Local Government of the Future Subcommittee Advisory Commission on Intergovernmental Relations

Tuesday, March 28, 2023

Note: This document is ACIR staff notes written during this subcommittee meeting. It is a public document and has been provided to meeting participants for their review and revised in accordance with any comments received but is not approved minutes of the meeting.

The agenda is available at: <u>https://egov.ct.gov/PMC/Agenda/Download/17147</u>

The meeting recording is available at: <u>https://portal.ct.gov/-/media/ACIR/Meetings/2023/2023-03-28_ACIR_LGF_Audio.m4a</u>

ACIR Members present: John Filchak, Matt Hart, Jim O'Leary, Troy Raccuia, Francis Pickering, Brendan Sharkey, Mike Walsh

Other participants: Rick Porth, Margaret Wirtenberg

ACIR/OPM staff: Christine Goupil, Bruce Wittchen

1. Call to order

Commission chair Sharkey called the meeting to order at 10:34.

2. Review of draft 2/21/2023 LGF notes and draft 3/3/2023 ACIR minutes, if helpful

There were no comments or questions about the notes.

3. Reading assignment (optional)

• <u>Does CT need 169 municipalities? Some say merging makes sense</u>

Commission chair Sharkey said Tom Condon had written the article and he has invited Tom to attend an ACIR meeting. He described Tom's background and interest in many of the issues of interest to the ACIR. Commission vice chair Filchak said he had spoken with Tom during the preparation of the article.

Commission vice chair Filchak provided some background regarding the potential merger of Chaplin, Hampton, and Scotland. He highlighted that even the combined town would have a population of less than 5,000 but would be geographically large. He noted there has been a change in leadership since earlier discussion and that new leaders are not opposed, but it is not as high on their radar. He pointed out how few public works staff each town can employ and how few students the towns have, a combined 150 in grades 7-12. Education costs exceed \$30,000 per student.

Commission vice chair Filchak said he is aware of similar discussions in other area towns. He highlighted that some town offices once had been open five days per week, then four, and are now down to one. They cannot hire professionals to fill such positions and he said sharing such staff might be better than merging. Commission member Hart mentioned a potential role for the <u>Regional</u> <u>Performance Incentive Program</u> (RPIP) but added that the program seems to be getting caught up in the affordable housing discussion and no longer is considered nonpartisan. There is fear of a loss of local control.

Commission member Pickering said he has had to allay some people's fears and that there are concerns about local housing authorities being regionalized without having the choice. He added that research does not show the expected savings resulting from forced mergers. Christine Goupil agreed with Commission members Hart's and Pickering's comments about people linking shared services with affordable housing but highlighted that many are also concerned about losing control over local staffing. She said shared services should be seen as bringing value to municipal services and also pointed out that small towns often miss out on staff development opportunities.

Commission vice chair Filchak mentioned the regional election monitors required by <u>CGS Sec. 9-229b</u> and potential changes proposed in <u>SB 1190</u> and said one legislator mentioned concerns about county government during the committee discussion. He pointed out that many people do not understand that COGs are the region's municipal CEOs. He mentioned that a legislator from his region who, in speaking against <u>HB 6890</u>, *An Act Concerning Qualifying Transit-Oriented Communities*, had described the limited staff of his small town without mentioning the shared and regional services they use.

Commission chair Sharkey said this discussion relates to a later agenda item and recommended engaging with legislators to help them understand these issues. Commission member Pickering asked where the concerns regarding COGs are coming from and said he believes COGs have good relationships with legislators. Margaret Wirtenberg mentioned emails from <u>www.ct169strong.org</u> and Commission chair Sharkey noted the political environment of social media. Commission member O'Leary mentioned the discussions of legislative proposals at his COG's legislative breakfasts but said he does not recall discussions of municipal relationships.

Commission vice chair Filchak agreed that legislators know what COGs do and asked if the ACIR should invite people from 169 Strong to attend one of our meetings. Commission member Pickering said he has spoken with them and they are not opposed to COGs. There was a misunderstanding of some legislative language and they had limited time to respond. Commission chair Sharkey agreed that it could be helpful to invite them to one of the ACIR's meetings.

Christine Goupil described the approach that <u>RiverCOG</u> has used to inform its municipalities of opportunities for shared or regional services and Commission vice chair Filchak said COGs are required, as a condition of their state funding, to annually report on such activities to OPM and the legislature. There is a lot of information out there.

4. Local Government of the Future (LGF) Initiative

- Update on Property Tax Restructuring (see <u>Property Tax Restructuring Report</u>)
 - o <u>Update</u>
 - o <u>Next Steps</u>

Commission chair Sharkey described his outreach to legislative leaders regarding the desire for a meeting in April, after committees' joint file deadlines but before full sessions. He said it will be important for groups represented by ACIR members to speak with one voice and highlighted that the ACIR is looking for change in 2023, 2024, and beyond.

