

**MINUTES OF THE
VLCT PROPERTY AND CASUALTY INTERMUNICIPAL FUND, INC.
SPECIAL BOARD OF DIRECTORS MEETING
HYBRID MEETING - VLCT OFFICES, MONTPELER, VT AND ZOOM
THURSDAY, NOVEMBER 21, 2024**

Directors Present: Jackie Higgins (1:34 p.m.), Aaron Frank, Dave Atherton, Erik Wells, Patrick Moreland, Judy Frazier, Bryan Young, Charles Safford, Rob Gaiotti and Kelly Murphy

Staff Present: Joe Damiata, Fred Satink, Kelly Knotek, Phil Woodward and Kelley Avery

As President Higgins had not yet joined the meeting, Vice President Frank called the meeting to order at 1:32 p.m.

Joe Damiata noted the October 11 meeting minutes required one change to remove the word “special” from the footer.

Upon motion (Safford/Gaiotti), duly adopted, the board voted unanimously to approve the minutes of the October 11, 2024 board meeting as amended.

Fred Satink provided a brief review of proposed changes to the PACIF Underwriting Policy. These changes were required due to the new Origami system going online and are necessary to capture new processes and efficiencies built into the system. Other than some other minor changes for continuity, the most substantial change was noting the process of establishing a “member risk profile” in the new system which will determine how credits and debits are distributed for renewals. Any cost impact to members as a result of this process will be negligible. Staff is requesting board approval on these changes before finalizing member renewal invoices.

Vice President Frank turned the meeting back over to President Higgins, who requested a motion from the Board.

Upon motion (Frank/Atherton), duly adopted, the board voted unanimously to approve the changes to the PACIF Underwriting Policy as presented.

Mr. Satink reviewed the proposed Workers’ Compensation Waiver of Subrogation Endorsement that waives the Fund’s right to recover when a third party is responsible for the injury of a member. This type of endorsement is sometimes required when members contract with third parties. Although not a preferred practice, creating this endorsement formalizes the process and allows PACIF to charge for it. The proposed cost for the endorsement would be a flat fee of \$100. Staff is seeking board approval of these changes and will then file the endorsement with the Department of Financial Regulation to obtain approval. A discussion and explanations from staff ensued on the reasoning for the endorsement.

Upon motion (Atherton/Frank), duly adopted, the board voted unanimously to approve the Workers’ Compensation Waiver of Subrogation Endorsement and proposed rate as presented.

In other business, Mr. Satink provided a brief update on the renewal. Member exposures, specifically payroll, increased substantially after the values collection process causing total

contributions to come in well above the actuarial estimate. Staff are still completing final pricing, but it is evident that there will be several members with large increases due to exposure changes and losses. All of the increases are justified and it's important that PACIF collect contributions necessary to cover the exposures. In addition, the mailing of member renewal invoices may be delayed by a couple of days to allow staff to fully test the new underwriting system and be comfortable with the final invoices that are produced. Staff has already requested an extension from the Department of Financial Regulation on the usual December 1st mailing deadline, and the extension has been granted. Staff is now planning to email invoices to members the week of December 2nd. Mr. Satink noted Underwriting staff and Jill George have been putting in many extra hours building the new system, but it's critical everything is tested and correct before invoices are produced. Director Wells thanked staff for their extra efforts building the new system.

Upon motion (Safford/Atherton), duly adopted, the board voted unanimously to adjourn the meeting (1:57 p.m.).

Respectfully submitted,



Fred Satink,
Assistant Secretary

Link to Meeting Recording:

https://us06web.zoom.us/rec/share/RIIVbW5VFXct2YnFOzUnZoeA0Fofm_RNGn-swlbX30CiHuAsGZ-hlBHit_rCsEpo.-VprtogHXvYek4rV

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