

MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT
Thursday, Nov. 14, 2019, 11 am CT
Joe Hampton Conference Center, League Building
1335 L Street, Lincoln

A Special Meeting of the Board of Directors of the League Association of Risk Management (LARM) was held Nov. 14, 2019, at 11 am CT in the Joe Hampton Conference Center in the League Building at 1335 L Street in Lincoln, Nebraska.

On Nov. 8, 2019, notice of this Special Meeting with the agenda and other materials were sent to all LARM members and the LARM Board. Notice of this Special Meeting with the agenda and other materials were available for public inspection at 1335 L Street in Lincoln, Nebraska, and also were posted on the League of Nebraska Municipalities' Facebook page and its website relating to LARM – <https://www.lonm.org/larm/>.

(AGENDA ITEM #1) **Call to Order.** At 11:02 am CT, **LARM Board Chair Doug Hanson**, Mayor of Hickman, called the Special 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 and stated that the LARM Board may pass motions to go into closed session on any agenda item pursuant to the requirements of the Open Meetings Act.

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: **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**, City Administrator/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; **Doug Schultz**, Admin./Clerk/Treasurer, City of Curtis; **Mayor Deb VanMatre**, City of Gibbon; **Teresa Youngquist**, Clerk/Treasurer, City of Beaver City; ex-officio (non-voting) Board Member **Mayor Dwight Livingston**, City of North Platte and League President; and ex-officio (non-voting) Board Member **L. Lynn Rex**, League Executive Director and "Administrator" of LARM. *11 voting Board Members present; 4 absent (LeAnn Brown, Clerk/Treasurer, City of Oshkosh; Nathan Johnson, City Manager, City of Scottsbluff; Mayor Josh Moenning, City of Norfolk; and Sandra Schendt, Clerk/Treasurer, City of Nelson).*

Chair Doug Hanson asked others in attendance and those on the phone if anyone wanted to identify themselves for purposes of the minutes; Chair Doug Hanson said no one is required to identify themselves: **Andy Barry** of Cline Williams, the League's Outside Legal Counsel on LARM-Related Issues; **John Zimmer** of Cline Williams; **Jason Grams** of Lamson, Dugan and Murray, representing the Village of Walthill, a LARM member; **Doug Stack**, City Attorney, City of North Platte; **Jerry Wilcox**, Finance Director, City of Crete; and **Chris Cadwell**, Sedgwick/York Risk Services (*by phone*); **Nate Fox**, LARM Insurance Agent (*by phone*); **Silas Clarke**, City Administrator/Economic Development Director, Hickman (*by phone*); and **Tom**

Higginbotham, Executive Director, Northeast Nebraska Economic Development District *(by phone)*. The following LARM staff were in attendance: **Dave Bos, Tracy Juranek, Fred Wiebelhaus, Randy Peters, Diane Becker and Elizabeth Becker**. The following staff members of the League of Nebraska Municipalities also were in attendance: **Christy Abraham, Lash Chaffin and Shirley Riley**.

(AGENDA ITEM #2) **Consider approval of the minutes of the Oct. 3, 2019, "Meeting of the LARM Board of Directors."** Chair Doug Hanson asked if there were any changes to the minutes; there were none. Scott Getzschman moved, seconded by Jim Hawks to approve the minutes of the Oct. 3, 2019, "Meeting of the LARM Board of Directors." Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Bueth, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).***

(AGENDA ITEM #3) **Consider approval of the minutes of the Oct. 11, 2019, "Special Meeting of the LARM Board of Directors."** Chair Doug Hanson asked if there were any changes to the minutes; there were none. Jim Hawks moved, seconded by Deb VanMatre to approve the minutes of the Oct. 11, 2019, "Special Meeting of the LARM Board of Directors." Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: Bueth and Doane. ***Motion carried: 9 ayes, 0 nays, 2 abstentions (Bueth and Doane) and 4 absent (Brown, Johnson, Moenning and Schendt).***

(AGENDA ITEM #4) **Consider accepting the Management Letters submitted by Lyndee Black of Thomas, Kunc and Black, LARM's Auditor.** Following brief comments by Lynn Rex, LARM's Administrator, Scott Getzschman moved, seconded by Teresa Youngquist to approve the Management Letters submitted by Lyndee Black of Thomas, Kunc and Black, LARM's Auditor. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Bueth, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).***

(AGENDA ITEM #5) **Update on Walthill litigation (*Light of the World Gospel Ministries v. Village of Walthill*) and discuss an appropriate amount for reserve authority; brief overview and update on pending litigation against LARM members.** Lynn Rex recommended that the LARM Board vote to go into closed session on this agenda item. At 11:15 am, Pam Bueth moved, seconded by Lanette Doane to go into closed session to protect the public interest for an update on Walthill litigation (*Light of the World Gospel Ministries v. Village of Walthill*) and discuss an appropriate amount for reserve authority; brief overview and update on pending litigation against LARM members. Chair Doug Hanson asked if there was any discussion; there was none.

