

**MINUTES**  
**MEETING OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT**  
**BOARD OF DIRECTORS**

**Thursday, October 3, 2019, 9 am CT**  
**Office Plaza 202 – Cornhusker Marriott Hotel**  
**333 S 13<sup>th</sup> Street, Lincoln**

A Meeting of the League Association of Risk Management (LARM) Board of Directors was held Oct. 3, 2019, at 9 am CT in Office Plaza 202 at the Cornhusker Marriott Hotel in Lincoln, Nebraska.

On Sept. 26, 2019, notice of this Meeting with the agenda and other materials were sent to all LARM members and the LARM Board. Notice of this 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 9 am CT, **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 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: **LeAnn Brown**, Clerk/Treasurer, City of Oshkosh; **Pam Buehe**, 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; **Sandra Schendt**, Clerk/Treasurer, City of Nelson; **Doug Schultz**, Admin./Clerk/Treasurer, City of Curtis; **Mayor Deb VanMatre**, City of Gibbon; **Teresa Youngquist**, Clerk/Treasurer, City of Beaver City; ex-officio Board Member (non-voting member) **Mayor Dwight Livingston**, City of North Platte and League President; 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 (Nathan Johnson, City Manager, City of Scottsbluff; and Mayor Josh Moenning, City of Norfolk).*

Chair Doug Hanson asked others in attendance to identify themselves, if they chose to do so: **Jerry Wilcox**, Finance Director, City of Crete; **Doug Stack**, City Attorney, City of North Platte; and **Tammy Cooley**, Human Resource Director of Gering (*by phone*); **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, the LARM Board's Legal Counsel; **Retired Justice William Connolly** (Hearing Officer); **Mike Nolan**; and **David Domina**, Nolan's Legal Counsel. The following staff members of the League of Nebraska



Municipalities also were in attendance: **Christy Abraham, Brett Benson, Lash Chaffin, Brenda Henning, Lynn Marienau and Shirley Riley.**

**(AGENDA ITEM #2) PERSONNEL HEARING: This personnel hearing was requested by Mike Nolan (LARM's Executive Director) relating to the recommendation of L. Lynn Rex (LARM's Administrator and League Executive Director) to dismiss him, subject to the approval of the LARM Board of Directors pursuant to Article I, Section 3.1 of the LARM Bylaws.**

Chair Doug Hanson stated that no public comment would be allowed on this agenda item. Retired Justice William Connolly was the hearing officer. He stated that David Domina, who represented Mike Nolan, and Andy Barry, who represented Lynn Rex, would each be given 90 minutes to present information and cross-examine the witnesses (Lynn Rex and Mike Nolan). Andy Barry requested that LARM Board Members Lanette Doane, Doug Hanson, Jim Hawks and Jo Leyland recuse themselves from deliberations and the vote; Doane, Hanson, Hawks and Leyland agreed to do so.

In order to provide the LARM Board of Directors with sufficient information to evaluate the LARM Administrator's recommendation to dismiss Mike Nolan, a hearing was held at which Andy Barry, on behalf of the Administrator, and David Domina, on behalf of Mike Nolan, presented documents and other information, as well as testimony from their respective clients. In addition, David Domina asked questions of Lynn Rex and Andy Barry asked questions of Mike Nolan. The presentation of information ended at approximately 12:20 pm.

Following the hearing, Scott Getzschman moved, seconded by Teresa Youngquist to take a five-minute break and move to the deliberations. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Bartlett, Brown, Buethe, Getzschman, Harrell, Ourada, Schendt, Schultz and VanMatre. Nays: None. Abstentions: 4. **Motion carried: 9 ayes, 0 nays, 4 abstentions (Doane, Hanson, Hawks and Leyland) and 2 absent (Johnson and Moenning).**

**(AGENDA ITEM #3) Consider whether to approve the recommendation of L. Lynn Rex (LARM's Administrator and League Executive Director) to dismiss Mike Nolan, subject to the approval of the LARM Board of Directors pursuant to Article I, Section 3.1 of the LARM Bylaws.**

Chair Doug Hanson said the Board may vote to go into closed session to conduct deliberations to evaluate the job performance and proposed termination of Mike Nolan as Executive Director of LARM based on the evidence received by the Board at the personnel hearing to prevent needless injury to Mike Nolan's reputation. However, Chair Doug Hanson said that pursuant to the Nebraska Open Meetings Act, Mike Nolan has the right to request that the deliberations be in open session.

