The Power of Pooling: The Value of State League Risk Pools

Copyright Vermont League of Cities and Towns
Current as of: 11/13/2026

The Power of Pooling

The Value of State League 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 Board 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.

THE POWER OF POOLING

Copyright Vermont League of Cities and Towns
Current as of: 11/13/2026

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 Board 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.

Copyright Vermont League of Cities and Towns
Current as of: 11/13/2026

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.

Publication Date

10/01/2024

Copyright Vermont League of Cities and Towns
Current as of: 11/13/2026