

# League Association of Risk Management

## 2017-2018 LARM BOARD OF DIRECTORS (DULY ELECTED 3-21-18) AT A “SPECIAL MEETING OF LARM MEMBERS”

(Date Elected or Appointed/Term Ends)

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(March 21, 2018/Dec. 31, 2020)

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## **MEETING OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT BOARD OF DIRECTORS (DULY ELECTED ON 3-21-18)**

**Wednesday, June 20, 2018, 9 am CDT**

**Merlin Room, Graduate Hotel, 141 North 9<sup>th</sup> Street, Lincoln**

A Meeting of the League Association of Risk Management (LARM) Board of Directors (duly elected 3-21-18) was held June 20, 2018, at 9 am CDT in the Merlin Room at the Graduate Hotel in Lincoln, Nebraska.

On June 15, 2018, notice of this meeting with the agenda and other materials were sent to all LARM members and the LARM Board of Directors (duly elected on 3-21-18); notice of this meeting with the agenda and other materials were available for public inspection at 1335 L Street, in Lincoln, Nebraska; it also was posted on the League of Nebraska Municipalities' website relating to LARM – [www.lonm.org](http://www.lonm.org).

**Call to Order:** At 9:05 am CDT, LARM Board Chair Doug Hanson, Mayor of Hickman, called the meeting to order. He stated that in accordance with Chapter 84, Article 14 of the Reissue Revised Statutes of the State of Nebraska 1943, as amended, one copy of all reproducible written materials to be discussed was available to the public at this meeting for examination and copying. Chair Doug Hanson informed the public about the location of the Open Meetings Act posted in the meeting room. *(Although a telephone was available in the meeting room no LARM member requested a call-in number.)*

After the Pledge of Allegiance to the Flag of the United States of America, the roll call was read with the following Board Members present: **Teresa Bartlett**, Clerk/Treasurer, City of Beaver City; **LeAnn Brown**, Clerk/Treasurer, City of Oshkosh; **Pam Buethe**, Board Member, Sarpy County SID #29; **Lanette Doane**, Clerk/Treasurer, Village of Ansley; **Mayor Scott Getzschman**, City of Fremont; **Mayor Doug Hanson**, City of Hickman; **Melissa Harrell**, Admin./Clerk/Treasurer, City of Wahoo; **Jim Hawks**, City Administrator, City of North Platte; **Jo Leyland**, Admin./Clerk/Treasurer, City of Imperial; **Tom Ourada**, City Administrator, City of Crete; **Sandra Schendt**, Clerk/Treasurer, City of Nelson; **Douglas Schultz**, Admin./Clerk/Treasurer, City of Curtis; **Mayor Deb VanMatre**, City of Gibbon; and ex-officio board member (non-voting member) **L. Lynn Rex**, League Executive Director and "Administrator" of LARM. *13 voting Board Members present; 2 absent (Mayor Josh Moenning, City of Norfolk; and Nathan Johnson, Scottsbluff City Manager). Wendall Gaston, League President and ex-officio board member was not present.*

Chair Doug Hanson asked the LARM Board Members to introduce themselves; others in attendance were invited to identify themselves, if they chose to do so: **Jan Rise**, Administrative Services Director, City of Fremont; **Jerry Wilcox**, Finance Director, City of Crete; **Judi Meyer**, Clerk, City of Crete; **Janine Schmidt**, Clerk/Treasurer, Village of Morrill; and **Silas Clarke**, Admin./Economic Development Director, City of Hickman; **Diane Becker**, Communications Director, LARM; and **Andy Barry** of Cline Williams, the League's Outside Counsel on LARM-Related Issues. The following staff members of the

League of Nebraska Municipalities also were in attendance: **Christy Abraham, Lash Chaffin, Shirley Riley and Brenda Henning.**

(AGENDA ITEM #2) **Consider Approval of the Minutes of the April 19, 2018, “Special Meeting of the LARM Board of Directors (Duly Elected on 3-21-18)”**: Scott Getzschman moved, seconded by Teresa Bartlett to approve the minutes of the April 19, 2018, “Special Meeting of the LARM Board of Directors (Duly Elected on 3-21-18)”. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz and VanMatre. Nays: None. **Motion carried: 13 ayes, 0 nays, 2 absent (Johnson and Moenning).**

(AGENDA ITEM #3) **Orientation Session for “Duly Elected LARM Board”**

- **Opening Remarks**

- Lynn Rex welcomed the Board and thanked them for their participation.
- Andy Barry stated that he is the League’s Outside Legal Counsel for LARM-Related Issues and for Lynn Rex as the “Administrator” of LARM.

- **Review of the Interlocal Agreement**

- **Andy Barry said that the Interlocal Agreement is approved by municipalities and other public entities to become a member of LARM. Andy highlighted several sections in the Interlocal Agreement, including the following:**

3.2. Administrator shall mean the Executive Director of the League of Nebraska Municipalities.

3.11. League shall mean the League of Nebraska Municipalities.

3.12. League Association of Risk Management or LARM shall mean the risk management pool established and operated under this agreement

Andy noted that “League” is underscored in 3.11 and 3.12 to emphasize that “League” in LARM, refers to the League of Nebraska Municipalities. He stated that originally, there was discussion about naming the public agency the “League of Nebraska Municipalities Association of Risk Management”; however, the name was too long so it was named the League Association of Risk Management.

4. Establishment. The undersigned public agencies hereby jointly and cooperatively establish a risk management pool under the provisions of the Act with all the rights, powers and privileges vested in and conferred upon such a pool under the laws of the State of Nebraska. The name of the pool shall be the League Association of Risk Management.

8.1. Board of Directors. The governing authority of LARM shall be a Board of Directors consisting of elected or appointed officials or employees of participating members. The initial Board shall consist of nine persons, but the number may be increased by the Board up to fifteen persons to maintain appropriate size and geographic representation as the number of LARM members increases. A vacancy on the Board shall be filled by a majority vote of the Board upon recommendation made by the Administrator (Executive Director of the League of Nebraska Municipalities). The person appointed to

- fill a vacancy shall serve for the remainder of the term of the vacating director.
- 8.1.1. The President of the League and the Administrator shall be non-voting ex officio members of the Board of Directors.
  - 8.1.2. The ex officio members of the Board shall be in addition to the elected and appointed members of the Board and shall not be counted for purposes of a quorum.
  - 8.1.3. Each elected or appointed Board member shall be entitled to one vote in all matters that come before the Board.
  - 8.1.4. Board election procedures shall be as follows;
    - 8.1.4.1. A nominating committee shall recommend candidates for the Board to the members. The nominating committee shall consist of the chairperson of the Board, an individual from a participating member selected by the Board and the Administrator. Additional nominations shall be requested from participating members at the meeting.
    - 8.1.4.2. Each participating member may cast one vote for each of the open Board positions.
  - 8.1.5. Members of the Board of Directors shall serve staggered terms of three years to promote stability and continuity.
  - 8.1.6. The terms of office of the members of the Board of Directors shall commence January 1st of the first year of the term and conclude on December 31st of the last year of the term.
  - 8.1.7. Term Limit. The Board of Directors service shall be restricted to two consecutive three-year terms to assure that all LARM members have opportunity for representation as Board members. Any LARM member that has previously been represented on the LARM Board of Directors may be eligible again for future service following at least one three-year interval of non-Board service following the term limit restriction when the member is not represented on the Board.
  - 8.18. Bylaws and Rules of Operation. The Board may make bylaws pertaining to the exercise of its purpose and powers. The Board may, from time to time, revise the bylaws. The Board may also from time to time adopt policies, rules and procedures for the administration and operation of LARM, by majority vote of the Board, so long as such policies, rules, and procedures are not inconsistent with this Agreement or the bylaws. No provisions of the bylaws, policies, rules or procedures shall be inconsistent with the Agreement or the Act.
  15. Professional Services. The Administrator may retain the services of such legal counsel, actuaries, auditors, engineers, service providers, consultants and other advisors as it deems necessary to carry out the business and purpose of LARM.
  16. Place of Business. The principal place of business for LARM shall be 1335 L Street, Lincoln, Nebraska 68508. Notice provided via United States Postal Service by a member to LARM at this address shall be considered proper notice to LARM and all participating members of LARM. The Administrator



may employ necessary staff and may purchase, lease, or rent real or personal property to carry out the business and purpose of LARM.

**Andy Barry stated that there is no ability to amend the Interlocal Agreement unless every member approves a new Interlocal Agreement. He also reviewed the Intergovernmental Risk Management Act (IRMA) and the Interlocal Cooperation Act (ICA).**

- **Review of LARM's Bylaws**

- **Andy Barry discussed several sections of the Bylaws, including sections relating to the following: Board of Directors, Nominating Committee and Terms. As stated in the Interlocal Agreement (Section 8.18), he emphasized that the Bylaws cannot be inconsistent with the Interlocal Agreement. There have been many amendments to the Bylaws over the years, raising issues about which Bylaws are valid. Andy reviewed key provisions of the following amendments to the Bylaws from 2-26-13 to 3-14-18:**
  - **2-26-13:** The LARM Board can be a minimum of nine members up to 15 members; a goal was added to balance the number of elected and appointed officials on the LARM Board. Andy noted that this was also a goal of the Nominating Committee in recommending nominees for the election held at the members meeting on 3-21-18.
  - **4-30-13:** The quorum requirement "at any meeting of members" was reduced from a majority to one quarter (25%) of the members entitled to vote; proxy voting at meetings of members was deleted; and provisions were added relating to late fees regarding a member's annual contribution to LARM.
  - **12-17-13:** In violation of the Interlocal Agreement, many provisions (but not all) relating to the "annual meeting of members" were deleted as well as a reference to other special meetings of members; language was added regarding the notice of all LARM Board meetings to all LARM members with a provision to allow all LARM members unable to attend Board meetings to request to listen by telephone or other electronic communication. Although the motion on 12-17-13 was to approve the 10-24-13 draft amendments to the Bylaws, there are several discrepancies between the draft amendments of 10-24-13 and the draft amendments of 12-17-13. For example, the "Notice of Termination" is not changed in Article I, Section 2.8 of the 10-24-13 draft amendments to the Bylaws approved on 12-17-13. The "Notice of Termination" section from Article I, Section 2.8 was moved in its entirety to Article V, Section 2.9 in the draft amendments of 12-17-13.
  - **2-12-18 and 3-14-18:** In violation of the Interlocal Agreement, the "Purported LARM Board approved amendments to completely remove all "administrative or policy authority" of the League as well as any effective League role regarding LARM. *These Bylaw changes were approved by the "Purported LARM Board" on 2-12-18 and again on 3-14-18, due to admitted Open Meetings Act violations on 2-12-18. (It should be noted that the meeting held on 3-14-18 also was in violation of the Open Meetings Act.) Andy Barry noted that there have been a number of Bylaw changes over the years; there are issues about which Bylaws are "valid."*

