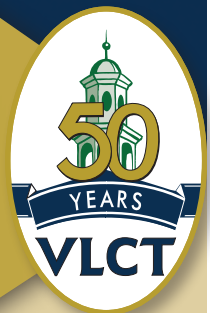




**Vermont League
of Cities & Towns**

Annual Report



2017



Introduction



2017 was a year of celebration as VLCT noted its 50th year of serving and strengthening local government and looked ahead toward the future of local government.

Milestones were recognized, people remembered, and achievements highlighted. Throughout the year, local officials and staff who have had a tremendous impact on local government and the League gathered to reminisce and to recall shared work and success stories: legislative, administrative, and programmatic. It was a time of reflection and a time to begin thinking about what's to come.

From the focus on the past came the idea of Listening Sessions, which begin in 2018, as an opportunity to hear from member officials and focus on the next steps for local government in Vermont and VLCT.

This 2017 Annual Report identifies programs and services, ideas, and accomplishments of the past year designed to move us into VLCT's next phase of serving the membership and assisting municipalities to achieve the goals adopted by their local officials and residents.

Staffing changes, new leadership in Risk Management Services, a new Communications and Marketing Director, legislative accomplishments, new training programs, including one in economic development, a new website, technology conversion to the Cloud, and increased numbers of attendees at Town Fair are but a sampling of the accomplishments realized over the past year.

We hope you find this report informative and interesting.

A handwritten signature in cursive script that reads "Maura Carroll".

Maura Carroll
Executive Director





VLCT's 50th anniversary celebration, City Center, Montpelier, June 27, 2017.



Table of Contents

Advocacy.....	1
Municipal Assistance Center.....	3
Risk Management Services.....	5
Communications & Marketing.....	7
Finance.....	9
Human Resources.....	11
Information Technology.....	13



Advocacy

VLCT staff advocated at the state and federal levels in support of Vermont municipalities and municipal services, funding to support those services, and mandates passed by the state and federal government. VLCT was a leader in 2017 in advocating for a long-term, stable revenue source to finance clean-up of Vermont's lakes and rivers, pursuant to the VT Clean Water Act (\$46 million in capital funds in FY19). The Advocacy Team also worked closely with the Legislature to address open meeting and public records laws; to provide municipal officials flexibility to execute their responsibilities in the way that works best for their communities; to ensure funding for transportation (\$68.7 million in FY19); and to address education funding system reform.

VLCT issued numerous legislative alerts and published 16 Weekly Legislative Reports in 2017 that detailed legislative issues that



affected municipal government. VLCT staff were an active presence in the Statehouse, testifying before House and Senate Committees several times a week throughout the legislative session and securing multiple opportunities for local officials to testify. VLCT staff participated in seven legislative summer study committees and four Governor's commissions with municipal officials. Advocacy staff assisted municipal members to develop policy platforms in five distinct areas for the 2018 legislative session. Municipalities continue to face significant challenges in the legislature as every session starts from a deficit position. Limited financial resources and uncertainties at the federal and state levels and new mandates continue to create more demand for services at the local level.



Municipal Assistance Center

VLCT's Municipal Assistance Center (MAC) provides training, information, and assistance to municipal officials to help them carry out their roles and responsibilities. The past year was a busy time for the MAC staff. Some of the achievements of the past year include:

1. Attorneys and staff responded to more than 4,300 phone and email inquiries from municipal officials about their statutory duties and best practices in municipal governance.

2. Nearly 900 (886) municipal officials attended 11 day-long workshops on topics ranging from municipal budgeting to human resources and employment law.
3. 26 on-site trainings – twice as many as in past years - were conducted at municipal offices across the state covering Open Meeting Law compliance, and effective property tax appeal hearings, among other topics.
4. Attorneys and staff assisted ten municipalities with legal review of ordinances and policies as well as finance and human resources assistance.
5. MAC staff helped Bethel, Hartland, Randolph, and Wilmington recruit new town managers. They helped Waitsfield recruit a new town administrator.
6. The Human Resources Assistance Program – a collaborative effort by VLCT, PACIF, and VERB – reviewed 34 personnel policies and developed new templates and toolkits to help local officials hire staff as well as assist implementation of new legislation, such as the Paid Sick Leave Law Quick Guide and FAQs.
7. With the onset of the Municipal Roads General Permit, our Water Resources Coordinator provided members with funding and technical assistance to comply with new requirements and produced a Highway Access Drainage Management Standards document.
8. For VLCT's new website, MAC developed topic pages and posted new and updated resource documents such as: Model Public Records Policy, Model Highway Access Policy and Guidance, Post Town Meeting Info Sheet, Quick Guide to Ordinance Adoption, Amendment, or Repeal and several more.





