# **Advisory Commission on Intergovernmental Relations**

## Friday, March 1, 2024

Agenda: https://egov.ct.gov/PMC/Agenda/Download/24157

A recording is available at: https://ctvideo.ct.gov/opm/2024-03-01 ACIR Video.mp4

**Members present**: Carl Amento, Maureen Brummett, John Filchak (Vice Chair), Bridget Fox, Sam Gold, Matt Hart, Martin Heft, Karl Kilduff, Keith Norton, James O'Leary, Troy Raccuia, Lon Seidman, Brendan Sharkey (Chair), Steve Stephanou, Ron Thomas

**Members not present:** Steve Cassano, Brian Greenleaf, Laura Hoydick, Jeff Kitching, Francis Pickering, Katie Stargardter, Ethan Van Ness

Other participants: Laura Francis, John Harkins, Louis Rosado Burch

OPM staff: Christine Goupil, Greg Lowrey, Justine Phillips-Gallucci, Bruce Wittchen

Pending Appointment:	Nominated by COST: Municipal official: Town of <10,000
	Nominated by COST: Municipal official: Town of 10,000 – 20,000
	Nominated by CCM: Municipal official: Town of >60,000

## 1. Call to order and overview of telemeeting procedures

Commission vice chair Filchak called the meeting to order at 10:34 and asked Commission member Heft to introduce new members Bridget Fox of Stamford and Steve Stephanou of Manchester, who had been nominated by CCM and appointed by the Governor.

## 2. Approve draft minutes of $\frac{2/2}{2024}$ meeting

The draft minutes were not approved because this agenda item was inadvertently skipped when introducing the new members.

## 3. Membership Updates

This was addressed earlier.

## 4. Update on 2024 legislative proposal

There was a discussion of the committee process and the now-passed deadline for the ACIR's legislative proposal. Commission member Heft said he will try to learn more about the circumstances. Commission vice chair Filchak explained that a central feature of the proposal is that organizations that currently nominate candidates for appointment by the Governor would be given authority to directly appoint those members.

## 5. Establish ACIR work plan for 2024-2025

Potential 2024 Topics & Approaches (based on 2/2/2024 discussions) Also see:

- <u>ACIR 2023-09-08 Visioning Outcomes</u>
- 2020 report of Task Force to Promote Municipal Shared Services

Commission member Hart mentioned a previous meeting's discussion of periodically inviting speakers to ACIR meetings and recommended doing that. He also highlighted the importance of

public sector workforce development. Steve Stephanou said the municipal workforce is almost at a crisis level and noted various programs that should be part of the workforce development system.

Commission vice chair Filchak added that there is an impact on municipal stability and referred to Items 2 & 3 of the list in the <u>Potential 2024 Topics & Approaches</u> document linked in the agenda. He recommended engaging the <u>regional workforce development boards</u> and suggested convening a panel at an upcoming ACIR meeting. He also noted the significance in education, highlighting the impact of impediments to regional school district formation as many local systems' enrollment declines. Commission member Seidman pointed out that bureaucratic issues block the reopening of a school in his regional district.

Commission chair Sharkey mentioned the ACIR subcommittee's conclusion that the ACIR should identify a couple topics to focus on in 2024. Municipal workforce development can be one and he asked about needs on the education side, mentioning special education. Commission vice chair Filchak said the group can revisit special education, mentioning past work by the <u>Commission on Municipal Opportunities and Regional Efficiencies</u> (MORE) and its <u>Special Education</u> <u>Subcommittee</u>.

Commission member Norton said special education is a hot topic at the General Assembly and mentioned the Appropriations Committee's discussion of how to better fund it. He noted the challenge of predicting those costs and described how costs are estimated on the basis of previous years' data. The resulting numbers can be way off.

Commission member Norton pointed out that there are fewer students in special education but costs have increased. Services are more expensive but students being referred might need more services. This is an example of the discussions happening at the General Assembly. He also mentioned teacher workforce development efforts, including a program working with 9<sup>th</sup> and 10<sup>th</sup> graders, but it will be 7-10 years before they are teachers. There was further discussion of the special education cost determination and of the timing of the state's process.

Commission member O'Leary said another factor related to the state's workforce development needs is that municipal salaries are not competitive. Regarding regional school districts, he highlighted that the merger of the Litchfield school district with Region 6 to form the new Region 20 District was discussed for more than twenty years. He recommended inviting people involved with that transition to speak to the ACIR about the challenges. He agreed with earlier discussions of the significance of special education costs, noting that state funds provide property tax relief, and also pointed out the importance of the ACIR's work on mandates.

Commission member Thomas agreed with Commission member O'Leary regarding the significance of the ACIR's work on mandates. He added that CCM can help by spotlighting mandates thought to be insignificant that have turned out to be significant. He also agreed with statements about the impacts of special education costs on the property tax and with the ACIR continuing its work on property taxes.

