VLCT PACIF

Distinctions & Programs



Exceptional coverage with a **wealth of services, programs, and professional support** all focused on Vermont municipalities

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PACIF, the the VLCT Property and Casualty Intermunicipal Fund, Inc., is a member-owned risk-sharing pool that exists for the sole benefit of Vermont municipal entities.

This nonprofit corporation is regulated by the Vermont Department of Financial Regulation and meets or exceeds measures of financial strength. All PACIF board members and staff are dedicated to providing our more than 350 members – 95% of eligible municipal entities – with exceptional service along with coverages specifically designed to meet the needs of Vermont municipalities, as we have for decades.

With PACIF, municipal officials and staff have the convenience of obtaining comprehensive workers' compensation and property/casualty coverage with extensive risk management and operational support – all from one place. We listen carefully when members share their coverage needs, and we closely monitor emerging trends in risk. **We work individually with each member to help them manage their present risks and prepare for the risks that lie ahead.**

Many of the key elements that distinguish PACIF from commercial insurers are explained here. As a member, your municipality can take full advantage of everything PACIF offers. We are committed to our member owners and dedicated to the VLCT mission of serving and strengthening Vermont local government.

Cover image:
Woodstock firefighters accompany their department's antique fire engine as part of Wassail Weekend.

The Power of Pooling

TheValueofStateLeague Risk Pools

vlct.org/whypool
Learn more

Municipality-Based



Municipal governments are organized and governed differently from private companies. With their operations uniquely affected by statute, it just makes sense for cities and towns to pool resources and share their risks with similar entities.

Not Just Transaction: Interaction



Commercial insurers use a transactional business model to sell pre-set products, which simply can't be compared "apples to apples" with all that VLCT offers. The trusts' personal interactions with members provide valuable benefits, programs, and opportunities in addition to coverage. When commercial insurers can't make the profits they seek, they raise prices markedly or might deny coverage completely.

You Own It!



PACIF and VERB are owned and governed by Vermont municipalities and operated by VLCT staff who work with the trusts' boards of directors (your peers) to tailor the insurance and related programs to meet the needs of members in general and each community in particular.

Customer-Centric



Members' needs and concerns are the prime motivator for what the trusts offer and how they are operated. VLCT staff, who understand the challenges faced by municipalities, provide excellent service and useful resources such as comprehensive training, specialized consultation, and grants & scholarships. Our goal is to help municipalities determine their own path of risk management.

Contribution Credits



As owners of the VLCT trusts, municipalities benefit directly when contributions exceed claims and other operational expenses. Each year, adequate reserves are set aside to guard against unusually large claims or other unexpected events, and reinsurance is put in place for added protection. When these reserved funds can safely be released, members receive contribution credits – almost every year.

Aligned with Our Mission



All of the people behind PACIF and VERB look out for our members' needs and for unseen risks. Steadfastly having the backs of Vermont municipalities is the reason the VLCT trusts exist.

Distinctions

Owned and Governed by Members
Exclusive Municipal Focus
In-State Staff with Real Municipal Experience
High Hazard Flood Zone Coverage
Targeted and Custom Training
In-House Underwriting

Programs

Loss Control Services
Law Enforcement Consultation
Human Resources Consultation
Employment Practice Liability Referrals
Grants and Scholarships
CMV Drug & Alcohol Testing Compliance
Employee Assistance Program (EAP)



Owned and Governed **by Members**



Customer-Centric

VLCT Property andCasualty Intermunicipal Fund (PACIF) is a not-for-profit, member-owned risk-sharing pool that **exists solely for the benefit of Vermont municipal entities**. Contributions that aren't needed to pay claims stay within the membership to fund "credits" toward the following year's contribution, grant and scholarship programs, and other risk management initiatives.

You Have a Say

When you vote at the annual meeting, talk with a board member, or explain your needs to staff, your concerns are heard and respected. **Members' needs and concerns have shaped PACIF's coverages, coverage limits, programs, and services**, and they will continue to do so. One result is that members experience an unrivalled ease of doing business.

Regulated and Accredited

PACIF is regulated bythe Vermont Department of Financial Regulation (DFR) to assure it meets statutory and regulatory requirements related to operations, financial and investment practices, claims administration, funding and rating, and much more. DFR reviews and approves PACIF's coverages and rates every year and conducts a more thorough operational examination every five years.

In addition, PACIF is accredited by the Association of Governmental Risk Pools (AGRiP) through its Advisory Recognition program for meeting a comprehensive range of risk pool management best practices.

