

May 22, 2026

VLCT Member Meeting Regarding Incorporation and Bylaws



Member Meeting

The Vermont League of Cities and Towns (VLCT) Board of Directors has called a **special meeting of the membership** on **Monday, June 22, at 3 PM** to consider incorporating and amending the bylaws to allow VLCT to offer an association health plan and make other miscellaneous changes. **For more information about these changes and why they are being proposed, scroll below or [click here](#).**

The meeting will be held virtually via Zoom. There is no cost to attend. Attendees will please observe the [rules governing this special meeting of the VLCT membership](#)

To ensure that members are properly represented, we ask that **your legislative body designate and register one official** as the Voting Delegate. Note: **Only full VLCT members – towns and cities – may have a voting delegate.** Additional officials and associate members may register as non-voting participants.

[Register here](#)

Below you will find the meeting agenda, the proposed articles of incorporation and bylaw changes, and information about why these are being proposed.

Special Meeting Agenda



- I. Welcome and Introduction
 - II. Call to Order – MaryAnn Goulette, VLCT President and West Rutland Town Manager
 - III. Approval of the Agenda
 - IV. Adopt the [VLCT Member Meeting Governing Rules](#)
 - V. Review [proposed Articles of Incorporation](#)
 - VI. Vote on authorizing the VLCT Board of Directors to incorporate
 - VII. Review the [proposed bylaw changes](#)
 - VIII. Vote on the proposed bylaw changes
 - IX. Other Business
 - VIII. Adjourn
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Special Membership Meeting June 22 Will Help VLCT Consider Health Insurance Options

By Ted Brady, VLCT Executive Director

According to a 2025 [report](#) issued by Vermont Health Care 911, health insurance premiums have increased by 92 percent since 2018 in the Green Mountain State. The Vermont League of Cities and Towns (VLCT) will hold a special virtual membership meeting on Monday, June 22 at 3 PM to consider incorporation and various bylaw changes allowing VLCT to further investigate offering a health insurance plan to members in 2027.



Question 1: Shall VLCT Incorporate with the Vermont Secretary of State?

VLCT intends to apply to the Vermont Department of Financial Regulation (DFR) for approval to offer a fully insured association health plan in partnership with a health insurance carrier in Vermont. We hope that by aggregating the purchasing power of municipalities, we can realize modest cost savings. DFR requires an association health plan applicant to be incorporated.

At the special membership meeting, members will be asked to authorize the VLCT Board of Directors to incorporate. VLCT is an unincorporated nonprofit organization that operates as an instrumentality of government. Legal counsel has advised that incorporation will have no impact on our status as a nonprofit or as an instrumentality. In fact, both trusts sponsored by VLCT – the VLCT Property and Casualty Intermunicipal Fund and the VLCT Employment Resource and Benefits Trust (VERB) – are incorporated nonprofit instrumentalities. The VLCT Board of Directors supports incorporation and asks members to support this action.

Read the [Draft Proposed Articles of Incorporation](#).

Question 2: Shall VLCT Amend the Bylaws to Allow it to Offer Health Benefit Plans and Miscellaneous Other Administrative Changes?



The primary reason VLCT's Board of Directors has called this special meeting is to amend its bylaws specifically allowing the organization to offer an "intermunicipal insurance agreement for health benefit plans".

Historically, VLCT has created a separate legal entity when establishing new "lines of business" related to insurance. However, as VLCT is contemplating a fully-insured health insurance product, which generates less risk than a self-insured product, VLCT has decided it is more expedient and appropriate to offer this product directly from VLCT. Doing so requires the addition of explicit authorization in our bylaws to offer an association health plan.

The VLCT Board of Directors endorses the following changes to the VLCT Bylaws to accommodate this action:

1. Page 1 – Article I NAME, Section 1: Changing "unincorporated" to "incorporated";
2. Page 2 – Article II PURPOSES, Section 1, subsection (i): Adds "...including an intermunicipal insurance agreement for health benefit plans under Vermont Rule I-90-1 (the Board shall hold all assets of VLCT IN TRUST for the exclusive benefit of the Participants, and their Dependents and Beneficiaries) and Internal Revenue Code Section 115"; and
3. Page 2 – Article II PURPOSES, Section 1: Makes administrative lettering changes to correct previous errors.



The VLCT Board of Directors also recommends making various administrative changes to the bylaws at this time.

