

**MINUTES
 LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
 BOARD OF TRUSTEES' RISK MANAGEMENT COMMITTEE MEETING
 LAS VEGAS, NEVADA
 June 13, 2019
 (approved July 11, 2019)**

The Board of Trustees' Risk Management Committee of the Las Vegas-Clark County Library District met in regular session in the West Las Vegas Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, June 13, 2019.

Present: Committee: M. Francis Drake, Chair K. Benavidez
 F. Ortiz S. Moulton, ex-officio

 Board: S. Bilbray-Axelrod R. Wadley-Munier
 B. Wilson S. Ramaker

 Counsel: G. Welt

 Absent: E. Foyt, Excused

 Staff: Dr. Ronald R. Heezen, Executive Director
 Steve Rice, General Services Director

 Guests: Brandon Lewis, USI Insurance
 Tyson Johnson, USI Insurance

M. Francis Drake, Committee Chair, called the meeting to order at 5:31 p.m.

Roll Call All members listed above represent a quorum. Trustee Bilbray-Axelrod
(Item I.) attended via telephone. Trustee Foyt had an excused absence.

Public Comment None.
(Item II.)

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

Discussion and possible Committee action regarding a report from the District's Broker of Record regarding its recommendation for contract award for property and casualty insurance and public officials and employment practices liability insurance for the policy year commencing on July 15, 2019. (Item IV.)

General Services Director Steve Rice explained that the District's property and casualty insurance and public officials and employment practices liability insurance policies renew on July 15th. USI Insurance Services, Broker of Record, conducted a thorough review of the District's current policies and coverages and prepared a proposed insurance package and recommendation for contract award. Mr. Rice introduced Brandon Lewis and Tyson Johnson from USI. They are here to discuss the District's current policies and coverages and their recommendation for the contract award.

Mr. Lewis briefly explained what he and his staff at USI Insurance do on an annual basis. He and his staff look at general market conditions to see what premium rates are doing; are they going up, staying flat, or going down. The last time USI took the full packet to the market was in 2017, when the District switched the core program of property, liability, and excess insurance coverage package from Philadelphia to Travelers. After speaking with Mr. Rice, USI went back to Travelers and asked if the rate could be held steady for the year. Travelers was willing to commit to no more than a three percent rate increase. The

market is seeing increases go up on the casualty and liability side of 3-6%. On the property side, rates are going up between 11-25%. Since Travelers is willing to commit to no more than 3%, his suggestion is to negotiate renewal with Travelers. Mr. Lewis noted that the renewal amount from the District's prior carrier was \$315,000 in 2017. This year the renewal options came in at \$308,000-309,000, still better than the premium from two years ago.

Obviously, due to the addition of new buildings and the removal of buildings no longer owned by the District, as well as the addition or sale of vehicles insured by the District, the District's exposure will increase. This will lead to higher premiums which run close to 6%; however, no more than 3% is the premium increase. The increased exposure of the District leads to the higher cost.

While the entire insurance package was not sent out to bid, some of the less-common areas of coverage, such as the tank environmental coverage, USI did take the opportunity to obtain other quotes which have been provided. For each type of coverage, Trustees were provided with last year's coverage amount and premium cost along with the proposed amount for the next year and the provider name.

Mr. Lewis discussed the different types of coverages purchased by the District; these are Commercial Property, Inland Marine, General Liability, Commercial Auto, Management Liability – Public Officials Liability, Management Liability – Employment Practices Liability; Commercial Umbrella/Excess Liability, Crime, Cyber Liability, Kidnap and Ransom, and Active Assailants coverage. He explained what each type of coverage included, and the deductions and the limitations for each; e.g. the Moapa Valley Library is limited to \$2 million in flood coverage because it is located in a flood zone.

Mr. Lewis also described the tenant user liability policy. This is a service offered to user groups who do not have their own insurance and rent the District's facilities for an event or meeting. Some additional coverage under the cyber liability policy for media communication liability coverage was requested by staff but the District does not have procedures in place to offer it. Mr. Rice said that staff will be looking into this area over the next year so that it can be included.

Committee members and other Trustees had questions about:

- The different types of policies
- The level of coverage
- Why some rates increased so much
- The terrorism premiums and when is the District covered under that area and when is the District covered under its general liability insurance. The terrorism insurance comes into play if the federal government declares a particular incident a terrorist act. Otherwise, the general liability insurance coverage is the one the District will use.

Minutes - Board of Trustees' Risk Management Committee Meeting

June 13, 2019

Page 3

- How do user groups access the tenant user liability policy
- Whether the Foundation was covered under this plan or under a separate plan. Per Mr. Rice the Foundation is covered separately.
- If the District could test for marijuana due to the new law just signed by Governor Sisolak. Counsel Welt and Trustee Bilbray-Axelrod advised Trustees that the bill had some exceptions depending on the occupation of the person being hired, and that testing after hiring was subject to the issue of whether the staff member was impaired. This is an issue that will continue to be discussed as the law is implemented
- Who is covered under the hostage policy of the active assailant policy? Is it just the employee or does this also include a family member who may be threatened? Mr. Lewis said he believed the immediate members of the employee's family would be covered. He and Mr. Rice will confirm that after the meeting. This coverage also includes a firm that can assist the District with the situation. The active assailant policy coverage includes the cost to pay someone to assist the District to respond, counseling assistant to staff, retraining costs, and other mitigation costs.