Commission member Pickering said commercial real estate is expected to fall and property tax burdens will shift to residential property owners and renters and Commission member Hart mentioned <u>an article in that day's Hartford Courant</u> describing CCM's concern regarding a shift in taxes. Commission chair Sharkey noted the long-term growth in property tax burdens and said it is not addressed by broad-brush cuts to income taxes. He mentioned the involvement of some ACIR members in the Governor's transition and that property taxes were a major point then but are not a priority now. He said a legislative information session and press conference can explain the burden of the property tax. Commission vice chair said he agreed with that approach and added that the desired information session should be viewed as a new start. Commission chair Sharkey cautioned against presenting this as reinventing the wheel and instead recommended making connections to other initiatives, such as legislation regarding <u>Education Cost Sharing</u> reform. Commission vice chair Filchak recommended that the ACIR focus on building for 2024 and mentioned the Dept. of Revenue Services' 2022 <u>Tax Incidence Report</u>, which the ACIR discussed previously. There was further discussion of the reduced level of interest at the state level and Commission member Pickering noted that the state has less control over changes that are intended to reduce taxes at the local level and would not get credit for them.

Commission member O'Leary asked for an update about increased ACIR staff support and Commission chair Sharkey said it is not in the current budget. Commission member O'Leary asked if that can be changed and provided an overview of the ACIR's previous staffing level and said the ACIR is hampered by its lack of staff. The chair and vice chair should not have to do so much. He asked if COGs, RESCs, or universities can contribute to things the ACIR lacks the capacity to do.

Commission chair Sharkey said he can reach out to legislative leaders about possible funding for staffing the ACIR. He recommended being mindful in seeking non-state funding but agreed regarding the potential for collaboration. He mentioned changes at UConn's School of Public Policy and noted that his own bandwidth is shrinking because of other obligations. Commission member O'Leary said members should not have to do work that the ACIR used to have staff to do. He suggested that COGs might find grants to hire consultants for this and said the ACIR develops ideas but does not have the capacity to work on them. There was further discussion of the desire for increased staff capacity and Commission member O'Leary said the ACIR needs 1-2 full-time staff.

Christine Goupil said there might be a better opportunity for the ACIR's property tax restructuring initiative if the group brings it to the legislature after the end of this session, avoiding the need for it to meld with other legislation already under way this session. She noted the number of new legislators who might not yet understand factors such as education cost sharing. Christine also mentioned the possible availability of UConn interns. Commission chair Sharkey disagreed regarding the suggested delay of the ACIR's initiative and said connections to current bills are helpful. He agreed regarding the benefits of interns and that the ACIR see this as a long-term effort.

There was general agreement with proceeding in April if the ACIR is able and further discussion of the potential for collaboration with UConn, particularly the <u>Institute for Municipal and Regional</u> <u>Policy</u> (IMRP). Commission vice chair Filchak said this initiative will require a deep dive by the ACIR and added that if there is pushback against increasing ACIR staffing at OPM the ACIR should consider if RPIP funding can be used to house some at a COG to do ACIR work. Commission member Hart said some CRCOG board members have suggested the same. He also said UConn's IMRP is largely limited to criminal justice. Bruce Wittchen said that has been the focus of much of the IMRP's funding, but he has talked with them about their potential involvement in other topics for one of his non-ACIR programs and they are interested.

- Engage with RESC and COG directors/chairs re LGF initiative
 - Seek to convene the RESCs and COGs after the end of the session?

Commission vice chair Filchak mentioned the <u>Commission on Municipal Opportunities and</u> <u>Regional Efficiencies</u> (MORE Commission) and mentioned the <u>2/2016 draft report</u> of the commission's Regional Entities Subcommittee's Education Policy Working Group.

Commission member Filchak said the working group discussed the lack of a COG-RESC relationship and he highlighted the report's 2nd recommendation: *Education should be embraced as a fundamental element of regionalism in Connecticut*. He said there has been only one joint meeting of COG and RESC directors in 28 years and he recommended the ACIR convene such a meeting. He highlighted the extensive transportation services provided by RESCs and noted a

potential role for collaboration with MPOs. The states of ID and OR are looking into this. He also mentioned the <u>2020 task force report</u> and its references to the flexibility of COGs and RESCs providing services, but noted that COG and RESC boundaries do not align well.

Commission chair Sharkey recommended scheduling a COG-RESC meeting in the summer and said it could be organized to advise the ACIR. He also mentioned different services that RESCs and COGs have the capacity to offer. Commission member Pickering mentioned a transportation efficiency study done by Washington state and said confidentiality concerns here would prevent it being done here. He added that he believes RESCs would not hesitate to collaborate as the ACIR is discussing.

Commission vice chair Filchak said there often is a lack of trust between municipal and school officials, but pointed out that school systems tend to have a larger business office. He pointed out the opportunity for collaboration between them and there was a discussion of how that fits within the ACIR's recommendations for property tax restructuring. Commission chair Sharkey said he will start the conversation with the RESCs and Commission vice chair Filchak said he will do the same with the COGs.

<u>CAPSS Blueprint</u>

There was no discussion

• <u>*Governance Study Committee Report*</u> – Town of Chester (2/9/2023)

Commission vice chair Filchak noted the quality of the report and pointed out that volunteers had prepared it. He suggested inviting them to an ACIR meeting to describe their process.

5. Future topics/initiatives, if any

There was no discussion of future topics or initiatives.

6. Next meetings

Bruce Wittchen pointed out that the next meeting of the full ACIR will be the 2nd Friday of April, not the usual 1st Friday.

4/14/2023	ACIR (2 nd Tuesday, due to Good Friday)
4/25/2023	LGF Subcommittee

7. Adjourn

The meeting adjourned at 12:02

Notes prepared by Bruce Wittchen, OPM