- **National Perspective on Pooling**
  - **Jan Rise presented the following information about why so many state Leagues and organizations representing public entities across the country started risk management pools in the 1980s:** Risk-sharing pools were formed to reduce and stabilize long-term insurance costs and ensure access to coverage and service needed for local government.
    - **History:** During the insurance crisis of the 1980s, there was an increase in the number of lawsuits and large liability suits resulting in multi-million-dollar damage awards for clients who suffered personal injuries and won suit against cities and others. Interest rates dropped, and damage awards made the insurance market less profitable. Many insurers abandoned the public entity market as it did not meet the profit goals of the commercial companies. In several states, public services, such as parks and cultural celebrations were cancelled because cities couldn't buy liability insurance. The result was that public entity pools formed. The Association for Governmental Risk Pools (AGRiP) quoted a Swedish proverb – “Best place to find a helping hand is often at the end of your own arm.” There are over 500 risk-sharing pools serving public entities in the United States and Canada who share common values and core purposes. There are 90,000 public entities in the United States and 80% participate in pools. Then and now, pool members share the cost of the risk to pay claims. Pooling protects members against longer-term pricing volatility and contributes to better government.
    - **How: State League pools are member-driven, member-governed, and member-driven to serve members, not stock holders.** There is local control; it is authorized by the state and is a collaborative effort of members to negotiate coverage with commercial insurers for a variety of risks, such as property, liability, business continuity, workers' compensation, and in some cases health coverage.
    - **Pools offer other services:** 1) loss control and claims management (with support for financial performance relating to retentions and reserves **as well as “human outcomes”**); 2) sewer or storm water infiltration coverage for no-fault sewer back-up coverage; 3) liability pools fight claims whose settlement sets bad precedent and avoids wasting time with lawsuits and legal fees; 4) pools resolve claims faster and at lower cost; 5) pools work with members to reduce incidence of preventable losses; 6) pools help to manage crisis; 7) pools are an “on-ground” extension of local governments; and 8) pools benefit greatly from the advisory standards of AGRiP, NLC RISC and PRIMA. Policies and innovative programs are shared among members.
    - **Performance:** Pools have a history of excellent financial performance, coverage innovations and focus on risk management/safety; pricing by pools is lower since there is no 10-15% profit margin; pools spend less on marketing, are exempt from various taxes and are good stewards of public dollars with transparency, efficiency and effectiveness. The surplus funds of pools are an essential “cushion” against unexpected risk and market conditions. In contrast to profits returned to commercial insurance owners and

stockholders, lower claims experience results in surplus funds to benefit members' long-term risk costs.

- **State Perspective on Pooling**

- **Mayor Doug Hanson explained why the League of Nebraska Municipalities created, financed and subsidized LARM to assist League member cities and villages across the state.** (Doug said the following comments are primarily taken from the Local Agents Briefing on 12-10-12, as presented by Mike Nolan, Executive Director of LARM)

- **What is LARM?** LARM is the acronym for the League Association of Risk Management. It is a public agency formed by an Interlocal Agreement. LARM is an extension of each member. LARM is a pool of Nebraska municipalities that provides coverage and risk management services to cities, villages and other local government agencies in Nebraska. LARM provides the long-term, stable, cost-effective risk management alternatives for members of the League. During the 1987 legislative session, the League worked with other government entities for the enactment of LB 398. The Intergovernmental Risk Management Act (IRMA) was passed and authorized municipalities and other public agencies to form risk management pools. IRMA allows the Director of the Nebraska Department of Insurance (NDOI) to adopt and promulgate rules and regulations related to maintaining reserves, payment of dividends, payment of claims and changes to the structure of the pool. The Act (IRMA) clearly states that pools created under IRMA are NOT considered insurance companies, and NDOI recognizes the unique legal status of pools and created regulations specifically for governmental pools. LARM is required by law to comply with Nebraska public records and open meetings statutes and is regulated by NDOI. LARM needs to operate under the direction of the "properly elected" Board of Directors, made up of elected and appointed officials who are elected by the LARM membership at a members meeting as required by the Interlocal Agreement.
- **LARM History:** LARM began operations in 1989 by offering an endorsed insurance program for municipalities that included risk management. LARM's endorsed program was with Star Insurance Company, Meadowbrook Insurance Group's primary carrier subsidiary. LARM's endorsed program was offered to members until LARM built up the necessary reserves required by NDOI. In 1995, with 13 participating municipalities, LARM received its pooling certificate and began operating the Property and Liability Group Self-insurance Pool. LARM's workers' compensation coverage was introduced in 1997 after the League gave LARM \$100,000 to provide this important coverage. Based on a model developed and used by several other state municipal leagues, the League formed LARM with the legal structure that incorporates check and balances outlined in the following three documents:
  1. The "Agreement for the Establishment and Operation of LARM" which is the Interlocal Agreement between LARM and its members;
  2. The "Bylaws of the League Association of Risk Management"; and
  3. The "Agreement for Administrative and Management Services" which is the agreement between the League and LARM.

These three foundational documents provide the checks and balances to prevent any third party administrator (TPA), consultant or anyone else from separating LARM from the League to create “just another insurance company,” which may not serve the interests of LARM members.

- **Why Pool?** The simple answer is that municipal insurance pools and LARM provide municipalities with stabilized rates, risk management services and quality insurance coverage for those member cities, villages and other local governments desiring to contract for these services. But what really created the need for a municipal insurance pool in Nebraska was the “Hard Market” in the 1980s. During the hard market of the 1980s, municipalities asked the League for help in addressing the insurance crisis at the time, characterized by skyrocketing rates for significantly less coverage and services. Insurance coverage for many municipalities was not renewed and/or was not available at an affordable rate, if at all. A study initiated and funded by the League determined that insurance carriers and products were not available or were limited to Nebraska municipalities. As such, municipalities were unable to control insurance costs, coverages and services. Based on the results of the study and in the interest of its members, the League resolved to create LARM. ***“Sorry, America, Your Insurance Has Been Cancelled”*** was on the cover of Time Magazine’s, March 24, 1986, edition. The caption read – *“The city council of Blue Island, IL (Pop 22,000) voted down a 30% increase in property taxes thought necessary to pay rocketing liability-insurance premiums, and the town expects to self-insure for the 1986-87 fiscal year, taking a chance that a large judgement might force taxes up anyway.”* Locally, numerous Nebraska cities and villages were also caught in the “hard market.” Norfolk, for example, had a \$10 million umbrella policy and a premium of \$6,500, which covered underlying policies. By 1985-86, Norfolk found itself without police professional coverage and, for a time, without umbrella coverage. When a carrier willing to provide coverage was finally found, the city retained a \$10,000 deductible and purchased an excess auto and liability buffer for an additional premium of over \$18,000. The carrier refused to provide more than a \$3 million umbrella, at a premium of \$43,000 and the umbrella excluded all errors and omissions. Most Nebraska municipalities experienced the same disruptions and issues with their insurance programs and most villages and cities across the state were subjected to horrendous premium increases and found themselves excluded from needed coverages.
- **Why is it important to have a partnership between the League and LARM?** The most significant reason to have a partnership between the League and LARM is that for many municipalities, they would not have become or stayed a member of LARM without the League’s continued promotion, endorsement and important role in LARM. As mentioned earlier, the League also is present at the table to ensure that LARM does not become “just another insurance company,” that may or may not be in the interest of Nebraska municipalities. Historically, LARM has been administered by the League to provide legal assistance, coordination of legislative efforts and information and education. The League was responsible for contracting with



and overseeing all service providers including the pool manager, risk management staff, accountants, actuaries, investment managers and financial auditors. The agreement between the League and LARM was entered into June 21, 2000, to reflect the ongoing relationship between the parties that have been in effect since September 1995. The League agreed to furnish, provide and contract for the necessary administrative and management services required by LARM, and LARM agreed to establish and oversee a risk management pool to provide insurance coverage for municipal members as provided for under IRMA, the Interlocal Cooperation Act (ICA), the formation of LARM and the LARM Bylaws. One of the many functions of the League is to ensure that LARM, in its actions as a public agency, is compliant with the Nebraska Open Meetings Act. LARM is a PUBLIC AGENCY!

- **Historically, what has the League done for LARM?** In the 1980s, the League totally funded the research and development efforts necessary to form LARM as well as to get a consensus of League members to move forward with the municipal pooling effort. The League continued to subsidize LARM from 1989-1995 as an “endorsed” program with Star Insurance. Even after 1995, the League significantly subsidized LARM as a pool as certified by NDOI. The League gave LARM \$100,000 in 1997 to enable LARM to offer workers’ compensation coverage to members (in addition to other LARM expenses paid by the League). The League did not receive ANY compensation for services rendered as the “Administrator” of LARM, substantial League staff time, legal work, use of the League’s brand, the League’s endorsement, lobbying efforts, and so forth. LARM’s TPA paid the League for rent for office space and parking spaces. Until LARM’s recent relocation, LARM did pay rent on part of the office space used on the second floor and did pay for parking spaces. Pursuant to the “*Agreement for Administrative and Management Services*” between LARM and the League, LARM paid 2% of the gross written premium on all members. Mark Nestor, LARM’s consultant with ICRMS, stated at the LARM Board meeting on Aug. 25, 2016, that he originally suggested the 2% and Lynn Rex indicated at the meeting that 2% is one of the lowest in the country of which she is aware. The League sincerely appreciated the fact that LARM held the League financially harmless after the rate reductions recommended by JI (Texas), LARM’s former TPA. Since Mike Nolan has been LARM’s Director, the League paid from \$10,000-\$12,000 a year to Mike Nolan to supplement his salary from LARM. In addition to other compensation, the LARM Board decided at its meeting in February 2016 that LARM would add to Mike’s salary the comparable amount previously paid to him by the League. Consequently, the League reduced the amount paid to Mike to \$500 for any incidental work he may have done on behalf of the League. The League continues to pay some expenses for LARM-related issues, including but not limited to, legal expenses for outside counsel to testify with the League staff before legislative committees, as well as those expenses that LARM legally cannot pay as a public agency. It is noted that the League Executive Board has never “trumped” the LARM Board. This issue came to light in December 2011 when the League

Board was asked by Mike Nolan, Doug Hanson (then-LARM Board Chair) and David Boeckner (then-LARM Vice Chair and League President as a Scottsbluff Council Member) to direct Lynn Rex, the “Administrator” of LARM, to **NOT** sign another contract with the then-existing TPA if the LARM Board decided to move forward with the TPA’s contract.

