

City of Scottsbluff, Nebraska

Monday, August 3, 2015

Regular Meeting

Item Resolut.2

Council to consider a Resolution extending the date for written notice of termination in participation in the League Association of Risk Management (LARM) and consider the contribution credits for multi-year commitments.

Minutes: Last year's total contribution amount was \$609,000. The 2015-2016 total contribution with the 3 year commitment and 5% discount will be approximately \$666,948.

Staff Contact: Rick Kuckkahn, City Manager

**League Association of Risk Management
2015-2016 Renewal Resolution**

RESOLUTION NO. _____

WHEREAS, The CITY OF SCOTTSBLUFF is a member of the League Association of Risk Management (LARM);

WHEREAS, section 8.10 of the Interlocal Agreement for the Establishment and Operation of the League Association of Risk Management provides that a member may voluntarily terminate its participation in LARM by written notice of termination given to LARM and the Nebraska Director of Insurance at least 90 days prior to the desired termination given to and that members may agree to extend the required termination notice beyond 90 days in order to realize reduced excess coverage costs, stability of contribution rates and efficiency in operation of LARM; and

WHEREAS, the Board of Directors of LARM has adopted a plan to provide contribution credits in consideration of certain agreements by members of LARM as provided in the attached letter.

BE IT RESOLVED that the governing body of The City of Scottsbluff, Nebraska, in consideration of the contribution credits provided under the LARM Board's plan, agrees to:

- Provide written notice of termination at least 180 days prior to the desired termination date, which date shall be no sooner than September 30,2018. **(180 day and 3 year commitment; 5% discount)**
- Provide written notice of termination at least 180 days prior to the desired termination date, which date shall be no sooner than September 30, 2017. **(180 day and 2 year commitment; 4% discount)**
- Provide written notice of termination at least 180 days prior to the desired termination date, which date shall be no sooner than September 30,2016. **(180 day notice only; 2% discount)**
- Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30,2018. **(90 day notice and 3 year commitment only; 2% discount)**
- Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30, 2017. **(2 year commitment only; 1%)**
- Provide written notice of termination at least 90 days prior to the desired termination date, which date shall be no sooner than September 30,2016. **(90 day Notice only)**

Adopted this ____ day of _____, 2015.

Signature: _____
Title: _____
ATTEST: _____
Title: _____



Proposal For : City of Scottsbluff
 Effective Date: 10/01/2015

COVERAGE	LIMITS AND APPLICABLE DEDUCTIBLES	CONTRIBUTION
Workers' Compensation	Statutory Limits \$500,000 Employers Liability	\$275,992
General Liability	\$5,000,000/\$5,000,000 Per Occurrence/Aggregate \$0 Deductible	\$100,169
Errors & Omissions	\$5,000,000/\$5,000,000 Per Occurrence/Aggregate \$2,500 Deductible	\$20,724
Law Enforcement Liability	\$5,000,000/\$5,000,000 Per Occurrence/Aggregate \$2,500 Deductible	\$31,215
Auto Liability	\$5,000,000 Combined Single Limit \$0 Deductible	\$22,397
Auto Physical Damage	103 Vehicle(s) \$ Varies on Deductible	\$73,719
Commercial Property	\$57,148,719 \$1,000 Deductible	\$177,834
TOTAL ANNUAL CONTRIBUTION:		\$702,051

Contribution Credit Options

	180 Day Notice, 3 Year Commitment	180 Day Notice, 2 Year Commitment	180 Day Notice Only	90 Day Notice, 3 Year Commitment	90 Day Notice, 2 Year Commitment	90 Day Notice Only
Commitment Discount :	5%	4%	2%	2%	1%	0%
Property & Liability :	\$404,755.94	\$409,016.52	\$417,537.70	\$417,537.70	\$421,798.29	\$426,058.88
Workers' Compensation :	\$262,192.61	\$264,952.53	\$270,472.38	\$270,472.38	\$273,232.30	\$275,992.22
Total Contributions :	\$666,948.55	\$673,969.06	\$688,010.08	\$688,010.08	\$695,030.59	\$702,051.10