Exclusive **Municipal Focus**

Created By and For Vermont Municipalities

The statute that lays the groundwork for PACIF allows it to cover only Vermont municipal entities. As a member-owned and member-governed organization, PACIF is one of the most successful collaborations between Vermont municipalities. **VLCT members had a need and then built a financially strong, comprehensive, yet affordable insurance program**, which is where PACIF stands today.



Not Just Transaction: Interaction

PACIF is more thanavendor: we are an ally — and partner! True to the VLCT and PACIF missions, we work closely with you and your staff to reduce your municipality's potential for loss and strengthen its resilience if a loss occurs. Our goal is to help every part of your municipality maximize the value it receives from our programs and services. This booklet describes the free assistance that PACIF staff provide to members, imparting specialized knowledge in the areas of VOSHA compliance, law enforcement, human resources, and general risk management.

Customized Coverage

PACIF'sproperty coverage isessentially seamless, without gaps between categories. Member needs and requests have also led PACIF to extend and enhance coverage, such as for no-fault sewer backup liability, optional auto physical damage to first responders' personal vehicles while on calls, drone property and liability, and pollution coverage for certain emergency services operations.

In-State Staff with **Real** Municipal Experience

Because serving Vermont municipalities is PACIF's sole directive, our staff members have developed a deep understanding of the operations, exposures, and challenges that are unique to our members.

We employ our own claims adjusters, underwriters, and loss control consultants – qualified professionals who have firsthand familiarity with our unique state. No intermediaries are required to make up for adjusters being in another state, and because our claim adjusters have much smaller caseloads than at most commercial insurers, they can pay more attention to each claim.

You have easy, direct access to the PACIF team by phone and email, and our adjusters or underwriters can meet you in person when a need arises. Our loss control field consultants spend most of their time meeting directly with members onsite, which is our favorite method of serving you.

We answer your questions quickly and accurately because it's likely that we've encountered a similar issue before. Our knowledge and understanding of day-to-day operations and many of the exposures that are unique to municipalities sets us apart from other insurance operations.

PACIF and VLCT employees have served in municipal roles including firefighters, fire chief, police chief, selectboard member, health officer, school board members, planning commission members, highway maintenance driver, chief labor counsel, and solid waste district representative.

Above all, **the dedication of PACIF staff is most evident in our attitude of alliance and cooperation with members.** With PACIF, it's all about our members.

> **The VLCT staff are always helpful and willing to go the extra mile to get our municipality the answers to our questions. Not only do they help us in the most courteous & professional manner, but they also help to educate us in the process.**
>
> **Diane Knight**
> **Municipal Office Manager**
> **Ludlow Town and Village**

High Hazard Flood Zone Coverage

With climate change increasing flood risk in Vermont and nationally, **flood coverage in high hazard areas is now more essential than ever for any municipality that has exposed property.**

Every PACIF member has comprehensive flood coverage for structures located outside of high hazard flood zones, with limits of up to $25 million per occurrence and in the aggregate annually, subject to a $50 million annual aggregate for all fund members combined. More importantly, for structures within high hazard flood zone A or zones prefixed with A, PACIF provides $1 million of flood coverage per member per occurrence and in the aggregate annually, subject to a $10 million fund-wide annual aggregate – without resorting to high deductibles.*



This compares favorably with the coverage that most carriers access through the National Flood Insurance Program (NFIP), which has limits of only $500,000 for commercial properties, does not cover most equipment that is below grade, applies an elevated deductible, and comes at significant extra expense.

PACIF flood coverage provides members with reasonable coverage, does not require the purchase of NFIP coverage, and is designed **to protect members from the financial shock of fully bearing their own losses, should they occur.**

* See Declarations and Coverage Document for details.

Targeted and **Custom** Training

Appropriate and effective training is an essential component of minimizing risk. We see providing useful tools and knowledge to decision makers and employees as a core element of PACIF's mission. Our many years of experience with Vermont municipalities have convinced us that risk-focused education that incorporates real-life examples is the most effective for reducing losses. Working around your schedules and **imparting information that encompasses human resources, law enforcement liability, federal CDL driver compliance, workplace safety, and much more, we are your municipal training experts.**

All members have access to a variety of training opportunities free of charge. Our ideal approach is to **examine each member's needs closely and jointly determine the content and delivery method that will be most effective.** In addition to standard topics, we have the depth of knowledge to develop training on customized topics when the need arises. We also provide regional trainings – such as Reasonable Suspicion and Risk Management for Highway Supervisors – where attendees can benefit from the open discussions that often occur in these settings.

