

**Southeastern Connecticut
Council of Governments
Shared Services Opportunity Study**

January 2018



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Southeastern Connecticut Council of Governments

Shared Services Opportunity Study

January 2018

Prepared for:

Southeastern Connecticut Council of Governments



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CGR improves the quality of communities through impactful research, analysis, consultation and data management for the public, nonprofit and philanthropic organizations that serve them

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CGR makes communities strong, thriving and competitive

Our Values

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Applied
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Executive Summary

In 2014, the Southeastern Connecticut Council of Governments (SCCOG) was awarded a grant from the Regional Performance Incentive Program (RPIP) via the State of Connecticut's Office of Policy and Management. The purpose of the grant was to support a review of shared service opportunities among SCCOG's member municipalities. Following a public request for qualifications, in April 2017 SCCOG selected CGR, the Rochester, New York-based Center for Governmental Research Inc., to complete the review.

Opportunities to expand shared services in the SCCOG region build on a reasonably strong foundation. SCCOG member governments collaborate to jointly deliver a host of important services. The mosaic of collaborations is diverse and demonstrates a long-standing and ongoing willingness on the part of municipalities to seek – and implement – collaborative solutions where it makes sense and sustain (or even enhance) the quality and level of service residents depend on.

Our review identified 33 existing shared arrangements involving SCCOG member governments, spanning 15 service areas. Notably, every SCCOG member is party to at least one shared or collaborative service.

Some shared services have been in place for decades; others are more recent. Some involve two, three or four municipalities working collaboratively; others span a dozen communities or more. Some transcend Council of Government boundaries and involve partnerships with neighboring COGs and the municipalities within them. Some are a function of regional frameworks required by state law; others involve voluntary collaborations on services municipalities are otherwise authorized to deliver independently (and in many other parts of Connecticut and the northeast, often do). Some are exclusively municipal partnerships; others involve multiple municipalities securing a common service from a non-municipal third party. Some have financial values of a million dollars or more; others involve minimal exchange of dollars.

SCCOG's shared services ecosystem is characterized by five "sharing communities" which can serve as a foundation for expanding existing sharing or introducing new shared frameworks. The communities tend to involve common partners; are geographically concentrated; differ in size and the extent of their connections; and often rely on non-municipal / third party service providers as important "connective tissue" on specific services, such as health.

Over the course of CGR's work with SCCOG, and in particular through our interviews with elected officials and municipal personnel, we have found that the region is characterized by three elements that support expanded cooperation:

- A shared services record that is at least on par with its peer regions;

- A reasonable level of trust among officials, particularly elected leaders, that can serve as a powerful catalyst for expanded collaboration; and
- An openness to consider (and willingness to pursue) new shared services.

Another factor driving officials' openness to consider new shared services is the broader fiscal environment. The extended impasse that characterized the most recent state budget process offered a poignant reminder of Connecticut's fiscal challenges, and how funding uncertainty and cost growth are challenging traditional methods of service delivery. A large majority of SCCOG elected officials interviewed for this project acknowledged that the delivery of municipal services has gotten more difficult in the past 5-10 years, and that fiscal uncertainty represents a challenge to sustaining the high-quality services that characterize the SCCOG region.

Shared service opportunities identified by CGR span 11 service areas. Each is different in its respective level of detail, ability to be analyzed, implementation complexity and potential for quantifiable savings. Still, even where opportunities are at more of a "conceptual" level, CGR has included them. In several cases, additional planning and analysis by a group of service experts from SCCOG municipalities will be required to fully flesh out details. The opportunities result in the following recommendations:

Health

- The 2 SCCOG municipalities that currently operate their own part-time local health department should consider joining one of the existing regional health districts.

Animal Control

- Small and mid-sized SCCOG municipalities that currently operate their own animal control service should consider joining NECCOG's regional model. Based on their size and current spending level, North Stonington and Preston, along with Ledyard, appear to CGR to be the most appropriate candidates.

Planning

- Small and mid-sized SCCOG municipalities that currently operate their own planning office should consider joining SCCOG's contract services model. Based on their size and current spending level, Preston, North Stonington, Lebanon, Ledyard and Griswold appear to CGR to be the most appropriate candidates. And although larger towns such as Stonington and Colchester have deeper planning staff capacities, there may be cost savings opportunities for them as well.

Tax Assessment

- SCCOG municipalities should pursue shared assessment operations through inter-municipal agreement, using common municipal assessors (where feasible), shared “back office” support services, or both. Ideally, arrangements should seek combined account portfolios at or above 10,000 in order to leverage the greatest unit cost benefit.
- SCCOG municipalities, particularly those on a common revaluation schedule, should jointly bid revaluation services.

Public Works

- Public works directors should gather on a regular basis to share best practices and identify new collaborative opportunities.
- Expand the practice of using group purchasing of services (such as catch basin cleaning and road striping) to all appropriate users and consider expanding collaboration to include purchasing of capital equipment.
- Investigate technology to improve efficiency of operations.
- Explore selling / swapping services across SCCOG municipalities, such as vehicle maintenance or small area paving.
- Actively share seldom-used or specialty equipment through formal agreements or a cooperative fleet management.

Recreation

- Pursue a shared, more regional approach to marketing / advertising recreation programming throughout the SCCOG region. The most natural and immediate opportunity would involve creating and managing a shared website for program schedules and registration.
- Consider developing a “regional recreation strategic plan” that evaluates programmatic overlaps / gaps throughout the region and identifies opportunities to combine offerings where current enrollment levels or trends put long-term sustainability at risk.
- Centralize or pursue targeted sharing of equipment purchasing, technology programs and training opportunities.
- Increase collaboration with high schools, human service programs and youth bureaus within and across member municipalities.

