

## *Announcement*



# VLCT Employment Resource and Benefits Trust, Inc. (VERB)



## **2018 Annual Meeting of the Membership**

**Wednesday, October 3, 2018**

**12:30 PM**

**Diamond III**

**DoubleTree by Hilton**

**South Burlington, Vermont**

The Directors of the VLCT Employment Resource and Benefits Trust, Inc. (VERB) invite all member municipalities to attend the Trust's Annual Meeting. As a VERB member, your participation at the Annual Meeting is essential. Your input helps the Board understand and address the issues that are important to you, so we encourage **your municipality to send one or more representatives to the meeting.**

Since the merger of the VLCT Health Trust, Inc., and the VLCT Unemployment Insurance Trust, Inc. almost four years ago, VERB has offered members unemployment insurance, other group insurance coverages (including health, dental, life, vision, and disability), and various human resource management and employee welfare benefits programs and services.

VERB will hold its meeting in conjunction with the Annual Meeting of the VLCT Property and Casualty Intermunicipal Fund, Inc. (PACIF). VLCT's Annual Meeting will follow the joint VERB and PACIF Annual Meeting in the same room. This joint format gives all attendees the chance to learn more about VLCT's other Risk Management Services risk-sharing programs to learn why "one-stop shopping" for your town's municipal risk management needs has become synonymous with VLCT. This format also saves time so members can take advantage of other Town Fair programs and activities scheduled on Wednesday.

The annual meeting will include a report on the VERB's 2017 Financial Audit by Johnson Lambert, LLP, a summary of which will be distributed at the meeting. A full copy of that report is also available by contacting our CFO, Michael Gilbar, at [mgilbar@vlct.org](mailto:mgilbar@vlct.org).

Enclosed you will find a preliminary agenda (*Goldenrod*), the 2017 VERB Trust Annual Meeting Minutes (*Pink*), and a board nomination form with an explanatory letter (*White* and *Gray*).

***We look forward to seeing you on October 3<sup>rd</sup> in South Burlington!***



**VLCT PROPERTY AND CASUALTY INTERMUNICIPAL FUND, INC.  
&  
VLCT EMPLOYMENT RESOURCE AND BENEFITS TRUST, INC.**

**2018 ANNUAL MEETING OF THE MEMBERSHIP**

**WEDNESDAY, OCTOBER 3, 2018**

**DIAMOND III**

**DOUBLETREE by HILTON  
BURLINGTON, VERMONT**

**12:30 PM**

**AGENDA**

**I. Welcome and Introduction**

**II. VLCT Employment Resource and Benefits Trust, Inc. (VERB)  
Annual Business Meeting**

1. Call to Order.
2. Approval of Agenda.
3. Approval of Minutes.
4. Financial Audit Report.
5. Report of the President.
6. Staff Report.
7. Report of the Nominating Committee.
8. Election of Directors.
9. Any Other Business.
10. Adjournment.

**III. VLCT Property and Casualty Intermunicipal Fund, Inc. (PACIF)  
Annual Business Meeting**

1. Call to Order.
2. Approval of Agenda.
3. Approval of Minutes.
4. Ratify and Confirm Decisions and Actions at 2017 Annual Meeting
5. Financial Audit Report.
6. Report of the President.
7. Staff Report.
8. Report of the Nominating Committee.
9. Election of Directors.
10. Any Other Business.
11. Adjournment.

*Sponsor of:*

VLCT Employment  
Resource and Benefits  
Trust, Inc.

VLCT Municipal  
Assistance Center

VLCT Property and  
Casualty Intermunicipal  
Fund, Inc.

**IV. Closing Remarks**

**MINUTES OF THE JOINT ANNUAL MEETING OF THE MEMBERSHIP  
VLCT PROPERTY AND CASUALTY INTERMUNICIPAL FUND  
VLCT EMPLOYMENT RESOURCE AND BENEFITS TRUST, INC.  
OCTOBER 5, 2017  
NORTHSTAR II – KILLINGTON GRAND HOTEL - KILLINGTON, VERMONT**

***PACIF Directors Present:*** Brendan Whittaker, John Lawe, Joshua Powers, Carl Rogers, Stuart Hurd, Pete Johnson and Jerry Storey

***VERB Directors Present:*** Bill Shepeluk, Kathleen Ramsay, Carrie Johnson and Joel Cope

A quorum was confirmed for the VERB Trust organization by member sign-in. A quorum was not present for the PACIF Trust organization.

