

Vermont School Boards Insurance Trust (VSBIT)

Board of Director's Meeting

March 14, 2016

Present: Bob Giroux, Stuart Wepler, Brenda Fleming (by phone), Emily Long (by phone), Ron Ryan (by Phone), Laura Soares

Additional Attendees: Chris Roberts, Tim Vincent and Don Morrill

The meeting was called to order at 3:30p.m., by Chair, Bob Giroux.

**Tour of Renovated Office Space and Project Update**

Laura Soares guided those in attendance on a tour through the newly renovated office space in the back work area. Laura reported that the renovations were completed under budget.

**Approval of Meeting Minutes**

Ron Ryan made a motion, seconded by Emily Long, to approve the minutes of the December 1, 2015 Board Meeting. The minutes were approved as written.

**Review of Quarterly Financials**

Chris Roberts reviewed the 12-31-15 quarterly financials and responded to questions. The Board accepted the financials.

**12-31-15 Dashboard**

Chris Roberts reviewed each program indicator. All indicators are trending as expected. A discussion of the Unemployment program took place and the Board agreed the fund balance was appropriate given the context of Act 46 mergers.

**Enter into Agreement with Auditor for FY 16**

A motion was made by Stuart Wepler, seconded by Brenda Fleming, to engage Sullivan & Powers for the FY 16 audit. The motion passed.

**Reviewed Updated Disaster Recovery Plan**

Laura Soares went over the updated VSBIT Disaster Recovery Plan and advised the Board that the plan is located in the Dropbox.

**Review Personnel Policy/Compliance Certification**

The Board affirmed management is in compliance with the policy and that the policy does not need revision at this time.

### **Multi-Line Program Update**

- a. The Board affirmed that management is in compliance with the Multi-Line Excess Net Assets Policy and that the policy does not need revision at this time.
- b. Tim Vincent reviewed Multi-Line Program Excess Net Assets Recommendation, to retain all Excess Net Assets from FY 15 other than the positive investment activity as per Board policy. A motion was made by Emily Long, seconded by Ron Ryan to approve the recommendation. The motion passed.
- c. Chris Roberts provided the update on the Multi-Line investment allocation summarized in the memo to the Board.
- d. Don Morrill and Tim Vincent reviewed the Multi-Line Program Strategic Business Plan with the Board, highlighting the short-term, mid-term and long-term goals of the program.
- e. Tim Vincent provided an overview of the loss control activities of the program including onsite trainings, grants, HR Help, Best Doctor predictive tool and inspections. Inspections include building safety, school security, playgrounds and ergonomics. The new i-auditor tool is making the completion of the reports more efficient and timely.

### **Review and Act on VSBIT 2016 Business Plan – Located in Dropbox**

Laura reviewed the 2016 Business Plan which will be filed with the Department of Financial Regulation. A motion was made by Emily long and seconded by Stuart Weppler to accept the Plan. The motion passed.

### **Draft FY 17 Budget for Discussion**

Laura Soares and Chris Roberts reviewed the draft FY 17 budget and summary memo with the Board. It was noted the increase in Statewide Initiatives is to address member needs in the Act 46 mergers and the health care transition. The Board has no changes to the draft budget. A final budget will be presented at the May meeting.

### **Review VSBIT-VEHI Service Agreement**

The Board discussed the ongoing Service Agreement with VEHI. Laura Soares expressed concern that the needs of the VEHI Board to have management representation may be beyond the scope of expertise that VSBIT can provide, which is outlined in the Service Agreement as administration, financial and wellness. The VSBIT Board concurred. Laura will bring this concern to the attention of the VEHI Board. In addition, Laura noted that the capacity of VSBIT to provide financial services to VEHI is dependent upon both organizations utilizing the same audit firm. If the VEHI Board determined a different audit firm was preferred, it would require a material change to the Service Agreement, which VSBIT does not have staffing to support at this time.

## **VEHI's Health Plan Transition & Potential Action on extending Credit**

Laura updated the Board on the actions of VEHI to secure authority to continue to serve all current members who wish to offer VEHI health plans in 2018. VEHI is working with DFR, who will review VEHI's fund balance as part of the process. Until 2002, while VEHI was building the health program fund balance, VSBIT provided VEHI a letter of credit to aid in cash flow if necessary. The credit was never needed by VEHI. In the event that DFR requires VEHI to have a plan for additional funds to pay claims up to aggregate stop loss coverage in excess of VEHI's fund balance in any given year VEHI, Laura asked the VSBIT Board to consider extending credit to VEHI. At this time Laura is looking for conceptual support. Laura indicated that any action would be initiated only if requested by VEHI due to an expressed need of DFR. In that circumstance, VSBIT Legal counsel would be engaged to draft language in the best interest of VSBIT and the issue would be brought before the Board for potential action.

The Board was open to a future discussion regarding an extension of credit to VEHI if requested by VEHI to do so.

*At this point Ron Ryan, Emily Long and Brenda Fleming had to leave the meeting due to other commitments. The Member Survey Results will be discussed at the next meeting.*

## **Initiate President Evaluation Process**

Bob Giroux will ensure the President Evaluation Process is completed ahead of the May meeting.

Laura Soares provided brief program updates, most of which were addressed during the budget discussion.

## **Program Updates**

- a. Act 46 Collaborative – Laura updated the activity of the collaborative. The FY 17 budget includes ongoing funding for this effort.
- b. Other Statewide Initiatives – The HHB Toolkit has been well-received. The health care transition support is providing specific resources for members.
- c. Legislative – Don Morrill is engaged with the Legislative Collaborative to monitor potential bills. Laura is monitoring health care related bills. At this time there is no material bill of concern to VSBIT or VEHI.
- d. Spring Conference – The conference will be held April 6<sup>th</sup> and 7<sup>th</sup>. A copy of the agenda was provided.

The next meeting will be held on May 2, 2016 at 3:30 p.m. at the VSBIT office.

## **Adjournment**

There being no further business, the meeting adjourned at 6:45 p.m.

Respectfully submitted by: Laura Soares