- **Lynn Rex explained the structure and partnership between the League and LARM.** The reference to the “League” in the League Association of Risk Management means the League of Nebraska Municipalities. LARM’s logo was intentionally designed to be similar to the League’s logo so that LARM could take advantage of the League’s “brand,” credibility and excellent reputation with League members. **League members joined LARM because of the League!** Unfortunately, it is now clear that Mike Nolan has been working to separate LARM from the League since at least 2015. As required by the Interlocal Agreement, contracts involving LARM are to be signed by the “Administrator” (League Executive Director), to provide necessary checks and balances and prevent LARM from being “spun off” to become “just another insurance company.” At LARM’s Board Meeting on Feb. 24, 2015, the League was removed as a party to the contracts with York (LARM’s TPA) and ICRMS (LARM’s consultant). Lynn Rex was not present and since she was at the Legislature testifying against a bill that would be detrimental to the interests of LARM. Not one LARM Board Member, including Doug Hanson (the outgoing LARM Board Chair), Gerald Solko (the new LARM Board Chair) or the board member who made the motions to approve changes to the contracts with York and ICRMS knew what they were voting on because the agenda item did not state that the League was being removed as a party to the contracts. In August 2015, “Purported LARM Board Chair” Gerald Solko asked Lynn to present LARM’s legal and key documents for the LARM Board Meeting on Aug. 25, 2016. After preparing for this presentation on Aug. 25, 2016, Lynn identified the noncompliance and conflicting provisions between the Interlocal Agreement and the Bylaws. Lynn notified Mike Nolan and Jerry Pigsley of the conflicting provisions between the Interlocal Agreement and Bylaws in August 2016. In addition, Lynn met with the following LARM Board Members in the fall of 2016 to discuss the conflicting provisions between the Interlocal Agreement and Bylaws and the fact that the League had been taken off as a party to the contracts with York and ICRMS on Feb. 24, 2015, in violation of the Interlocal Agreement: “Purported LARM Board Chair” Gerald Solko in St. Paul; then-LARM Board Member Joe Mangiamelli in Columbus; then-LARM Board Member Mayor KC Ortiz in Syracuse; and then-LARM Board Member Jan Rise in Fremont. After meeting with the board members, Doug Hanson and Lynn then asked “Purported LARM Board Chair” Gerald Solko to be placed on the agenda for the next LARM Board Meeting on Dec. 19, 2016. Doug and Lynn informed Gerald and Mike Nolan that they would be requesting the LARM Board to go into closed session to protect the public interest and discuss a legal opinion from Andy Barry of Cline Williams regarding these critical issues. Mike Nolan falsely informed the LARM Board that a closed session was not allowed. There are a number of other things that Mike Nolan has done incrementally to separate LARM from the League. For

example, at the LARM Board Meeting on Sept. 27, 2017, Mike received authority from the “Purported LARM Board” to file documents for “LARM, Inc.” He also received authority from the LARM Board on Sept. 27, 2017 to file documents to trademark the name “LARM,” even though the actual documents were filed on Sept. 11, 2017. In addition, on Dec. 14, 2017, the “Purported LARM Board” authorized moving the LARM offices from the League building (as required in the Interlocal Agreement) to a new location. This was done despite the League’s offer on Dec. 7, 2017 and Dec. 14, 2017 to match the price, terms and conditions of any lease being considered by the “Purported LARM Board”; Lynn also stated that the League offer would be even better than whatever the “Purported LARM Board” was considering. “Purported LARM Board Chair” Gerald Solko was asked to make sure that the League’s offer to match and even make better any lease with LARM be expressly stated in the minutes; Gerald said he would “absolutely” do so, but such a statement was not in LARM’s minutes. Lynn emphasized how important it is to continue membership in LARM and work with the duly elected LARM Board and others to grow LARM’s membership.

*The Board took a 10-minute break from 10:40-10:50 am.*

- **Municipal Perspective on Pooling**

- **Melissa Harrell discussed why municipalities, like Wahoo, joined LARM years ago.** Melissa said you can’t really understand the value of a pool until you are in a pool. Wahoo has been with LARM since 2004. Wahoo’s initial decision for making a switch from a traditional insurance provider to LARM was primarily based on financial reasons. While LARM continues to be a great value for Wahoo, one of the main reasons we stay is because it is insurance made for municipalities. Pooling of insurance happens in all industries across the nation and there is a reason for that. It’s because pooling works. LARM fully understands the issues and risks municipalities face each and every day because government entities is all they do – no residences, no businesses, no farms, no schools – just us. From 2000-2004, Wahoo’s insurance premium went from \$112,000 to \$215,000 so they went out for bid. LARM’s bid ended up saving Wahoo about \$60,000. Municipalities are allowed to have an additional 5 cents on their levy for an Interlocal Agreement. Years ago, she was asked to serve on the LARM Board and was elected by the members at a members meeting. Regular insurance companies really don’t understand certain risk management issues such as sewer systems, power generations, utilities, etc. LARM is dependable and flexible; decisions are made locally and the pool members receive the “profit,” not the insurance company. Every member needs to stay committed to LARM for stability.

- **Importance of Growing LARM’s Membership**

- **Jim Hawks emphasized why it is so important to continue participating and growing LARM’s membership and the significance of LARM for League members which have not yet decided to join.** Jim stated that municipalities have unique coverages such as law enforcement and utilities. There are different needs based on size of municipality. The LARM Board can discuss issues and

come up with solutions. Members need to have a voice in governance. LARM can hire engineers, an actuarial, etc., to get information to members. If a LARM member sends notification that they are going out for bid, they should be contacted, and the importance of LARM should be explained. When NACO and NIRMA separated, it lost its strength.

- **Value of Board Member Training**

- **Jo Leyland reported on NLC-RISC's orientation sessions in May 2018 for new trustees (board members) and the value of trustee (board member) training.** Jo stated that the NLC-RISC training for Trustees (pool board members) that she recently attended in Santa Fe was very valuable. She came back with questions and knows now what questions to ask such as the role of York, financial philosophies and who handles LARM's investments. There were sessions for new board members and networking with others. Pools have close relationships with their respect state League which is so important. Ethics and transparency are important. Members need to have a voice.

Lynn Rex discussed how it has been an incremental process by Mike Nolan, and now the "Purported LARM Board" to separate LARM from the League. Mike Nolan and others are creating false narratives and giving misinformation to the "Purported LARM Board" and LARM members. For example, LARM staff and others stated that NDOI recommended that LARM separate from the League which is not true. The "Purported LARM Board" wanted to negotiate with the League Executive Board and then offered to negotiate with the LARM Board duly elected on 3-21-18; however, the League Executive Board and duly elected LARM Board declined to do so since the "Purported LARM Board" has no authority to negotiate or take action on behalf of LARM since no member of the "Purported LARM Board" was duly elected or appointed. Lynn emphasized that LARM must be a public agency that is membership driven.

### **Update by Andy Barry on LARM-Related Issues**

- The League met with NDOI regarding its 2015 audit recommendations and followed up with a letter from Lynn Rex to NDOI dated 11-20-17. A letter from NDOI was sent to Lynn Rex 11-21-17 to clarify NDOI's position on its 2015 audit recommendations to LARM which expressly stated that NDOI did not recommend any changes to LARM's Interlocal Agreement.
- A letter from NDOI was sent to Mike Nolan dated 4-20-18 "disapproving" the proposed changes to LARM's Bylaws approved by the "Purported LARM Board" on 2-12-18 and 3-14-18 due to noncompliance with the Interlocal Agreement.
- A *Quo Warranto Action* was filed in Lancaster County District Court to remove members of the "Purported LARM Board" from office so that LARM can be governed by a board duly elected at a members meeting in accordance with its Interlocal Agreement and Nebraska laws.
- A complaint for "declaratory judgment and injunctive relief" was filed in Lancaster County District Court seeking, in part, an order invalidating actions of the "Purported LARM Board" at meetings on 2-12-18 and 3-14-18, based in part on violations of the Open Meetings Act, and to prevent an election which the "Purported LARM Board" proposes to hold in violation of LARM's Interlocal Agreement.



Doug Schultz asked questions regarding the litigation strategy and timeframe. Chair Doug Hanson stated that if litigation strategy is going to be discussed, the Board would need to go into closed session. Sandra Schendt moved, seconded by Lanette Doane to go into closed session to protect the public interest and to discuss legal strategy issues and litigation regarding the "Purported LARM Board" and to include in closed session Lash Chaffin, Christy Abraham, Jerry Wilcox, Jan Rise and Andy Barry. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt and VanMatre. Nay: Schultz. **Motion carried: 12 ayes, 1 nay, 2 absent (Johnson and Moenning).** Chair Doug Hanson restated the motion before going into closed session.

After returning to open session, LeAnn Brown moved, seconded by Sandra Schendt to come out of closed session that occurred due to a motion to protect the public interest to discuss legal strategy issues and litigation regarding the "Purported LARM Board" and to include in closed session Lash Chaffin, Christy Abraham, Jerry Wilcox, Jan Rise and Andy Barry. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz and VanMatre. Nays: None. **Motion carried: 13 ayes, 0 nays, 2 absent (Johnson and Moenning).**

Chair Doug Hanson emphasized that there was no action taken during the closed session. Due to lack of time, Doug said the agenda items remaining will be covered in a future telephone conference call. Sandra Schendt moved, seconded by Pam Buethe to adjourn. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz and VanMatre. Nays: None. Not voting: Bartlett and Brown. **Motion carried: 11 ayes, 0 nays, 2 not voting, 2 absent (Johnson and Moenning).**