VERB Trust President Bill Shepeluk called the meeting to order at 10:35 a.m. and asked for approval of the agenda.

**Upon motion (Ramsay/Durfee), duly adopted, the agenda was unanimously approved by the membership.**

**Upon motion (Ramsay/Durfee), duly adopted, the minutes of the 2016 Joint Annual Meeting were approved by the membership.**

Jillian Mulcahy of Johnson Lambert reviewed a summary of the 2016 VERB Trust audit. Commissions decreased 24%, paid losses remained consistent with 2015 and consulting fees increased 77% with the first full year of the new Human Resources Program. Net investment income increased \$164K, largely due to increases in interest and dividends. \$350K was returned to members in contribution credits. These appeared as a liability for the first time in 2016 as \$350,000 was also expensed in the same year due to recording practice changes in accordance with general accounting principles.

**Upon motion (Johnson/Durfee), duly adopted, the report of the 2016 VERB Trust audit was unanimously accepted by the membership.**

President Shepeluk introduced other members of the board and provided a brief history of the VERB Trust. Mr. Shepeluk also announced the board met yesterday to set rates for the UI program for 2018 and decided on the 75% confidence level for an 18.7% rate reduction and a \$350K contribution credit return to members. Individual member rates will vary. The trust is in a healthy financial position and has recently started a strategic planning process. Mr. Shepeluk highly encouraged members to take advantage of the trust's Health Advocate program.

Joe Damiata provided the staff report to the membership and asked VLCT staff and be recognized. Mr. Damiata read the VERB Trust's Mission Statement and highlighted the various programs available through the trust. The Life and Disability program rates are now locked until July 1, 2020. The Health Advocate program, previously available at no cost only to those members who were in the Health Trust program prior to the Exchange going into effect in 2014, will be open to all VERB Trust members starting January 2018 at no cost. Mr. Damiata also briefly noted the dental, vision and Health Insurance Advisory Services Programs as well.

Director Johnson presented the Report of the Nominating Committee and slate of officers.

**Upon motion (Johnson/Ramsay), duly adopted, the members voted unanimously to accept the Report of the Nominating Committee and the slate of officers as presented with a renewed three-year term for director Bill Shepeluk.**

**Upon motion, duly moved and seconded, the members voted unanimously to adjourn the VERB Trust annual meeting at 11:01 a.m.**

PACIF Trust Vice President Pete Johnson called the meeting to order at 11:01 a.m. President Scheidel was unable to attend. Mr. Johnson introduced the other members of the board and thanked Director Joshua Powers for his many years of service to the board. Mr. Johnson also congratulated Joe Damiata on his recent promotion to VLCT Director of Risk Management Services.

**Upon motion (Powers/Lawe), duly adopted, the agenda was unanimously approved by the membership.**

**Upon motion (Powers/Lawe), duly adopted, the minutes of the 2016 Joint Annual Meeting were unanimously approved by the membership.**

Kristen. Sharrow reviewed a summary of the 2016 PACIF audit. There was a 16% increase in net position due to decreased losses, a 13% increase in contribution income due to rate increases and a substantial increase in investment income. \$700K was once again returned to members as \$500K in contribution credits and \$200K for the grant program. The trust's loss ratio was far better in 2016 (down from 119% in 2015 to 71% in 2016) due to more favorable loss development for the year.

**Upon motion (Powers/Whittaker), duly adopted, the report of the 2016 PACIF audit was unanimously accepted by the membership.**

Vice President Johnson introduced other board members present. Mr. Johnson also thanked VLCT staff for their service. Mr. Johnson noted board member Walker James had to step down earlier this year and thanked him for his 14 years of service to the board. Board member Mel Adams also retired recently after two years on the board. Mr. Johnson noted the new Human Resources Program through VLCT is now finding its legs and is a great resource to members. Mr. Johnson also provided a brief overview of PACIF and its membership participation.

