

**MINUTES OF A REGULAR MEETING OF THE
BOARD OF DIRECTORS
VLCT EMPLOYMENT RESOURCE AND BENEFITS (VERB) TRUST, INC.
DECEMBER 13, 2023
VLCT OFFICE, MONTPELIER, VT AND VIA ZOOM**

Directors present: Charles Safford, Kathleen Ramsay, Bryan Young, Jared Cadwell, Todd Odit (remote) and Judy Frazier (remote)

VLCT staff present: Joe Damiata, Seth Abbene, Ted Brady and Kelley Avery

The meeting was called to order at 1:00 p.m.

Upon motion (Ramsay/Cadwell), duly adopted, the board voted unanimously to approve the agenda.

Upon motion (Young/Cadwell), duly adopted, the board voted unanimously to approve the minutes of the October 25, 2023 meeting.

Joe Damiata provided a brief organizational update, including the following:

- Staff are wrapping up end-of-year business, such as performance reviews.
- VLCT has hired a new Loss Control Consultant and also a new Business Applications System Administrator to work with Jill George. Additionally, Jill Muhr, Human Resources Consultant, has notified staff she plans to retire by January 5th.
- An update on VLCT's Building Committee and Ted Brady's recommendation to the VLCT Board of Directors.
- An update on the new Justice, Diversity, Equity, Inclusion and Belonging (JDEIB) Workgroup, a charge requested from the VLCT Equity Committee.
- Mr. Damiata highlighted 2024 conference opportunities the board members may be interested in attending include the AGRiP Conference March 3 - 6 (which unfortunately conflicts with Town Meeting Day) and the NLC Conference May 8 - 10.

Seth Abbene presented the third quarter unaudited financials. Net position has increased 4.8% from year-end 2022 due to an operating surplus combined with modest net investment income. Total revenue is up 1% due to the slight increase in rates for 2023. Operating expenses are down 1.3% compared to Q3 of last year and 3% under budget. Claims through Q3 are up 4.9% compared to this time last year and net investment declined to \$30,912 year to date, which was a result of unrealized losses during the quarter that reversed some of the gains from earlier this year.

Upon motion (Odit/Young), the board voted unanimously to approve the third quarter financial report as presented.

Kelley Avery presented the Q3 claims reports. Both claim costs and frequency are down substantially in Q3 compared to Q2 of this year. However, the Q3 total of \$41,144 in claims was roughly a 67% increase compared to the Q3 total for 2022. Claims are expected to rise into the fourth quarter in accordance with annual trends. In addition, Ms. Avery noted the Trust retained 100% of its membership for the 2024 renewal. One additional member is also joining effective January 1st, the Town of Dorset, and a quote is pending for another interested member potentially for April 1st.

Upon motion (Cadwell/Ramsay), duly adopted, the board voted unanimously to approve the Q3 claims report as presented.

Mr. Abbene reviewed the 2023 Audit Engagement Letter from Johnson Lambert. The firm is proposing a 6% increase in costs totaling \$21,600 for their services next year, which staff thinks is appropriate given inflation and the good work they do on behalf of the Trust.. Staff is requesting board approval of the proposed engagement letter and for authorization for Seth Abbene to sign the letter.

Upon motion (Young/Ramsay), duly adopted, the board voted unanimously to approve the 2023 Audit Engagement Letter and authorized VLCT CFO Seth Abbene to sign.

Mr. Abbene reviewed the 2024 Addendum to the VLCT Administrative Service Agreement. The cost for 2023 is decreasing by .3% to \$205,540 due to a slight reallocation of staff between PACIF and VERB. Staff is looking for approval of the Addendum and authorization for the Board President to sign.

Upon motion (Odit/Frazier), duly adopted, the board voted unanimously to approve the 2024 Addendum to the VLCT Administrative Service Agreement and authorized the Board President to sign.

Joe Damiata presented the proposed VERB Trust budget for 2024. There have been no changes to this budget compared to the proposed budget which was presented at the October meeting. Revenues are down \$39,649 or 5.3% due to the proposed rate decrease for 2024. Overall, the budget is down \$40,049 or 5.4% in comparison to the 2023 adopted budget.

Upon motion (Cadwell/Young), duly adopted, the board voted unanimously to approve the VERB 2024 Proposed Budget.

Mr. Damiata noted the Conflict of Interest forms are due once again from board members and that staff will look into sending these forms through DocuSign.

Under board governance, the board is tasked with electing its officers and committee members for the upcoming year. Bryan Young moved the existing slate of officers, and Kathleen seconded.

Upon motion (Young/Ramsay), duly adopted, the board voted unanimously to appoint VERB Board and staff officers as slated for 2024: Charles Safford, President; Kathleen Ramsay, Vice President; Todd Odit, Secretary/Treasurer; Ted Brady, Executive Secretary; Kelley Avery, Assistant Secretary; Joe Damiata, Assistant Treasurer.

The board also affirmed the current board member committee appointments will stand for 2024 as well. This included Kathleen Ramsay and Todd Odit serving on the Joint Investment Committee and Charles Safford and Todd Odit serving on the VLCT Budget Advisory Committee.

Upon motion (Frazier/Cadwell), duly adopted, the board voted unanimously to approve the board committee assignments for 2024.

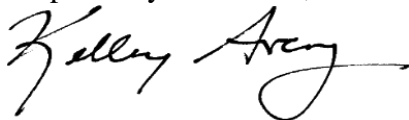
Joe Damiata briefly reviewed the 2024 Proposed Board and Committee Meetings Schedule. Town Fair dates were just released to staff yesterday, and the Annual Meeting will take place next year on October 2nd in Killington, rather than September 24th in Burlington as noted on the draft schedule.

Upon motion (Ramsay/Young), duly adopted, the board voted unanimously to approve the 2024 Proposed Board and Committee Meetings schedule as amended.

In other business, Mr. Damiata noted that the next meeting will not take place until June of next year, and staff intend to present a merger proposal to the board at that time.

Upon motion (Cadwell/Odit), duly adopted, the board voted unanimously to adjourn the meeting (1:18 p.m.).

Respectfully Submitted,

A handwritten signature in black ink that reads "Kelley Avery". The signature is written in a cursive style with a long, sweeping underline.

Kelley Avery
Assistant Secretary