Mr. Lewis also brought up another bill recently passed by the Nevada legislature that addresses the tort cap that is increasing. At this time, Travelers is not concerned about this change.

Trustee Moulton asked about the number of claims made over the past few years and Mr. Rice and Mr. Lewis provided a Historical Claims Summary (07/15/14 to 6/12/19), attached as Appendix A. There have been a total of 16 claims and \$181,111 paid out. Of that amount, \$161,308 was on one claim. This was mainly attorney's fee on a lawsuit filed by an individual claiming that the District limited his ability to sign up voters. Currently, there is only one outstanding claim.

Mr. Rice said that staff's recommendation is to support Mr. Lewis' proposal for coverage as presented.

Counsel Welt asked Mr. Lewis to investigate higher limits on the active shooter coverage for next year.

Trustee Moulton moved to recommend to the Board of Trustees that a contract for property and casualty insurance and public officials and employment practices liability insurance be awarded through USI Insurance Services to Travelers, Tokyo Marine Specialty/Philadelphia, Great American, Indian Harbor, and Atlantic Specialty at an annual premium, not to exceed \$309,000, for the policy year commencing on July 15, 2019, subject to final review by Counsel. There was no opposition and the motion carried.

Public Comment (Item XI.)

None.

Adjournment

Chair Francis Drake adjourned the meeting at 6:20 p.m.

(Item XIII.)

Respectfully submitted,

Marilyn Francis Drake, Committee Chair



Las Vegas-Clark County Library District

Property and Casualty - Historical Claims Summary
Losses reported from 07/15/14 to 6/12/19

Year	Claim Number	Loss Date	Type	Status	Description	Claimant Type	Paid	Reserve	Total Incurred	Annotation
2018	FDQ1986	02/25/19	Auto Collision	C	Insured's vehicle struck pole next to the fuel pumps	First-Party (District)	\$ 1,820	\$ -	\$ 1,820	
2018	FDN5777	08/07/18	Auto Collision	O	Other party's vehicle was rear ended when stopped at a light by Insured's vehicle	Third-Party	\$ 3,421	\$ 25,200	\$ 28,621	
2018	FEQ3239	12/03/18	Auto	C	Other party's vehicle came into Insured's vehicle's lane	Third-Party	\$ -	\$ -	\$ -	Claim was not pursued as the claimant's attorney dropped his client
2017	FCJ1258	01/04/18	Auto Collision	C	Insured's vehicle struck a low hanging branch	First Party (District)	\$ 298	\$ -	\$ 298	
2017	FCJ1323	10/21/17	Auto Collision	C	Insured's vehicle struck a tree	Insured	\$ 4,681	\$ -	\$ 4,681	
2017	FBJ7774	12/15/17	Auto Collision	C	Insured's vehicle driver was unloading truck when it was struck by Other party's vehicle	First Party (District)	\$ 4,979	\$ -	\$ 4,979	
2016	PHMI17071090093	06/15/17	GL	NP	Claimant's foot got stuck on a screw on stage while they were performing	Third-Party	\$ -	\$ -	\$ -	
2016	PHFF16111033179	11/17/16	D&O	C	Defamation; False Advertising; Personal Injury	Third-Party	\$ 161,308	\$ -	\$ 161,308	
2016	PHMI16111033003	10/13/16	GL	NP	Discrimination	Third-Party	\$ -	\$ -	\$ -	
2015	PHMI16070997207	06/30/16	GL	C	Claimant slipped and fell	Third-Party	\$ 3,595	\$ -	\$ 3,595	Medical payment
2015	PHMI16060992361	06/13/16	GL	NP	Claimant slipped and fell	Third-Party	\$ -	\$ -	\$ -	
2015	PHMI16050985314	03/16/16	GL	C	Civil Rights lawsuit , the claimant alleged that their constitutional and civil rights to open carry a firearm in the library were violated	Third-Party	\$ -	\$ -	\$ -	
2015	PHMI16020958503	11/15/15	GL	NP	Claimant struck the edge of a white board and sustained injuries to their arm	Third-Party	\$ -	\$ -	\$ -	



Las Vegas-Clark County Library District

Property and Casualty - Historical Claims Summary

Losses reported from 07/15/14 to 6/12/19

Year	Claim Number	Loss Date	Type	Status	Description	Claimant Type	Paid	Reserve	Total Incurred	Annotation
2015	PHMI16111030289	10/16/15	GL	NP	Claimant slipped and fell	Third-Party	\$ -	\$ -	\$ -	
2015	PHMI15090928222	08/31/15	GL	RO	Slip and fall at the West Charleston Library	Third-Party	\$ -	\$ -	\$ -	
2014	PHMI15030877924	02/17/15	Auto Collision	C	Insured's vehicle rear-ended Other party's vehicle	First Party (District)	\$ 1,008	\$ -	\$ 1,008	

Claim Status:

- C - Closed
- RO - Record Only
- NP - No Payment

Year	Claim Count	Total Paid	Reserves	Total Incurred
2014	1	\$1,008	\$0	\$1,008
2015	6	\$3,595	\$0	\$3,595
2016	3	\$161,308	\$0	\$161,308
2017	3	\$9,958	\$0	\$9,958
2018	3	\$5,241	\$25,200	\$30,441
Grand Total	16	\$181,111	\$25,200	\$206,310