Free training for PACIF members includes:

- **Flagger certification** for public works, fire, and EMS personnel
- **Customized driver training** for public works, fire, and EMS personnel
- **FMCSA-required reasonable suspicion training** for supervisory personnel
- **Customized and specialty trainings**, such as Permit-Required Confined Spaces with both classroom and field components
- **Regional risk management** workshops
- Individualized training for highway supervisors on **high risk VOSHA standards**
- **Specialized human resources training** to build performance management skills and improve knowledge of HR requirements and best practices
- **24/7/365 access to more than 200 online courses via PACIF Learn**, with topics in public works, recreation, law enforcement, DEI, basic safety, and human resources that are available via a training platform that boasts a wide range of enhanced capabilities such as allowing members to build and distribute their own custom training content
- **Substantial discounts on other VLCT** workshops and custom trainings



All members have access to a variety of trainings free of charge

In-House **Underwriting**

PACIF's in-house underwriting team is **exceptionally accessible and helpful.** Members may not realize exactly what this team does, or all the ways it benefits them — even though they may be in contact frequently! Underwriting staff typically serve members in several ways, such as:

- Answering coverage questions
- Assisting with exposure changes and updates
- Providing updated exposure schedules and vehicle ID cards
- Coordinating and assisting with requests for Certificates of Insurance
- Assisting with renewal questions, processes, and pricing
- Reviewing members' proposed contracts for appropriate insurance requirements
- Coordinating coverage and billing for the Assigned Risk workers' compensation coverage that is required for volunteer fire departments
- Conducting annual payroll audits for workers' compensation coverage

To ensure that member properties are valued fairly, PACIF pays for a professional appraisal firm to appraise all buildings that have a scheduled value of more than $100,000 on a replacement cost basis. This ensures that **each member's cost of property coverage is based on accurate facility information and current reconstruction costs.** It also prevents members from overpaying for property coverage on structures that are scheduled for more than what reconstruction is likely to cost. Of course, this is a free service, because PACIF always looks out for members' long-term interests.

PACIF always looks out for members' long-term interests



Loss Control Services

Municipalities have a lotof exposureto risk,yet few havethe resources to control it effectively. That's why **every PACIF member has an experienced loss control consultant to help them understand, prioritize, and implement risk management best practices.** Our years of municipal experience across all lines of coverage allow us to provide you with practical information, guidance, and targeted training that really make a difference. When needed, we're happy to roll up our sleeves and work directly with your staff to implement our recommendations.

Our risk management skills are not limited to guidance and advice. For example, we can help you start or reinvigorate a Safety and Health Committee and assist you in enacting other best practices that can be key to controlling workers' compensation costs.

We are also well versed in all things VOSHA. Beyond offering routine help in identifying and correcting potential safety and health hazards, we can assist you in understanding the complexities of regulatory safety compliance. We provide support and coach members in general communications with VOSHA or in the aftermath of an inspection. Our consultants are there for you!

> Our loss control consultant helps us comply with all the federal safety and recordkeeping regulations. Sometimes all we needed was education about how to fulfill certain details we hadn't known about, but he has also guided us through completion of significant projects like getting our MSDS books up to date for VOSHA and implementing all the commercial vehicle driver requirements. He also suggests what equipment we need that qualifies for PACIF grants so we can maximize that funding. He has always been really helpful.
>
> **Heidi Congdon**
> **Treasurer**
> **Clarendon**

PACIF loss control staff can also support members' compliance with the FMCSA drug and alcohol testing requirements for commercial motor vehicle operators. Rely on us for assistance and resources for complying with these complex and changing regulations.

PACIF staff are happy to offer their skills, knowledge, experience, and time to help your municipality move to the next level in risk management. What's not to love?

Human Resources Consultation

Navigating the employment relationship can be a complicated undertakingfor leaders, especially in public employment. The roster of workplace laws, regulations, contractual obligations, and policies all affect your leadership of a successful team.

PACIF's Human Resources Consultation program provides valuable partnership and guidance to help members understand and implement best workplace practices. On PACIF staff are a **Vermont labor and employment attorney and a Human Resources expert**, both of whom are experienced and practiced workplace advisors, assisting members with

- Solving complicated workplace problems
- Technical legal compliance
- Learning the workplace obligations of management
- Implementing various HR best practices
- Managing workplace risks

Julie McKenzie, Deputy General Counsel and Director of PACIF Field Risk Services, and Christine Trombley Marsh, Senior Human Resources Consultant, help members in various ways, including:

- **Assessing overall operational risk** from an employment practices perspective and recommending areas for improvement
- **Answering HR-related questions** – whether simple day-to-day ones or big, unusual ones
- **Being a thought partner** in figuring out howto address a workplace challenge
- **Training managers, supervisors, and governing bodies** on a range of HR principles and best practices

Before joining VLCT, Julie spent nearly 19 years helping public sector employers solve difficult workplace problems, first in private legal practice as external labor and employment counsel to the nine state universities in Massachusetts, and later as Chief Labor Counsel for the City of Somerville, Massachusetts.