Chair Doug Hanson asked if there was any objection from Mike Nolan to having deliberations in closed session or would he like to stay in open session for those deliberations.

David Domina responded that Mike Nolan consented to closed-session deliberations. Domina also stated that he and Mike Nolan would depart so that the Board could deliberate in closed session.



Chair Doug Hanson said he would entertain a motion to go into closed session. Doug Schultz moved, seconded by LeAnn Brown to go into closed session. Chair Doug Hanson asked if there was any discussion. Melissa Harrell inquired whether the motion was to have just the nine Board Members and the LARM Board's Attorney in the closed session. Chair Doug Hanson said that language should be included in the motion.

Doug Schultz moved, seconded by LeAnn Brown to go into closed session to consider whether to approve the recommendation of Lynn Rex to dismiss Mike Nolan subject to the approval of the LARM Board of Directors, absent those that are recusing themselves, and with just the nine remaining voting Board Members. Chair Doug Hanson asked if there was any discussion on that clarification. Scott Getzschman asked if Attorney Grams can be in the room during closed session. Chair Doug Hanson suggested that Grams not be in the room. Tom Ourada stated that he was pleased that everybody who participated in the hearing conducted themselves with grace and professionalism. Chair Doug Hanson agreed and asked if there were any other comments; there were none. Roll call vote. Ayes: Brown, Buethe, Getzschman, Harrell, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: 4. ***Motion carried: 9 ayes, 0 nays, 4 abstentions (Doane, Hanson, Hawks and Leyland) and 2 absent (Johnson and Moenning).***

Andy Barry said that when he was on a state agency commission several years ago, when the commission went into closed session, the commissioner had to say, "I move to go into closed session for purposes of preventing needless injury to the reputation of individuals." In addition to other specific language, the Open Meetings Act requires that the motion needs to state when going into closed session that it is to protect the public interest and/or protect the reputation of an individual who has not requested that the deliberations be in open session.

At 12:40 pm, Doug Schulz moved, seconded by Tom Ourada that the Board go into closed session to prevent needless injury to the reputation of an individual and protect the public interest to approve the recommendation of Lynn Rex to dismiss Mike Nolan subject to the approval of the LARM Board of Directors pursuant to Article I, Section 3.1 of the LARM Bylaws. Lynn Rex said the motion should probably state "whether to approve." Doug Schultz said, "so amended, with 'whether to approve.'" David Domina said Mike Nolan consents to having the motion conform with the requirements of the public meetings law; Domina said he would not assert technical objection to a present flaw in those words or phrases, if there is one. Domina also said he did not contend that there was one. Chair Doug Hanson asked that the motion be repeated for the record. Lynn Rex stated that the motion was to go into closed session to protect the reputation of an individual, Mike Nolan, who did not request it be in open session and to consider whether to approve the recommendation of Lynn Rex to dismiss Mike Nolan. Chair Doug Hanson asked if there was any other discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Getzschman, Harrell, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: 4. ***Motion carried: 9 ayes, 0 nays, 4 abstentions (Doane, Hanson, Hawks and Leyland) and 2 absent (Johnson and Moenning).***

The four members who recused themselves earlier did not participate in the deliberations. At 1:06 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 reputation of an individual, Mike Nolan, who did not request that it be in open session and to consider whether to approve the recommendation of L. Lynn Rex to dismiss Mike Nolan as



Executive Director of LARM. Sandra Schendt moved, seconded by Pam Buethe to come back into open session. Chair Doug Hanson asked if there was any other discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Getzschman, Harrell, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: 4. **Motion carried: 9 ayes, 0 nays, 4 abstentions (Doane, Hanson, Hawks and Leyland) and 2 absent (Johnson and Moenning).** Andy Barry requested that the record reflect that the exhibits that were offered and received during the hearing were present in closed session with the Board Members who deliberated. Chair Doug Hanson stated that there would be no public comment on this agenda item, but the Board would consider whether to approve the recommendation of L. Lynn Rex, LARM's Administrator and the League Executive Director, to dismiss Mike Nolan subject to approval of the LARM Board of Directors pursuant to Article I, Section 3.1 of the LARM Bylaws.