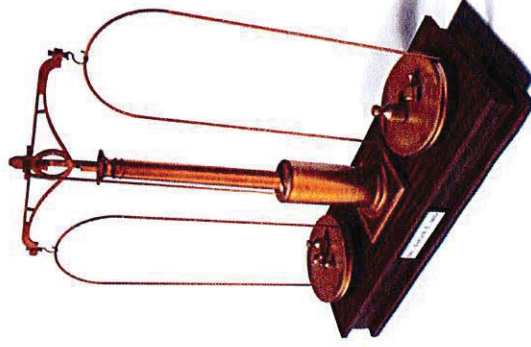
# League Association of



# Risk Management

D-1  
6-26-2018

## Budget for 2018-2019 Fiscal Year



**LEAGUE ASSOCIATION OF RISK MANAGEMENT**  
**2018/2019 Budget - Drafted June 20, 2018**

**REVENUE DETAIL**

Code	Description	2015-2016		2016-2017		Approved 2017-2018		2017-2018 Reprojected		Proposed 2018-2019		Current vs Prior Budget:	
		Actual Revenues		Actual Revenues		Budget		Revenues		Budget		Dollar Incr/(Decr)	Percent Incr/(Decr)
Income													
1	Gross Earned Contribution	7,688,167		8,526,373		8,462,000		8,462,000		7,996,000		(466,000)	(5.5%)
2	Ceded Premiums	(2,260,774)		(2,185,673)		(2,046,000)		(2,123,000)		(2,317,000)		(271,000)	13.2%
3	Net Earned Contribution	5,427,393		6,340,700		6,416,000		6,339,000		5,679,000		(737,000)	(11.5%)
4	Investment Income (net of fees)	85,043		141,359		100,000		143,000		100,000		-	-
5	Other Income	4,739		4,488		5,000		4,000		5,000		-	-
Total Revenue		5,517,175		6,486,547		6,521,000		6,486,000		5,784,000		(737,000)	(11.3%)

**LEAGUE ASSOCIATION OF RISK MANAGEMENT**  
**2018/2019 Budget - Drafted June 20, 2018**

**EXPENDITURE DETAIL**

Code	Description	2015-2016 Actual Expenditures	2016-2017 Actual Expenditures	Approved 2017-2018 Budget	2017-2018 Reprojected Expenditures	Proposed 2018-2019 Budget	Dollar Increase (Decrease)	Percent Increase (Decrease)
<b>Losses and Loss Expenses</b>								
6	Losses and Expenses	2,877,933	1,482,707	3,544,000	5,347,000	3,576,000	32,000	0.9%
7	Loss Adjustment Expense	467,422	112,795	383,000	467,000	386,000	3,000	0.8%
8	Ceded Losses	(955,861)	210,711	(1,182,000)	(2,440,000)	(1,192,000)	(10,000)	0.8%
9	<b>Net Losses</b>	<b>2,389,494</b>	<b>1,806,213</b>	<b>2,745,000</b>	<b>3,374,000</b>	<b>2,770,000</b>	<b>25,000</b>	<b>0.9%</b>
<b>Underwriting Expenses</b>								
10	Actuarial Services	32,000	29,500	32,000	32,000	32,000	-	-
11	Legal & Human Services	97,188	61,459	106,000	138,000	174,000	68,000	64.2%
12	Salary & Wages	512,020	587,173	716,000	722,000	728,000	12,000	1.7%
13	Employee Benefits	121,358	147,417	208,000	220,000	234,000	26,000	12.5%
14	Payroll Taxes	40,034	46,077	57,000	58,000	58,000	1,000	1.8%
15	Retirement Plan	40,900	52,180	66,000	66,000	66,000	-	-
16	Car & Field	38,747	27,479	74,000	74,000	61,000	(13,000)	(17.6%)
17	Computer	27,525	25,513	47,000	57,000	54,000	7,000	14.9%
18	Mobile Phone	6,862	6,664	8,000	8,000	9,000	1,000	12.5%
19	Telecommunication / Network	9,944	18,498	20,000	20,000	20,000	-	-
20	Postage	1,154	2,531	2,000	2,000	2,000	-	-
21	Office Supply & Printing	12,800	11,271	14,000	14,000	14,000	-	-
22	Dues & Publications	11,770	12,296	13,000	13,000	13,000	-	-
23	Miscellaneous	16	-	1,000	4,000	1,000	-	-
24	Conferences & Travel	30,925	32,475	35,000	49,000	50,000	15,000	42.9%
25	Accounting & Financial Audit	36,593	35,400	47,000	47,000	47,000	-	-
26	Rent/Remodeling/Office Fixtures	45,677	47,968	55,000	45,000	35,000	(20,000)	(36.4%)
27	Third Party Administration	834,641	751,322	757,000	752,000	769,000	12,000	1.6%
28	LNM Administrative Fee	153,763	170,527	169,000	163,677	-	(169,000)	(100.0%)
29	Advertising / Marketing	14,820	18,294	16,000	7,000	16,000	-	-
30	Appraisal Services	42,022	39,993	55,000	55,000	55,000	-	-
31	Loss Control Services	35,882	43,503	59,000	59,000	59,000	-	-
32	Safety Grant Program	-	-	82,000	45,000	84,000	2,000	2.4%
33	Agent Commissions	178,338	218,981	251,000	251,000	251,000	-	-
34	Brokerage Services	(3,191)	16,280	18,000	38,000	38,000	20,000	111.1%
35	Department of Insurance Exam.	1,793	11,141	-	1,000	-	-	100.0%
36	Bank Fees	1,477	1,662	3,000	2,000	3,000	-	-
37	Insurance	40,752	46,763	49,000	49,000	51,000	2,000	4.1%
38	Taxes & Licenses	78,005	89,630	90,000	90,000	90,000	-	-
	<b>Total Underwriting Expenses</b>	<b>2,443,815</b>	<b>2,551,997</b>	<b>3,050,000</b>	<b>3,081,677</b>	<b>3,014,000</b>	<b>(36,000)</b>	<b>(1.2%)</b>
39	<b>Total Expenditures</b>	<b>4,833,309</b>	<b>4,358,210</b>	<b>5,795,000</b>	<b>6,455,677</b>	<b>5,784,000</b>	<b>(11,000)</b>	<b>(0.2%)</b>
40	<b>Net Income</b>	<b>683,866</b>	<b>2,128,337</b>	<b>726,000</b>	<b>30,323</b>	<b>-</b>	<b>(726,000)</b>	<b>(100.0%)</b>



**LEAGUE ASSOCIATION OF RISK MANAGEMENT**  
**2018/2019 Budget - Drafted June 20, 2018**

**SURPLUS DETAIL**

Code	Description	2015-2016 Actual Surplus	2016-2017 Actual Surplus	Approved 2017-2018 Budget	2017-2018 Reprojected Surplus	Proposed 2018-2019 Budget
	<b>Surplus</b>					
41	Beginning Surplus	8,589,490	9,273,356	11,401,693	11,401,693	11,432,016
42	Earned Surplus	683,866	2,128,337	726,000	30,323	-
43	<b>Ending Surplus</b>	<u>9,273,356</u>	<u>11,401,693</u>	<u>12,127,693</u>	<u>11,432,016</u>	<u>11,432,016</u>
44	Dividend Program	-	-	(500,000)	-	-
45	<b>Total Surplus</b>	<u>9,273,356</u>	<u>11,401,693</u>	<u>11,627,693</u>	<u>11,432,016</u>	<u>11,432,016</u>

**League Association of Risk Management  
Budget Category Descriptions**

Code #	Category	Description
1	Gross Earned Contribution	\$7.996M includes a 6% loss of business, a 2% decrease for sponsorship fees, and exposure increases of 1% Casualty, 3% Property, and 3% Workers' Compensation.
2	Ceded Premiums	Estimated premiums paid to reinsurers: 10% increase for property, 3% increase for liability, and flat for workers compensation. Also includes \$50k for workers comp audit.
3	Net Earned Contribution	Gross earned contributions less ceded premiums.
4	Investment Income	TPA estimated earnings from funds invested during the fiscal year, net of investment management fees.
5	Other Income	Net income recognized for policies outsourced to reinsurers, less the reinsurer's premium. Flood or crime policies, for example.
6	Losses and Loss Expenses	Total of losses reserved on individual case files. Loss reserves are based on the best estimate of ultimate claim cost. Losses include awards and judgments paid to the plaintiff.
7	Loss Adjustment Expense	Expense associated with losses under Line #6, which includes cost of medical records, expert witness fees, independent medical exams, independent adjuster fees, York claim handling fees, and court costs.
8	Ceded Losses	Loss in excess of self-insured retentions with reinsurers and excess carriers. This amount is expected to be reimbursed to LARM by reinsurers and excess carriers.
9	Net Losses	Losses and expenses, plus loss adjustment expenses less ceded losses. Actuary's estimate of the actual amount of claims to be paid by LARM. Sum of lines 6 through 8.
10	Actuarial Services	Fees for actuarial services provided under contract. Actuarial services include the annual actuarial reserves opinion required by the Department of Insurance, assistance with development of the annual independent audit, quarterly reports to the Department of Insurance, rate analysis report, and other projects as assigned.
11	Legal & Human Resources Assistance	General Counsel fees incurred not related to a claim and any Human Resources fees. This estimate relates to client services and legal and human resources opinions that avoid litigation. Examples may be advice on management, malingering, due process, and disciplinary strategies for LARM clients.
12	Salary & Wages	Salary and wages for 8 staff members and 1/2 of IT manager. Includes 4% step plan salary increase.
13	Employee Benefits	Employee benefits for 8 1/2 staff (1/2 IT manager) including health, HSA funding, dental, life and disability.
14	Payroll Taxes	Payroll taxes for staff, estimated at 8% of salary & wages.
15	Retirement Plan	Retirement plan for staff, estimated at 10% of salary & wages once staff members are vested.
16	Car & Field	All vehicles and their related fuel and maintenance expenses. Purchase of one new vehicle is budgeted for 2018/19.
17	Computer	Software/hardware costs, technology service contract, hardware lease, website, etc.



