

Vermont School Boards Insurance Trust (VSBIT)

Board of Director's Meeting Minutes

February 22, 2019

Present: Stuart Wepler, Brenda Fleming, Michael Clark, Steve Hier & Bob Giroux.

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

**Guests:** Ann M. Conway, Maureen Stazinski and Zack Renschler, Willis Towers Watson

The meeting was called to order at 10:05 a.m., by Chair Stuart Wepler.

**Meet with Actuarial Team Ann M. Conway, Maureen Stazinski and Zack Renschler**

Ann, Maureen and Zack went through their presentation on the role of the actuarial team in supporting the Multi-Line Program including the reserve analysis, rating process, and establishing the net position benchmarks per the Board's policy. The Board agreed with the recommendation to update the Net Position benchmarks in FY20 as proposed.

The Board agreed to discuss the Actuarial Guidance Document at the next meeting. The Board further agreed on the value of the presentation and requested the actuarial team attend a meeting in person next year as well.

**Public Comment:** None

**Approve Minutes of November 7, 2018 Board Meeting**

Steve Hier made a motion, seconded by Bob Giroux, to approve the minutes of November 7, 2018. The minutes were approved as written.

**Multi-Line Program**

- a. Tim Vincent provided an update on the Multi-Line Program's Strategic Plan, including a summary of the 2018 external claims audit and the Program's response. Overall the audit rated the claims handling high, and the few items of note have been addressed by management.

#### **b. Reserving Policy**

The Board reviewed the policy in light of the actuarial presentation. Bob Giroux made a motion, seconded by Michael Clark, to affirm the policy without changes.

#### **c. Reinsurance Policy**

The Board reviewed the policy. Bob Giroux made a motion, seconded by Brenda Fleming, to affirm the policy without changes.

#### **d. Legislative Updates**

Tim updated the Board on the three legislative items VBSIT is currently monitoring – testing of lead in school drinking water, testing of radon in school buildings, and the establishment of an Ethnic and Social Equity Standards Advisory Working Group. VSBIT has interest in the second charge to the Group, which is to review existing State statutes and policies and recommend proposed changes. VSBA has indicated it will consult with VSBIT in filling the VSBA appointed position to the Group.

#### **Review and Accept 12-31-18 Financials**

Chris Roberts reviewed the 12-31-18 quarterly financials and responded to questions. Michael Clark, made a motion, seconded by Steve Hier, to accept the financials as presented. Motion passed.

#### **Review 12-31-18 Dashboard – Located in Dropbox**

Chris Roberts reviewed the 12-31-18 quarterly Dashboard and responded to questions. Steve Hier, made a motion, seconded by Bob Giroux, to accept the financials as presented. Motion passed.

#### **Continue Discussion on Multi-Line and Unemployment Programs Dashboard Indicators – Potential Action**

The Board reviewed the revised indicators but did not take any action. They requested Chris provide a revised first page of the Dashboard for Board consideration at the next meeting.

#### **Discuss Lead Auditor for FY 19 Audit**

The Board agreed to retain Sullivan & Powers partner Chad Hewitt as the lead auditor for one more year, for a total of four years, before rotating back to Rick Brigham.

## **Update on 2018 Strategic Objectives**

### **a. Investment Committee Update**

Stuart Wepler informed the Board the Committee has had several conversations and will bring to the next meeting three options for consideration – continuing without an investment advisor, engaging Vanguard’s advisory services, or engaging another advisor.

### **b. Salary Study Discussion – FY 20 Budget Impact**

Laura provided key findings of the Gallagher and Flynn Compensation and Benefits review. The Board provided guidance to Laura on how to incorporate the information into the FY 20 salary ranges and budget. The Board will discuss the FY 20 employer contribution to health benefits at the April meeting, and requested peer group comparisons and modeling of several approaches. The Board will conduct the President’s evaluation ahead of the April meeting.

### **c. Act 46 Survey Results Risk Management Impact**

The first Act 46 cohort group has completed the two-year program with the District Management Group (DMG). The Board reviewed the cohort one risk management survey results, which indicates this group of districts were able to positively address risk management issues as the result of merging, with the focus and support of DMG. The second cohort group has completed the first year of DMG support. This group of districts have different cultures and needs, and DMG will adjust the second year of the program to address. The Board supports the continuation of the Act 46 Initiative as long the collaboration with VSA and VSBA enhances the ability of VSBIT to support both the upcoming involuntary mergers and the ongoing work of the voluntary mergers in a manner that more effectively manages risk.

### **d. 2019 Member Survey**

The Board agreed to use the same survey instrument used in 2016. The survey will be conducted in March with results available at the next meeting of the Board.

## **Review and Accept 2019 Business Plan**

After a review of the Plan, Michael Clark made a motion, seconded by Steve Hier, to accept the Business Plan as presented.

## **Discuss Service Agreement with VEHI – Potential Action**

The Board reviewed the letter drafted by legal counsel Arline Duffy of Sheehey, Furlong & Behm. The intent of the letter is to request the VEHI and VSBIT Boards restart discussions on developing a more detailed scope of the services VSBIT provides to VEHI, including the selection of the audit firm, and to finalize these items early in the 3-year term of the Agreement. Steve Heir made a motion, seconded by Brenda Fleming, to send the letter and have Vice-Chair Bob Giroux as the designated VSBIT contact.

**Adjournment**

There being no further business, the meeting adjourned at 3:00 p.m.

Respectfully submitted by: Laura Soares

Next Meetings:	April 3, 2019	3:30 pm
	May 22, 2019	3:30 pm