- SCCOG members may wish to explore formation of a municipal (or metropolitan) district to administer recreation and parks functions. In addition to supporting several of the preceding recommendations, such a district would provide an opportunity for dedicated funding.

Administrative Services: General

- Establish “user groups” of SCCOG department heads / staff within each of four service areas (Financial Administration, Purchasing, Human Resources and Information Technology) to meet regularly and discuss best practices, perspectives, challenges and opportunities.

Administrative Services: Finance

- Where it has not already occurred, SCCOG municipalities and their BOEs should formally evaluate alignment of the financial administration software system(s) each currently has in place. In cases where both are utilizing common systems under different licenses, there may be an opportunity to combine under a single license and generate cost savings. By contrast, in cases where the municipality and BOE are using different systems, consideration should be given to migrating to a common system in the future.
- Given that at least 6 different ERP systems are currently in place across the region’s governments, and that more than half currently do not have such a system, SCCOG municipalities should consider the feasibility of migrating to a single ERP system.
- Given that at least 4 different Document (File) Management Systems are in place across the region’s governments, and nearly two-thirds of municipalities do not have such a system, SCCOG members should consider jointly procuring a common Document Management System.

Administrative Services: Purchasing

- SCCOG municipalities, particularly small to mid-sized governments, should consider jointly pooling the purchasing function through a shared services contract.
- SCCOG members that are not currently participating in the Capitol Region Purchasing Council should begin doing so.

Administrative Services: Human Resources

- SCCOG municipalities and their Board of Education should seek to share common human resource functions as a step toward fully integrated municipal-BOE human resource offices.
- Small and medium sized SCCOG municipalities should consider outsourcing certain HR services, where possible. Further, joint bidding of those services would yield the most aggressive pricing.

Administrative Services: Information Technology

- Aggressively pursue opportunities for joint bidding / procurement of software and hardware. An immediately available option is the CRPC's IT Services Cooperative. SCCOG municipalities that are not already members of the Cooperative should join.

Acknowledgements

CGR acknowledges SCCOG's member governments for the financial and service data, organizational information and general guidance they provided to the study team throughout this project. We are particularly grateful to the region's chief elected officials, each of whom spent time interviewing with CGR's project team and ensuring our comprehensive understanding of the services they provide, challenges they face, and shared service opportunities they see offering promise. Similarly, we thank those officials who participated in CGR's service focus groups to discuss shared service obstacles and opportunities, as well as representatives of Ledge Light Health District, Uncas Health District, Northeastern Connecticut Council of Governments and Capitol Region Council of Governments, each of whom provided valuable insight and information through interviews.

We are especially appreciative of the efforts of SCCOG staff, particularly Jim Butler and Amanda Kennedy. Their insight, feedback and logistical support throughout the project, and the role they played in connecting CGR's project team to key officials and information sources, was invaluable.

Staff Team

CGR's staff team was led by Joseph Stefko, Steven Hanmer and Paul Bishop. Data, analytical and communications support was provided by Yiwei Wang, Amelia Rickard, Michael Silva, Kate Bell and Karen Yorks.

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Introduction

Project Overview

In 2014, the Southeastern Connecticut Council of Governments (SCCOG) was awarded a grant from the Regional Performance Incentive Program (RPIP)¹ via the State of Connecticut's Office of Policy and Management. The purpose of the grant was to support a review of shared service opportunities among SCCOG's member municipalities. Following a public request for qualifications, in April 2017 SCCOG selected CGR, the Rochester, New York-based Center for Governmental Research Inc., to complete the review.

Project Objectives

SCCOG's preliminary project scope articulated three goals. First, to identify potential shared services, staff and equipment that southeastern Connecticut could readily implement with little or no upfront costs to save tax dollars while providing better service to their constituents. Second, to identify other future shared services, staff and equipment that southeastern Connecticut could apply in future RPIP grant funding rounds to save tax dollars while providing better service to their constituents. And third, to provide a model to other regions and municipalities in the state as to how to evaluate the potential for and to implement the sharing of services, staff and equipment in their respective jurisdictions.