Christine's background includes ten years with the State of Vermont's Department of Human Resources, where she focused on labor and employee relations, including employee engagement, performance management, complex leaves of absence, employee misconduct, and strategic planning.

To contact Julie and Christine, submit a question using the button at vlct.org/HR or email EPLReferral@vlct.org.

Workplace Matters trainings are a significant component of this Human Resources program

EPL Referral Program

Anemployer's decisions about personnel management often carry a risk thatan employee or former employee will make an expensive employment practice liability (EPL) claim. PACIF's EPL Referral Program helps member municipalities avoid creating costly employment risks by facilitating free and timely legal consultation from qualified Vermont attorneys.

Members can discuss specific situations with an experienced attorney and obtain clear and actionable advice that helps them navigate high-risk workplace legal issues. Timely legal advice helps members make sound and defensible employment decisions, reducing the potential legal risks in employment practice claims.

All attorneys in this program have substantial experience with employment practice law. In fact, many work with Vermont municipalities routinely and already have relationships with many of our members.

Members report this program provides exceptional value by helping them make sound decisions which greatly reduce the potential legal risks to the member.

Access to a referral begins with an email to **EPLReferral@vlct.org**.

> **When faced with a challenging situation in the workplace, the first people I called were VLCT. They have been beyond value. Not only have they been good listeners, they were quick to respond to our needs. Their support has been solid and helped guide us to better outcomes for everyone. My advice to anyone is to call VLCT before you do anything you might regret.**
>
> **Sally Ober**
> **Town Clerk**
> **Lincoln**

How this Program Works

- Contact PACIF staff and discuss the situation. Depending on what the issue is, either our in-house counsel will assist or we will refer you to one of the vetted legal firms.
- EPL assistance and referrals are matched to legal counsel who have demonstrated experience in the specific employment issue(s).
- The municipality will receive up to three free hours of legal assistance. When terminations are involved, PACIF will provide or pay for up to eight hours of legal consultation. Hours beyond that are the member's responsibility.

Law Enforcement Consultation

Municipal law enforcement agencies face many professional challenges, including higher than average exposure to risk through injuries, auto accidents, and lawsuits. PACIF has a Law Enforcement Consultant on staff with deep expertise to help members control these risks. Trevor Whipple, a well-respected former Vermont municipal police chief, understands the real world complexities of law enforcement operations. He shares that knowledge through direct interaction with member police departments and law enforcement constables with the goal of helping them understand and comply with the ever-changing societal and legal issues that influence law enforcement.

Trevor also serves as the VLCT representative on the Vermont Criminal Justice Council and other boards. He can directly represent members, helping to shape training and policy for the law enforcement community that benefits our members and their employees.

> **The specialized expertise that PACIF's law enforcement liaison brings to the table as a retired police chief serves to empower our department to navigate complex insurance and liability challenges with confidence and precision.**
>
> **Jennifer Frank**
> **Former Police Chief**
> **Windsor**

PACIF closely monitorsnew legislationand court decisionsthat change law orpolice practice, and Trevor ensures that PACIF's model law enforcement policing policies are updated and that the changes are communicated to members. He also offers valuable assistance in these areas:

- **Liability** consultation to assess the agency's current documentation procedures, operations, training practices, and job performance review process
- **Policy communication and assistance** to ensure you have access to existing PACIF Law Enforcement policies and are using them (or their equivalent) effectively
- **Claims review and follow-up** with individual members to discuss potential prevention measures for their reported claims. For complex claims or incidents, Trevor is involved shortly after PACIF is notified. He works with the member on prevention while also participating in internal claims and legal review of the incident with respect to legal defense planning
- **Hiring consultation** to advise members on best practices for recruiting, hiring, and retaining officers. Also provides customized advice and guidance to managers and governing bodies who are hiring new police chiefs
- **First responders' health and wellness advice** to support officer physical fitness and mental wellness. Facilitates access to mental health resources in the aftermath of traumatic events and crisis situations

Grants and **Scholarships**

As part of our core mission, PACIF created grant and scholarship programs to support members' risk management efforts. Both are great ways to help stretch your equipment and training budgets.