Risk Management Services

The Risk Management Services department (RMS) offers a wide range of insurance products and related services established by – and tailored to – the needs of Vermont municipalities. These fairly and competitively priced services are provided through VLCT's two member-owned risk-sharing trusts, which are governed by separate boards of directors consisting of representatives from member municipalities. In 2017, the trusts were responsible for \$26 million in municipal tax dollars spent for insurance and risk management services.

The VLCT Employment Resource and Benefits Trust, Inc. (VERB) provides a wide range of employee benefits programs and services to Vermont municipalities. VERB was created in 2015 through the merger of the Unemployment Insurance (UI) Trust (founded in 1978) and the VLCT Health Trust (founded in 1982). In 2017, the VERB Unemployment Insurance program's operations continued smoothly, and the fund remains financially strong. Unemployment claims continued to decline resulting in lower rates and significant contribution credits for members. In addition, VERB continues



*PACIF received an
AGRIP Recognition
Award for best
practices*



to provide a wide range of group employee benefit and insurance programs, and assistance with health benefit plan management.

The VLCT Property and Casualty Intermunicipal Fund (PACIF), established in 1986, provides broad coverage – including workers' compensation, property, automobile, crime, general liability, public officials' liability, employment practices liability, and much more – in one convenient package. PACIF also provides members an unmatched array of no-additional-fee risk management and best practices support. Operationally, PACIF continually seeks ways to provide useful services in a cost-effective manner. In 2017, in addition to its regular operations, PACIF:

1. Continued workers' compensation cost control through partnerships with Best Doctors Occupational Health Institute, Express Scripts, and Procura/Optum.
2. Continued to provide WorkStrong services to help member employees improve their fitness levels.
3. Worked with our Employee Assistance Program vendor partner to provide EAPFirst, a mental health best practices program for members with first responders.
4. Continued the Employment Practices Liability Referral Program for its fourth year. Use of this program continues to grow.
5. Returned \$700,000 to members in the form of contribution credits and equipment grants.

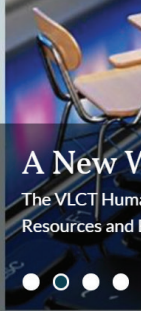
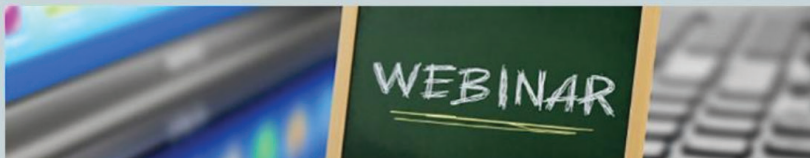


Communications & Marketing

With the arrival in May 2017 of a new Director of Communications & Marketing, VLCT reorganized its Communications & Marketing team, bringing staff who have been working on the League's communications and outreach initiatives under one, centralized team. The team works with different departments around VLCT to produce key communication materials like VLCT News, the Weekly Legislative Report, MAC handbooks, the VLCT website, and other resources. Communications & Marketing also manages all VLCT events, like Town Fair, MAC workshops and trainings, and the popular Local Government Day.

Welcome to the Vermont League

SERVING AND STRENGTHENING VERMONT L



Two stand out accomplishments from 2017 are:

1. The launch of the new VLCT website. The new site launched in the summer and features a clean, contemporary design, easy navigation and search functions, along with a wealth of resources and information that address the issues and topics that VLCT members look for on a daily basis. Ongoing efforts continue to improve and enhance this important member resource.
2. An extremely successful Town Fair was held in October at the Killington Grand Resort. We had strong participation from exhibitors, the largest attendance in recent years, and an excellent offering of trainings this past year. With the addition of elements like the location of the exhibit hall closer to session rooms, a revised lunch menu, and an opening night reception featuring live music, a photo booth and fireworks, the reviews of Town Fair 2017 were resoundingly positive.

NEWS AND ANNOUNCEMENTS



FEBRUARY 20, 2018

VLCT Listening Sessions

[ALL NEWS →](#)



Finance

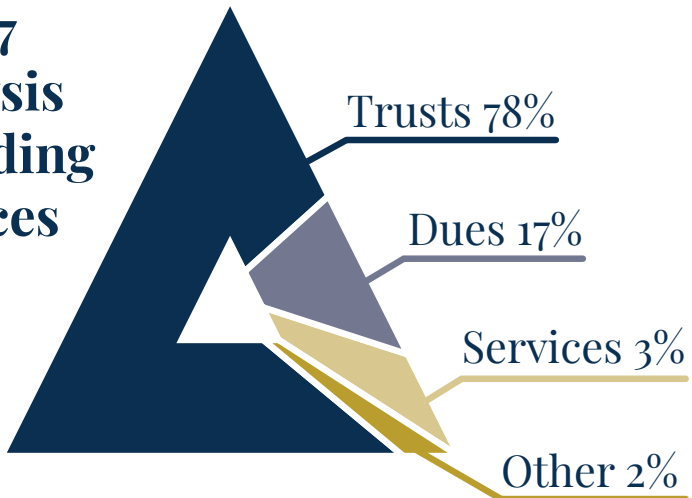
VLCT continues to maintain a solid financial position with revenues from dues, service fees, grants, and trust agreements fully supporting all operations in 2017. Approximately \$355,000 was left in net position, most of which was tied up in capital assets. Because the Vermont Municipal Employees' Retirement System (VMERS) has not yet provided the 2017 pension schedules necessary to complete our financials and audit, we are only able to provide our net position for year-end not including the 2017 pension liability adjustments. This will be updated once complete information is available and the audited financials will be posted on the website.