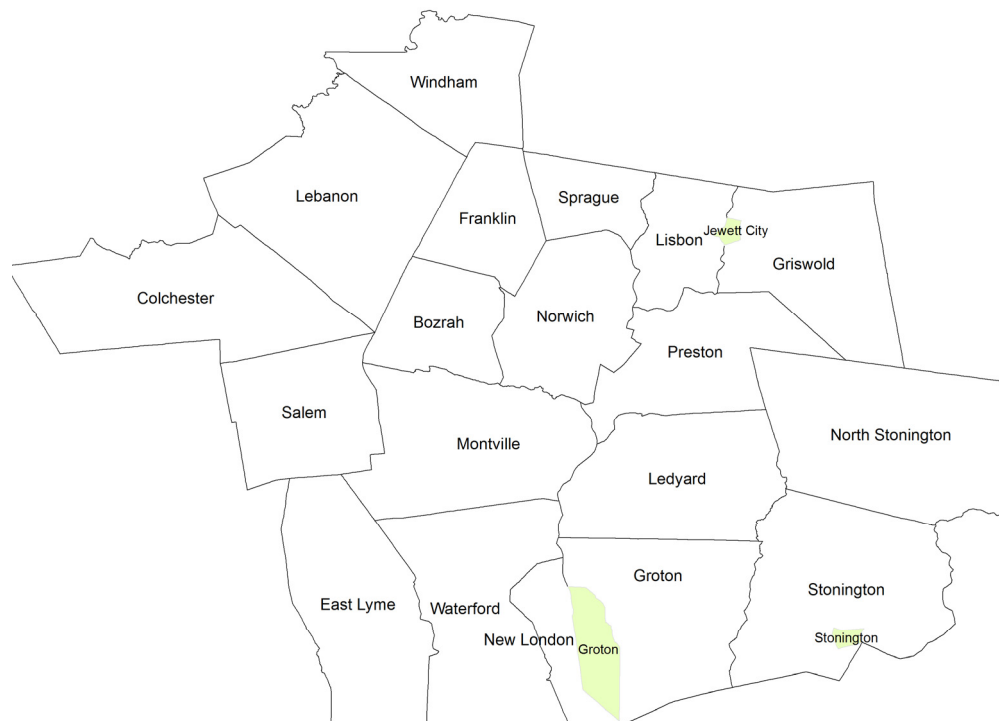
To accomplish these objectives, SCCOG sought to document current examples of shared services by its twenty-two member municipalities; identify and explore new and / or expanded opportunities for sharing; evaluate the potential cost-benefit that could result from those opportunities; and outline the steps necessary to implement them.

¹ Connecticut's Regional Performance Incentive Program (RPIP) was established under the provisions of Section 8 of Public Act 07-239, "An Act Concerning Responsible Growth." The goal of the program is generally to encourage municipalities to participate in voluntary inter-municipal or regional shared services projects that have the potential to produce measurable "economies of scale," provide desired or required public services, and lower the costs and tax burdens associated with the provision of such services. Eligible applicants currently include any regional council of governments (COG), any two or more municipalities acting through a COG, any Economic Development District, or any combination thereof. This description is drawn from the 2017 Annual Report on RPIP, available online at http://www.ct.gov/opm/lib/opm/igp/grants/rpi/2017_annual_report_on_the_regional_performance_incentive_program.pdf.

About SCCOG

The Southeastern Connecticut Council of Governments is one of nine planning regions established under Sec. 16a-4c, Gen. Stat. Collectively the regions provide a geographic framework within which municipalities can jointly address common interests, and coordinate such interests with state plans and programs. The municipalities within each region have voluntarily created a Regional Council of Governments (RCOG), by adopting Secs. 4-124i through 4-124p, Gen. Stat., through local ordinance to carry out a variety of regional planning and other activities on their behalf, as authorized under Chapter 127, Gen. Stat.²

SCCOG is comprised of twenty-two towns, cities and boroughs, and is governed by the chief elected officials of member municipalities. The region spans 616 square miles and has a resident population of approximately 286,000. SCCOG's member municipalities are Bozrah, Colchester, East Lyme, Franklin, Griswold, Groton (City), Groton (Town), Jewett City (Borough), Lebanon, Ledyard, Lisbon, Montville, New London, North Stonington, Norwich, Preston, Salem, Sprague, Stonington, Stonington (Borough), Waterford and Windham. More information is available at <http://www.seccog.org/>.



² Drawn from Connecticut Secretary of State at <http://www.ct.gov/sots/cwp/view.asp?q=392406>.

About CGR

Since 1915, CGR has delivered results to the municipal, education, nonprofit and business-civic sectors through objective analysis, mission critical data and strategic counsel. Trusted for its independence and breadth of experience spanning more than a century, CGR delivers expert solutions in government and education, economics and public finance, health and human services, and nonprofits and communities. Headquartered in Rochester, New York, CGR has served communities throughout more than a dozen states including New York, New Jersey, Ohio, Pennsylvania, Massachusetts, Maine and Connecticut. More information is available at www.cgr.org.

Methodology

CGR's review proceeded in two phases.

The first phase involved an existing conditions review, intended to inform a baseline of current resource allocation and service delivery frameworks across the SCCOG region, as well as inventory existing collaborative approaches in the region.

The second phase focused on identifying and evaluating potential shared service opportunities – both new shared service opportunities between and among SCCOG members, as well as opportunities to extend and build on existing shared service arrangements.

A Note on Services Reviewed

SCCOG scoped this project to focus on “traditional service and equipment sharing opportunities,” per its initial request for qualifications. It explicitly excluded fire, police and other emergency services in the inventory and evaluation of services for possible municipal sharing. Related, the project's focus on general purpose local governments and the services they provide meant that there was not expected to be a detailed focus on school districts serving the southeastern Connecticut region.

However, CGR recognizes the importance of both emergency services and education to the governments and residents of the SCCOG region. Not only are those services critical to the safety, sustainability and quality of life in southeastern Connecticut, but they represent – both individually and in aggregate – a material share of total local government costs and taxes. For that reason, CGR included in its baseline review documentation on both categories of service. Regarding public safety, we identified which municipalities provide which services and by which method(s). Regarding education, where there are already shared arrangements in place between the general purpose local government and board of education (e.g. shared information technology or finance functions), we have so noted.

Baseline Data

CGR relied on a variety of data sources to inform its baseline review of municipal services in the southeastern Connecticut region. First, and as discussed in greater detail later in this report, we reviewed the Fiscal Year Ending 2017 budget for each SCCOG member to assess, at a high level, both the services they provide and their overall resource allocation. Second, we reviewed a series of organizational documents for each municipality (e.g. financial statements, departmental organizational charts, facility inventories, capital asset inventories, etc.) to ensure our understanding of what services were delivered – directly with municipal employees or indirectly through another municipality or outside third party – and how.

