

MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT
By virtual conferencing as provided in LB83E (2021)
Wednesday, July 7, 2021, 2:30 P.M. CT/1:30 P.M. MT

A Special Meeting of the League Association of Risk Management (LARM) Board of Directors was held July 7, 2021, at 2:30 P.M. CT/1:30 P.M. MT by virtual conferencing. The LARM office at 1335 L Street, Lincoln, Nebraska, was open for attendance by the public during the meeting and, as provided in LB83E (2021), LARM Board Member Mayor Deb VanMatre was present at the City of Gibbon office at 715 Front Street, Gibbon, Nebraska, 68840, which also was open to the public for the meeting. A notice of this meeting with the agenda and other materials was available at these locations with a copy of the Open Meetings Act posted.

(AGENDA ITEM #1) **Call meeting to order.** At 2:33 P.M. CT, **LARM Board Vice-Chair Lanette Doane**, Clerk/Treasurer of Ansley, called the meeting to order.

The roll call was read with the following voting Board Members present by virtual conferencing: **Lanette Doane**, Clerk/Treasurer, Village of Ansley; **LeAnn Brown**, Clerk/Treasurer, City of Oshkosh; **Pam Buethe**, Board Member, Sarpy County SID #29; **Mayor Don Groesser**, City of Ralston; **Jo Leyland**, Administrator/Clerk/Treasurer, City of Imperial; **Tom Ourada**, Administrator, City of Crete; **Mayor Joey Spellerberg**, City of Fremont; **Mayor Deb VanMatre**, City of Gibbon; and **Teresa Youngquist**, Clerk/Treasurer, City of Beaver City.

At the time of roll call: 9 voting Board Members present; 5 absent (Mayor Doug Hanson, City of Hickman; Melissa Harrell, Administrator/Treasurer, City of Wahoo; Mayor Tony Kaufman, City of Gering; Mayor Josh Moenning, City of Norfolk; and Sandra Schendt, Clerk/Treasurer, City of Nelson) and 1 vacancy. Sandra Schendt joined the meeting at 2:40 P.M. Ex-officio (non-voting) Board Member **L. Lynn Rex**, Executive Director of the League of Nebraska Municipalities and "Administrator" of LARM, was present; ex-officio (non-voting) Board Member **Mayor Paul Lambert**, City+ of Plattsmouth, and President of the League of Nebraska Municipalities, was absent.

Other participants included: **Cline Williams Law Firm** – representing LARM, Trent Sidders; **Sedgwick (LARM's third party administrator)** – John Brockschmidt and Chris

Cadwell; **LARM** – Dave Bos, Tracy Juranek, Diane Becker, Elizabeth Becker, Fred Wiebelhaus, Nate Fox and Clint Simmons.

Vice-Chair Lanette Doane indicated that on July 2, 2021, a notice of this meeting with the agenda and other materials was sent to all LARM members and the LARM Board. Notice of this meeting with the agenda and other materials also was made available for public inspection at 1335 L Street, in Lincoln, Nebraska, and posted with the following links kept continually current: an electronic copy of the agenda, all documents being considered at the meeting, with a link to the current version of the Open Meetings Act on LARM's website- larmpool.org and Facebook page- www.facebook.com/larmne.

The Pledge of Allegiance to the Flag of the United States of America was recited.