**League Association of Risk Management  
Budget Category Descriptions**

<b>Code #</b>	<b>Category</b>	<b>Description</b>
18	<b>Mobile Phone</b>	Cell phone equipment and usage charges for staff.
19	<b>Telecommunication / Network</b>	Cost of Internet, cable, and land line phones.
20	<b>Postage</b>	Postage on all meeting packets, promotional calendars, letters, bills, loss control information, etc.
21	<b>Office Supply &amp; Printing</b>	Office supplies for the LARM office including general office supplies, small equipment, board packet materials, copies, professional photos for website, etc.
22	<b>Dues &amp; Publications</b>	Membership dues, newspaper renewals, magazine subscriptions, etc.
23	<b>Misc.</b>	Cost of special awards, staff meeting items, claim ex gratias payments, and any other office expenses that do not go in another category.
24	<b>Conferences &amp; Travel</b>	Conference and workshops for staff, NLC, AGRIP and PRIMA, including travel, accommodations, meals, etc., as well as staff continuing education hours. Also includes LARM meetings, Board of Directors mileage, and staff training.
25	<b>Accounting &amp; Audit</b>	Accounting and auditing of filings required by the Department of Insurance, fees related to the independent audit of LARM's financial statements, and any required reports related to that audit.
26	<b>Rent, Remodeling, and Office Fixtures</b>	Rent for office space, utilities, copier lease, and office maintenance such as plumbing, refuse collection, and locksmith services.
27	<b>Third Party Administration</b>	Fees paid to York for monthly TPA services. Also included is a 5% incentive payment on new business and \$25K large member retention bonus.
28	<b>LNM Administrative Fee</b>	Sponsorship fee paid to LONM; 0% for 2018/19.
29	<b>Advertising/Marketing</b>	Direct advertising costs and enhanced marketing of LARM services to municipalities including risk management seminars, webinars, and educational videos. This includes advertisements in the Municipal Review and website domain costs, and the LARM calendar.
30	<b>Appraisal Services</b>	Cost of property appraisals and appraisal software.
31	<b>Loss Control Services</b>	Fees related to the police professional training conducted by LLRMI and NIRMA/PATC, Online University, Nebraska Safety Council fees, and loss control services expense.
32	<b>Safety Grant Program</b>	"Lean on LARM" member safety grant program for 2018/19.
33	<b>Agent Commissions</b>	Commission paid on agent-produced business.
34	<b>Brokerage Services/Consulting</b>	Consulting fees paid to ICRMS, net of Broker Fees which are booked to Ceded Premiums in line 2.

**League Association of Risk Management  
Budget Category Descriptions**

<b>Code #</b>	<b>Category</b>	<b>Description</b>
35	<b>Department of Insurance Exam</b>	Department of Insurance Audit. The audit typically occurs every three years, but can occur whenever the Department of Insurance determines. The last audit was for the three years ended 9/30/15.
36	<b>Bank Fees</b>	Fees for checking account services including general operating account and zero-balance claim accounts.
37	<b>Insurance</b>	Premium paid for public officials liability insurance for the LARM Board of Directors and officers, insurance for LARM vehicles, workers' compensation, general liability, inland marine, commercial umbrella, ERISA bond, and employee dishonesty.
38	<b>Taxes, Licenses &amp; Fees</b>	Estimate of premium tax and fees paid to the Nebraska Department of Insurance in compliance with the Intergovernmental Risk Management Act.
39	<b>Total Expenditures</b>	Total of net losses, underwriting expenses, and miscellaneous expenses. Sum of lines 9 through 38.
40	<b>Net Income</b>	Total revenue minus total expenditures.
41	<b>Beginning Surplus</b>	Surplus shown on the financial statement at the beginning of the fiscal year.
42	<b>Earned Surplus</b>	Net income reported on financial statement.
43	<b>Ending Surplus</b>	Beginning surplus plus earned surplus.
44	<b>Dividend Program</b>	Potential member distribution program.
45	<b>Total Surplus</b>	Ending surplus minus dividend program.



**Subject:** Update on LARM-Related Issues to Restore LARM to a Membership-Driven Organization

**MEMO**

**TO:** **Municipal Clerks:** Please distribute to all elected officials, manager/administrator, finance officer, risk manager and municipal attorney. Thanks!

**FROM:** Hickman Mayor Doug Hanson, Chair of the LARM Board (Duly Elected 3-21-18)  
L. Lynn Rex, LARM Administrator and League Executive Director

**RE:** **Update on LARM-Related Issues to Restore LARM to a Membership-Driven Organization; Mike Nolan's Refusal to Respond to Questions About LARM's Proposed Budget for FY 18-19**

1. **REMAIN A LARM MEMBER!** The LARM Board (Duly Elected 3-21-18) is fully aware that many of you have sent letters indicating that you might be looking at other risk management options. We encourage your municipality to retain your membership in LARM. LARM is financially sound and will continue to provide risk management services to Nebraska municipalities. If your governing body approved a 3-year commitment to LARM last year, you still have two years left as a LARM member, unless you decide to terminate your membership. Please remain a LARM member and be part of the solution!

The current dispute is to ensure that: 1) LARM will be governed by a LARM Board duly elected by LARM members at a members meeting (like the election held on 3-21-18), as required by the Interlocal Agreement which your governing body approved in order to join LARM; 2) LARM will return to being a membership-driven organization, which is governed and managed in a TRANSPARENT, PROFESSIONAL and RESPECTFUL manner; and 3) LARM will again be an organization that **consistently** complies with the Open Meetings Act and laws governing public records, etc.

2. **PROGRESS TO REMOVE MEMBERS OF THE "PURPORTED LARM BOARD" WHO ARE NOT DULY ELECTED OR APPOINTED, AS REQUIRED BY THE INTERLOCAL AGREEMENT.** Following the members meeting on 3-21-18 to properly elect a LARM Board, the LARM Board (Duly Elected 3-21-18) respectfully requested that the members of the "Purported LARM Board" resign. **Members of the "Purported LARM Board" have refused to resign even though the remaining nine members of the 15-member "Purported LARM Board" have known for some time that not one of them is duly elected or appointed, as required by the Interlocal Agreement.** Subsequently, a *Quo Warranto* action was filed by the **City of North Platte**, the **City of Hickman**, the **Village of Ansley** and **Lynn Rex** (LARM Administrator), to remove members of the "Purported LARM Board" from office so that LARM can be governed by a Board duly elected at a members meeting (like the election held on 3-21-18) in accordance with its Interlocal Agreement and Nebraska law.
3. **NEBRASKA DEPARTMENT OF INSURANCE (NDOI) DISAPPROVED PROPOSED AMENDMENTS TO LARM'S BYLAWS PASSED BY THE "PURPORTED LARM BOARD" ON 3-14-18 (AND PREVIOUSLY ON 2-12-18).** On April 20, 2018, the Nebraska Department of Insurance disapproved amendments to the Bylaws passed by the "Purported LARM Board" on 3-14-18. A copy of the letter is attached, stating in part: *"After review, the Department has*

*determined that the (NDOI) Director must disapprove of the changes proposed in these Bylaws. Specifically, the changes violate several provisions of the Interlocal Agreement including Section 3.2, Section 8.1, Section 8.1.4.1, Section 8.9.4, and Section 8.18. The Department also has concerns about the validity of the LARM Board that approved the proposed amendments. It has come to our attention there are currently two separate entities that claim to be the valid Board of Directors of LARM. The Department will not take a position regarding that dispute and understands that question will be resolved formally in litigation. In the interim, the Department will continue to regulate LARM as required by law, but will not take action, such as approving resolutions or bylaws passed by one of the boards, that recognizes the validity of one board over the other."*

- 4. SECOND LAWSUIT FILED REGARDING "PURPORTED LARM BOARD'S" PLANS FOR ELECTION IN VIOLATION OF THE INTERLOCAL AGREEMENT.** The Purported LARM Board has previously stated that it plans to hold an election, using mail-in ballots, by December 5, 2018. The Purported LARM Board plans to follow the proposed changes to its Bylaws that were rejected by the Nebraska Department of Insurance and a Voting Protocol that was adopted in violation of the Open Meetings Act and which separately violates the Interlocal Agreement governing LARM. A second lawsuit was filed by the **City of North Platte**, the **City of Hickman**, the **Village of Ansley** and **Lynn Rex** (LARM Administrator) seeking, in part, an order invalidating actions of the "Purported LARM Board" at its meetings on 2-12-18 and 3-14-18 based, in part, on violations of the Open Meetings Act and to prevent an election which the "Purported LARM Board" proposes to hold in violation of LARM's Interlocal Agreement.
- 5. MIKE NOLAN'S REFUSAL TO RESPOND TO QUESTIONS FROM REPRESENTATIVES OF LARM MEMBERS RELATING TO LARM'S PROPOSED BUDGET FOR FY 18-19.** On June 26, 2018, the "Purported LARM Board" held a meeting in Hoskins, Nebraska. Lynn Rex attended this meeting as an ex-officio officer and non-voting LARM Board Member; as Executive Director of the League, Lynn is also the "Administrator" of LARM pursuant to the Interlocal Agreement.

One of the most important agenda items was listed as "Consideration of Board approval of FY 2018-19 Budget." Several representatives of LARM members tried to listen and/or participate in the meeting by telephone conference call to ask questions about LARM's proposed budget for FY 18-19. **Gerald Solko**, Chair of the "Purported LARM Board" read the following statement from the agenda stating *"Fifteen minutes will be provided at the start of the meeting for LARM members and others participating by phone to comment on agenda items. At the end of the public comment period, the Board will discuss and decide each of the agenda items. There will be no further comment."* You can view the video of this meeting on the League's website by going to the link for the "Purported LARM Board" Meeting of June 26, 2018. There was not enough time to have all of the questions about LARM's proposed budget for FY 18-19 answered within the 15-minute time period. On behalf of **Mayor Doug Hanson**, Chair of the LARM Board (Duly Elected 3-21-18), Lynn Rex asked permission to read the attached statement from him into the record requesting that approval of the proposed budget be tabled to allow enough time for questions about the budget to be answered. **Jo Leyland** of Imperial and others participating by phone also requested that the questions be answered or that approval of the budget be tabled at this time. **Chair Gerald Solko stated that questions about the budget could be submitted in writing to Mike Nolan so that he could respond in writing.** Later in the meeting, the "Purported LARM Board" did pass a motion to table approval of LARM's proposed budget for FY 18-19 until the next meeting, with **Lane Danielzuk** of Gering and **David Hunter** of Auburn voting against the motion to table.

**Attached are questions about LARM's Proposed Budget for FY 18-19 which were submitted to Mike Nolan** by Lynn Rex on behalf of the following officials, all of whom are currently members of the LARM Board (Duly Elected 3-21-18), except for Jan Rise of Fremont who previously served

on the LARM Board: **Lanette Doane** of Ansley, **Jan Rise** of Fremont, **Doug Hanson** of Hickman, **Jo Leyland** of Imperial, **Sandra Schendt** of Nelson and **Nathan Johnson** of Scottsbluff. **Also included in this attachment is Mike Nolan's email to Lynn Rex refusing to respond to the questions.** Mike Nolan's email states: *"You and colleagues mentioned in your email have initiated litigation against LARM and individual LARM Board members. Please submit all the questions which you wrote below and assigned to your colleagues to your attorney Mr. Andre Barry so that Mr. Barry may communicate them according to protocols for depositions to Dave Domina. You may wish to notify your colleagues that Mr. Domina may be deposing them."*

We find it extremely troubling that Mike Nolan is refusing to answer questions from LARM members about LARM's Proposed Budget for FY 18-19. **The details of the budget are NOT an issue in any of the pending litigation, and Mike Nolan's suggestion that people be deposed regarding the budget makes no sense. LARM members have a right to know the answers to these questions before any budget is adopted; Mike Nolan and/or the LARM staff should provide the answers to these questions before the "Purported LARM Board" considers approval of LARM's Proposed Budget for FY 18-19.** Not responding to these questions would be just another example of the lack of TRANSPARENCY, PROFESSIONALISM AND RESPECT for LARM members.

