

Vermont School Boards Insurance Trust (VSBIT)
Board of Director's Teleconference Meeting Minutes

February 8, 2022

Present: Michael Clark, Bob Giroux, Brenda Fleming (joined the meeting at 3:47 pm), Steve Hier, and Michael Bailey

Staff: Jonathan Steiner, VSBIT President, Chris Roberts, Manager of Finance, Ken Canning, Multi-Line Program Manager, Bobby-Jo Salls, VEHI Trust Administrator, Jordan Bergeron, Multi-Line Assistant Program manager, David Pickel, Risk Services Manager

Guest: None

The meeting was called to order at 3:31 p.m., by Chair Michael Clark.

Review and Adoption of Agenda

The agenda was adopted with the addition of item 7a, Approve Amended Cafeteria Plan.

Public Comment: None

Approve Minutes of December 8, 2022

Steve Hier made a motion, seconded by Bob Giroux, to approve the minutes of December 8, 2022. The minutes were approved as written.

Recognition of VSBIT Board Service:

Mike Bailey will not be seeking reelection to his local school board. Michael Clark thanked him for serving on the VSBIT board. Jon Steiner informed the board he is working with VSBA to find a candidate with an interest in serving.

VEHI Contract Update

Bobby-Jo Salls updated the Board on the status of the VEHI Contract and answered questions from the Board.

Origami/Claims In-House Master Plan

Jordan Bergeron updated the Board on the status of the Origami transition and moving claims in-house. He discussed the budget implications and presented a pro-forma showing savings after

year 1. He also described the efficiencies that should be created for staff and members. Jon Steiner mentioned that the underwriting module for Origami has already gone live for renewal and it is working well.

Brenda Fleming joined the meeting at 3:47.

Agreement with Auditor

Bob Giroux made a motion, seconded by Steve Hier, to engage Sullivan & Powers to conduct the FY 22 audit and to allow Michael Clark to sign the engagement letter on behalf of the Board. Rick Brigham will be the lead partner.

Adoption of the VSBIT Cafeteria Benefits Plan Document

Chris Roberts reviewed the VSBIT Cafeteria Plan with the Board.

Bob Giroux made a motion, seconded by Brenda Fleming, to accept the VSBIT Cafeteria Benefits Plan as presented.

The motion reads:

RESOLVED, that the Vermont School Boards Insurance Trust Cafeteria Plan including a Health Flexible Spending Account and Dependent Care Flexible Spending Account, restated effective 01/01/2022, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The motion passed.

Review and Accept Quarterly Financials and Review Dashboard as of December 31, 2021

Chris Roberts summarized and reviewed the 12-31-21 financials and Dashboard, responding to questions.

Steve Hier made a motion, seconded by Brenda Fleming, to accept the financials as presented. Motion passed.

Discussion of Board/Management Communications: Expenditures

Michael Clark asked Jon Steiner to discuss his thoughts on budget expenditures. He explained that it is common for opportunities and expenditures to arise during the year that are unbudgeted and asked for direction on when to consult the board. Michael Clark discussed policies vs. procedures and felt that as the board and president continue to develop a relationship that a procedure is best. Brenda Fleming asked about guardrails to ensure that material funds are not spent without board knowledge and there was board consensus that small items need not be brought to the board. Jon Steiner offered to work with Chris Roberts to develop a threshold for what would be material and to bring that procedure to a future board meeting.

Gallagher Crisis Protect Opportunity

Ken Canning introduced the Crisis Protection coverage program for our members available through Gallagher. This program offers coverage at various limits for violent acts, kidnapping, and other potential crises that schools may face. Ken Canning vetted the program and recommended it to the board as a coverage addition to protect our members at a cost that will have a negligible effect on rates.

A motion by Bob Giroux, seconded by Brenda Fleming, to move forward with the Crisis Protection coverage at the \$5m option, beginning March 1 and running through June 30, 2023 was made. The period of March 1 to June 30, 2022 will be funded by VSBITs' Multi-Line Program and the remaining year will be built into the rates. The motion passed.

VSBIT Business Plan/Strategic Plan

Jonathan Steiner reviewed the highlights of the business plan/strategic plan which was included for review in the Board packet. He focused on the 2022 Strategic Objectives, which will be updated for each forthcoming meeting. The plan will be filed with DFR.

A motion by Brenda Fleming, seconded by Steve Hier, to approve the plan was made. The motion passed.

Multi-Line Strategic Business Plan

Ken Canning discussed the three tiered approach to the plan and time horizons. He discussed highlights of the plan and then turned it over to Dave Pickel to discuss risk management programs. At the end of the presentation Steve Hier noted that in his opinion VSBIT has done more for the schools of Vermont than any other organization in the state.

A motion by Brenda Fleming, seconded by Steve Hier, to approve the plan. The motion passed.

Policy/Plan Review

- a. **VSBIT Board ML Net Position Policy**
- b. **Multi-Line Reinsurance Strategy Policy**
- c. **Multi-Line Reserving Policy**
- d. **Disaster Recovery Plan**

The Board reviewed the policies/plan and affirmed them without any changes with a motion by Steve Hier, seconded by Bob Giroux. The motion passed.

Conceptual Budget

Michael Clark moved the conceptual budget discussion up in the agenda as he needed to leave for another meeting at 5:15. Jonathan Steiner discussed his memo and specific items he wants to include such as an IT upgrade plan and a position description review for certain positions.

Unemployment Program Rating Recommendation

Chris Roberts presented her recommendation of no change to the rate structure. A motion by Brenda Fleming, seconded by Steve Hier to accept the recommendation was made. The motion passed.

Rates are as follows:

Rate Class 1 .06%
Rate Class 2 .16%
Rate Class 3 .32%
Rate Class 4 .52%
Rate Class 5 .76%
Rate Class 6 1.17%
Plus Special High Risk

Legislative Update

Jonathan Steiner gave the legislative update to the Board and said that bills affecting VSBIT have been minor thus far, but he is monitoring legislation with the help of VSBA, VSA and VLCT.

Multi-Line Update

Ken Canning updated the Board on the Multi-Line program and provided a written report.

President Update

Jonathan Steiner updated the Board on his activities and provided a written report.

Steve Hier and Brenda Fleming thanked the staff for all of their efforts and said they were pleased the direction of VSBIT.

Adjournment

There being no further business, a motion to adjourn was made by Steve Hier, seconded by Brenda Fleming the meeting adjourned at 5:41 p.m.

Respectfully submitted by: Jonathan Steiner

Next Meeting: TBD