Chair Doug Hanson repeated the motion to go into closed session to protect the public interest for an update on Walthill litigation (*Light of the World Gospel Ministries v. Village of Walthill*) and discuss an appropriate amount for reserve authority; brief overview and update on pending litigation against LARM members. Chair Doug Hanson asked if there was any discussion; there was none.

Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).**

Chair Doug Hanson repeated the motion to go into closed session to protect the public interest for an update on Walthill litigation (*Light of the World Gospel Ministries v. Village of Walthill*) and discuss an appropriate amount for reserve authority; brief overview and update on pending litigation against LARM members. Chair Doug Hanson announced that as of 11:17 am the Board was in closed session.

At 12:42 pm, Chair Doug Hanson stated that the Board was back in open session. Chair Doug Hanson stated that the reason that the Board did go into closed session was to protect the public interest for an update on Walthill litigation (*Light of the World Gospel Ministries v. Village of Walthill*) and discuss an appropriate amount for reserve authority; brief overview and update on pending litigation against LARM members. Chair Doug Hanson asked if there was any discussion; there was none.

Teresa Youngquist moved, seconded by Scott Getzschman to accept the report as presented. Chair Doug Hanson asked if there was any other discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).**

(AGENDA ITEM #6) **Review of the lawsuit filed on Oct. 22, 2019, in Lancaster County District Court (*Michael J. Nolan v. League Association of Risk Management, a Nebraska public agency*).** Andy Barry of Cline Williams Law Firm reported on the lawsuit filed by Mike Nolan. Andy Barry stated that on Nov. 12, Andy Barry filed a motion to dismiss the case. Judge Andy Jacobsen of the Lancaster County District Court scheduled a hearing on the motion to dismiss for Jan. 29, 2020.

Jim Hawks moved, seconded by Doug Schultz to accept Andy Barry's report on the lawsuit filed by Mike Nolan. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).**

(AGENDA ITEM #7) **Presentation by Sedgwick/York Risk Services on considerations for claim handling instructions.** Chris Dondzila, Claims Director for Sedgwick/York Risk Services, presented and answered several questions regarding a PowerPoint included in the board materials outlining important components of the claims processing instructions.

Lanette Doane moved, seconded by Teresa Youngquist to accept the presentation by Chris Dondzila on claims handling instructions. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).**

(AGENDA ITEM #8) Consider authorizing LARM Board Chair Doug Hanson to appoint the following LARM Board Members to a Claims Committee to review and make recommendations to the LARM Board regarding claims filed against LARM members: **Chair Doug Hanson, Vice Chair Jim Hawks, Lanette Doane, Nathan Johnson, Jo Leyland, Sandra Schendt and Teresa Youngquist.** (The Committee will be staffed by any or all of the following individuals and others as needed: **Andy Barry** of Cline Williams Law Firm and/or **Jason Grams** of Lamson Dugan & Murray; **Tracy Juranek**, Customer Service Specialist; **Dave Bos**, Loss Control Manager; **Fred Wiebelhaus**, Field Adjuster Supervisor/Loss Control Assistant; **Randy Peters**, Auto Field Adjuster/Loss Control Assistant; **Lynn Rex**, LARM Administrator and League Executive Director; **Christy Abraham**, League Legal Counsel; and **Lash Chaffin**, League Utilities Section Director; and York Pooling representatives **John Brockschmidt**, Senior Vice President; **Chris Cadwell**, Director, Program Manager; **Chris Dondzila**, Director, Claims; **Andrew Finn**, Manager, Litigation Claims.)

