

LARM Board of Directors Meeting Minutes

April 10, 2018 2:30pm CT

The League Association of Risk Management (LARM) Board of Directors meeting was held April 10, 2018 at 2:30 pm CT at the Cooper Family Community Center in Pilger, NE.

For the roll call, the following members were present: Mike Werner, Waverly; Beth Bonderson, Hoskins; Lane Danielzuk, Gering; David Hunter, Auburn BPW; Vince Knight, SID #1 Stanton Co.; Kim Neiman, Pilger; Gerald Solko, St. Paul and Shannon Stuchlik, NENEDD.

Absent: Andrew Ward, Valentine

Staff members present were: Michael Nolan, Elizabeth Becker, Randy Peters, Dave Bos, Fred Wiebelhaus and Diane Becker.

Guests present: ex officio Lynn Rex, LONM; Mark Nestor, ICRMS; Chris Cadwell, York and Ted Neiman, Pilger.

Guests present by phone: Jan Rise, Theresa Bartlett and several other unannounced

Notice of the meeting was emailed to LARM members on April 5, 2018. The agenda and staff memo were sent to the Board members, staff and LARM members on April 5, 2018. The agenda was emailed to the LARM Board of Directors, LARM members and the Board of Directors of the League of Nebraska Municipalities on April 6, 2018. The agenda package was sent to all those who requested it on April 9, 2018.

Gerald Solko called the meeting to order at 2:33 pm and announced that LARM is subject to the Open Meetings Act and that a memo stating this was posted in the meeting room at Pilger. Solko asked everyone to say the Pledge of Allegiance. After the pledge, the Board of Directors roll was taken (listed above).

Solko announced that A-5 Nebraska Revised Statutes – 84-1412 (2) states: “It shall not be a violation of subsection (1) of this section for any public body to make and enforce reasonable rules and regulations regarding the conduct of persons attending, speaking at, videotaping, televising, photographing, broadcasting, or recording its meetings. A body may not be required to allow citizens to speak at each meeting, but it may not forbid public participation at all meetings.” He said the agenda would include a 15-minute public comment period at the start of the Board meeting for member comments on agenda items D-1, D-2, D-3, D-4, E-1, E-2, E-3, and E-4. Items D-4, D-5, D-6 and D-7 would be discussed by Board members, LARM members and others participating in the meeting during a special five-minute comment period designated on the agenda.

Solko asked for approval of D-1 the consent agenda and the March 14, 2018 Board minutes. Moved by Stuchlik and seconded by Danielzuk. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Public comment period: Rex stated that in terms of some of the agenda items, there is no impropriety of LARM being affiliated with any lobbying organization or lobbyist and that there is nothing problematic about the League being involved with LARM

Solko asked for consideration of D-1 - Board approval of increasing the indemnity reserve for fire damage to the Public Service Department Equipment Building for the City of North Platte to \$220,000. Nolan explained that the board needs to approve any amount over \$200,000. Move to approve increase of reserve by Neiman and seconded by Knight. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Solko asked for consideration of D2, Board approval of service increase for By the Numbers Actuarial Consulting, Inc., for a three year interval regarding the premium report (\$16,000 to \$17,000), reserve report (\$11,000 to \$12,000), 3/31 interim reserve letter (\$2,750 to \$3,000) for a total annual cost increase of \$2,250 to \$32,000. Nolan said it was routine to sign a letter of engagement with By the Numbers Actuarially Consulting and that the fees going forward were not excessive. Moved to approve increase by Stuchlik and seconded by Bonderson. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Solko asked for consideration of board approval of new committee appointments he recommended for the Executive, Ad Hoc, Coverage, Nomination and Investment Committees. Move to accept new committee appointments by Neiman and seconded by Hunter. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Solko announced that a special five minute comment period for comment would be allowed concerning D-4, D-5, D-6, and D-7. The LARM Board would then take up and make motions on each of these items.

During the comment period Lynn Rex said there were issues with compliance with the Interlocal Agreement and the legitimacy of the LARM Board. She said there was a members meeting held on March 21, 2018. She also stated there were no financial losses at LARM resulting from the League of Nebraska Municipalities.

Gerald Solko then handed over the chair of the meeting to David Domina. Domina chaired the meeting discussion of D-4, election of three board members, and reviewed with the board the requirement that no more than 1/3 of the board be reelected at one time within a nominating process. Rex brought up the allegation that the Bylaws don't comply with the Interlocal Agreement. Domina stated there was nothing in the Interlocal Agreement or Bylaws that authorized the attempted activity taken on March 21, 2018. Move to approve D-4 by Neiman and seconded by Solko. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Domina asked if there was any comment on D-5 – the consideration of board approval or rejection of the March 21 event organized by the League of Nebraska Municipalities, purporting to be an election of 15 LARM Board members.

Rex commented that LARM members had asked the League at the Midwinter Conference for League staff to organize a meeting of members on March 21, 2018.

Move to reject the March 21 event by Knight, seconded by Solko. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Domina asked for consideration of resolution or motion concerning propriety or impropriety of LARM support for a lobbying organization or lobbyist who is engaged full time by an organization that includes members other than LARM members. He asked for comment.

Rex commented that if the wording was intended to challenge whether LARM could properly be in a collaborative relationship with the League of Nebraska Municipalities and stated the League of Nebraska Municipalities has done things for LARM and continues to do things for LARM. Theresa Bartlett from Beaver City then stated via phone that the March 21, 2018 meeting was organized by LARM members and not by the League of Nebraska Municipalities. Domina stated that the comment was not germane to this item but was heard by the Board.

Motion to table the consideration of the resolution by Solko, seconded by Hunter. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Domina then said that the consideration of Board decisions on possible litigation against the League of Nebraska Municipalities concerning issues of financial losses, possible tortious interference and declarations of governance; delegation of LARM Board's authority to decide litigation to a special litigation committee comprised of members of the Executive Committee should be done in a closed session per Chapter 84-1410 of the Revised Nebraska Statutes.

Move to go into closed session by Solko, seconded by Danielzuk. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried. Board went into closed session at 2:56 pm.

Move to come out of closed session by Stuchlik, seconded by Hunter. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried. Board came out of closed session at 4:26 pm. After returning to the meeting room for an open session, Domina said he would entertain a motion to "reconvene following executive session." Solko (audio unclear) so moved and Danielzuk seconded the motion. Domina then said "to do it by voice vote"; all voted aye and the motion carried.

Motion made by to authorize the chairman to appoint the executive committee as a committee authorized to negotiate for possible resolution of a disagreement with the persons purportedly elected to the LARM Board on March 21 pursuant to guidelines to be approved by that negotiating committee. The committee is without power to commit the board or resolve matters

but must bring possible resolutions to the board. Further, to appoint the executive committee as the LARM Board's litigation committee with power to commence litigation if necessary to determine the legitimacy of the current LARM board membership.

Move to approve the motion by Neiman, seconded by Danielzuk. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Domina handed the chair back to Solko. Solko then asked for a motion to approve E-1. Moved by Danielzuk seconded by Bonderson. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Solko then asked for a motion to approve E-2, E-3, and E-4. Moved by Neiman, seconded by Danielzuk. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried.

Moved to adjourn by Neiman, seconded by Knight. Roll Call: Ayes: Bonderson, Danielzuk, Hunter, Knight, Neiman, Solko, Stuchlik and Werner. Nays: none. Absent: Ward Motion carried. Meeting adjourned at 4:31 pm.

Approved on: _____

ATTEST:

Secretary