

**MINUTES**  
**LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT**  
**BOARD OF TRUSTEES' RISK MANAGEMENT COMMITTEE MEETING**  
**LAS VEGAS, NEVADA**  
**FEBRUARY 13, 2014**  
**(approved March 13, 2014)**

The Board of Trustees' Risk Management Committee of the Las Vegas-Clark County Library District met in regular session in the Las Vegas Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, February 13, 2014.

**Present:** Committee: R. Ence, Chair  
M. Francis Drake R. Wadley-Munier  
Y. Yturralde K. Crear, ex-officio (via telephone)

Board: K. Benavidez M. Saunders  
S. Moulton F. Ortiz

Counsel: G. Welt

Absent: S. Bilbray-Axelrod (excused)

Staff: Jeanne Goodrich, Executive Director  
Steve Rice, General Services Director  
Numerous Staff

Guests: None

R. Ence, Chair, called the meeting to order at 6:00 p.m.

**Roll Call (Item I.)** All members listed above represent a quorum. Trustee Wadley-Munier arrived at 6:08 p.m. Trustee Bilbray-Axelrod was not able to attend and had an excused absence.

**Public Comment (Item II.)** None.

**Agenda (Item III.)** Trustee Yturralde moved to approve the Agenda as proposed. There was no opposition and the motion carried.

**Discussion and possible Committee action regarding the appointment of Broker of Record for the District's property and casualty insurance coverage. (Item IV.)** General Services Director Steve Rice explained that the current appointment for the District's Broker of Record for property and casualty insurance expires on July 14, 2014.

A Request for Qualifications (RFQ) for Broker of Record was advertised in the *Review-Journal* and the community-based minority newspapers. Additionally, the RFQ notice was faxed to all minority Chambers of Commerce and to agencies listed in the Clark County and City of Las Vegas MBE, WBE, SBE, and PBE business directories. A total of three submittals was received. One submittal was deemed non-responsive and not considered. Responsive submittals were received from:

- 1) Leavitt Insurance Agency
- 2) Wells Fargo Insurance Services USA, Inc.

An evaluation committee comprised of representatives from the Business Office and General Services performed the evaluation process. The evaluation process included a scoring and ranking of each responsive submittal based on established criteria and assigned

weighted values to identify the preferred Broker to be recommended for appointment.

The evaluation committee recommends Wells Fargo Insurance Services, USA, Inc. (WFIS) for appointment. WFIS's submittal was concise, thorough, tailored to the District's needs and spoke to both their local, regional and national resources available in support of the District's risk management program.

WFIS has been the District's Broker of Record since July 2006. During this eight year period, WFIS has been successful in minimizing the District's overall premium cost.

The appointment will be for the policy year commencing on July 15, 2014. The initial appointment will be for one year with four optional one-year extensions.

The Broker of Record receives no direct remuneration from the District. Remuneration is typically received from the insurance company in the form of a commission. This will continue to be the case, however, WFIS is agreeing to a flat annual fee of \$30,000 (an increase of \$1,000 from the current fee) for the initial term of the agreement with negotiated increased not to exceed 5% up or down for subsequent extensions thereof, in lieu of its current 12.5% commission rate.

Commissions paid by the insurance company on current lines would be credited against the flat fee. If commissions paid exceed the flat fee, WFIS will refund the difference to the District. Following is a comparison of the compensation to WFIS over the last two policy year periods based on the current 12.5% commission rate:

POLICY YEAR	COMMISSION RECEIVED	REFUND TO DISTRICT
FY 2011-2012	\$34,825	\$5,825
FY 2012-2013	\$38,559	\$9,559

This rate guarantee will contain costs to the District by limiting broker fee increases related to potential premium cost escalation in subsequent policy year.

Chair Ence said he appreciated the thorough explanation and said that two things stood out as he reviewed the information: the District has worked with WFIS for a number of years and this relationship has served the District very well. He liked that WFIS is always trying to keep premium costs low.

Trustee Yturralde moved to recommend to the Board of Trustees that Wells Fargo Insurance Services USA, Inc. be appointed as Broker of Record for property and casualty insurance for the policy year commencing on July 15, 2014. There was no opposition and the motion carried.

**Public Comment  
(Item XI.)**

None.

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**Adjournment  
(Item XIII.)**

Chair Ence adjourned the meeting at 6:12 p.m.

Respectfully submitted,

Randy Ence, Chair