Doug Schultz moved, seconded by Deb VanMatre to approve the Claims Committee as presented with Andy Barry and/or John Zimmer of Cline Williams Law Firm and/or Jason Grams of Lamson Dugan & Murray and others as needed from the LARM and League Staff and representatives of Sedgwick/York Risk Services. Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).**

(AGENDA ITEM #9) Consider authorizing LARM Board Chair Doug Hanson to appoint the following LARM Board Members to a Litigation Committee to review and make recommendations to the LARM Board regarding lawsuits filed against LARM members: **Chair Doug Hanson, Vice Chair Jim Hawks, Lanette Doane, Nathan Johnson, Jo Leyland, Sandra Schendt and Teresa Youngquist.** (The Committee will be staffed by any or all of the following individuals and others as needed: **Andy Barry** of Cline Williams Law Firm and/or **Jason Grams** of Lamson Dugan & Murray; **Tracy Juranek**, Customer Service Specialist; **Dave Bos**, Loss Control Manager; **Fred Wiebelhaus**, Field Adjuster Supervisor/Loss Control Assistant; **Randy Peters**, Auto Field Adjuster/Loss Control Assistant; **Lynn Rex**, LARM Administrator and League Executive Director; **Christy Abraham**, League Legal Counsel; and **Lash Chaffin**, League Utilities Section Director; and York Pooling representatives **John Brockschmidt**, Senior Vice President; **Chris Cadwell**, Director, Program Manager; **Chris Dondzila**, Director, Claims; **Andrew Finn**, Manager, Litigation Claims.) For continuity, Lynn Rex stated that the proposed members of the Litigation Committee would be the same as those members serving on the Claims Committee (Agenda Item #8) since some claims result in litigation.

Scott Getzschman moved, seconded by Tom Ourada to approve the Litigation Committee as presented with Andy Barry and/or John Zimmer of Cline Williams Law Firm and/or Jason Grams of Lamson Dugan & Murray; and others as needed from the LARM and League Staff and representatives of Sedgwick/York Risk Services. Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).**

(AGENDA ITEM #10) **Consider: a) authorizing L. Lynn Rex, LARM's Administrator pursuant to the Interlocal Agreement, to also serve as "LARM's Acting Executive Director" and to exercise any powers and responsibilities of LARM's Executive Director that she does not already have as LARM's Administrator; and b) ratifying any actions taken by L. Lynn Rex as LARM's Administrator and Acting Executive Director.** Lynn Rex and Andy Barry discussed the rationale for requesting approval of Agenda Item #10. Since Mike Nolan's dismissal on Oct. 3, 2019, Lynn Rex has been serving as LARM's Administrator as well as LARM's Acting Executive Director.

Jim Hawks moved, seconded by Scott Getzschman to: a) authorize L. Lynn Rex, LARM's Administrator pursuant to the Interlocal Agreement, to also serve as "LARM's Acting Executive Director" and to exercise any powers and responsibilities of LARM's Executive Director that she does not already have as LARM's Administrator; and b) ratify any actions taken by L. Lynn Rex as LARM's Administrator and Acting Executive Director. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).***

(AGENDA ITEM #11) **Consider approving Sedgwick/York Risk Services, LARM's third party administrator, to handle all of LARM's workers' compensation claims.** Lynn Rex outlined the reasons for approving Sedgwick/York Risk Services, LARM's third party administrator, to process all of LARM's workers' compensation claims. Lynn Rex emphasized that Sedgwick/York Risk Services has been handling the 12 largest workers' compensation claims since about 2015 and there are now about 4 of them left to process. Lynn Rex stated that LARM does not have enough workers' compensation claims to justify a full-time position at this time.

Melissa Harrell moved, seconded by Jim Hawks to approve Sedgwick/York Risk Services, LARM's third party administrator, to handle all of LARM's workers' compensation claims. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).***

(AGENDA ITEM #12) **Consider approval of: a) the following LARM Management Team to operate LARM for the next two years instead of hiring another LARM Executive Director: Dave Bos, Loss Control Manager; Tracy Juranek, Customer Service Specialist; and Lynn Rex, LARM Administrator and Acting LARM Executive Director; and b) an increase in the salaries for Dave Bos and Tracy Juranek for FY 19-20.** Lynn Rex distributed two organizational charts: 1) LARM's "Organizational Chart Until August 15, 2019"; and 2) LARM's "Proposed Organizational Chart After November 14, 2019 - October 2021." Lynn Rex explained that her name is shown as stricken on the "Organizational Chart Until August 15, 2019" since Mike Nolan, then-LARM's Executive Director, did not inform or provide her any information as LARM's Administrator other than the information provided to LARM members. Instead of hiring another LARM Executive Director in the next two years, Lynn Rex explained why she is recommending to the Board that she would continue consulting on a regular basis with Dave Bos and Tracy Juranek to manage LARM operations. Although the term "LARM Management Team" is not in the Interlocal Agreement or LARM Bylaws, she responded to Doug Schultz and