From Mike Nolan's email to Lynn Rex quoted above, he apparently thinks that these questions were "assigned" to the municipal officials who submitted them. Evidently, Mike Nolan does not think that these municipal officials are capable of formulating questions relating to LARM's Proposed Budget for FY 18-19. He is wrong! Every municipal official who submitted questions is extremely familiar with budgeting and several officials work with budgets far more complicated than LARM's Budget.

6. **SUMMARY.** Notwithstanding the serious governance issues and other challenges noted in this memo, we urge you to **STAY IN LARM** and be part of the solution. Help restore LARM into the public agency that the League Executive Board envisioned in the 1980s during the insurance crisis when many municipalities were not renewed or unable to find any affordable insurance coverage. The League expended significant League reserves to fund the research and development costs, create the necessary documents and legal structure, and actively encourage League members to become LARM members by approving the initial Interlocal Agreement that formed LARM.

Over the years, LARM has benefited ALL League members, but especially those which have become LARM members and taken advantage of LARM's risk management services. Cities and villages which have not yet joined LARM also have benefitted from LARM's existence in the marketplace. Many municipal officials emphasize the important role that LARM continues to play in keeping down the municipal insurance rates.

# NEBRASKA

Good Life. Great Opportunity.

April 20, 2018

## DEPARTMENT OF INSURANCE

Mike Nolan  
Executive Director  
League Association of Risk Management  
1919 S. 40th Street, Suite 212  
Lincoln, NE 68506

Re: Amendments to LARM Bylaws

Dear Mr. Nolan:

The Nebraska Department of Insurance (the "Department") has received correspondence dated March 26, 2018 from the League Association of Risk Management ("LARM") requesting the Department review and approve amendments to LARM's bylaws. Included with the request was a copy of the LARM bylaws that were approved at the LARM board meeting on March 14, 2018.

As you are aware, intergovernmental risk management pools are regulated by the Department under the Intergovernmental Risk Management Act (the "Act"). See Neb. Rev. Stat. § 44-4301 et. seq. Pursuant to 210 Neb. Admin. Code Ch. 47, LARM is required to provide notice to the Department of any changes of bylaws prior to the effective date. Section 009 of Chapter 47 provides that the Director shall disapprove of any such notified change if as a result of such change the pool will not satisfy the requirements of Nebraska law, this rule, the agreement establishing the pool, or the pool's bylaws. After review, the Department has determined that the Director must disapprove of the changes proposed in these bylaws. Specifically, the changes violate several provisions of the Interlocal Agreement including Section 3.2, Section 8.1, Section 8.1.4.1, Section 8.9.4, and Section 8.18.

The Department also has concerns about the validity of the LARM Board that approved the proposed amendments. It has come to our attention there are currently two separate entities that claim to be the valid Board of Directors of LARM. The Department will not take a position regarding that dispute and understands that question will be resolved formally in litigation. In the interim, the Department will continue to regulate LARM as required by law, but will not take action, such as approving resolutions or bylaws passed by one of the boards, that recognizes the validity of one board over the other.

Based upon the above, the Director disapproves the amendments to the bylaws at this time.

Sincerely,



Krystle Ledvina Garcia  
Legal Counsel

Department of Insurance  
Department of Insurance

1000 P Street, Suite 100  
Lincoln, NE 68502  
(402) 441-1000

OFFICE OF THE ATTORNEY GENERAL  
www.doi.nebraska.gov



## LARM BOARD

**Duly Elected at Special  
Members Meeting 3-21-18**

**Chair:**

**Doug Hanson**  
Mayor, Hickman

**Vice Chair:**

**Jim Hawks**  
City Administrator, North Platte

**Teresa Bartlett**  
Clerk/Treasurer, Beaver City

**LeAnn Brown**  
Clerk/Treasurer, Oshkosh

**Pamela Buethe**  
Board Member,  
Sarpy County SID#29

**Lanette Doane**  
Clerk/Treasurer, Ansley

**Scott Getzschman**  
Mayor, Fremont

**Melissa Harrell**  
Administrator/Clerk/Treasurer,  
Wahoo

**Nathan Johnson**  
City Manager, Scottsbluff

**Jo Leyland**  
Administrator/Clerk/Treasurer,  
Imperial

**Josh Moenning**  
Mayor, Norfolk

**Tom Ourada**  
City Administrator, Crete

**Sandra Schendt**  
Clerk/Treasurer, Nelson

**Douglas Schultz**  
Administrator/Clerk/Treasurer,  
Curtis

**Deb VanMatre**  
Mayor, Gibbon

**Ex Officio Members:**

**Wendall Gaston**, President,  
League of Nebraska  
Municipalities;  
Council Member, Sidney

**L. Lynn Rex**, Executive Director,  
League of Nebraska  
Municipalities

## League Association of Risk Management

*LARM – Providing coverages and risk management services to cities, villages  
and other governmental agencies across Nebraska.*

As the Mayor of Hickman, a longstanding LARM Member, and as Chair of the LARM Board (Duly Elected on March 21, 2018), I asked Lynn Rex to read this statement from me during your meeting today since I am unable to attend or participate by phone due to work commitments.

I respectfully ask you to table taking action today to approve LARM's Budget for FY 18-19 until your next meeting. Members of the Duly Elected LARM Board and other LARM members need more time to review the proposed budget and have an opportunity to ask questions about it. Without previous notice, the agenda for your meeting today was emailed to LARM Members after 4:30 pm on Friday, June 22. Consequently, it is likely that officials from many LARM members did not even know about your meeting today until checking their email yesterday, Monday morning.

I previously served as Chair of the LARM Board for many years. I do not think it is necessary to approve a LARM Budget in June. For example, I believe the vote to approve LARM's Budget for FY 17-18 was on September 27, 2017 and the vote to approve the budget for FY 16-17 was on August 25, 2016. Please give officials from LARM Members more time to review the proposed budget by voting to delay taking action until your next meeting. The Duly Elected Board had a review of the proposed LARM Budget on its agenda at our June 20 meeting last week. However, we ran out of time to review it and submit questions to Mike Nolan. This issue will be on the agenda again at the meeting of the Duly Elected Board scheduled this Friday, June 29.

The Duly Elected Board is doing everything possible to grow LARM, and most importantly, persuade LARM Members to remain in LARM! As you undoubtedly know, LARM's competitors are aggressively asking LARM Members to leave LARM, especially in light of your efforts to separate LARM from the League of Nebraska Municipalities. On behalf of the Duly Elected LARM Board and many LARM members, I hope you will honor this request to table taking action today on LARM's Budget for FY 18-19. There may be only a few questions, but your willingness to table this agenda item would be most appreciated.

Sincerely,

Doug Hanson

Hickman Mayor and Chair of the Duly Elected LARM Board

Address: 1335 L Street, Lincoln, NE 68508

## L. Lynn Rex

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**From:** Mike Nolan <Mike.Nolan@larmpool.org>  
**Sent:** Tuesday, July 10, 2018 10:18 AM  
**To:** L. Lynn Rex  
**Cc:** David A. Domina (ddomina@dominalaw.com)  
**Subject:** RE: Questions Regarding LARM's Proposed Budget for FY 18-19

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Lynn:

You and colleagues mentioned in your email have initiated litigation against LARM and individual LARM Board members. Please submit all the questions which you wrote below and assigned to your colleagues to your attorney Mr. Andre Barry so that Mr. Barry may communicate them according to protocols for depositions to Dave Domina. You may wish to notify your colleagues that Mr. Domina may be deposing them.

Sincerely,

Michael Nolan

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**From:** L. Lynn Rex <LynnR@lonm.org>  
**Sent:** Friday, July 06, 2018 6:03 PM  
**To:** Mike Nolan <Mike.Nolan@larmpool.org>  
**Cc:** Ansley - Lanette Doane <villageofansley@nctc.net>; Beaver City - Teresa Bartlett <beavercityco@hotmail.com>; Crete - Tom Ourada <tom.ourada@crete.ne.gov>; Curtis - Doug Schultz <curtis@curtis-ne.com>; Fremont - Scott Getzschman <Scott.Getzschman@fremontne.gov>; Gibbon - Deb VanMatre <gibboncityhall-mayor@nctc.net>; Hickman - Doug Hanson <djhanson01@windstream.net>; Imperial - Jo Leyland <jol@imperial-ne.com>; Sarpy County SID #29 - Pam Buethe <buethe@cox.net>; Nelson - Sandra Schendt <cityofnelson@gmail.com>; Norfolk - Josh Moenning <jmoenning@ci.norfolk.ne.us>; North Platte - Jim Hawks <HawksJW@ci.north-platte.ne.us>; Oshkosh - LeAnn Brown <ocityhall@gmail.com>; njohnson <njohnson@scottsbuff.org>; Wahoo - Melissa Harrell <harrell@wahoo.ne.us>; Sidney - Wendall Gaston <wgaston53@yahoo.com>; Dave Hunter - Auburn BOPW <dhunter@auburnbpw.com>; St. Paul - Gerald Solko <gsolko@yahoo.com>; Kimberly Neiman - Pilger, Village of <pilger@cableone.net>; Gering - Lane Danielzuk <ldanielzuk@gering.org>; Shannon Stuchlik <shannons@midwestbank.com>; Vince Knight <1460HRMgr@hy-vee.com>; Andrew Ward <thecementplant@gmail.com>; Beth Bonderson <Hoskins@ptcnet.net>; wsswerner@windstream.net; L. Lynn Rex <LynnR@lonm.org>  
**Subject:** Questions Regarding LARM's Proposed Budget for FY 18-19

### MEMO

**TO:** Mike Nolan, LARM Executive Director

**FROM:** Doug Hanson, Chair of the LARM Board (duly elected 3-21-18)

**CC:** LARM Board (duly elected 3-21-18)  
“Purported LARM Board”

Gerald Solko, Chair of the “purported LARM Board” indicated at the meeting in Hoskins on June 26, 2018, that you would respond in writing to questions about LARM’s Proposed Budget for FY 18-19. Please **“reply to all”** when emailing your responses to the following questions by no later than **Friday, July 20**. Thank you.

