



1335 L. St, Ste 200
Lincoln, NE 68508
Phone: (402) 742-2600
Fax: (402) 476-4089
www.larmpool.org

June 28, 2023

Dear LARM Member,

Attached, please find your Renewal Coverage Proposal for the 2023-24 Pool Year. This proposal is itemized by line of coverage to represent your specific limits, deductibles, annualized contributions and to outline LARM's resolution credit options available for the new term.

Record inflation numbers, supply chain challenges and labor shortages are significantly impacting the cost of construction and the commercial property insurance industry. Added together and paired with increasing wages, it simply continues to cost more to repair or replace your property following damage. The value of a property is always changing, and once again, accurate insured values remain very important to ensure LARM members are adequately covered. As a result, LARM has modestly increased our overall scheduled values for the new pool year. Most members are seeing increases for their property values, contents, and property in the range of 3-10%, depending on whether you had a valuation of your scheduled properties in the last year.

To continue the goal of pursuing a strong financial position, the Board formally approved the recommended adjustment to the 2023-2024 Pool Year rate levels as follows:

- + 14.5% rate adjustment for Property Coverages.
- + 4.5% rate adjustment for Liability Coverages.
- No rate adjustment for Workers' Compensation.

With increased values, new rates and individual qualities and exposure changes since last year, please know that LARM staff and agents are here to assist you with providing optional deductible and other contribution saving opportunities.

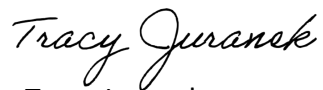
Finally, the information presented in this communication packet does not include any potential mono-line insurance placements that are not part of the formal LARM Property, General Liability or Workers' Compensation coverages (such as Bonds, Special Events Coverage, Liquor Liability, etc.). Renewal details for such policies will continue to be provided under separate cover according to their respective effective dates.

In addition, please be advised that your proposal may not reflect any endorsements recently processed, and bear in mind, that your final invoice amount may vary from the renewal packet based on such services that require contribution adjustment over the next several weeks.

As always, the LARM Board and staff are very pleased that your community will continue to support LARM as we move into our 28th year of unparalleled commitment to serving our Members. On behalf of each of us, I thank you for making our partnership a mutual success.

Sincerely,

LEAGUE ASSOCIATION OF RISK MANAGEMENT

A handwritten signature in cursive script that reads "Tracy Juraneck".

Tracy Juraneck

Customer Service Specialist/Assistant Executive Director



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How to process the attached annual renewal resolution

As always, LARM continues to seek certainty on upcoming Member commitments to allow us to accurately forecast our financial position. Requiring all Members to make annual elections by means of the Renewal Resolution affords us the fiscal confidence to structure a more stable program year-over-year. In return, LARM is able to translate this financial benefit to our Members in the form of corresponding contribution credits. Because predictability is strongest when estimates have future value, completing a new resolution each year delivers the best opportunity for this objective.

If you signed a 3-year resolution last year to receive the 5% discount, you may once again return a new 3-year resolution to continue to receive the 5% discount this year. Any member can opt for the 3-year option at any renewal to receive the maximum available discount.

If you are a Member that desires to competitively bid your coverage in the next three (3) years:

- If you already have a three (3) year Renewal Resolution at the 5% discount;
 - ↳ Execute a two (2) year Renewal Resolution at the 4% discount at the upcoming.
- If you already have a two (2) year Renewal Resolution at the 4% discount;
 - ↳ Execute a one (1) year Renewal Resolution for either the 2% or 0% discount.
- If you already have a one (1) year renewal Resolution, you must provide written notice of termination in accordance with the necessary days identified in the Renewal Resolution prior to the desired termination date.

If you do not execute/return a Renewal Resolution for the new Pool Year:

- You will automatically drop to the next lower commitment/contribution credit for that Pool Year (for example: If you were at a three (3) year commitment and do not execute/return a Renewal Resolution for the new Pool Year, you will automatically drop to a two (2) year commitment).

The enclosed Renewal Resolution form for the new term is made available for your use in designating the annual selection for the 2023-24 Pool Year. Once you have elected your contribution credit option, please authorize the Renewal Resolution and return to LARM to the address provided on the form. In order that LARM is able to issue process invoices as quickly as possible and prior to inception of the 2023-24 Pool Year, LARM requests that the fully executed Renewal Resolution be received no later than **August 15, 2023**. Once the Renewal Resolution

has been received by LARM, complete renewal packet materials (invoices, coverage documents, auto ID cards, etc.) will be prepared and delivered to you.

We are happy to review and discuss any questions or concerns you may have regarding this important process; therefore, we encourage you to contact your agent or LARM Customer Service if you need assistance.

Important Postscript:

Nebraska Revised Statutes §44-4309(1) requires that any member of a government risk management pool may voluntarily terminate its participation in the pool, but must notify the Director of the Nebraska Department of Insurance and the other members of the pool at least ninety (90) days prior to the desired termination date. **The notification to the Nebraska Department of Insurance and to LARM should be sent via certified mail.** The member's decision to terminate participation in the government risk pool is subject to the approval of the Director of the Nebraska Department of Insurance.