

MEETING OF THE DULY ELECTED LARM BOARD
Thursday, April 12, 2018
9:30 am CDT/8:30 am MDT
Via Telephone Conference Call
Call-In Number: 1-605-472-5216; Access Code: 341924
1335 L Street, Lincoln, NE 68508

The meeting of the League Association of Risk Management (LARM) Board of Directors duly elected 3-21-18 was held April 12, 2018, at 9:30 am CDT via telephone conference call at 15 designated locations identified in the meeting notice.

On April 4, 2018, notice of this meeting with the agenda and other materials were sent to all LARM members and the LARM Board of Directors duly elected on 3-21-18; notice of this meeting with the agenda and other materials were available for public inspection at 1335 L Street, in Lincoln, Nebraska; it also was posted on the League of Nebraska Municipalities' website relating to LARM – www.lonm.org.

Call to Order: At 9:31 am CDT, Lynn Rex, Executive Director of the League of Nebraska Municipalities (League) and the “Administrator” of LARM, called the meeting to order. She stated that in accordance with Section 84-1411(3)(e) 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 at each designated location. The Open Meetings Act was posted in the meeting room and was accessible to members of the public at each designated location.

Lynn Rex thanked the following current and former LARM Board Members who developed the agenda for this meeting: Hickman **Mayor Doug Hanson**; **Jan Rise**, Administrative Services Director of Fremont; **Jerry Wilcox**, Clerk/Treasurer of Crete; **Melissa Harrell**, Administrator/Clerk/Treasurer of Wahoo; and **Jim Hawks**, City Administrator of North Platte.

After the Pledge of Allegiance to the Flag of the United State of America, the roll call was read with the following Board Members present by phone: **Teresa Bartlett**, Clerk/Treasurer, City of Beaver City, 301 10th Street, Beaver City, NE; **LeAnn Brown**, Clerk/Treasurer, City of Oshkosh, 305 West 1st Street, Oshkosh, NE; **Pam Buethe**, Board Member, Sarpy County SID #29, 20304 Westridge Road, Gretna, NE; **Lanette Doane**, Clerk/Treasurer, Village of Ansley, 217 Nile Street, Ansley, NE; **Mayor Scott Getzschman**, City of Fremont, 400 East Military, Fremont, NE; **Mayor Doug Hanson**, League Office, 1335 L Street, Lincoln, NE; **Melissa Harrell**, Admin./Clerk/Treasurer, City of Wahoo, 605 N Broadway, Wahoo, NE; **Jim Hawks**, City Administrator, City of North Platte, 211 West 3rd Street, North Platte, NE; **Nathan Johnson**, City Manager, City of Scottsbluff, 2525 Circle Drive, Scottsbluff, NE; **Jo Leyland**, Admin./Clerk/Treasurer, City of Imperial, 740 Court Street, Imperial, NE; **Mayor Josh Moenning**, City of Norfolk, 309 N 5th Street, Norfolk, NE; **Tom Ourada**, City

Administrator, City of Crete, 243 E 13th Street, Crete, NE; **Sandra Schendt**, Clerk/Treasurer, City of Nelson, 580 S Main Street, Nelson, NE; **Douglas Schultz**, Admin./Clerk/Treasurer, City of Curtis, 201 Garlick Avenue, Curtis, NE; **Mayor Deb VanMatre**, City of Gibbon, 715 Front Street, Gibbon, NE; and ex-officio member (non-voting member) **Lynn Rex**, League Executive Director and “Administrator” of LARM; League Office, 1335 L Street, Lincoln, NE. *15 Board Members present; 0 absent.*

Guests present by phone: ex-officio member (non-voting member) League President **Wendall Gaston**, Sidney City Council Member; **Andy Barry**, of Cline Williams, League’s Outside Legal Counsel on LARM-related issues; **Jan Rise** of Fremont; **Jerry Wilcox** of Crete; **Christy Abraham**, **Lash Chaffin**, **Shirley Riley** and **Brenda Henning** of the League; and others unannounced.

Lynn Rex stated that there would be time for public comment for each agenda item.

Move to elect a Chair of the duly elected LARM Board: Jim Hawks moved, seconded by Doug Schultz to nominate Mayor Doug Hanson as Chair of the duly elected LARM Board. Lynn Rex asked if there were other nominations or any public comments; there were none. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Harrell, Hawks, Johnson, Leyland, Moenning, Ourada, Schendt, Schultz and VanMatre. Nays: None. Abstention: Hanson. ***Motion carried: 14 Ayes, 0 nays, 1 abstention.***

LARM Board Chair Doug Hanson then presided.