**Lanette Doane of Ansley**

1. Legal & Human Services – There is an increase of about 80% since FY 15-16 (in spite of a significant decrease in FY 16-17); there is a 64% increase projected for FY 18-19. Will this cover costs and how is this being paid for?
2. Salary & Wages – There is a 42% increase since FY 15-16. Has this much staff been added? Why does LARM have a projected 4% step increase, which is a larger increase than most municipalities can afford?
3. Mobile phones – What is LARM’s plan and could any savings be realized here? This isn’t a huge budget item, but everything counts.
4. Conference & travel – This line item shows \$49,000 for FY 17-18 and \$50,000 for FY 18-19, but shows a \$15,000 increase (42.9%). Please clarify since these numbers don’t seem to make sense.
5. There apparently are no funds budget for a Department of Insurance exam in FY 18-19. It appears the last expense was in FY 16-17 for a 9-15-2015 audit; if NDOI does one every 3 years, could this possibly be an expense in FY 18-19? If not, why isn’t this line item still kept in the budget as a precaution?
6. There is a projected 6% loss of business in “Gross Earned Contribution.” Does the “purported LARM Board” feel this is an accurate projection based on recent events and the number of LARM members going out for bids?
7. Why are revenues projected to decrease while expenses are increasing and how does LARM intent to offset this loss?

**Jan Rise of Fremont (LARM member)**

1. In the past, the preliminary budget was considered in June. It was finalized in August or September. Last year it was finalized 9/27/17. The year before it was 8/25/16. Why is there a rush to pass the FY 18-19 budget before August?
2. As a member, what is the basis for projecting the decreased income totaling 11.5%, which includes a decrease of 5.5% of gross earned contribution?
3. Please provide more detail regarding the “Ceded Premiums.”

**Doug Hanson of Hickman**

1. Have any funds from LARM been appropriated or put into “LARM, Inc.”? If so, how much and from what source?
2. What is the purpose of “LARM, Inc.”?
3. Does LARM intend to budget for “LARM, Inc.” in the future?
4. What has LARM spent to indemnify or reimburse each member of the “purported LARM Board” for legal expenses or other legal advice in FY 17-18 and budgeted for FY 18-19?
5. What is the total amount LARM has spent to indemnify or reimburse members of the “purported LARM Board” for legal expenses or other legal advice in FY 17-18 and budgeted for FY 18-19?
6. Is LARM appropriating funds to pay Dave Domina in FY 17-18 or FY 18-19 to defend LARM or the remaining nine board members of the 15-member “purported LARM Board?” If so, how much?

7. The revised budget presented on June 26 for LARM's rent shows a decrease from \$55,000 to \$35,000 from the preliminary budget presented on June 8. How much did LARM pay for moving from 1335 L Street to its new location? What is the "base rent amount" per month in FY 17-18 and FY 18-19? In addition to the "monthly base rent," please identify the additional monthly or annual amount LARM pays for utilities, taxes and other related expenses. Does LARM now pay for "contents insurance"? What is the total square footage that LARM now rents in its new location? How is each space being used, i.e., office space (and for which employees), storage, copy equipment, etc.? Since not all LARM employees have an office in the new location, where are the offices of each LARM employee now located?

### **Jo Leyland of Imperial**

**Please respond to the following in more detail than provided in the short 1-3 line explanations in the "Budget Category Descriptions."**

1. On page 9 – "Other Expenses" – of the financial presentation by Mark Weaver, the amounts shown on the budget document do not match. For FY 15/16, FY 16/17, and projected FY 17/18, the expenditures on the budget are lower than what the financial report indicates. The proposed budget is significantly higher than shown on the financial report. Can you explain why the numbers don't match?
2. Can you explain why the "Ceded Premiums" (estimates for reinsurers) are shown as a reduction in income and yet the brokerage fees are shown as expenses?
3. Why have brokerage fees increased by so much?
4. With regard to the financial report, again on Page 9, can you explain what the sharp increase in "Other Expenses" are for FY 17/18 and FY 18/19?
5. Can you explain why Agent Commissions have increased over the last two years while the Gross Contributions have gone down? What are the commissions received by LARM's agents, on a percentage basis and in total?
6. Why is there such an increase in conferences and travel during this fiscal year and expected next year?

### **Sandra Schendt of Nelson**

1. Our City is not allowed to spend over our budget. If we do, then we need to reopen the budget and make the appropriate changes. How can LARM already be roughly \$32,000 over its budget for FY 17-18?
2. On the "Revenue Detail" page, line 2 – What are "Ceded Premiums"? (The description in the "Budget Category Descriptions" do not provide enough detail.) To whom are these Ceded Premiums paid? Why the big increase of \$271,000 from the FY 17-18 budget to the proposed FY 18-19 budget?
3. On the "Expenditure Detail" page, line 8 – What are "Ceded Losses"? (The description in the "Budget Category Descriptions" do not provide enough detail.) To whom are these Ceded Losses paid?
4. On the "Expenditure Detail" page, line 11 – Why has the budget for "Legal & Human Services" been increased by \$68,000? Are there other line items which also include fees for legal and/or human services which are not clearly identified?
5. On the "Expenditure Detail" page, line 12 – Why did the "Salary & Wages" change between the FY 17-18 Budget and the Re-Projected Expenditures?
6. On the "Expenditure Detail" page, line 34 – Who does LARM pay for Brokerage Services? Why the big increase of \$20,000 from the FY 17-18 budget to the FY 18-19 budget?
7. On the "Surplus Detail" page, line 42 – Why is the proposed budget for "Earned Surplus" in FY 18-19 zero?
8. How much has LARM paid Mark Nestor in FY 17-18 as of 7-1-18? How much more will LARM pay Mark Nestor in FY 17-18? How much is LARM budgeting to pay Mark Nestor in FY 18-19?



**Nathan Johnson of Scottsbluff**

**What are the following items in LARM's budget for FY 18-19? Please provide the following information relating to LARM's budget and indicate relevant amounts budgeted for FY 18-19.**

1. A copy of the pay scale/pay resolution for all LARM employees, including the Executive Director.
2. A copy of the benefits offered to each LARM employee, by name and title, including the Executive Director; please include any cars, expense accounts, etc.
3. Monthly financial reports including year-to-date actuals.
4. A 10-year financial projection based on current membership, decreasing membership and increasing membership.
5. Financial Audits of the previous five years.

**L. Lynn Rex**

Executive Director

League of Nebraska Municipalities

1335 L Street

Lincoln, NE 68508

Phone: 402-476-2829

Fax: 402-476-7052

## Page 4 of LARM's Interlocal Agreement

8. Plan of Management. The Board shall establish and maintain a Plan of Management in accordance with the Act, including each of the following.
  - 8.1. Board of Directors. The governing authority of LARM shall be a Board of Directors consisting of elected or appointed officials or employees of participating members. The initial Board shall consist of nine persons, but the number may be increased by the Board up to fifteen persons to maintain appropriate size and geographic representation as the number of LARM members increases. A vacancy on the Board shall be filled by a majority vote of the Board upon recommendation made by the Administrator. The person appointed to fill a vacancy shall serve for the remainder of the term of the vacating director.
    - 8.1.1. The President of the League and the Administrator shall be non-voting ex officio members of the Board of Directors.
    - 8.1.2. The ex officio members of the Board shall be in addition to the elected and appointed members of the Board, and shall not be counted for purposes of a quorum.
    - 8.1.3. Each elected or appointed Board member shall be entitled to one vote in all matters that come before the Board.
    - 8.1.4. Board election procedures shall be as follows;
      - 8.1.4.1. A nominating committee shall recommend candidates for the Board to the members. The nominating committee shall consist of the chairperson of the Board, an individual from a participating member selected by the Board and the Administrator. Additional nominations shall be requested from participating members at the meeting.
      - 8.1.4.2. Each participating member may cast one vote for each of the open Board positions.
    - 8.1.5. Members of the Board of Directors shall serve staggered terms of three years to promote stability and continuity.
    - 8.1.6. The terms of office of the members of the Board of Directors shall commence January 1<sup>st</sup> of the first year of the term and conclude on December 31<sup>st</sup> of the last year of the term.
    - 8.1.7. Term Limit. The Board of Directors service shall be restricted to two consecutive three-year terms to assure that all LARM members have opportunity for representation as Board members. Any LARM member that has previously been represented on the LARM Board of Directors may be eligible again for future service following at least one three-year interval of non-Board service following the term limit restriction when the member is not represented on the Board.
  - 8.2. Group Self-Insurance Funding. Costs associated with the group self-insurance operations of LARM shall be financed through the annual and supplementary contributions paid by the participating members, through the income earned from the investment of LARM funds by the Board, and through any other monies which may be lawfully received by LARM and made part of LARM's assets.
    - 8.2.1. All annual contributions shall be computed and established by the Board based on actuarial evaluations, rating plans, and other analyses of the amounts necessary for the payment of

## L. Lynn Rex

---

**From:** Rise, Jan <Jan.Rise@fremontne.gov>  
**Sent:** Thursday, July 12, 2018 6:31 PM  
**To:** L. Lynn Rex; L. Lynn Rex; Backens, Doug  
**Cc:** Shirley Riley  
**Subject:** Training opportunity for LARM Board members  
**Attachments:** IA-NE-SD PRIMA 2018 Dues.pdf; IA-NE-SD PRIMA 2018 Registration.pdf; PRIMA 2018 Agenda.pdf

Lynn,

The attached is a possible training opportunity for LARM Board members. In the past, even a few of the LARM staff have attended the training. Norfolk usually is well presented. Please review the agenda. If you feel it has any merit, it is a low cost training opportunity to learn about important topics in the risk management field. In fact, the presentations by Michael Fann of the TML Risk Management Pool Director, were presented at the PRIMA national conference. He is an excellent speaker who is well respected in the pooling industry. You may already know Michael, but he is a knowledgeable and engaging speaker. (FYI, I just happen to be the president of the IA-NE-SD PRIMA organization this year. Pam Buethe is the past president.) I am working with the Area Vice President of Gallagher for a presentation on a relevant topic yet to be determined (such as, contract risk transfer, fiduciary responsibilities of public sector employees/managers). The following is the copy we sent to current members last week. It offers more information if you are interested. I would be happy to send it to you in another format, or you may adapt it for your use.

**Subject:** 2018 IA-NE-SD PRIMA Conference - Only a little over 2 months away!

**Don't get Lost in the Sea of Risk Management!** Let your IA-NE-SD PRIMA colleagues share the journey with you. There's a lot to get excited about at the 2018 IA-NE-SD PRIMA Chapter Conference. It's only a little over two months away!