PACIF Grants help members pay for qualified equipment, facility improvements, or other items that directly reduce the risk of claims. Award amounts are based on the application's merits and adherence to the grant guidelines as well as the member's PACIF contribution level. Each year, grant funding is subject to board approval. In most years, grants provide 50% reimbursement and awards of up to $6,000.

John Lawe Scholarships reimburse 100% of qualified training costs for groups and individuals up to $2,500 per member per year. If you aren't already using this funding to increase your staff's knowledge and their value to your organization, you should be!

Every year, these two programs alone can save municipalities thousands of dollars. Don't wait until the end of the calendar year to apply!

This funding is awarded on a first-come, first-served basis and is fully exhausted every year – attesting to the popularity and value of these programs. Find current details at **vlct.org/grant-schol**.

> These grants are really easy: we just apply for eligible things and get quick & friendly responses at every stage of the process. Over the years they've helped us buy security cameras and a monitoring system to reduce break-ins, ergonomic equipment for various kinds of work, eye wash stations, special aprons for employees handling household hazardous waste, and a lot more.
>
> **Vicki Hayes**
> **Finance Manager and**
> **HR Administrator**
> **Windham Solid Waste**
> **Management District**

Use these to stretch your equipment and training budgets.



CMV Drug & Alcohol Testing Compliance

Most municipalities have commercial motor vehicle (CMV) operators – such assnowplow drivers – who fall under US DOT Federal Motor Carrier Safety Administration (FMCSA) requirements for licensure, hiring, and drug and alcohol testing (as explained in Title 49 of the Code of Federal regulations). These **requirements are varied and complex, and compliance lapses can lead to fines** from the U.S. Department of Transportation.

PACIF has developed a comprehensive drug & alcohol testing program to make it **easy for members to comply with this challenging federal mandate.** Key elements include:

- Participation in a drug and alcohol testing consortium that provides ***free*** **random drug and alcohol testing** by a convenient mobile service that complies with all DOT requirements
- **A detailed operations manual with extensive guidance** to help members establish the required drug & alcohol testing policy for CMV operators, maintain documentation, and comply with other regulations
- **Information and sample forms** on how to compile driver qualification files
- **Access to Invest EAP for referrals to substance abuse professionals** in the event of a positive test
- **Updates** when FMCSA requirements change
- **DOT-compliant Reasonable Suspicion Testing** Training for supervisors
- Highly knowledgeable loss control consultants to provide **advice, assistance, and guidance for implementing these procedures**

PACIF's all-inclusive support for CMV operations takes the guesswork out of meeting the onerous federal standards – and makes the entire process a whole lot easier.



PACIF's all-inclusive support for CMV operations makes the process of meeting the onerous federal standards a whole lot easier.

Employee Assistance Program (EAP)

When employees or their household members are under stress, there can be negative consequences in the workplace. That's why PACIF partners with Invest EAP, a Vermont-based non-profit Employee Assistance Program provider, to assist members in both personal and professional issues.

For personal matters, **all PACIF member employees and the people who live with them** can contact Invest EAP directly for **convenient and confidential personal guidance** and valuable resources on a wide range of issues relating to **emotional health as well as family, financial, and legal matters.** They can **call or visit the website 24/7/365**. Services including short-term counseling and limited professional financial or legal consultation are completely free.

The EAP benefit supports managers and supervisors in these additional ways:

- Supervisors struggling with an employee who is undergoing personal or performance issues can contact EAP and receive a management consultation.
- When an employee who is a CMV driver fails a federally mandated drug or alcohol test, your Designated Employer Representative (DER) should call Invest EAP to receive a free referral for the employee to see a qualified substance abuse professional.
- After a tragic event that affects one or more employees, EAP can conduct a workplace critical incident stress debriefing to help staff cope with the emotional aftermath of the incident.

- ☑ **Confidential**
- ☑ **Personal short-term counseling**
- ☑ **Completely free**
- ☑ **Support for managers & supervisors**

Invest EAP has initiated programming to **help first responders, with specially trained professional counselors** and the new peer mentorship program for Vermont first responders called SECURE (Skills and Experience for Calling Up Resiliency). SECURE's mission is to train first responders as mentors to provide sustained, long-term support and prevention resources to their peers who may be in crisis.

InvestEAP can also coordinate training to help members **build a workplace culture of dignity and respect**. This training is provided by their partner, Abundant Sun. Respect in the workplace, DEI, and similar trainings are eligible for John Lawe Scholarships!

Learn more and explore Invest EAP's online tools by visiting **investeap.org** and logging in with the organization password ***vlct***. We encourage first responders to also visit **SECUREpeer.org.**



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