

Vermont School Boards Insurance Trust (VSBIT)

Board of Director's Meeting Minutes

October 4, 2016

Present: Brenda Fleming, Bob Giroux, Emily Long, Ron Ryan, Stuart Weppler, and Laura Soares.

Additional Attendees: Chris Roberts Manager of Finance, Don Morrill, Multi-Line Program Manager

The meeting was called to order at 11:02 a.m., by Chair, Bob Giroux.

Approval of Meeting Minutes

Stuart Weppler made a motion, seconded by Ron Ryan, to approve the minutes of the May 2, 2016 meeting. The minutes were approved as written.

Review and Accept 6-30-16 End of Year Unaudited Financials

Chris Roberts summarized her memorandum dated October 4, 2016, reviewing the unaudited FY 16 financials. Chris and Don reviewed the Multi-Line Program fund balances by program year and the adjustments made to prior years reflecting the updated actuarial analysis. The audit report and a representative from Sullivan & Powers will be available at the next Board Meeting. The Board accepted the financial statements as presented.

Discuss 6-30-16 Dashboard – Located in Dropbox

Chris Roberts reviewed the Dashboard, with a focus on the Multi-Line Program. This program is updated annually at the end of each fiscal year, incorporating the analysis of the actuaries. The Board accepted the Dashboard as presented.

Review and Act on Multi-Line Net Asset Recommendation

Don summarized the Net Asset Review memo. The Program has modest excess net assets per the policy benchmark calculations. The recommendation of management is to retain all of the net assets to support the program. A motion was made by Emily Long, seconded by Ron Ryan, to accept the recommendation. The motion passed unanimously.

Review Multi-Line Defense within Limits Coverage

Don reviewed the 'defense within limits' practice of the Multi-Line Program since its inception. At the request of DFR, the Board discussed the current practice, its historical basis, the benefits to the membership and the implications of this coverage. A motion was made by Brenda

Fleming, seconded by Stuart Wepler, to continue the current practice. The motion passed unanimously.

Update 2016 Strategic Objectives

Laura Soares reviewed the 2016 Strategic Objectives Update with the Board.

Review 2016 Board Evaluation Survey Results – Located in Dropbox

The Board reviewed the favorable results of the self-evaluation survey. There was nothing in the results that requires action.

Plan for 2016 Annual Membership Meeting

Laura reviewed the process for the Annual Meeting on October 21st. Ron, Emily and Stuart will all be in attendance. Emily and Stuart are up for election, however, Laure reminded the Board that nominations are possible from the floor.

Amend Bylaws Article III Sections 3 and 4 to Modify Board Meetings

The Board discussed the proposed language, which has been reviewed by attorney Rob Halpert and DFR, to amend the Bylaws as follows:

3. ~~REGULAR MEETINGS.~~

Meetings of the directors shall take place on a quarterly basis, and at other such times as may be determined by the Board Chair or by 20 percent of the directors then in office. At least 48 hours advance notice of the date, time and place of such meetings shall be forwarded to each director and posted on the corporation's website, except that the notice of quarterly meetings shall be posted on the corporation's website at least thirty days prior to the date of such meeting.

A regular meeting of the directors shall be held without other notice than this Bylaw on the same date and at the same place as the annual meeting of members. Other regular meetings of the directors shall take place on a monthly basis, with the date, time and place of the succeeding months' meeting to be set at the end of the current month's meeting by the directors. By majority vote of the directors at any regular or special meeting, either or both of the next two

succeeding regular meetings of the directors may be canceled. In such event, the directors shall specify the date, time and place of the next regular meeting of the directors.

4. ~~SPECIAL MEETINGS.~~

~~Special meetings of the directors may be called by the Board Chair, or by any two directors. Notice of any such special meeting shall be provided at least three (3) days in advance by written notice delivered personally, by electronic mail, or mailed to each director at the director's business address. Notice shall be deemed complete, if mailed, upon deposit of such notice in the United States mail, postage prepaid. Notice by electronic mail shall be deemed complete upon receipt by the corporation of an electronic mail acknowledgment that such notice was received by addressee. All such notices shall indicate the date, time and place for such special meeting, which shall be determined by the persons calling such meeting.~~

A motion was made by Emily Long, seconded by Brenda Fleming, to approve the amendment. The motion passed unanimously. The revised Bylaws will be sent to DFR as required.

Adopt Business Card Services Resolution on Authorization

Emily Long made a motion, seconded by Ron Ryan, to authorize Laura Soares and Stuart Wepler as authorized signers on the credit card and to confirm the credit limit of the organization.

Review and Accept Revised Employee Handbook – Sixth Edition – Located in Dropbox

Laura had the Employee Handbook reviewed by Heather Wright, an attorney with WrightJones who specializes in HR. In particular, Laura pointed out the recommendation to eliminate eligibility for health coverage of any retired employees, to keep compliant with COBRA and VEHI eligibility requirements. The attorney's recommendations were incorporated in the Sixth Edition of the Handbook. In addition, Laura made a few other updates to keep the content current. Ron Ryan made a motion, seconded by Stuart Wepler, to accept the amended Employee Handbook.

Program Updates

Laura provided updates on the following:

- a. **VEHI-** Changes to the VEHI Bylaws are on the agenda of the VEHI Annual Meeting. Informational meetings on the new 2018 health plans are well underway and have been well-received.

- b. **Updated Organizational Chart**- Laura welcomed new staff member Underwriting Coordinator Lorie Whittemore. Lorie started September 1st and is a great addition to the Multi-Line Program and VSBIT as a whole.

- c. **Act 46 Collaborative** - Laura shared that the VSBA, VSA and VSBIT Executive Directors have been discussing over the summer the appropriate role of the Collaborative at this point in time, given the number of votes that have already taken place, the staff person at the AOE and the work of the State Board to advance the implementation of the law. There was a dialogue among the VSBIT Board about the future of the Act 46 Implementation Project. There was consensus among Board members of the importance of the role of the Collaborative and VSBIT's continued involvement. The Board sees a continued need in the field for the Project, while recognizing the focus of the Project will evolve over time, and cautioned against prematurely ending the Collaborative. Two areas that were raised was: support for alternative structure exploration and support for governance practices of newly formed Boards.

Laura indicated a focus group of merging districts will be surveyed later this week to determine their perspectives on how the Project can support the success of the mergers in serving students, creating efficiencies and reducing risks.

It is anticipated that members of the Boards of the three organizations will join the three Executive Directors to discuss these issues. Ron and Bob will represent VSBIT.

Adjournment

There being no further business, the meeting adjourned at 1:40 p.m.

Respectfully submitted by: Laura Soares