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## **PACIF Board of Directors Minutes 2016-12-09**

**VLCT Property and Casualty Intermunicipal Fund, Inc.  
Board of Directors Meeting  
Friday, December 9, 2016  
VLCT Offices, Montpelier, Vermont**

Minutes

Directors Present: Pat Scheidel, Walker James, Joshua Powers, Mel Adams, Pete Johnson, John Lawe, Brendan Whittaker (by phone), Neal Fox, Aaron Frank (by phone), Jackie Higgins, Carl Rogers (10:07 am)

Staff Present: Ken Canning, David Sichel, Mike Gilbar, Jeremiah Breer, Abby Friedman (arrived 10:45 am), Joe Damiata and Jessica Hill (arrived 10:42 am)

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

**Upon motion (James/Powers) duly adopted, the Board voted unanimously to approve the agenda as presented.**

**Upon motion (Powers/Fox) duly adopted, the Board voted unanimously to approve the minutes from the November 4, 2016 as presented.**

Ken Canning provided an organizational update.

- Mr. Canning reviewed staffing updates that were provided in a memo from Jessica Hill that was included in the packet
- David Sichel and Ken Canning attended the NLC Mutual Insurance Company Board meeting. David Sichel was appointed to be Chair of the NLC Mutual Investment Committee. NLC Mutual has declared a dividend, some of which can be provided in a check. The company will also be offering services from David Don Corporation. This was initiative by PACIF and the Virginia Municipal League pool that have used these services with good results. NLC Mutual is also progressing on their data analytics project. PACIF is participating in the " proof of concept portion of the project. NLC Mutual is also working on cyber liability coverage for pools and leagues as well as for pools to offer to their members.

Joe Damiata provided a renewal update for the board:

- Our rate filing was approved on November 17 and invoices were sent out on November 28.
- We have received some calls about the renewal. While rates were relatively flat some members received large increases due to exposure changes and loss experience. There were also a couple of workers' compensation class code changes that impacted costs for some members.
- Five members are still out to bid. Newport Town and Norwich Fire District #1 have recently decided to stay with PACIF. St. Albans, Londonderry and Guildhall are still awaiting bids.
- New member quotes are being provided to three towns. The Pomfret Volunteer Fire Department was added to the Town of Pomfret coverage. PACIF declined to provide a quote to Barton Village.
- Reinsurance renewals are all set.
- The Board discussed the reasons for South Burlington deciding to leave PACIF.
- Ken Canning reviewed the PACIF renewal memo that included information about the distribution credit. Included for each member was a sample press release and a mock-up check for the amount of the credit.

Jeremiah Breer reviewed the third quarter financial statements. Net Position is up by \$2.1 million due to investment earnings. David Sichel reviewed information from our investment advisor about the impact of the national election outcome and the impact on PACIF's investment portfolio.

**Upon motion (Rogers/Powers) duly adopted, the Board voted unanimously to accept the Third Quarter Financial Statements.**

The Board elected officers for 2017. All existing officers were nominated as follows:

President - Pat Scheidel

Vice President - Pete Johnson

Secretary/Treasurer - Joshua Powers

Executive Secretary- Maura Carroll

Assistant Secretary- David Sichel

Assistant Treasurer- Ken Canning

**Upon motion (Rogers/James) duly adopted, the Board voted unanimously to approve the slate of officers as nominated.**

Upon motion (Powers/Fox) duly adopted, the Board voted unanimously to appoint Jacqueline Higgins as Alternate Director for 2017.

President Scheidel announced that all other committee assignments will remain as they are currently.

Finance Committee: John Lawe, Pat Scheidel, Walker James, Pete Johnson, Carl Rogers, Mel Adams

Underwriting Committee: Aaron Frank, Pat Scheidel, Joshua Powers, Brendan Whittaker, Stuart Hurd, Neal Fox

Claims Review Committee: Pat Scheidel, Walker James, Brendan Whittaker, Neal Fox, Aaron Frank

Human Resources Committee- PACIF Representatives: Mel Adams, Pete Johnson

**Upon motion (Powers/Johnson) duly adopted, the Board voted unanimously to ratify the President's committee appointments.**

Mike Gilbar reviewed the VLCT Administrative Services Contract and Contract Addendum for 2017. Changes were proposed to the contract to better clarify the relationship between PACIF and VLCT. This will make the contract compliant with AGRiP recognition standards. Mr. Gilbar recommended two amendments to the contract that was included in the board packet.

1. Page four, line 1. Add "indemnify and" between "shall and hold the Trust". This sentence should read "The League shall indemnify and hold the Trust harmless..."
2. Page five, line 1. Remove "or any business affiliate".

**Upon motion (James/Lawe) duly adopted, the Board voted unanimously to authorize the President to sign the VLCT Administrative Services Contract and Addendum for 2017 as amended.**

Mike Gilbar reviewed the "Memorandum of Understanding Between PACIF and VERB With Respect to Human Resources Consulting Services".

**Upon motion (Adams/Powers) duly adopted, the Board voted unanimously to authorize the President to sign the Memorandum of Understanding Between PACIF and VERB With Respect to Human Resources Consulting Services.**

Abby Friedman, Director of the Municipal Assistance Center (MAC) reviewed services proposed for 2017. The total proposal is for \$55,000 worth of MAC services to PACIF, the same as 2016. New this year is a "Memorandum of Understanding Between VLCT MAC and VLCT PACIF With Respect to Member Training and Consulting Services".

**Upon motion (Whittaker/Johnson) duly adopted, the Board voted unanimously approve the VLCT MAC 2017 work plan and to authorize the President to sign the Memorandum of Understanding Between VLCT MAC and VLCT PACIF With Respect to Member Training and Consulting Services.**

Abby Friedman provided a preliminary review of services provided by MAC to PACIF during 2016.

Ken Canning reviewed the 2017 PACIF budget proposal. The proposed operating budget is five percent higher than the 2016 budget, but one percent lower than the preliminary 2017 budget reviewed by the board and used by the actuary in developing rates. Mr. Canning reviewed the highlights of the proposed budget.

**Upon motion (Powers/Lawe) duly adopted, the Board voted unanimously to approve the 2017 budget as presented.**

David Sichel reviewed staff's recommendation to rescind the outdated "General Information, Guidelines and Procedures All Claims and Losses" policy that was originally adopted in 1991.

**Upon motion (Fox/Johnson) duly adopted, the Board voted unanimously to rescind the "General Information, Guidelines and Procedures All Claims and Losses" policy.**

David Sichel reviewed the proposed meeting schedule for 2017. There is a conflict between the PACIF May 19 meeting and the VTCMA Spring Conference. The PACIF meeting will be changed to a different date.

**Upon motion (Powers/Fox) duly adopted, the Board voted unanimously to approve the proposed 2017 meeting calendar subject to a change in the May 19 meeting date.**

Under other Business, Ken Canning shared with the Board an article about board member Brendan Whittaker from the UMass Amherst Alumni Magazine.

Brendan Whittaker complimented staff for their efforts and creative work to publicize PACIF contribution credits to members.

John Lawe expressed his appreciation that PACIF decided to stay with NLC Mutual Insurance several years ago.

Pat Scheidel asked if there are any insurance issues relating to municipalities deciding to become "Sanctuary Cities".

**Upon motion (Powers/Fox) duly adopted, the Board adjourned at 11:54 AM.**

Respectfully submitted,  
David Sichel, Assistant Secretary

**Board or Committee:**

PACIF Board of Directors

**Board/Committee Meeting Date:**

Thursday, December 01, 2016

**Resource Category:**

- Minutes
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