Commission vice chair Filchak noted the challenges faced by small town that lack professional administration or management and said towns should be brought into the 21<sup>st</sup> Century. Commission member Hart said 32-35 towns have a council-manager form of government but said some small towns now have town administrators, which is a good change, but recent losses of assistant town manager positions reduces the pipeline of people prepared to be town managers. He also noted the significance of budgets being adopted by referendum and including education costs.

Commission member Stephanou said there are more innovations elsewhere, noting that the state would not have 169 towns if starting from scratch. We lack economies of scale and a municipal workforce pipeline. He added that an effort is needed to show how fulfilling a municipal career can

be. Commission member Thomas agreed and recommended looking at best practices for staff development. He also described CCM's effort to build interest with videos of non-elected town officials explaining their jobs. Commission vice chair Filchak said he has worked for 85 different municipal CEOs during his career at the COG and has lost track of the number of assessors and building officials his COG's towns have had during that time. Towns need stability. He noted that MA's small towns often have town administrators, freeing their councils to focus on policy. He also pointed out that workforce development is not mentioned in the <u>2020 report of Task Force to</u> <u>Promote Municipal Shared Services</u>.

There was a discussion of the 2020 task force report being a solid base to work from with adjustment to its priorities and the addition of workforce development. Commission member O'Leary suggested also taking another look at recommendations of the Local Government of the Future initiative but highlighted the need to for the ACIR to find more capacity for the work it has in mind. Commission member Hart mentioned HB 5056, *An Act Facilitating The Expansion Of Shared Municipal Services*, and recommended looking at the performance of <u>Regional Performance Incentive Program</u> (RPIP) and any remaining legal or other barriers to such efforts.

## 6. Pending legislation

Commission vice chair Filchak provided a quick description of the bills listed on the agenda and of others, noting that HB 5056 has not been heard. Commission member Thomas said CCM is interested in those and other bills. He highlighted HB 5173, *An Act Authorizing The Online Publication Of Legal Notices By Municipalities*, which he said has been an issue for years, and described the move to online notices. He added that CCM is also looking at the budget and <u>state education cost sharing</u> (ECS).

Commission vice chair Filchak mentioned <u>HB 5313</u>, *An Act Reestablishing The Legislative Program Review And Investigations Committee*, and said it will have a hearing on Monday. There was a discussion of the time required for the previous office's reports, which often were completed too late for action to be taken. Commission chair Sharkey recommended a more streamlined, nimble approach, noting that the office could choose its own topics in the summer and present the results in the winter. Commission member Stephanou mentioned CCM's *This Report is Different*.

There was a discussion of <u>HB 5116</u>, *An Act Reducing The Mill Rate Cap For Motor Vehicles And Reimbursing Municipalities For Lost Revenue*, and Commission member Hart distinguished it from <u>HB 5192</u>, *An Act Eliminating The Property Tax On Motor Vehicles*, which would not replace the lost municipal revenue. He acknowledged equity concerns regarding the motor vehicle tax and said there would need to be a sustainable, reliable replacement for the loss of that municipal revenue.

- 7. Potential future topics
  - <u>CT DRS 2023 Tax Incidence Report</u> (issued 2/14/2024)

Commission vice chair Filchak provided an overview of the report and said the property tax stands out. He said the <u>Dept. of Revenue Services</u> (DRS) admits it does not capture all the needed data and he mentioned the <u>State of MN's studies</u>, which he said do. He said the ACIR should make the case for addressing the property tax and Commission member asked about scheduling a presentation. Commission vice chair Filchak agreed with that suggestion and mentioned CT Voices for Children's response to the CT report.

There was a discussion of scheduling a DRS presentation at one of the next two ACIR meetings. Commission vice chair Filchak said the infrastructure bank concept can also be discussed if DRS Commissioner Boughton is involved the presentation, pointing out concerns with the burden of local matching fund requirements discussed at previous meetings.

## 8. Upcoming meetings:

There was a discussion of the ACIR's next step for identifying its priorities for work in 2024, with general agreement to include municipal workforce development on both the general government and education side. Commission member O'Leary agreed with those topics but recommended also looking at the Task Force report's discussion of shared services because of the economies of scale they can provide. All of that fits together. Commission vice chair Filchak said updating that report is not a heavy lift while the focus of effort would be on municipal workforce development. Commission member O'Leary recommended also including mandates.

Commission vice chair Filchak pointed out that he had been instructed to remove references to regionalism from the 2020 task force report. He said the word should be reinstated. Commission chair Sharkey noted that the meeting has lost its quorum and Commission vice chair Filchak recommended developing an outline and bringing it back to the group for a vote next month. There was a discussion of including that on the agenda for this month's subcommittee meeting. There also was further discussion of the ACIR's 2024 legislative proposal not being raised and alternative approaches for expediting the appointment process for filling vacancies on the ACIR.

• Tuesday, March 26, 2024, 10:30 am

LGF Subcommittee (3rd Tuesday) Full ACIR

• Friday, April 5, 2024, 10:30 am

## 9. Adjourn

The meeting adjourned at 12:06.

Minutes prepared by Bruce Wittchen, OPM