive committee that had been overlooked, and changing the fiscal officer to be an appointment by the chair instead of the board and otherwise changing “POOL” to “NPAIP” throughout the bylaws.

On motion and second to approve the Bylaws changes, the motion carried.

13. Public Comment

Chair Rebaleati opened public comment. Wayne Carlson commented that since this was Mike’s last meeting as Chair after 20 years of service, he had prepared a presentation about Mike for the board. Wayne then showed the presentation highlighting element of Mike’s service for Eureka County and for NPAIP as Chair, member of the Executive Committee, host of the board retreats and now assisting with lobbying efforts. Several other members made positive comments about Mike and thanked him for his leadership for the last twenty years.

Chair Rebaleati thanked the members for allowing him to serve and closed the public comment period.

14. For Possible Action: Adjournment

On motion and second to adjourn, the meeting adjourned at 2:14 p.m.

The Agenda was posted at the following locations and on the State’s Website:

**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
Complex
10 S. Main Street
Eureka, NV 89316**

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