

**MINUTES OF THE VLCT EMPLOYMENT RESOURCE AND BENEFITS TRUST, INC.
BOARD OF DIRECTORS MEETING
STOWE TOWN OFFICE, STOWE, VT and VIA ZOOM
FRIDAY, OCTOBER 2, 2026**

Directors Present: Charles Safford, Todd Odit (remote), Bruce Urie and Bryan Young

VLCT Staff Present: Phil Latvis, Seth Abbene and Kelley Avery

Guests: Russell Young (PACIF Corporate Counsel), Phil Woodward (PACIF Coverage and General Counsel), Fred Satink (PACIF Executive Secretary) and John Hann (Liscord, Ward and Roy)

President Safford called the meeting to order at 1:16 p.m. and asked for a motion to approve the agenda.

Upon motion (Urie/Young), duly adopted, the board voted unanimously to approve the agenda as presented.

President Safford asked for a motion to approve the consent agenda.

Upon motion (Urie/Young), duly adopted, the board voted unanimously to approve the consent agenda.

John Hanna of Liscord, Ward and Roy presented the VERB Trust 2027 Funding Analysis. The actuary has proposed a 3.3% overall average rate decrease for 2027 at the 75% confidence level. Mr. Hanna also briefly reviewed charts highlighting projected estimates in the Trust's unrestricted net position. In addition, Mr. Hanna noted that he and staff are recommending lowering the minimum rate from .5% to .4% as an increasing number of members are hitting the rate minimum each year. If the Trust were to retain the current rate minimum of .5%, more than 66% of the members would be at that rate for next year, when many should be lower, meaning many at the lowest level would be partially subsidizing some of the other groups by paying more. Mr. Hanna noted staff chose the .4% minimum to match the current minimum rate as set by the state. Staff is requesting approval from the board to approve this new rate minimum of .4% and the proposed rates.

Upon motion (Odit/Urie), the board voted unanimously to approve the new VERB UI Trust rate minimum of .4% for the 2027 UI Trust Renewal.

Upon motion (Young/Urie), the board voted unanimously to approve the 2027 proposed rates of an overall average 3.3% reduction at the 75% confidence level for the 2027 UI Trust Renewal.

With respect to contribution credits, staff noted they plan to continue with the usual annual recommendation of returning \$100,000 in contribution credits to members.

Upon motion (Young/Urie), the board voted unanimously to approve a contribution credit of \$100,000 to return to members fore the 20207 UI Trust Renewal.

Kelley Avery noted the actuarial report of the 2027 Funding Analysis should also be approved or the record.

Upon motion (Young/Urie), the board voted unanimously to the 2027 VERB Ui Trust Funding Analysis report of the actuary.

Phil Latvis briefly reviewed the VERB draft budget for 2027, noting the only relevant change from 2026 was in the removal of the consulting fees for the health insurance research, which is no longer part of the budget. Until PACIF and VERB negotiations with VLCT are finalized the direct and indirect cost lines are estimated. In addition, there are no costs currently for underwriting claims technology as there are no longer payments to Ventiv. However, at some future date the UI Ventiv system will be migrated over to Origami, and there may be costs associated at that time, but not for 2027, and likely not until both Origami Policy and Claims systems are settled and well established. Overall, the budget is down 16% compared to the 2026 budget. A finalized budget will be presented at the December VERB Board meeting.

Director Odit asked what the outcome of the health insurance consulting project and research had yielded. Kelley Avery responded noting that after several months of work with consultants, the Department of Financial Regulation and legal experts, Blue Cross returned a quote to VLCT for roughly a 15% increase over current marketplace costs, which was extremely disappointing. As a result, the project ended.

Under Information Items, Joint Investment Committee Chair Bryan Young briefly reviewed the report of the committee. The committee met September 18th, and the consultants for Insight and Strategic Asset Alliance had no recommendations for any changes to the VERB portfolio.

Kelley Avery provided a brief update to the board regarding UI Modernization efforts at the state and the new system challenges. Equifax is still working diligently with the state and making progress. There are still some discrepancies and a few outstanding issues, but Ms. Avery is noted staff and Equifax are making progress.

In closing President Safford noted that VERB is also still involved in service agreement negotiations with VLCT and wanted to assure and emphasize that the board appreciates VLCT staff and all of the people that contribute the Trust's success. The board has decision-making and fiduciary responsibilities, but the board also consider staff the experts in making things happen day to day and can't thank staff enough and want them to be assured, regardless of how the outcome of the negotiations, staff are valued and will continue to be valued.

There was no other business.

Upon motion (Bryan/Urie), duly adopted, the board voted unanimously to adjourn the meeting (1:42 p.m.).

Respectfully submitted,

Kelley Avery
Assistant Secretary
Link to meeting recording [here](#)