PACIF and VERB 2023

Annual Report

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Current as of: 11/8/2026

This page contains the *PACIF and VERB 2023 Annual Report*, which summarizes in financial information and words how VLCT's two risk-sharing trusts – the Property and Casualty Intermunicipal Fund (PACIF) and VERB (dba UI Trust) – fared overall during the audited fiscal year 2023.

PACIF's and VERB's complete *2023 Audited Financial Statements* are available to their respective members upon request to finance@vlct.org.

Stronger Together

Members of the VERB and PACIF Boards of Directors along with VLCT staff extend our appreciation to every member of PACIF or VERB for your continued commitment and loyalty to VLCT's insurance trusts.

Both trusts closed out the year with strong financials despite PACIF seeing higher than expected losses due to catastrophic floods and other events that occurred in 2023. Our hearts go out to all the communities that were impacted by the flooding.

Although it was awful to see the devastation left by 2023's rainstorms, it was truly amazing to see the resiliency of our members and the herculean group effort you put into recovering from the damage. That same teamwork approach makes PACIF and VERB successful, and you all make the best teammates. We are stronger together!

PACIF Highlights of 2023

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- Achieved 100 percent member retention and gained new members.
- More than 95 percent of the eligible municipal entities in the state are now PACIF members.
- Started building a new, more modern operational system for its claims and underwriting divisions to increase operational efficiencies and give members access to more information through a much more intuitive user interface. Work on this new system will continue throughout 2024 and into 2025.
- Received and adjusted over 100 property claims from severe flooding that occurred throughout the state in July and August 2023.
- The Loss Control staff completed 400 safety surveys of member facilities and trained over 800 employees.
- The Employment Practices Liability (EPL) Referral program had the highest number of referrals ever in 2023. A total of 121 employment law referrals were made, totaling 318 hours of free legal advice to members.
- Awarded 94 PACIF Grants to members, totaling over $350,000. Some examples of risk management items purchased with grant funds are video security systems with internet connectivity, workzone safety equipment (sign packages and related items), trench box/shoring systems for safe excavations, and ergonomic office desks and chairs.

2023 PACIF Financial Summary

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PACIF Statements of Net Position

	2023	2023 %s of subtotals
ASSETS		
Cash and investments	$115,696,153	98%
Other assets	$2,306,108	2%
Total assets	$118,002,261	100%
LIABILITIES		
Other liabilities*	$7,239,294	13.5%
Net claim reserves	$46,454,891	86.5%
Total liabilities	$53,694,185	100%
NET POSITION		
Restricted for Grant Program	$200,000	
Unrestricted	$64,108,076	
TOTAL NET POSITION	$64,308,076	

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	2023	2023 %s of subtotals

*Accounts payable, contributions collected in advance, and contribution credits payable.

PACIF Statements of Contributions, Expenses, and Changes in Net Position

	2023
OPERATING	
Operating revenues	$26,495,693
Operating expenses	$31,354,430
Net operating income	($4,858,737)
NON-OPERATING	
Non-operating (expenses) revenue	$7,594,282
Contribution credits to members	($1,500,000)
Net non-operating (loss) income	$6,094,282

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	2023
CHANGE IN NET POSITION	$1,235,545
Net position, beginning of year	$63,072,531
NET POSITION, END OF YEAR	$64,308,076

VERB Highlights of 2023

- Achieved 100 percent member retention.
- Handled 109 unemployment claims, totaling over $222,000 in claim costs.
- The VERB Board of Directors approved returning $100,000 in contribution credits to members in 2023.
- In conjunction with the Vermont Department of Labor, staff developed a plan to communicate with and train VLCT members on the unemployment insurance requirements that will be implemented in 2024 for small nonprofits and municipalities as part of Act 76.

2023 VERB Financial Summary

VERB Statements of Net Position

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	2023	2023 %s of totals
ASSETS	$4,456,641	100%
LIABILITIES	$264,753	6%
NET POSITION	$4,191,888	94%

VERB Statements of Revenues, Expenses, and Changes in Net Position

	2023
OPERATING	
Operating revenues	$748,454
Operating expenses	$501,611
Net operating income	$246,843
NON-OPERATING	
Net non-operating (expenses) revenue	$263,973
Contribution credits to members	($100,000)

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	2023
CHANGE IN NET POSITION	$410,816
Net position, beginning of year	$3,781,072
NET POSITION, END OF YEAR	$4,191,888

New in 2024 – as of June

- VERB's 2024 rates were decreased by 11.6 percent on average overall compared to 2023.
- VERB conducted a training specifically to familiarize UI Trust members with Equifax's online system for claims management and tracking, CaseBuilder.
- VERB, in conjunction with the Vermont Department of Labor, is conducting training to help all VLCT members understand the new ACT 76 unemployment insurance regulatory requirements and gain a general overview of unemployment insurance in Vermont.
- Work continues on PACIF's new operational system, with plans for the Underwriting portion to go live in time for the 2025 renewal. Completing the Claims portion of the project will extend into 2025.
- PACIF hired an employment law attorney with local government experience and is reworking and enhancing the human resources and employment law assistance program.

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- PACIF's fund-wide aggregate limit for high hazard flood coverage has been raised from $5 million to $10 million. This provides more coverage to go around and reduces the chance for proration of losses, as occurred after the July 2023 floods.
- PACIF introduced new limited coverage for data processing system equipment that is damaged and unrepairable as a result of Electronic Vandalism (e.g., a hacking or cyber event).
- Loss Control staff is providing more safety and risk management consultation in person at member locations to more effectively support each member in their risk management journey.
- Property appraisals of structures valued at $100,000 or more continue and are moving to the central and north central counties. 2024 is the third year of a four-year all-member reappraisal. Having accurate reconstruction values for each structure is critical to making sure each PACIF member pays a fair contribution for their property coverage.

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