other Board Members that this simply is a general concept that she was recommending for operating LARM on a daily basis. Lynn Rex also noted that Dave Bos is coming to Lincoln at least once a week to meet with Tracy Juranek, in addition to performing his other duties as LARM's Loss Control Manager; Dave Bos and his family will be moving to Lincoln in two years and Lynn Rex stated that she will recommend him as the next Executive Director of LARM and Tracy Juranek as the Assistant Executive Director of LARM, both subject to the approval of the LARM Board in 2021. Lynn Rex informed the Board that Dave Bos and Tracy Juranek are underpaid by about \$15,000 respectively, which is why she recommends an increase in the salaries of Dave Bos and Tracy Juranek for FY 19-20 of \$15,000 each. In addition, Lynn Rex stated that she will be recommending for the Board to authorize a comparability study for all LARM employees. Andy Barry emphasized that the "Proposed Organizational Chart After November 14, 2019 - October 2021" is supposed to reflect that Lynn Rex as LARM's Administrator, will act on directives from the LARM Board of Directors; as LARM's Administrator, she will continue to supervise and work closely with Dave Bos and Tracy Juranek. Andy Barry stated that Dave Bos and Tracy Juranek would be subject to LARM's personnel rules, just like other LARM employees. Lynn Rex noted that all LARM and League Staff Members are at-will employees.

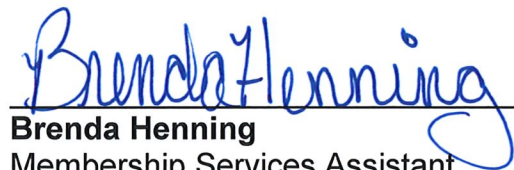
In response to a comment from Tom Ourada, Lynn Rex stated that LARM Staff Members have job descriptions; the job descriptions will be updated to reflect additional responsibilities recently assigned by Lynn Rex to Dave Bos, Tracy Juranek, Diane Becker and Elizabeth Becker. Chair Doug Hanson stated that he would like to have the authority to appoint a Personnel Committee as an agenda item at the next meeting and Lynn Rex responded that it would be listed as an agenda item.

Lynn Rex asked each member of the LARM Staff to briefly tell the Board about their background and duties with LARM. Teresa Youngquist moved, seconded by Scott Getzschman to approve: a) the following LARM Management Team to operate LARM for the next two years instead of hiring another LARM Executive Director: *Dave Bos*, Loss Control Manager; *Tracy Juranek*, Customer Service Specialist; and *Lynn Rex*, LARM Administrator and Acting LARM Executive Director; and b) an increase in the salaries for *Dave Bos* and *Tracy Juranek* of \$15,000 each for FY 19-20. Chair Doug Hanson asked if there was any discussion. Since the LARM Board already passed and approved Agenda Item #10, authorizing, in part, Lynn Rex as LARM's "Acting Executive Director," Deb VanMatre stated that the motion on Agenda Item #12 should simply be a motion to approve an increase in the salaries for Dave Bos and Tracy Juranek of \$15,000 each for FY 19-20. Teresa Youngquist and Scott Getzschman agreed to the amendment to the motion. Chair Doug Hanson asked if there was any other discussion; there was none. Roll call vote. Ayes: Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).***

(AGENDA ITEM #13) **Motion to adjourn.** At 12:58 pm, Teresa Youngquist 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, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 11 ayes, 0 nays, 0 abstentions and 4 absent (Brown, Johnson, Moenning and Schendt).***

Approved on February 25, 2020.

ATTEST:



Brenda Henning
Membership Services Assistant
League of Nebraska Municipalities



L. Lynn Rex
Ex-Officio, Non-Voting, Board Member and "Administrator" of LARM
Executive Director of the League of Nebraska Municipalities

NOTICE
SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT

Thursday, Nov. 14, 2019, 11 am CT
Joe Hampton Conference Center, League Building
1335 L Street, Lincoln

PLEASE TAKE NOTICE that on **Thursday, Nov. 14, 2019, at 11 am CT**, the League Association of Risk Management (LARM) will hold a Special Meeting of the LARM Board of Directors in the Joe Hampton Conference Center at the League Building, 1335 L Street, Lincoln, Nebraska. An agenda of subjects known at this time is included with this notice, but the agenda shall be kept continually current and readily available for public inspection at the principal office of LARM during normal business hours at 1335 L Street, Lincoln, Nebraska. On Nov. 8, 2019, notice of this Special Meeting with the agenda and other materials were sent to all LARM members and the LARM Board. Notice of this Special Meeting with the agenda and other materials are available for public inspection at 1335 L Street, in Lincoln, Nebraska, and also are posted on the League of Nebraska Municipalities' Facebook page and its website relating to LARM – <https://www.lonm.org/larm/>.