Scott Getzschman moved, seconded by Sandra Schendt to approve the recommendation of L. Lynn Rex, LARM's Administrator and League Executive Director, to dismiss Mike Nolan subject to the approval of the LARM Board of Directors pursuant to Article I, Section 3.1 of the LARM Bylaws. Chair Doug Hanson asked if there was any other discussion. Chair Doug Hanson asked if there was any other discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Getzschman, Harrell, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: 4. **Motion carried: 9 ayes, 0 nays, 4 abstentions (Doane, Hanson, Hawks and Leyland) and 2 absent (Johnson and Moenning).**

(AGENDA ITEM #4) **Consider approval for property reserve authority in the amount of \$1,373,400 and approval for Actual Cash Value (ACV) payment authority in the amount of \$1,071,475.34, relating to the claim by the City of Scottsbluff - LA RP-0428A 1 (DOL 08/15/2019).** Jim Hawks moved, seconded by Melissa Harrell to approve property reserve authority in the amount of \$1,373,400 and approve Actual Cash Value (ACV) payment authority in the amount of \$1,071,475.34, relating to the claim by the City of Scottsbluff. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 13 ayes, 0 nays, 0 abstentions and 2 absent (Johnson and Moenning).**

(AGENDA ITEM #5) **Consider authorizing LARM Board Chair Doug Hanson to appoint a committee to review and make recommendations to the LARM Board regarding LARM's Bylaws, past actions by the former "Purported LARM Board," contracts with York Risk Services (LARM's Third Party Administrator) and other relevant contracts.** Pam Buethe moved, seconded by Teresa Youngquist to authorize LARM Board Chair Doug Hanson to appoint a committee to review and make recommendations to the LARM Board regarding LARM's Bylaws, past actions by the former "Purported LARM Board," contracts with York Risk Services (LARM's Third Party Administrator) and other relevant contracts. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 13 ayes, 0 nays, 0 abstentions and 2 absent (Johnson and Moenning).**

(AGENDA ITEM #6) **Report on LARM's Liability Reinsurance negotiated and bound by Embry Nichols of Guy Carpenter (JLT Re); effective 10/1/19, Great American Insurance Company provides 70% of the liability reinsurance and NLC Mutual Insurance Company provides the other 30% (with an agreement by Guy Carpenter to forego any revenue on**



**the 30% provided by NLC Mutual Insurance Company).** Lanette Doane moved, seconded by Deb VanMatre to accept the report on LARM's Liability Reinsurance negotiated and bound by Embry Nichols of Guy Carpenter (JLT Re); effective 10/1/19, Great American Insurance Company provides 70% of the liability reinsurance and NLC Mutual Insurance Company provides the other 30% (with an agreement by Guy Carpenter to forego any revenue on the 30% provided by NLC Mutual Insurance Company). Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 13 ayes, 0 nays, 0 abstentions and 2 absent (Johnson and Moenning).***

(AGENDA ITEM #7) **Motion to adjourn.** At 1:25 pm, Melissa Harrell moved, seconded by LeAnn Brown to adjourn. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 13 ayes, 0 nays, 0 abstentions and 2 absent (Johnson and Moenning).***

Approved on: November 14, 2019.

ATTEST:

  
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**Brenda Henning**  
Membership Services Assistant  
League of Nebraska Municipalities

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

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

**Thursday, Oct. 3, 2019, 9 am CT**

**Office Plaza 202, Cornhusker Marriott Hotel, 333 S 13<sup>th</sup> Street, Lincoln**

PLEASE TAKE NOTICE that on **Thursday, Oct. 3, 2019, at 9 am CT**, the League Association of Risk Management (LARM) will hold a meeting of the LARM Board of Directors in the Office Plaza 202 at the Cornhusker Marriott Hotel, 333 S 13<sup>th</sup> 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 Sept. 26, 2019, notice of this meeting with the agenda and other materials were sent to all LARM members and the LARM Board. Notice of this 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/>.