APPROVED

The Board Meeting of the East Fork Fire Protection District Board was held on Tuesday, June 30, 2026, in person and virtually, beginning at 1:00 PM.

East Fork Fire Protection District Board Present:
John Bellona, Director, District 1 (Online)
Barbara Griffin, Director, District 2
Bernard Curtis, Director, District 3
Nathan Leising, Secretary, District 4
Mike Sommers, President, District 5

Staff Present:
Alan Ernst, District Fire Chief
Holly Megee, Director of Administrative Services
Julie Andress, Director of Finance/CFO
Mark Forsberg, District Legal Counsel (Online)
Jolene Polish, Board Clerk

Additional attendees that addressed the Board:
Jared Rossi, LP Insurance Services (Online)

CALL TO ORDER
President Michael Sommers

INITIAL MEETING BUSINESS

PLEDGE OF ALLEGIANCE
President Michael Sommers led the Pledge of Allegiance

PUBLIC COMMENT (No Action)

At this time, public comment will be taken on those items that are within the jurisdiction and control of the East Fork Fire Protection District Board of Directors or those agenda items where public comment will not be taken as a public hearing is not legally required.

Public Comment may be limited to three minutes per speaker, which will be decided by Board President or other presiding officers in his/her absence. If you are going to comment on a specific agenda item that the East Fork Fire Protection District Board of Directors will act on, please make your comments when the item is considered and is open for public comment.

For members of the public not being able to be present when an item on the agenda is heard, Speaker/Comment Cards are available in the lobby at the entrance to the meeting room. These cards should be completed and given to the District Fire Chief or designee.

President Michael Sommers opened public comment.

There was no public comment.

Public comment closed.

ADMINISTRATIVE AGENDA

The Administrative Calendar handled as follows:

1. The Secretary will read the agenda title into the public record.
2. Staff will introduce the item and provide a report, if any.
3. The applicant, if any, will have an opportunity to address the Board.
4. The Board will then discuss the item. Once the Board has concluded their discussion, public comment will be allowed.
5. Public comment will be allowed and is limited to three minutes per speaker.
6. Once public comment is completed, the Board will then ask any follow-up questions and act.

Agenda items listed as a "presentation" with no action listed, public comment is not legally required and must be made at the beginning of the meeting.

APPROVAL OF AGENDA

1. For Possible Action. Discussion and possible action to approve the proposed agenda. The East Fork Fire Protection District Board of Directors reserves the right to take items in a different order to accomplish business in the most efficient manner, to combine two or more agenda items for consideration, and to remove items from the agenda or delay discussion relating to items on the agenda. (Michael Sommers, President) 5 Minutes.

President Michael Sommers opened public comment.

There was no public comment.

Public comment closed.

MOTION to approve the special meeting agenda for June 30, 2026.

RESULT:	**APPROVED [UNANIMOUS]**
MOTION BY:	Barbara Griffin
SECOND BY:	Bernard Curtis
AYES:	Bellona, Curtis, Griffin, Leising, Sommers
NAYS:	
ABSENT:	

NEW BUSINESS

2. For Possible Action. Discussion and possible action to authorize the District to transition its Workers' Compensation Insurance Program for Fiscal Year 2026/2027 from the current carrier, 7710, to National Council in Compensation Insurance (NCCI) upon expiration of the current policy. Because 7710 did not provide a loss-sensitive renewal quote up until Tuesday, June 23, 2026, and POOL/PACT declined to quote the District for the upcoming term, the District turned to NCCI to obtain a quote. NCCI will assign the District to a loss-sensitive carrier in the Nevada market. The District has not previously used the NCCI assignment system. The District budgeted an annual premium cost of $1,211,256. Approval would also authorize the District Fire Chief to execute all related insurance documents on behalf of the District to implement the transition upon receipt of the final insurance documents. (Alan Ernst, District Fire Chief) 15 Minutes.

District Fire Chief Alan Ernst presented the District's workers' compensation insurance renewal:

- The item was brought back to the Board because the authorization approved at the June 16, 2026, meeting was limited to a 10% premium increase.
- The District received the final renewal quote from 7710 after the June 16th meeting.
- The renewal reflected an increase of nearly 17%, exceeding the previously approved authorization.
- Staff met with the District's insurance broker to evaluate alternative coverage options, including the Nevada State workers' compensation program.
- The District budgeted approximately $1.2 million for workers' compensation coverage.
- The 7710 renewal premium exceeded the budget by approximately $200,000.
- The State program uses a different payment structure:
    - An initial deposit of approximately $193,351 is required.
    - Premiums are adjusted throughout the year based on claims experience.
    - The estimated annual premium is approximately $966,000, based on the District's current experience rating.
- The District retained the full $1.2 million budget because final costs may increase depending on claims during the policy year.
- The District has been satisfied with the claims administration provided by Benchmark, staff are concerned about future service levels following 7710's announced withdrawal from the market and significant staff reductions.
- The Nevada Division of Insurance authorized the District to enroll in the State program despite previously receiving a renewal quote from 7710.

- Staff believes transitioning to the State program is the most prudent option under the circumstances.

Jared Rossi, LP Insurance Services added:
- The proposal is straightforward.
- The renewal quote from 7710 was not financially competitive.
- The NCCI loss-sensitive program offered through the State provides a different premium structure, with costs adjusted according to claims experience throughout the policy period.
- The State program provides the required workers' compensation coverage at a substantially more competitive rate than the renewal offered by 7710.

