

Vermont School Boards Insurance Trust (VSBIT)

Board of Director's Meeting Minutes

April 16, 2018

Present: Bob Giroux, Michael Clark and by phone: Brenda Fleming.

Staff: Laura Soares, President, Chris Roberts, Manager of Finance, Tim Vincent, Multi-Line Program Manager.

The meeting was called to order at 1:03 p.m., by Vice Chair, Bob Giroux.

Public Comment: None

Approve Minutes of February 26, 2018 Board Meeting

Brenda Fleming made a motion, seconded by Michael Clark to approve the minutes of February 26, 2018. The minutes were approved as written.

Policies for Adoption

- a. **ML Program Reinsurance Strategy** – a motion was made by Michael Clark, seconded by Brenda Fleming, to adopt the policy as presented. The motion passed.
- b. **ML Program Reserves Policy** – a motion was made by Brenda Fleming, seconded by Michael Clark, to adopt the policy as presented. The motion passed.
- c. **Code of Ethics** – a motion was made by Michael Clark, seconded by Brenda Fleming, to adopt the policy as presented. The motion passed.
- d. **Conflict of Interest** – a motion was made by Michael Clark, seconded by Brenda Fleming, to adopt the policy as presented. The motion passed.

Multi-Line Program Coverage Enhancements/Changes for the Fiscal Year – Tim Vincent

Tim provided an overview of coverage changes the Program is considering for FY 19:

1. **Bringing Crime Coverage in-house** Looking to see if it will make sense from an actuarial standpoint. Looking to obtain \$100,000 attachment point with a \$10,000 deductible. Gallagher will present us options at our renewal meeting on May 9th.
<https://www.surveymonkey.com/r/2018SpringConferenceJZY6C9H>

2. **Builders Risk Coverage** - Looking to market projects over \$1 million to pass-through to limit the exposure to the program. Gallagher has a pool of carriers who can bid on the projects for our members to offer competitive language and pricing.
3. **Vacant Buildings** - We are collecting information this year to gather data in order to evaluate the exposure and to see how we will address from a coverage standpoint moving forward.
4. **Flood Coverage ML** - Has approximately 8-10 buildings in Flood Zone A and we are going to look either at individual policies or a blanket reinsurance coverage for the program. Right now, we have a \$500,000 SIR and Travelers provides an additional \$500,000 for an overall per occurrence limit for Flood Zone A coverages of \$1 million.
5. **Hartford Steam Boiler** - Increase policy limits to \$100 million without a significant increase in contribution, if any.
6. **School to Work Coverage** - Add in language for paid Co-Op placements to indicate excess of the placements available workers' compensation; if none, then VSBIT coverage primary; also add in language for coverage of community service work.
7. **Liability Limits Plan** - Is to move to \$10 million limits across all liability lines; looking to offer the additional \$5 million optional as well yet may have to go outside of Genesis for such.

Update on 2018 Strategic Objectives

The Board reviewed and discussed the update which summarized the current status of these objectives. Tim Vincent left after this item.

Initiate President Evaluation

The Board made no changes to the form or process. Vice Chair Bob Giroux will connect with the Chair to support the process this year.

FY 19 Budget Discussion

Chris Roberts reviewed the FY 19 preliminary budget which is very close to final and includes estimated salary increases for everyone except the President. The President's salary is set by the Board upon completion of the annual evaluation. The Board discussed the programs and priorities the budget is intended to support. The Board supported the goals of the budget as presented. A final budget will be presented in May for approval.

Fraud Policy Compliance Certification

The Board reviewed the Fraud Policy and the compliance report of the President. Michael Clark made a motion, seconded by Brenda Fleming, that the Board accept the compliance report. The motion passed. The Board had no changes to the current Fraud Policy language.

Investment Policy Compliance Certification

The Board reviewed the Investment Policy compliance report of the President. Brenda Fleming made a motion, seconded by Michael Clark, that the Board accept the compliance report. The motion passed. The Policy itself is under review by Strategic Assets Alliance (SAA) and will be reviewed for potential changes after input from SAA at a future meeting.

Plan for 2018 Annual Membership Meeting

Set date and time of meeting and set date of close Membership Books – A motion was made by Michael Clark, seconded by Brenda Fleming, to set the date and time of the meeting for October 19, 2018 at 8:00 am at Lake Morey Resort and to set the date to close the Membership Books on October 5, 2018. The motion passed.

Both Michael Clark and Emily Long's seats are up for election. The Nominating Committee (Brenda, Bob and Laura) will reach out to both current Board members to confirm interest, eligibility and availability to continue to serve. Emily Long has reached her six-year term limit and it would require action to waive the term limit for her continued eligibility. Michael Clark ends his superintendency at Essex-Caledonia when the SU closes June 30th. Only current superintendents are eligible for the seat. The committee will seek nominations from the field as customary. The committee will bring a slate of nominees to the membership at the October Annual Meeting.

Annual Review of Bylaws and Articles of Incorporation – Located in Dropbox

The Board reviewed the Bylaws and Articles of Incorporation. Neither Board nor staff have any changes to consider at this time.

Other Item: Audit Firm Selection Process Request from the VEHI Board

The VEHI Board requested a joint meeting with the VSBIT Board in September to discuss the process for selecting the firm to conduct the FY 19 financial audit. The VSBIT Board concurred and asked Laura Soares to arrange. Brenda Fleming suggested the conversations be broadened to the topic of assessing and mitigating risks, of which a financial audit is a small component. The Board concurred.

Adjournment

There being no further business, the meeting adjourned at 2:55 p.m.

Respectfully submitted by: Laura Soares

Next Meeting: September 2018 TBD