Third, CGR project staff conducted in-person primary source interviews with the chief elected official of each SCCOG member municipality. These interviews, most of which were conducted May 9-10, 2017 at SCCOG's office in Norwich, focused on several critical elements of our baseline data collection, including:

- How member governments provide each of 31 separate general municipal services;
- The extent to which services are delivered by municipal personnel, as opposed to private vendors, volunteer organizations, nonprofits or others;
- The state of inter-municipal collaboration within SCCOG, and officials' sense of the general "climate" regarding additional shared services;
- Examples of current collaboration between and among SCCOG members;
- Perceptions of where collaboration has worked best in the southeastern Connecticut region;
- Services where new shared approaches may offer promise; and
- The fiscal and economic environment facing SCCOG's municipalities, as well as how that environment may impact the need and / or willingness to pursue new shared service opportunities.

These interviews helped to inform two essential elements of CGR's baseline review, both of which are documented in this report. The first is an inventory of existing shared service arrangements already in place in the SCCOG region. That inventory spans more than 30 shared arrangements across 15 service areas delivered at a range of different scales, from one-to-one service sharing, up to and including broader regional arrangements that serve more than a dozen municipalities. It is worth noting that every SCCOG member is party to at least one shared or collaborative service.

Second, a municipality-by-municipality menu of services provided and method of delivery was developed, distinguishing among "standard" services (i.e. funded by the municipality and delivered using municipal employees and equipment); shared

services (i.e. partnering with one or more municipalities to deliver a service in collaborative fashion); contracted services (i.e. funded by the municipality but outsourced in large part or total to a private vendor); and “supported” services (i.e. funded by the municipality but neither governed nor operated by the municipality).

Opportunities Review

Following the development of a comprehensive existing conditions baseline, CGR’s review pivoted to an examination of services that, in our view, represent the most promising shared service opportunities for SCCOG members. Additional quantitative and qualitative data were collected from each government to support the options review. From mid-September through October, CGR gathered information through a data questionnaire submitted to each local government.³ The questionnaire yielded region-wide data on the following:

- Employment by service category
- Municipal facilities
- Capital assets by type
- Information technology
 - Outside vendor support, purpose and cost
 - Electronic data management systems
 - GIS platform
 - Number of computers / laptops
 - Server maintenance method
 - Licensed software packages and annual cost
- Financial administration
 - Payroll system / vendor and annual cost
 - CPA firm and annual cost
 - Financial accounting software system
 - Check volume
 - RFP volume
- Tax assessment
 - Year of last revaluation, vendor and cost

³ Twenty of the 22 SCCOG member governments submitted data in response to this request.

- Human resources
 - Employee Resource Planning (ERP) system
 - Human Resource Management (HRM) system
 - Job posting volume
 - Number of collective bargaining units
 - Civil service exam volume
 - Hiring volume
- Public works and highways
 - Adequacy and condition of current facilities
 - Estimated remaining life of current primary facility
 - Adequacy of covered space for existing apparatus and equipment
 - Rental or lease of equipment
 - Borrowing or loaning of equipment with other municipalities
 - Approach to road paving
- Recreation
 - Program menu
 - Enrollment
 - Share of budget supported by user fees

Public works and highways data were supplemented by additional information on capital equipment and rolling stock obtained from the Connecticut Department of Emergency Services and Public Protection's Region 4 resource inventory (2016). CGR project staff also conducted site visits / tours of 5 municipal public works facilities in the region: The Towns of Groton, Montville and Waterford, and the Cities of New London and Norwich.

To further inform the opportunities analysis, CGR convened and facilitated a series of focus groups with SCCOG member governments on select services. The focus groups were conducted November 15-17, 2017 at SCCOG's office in Norwich. Every SCCOG municipality was invited to participate in each focus group. Actual attendees were as follows:

- **Focus group 1** examined shared service opportunities in human resources, finance administration and purchasing, and included representatives of the Towns of Groton, Ledyard, Montville and Waterford; the Cities of New London and Norwich; and the Waterford Board of Education;

- **Focus group 2** examined shared service opportunities in information technology, and included representatives of the Towns of Groton, Ledyard and Montville; the Cities of New London and Norwich; and the New London Public Schools;
- **Focus group 3** examined shared service opportunities in recreation, and included representatives of the Towns of East Lyme, Groton, Ledyard and Montville; and the Cities of Groton, New London and Norwich.
- **Additionally**, all public works directors were invited to one of two focus groups to discuss current operations and to discuss potential areas for public works shared services, equipment or personnel in the future. Larger municipalities were invited to one meeting and small municipalities to another. A total of ten staff, primarily directors, representing nine municipalities, attended one of the two meetings.

The Context for Shared Services

"Governments in Connecticut stand at a crossroads. For over a decade prior to the Great Recession, governments in the state benefited from a strong economy and stable revenue. But this stability depended on reliable, adequate state aid and the local property tax. The lack of diversity in revenue sources and uncertainty at the state level are now eroding the capacity of local governments to meet their obligations to the public. Fundamental changes are needed to ensure that local governments can meet the future needs of the state... Local governments and their Councils of Governments are actively pursuing options for increasing interlocal collaboration and service sharing, but these efforts are often hindered by outdated state laws and practices."

