

Advisory Commission on Intergovernmental Relations

Hearing Room 1B, Legislative Office Building
Hartford, Connecticut

Tuesday, January 26, 2016 – 1:00 P.M.

Members Present: Scott Jackson (Chairman), Sen. Stephen Cassano, John Filchak, Robert LaFrance, James O’Leary, Rob Michalik, Rep. Frank Nicastro, Lon Seidman, Ron Thomas, Leo Paul, Scott Shanley, Joyce Stille and Lyle Wray

Members Absent: Carl Amento, John Finkle, Barbara Henry, Lisa Roy and Michael Stupinski

Staff: Bruce Wittchen

Opening Remarks:

1. Call to Order

Commission member Jackson called the meeting to order at 1:02 and asked members to introduce themselves.

2. Consideration of the draft minutes of the December 7, 2015 meeting

A motion was made and seconded to approve the minutes of the [December 7, 2015 meeting](#) and the motion was approved unanimously, with Scott Shanley and Lyle Wray abstaining.

3. Consideration of ACIR reports

a. [2015-2016 municipal budget adoption experiences report](#)

Bruce explained that this report refers to the current fiscal year and provided an overview of the report, noting that the findings were generally similar to recent years. He added that, for the first time, municipalities were asked if they had adjourned a council or town meeting to a referendum and at least 45 of the towns adopting their budget by referendum had done so. Bruce also pointed out that 99 municipalities had increase of less than 2.5%. That is the threshold specified in Sec. 207 of [PA 15-244](#) beyond which state funding to municipalities will be reduced.

Bruce noted that members had only received the report the previous day and, if anyone wants to suggest changes, there is no statutory deadline requiring the report to be approved today. A motion was made and seconded to approve the report and there was a discussion of members' desire to make the report available to legislators ahead of the approaching session. The motion was approved unanimously.

b. P.A. 15-244 – Municipal Spending Cap

Commission member Jackson noted that this is not an additional report but seemed to be the best point in the meeting for a discussion of PA 15-244's spending cap, given the reference to it in the municipal budgeting report. He distributed copies of the PA's Sec. 207 and highlighted that this cap applies if a municipality pays the cost for something but not if the municipality takes on debt instead. The new language also will encourage municipalities to go to arbitration rather than negotiate in good faith.

Commission member Jackson said reducing property taxes is a laudable goal and Commission member Shanley said this does not address the real problems. He added that the [CT Council of Municipalities](#) (CCM) would like to move the effective date to 2020 to see the trend in state payments through that time.

Commission member Paul said officials in Town Meeting towns face a situation in which people at the town meeting can vote to add to the budget. There was a discussion of there being no purer form of government than a town meeting, but people at a town meeting can approve a higher budget than intended by the Board of Finance and Board of Selectmen. That might lead to more potential for conflict with the state's cap on budget increases. Commission member O'Leary said the same is true of regional school district's because town leaders do not control regional district budgeting.

Commission member Jackson said that, although the cap is not yet in effect, legislators will be looking at this issue. There was a discussion of who the ACIR communicates its findings to and of the role of the ACIR's General Assembly members. It was noted that CCM advocates for municipalities and Commission member Cassano noted that most of what the ACIR focuses on goes through the [Planning & Development Committee](#) and that he is that committee's Vice Chair.

4. Old Business:

a. Nutmeg Network Status Update

Commission member Wray distributed [Nutmeg Network](#) demonstration project information. He listed some financial and technical benefits available to municipalities accessing the network and noted that 36 of the 38 CROCOG municipalities are on the network. He also mentioned that, with an increasing number of people dropping their TV cable service, providing meetings over the internet is increasingly important.

Commission member Wray described a [Voice Over Internet Protocol \(VOIP\)](#) demonstration project and explained the available options and that it costs half as much as other phone services. He described other opportunities available through connection with the Nutmeg Network, including various document management options, Savings can be 30-70% and use of this will expand dramatically.

Commission member Jackson said he is signing off on new grants every few days and added that the program is well run and services like this can help municipalities keep budget increases below 2.5%. Commission member Wray said it is important to recognize that service available via the Nutmeg Network can eliminate the need for a town to maintain its own server. He added that the Nutmeg Network remained in service throughout Tropical Storm Sandy and that towns can eliminate the need to staff an IT program. He noted that it will take years for municipalities to fully enter such a system and there was a discussion of various implications.

