



**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: Atlantis Casino Resort Hotel
3800 S. Virginia St.
Reno, Nevada 89502
Time: 1:00 p.m. or
Upon adjournment of PCM Board Meeting
Date: April 29, 2016**

1. Introductions and Roll

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: Approve as a Whole Unless Moved From Consent Agenda

- a. Approval of Minutes of Board and Committee Meetings:**
 - o Board Meeting May 1, 2015
- 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, 2015

Chair Minor noted that the audit committee had accepted the audit. On motion and second to accept the audit, the motion carried.

5. For Possible Action: Acceptance of Reports

- a. Claims Review Report**
- b. Large Loss Report**

Chair Minor noted that these items had been reviewed previously in the Joint Board meetings. On motion and second to accept the reports, the motion carried.

6. For Possible Action: Approval of POOL Form Effective July 1, 2016

- a. Discussion regarding POOL Form and Possible Changes**
- b. Approve Changes to POOL Form 2016-2017**
- c. Approve Changes to POOL Bond Form 2016-2017**

Wayne Carlson and coverage counsel Jack Angaran reviewed the various changes proposed to the Pool Form and the reasons for recommending them. They responded to questions, They also reviewed changes to the POOL Bond Form and the clarification the changes accomplished to conform to statutory requirements.

On motion and second to approve changes to the POOL Form and the POOL Bond Form, the motion carried.

7. For Possible Action: Acceptance of Reinsurance and Insurance Proposals and Options
a. Property and Casualty Coverages
b. Student Accident Medical Coverage
c. Pollution Legal Liability Coverage

Stephen Romero of Willis Re Pooling discussed the marketing effort and the options that resulted. He noted that he created a baseline comparison using current year exposures to prior year rates to the renewal options. He noted that PRM offered to take a larger liability quota share of Brit (from 15% to 25%) and from CRL (from 20% to 30%). The Lloyds property pricing resulted in a rate decrease and an increase from \$10 million to \$25 million for flood zone A. Overall these changes resulted in a flat reinsurance program renewal cost. He then discussed adding cyber terrorism liability to the terrorism policy and that there was a two year option at a reduced price with no cost adjustment if values increased less than 15% over the two years.

Stephen then reviewed an option to increase the scope of coverage for the student accident policy from transit only to all activities including sports. The program costs would increase by about \$151,000. Wayne Carlson commented that staff was recommending that the entire cost of the expanded option be absorbed by the POOL and not allocated to the Members. The program would save Members administrative costs they currently have and help the students with medical insurance out of pocket costs or who are uninsured.

An additional program Stephen reviewed was replacing the current pollution matrix program that only some members purchased with a blanket pollution legal liability policy. He said that at this point he had an indication of the price that had not yet been confirmed. Wayne Carlson noted that staff recommends this cost be absorbed by the POOL and not allocated to the Members. It is an exposure the members need coverage to protect against, but most do not have it. Wayne commented that the current matrix program from AIG was non-renewed and no replacement quote for that option had been received yet. Doug Smith commented that if either the replacement matrix or the blanket pollution coverage could not be purchase, the POOL could create its own coverage form as well.

On motion and second to accept Options 1 and 2 (PRM larger quota shares) and to include the cyber terrorism coverage under the two year option, to accept the student accident coverage paid for out of POOL funds, and to direct staff to continue to work to obtain the pollution liability coverage for the Executive Committee to accept, the motion carried.

8. For Possible Action: Acceptance of Budget for 2016-2017

Chair Minor noted the budget summary. Wayne Carlson commented that it would be adjusted for the reinsurance decisions just made. On motion and second to approve 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**

Chair Minor noted that the affect Members were discussed during the PACT board meeting. On motion and second to note this review, the motion carried.

- 10. For Possible Action: Election of Executive Committee for Two Year Terms from 2016-2018**
- a. One Representative from School Districts for a Two Year Term**
 - b. One Representative from Counties and/or Cities with under 35,000 population**
 - c. One Representative from Special Districts**

Chair Minor noted that Holly Luna, Douglas County School District, decided not to seek reelection and thanked her for her service. He noted that Ann Wiswell o Carson City School District was a declared candidate for the school districts representative. Bev Conley of Eureka County the incumbent for counties and cities under 35,000 population was a candidate for reelection. Gerry Eick of Incline Village GID is the incumbent for special districts and a declared candidate for reelection.

On motion and second to elect Ann Wiswell, Bev Conley and Gerry Eick, the motion carried.

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

Chair Minor indicated that he was willing to continue as Chair and Josh Foli was willing to continue as Vice Chair. On motion and second to elect Cash Minor Chair and Josh Foli Vice Chair, the motion carried.

- 12. For Possible Action: Approve Changes to Various Documents:**
- a. Interlocal Cooperation Agreement**
 - b. Bylaws**
 - c. Updates to Existing Board Adopted Policies**

Wayne Carlson and Jack Angaran reviewed the changes to these documents, noting the reasons for them, particularly to make it clear that POOL is a creation under the interlocal cooperation act and not an insurance company, thus should not be regulated as an insurance company. Also of note is to specify the venue as Carson City/County for the purposes of any declaratory relief or other action against the POOL. Wayne noted that with regard to the Loss Fund Policy, he had an additional amendment since the board packet that modifies the current confidence level mandate to require at least the expected (50%) plus a contingency margin which can be determine by the Executive Committee.

On motion and second to accept the proposed changes, the motion carried.

- 13. Public Comment**

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

- 14. For Possible Action: Adjournment**

On motion and second to adjourn, the meeting adjourned at 3:40 p.m.

The Agenda was posted at the meeting place, 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**

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

**Carson City Courthouse
885 E. Musser Street
Carson City, NV 89701**

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