Connecticut Conference of Municipalities
 "Securing the Future: Service Sharing and Revenue
 Diversification for Connecticut Municipalities" (January 2017)

The concept and practice of leveraging shared or cooperative arrangements for delivering local government services is not new. Indeed, municipalities across Connecticut have relied on intergovernmental cooperation for decades. Connecticut's Advisory Commission on Intergovernmental Relations (ACIR) first examined shared service arrangements in 1990. By the time that initial review was updated in 2000,

approximately 1,000 inter-municipal cooperative ventures had been identified across the state.

Those ventures were found to “vary substantially in purpose, formality, organizational structure and financing... their purposes cover(ed) a broad spectrum of activity, ranging from simple, low cost equipment sharing arrangements, to sophisticated and relatively expensive regional recycling programs and other complex administrative and educational activities. Some programs are informal in structure, while others involve formalized agreements, balanced representation requirements, and financial participation. Some programs do not have a budget, while others have budgets ranging into the tens of millions of dollars. Some are organized on a durational basis, while others have endured and prospered for decades.”⁴

ACIR’s report found that shared services among Connecticut’s local governments tend to have certain common characteristics. Among them⁵:

- They are single purpose in nature, built around delivery of a specific function or defined service rather than a set of services;
- They are specialized to meet well-defined goals such as reducing costs, improving service effectiveness or deepening service capacity;
- They are predicated on voluntary participation, and typically result from two or more partner governments identifying common interests and proceeding in a nonbinding and flexible manner;
- Their financial contributions are self-regulated between and among the partner governments;
- Their effectiveness is evaluated locally in ways that reflect the needs and objectives of the partner governments; and
- They seek to keep administrative requirements to a minimum such that overhead does not compromise benefits otherwise generated by the collaboration.

The voluntary nature of shared service arrangements is critical to their creation and evolution, the report argues: “Voluntary inter-local agreements do not threaten local autonomy and do not constitute a step toward regional government or centralization of local powers.”

⁴ Local Government Cooperative Ventures in Connecticut, Connecticut Advisory Commission on Intergovernmental Relations, June 2000.

⁵ *Ibid.*

ACIR's analysis broke the 1,000 shared services into five broad categories or organization:

- General government cooperative ventures that are specifically required or authorized by federal or state statute;
- Regional or inter-district education programs that are clearly organized under specific authorizing legislation;
- General government cooperative ventures that are the products of inter-municipal contracts or other local agreements and which tend to be more informal in nature;
- Other inter-district educational programs organized locally to provide needed services on a multi-town basis; and
- Inter-district initiatives that are formed among previously constituted regional groups.⁶

In the years since ACIR's report, the focus on shared services has grown. No doubt this has been in part a result of growing fiscal and economic pressures alongside communities' desire for sustained high-quality services. A 2015 report from the Connecticut Council of Municipalities (CCM) reinforced the value of collaboration and highlighted a number of shared services across the state, noting, "The sharing economy model is most likely to be used when the price of a particular asset is high and the asset is not fully utilized all the time. Translating these concepts to local government can save municipalities and their property taxpayers money. Sharing both the costs and benefits of equipment, programs and studies with neighboring towns makes each stronger than they are alone."⁷

CCM renewed its focus on the potential of shared services in a 2017 report⁸ that examined a range of strategies for "securing the future" of Connecticut's local governments. The Conference called for revitalizing ACIR as a vehicle for identifying service duplication and potential shared services; expanding the range of approved service delivery activities for Councils of Governments; creating a regional municipal benchmarking program as a framework for promoting interlocal cooperation; and consolidating / sharing property assessment services in the state's smallest jurisdictions.

⁶ *Ibid.*

⁷ Innovative Ideas: Regional Cooperation for a More Viable Connecticut, Connecticut Conference of Municipalities, 2015.

⁸ Securing the Future: Service Sharing and Revenue Diversification for Connecticut Municipalities, Connecticut Conference of Municipalities, January 2017.

Statutory Framework

Municipalities across Connecticut – including those in the SCCOG region – engage in a host of shared services. Those collaborations are supported by a series of existing state laws that enable cooperation in the delivery of certain services and functions. According to CCM⁹, the operative statutes include the following.

Joint performance of municipal functions

(CGS Section 7-148cc) Two or more municipalities may jointly perform any function that each municipality may perform separately under any provisions of the general statutes or of any special act, charter or home rule ordinance by entering into an interlocal agreement pursuant to sections 7-339a to 7-339l, inclusive.

Agreement between municipalities to share revenue received for payment of property taxes

(CGS Section 7-148bb) The chief elected officials of two or more municipalities may initiate a process for such municipalities to enter into an agreement to share revenues received for payment of real and personal property taxes.

Negotiated agreement to promote regional economic development

(CGS Section 7-148kk) The chief elected officials of two or more municipalities that are members of the same federal economic development district, established under 42 USC 3171, may initiate a process for such municipalities to enter into an agreement to promote regional economic development and share the real and personal property tax revenue from new economic development.

Joint issuance of bonds by two or more municipalities

(CGS Section 7-136n) Two or more municipalities may jointly issue bonds from time to time at their discretion, subject to the approval of the legislative body of each municipality for the purpose of paying all or any part of the cost of any project or activity, including acquisition of necessary land and equipment therefor, entered into jointly.

⁹ Innovative Ideas, CCM.

Regional economic development commissions

(CGS Section 7-137) Any two or more towns, cities or boroughs having economic development commissions may, by ordinance adopted by each of them, join in the formation of a regional economic development commission. The area of jurisdiction of the regional commission shall be coterminous with the area of the municipalities so joining.