The total 2017 costs (excluding pension adjustments) for VLCT operations was approximately \$6.1 million, of which \$4.4 million was for contractual staffing and support operations for the insurance trusts, \$1.2 million for MAC, and about \$.5 million for Advocacy.

The costs of supporting operations (IT, Communications & Marketing, Human Resources, Finance, event planning, and production) are allocated to Advocacy, MAC, and the two trusts proportionately based on the work load provided to each.

Dues supported both the Advocacy and MAC programs (\$1.1 million in 2017 with approximately \$.5 million for Advocacy and \$.6 million for MAC). MAC supplemented dues funding with workshop and consulting fees from members, as well as from the two insurance trusts (just under \$.4 million). In addition, MAC received grant funding from the Agency of Natural Resources and FEMA for its Water Resources programs and from the Department of Health for health officer training (\$60,000). Most of VLCT's revenue in 2017 came from agreements with the trusts for staffing and administrative support, which provided approximately \$4.7 million in contractual reimbursements. Approximately \$60,000 was received by VLCT from sales of assets and miscellaneous income.

2017 Analysis of Funding Sources





Human Resources

The past year brought many exciting changes to VLCT and gave us a great opportunity to think about how we work. We saw the creation of two new positions and tremendous growth for individuals as well.

The year before saw the departure of longtime Director of Risk Management Services Ken Canning. Joe Damiata, Manager of Underwriting, Safety and Health Promotion, was promoted to Interim Director of RMS. That move called for some reorganization, so Fred Satink moved into Joe's previous position; Jim Carrien moved from Loss Control/RMS Admin to serving members in the field as a Loss Control Consultant; and a new RMS Administrative Assistant position was created and filled. After six months in the director position, it was apparent that Joe was the right fit to lead RMS, so Joe was offered the position on a permanent basis.

Another area that VLCT felt would benefit from a senior leadership position was in the area of communications and marketing. With the VLCT website in the middle of a significant upgrade, and the League's 50th anniversary year underway, it was important to have an experienced communications leader on staff to help VLCT remain relevant with both current and potential members as well as constituents. In May 2017, VLCT brought Dean Mudgett on board as our first Director of Communications & Marketing. Seven staff members from the Human Resources & Administration, Information Technology & Communications, and RMS departments joined Dean on the newly established Communications & Marketing Team.

VLCT chose to let staff have a greater choice when it came to their health insurance by giving them the opportunity to choose from all of Blue Cross Blue Shield of Vermont's 2018 plans, a process that took place toward the end of 2017. For 2018, VLCT was able to level fund its contribution, while also giving staff more flexibility in their choices. This approach has proven a better option than a one size fits all approach, and allows VLCT to share the cost burden while still offering robust plans.

2017 Governor's Worksite Wellness Award





Information Technology

VLCT's Information Technology department experienced significant transition in 2017. The League completed an RFP and subsequently selected IT managed service provider VC3 to work with the League to migrate business-critical application servers to a Tier-3 data center with redundant power, data access, and backups. This move to "the Cloud" will help VLCT achieve a substantially reduced timeframe for business continuity should a disaster affect the League's Montpelier office space. As part of the cloud migration, staff desktop applications now operate in a virtual environment in the same data center as our servers, and individual PCs now serve primarily as terminals to connect staff members to a virtual







desktop. This set-up isolates the work environment from the PC hardware and any problems or malware that might affect it. With the virtual desktop in place, staff can now work from any location that has a good internet connection, and conduct their work using almost any type of PC or mobile device. At the same time as this move to the Cloud occurred, VLCT also switched over to Microsoft Office 365, a Microsoft-managed cloud service, for all MS Office applications and email services used by League staff.

With VLCT IT applications and networking resources hosted in a much more robust and secure environment, the IT team began exploring ways to address the resiliency of the League's phone and communications system. That work continues into 2018 as the team gathers information and plans a path to virtualizing the VLCT phone system, making it capable to function independent of the status of VLCT's physical office space.

*VC3 Headquarters in
Columbia, South Carolina*



Vermont League of Cities & Towns

-  89 Main Street, Suite 4,
Montpelier, VT 05602
-  800-649-7915
-  info@vlct.org
-  vlct.org