

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

October 22, 2020

Present: Bob Giroux, Brenda Fleming, Steve Hier, Michael Clark

Absent: Michael Bailey

Staff: Laura Soares, President, Jonathan Steiner, Incoming VSBIT President, Tim Vincent Multi-Line Program Manager and Chris Roberts, Manager of Finance

The meeting was called to order at 4:03 p.m., by Chair Bob Giroux.

Review and Adoption of Agenda

The agenda was discussed and the Board moved item #5 transition to the end of the agenda. The agenda was approved.

Public Comment: None

Approve Minutes of August 27, 2020 Board Meetings:

Steve Hier made a motion, seconded by Michael Clark to approve the minutes of August 27, 2020. The minutes were approved as written.

Reorganization:

- a. **Election of Chair and Vice Chair:** Bob Giroux turned the meeting over to Laura Soares for election of the chair. Brenda Fleming made a motion, seconded by Bob Giroux, to nominate and elect Michael Clark as Chair. Michael Clark accepted the nomination and the motion passed. Michael Clark took over as chair of the meeting.
- b. **Vanguard Signatures:** Brenda Fleming made a motion, seconded by Steve Hier, to allow Bob Giroux to continue to be an authorized signer on the Vanguard account for transfers until such time as Michael Clark's paperwork is completed and authorized.
- c. **Vice Chair:** Brenda Fleming made a motion to nominate Bob Giroux as vice chair, seconded by Steve Hier. Bob Giroux accepted the nomination and recused himself from the vote. The motion passed.

- d. Appointment of Corporate Secretary and President effective January 1st, 2021:** Bob Giroux made a motion, seconded by Steve Hier, to nominate and elect Brenda Fleming as corporate secretary. The motion passed. Steve Hier made a motion, seconded by Bob Giroux to elect Jonathan Steiner as President effective January 1, 2021. The motion passed.
- e. Establish Nominating Committee:** The chair appointed Brenda Fleming and Steve Hier to the nominating committee. Both accepted.
- f. Affirm Organizational Mission/Vision:** The Board affirmed the organizational Vision/Mission.
- g. Review Code of Ethics and Conflict of Interest Policies for Compliance** - By consensus, the Board affirmed compliance to both policies. There were no suggested changes to either of the policies.
- h. Review Delegation of Authority Resolution** - The Resolution was reviewed and will be updated at the December meeting.
- i. Review and Affirm Annual Work Plan and Meeting Schedule** - The Board reviewed the annual work plan, which will be revised as needed throughout the year.

Review 6/30 Unaudited Financials

Chris Roberts reviewed the year end 6-30-20 unaudited financials, responding to questions.

Multi-Line Program Discussion of 6-30-20 Results Across Years and Coverages

Chris reviewed the 6-30-20 results of the Multi-Line Program, including any changes to prior years as claims continue to develop. She also provided information on how each line of coverage performed and responded to questions.

Review Dashboard Policy and Indicators (Attachment A) for Investment and General Reserves/Budget

- a. Recommendation to modify the Investment Indicator:** Bob Giroux made a motion to change the benchmark to CPIU + 2%, seconded by Steve Hier. The rationale is that simply meeting CPIU is too low but pushing for too high of a return mixed the message that VSBIT's goal is preservation of principle with earnings outpacing inflation. The motion passed. There were no other changes to the policy or benchmarks.

Unemployment Compensation Program Rating Structure for FY 22

a. Discuss and set a policy for cash flow/quarterly payments from General Reserves:

Chris Roberts discussed the Unemployment program and the issues with DOL, Equifax and CARES Act reimbursements. She explained that a \$1.8 million quarterly payment had depleted the cash account but was expecting a \$900,000 reimbursement/credit. It will take time to unravel all of the claims and payments and to make VSBIT whole. In the meantime, she suggested payments come from the general reserve should there be a cash flow need. A motion was made by Steve Hier, seconded by Bob Giroux to make the next 2 quarterly UC payments from the general reserve as an interest free loan. The motion passed.

b. Preliminary discussion of rates to be acted upon in December: The Board had a preliminary discussion of Unemployment rates in preparation for the December meeting. The consensus was to wait and see what issue are resolved in November and to bring more information to the December meeting.

Update of Strategic Objectives

Laura Soares and Jon Steiner reviewed the 2020 Strategic Objectives update with the Board and responded to questions.

Transition: Steve Hier made a motion, seconded by Brenda Fleming, to go into executive session at 5:50 p.m. to discuss the VSBIT President position and transition, with Laura Soares and Jonathan Steiner present. The motion passed. At 5:55 p.m. the Board came out of Executive Session. A motion was made by Bob Giroux, seconded by Steve Hier, to approve the contract as proposed with Laura Soares to support the transition in 2021. The motion passed.

Adjournment

There being no further business, the meeting adjourned at 5:58 p.m.

Respectfully submitted by: Laura Soares

Next Meeting: TBD