Renew your PRIMA Chapter membership today and register for the annual Chapter conference. It's a rewarding learning experience with other risk management professionals from Iowa, Nebraska, and South Dakota. With sessions led by Michael Fann of TML Risk Management Pool, Jani Jennings of Bellevue, and other leading professionals in the risk management field, you will have the opportunity to learn about critical challenges in risk management and how others are adapting in their organizations. Mission-Driven Leadership was a vibrant topic at the National Conference in June, and our Chapter is bringing that presentation to you in Council Bluffs.

Our corporate sponsors will be available to guide and discuss innovative solutions for managing and servicing risk management in our organizations. Their generous support of public sector risk management personnel is appreciated very much! We value their partnerships!

Reservations are now available at the Holiday Inn & Suites @ Ameristar via the link below. Free parking is included. There is a free shuttle from the hotel to the Old Market where you will find a variety of dining and unique shopping options!

<https://goo.gl/FZNPTd>

[PRIMA Annual Conference](#)

Attached is the registration and sponsorship information for your use today. Don't delay. Registrations can be emailed or mailed. Let me know if you need an invoice from the Chapter to process your payment request. Early registration ends August 31.

Our conference agenda is attached. The final speaker will be announced soon. Monday, mid-afternoon, you will be able to attend the Board meeting or "roam" the zoo at no charge between 3:30 and 5:30 p.m. by showing your Conference badge at the entrance. You can drive the short distance from the hotel to the Zoo, take advantage of a limited free shuttle service, carpool or use Uber. The networking adventure on Monday evening begins at 5:30 at the Henry Doorly Zoo Aquarium.

Join us in September and let us help you "*Navigate the Sea of Risk Management.*" Register today. Networking opportunities abound, with encounters you will long remember.

Give me a call or email me if you have any questions.

Jan



*Jan Rise, MBA*  
Administrative Services Director  
City of Fremont/Department of Utilities  
402.727.2841 (office)  
402.719.4516 (mobile)  
[jan.rise@fremontne.gov](mailto:jan.rise@fremontne.gov)  
400 E Military Ave  
Fremont, NE 68025  
<http://www.fremontne.gov/>





**IA-NE-SD PRIMA CHAPTER CONFERENCE**  
**SEPTEMBER 16<sup>th</sup>, 17<sup>th</sup>, & 18<sup>th</sup>, 2018**  
**Holiday Inn @ Ameristar, Council Bluffs, IA**

*Navigate the Sea of Risk Management*

**Sunday, September 16, 2018**

TBA	Golf Outing – Location TBA
3:00 - 5:00 pm	Sponsor Set Up and Registration
5:00 - 6:00 pm	Sponsor Appreciation Reception
6:00 - 10:00 pm	Hospitality Social Time - Beverages/heavy appetizers

**Monday, September 17, 2018**

6:00 - 7:00 am	Sponsor Set Up
7:00 - 8:30 am	Registration/Breakfast/Sponsor Booths Open
8:30 - 8:45 am	<b>Welcome/Opening Remarks</b>
8:30 - 10:00 am	<b><i>Mission-Driven Leadership</i></b> Michael Fann, ARM-P, MBA - TML Risk Management Pool
10:00 – 10:30 am	Break /Sponsor Booths Open
10:30 – 11:30 am	<b><i>If You're Not On Board, You're Missing the Boat! How a strong Return to Work Program can lower the cost of risk and retain good employees</i></b> Jani Jennings, ARM – City of Bellevue
11:30 pm – 12:30 pm	Lunch / Sponsor Booths Open
12:30 - 1:30 pm	<b><i>Body Cams: Technology &amp; Usage Issues are Growing</i></b> Rick Spiers
1:30 – 2:00 pm	Break/Sponsor Booths Open
2:00 – 3:00 pm	TBA
3:15 - 4:00 pm	<b>IA-NE-SD PRIMA Board Meeting</b> – Henry Doorly Zoo & Aquarium
5:30 – 9:00 pm	Cocktail Social Hour & Heavy Appetizers – Henry Doorly Zoo & Aquarium

**Tuesday, September 18, 2018**

7:00 - 8:00 am	Breakfast
8:00 - 9:00 am	<b><i>Who's the Most Distracted Driver in Your Community?</i></b> Kenny Smith – One Beacon Government Risks
9:00 - 9:15 am	Break/Sponsor Booths Open
9:15 - 10:30 am	<b><i>The Opioid Crisis and the Impact on the Workplace</i></b> Michael Fann, ARM, MBA – TML Risk Management Pool and Lisa Gran, Splashlight
10:30 - 10:45 am	Break -Last Chance to visit Sponsor Booths
10:45 - 11:45 am	<b>Roundtable Discussion</b> – TBA
11:45 - 12:00pm	IA-NE-SD PRIMA Conference 2017 2019 President – Trevor Schmelz, City of Rapid City, SD
12:00 - 12:15 pm	Closing Remarks – Jan Rise, President 2018
12:15 - 1:15 pm	Box Lunch & Door Prizes



IOWA/NEBRASKA/  
SOUTH DAKOTA

Public Risk  
Management Association

## 2018 IA-NE-SD PRIMA Chapter Conference

**September 16-17-18, 2018**

**Holiday Inn & Suites @ Ameristar  
2202 River Road, Council Bluffs, Iowa 51501**

**\$85 Government Employees before 8/31/2018**

**\$110 Government Employees after 8/31/2018**

**\$125 Non-Government Attendees before 8/31/2018**

**\$150 Non-Government Attendees after 8/31/2018**

### Registration Form

#### First Person:

Name: \_\_\_\_\_  
Title/Phone: \_\_\_\_\_  
Organization: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City/ State/ Zip: \_\_\_\_\_

I will attend the following events:

- ☐ Sunday Evening Social Time  
☐ Monday Breakfast    ☐ Monday Lunch    ☐ Monday Dinner  
☐ Tuesday Breakfast    ☐ Tuesday Lunch

Food Allergy/Special Dietary Requests: \_\_\_\_\_

Sunday Golfing:    ☐ Yes    ☐ No

#### Second Person:

Name: \_\_\_\_\_  
Title/Phone: \_\_\_\_\_  
Organization: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City/ State/ Zip: \_\_\_\_\_

I will attend the following events:

- ☐ Sunday Evening Social Time  
☐ Monday Breakfast    ☐ Monday Lunch    ☐ Monday Dinner  
☐ Tuesday Breakfast    ☐ Tuesday Lunch

Food Allergy/Special Dietary Requests: \_\_\_\_\_

Sunday Golfing:    ☐ Yes    ☐ No

#### Third Person:

Name: \_\_\_\_\_  
Title/Phone: \_\_\_\_\_  
Organization: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City/ State/ Zip: \_\_\_\_\_

I will attend the following events:

- ☐ Sunday Evening Social Time  
☐ Monday Breakfast    ☐ Monday Lunch    ☐ Monday Dinner  
☐ Tuesday Breakfast    ☐ Tuesday Lunch

Food Allergy/Special Dietary Requests: \_\_\_\_\_

Sunday Golfing:    ☐ Yes    ☐ No

#### Fourth Person:

Name: \_\_\_\_\_  
Title/Phone: \_\_\_\_\_  
Organization: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City/ State/ Zip: \_\_\_\_\_

I will attend the following events:

- ☐ Sunday Evening Social Time  
☐ Monday Breakfast    ☐ Monday Lunch    ☐ Monday Dinner  
☐ Tuesday Breakfast    ☐ Tuesday Lunch

Food Allergy/Special Dietary Requests: \_\_\_\_\_

Sunday Golfing:    ☐ Yes    ☐ No

**Please send your Check, payable to the IA-NE-SD PRIMA Chapter, along with this Registration form to:**

**Amanda Behning, Secretary-Treasurer**

**IA-NE-SD PRIMA Chapter**

**c/o City of Lincoln Risk Management, Attn: Pam Hoffman**

**555 South 10<sup>th</sup> Street, Suite 302, Lincoln, NE 68508**

**402-441-7671 or e-mail: [phoffman@lincoln.ne.gov](mailto:phoffman@lincoln.ne.gov)**

**TO OUR SPONSORS: Please also complete the Sponsor Form indicating your Sponsor Amount**

**Each Sponsor Level allows you to bring a various number of your company's employees at no additional charge to this event**

**Each Person MUST BE Registered**

**For Hotel Reservations Contact the Radisson Quad City Plaza Hotel, 563-322-2200 or 800-333-3333**

**The Radisson Plaza Hotel is located at 111 E. Second Street, Davenport, IA 52801**

**A block of rooms is available to attendees for Standard \$99; Riverview \$109; 2-room suite \$139; Per Night plus tax.**

**These special hotel rates will be honored September 12 - 16, 2015. Parking \$8.00 per night at Hotel Garage or Lot.**

**To make internet reservations copy & paste the link below to your internet browser:**

**<https://goo.gl/FZNPTd>**

**Deadline to receive the conference rate for room reservations is **August 31, 2018**, after this date, upon availability of rooms.**

**PRIMA is your one-stop resource for educational programing, risk resources, and networking opportunities**



## **2018 DUES - IA-NE-SD PRIMA CHAPTER**

Please complete the form below and return with your payment  
**MAKE CHECKS PAYABLE TO: IA-NE-SD PRIMA Chapter**

Send your check and form to:  
Amanda Behning, Secretary-Treasurer  
IA-NE-SD PRIMA Chapter  
c/o City of Lincoln Risk Management, Attn: Pam Hoffman  
555 South 10<sup>th</sup> Street, Suite 302  
Lincoln, NE 68508  
phoffman@lincoln.ne.gov  
402-441-7671

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### **PLEASE PRINT OR TYPE YOUR INFORMATION**

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Phone Numbers: Office: \_\_\_\_\_ Cell Phone: \_\_\_\_\_  
Fax Number: \_\_\_\_\_

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### **SELECT CATEGORY OF MEMBERSHIP**

- ☐ **\$40 GOVERNMENT -** The primary membership of any public entity, political subdivision, public entity Risk pools. NOT Limited to only one member per entity. This is the only voting Category of membership. Anyone holding office or wishing to hold office, must be a government member.
- ☐ **\$20 ASSOCIATE-** Additional members of an entity with one government member, any number may join as associate members. Associates cannot hold office or vote.
- ☐ **\$60 PARTNERS-** Anyone NOT affiliated with a public entity, as defined under Government membership. Affiliates cannot hold office or vote.

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**Please Indicate which standing committee you would be willing to serve on:**

- ☐ Membership ☐ Conference Planning ☐ Newsletter/Information

**Please share this form with anyone interested in joining the IA-NE-SD PRIMA Chapter**