President Michael Sommers asked Mr. Rossi to explain how a loss-sensitive workers' compensation program operates, including how carriers are assigned and how claim activity affects premium costs.

Mr. Rossi, LP Insurance Services, explained NCCI assigns participating employers to an approved insurance carrier, most likely Travelers or Liberty Mutual for the District's classification. The program requires an initial deposit of approximately 20% of the estimated annual premium, with premiums adjusted throughout the policy term based on actual claims experience. He further explained NCCI provides an estimated annual premium and recommends budgeting an additional 5-10% contingency but does not identify specific claim thresholds that trigger premium increases.

President Sommers expressed concern regarding the District's ability to monitor claims activity and anticipate additional premium costs during the policy year. He asked whether the District could leave the program at the end of the policy term or transition to another carrier if a better option became available.

Mr. Rossi confirmed the program operates on an annual basis and allows participants to move to another carrier if a more favorable option becomes available. He also explained stop-loss or excess insurance would require the District to become a self-insured entity and comply with the State's self-insurance requirements.

Director John Bellona asked how many Nevada entities currently participate in the loss-sensitive program.

Mr. Rossi reported approximately 11 public entities participate in the program, with several former 7710 insured entities now transitioning into the State-administered system.

District Fire Chief Ernst added East Fork Fire, Central Lyon Fire, and Truckee Meadows Fire had all elected to move from 7710 to the State workers' compensation program.

President Sommers asked whether the District could cancel the policy during the policy year if a better insurance option became available.

Mr. Rossi confirmed there were no contractual restrictions preventing the District from changing programs, although final costs would depend on claims incurred prior to cancellation.

Director of Administrative Services Holly Megee reported service from 7710 had already declined following staffing reductions. She noted District staff had begun working with unfamiliar contacts due to turnover, but Ready Rebound would continue providing employee return-to-work services under the new arrangement.

President Sommers asked whether Benchmark would continue handling existing claims.

Mr. Rossi clarified existing claims reported under 7710 would remain with 7710 and Benchmark until closed. Only new claims filed after July 1 would fall under the new program.

Director of Administrative Services Megee confirmed staff would continue working with Benchmark on existing claims. The District currently has 13 total claims for the policy year, with seven claims remaining open and approximately $105,000 in outstanding reserves.

President Sommers expressed concern regarding timely management and closure of open claims, noting delayed claim resolution could negatively affect the District's future experience rating.

Mr. Rossi stated existing claims remain the responsibility of 7710. Staff may continue requesting regular claim updates to monitor progress.

District Fire Chief Ernst commented the loss-sensitive program may provide useful information for evaluating self-insurance in the future, although staff is not recommending self-insurance at this time.

Mr. Rossi distinguished true self-insurance from participation in a pooled program. He explained self-insured entities become their own insurance carrier and assume direct responsibility for claims. The current loss-sensitive program more closely resembles self-insurance than a traditional pooled insurance model.

Director Bellona commented the proposed program appeared to be the most practical option given the limited time available before coverage renewal.

Director Barbara Griffin agreed the District had few practical alternatives under the circumstances.

President Sommers recommended approving the policy for the current year while continuing to evaluate alternative insurance options for future coverage, including a possible January transition if a better option becomes available.

Director Bernard Curtis commented alternative carriers may be limited.

District Fire Chief Ernst agreed staff would continue monitoring insurance options while also evaluating the performance of the new program throughout the year.

President Sommers then asked about the process for binding coverage and the required deposit.

Mr. Rossi explained coverage would be bound electronically immediately following Board approval. Financial information along with the ACH authorization would need to be submitted the same day.

Director of Finance/CFO Julie Andress reported the required initial deposit was $193,351.

Director Curtis made a motion to approve the recommendation, and Director Bellona seconded the motion.

President Sommers clarified the Board's intent was to authorize staff to bind coverage and continue evaluating future insurance options.

Director of Administrative Services Megee committed to providing the Board with an update after approximately three months of experience under the new program.

Director Griffin asked whether the motion should formally include, directing to continue evaluating future insurance options.

District Fire Chief Ernst recommended approving the motion as presented and committed staff to continue exploring alternative coverage opportunities while evaluating the new program.

President Michael Sommers opened public comment.

There was no public comment.

Public comment closed.

MOTION to authorize the District to transition its Workers' Compensation Insurance Program for Fiscal Year 2026/2027 from the current carrier, 7710, to National Council in Compensation Insurance (NCCI) upon expiration of the current policy.

RESULT:	**APPROVED [UNANIMOUS]**
MOTION BY:	Bernard Curtis
SECOND BY:	John Bellona
AYES:	Bellona, Curtis, Griffin, Leising, Sommers
NAYS:	
ABSENT:	

<u>CLOSING PUBLIC COMMENT</u> (No Action)

President Michael Sommers opened public comment.

There was no public comment.

Public comment closed.

<u>ADJOURNMENT</u>

3. For Possible Action. Discussion and possible action to adjourn the East Fork Fire Protection District Board Special Meeting. (Micheal Sommers, President) 5 Minutes.

MOTION to adjourn the East Fork Fire Protection District Special Board Meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOTION BY:	Barbara Griffin
SECOND BY:	Bernard Curtis
AYES:	Bellona, Curtis, Griffin, Leising, Sommers
NAYS :	
ABSENT:	

There being no further business to come before the Board, 1:32 PM the meeting was adjourned.

Respectfully submitted:

Michael Sommers, President
East Fork Fire Protection District

ATTEST:

Jolene Polish, Clerk to the Board
East Fork Fire Protection District