(AGENDA ITEM #2) Consider a motion to approve the LARM Property Coverage Document Cyber Incident Endorsement which limits property coverage from a loss other than fire or explosion up to a maximum of \$250,000 per Member in any one occurrence or \$1,000,000 Aggregate for all Members during an Agreement Period for a loss arising from any error or omission or a series of related errors or omissions involving access to, processing of, use of or operation of a computer system, since this sub-limit for perils other than fire or explosion is necessary due to the reinsurance market not supporting this first party coverage. *(Presented by Lynn Rex, Administrator, LARM; Dave Bos, Executive Director, LARM; John Brockschmidt, CPCU, ARM, Senior Vice-President of Pooling, Sedgwick; and Trent Sidders, Cline Williams Law Firm.)* Lynn Rex, John Brockschmidt, Dave Bos, Fred Wiebelhaus and Trent Sidders gave an overview of the cyber reinsurance coverages and also explained the current narrow gap in property coverage for a Cyber Incident from LARM's reinsurer as of July 1, 2021. John Brockschmidt explained the hardening of the insurance market, reviewed the slides included in the meeting materials and presented an overview of the LARM Property Coverage Document Cyber Incident Endorsement. Dave Bos and Fred Wiebelhaus also discussed the narrow gap in property coverage for a Cyber Incident without reinsurance support, underscoring how extremely limited the exposure is for LARM. Trent Sidders briefly reviewed legal requirements and LARM's recent discussions regarding this issue with the Nebraska Department of Insurance. Following discussion and questions from Board Members, Jo Leyland moved, seconded by Pam Buethe to approve the LARM Property Coverage Document Cyber Incident Endorsement which limits property coverage from a loss other than fire or explosion up to a maximum of \$250,000 per Member in any one occurrence or \$1,000,000 Aggregate for all Members during an Agreement Period for a loss arising from any error or omission or a series of related errors or omissions involving access to, processing of, use of or operation of a computer system, since this sub-limit for perils other than fire or explosion is necessary due to the reinsurance market not supporting this first party coverage. Vice-Chair Lanette Doane asked if there was any other discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Doane, Groesser, Leyland, Ourada, Schendt, Spellerberg, VanMatre and Youngquist. Nays: None. Abstentions: None. Absent: Hanson, Harrell,

Kaufman and Moenning. **Motion carried: 10 ayes, 0 nays, 0 abstentions, 4 absent and 1 vacancy.**

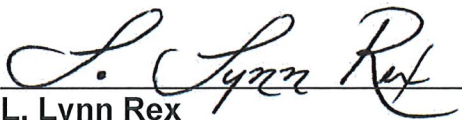
(AGENDA ITEM #3) **Motion to adjourn.** At 3:19 P.M., Pam Buethe moved, seconded by Teresa Youngquist to adjourn. Vice-Chair Lanette Doane asked if there was any discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Doane, Groesser, Leyland, Ourada, Schendt, Spellerberg, VanMatre and Youngquist. Nays: None. Abstentions: None. Absent: Hanson, Harrell, Kaufman and Moenning. **Motion carried: 10 ayes, 0 nays, 0 abstentions, 4 absent and 1 vacancy.**

Approved on: July 19, 2021

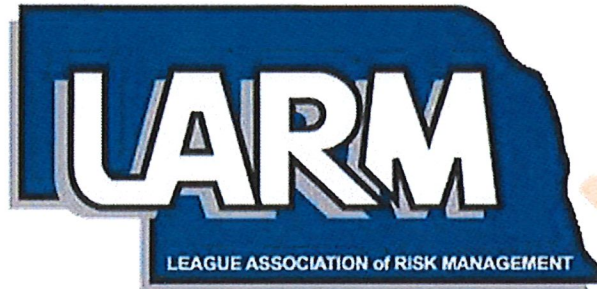
ATTEST:



Elizabeth Becker
Customer Service Representative
League Association of Risk Management



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



NOTICE

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT (LARM)
by virtual conferencing as provided in LB83E (2021)
Wednesday, July 7, 2021, 2:30 p.m. CT/1:30 p.m. MT**

PLEASE TAKE NOTICE that on **Wednesday, July 7, 2021, at 2:30 p.m. CT/1:30 p.m. MT**, the League Association of Risk Management (LARM), will hold a Special LARM Board of Directors meeting by virtual conferencing as provided in LB83E (2021). An agenda of subjects known at this time is included with this notice, and 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. This office will be open for attendance by the public during the meeting and, as provided in LB83E (2021), LARM Board Member Deb VanMatre, or her designee, will be present and have the City of Gibbon office at 715 Front Street, Gibbon, Nebraska, 68840, open to the public for the meeting. A notice of this meeting with the agenda and other materials will be available at this location with a copy of the Open Meetings Act posted.

On July 2, 2021, a notice of this meeting with the agenda and other materials was sent to all LARM members and the LARM Board. Notice of this meeting with the agenda and other materials also is available for public inspection at 1335 L Street, in Lincoln, Nebraska, and posted with the following links kept continually current: an electronic copy of the agenda, all documents being considered at the meeting, with a link to the current version of the Open Meetings Act on LARM's website- larmpool.org and Facebook page- www.facebook.com/larmne.