Commission member Shanley pointed out that the state's networks already reach every police and fire department and the schools. What municipalities must decide is what other municipal facilities to connect to the Nutmeg Network. Commission member Stille said it works for towns like Bolton, which will use the electronic document management. This opportunity should be more widely known.

b. Legislative Changes Update – FY2017

Commission member Jackson noted that this agenda item was intended for an update from CCM and suggested it be deferred until Commission member Thomas arrives unless anyone else would like to raise any issues for discussion.

c. Other

There was no additional old business.

5. New Business:

a. ACIR Mission and research project & COG/RESC Summit – January 29, 2016

Commission member Jackson mentioned the \$10,000 allocated for ACIR research and said an upcoming meeting with directors of COGs and Regional Education Service Centers (RESCs) should be helpful in guiding such research. His goal was to generate data and he had expected to schedule meetings with CCM and others to determine needs prior to learning of his upcoming move to the Dept. of Labor.

c. Transportation Finance Panel – Metropolitan Planning Organizations

There was a discussion about how the recent COG reorganization is expected to improve the process and how changes to Metropolitan Planning Organization (MPO) boundaries should conform with COG boundaries to the extent possible. There also was a discussion of the significance of [federal aid urban areas](#). There was further discussion of how MPO's function, the planning demands of the Governor's [Let's GO CT](#) proposal and whether planning and design functions will have to be decentralized from DOT to handle that \$100 billion initiative.

Commission member Jackson said it would be doing a disservice if new MPO boundaries are not aligned with COG boundaries. Commission member Filchak said he agrees and mentioned the amount of time and effort that went into reorganizing the COGs. He noted that his COG is one of two rural, non-MPO areas in CT, but they do have transportation planning capacity. He also mentioned his COG's role in maintaining the [Northeastern CT Transit District](#)'s administrative overhead at a low level that CT Transit cannot match.

Commission member Paul asked if the expectation is for the state to have three MPOs. He also asked if the areas of the state's northeastern and northwestern COGs, which are not currently MPOs, would then be incorporated into MPOs. He noted that other New England states also have Rural Planning Organizations (RPOs). He is concerned about the state's rural COGs being pulled into MPOs. Commission member Wray said it is his understanding that the northwest and northeast rural transportation areas will remain separate from the expected three final MPOs. Boundaries of those larger MPOs will follow the boundary of COGs combined within each MPO.

There was further discussion of rural COG concerns and Commission member Paul said rural COGs are concerned about funding. Commission member Filchak said there had been a concern that, if his rural COG had been combined with the South East CT COG, it would have led to a loss of funding and influence for the rural area. Commission member Cassano said the General Assembly's intent has been to protect such COGs.

4. Old Business:

b. Legislative Changes Update – FY2017

Commission member Jackson noted that Commission member Thomas had arrived at the meeting, so returned the meeting to agenda item 4b and asked him what CCM anticipates for the coming legislative session. Commission member Thomas said CCM has three [legislative priorities](#) for this session: mandates, the new spending cap and blight. He provided an overview of the issues and noted CCM's appreciation for the ACIR's mandates reporting. He also said that, if the spending cap cannot be eliminated, it should be delayed and modified.

There was further discussion of the spending cap, including CCM's desire for the list of exemptions to be expanded. He noted uncertainties regarding the process OPM will use to enforce the requirement and also that over-rides are based on MA's process. There also was a discussion that arbitration awards should not be exempt and that, if the cap is to remain in place, it should work for the municipalities.

Commission member O'Leary asked how the process will account for the independence of regional school district budgeting and Commission member Thomas said there should be an opportunity for debating the application of the cap at the General Assembly. Commission member O'Leary described the regional school district budget process, which provides no recourse for member towns when adopting their own budgets, and pointed out that education accounts for a majority of a small town's budget.

There was a discussion of the level of interest by legislative leadership in modifying the cap requirement and of municipal leaders' interest in limiting spending. Commission member contrasted the budgeting process of town meeting towns in his region with the process in Torrington. There was further discussion of the cap and of the broad desire for compromises in the cap if it cannot be eliminated.

6. The next meeting will be at a time and place to be determined

The meeting was adjourned at 2:12

Minutes prepared by Bruce Wittchen, OPM