

## Mike Nolan

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**From:** Diane Becker  
**Sent:** Wednesday, August 15, 2018 4:13 PM  
**To:** Mike Nolan  
**Subject:** Bob Hessler

Hi, Mike,

Bob Hessler of Safetyline was a presenter at the Risk Management Seminar in Gering. Following that seminar, North Platte had mentioned they would get him to help with their safety issues and I had told Bob that. He called me today and said no one from North Platte had contacted him yet.

Diane

**Diane Becker** | League Association of Risk Management  
Communications Director

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## City of North Platte

August 15, 2018

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Jerry L. Pigsley  
Attorney at Law  
301 So. 13<sup>th</sup> Street, Suite 500  
Lincoln, NE 68508-2578

Re: LARM

Dear Jerry:

I wrote Gerald Solko on July 25, 2018 in response to correspondence sent to Jim Hawks, City Administrator for the City of North Platte. Solko's letter to Jim Hawks advised that there would be an item on the next agenda for the "Purported" LARM Board's next agenda, signally an attempt to raise the worker's compensation deductible of the City of North Platte 9,990% . I wrote Solko by correspondence dated July 25, 2018 inquiring whether the letter describing the agenda item was written in error. Based upon the response written by you, dated August 1, 2018, the "Purported" LARM Board apparently is serious about considering such an agenda item. The City of North Platte continues to believe that the proposed agenda item is a mistake, on several levels. But before we get to that, I am writing to you as the attorney for the "Purported" LARM Board, and ask that you forward this correspondence to that Board. By this correspondence, the City wishes to sincerely inquire as to whether the "Purported" LARM Board intends to stand behind the commitment that LARM made to the City of North Platte when the parties entered into its three year contractual arrangement last year. I would also, by this correspondence, request the "Purported" LARM administration to advise the City of North Platte of the exact date, time and location of any meeting of the "Purported" LARM Board at which this issue will be discussed. Finally, I would like to request that such notice be given the City more than twenty-five (25) hours prior to the start of any such meeting.

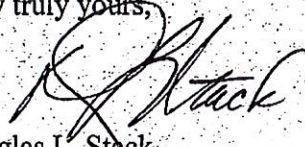
Thank you for your assistance.

*Additional materials  
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Very truly yours,

A handwritten signature in black ink, appearing to read "D. Stack", written over the closing "yours,".

Douglas L. Stack  
City Attorney

DLS:skb

pc: Jim Hawks  
Dwight Livingston, Mayor

To: Mike Nolan, LARM

From: Mark Nestor, ICRMS

RE: North Platte WC Deductible

Date: 8/16/ 2018

Mike,

As you are aware, LARM is looking to increase North Platte's workers compensation deductible to 100K per claim due to its poor claim experience over multiple years.

I have worked with York regarding the North Platte WC renewal and Chris Caldwell has rated up the basic 1 K deductible vs a 100K deductible for the renewal premium determination.

Chris and I discussed the fact that due to the current claims history year from 10/1/2017 to date is still a green-undeveloped loss year for all claims including the Vanoverbeke claim.

Also, North Platte has other WC claims that will have additional claim development to occur from prior years and additional claims may be presented to LARM before the end of the current policy year on 9/30/2018.

Hence, it is difficult to determine what a credible experience modification factor should be for the city regarding the renewal as it relates to overall renewal premium development.

To this end, we felt that an effective MAF modifier equal to an experience modification of 1.0 would be appropriate to rate up the 10/1/2018 premiums for both the 1K and 100K premiums.

A 1.0 experience mod factor is not punitive and a reasonable approach.

The expiring and renewal premiums as developed by York are as follows:

- Expiring premium: \$649,492-payroll has not been audited
- Renewal premium with 1 K deductible; \$836,830
- Renewal premium with 100K deductible: \$609,544

The city with a 100K deductible could save 227K over the 1K deductible renewal.

LARM should suggest that the city set up a risk management funded account with the savings to pay for claim costs that occur within the 100K deductible for next year's renewal.

If you have any questions, please contact me.

End of memo.

*Additionals  
D-3  
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