The last time the VLCT Bylaws were updated was 2017. The following administrative changes to the bylaws are recommended:

1. Page 3 – Article V, Section 2. DUTIES: This section is removed and consolidated in a new Section 3.
2. Page 4 – Article V, Section 2. BOARD OF DIRECTORS: This is a numbering change to reflect the proposed removal of Section 2. DUTIES mentioned above.
3. Page 4 – Article V, Section 3. POWERS AND DUTIES OF THE BOARD OF DIRECTORS: This section consolidates the previously articulated duties of previous section 2 and more accurately reflects the current duties of the board and enumerates specific powers of the board. As VLCT's lease expires, the organization is evaluating purchasing a building instead of leasing, and may borrow funds to do so. The existing bylaws do not enumerate these powers.
4. Page 5 – Article V, Section 5. TERMS OF OFFICE: The bylaws are amended to clarify that a board member who serves a partial term after being appointed may still serve three consecutive two-year terms.
5. Page 7 – Article VIII – subsection (e): Changes the requirement that the executive director provide monthly reports to quarterly reports in line with practice.



6. Page 8 – Article IX COMMITTEES, Section 1. CREATION: Amends VLCT's municipal policy setting process to allow for the creation of a single standing committee instead of multiple standing committees. VLCT Intergovernmental Relations staff propose a modified policy setting process for 2027 and 2028 that aims to create deeper, sustained member involvement that reduces conflicts in the adopted policy.

Read the [Draft Proposed Bylaws Changes](#).

If members have **any questions about these bylaw changes**, please contact Ted Brady directly at tbrady@vlct.org.

FAQs

Q. What health insurance plan will VLCT offer in 2027?

A. It's too early to tell. The driving cost of health insurance is the cost of health care. It's unclear if VLCT's efforts to consolidate member purchasing power of insurance alone will result in cost savings. We plan to design a plan with our consultants and partner with an established health insurance provider in Vermont to evaluate pricing. If we can offer a product that could save our members money, we will do so. If not, we will not.

Q. Is VLCT reestablishing the Health Trust?

A. No. VLCT and the VLCT Employment Resource and Benefits Trust (VERB) partnered to investigate whether reopening the VLCT Health Trust would be viable. After hiring a consultant, working with several brokers, and talking to the Department of Financial Regulation (DFR), VLCT staff recommended to the VLCT and VERB Boards that we instead offer a fully-insured association health plan product that primarily focuses on aggregating our members and taking advantage of the power of



joint purchasing.

Q. What is VERB's role in this?

A. VLCT and the VLCT Employment Resource and Benefits Trust (VERB) partnered to investigate whether reopening the trust would be viable. After hiring a consultant, working with several brokers, and talking to the Department of Financial Regulation (DFR), VLCT staff recommended to the VLCT and VERB Boards that we instead offer a fully-insured association health plan product that primarily focuses on aggregating our members and taking advantage of the power of joint purchasing. In the winter of 2026, VERB, which administered the health trust and is authorized to offer health insurance products, opted not to proceed with the project. VLCT's Board of Directors agreed to do so instead.

VLCT Member Meeting Governing Rules

1. The Special Meeting of the Vermont League of Cities and Towns (VLCT) shall be held at a specific time and place designated by the VLCT Board of Directors.
2. Quorum. The presence of officials representing 10 percent of the member towns and cities shall constitute a quorum.
3. Voting. Voting will occur by raising a hand, either technically or physically, to be seen in Zoom. The official representing each full member in good standing, as may be designated by the legislative body of the member, shall cast one vote. A majority of the votes cast shall be necessary for a decision. A roll call may be required should seven or more full members demand one.



4. No official shall speak unless so recognized by the moderator or by the President, and speakers shall address the President in the proper manner, e.g., "Mr. President" or "Ms./Madam President." Only currently serving local officials of members that are in good standing as determined by the Credentials Committee of the Board of Directors may participate in the meeting.
5. Any official who wishes to speak shall raise their hand and wait for the moderator or President to recognize them. Officials may then address the President, giving their name and the town or city they represent.
6. No official may speak a second time on an issue until all other members have had a first chance to speak on that issue.
7. The President may set a limit on time for debating a question if the need arises.
8. The President may direct staff to remove an official from the Zoom if they violate the rules more than three times.
9. There shall be no voting by proxy.
10. All questions of procedure not covered by these rules shall be determined in accordance with Robert's Rules of Order, Newly Revised 11th Edition.

