



**Nevada Public Agency Insurance Pool  
Public Agency Compensation Trust**  
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**Minutes of the Meeting of  
the Board of Directors and Executive Committee of  
Nevada Public Agency Insurance Pool  
Date: April 19, 2024  
Location: Grand Sierra Resort, Grand Sierra Resort  
500 E 2nd St,  
Reno, NV 89595**

**Time: upon adjournment of Joint Board and Executive Committee Meeting, which starts at 8:00am,  
and the Public Agency Compensation Trust meeting.**

**1. Introductions and Roll**

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

**2. Public Comment**

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

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

- a. Approval of Minutes of Board Meeting of April 21, 2023
- b. Acceptance of Interim Financial Statements

On motion by Paul Johnson, second by Geof Stark, to approve the consent agenda, the motion carried.

**4. For Possible Action: Acceptance of Audit for June 30, 2023**

Alan Kalt commended the accounting staff for their hard work on audit preparation. He then reviewed the balance sheet, income statement and statement of cash flows commenting on the increase in net position and the net income increase of \$2.7 million. He reviewed some of the actuarial report elements for funding reserves for property and liability claims.

On motion by Rachael Holt, second by Tyler Vanni, to accept the audit, the motion carried.

**5. For Possible Action: Approval of Renewal Reinsurance and Insurance Proposals and Options**

Stephen Romero commented that he, Jarrod Hickman, and Alan Kalt traveled to London to meet with property markets. He introduced Steve Firman, the POOL's London broker, to introduce himself and his relationship with the POOL for over 18 years. He discussed Lloyd's Syndicates, which are similar to insurance companies, and how they write business. He explained the importance of in-person meetings with the markets. He discussed the capacity of the individual

syndicates at various layers to get to the \$300 Million limit. Because the POOL has been in the market for 20 years, profitably for the markets. There are 16 separate meetings with the various syndicates who are competitors. POOL staff get to explain the POOL and how it operates and how it is a good match with the syndicates' interests. He talked about the distribution of types of buildings and values at risk the POOL retains as well as the largest valued locations. He noted that the POOL's long-term loss ratio is 20% with the markets. He elaborated on the value of the POOL mitigating the forest property risks with the NVEnergy projects. Stephen Romero thanked Scott Lindgren for donating patches for distribution to the underwriters, who appreciated them and the fuels reduction program efforts.

Stephen then reviewed the reinsurance renewal negotiations. He indicated that rate increases are mitigated this year compared to last year. The most difficult was increases in the liability rates due to law enforcement and SAM claims. He reviewed the structure graph for property and liability limits and how he markets the total program. He described how the captive (PRM) takes a portion of the property, cyber and liability layers. He showed that over the last 10 years, over \$21 Million of property claims and \$20.8 Million of liability have been paid within the retentions of POOL and PRM. Stephen then reviewed the exposure changes for property and liability which are nearly 8% overall. Turning to the rate changes, he showed a comparison of last year's rate applied to this year's exposures to this year's rates and exposures. Overall, the final rate changes were under 3%.

On motion by Mike Giles, second by Ben Marchant, to approve the renewal program, the motion carried.

Chair Foli recessed the meeting for lunch.

Chair Foli reconvened the meeting following lunch.

#### **6. For Possible Action: Approval of Budget for 2024-2025 including Actuarial Funding Update**

Alan Kalt reviewed the budget highlighting the key elements of net position, income statement and statement of cash flows. He emphasized the nonprofit status of the POOL and its rate stability goals. The budget increase overall shows a 9.2% increase in revenue for all programs including the reinsurance costs. This reflects exposure changes and rate increases. Individual members' proposals will reflect their specific exposures and deductibles. He reviewed the reinsurance costs for property and liability at the various layers and reinsurers.

Alan then asked for input regarding how the members would like to have presentations made in June. Dave Jenson suggested emphasizing the specific exposure changes for individual entities vs the group as a whole. Ray Ritchie agreed with this concept. Paul Johnson said it is important to stress the efforts we make to keep the program costs in check through competitive pricing and services. Paul Sikora said it would be helpful to share the value-added services included in the program and more than just insurance. Curtis Trujillo suggested members provide feedback regarding how the pools can support the members. Marianne Dente suggested comparisons to other markets so the members can see what they are getting from POOL and not from others. Paul Johnson suggested discussing group discounts leading to better coverage/limits. Gina Rackley said to mention members having a voice in the programs. Josh Foli said that explaining the trends that are shown to the POOL board will be helpful. Jennifer McCain said that Storey County did go out to bid and it showed that costs would double outside of the POOL in order to include the services provided. Jackie Signorelli reported that explaining that changes during a year are not charged would be useful. Chair Foli invited the members to submit any additional suggestions to staff.

On motion by Paul Johnson, second by Geof Stark, to approve the budget, the motion carried.

#### **7. For Possible Action: Approval of POOL Coverage Form Changes for 2024-2025**

Wayne Carlson noted that the changes in the POOL Coverage Form reflect changes made by BoilerRe, the equipment breakdown coverage reinsurer, to align the POOL Form to the reinsurance agreement. No other changes were proposed.

On motion by Ben Marchant, second by Paul Johnson, to approve the POOL Coverage Form, the motion carried.

**8. 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**

Wayne Carlson announced a program for recruiting women firefighters and invited Fire Chief Scott Lindgren to describe the program. He provided a flyer and invited members to help get the word out.

Wayne then reviewed the claims history comparison for counties, cities, school districts, and special districts and towns. In response to a question from Josh Foli to add a comparison by a rate per million of payroll, etc., Wayne agreed staff would look into doing that in the future.

On motion by Tyler Vanni, second by Paul Johnson, to accept the reviews, the motion carried.

**9. For Possible Action: Election of Executive Committee for Two Year Terms from 2024-2026**

- a. **One Representative from Counties and/or Cities with less than 35,000 Population**
- b. **One Representative from Special Districts/Towns**
- c. **One Representative of School Districts**

Wayne Carlson noted that the incumbents were willing to continue to serve. Chair Foli opened nominations and there were none. Paul Johnson moved to close the nominations and to elect the incumbents Gina Rackley, Ann Cyr, and Scott Lindgren, second by Tyler Vanni, the motion carried.

**10. For Possible Action: Election of Chair and Vice Chair**

On motion by Varlin Higbee, second by Paul Johnson, to elect Josh Foli as Chair, the motion carried.

On motion by Paul Johnson, second by Gina Rackley, to elect Dan Murphy as Vice Chair, the motion carried.

**11. Public Comment**

Chair Foli opened public comment and hearing none closed the comment period.

**12. For Possible Action: Adjournment**

Chair Foli adjourned the meeting.

DRAFT