

## CEO's Corner:

Happy 2022! I am pleased to report that NLC Mutual continues to provide reinsurance solutions during this difficult and hard market. On January 1, 2022 NLC Mutual Captive Solutions, Inc was established along with our first cell MSL Advantage, IC. Congratulations and thank you to the founding members: IN, OR, RI, and WA. We would not have been successful without the expertise of David White at AIG and Rusty Young at Primmer Piper. The company continues to excel by working with our vendor partners.

We are proud to share that our 2021 Risk Based Capital ratio will be over 550%, another indication of our strong financial position. Almost 90% of our members currently purchase reinsurance from Mutual! We are also speaking with potential members in Tennessee and Oklahoma.

Read on to learn more about the programs and projects we are working on.

## Member Services

NLC Mutual and RISC collaborated on a Cybersecurity Roadmap, which will serve as a one-stop resource designed to help improve a city's cyber risk profile. As we consistently hear about the commercial marketplace abandoning public entities, risk management and prevention of cyber-attacks is more important than ever. We look forward to sharing this tool with you all in April. Cyber and other important topics will be discussed at the NLC-RISC Trustees Conference May 11-13 in Pittsburgh, and we encourage each of you to attend.

## Technology

Development of the new Claims and Underwriting System is in full swing. New processes for quoting and binding contracts are complete for the Underwriting team, while Claims and Accounting progress continues to outline existing processes and identify efficiencies. The project team has worked hard to fully vet complex assumed and ceded contract scenarios, create new FNOL reporting processes, streamline reporting and data imports, and more to help us better serve members. Targeted launch remains March 30, 2023.

## Underwriting

The Underwriting team has hit the ground running. 2022 is shaping up to be a year of change – and that's a good thing! We are in the final run-up to the launch of Property Advantage, which will go live 7/1/22, and will be able to accept new members to the program in Q3-Q4 of 2022 and Q1 of 2023. Our Liability retrocessional renewal is in full swing, with auditors in-bound and our program out to an expanded marketing list. With all this and more in the works, 2022 is off to a great start!

## Actuarial

2021 was another record year for NLC Mutual, as it eclipsed \$200 million in surplus and saw its RBC ratio hit 564%; both of these figures have increased by approximately 70% from where they stood just five years ago. We also saw the formation of the new MSL Advantage cell captive, which became effective on January 1, 2022 with the four founding members contributing \$2.7 million in capital and a first year gross premium of \$4.6 million.

## Racial Equity Spotlight

NLC Mutual & NLC-RISC formed a Racial Equity Advisory Group (REAG) to learn and normalize discussion about racial equity work related to our members in public entity pooling. This group aims to create educational opportunities, resources, and partnerships to inform, assist, and guide RISC and Mutual members.

### Current Members:

Stan Corcoran—Massachusetts (MIA)  
Dave Demchak—Connecticut (CIRMA)  
Dan Greensweig—Minnesota (LMCIT)  
Mark Hayes—Arkansas (ARML)  
Patrick Priest—Oregon (CIS)  
Tami Tanoue—Colorado (CIRSA)  
Carol Wilmes—Washington (AWC)

REAG is currently collaborating with the NLC Race, Equity, and Leadership (REAL) team to develop an informative session at the NLC-RISC Trustees Conference this May (Pittsburgh, PA).

## Scholarship & Award Updates

Cal Wray, founding member and former Board Member, GA, was named the second recipient of the William F. Fulginiti Legacy Award.

15 Donald L. Jones Scholarship recipients have been selected from 9 member states.

Congratulations to our Director, Member Data Strategist **Mark Snodgrass!**

During this year's "Domopalooza" Domo user conference, Mark received an award for Top Product Idea at the Virtual Community Awards Ceremony. We are proud of his contributions, which add value to members via the NLC Mutual Insights program!