Move to elect a Vice Chair of the duly elected LARM Board: Chair Doug Hanson moved, seconded by Mayor Scott Getzchman to nominate Jim Hawks as Vice Chair of the duly elected LARM Board. Chair Doug Hanson asked for other nominations; there were none. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Johnson, Leyland, Moenning, Ourada, Schendt, Schultz and VanMatre. Nays: None. Abstention: Hawks. ***Motion carried: 14 Ayes, 0 nays, 1 abstention.***

Move to recommend changes to the minutes of the “Special Meeting of LARM Members” on March 21, 2018, subject to approval of the minutes by LARM members at the next “Meeting of LARM Members”: As Chair of the “Special Meeting of LARM Members,” Jan Rise was asked if she had any comments relating to her two suggested changes highlighted in blue on the attached minutes; she had no comment. Chair Doug Hanson asked for any public comments; there were none. Teresa Bartlett moved, seconded by Lanette Doane to recommend the two changes to the minutes of the “Special Meeting of LARM Members” on March 21, 2018, subject to approval of the minutes by LARM members at the next “Meeting of LARM Members.” Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Moenning, Ourada, Schendt, Schultz and VanMatre. Nays: None. ***Motion carried: 15 Ayes, 0 nays.***

Report by Andy Barry of Cline Williams, the League’s Legal Counsel on LARM-related issues, on litigation approved by the League Executive Board on March 27, 2018, and related discussion and/or action of the League Executive Board on April 11, 2018: Andy Barry reported that the League Executive Board authorized two types of legal actions: 1) to obtain a judicial decision challenging the legality of the “purported LARM Board Members” holding office; and 2) to obtain a judicial determination about the legal effectiveness of the actions taken by the “purported LARM Board.” Andy Barry stated that these legal actions will be filed soon. Chair Doug Hanson asked if there were any questions; there were none. ***No action was necessary on this agenda item.***

Move to authorize the Chair of the duly elected LARM Board to send an email and letter to each Board Member of the “purported” LARM Board” to thank them for their service and, respectfully, ask them to resign from the “purported LARM Board”: Chair Doug Hanson asked if there was any public comment. Mayor Scott Getzschman moved, seconded by Jim Hawks to authorize the Chair of the duly elected LARM Board to send an email and letter to each Board Member of the “purported” LARM Board” to thank them for their service and, respectfully, ask them to resign from the “purported LARM Board.” Chair Doug Hanson asked again if there was any public comment. Jan Rise inquired whether the governing body that the “purported Board Member” represents should receive a copy of the letter being sent to the “purported Board Members.” Mayor Scott Getzschman moved, seconded by Jim Hawks to amend the original motion to add that the governing body that the “purported Board Member” represents should receive a copy of the letter being sent to the “purported Board Members.” **Roll call vote on the motion to amend the original motion.** Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Moenning, Ourada, Schendt, Schultz and VanMatre. Nays: None. ***Motion carried: 15 Ayes, 0 nays. Roll call vote on the original motion as amended.*** Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Moenning, Ourada, Schendt, Schultz and VanMatre. Nays: None. ***Motion carried: 15 Ayes, 0 nays.***

Move to authorize the Chair of the duly elected LARM Board to send an email and letter to all LARM members encouraging them to remain in LARM and, when necessary, informing them on issues, including but not limited to: a) actions of the duly elected LARM Board; and, b) corrections related to ongoing misinformation sent to LARM members and others by the “Chair of the purported LARM Board” and/or LARM representatives: Chair Doug Hanson asked for any public comment; there was none. Jo Leyland moved, seconded by Sandra Schendt to authorize the Chair of the duly elected LARM Board to send an email and letter (with all duly elected LARM Board Members listed) to all LARM members encouraging them to remain in LARM and, when necessary, informing them on issues, including but not limited to: a) actions of the duly elected LARM Board; and, b) corrections related to ongoing misinformation sent to LARM members and others by the “Chair of the purported LARM Board” and/or LARM representatives. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland,

Moening, Ourada, Schendt, Schultz and VanMatre. Nays: None. **Motion carried: 15 Ayes, 0 nays.**

Discuss and take any action(s) regarding the agenda items and actions taken by the “purported LARM Board” at its April 10, 2018, meeting in Pilger, Nebraska:

Lynn Rex attended the meeting in Pilger. Eight of the nine members of the “purported LARM Board” also were present; Andrew Ward, Valentine Council Member, was absent. Lynn Rex gave the following report on the meeting:

- **Agenda Item #4.** *“Consideration of Board approval of scheduling election of three LARM Board members, per the LARM Bylaws, on December 5, 2018; of directing the LARM Nominating Committee to 5 soliciting nominees for slate, developing further procedures and protocols, and reporting back to the LARM Board not less than 30 days prior to the election date.”* **Motion passed by “purported LARM Board” (8 ayes, 0 nays, 1 absent).**
- **Agenda Item #5.** *“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.”* **The “purported LARM Board” passed a motion (8 ayes, 0 nays, 1 absent) to reject the March 21 “Special Meeting of LARM Members.”**
- **Agenda Item #6.** *“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.”* **The “purported LARM Board” passed a motion (8 ayes, 0 nays, 1 absent) to table this agenda item.**
- **Agenda Item #7.** *“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 Executive Committee, per Chapter 84-1409 (b) of the Revised Nebraska Statutes. (The LARM Board reserves the right to approve a motion to go into closed session, per Chapter 84-1410 of the Revised Nebraska Statutes, to discuss these matters.)”* **The “purported LARM Board” went into closed session for about 1½ hours (from 2:56 pm until 4:25 pm).** The League retained the services of a private company to videotape the meeting. In addition, the audio recording by the League staff listening by telephone at the League office indicated that when the “purported LARM Board” reconvened in open session, Pilger City Clerk Kim Neiman asked Attorney Dave Domina to state the motion for her with the provisions that had been discussed in closed session. Dave Domina read the following motion: **“A motion 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 the 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 litigation committee with power to commence litigation if**

necessary to determine the legitimacy of the current LARM Board membership.”

Kim Neiman indicated that this was the motion she wanted to make. The motion was seconded. (We believe it was seconded by Lane Danielzuk of Gering.) Lynn Rex asked Dave Domina to repeat the motion. The audio recording by the League staff indicated that this is what Dave Domina said the motion was the second time: ***“A motion to authorize the Chairman to appoint the Executive Committee as a negotiation committee to negotiate with the persons purportedly elected at the March 21 purported election of the LARM Board. They should have the power to negotiate but not to make binding commitments; it must instead bring recommendations or a report to this Board. Further, to appoint the Executive Committee as the litigation committee of this Board with power to authorize the commencement of litigation if necessary to determine the legitimacy of the current LARM Board membership and/or structure in existence.”*** The “purported LARM Board” passed the motion with 8 ayes, 0 nays and 1 absent.

Lynn Rex then discussed the letters between Mike Nolan and Bill Heberton of NLC Mutual Insurance Company. Lynn Rex stated that on April 11, 2018, the League Executive Board voted to send a letter to Bill Heberton requesting that all LARM-related correspondence from NLC Mutual be sent to the duly elected LARM Board Chair and Lynn Rex as the “Administrator of LARM pursuant to the Interlocal Agreement.”

Jan Rise remarked that the discussion of the actions of the “purported LARM Board” at its April 10, 2018, meeting should result in notifying other service contractors working with the LARM organization that a duly elected LARM Board was voted into office at the “Special Meeting of LARM Members” on March 21, 2018. No action was necessary on this agenda item.


Discuss attendance of LARM Board Members (duly elected on March 21, 2018) at the NLC-RISC Trustees Conference on May 9-11, 2018 in Santa Fe, New Mexico: Chair Doug Hanson stated that this is an excellent conference. He encouraged Board Members to contact Lynn Rex within the next 10 days if they are interested in attending the NLC-RISC Trustees Conference. Lynn Rex stated that the League will pay for the airfare, hotel and registration fees for the first seven individuals who want to attend so there will not be a quorum of the LARM Board at the conference. ***No action was necessary on this agenda item.***

Discussion about dates for future meetings of the LARM Board (duly elected on March 21, 2018): Lynn Rex stated that a face-to-face meeting could be scheduled in conjunction with the Municipal Accounting & Finance Conference. Pursuant to the Open Meetings Act, a risk management pool can have numerous telephone conference calls if the board of the risk management pool meets in person at least quarterly. ***No action was necessary on this agenda item.***

Move to adjourn. Teresa Bartlett moved, seconded by Doug Schultz to adjourn. Roll call vote. Ayes: Bartlett, Brown, Buethe, Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Moenning, Ourada, Schendt, Schultz and VanMatre. Nays: None. **Motion carried: 15 Ayes, 0 nays.** Meeting adjourned at 10:56 am CDT.

Approved on: April 19, 2018

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