Police assistance agreements

(CGS Section 7-277a) The chief executive officer of any town, city or borough or his designee may, whenever he determines it to be necessary in order to protect the safety or well-being of his municipality, request the chief executive officer of any other town, city or borough to furnish such police assistance as is necessary to meet such situation and the chief executive officer, or chief of police or board of police commissioners or other duly constituted authority with the approval of the chief executive officer of the municipality receiving such request may, notwithstanding any other provision or requirement of state or local law, assign and make available for duty in such other municipality, under the direction and command of an officer designated for the purpose, such part of the police forces under his control as he deems consistent with the safety and well-being of his municipality.

Metropolitan districts

(CGS Section 7-333 through 7-339) The central city and any one or more towns, cities or boroughs within a metropolitan area may join to form a metropolitan district for the performance of any one or more functions, services or works which any of such towns, cities or boroughs is by special act or general statute authorized to perform. The jurisdiction of the metropolitan district for the performance of such functions, services or works as it may perform shall be coterminous with the area of the respective towns, cities and boroughs comprising such district.

Inter-local agreements

(CGS Section 7-339a through 7-339l) The authorization in sections 7-339a to 7-339l, inclusive, to receive, obtain, provide or furnish any services, facilities, personnel, equipment, property or other resources, or perform or engage in any functions or activities by means of an interlocal agreement, shall be in addition to and not in substitution for or in limitation of any authorizations for joint or cooperative agreements or undertakings contained in other provisions of the law of this state.

Joint action by two or more municipalities

(CGS Section 8-139) By concurrent action the legislative bodies of two or more municipalities: (a) May create a regional or metropolitan planning agency and may authorize such agency or the planning agency of any of such municipalities to make a comprehensive or general plan of the area included within such municipalities as described in section 8-127, and (b) may exercise the powers granted in this chapter to the legislative body of any municipality.

Joint activity by two or more municipalities

(CGS Section 8-169j) Any two or more contiguous municipalities may enter into, and thereafter amend, an agreement for the purpose of jointly carrying out a community development activity in their respective municipalities. Such agreement may include provisions for furnishing services to, receiving consideration from, and sharing costs of and revenues, including property taxes and rental receipts, derived from community development activities.

CCM: What Else the State Can Do to Foster Collaboration

Notwithstanding the flexibility Connecticut's laws provide municipalities to engage in joint activities, the Conference of Municipalities called on the state in 2015 to do more.¹⁰ Among its recommendations were:

- “Develop model regional cooperation codes for municipalities that can pass legal muster. This would encourage towns and cities to engage in regional cooperation efforts and help them avoid legal and other pitfalls when establishing ordinances and reaching agreements.
- Increase state financial and other incentives for cost-effective intermunicipal and regional cooperation;
- Empower Councils of Governments (COGs) to deliver services on a regional basis and make land use decisions on regionally-significant projects;
- Reinvest in planning and technical assistance capacity at OPM (Office of Policy and Management) to assist COGs and municipalities in collaborative efforts;
- Strengthen collaborations with partners to enhance the ability of the Connecticut Education Network, the “Nutmeg Network,” to provide essential high speed

¹⁰ *Ibid.*

Internet access and data transport to, among others, towns and cities at affordable rates;

- Eliminate the red tape and bureaucratic obstacles with state entities that thwart municipalities' ability to engage in regional cooperation efforts; and
- Make greater staffing investments in entities like the Connecticut Advisory Commission on Intergovernmental Relations (ACIR). ACIR previously had the staffing wherewithal to publish important documents like a compendium of all significant regional cooperation efforts by towns and cities. This publication gave municipalities and the state examples of successful regional efforts that could be emulated across the state."

SCCOG by the Numbers

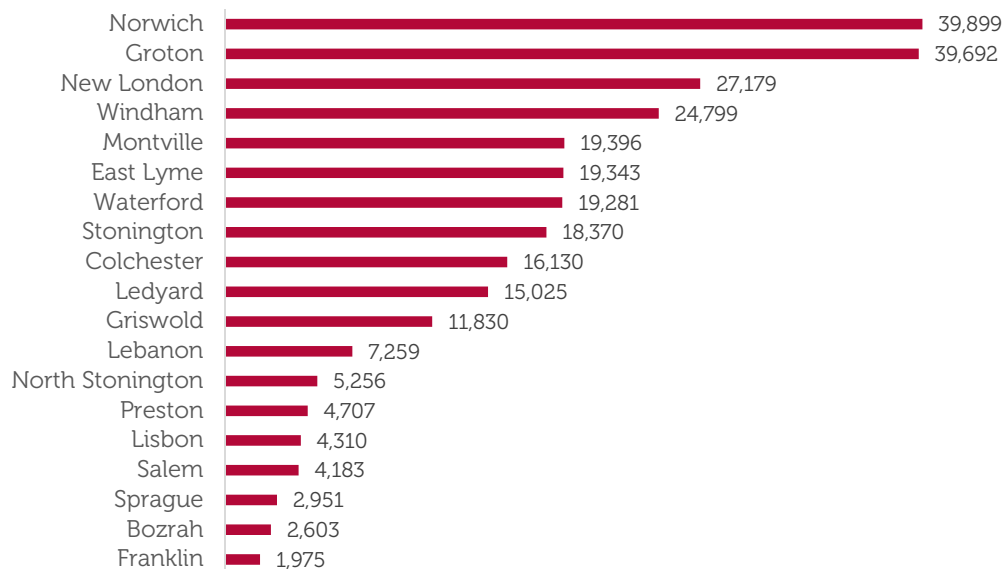
SCCOG is comprised of twenty-two member governments – 19 cities and towns, and 3 political subdivisions (City of Groton, Borough of Jewett City, and Borough of Stonington) of their surrounding municipality. The southeastern Connecticut region spans 616 square miles and has a resident population of approximately 286,000. In order to establish a fiscal and service context for this review, CGR analyzed key demographic and financial metrics for SCCOG member governments. As part of that review, we examined the FYE 2017 budget for each municipality. The following key themes emerge, and offer important framing for considering potential shared services.

