

Vermont School Boards Insurance Trust

Board of Director's Meeting

May 28, 2015

Present: Bob Giroux, Emily Long, Ron Ryan, Brenda Fleming, Stuart Wepler, Laura Soares, Joe Zimmerman, John Gutman and Chris Roberts

The Meeting was called to order, at 3:34 p.m., by the Chair, Bob Giroux.

Approval of Meeting Minutes

Stuart Wepler made a motion seconded by Emily Long to approve the minutes of the March 23, 2015 meeting. The minutes were approved as written.

Finalize President Evaluation and set FY16 salary

At 3:37, Ron Ryan made a motion seconded by Emily Long to move the Board into executive session to discuss the President's evaluation and salary. The Board came out of executive session at 4:10 with a recommendation for the President's salary. Ron Ryan made a motion seconded by Brenda Fleming to set the President's salary at \$142,000. The Board approved the motion.

Approve FY15 Budget Amendments

Chris Roberts summarized her May 28, 2015 Memorandum with respect to FY15 budget amendments. Brenda Fleming made a motion seconded by Stuart Wepler to approve the amendments as recommended by Chris. The board approved the FY 15 budget amendments.

Adopt FY16 Budget

Chris Roberts summarized her memorandum dated May 28, 2015 which highlighted the major pieces of the FY16 Budget. A draft budget memorandum was reviewed at the March Meeting. The updated Budget will include a salary of \$142,000 for VSBIT's President and \$150,000 in capital expense to reconfigure the office space within the building. Ron Ryan made a motion second by Brenda Fleming to approve the FY16 Budget. The Board approved the Budget for FY16 as presented by VSBIT staff.

Review Quarterly Financials as of 3-31-15

Chris Roberts summarized her memorandum dated 5/28/15. All Programs are performing well financially and the overall budget remains on target. The Board accepted the statements as presented.

Discuss 3/31/15 Dash Board

The Board reviewed the Dashboard with Chris Roberts. All of the indicators reflect positive outcomes. The Board accepted the Dashboard as of 3/31/15 as presented.

Update on Strategic Objectives

Laura Soares updated the Board with respect to the status of the FY15 Strategic Objectives. All measures of success in meeting the objectives are on target. The Board accepted the report.

Annual Meeting

The Nominating Committee reported that the terms of two Board Members will expire this year. The Committee has determined that the current board members in those positions wish to remain on the Board. The Board Chair then turned the meeting over to Brenda Fleming, head of the Nominating Committee. As Bob Giroux's term limit has expired, Emily Long made a motion seconded by Ron Ryan to waive the six year term limit. The remaining unaffected Board members voted unanimously to waive the six year term limit of Board Chair Bob Giroux as such a restriction would adversely affect the Corporation. The Nominating Committee will inform the membership of the seats up for election as well as the interest and ability of both current Board Members in continuing to serve. The Committee will accept other nominations from the membership until early August and will report at the next meeting. The meeting was then turned back over to the Board Chair.

Emily Long made a motion seconded by Stuart Wepler to set the date and time of the Annual Meeting. The Board set the Annual Meeting for October 23, 2015 at 8:00 a.m., at the Lake Morey Inn, Fairlee, Vermont.

Emily Long made a motion seconded by Brenda Fleming to close the Membership Books. The Board resolved that the membership books be closed as of October 5, 2015 for the purpose of determining the members who are entitled to vote at the October 23, 2015 Annual Meeting.

Review Bylaws and Articles of Incorporation

The Board reviewed the VSBIT Bylaws and Articles of Incorporation and agreed that no changes were necessary at this time.

Review Investment Policy

The Board discussed the proposed change to the Investment Policy as summarized in Laura Soares' memorandum of May 2015. The change, which will go through the normal approval process at the DFR, will allow the Multi-line Program to invest a portion of its reserve funds in equities. Brenda Fleming made a motion seconded by Ron Ryan to amend the Investment Policy. The Board approved the modification of the policy.

Laura Soares reported that VSBIT was in full compliance with its investment policy as noted in her May 2015 memorandum. Also, VSBIT funds are exposed to minimal custodial credit risk since most of its

cash is invested with the Vanguard Group in trust accounts. A memorandum dated May 28, 2015, summarizing custodial credit risk was included in the board packet.

Review Fraud Policy and Internal Controls

A copy of the Fraud Policy, the Fraud Policy Compliance Report and Control Environment were included in the Board Packet. The Board reviewed, discussed and accepted the documents. The organization is in compliance with the Policy and the Board does not wish to make any changes at this time.

Program Updates

The Board reviewed the Program Update Memorandum, dated 5/11/15, prepared by Laura Soares and Joe Zimmerman. The Board did not have any questions and accepted the document as presented.

Future Meeting Schedule

The next meeting will be on September 29, 2015.

Other Business

Laura Soares discussed with the Board adding the title of Trust Administrator to the title of President. Laura suggested that this be done as a precaution in case something comes up where only the Trust Administrator has authority. This is being recommended since the current Trust Administrator will be retiring. Emily Long made a motion seconded by Stuart Wepler to add the title of Trust Administrator to the title of President effective July 1, 2015.

Adjourn

As there was no further business, the Meeting adjourned at 5:18 p.m.

Respectively submitted by,

Joseph Zimmerman