Mr. Damiata provided the staff report and read the PACIF Trust's Mission Statement. Mr. Damiata noted PACIF recently received the AGRIP (Association of Government Risk Insurance Pools) Recognition Award for best practices, which is very prestigious. Mr. Damiata also updated the membership on the recent underwriting system upgrade and Cloud migration efforts, which will improve cybersecurity. He also highlighted the various programs available through PACIF such as EPL (Employer Practice Liability), WorkStrong and also the grant and scholarship programs.

Director Rogers explained a proposed PACIF bylaw amendment. The bylaws have been amended to allow for two alternates instead of one. This required a revision to paragraph 4.20.

**Upon motion (Rogers/Hurd), duly adopted, the membership voted unanimously to accept the proposed changes to the PACIF bylaws as presented.**

Stuart Hurd presented the report of the nominating committee and slate of officers.

**Upon motion (Hurd/Rogers), duly adopted, the members voted unanimously to accept the Report of the Nominating Committee and the slate of officers as presented with renewed three-year terms for Joshua Powers, Aaron Frank and Brendan Whittaker.**

**Upon motion, duly moved and seconded, the members voted unanimously to adjourn the PACIF Trust annual meeting at 11:25 a.m.**

Respectfully submitted,

David Sichel  
Assistant Secretary



**TO: VLCT Employment Resource and Benefits Trust Member Municipalities**

**FROM: Joe Damiata, Director of Risk Management Services**

**DATE: August 13, 2018**

**RE: Nominations to the Board of Directors**

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With the Annual Meeting on October 3, 2018 comes the election of directors for VLCT Employment Resource and Benefits Trust, Inc. (VERB). three directors' terms are expiring on December 31, 2018. All VERB Board members serve three-year terms.

In accordance with VERB Bylaws, director positions are open to qualified officials of a participating municipality. "Qualified officials" means selectboard or city council members, clerks and treasurers or an elected or appointed official with responsibilities to select or administer human resources, employee health or welfare benefits, unemployment compensation, or other group insurance benefits for the member municipality. Duties include overall policy, fiduciary and management direction of the Trust. Board meetings are generally held between six and eight times a year at the VLCT Offices in Montpelier, and directors receive a stipend of \$150.00 per meeting, plus mileage reimbursement.

The position is a responsible one. The VERB Board of Directors sets policy and goals for the administration of VERB. This is vital as the Trust is operated for the mutual benefit of its member-owners. This form of governance is an important reason why VERB works and is responsive to the membership.

If you or another qualified municipal official in your city or town is interested in being nominated for an open director position, please complete the accompanying nomination form and return it to VLCT **no later than September 15, 2018.**

The VERB Board of Directors will consider all nominees and present its recommendations to the membership at the Annual Meeting on October 3, 2018.

Thank you for your consideration.

*Sponsor of:*

VLCT Employment  
Resource and Benefits  
Trust, Inc.

VLCT Municipal  
Assistance Center

VLCT Property and  
Casualty Intermunicipal  
Fund, Inc.



*VLCT Employment Resource and Benefits Trust, Inc.*

**Board of Directors Nomination Form**

Nominee's name: \_\_\_\_\_

Municipality: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Current municipal position: \_\_\_\_\_ Years in this position: \_\_\_\_\_

**Other municipal involvement (include dates):**

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**Other professional skills. Please comment on your background, if any, in such areas as insurance, risk management, finance, investments, marketing, or legal. You need not limit your comments to these areas.**

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**Other information (such as your occupation, education, activities, or interests):**

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**Why do you want to serve on the VLCT Employment Resource and Benefits Trust Board?  
What contribution do you feel you can make to this Trust?**

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If you are **not the nominee** but are **recommending** this nominee, please complete the following:

Recommender's name: \_\_\_\_\_

Municipality: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Current municipal position: \_\_\_\_\_ Years in this position: \_\_\_\_\_

**Why are you making this recommendation?**

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**How do you know the person you are recommending?**

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**RETURN THIS FORM TO:**

**– or fax to (802) 229-2211 –**

VERB Trust Board of Directors Nomination  
Attn: Director, Risk Management Services  
89 Main Street, Suite 4  
Montpelier, VT 05602