SCCOG members vary considerably in population size and geography

The types and levels of municipal services – as well as community expectations of them – are often tied to the size of a municipality. SCCOG members represent a wide range of sizes. The two largest municipalities – Groton and Norwich – each approach 40,000 residents; the smallest, Franklin, has fewer than 2,000. The mean (and median) population size among SCCOG member governments is approximately 15,000.

2015 (est) Population

Source: Census Bureau



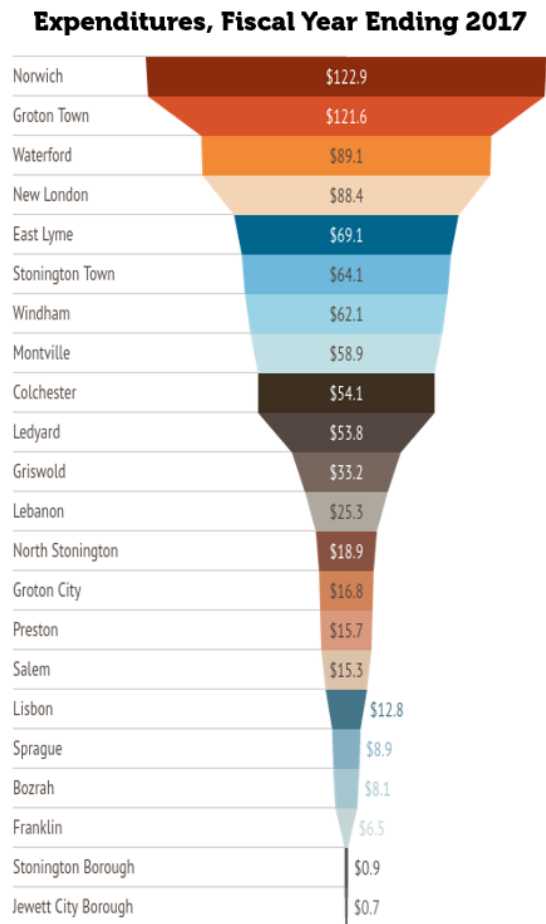
The region also exhibits a wide range of population densities, another factor that is often highly correlated with service needs, expectations and approaches. The region's highest population densities¹¹ are found, not surprisingly, in its most populous municipalities. New London is highest at 2,525 per square mile, followed by Norwich (1,352), Windham (889) and Groton (876). The lowest density municipality is North Stonington (96), which also happens to be the second-largest geographically. The median size of SCCOG municipalities is approximately 37 square miles.

Annual spending by SCCOG governments tops \$947 million, and members span a wide range of budget sizes and expenditure levels

In FYE 2017, SCCOG member governments collectively budgeted expenditures of \$947.1 million. Naturally, municipal budgets reflect the population size, geography, service needs and preferences of different communities. And among SCCOG members there is great diversity in budget size. In FYE 2017, budgets ranged from as large as \$122.9 million to as small as \$0.716 million. The median budget size among member governments was \$29.3 million.

SCCOG member spending has increased below the statewide rate since 2011 (9.9% vs. 12.2%), and remains below the statewide per capita average (\$3,315 vs. \$3,776)

Data drawn from the Municipal Fiscal Indicators service of the State's Office of Policy and Management offer an overview of SCCOG member spending in a statewide context, as well as over time. From 2011-15, local government spending statewide grew at a rate of 12.2 percent; by contrast, SCCOG member spending increased 9.9 percent. Those growth rates compared to inflation growth of 4.3 percent over the same period. On a per capita basis, spending by SCCOG members in 2015 was



¹¹ Population densities noted here are calculated using total area or "footprint" of the municipality, which in some cases includes bodies of water.

approximately \$3,315, about 12 percent less than the statewide average for all local governments (\$3,776).

Spending Growth, 2011-15



Per Capita Spending, 2015



General municipal functions account for nearly two-fifths of SCCOG member budgets

General municipal functions accounted for \$365.7 million in FYE 2017, nearly 39 percent of total budgeted spending. Education related spending constituted the other 61 percent. The relative share of municipal vs. education spending differed by municipality. Among those governments with education functions in their budget, the share ranged from 48 percent to 78 percent, with a median of 67 percent.

