

**MINUTES OF THE VLCT PROPERTY AND CASUALTY INTERMUNICIPAL FUND, INC.**  
**BOARD OF DIRECTORS MEETING**  
**FRIDAY, NOVEMBER 6, 2015**  
**VLCT OFFICES, MONTPELIER, VERMONT**

Directors Present: Pat Scheidel, Walker James, Joshua Powers, John Lawe, Carl Rogers, Brendan Whittaker, Stu Hurd, Mel Adams, Neal Fox, Pete Johnson, Jackie Higgins, Aaron Frank (10:30 am)

Staff Present: Ken Canning, David Sichel, Mike Gilbar, Maura Carroll, Joe Damiata, Jeremiah Breer, Fred Satink (left 10:40 am) and Brian Story (Intern)

The meeting was called to order by President Scheidel at 10:00 a.m.

**Upon motion (James/Adams) duly adopted, the Board voted unanimously to approve the agenda as presented with the exception of moving the loss prevention program report to immediately follow the staff update in agenda item number 4.**

**Upon motion (Powers/Johnson) duly adopted, the Board voted to approve the minutes from the October 7, 2015 meeting as presented.**

Ken Canning presented the organizational update.

- Gwen Zakov has been appointed to the Advocacy Associate position. This creates an opening for a Staff Attorney in MAC. Recruitment to fill this position is underway.
- The medical bill review system implementation is ongoing.
- The VERB Board approved an advisory services fee program for health insurance to replace lost health insurance premium commissions.
- Six staff members attended the fall NLC RISC staff conference. It was a good conference with good program content. Ken Canning was elected to serve on the NLC RISC Board of Directors.
- Workers' compensation handling of contractors was discussed. Based on Vermont Department of Labor interpretation of statute and regulations, municipalities can be held liable for workers' compensation claims of contractors if the contractor does not have workers' compensation insurance. This is the case even if the contractor is not statutorily required to have workers' compensation insurance. For this reason, PACIF will, through payroll audits, charge for contractors for which the member does not have proof that the contractor had workers' compensation insurance.

Joe Damiata and Fred Satink presented an update on the loss control and Work Strong programs. They reviewed service statistics, the safety equipment grant program and the employment practices liability hotline program.

Jeremiah Breer presented the third quarter financial report. Net Position dropped \$4.3 million year to date primarily due to adverse loss development and unrealized investment losses.

**Upon motion (Whittaker/Frank) duly adopted, the Board voted unanimously to accept the financial report.**

Brian Story presented the third quarter claims report. The board discussed the question of whether understaffing at municipalities led to higher workers' compensation losses. Ken Canning noted that this is

the kind of project that could be taken on by the Business Analyst position that will be included in next year's budget.

**Upon motion (Rogers/Powers) duly adopted, the Board voted unanimously to accept the claims report.**

Joe Damiata reviewed the 2016 renewal status.

- Rates and forms were filed with the Department of Financial Regulation.
- The broker has been given authority to bind all 2016 reinsurance renewals.
- Three members are going out to bid, the towns of Georgia and Newport and the Cold Brook Fire District. The Town of Guildhall was considering seeking bids but was advised that the deadline for notifying PACIF had passed.
- New member quotes are being prepared for the towns of Putney and Swanton. Also, the Montpelier Recreation Department is being added to the City's coverage. The department was previously covered under the Montpelier School District's insurance. The Town of Fairfield is seeking a quote for a February renewal.

Ken Canning provided an update on Best Doctors Occupational Health Institute (BDOHI) services and results to date.

Ken Canning presented a proposal to provide enhanced EAP services to public safety personnel. This program is being developed in cooperation with PACIF's EAP provider InvestEAP. The program is called eFirst. PACIF's share of the cost is \$10,040.

**Upon motion (Hurd/Frank) duly adopted, the Board voted unanimously to approve expansion of the InvestEAP program to include the proposed eFirst service approach for first responders at a cost to PACIF not to exceed \$10,000.**

Joe Damiata presented a request from the Middlebury Selectboard to provide additional coverage and special "concierge" claims handling service for town residents for municipal construction projects. This request was prompted by a situation where a town resident suffered damages due to the negligence of a contractor hired by the town.

**Upon motion (James/Fox) duly adopted, the Board voted unanimously to make no changes to PACIF coverage in response to the Middlebury Selectboard request.**

Under Other Business Mike Gilbar reported that the finance staff is working on an RFP for banking custodial services.

Mel Adams complimented VLCT staff for their handling of the recent fire station fire claim.

**Upon motion (Powers/Hurd) duly adopted, the Board adjourned at 12:40 PM.**

Respectfully submitted,

David Sichel  
Assistant Secretary