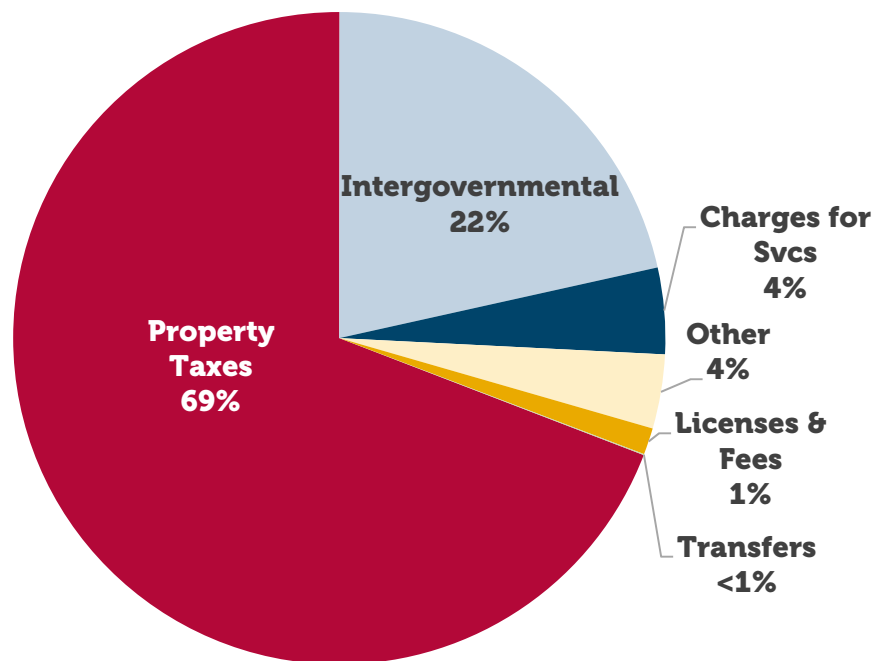
Although municipalities generally adhere to a common budget cost center / code structure, different governments occasionally budget common items in different ways and / or at varying levels of line-item detail. For purposes of comparison, CGR developed a budget crosswalk that aligned all SCCOG member budgets into six standardized categories.

Aside from education, general government was the highest spending category, accounting for \$106.9 million – roughly 11 percent of the total, but 29 percent of the non-education total. Next-highest were public safety (\$87.6 million, or 24 percent of the non-education total) and public works (\$71.9 million, nearly 20 percent).

	2016-17 Budget (in \$ million)	Share of Total Budget (%)	Share of Non-Edu Budget (%)
Education	581.396	61.4	
General Government	106.889	11.3	29.2
Public Safety	87.617	9.3	24.0
Public Works	71.895	7.6	19.7
Debt & Capital	68.188	7.2	18.6
Miscellaneous & Transfers	31.145	3.3	8.5
Total	947.130	100.0	100.0

Property taxes are the primary revenue source

Property taxes accounted for 69.2 percent of all municipal revenues among SCCOG members in FYE 2017. Intergovernmental revenues, including state revenue, are the second-largest category at 21.5 percent.



2016-17 Expenditures (in \$ million)							
	Total	General Government	Public Safety	Public Works	Debt & Capital	Transfers & Misc	Board of Education
Bozrah	\$8.044	\$0.840	\$0.155	\$0.454	\$0.895	\$0.067	\$5.634
Colchester	\$54.095	\$5.261	\$2.689	\$3.378	\$1.842	\$1.219	\$39.705
East Lyme	\$69.129	\$8.451	\$4.072	\$4.591	\$6.302	\$0.344	\$45.370
Franklin	\$6.478	\$0.631	\$0.207	\$0.693	\$0.809	-	\$4.138
Griswold	\$33.197	\$2.398	\$0.528	\$1.464	\$2.635	\$0.123	\$26.048
Groton City	\$16.828	\$1.911	\$7.629	\$6.633	\$0.140	\$0.515	-
Groton Town	\$121.558	\$20.718	\$6.662	\$6.010	\$5.712	\$5.988	\$76.468
Jewett City	\$0.716	\$0.135	\$0.498	\$0.078	\$0.002	\$0.003	-
Lebanon	\$25.326	\$1.371	\$0.487	\$1.321	\$0.869	\$2.224	\$19.054
Ledyard	\$53.839	\$12.913	\$3.254	\$2.650	\$4.125	-	\$30.895
Lisbon	\$12.771	\$1.638	\$0.427	\$0.622	\$0.600	-	\$9.484
Montville	\$58.928	\$3.505	\$4.313	\$4.235	\$9.177	-	\$37.699
New London	\$88.386	\$7.501	\$19.942	\$8.875	\$3.711	\$5.911	\$42.445
North Stonington	\$18.892	\$1.060	\$1.006	\$2.745	\$1.165	\$0.041	\$12.875
Norwich	\$122.956	\$7.491	\$18.352	\$10.765	\$4.452	\$6.466	\$75.430
Preston	\$15.710	\$2.283	\$0.746	\$0.417	\$0.801	\$0.244	\$11.218
Salem	\$15.264	\$1.602	\$0.476	\$0.991	\$1.497	-	\$10.698
Sprague	\$8.877	\$0.725	\$0.287	\$0.647	\$1.093	-	\$6.124
Stonington Borough	\$0.938	\$0.312	\$0.360	\$0.241	-	\$0.025	-
Stonington Town	\$64.013	\$8.581	\$5.062	\$6.276	\$7.826	-	\$36.267
Waterford	\$89.049	\$13.229	\$8.810	\$5.141	\$11.394	\$4.582	\$45.892
Windham	\$62.138	\$4.333	\$1.653	\$3.667	\$3.141	\$3.393	\$45.952
Total	\$947.130	\$106.889	\$87.615	\$71.894	\$68.188	\$31.145	\$581.396

General Municipal (i.e. Non-Education) Total = \$365.731

2016-17 Revenues (in \$ million)							
	Total	Property Taxes	License/ Permit/Fee	Inter-government	Charges for Service	Other/ Misc	Transfers
Bozrah ¹	\$2.410	\$0.398	\$0.337	\$1.675	-	-	-
Colchester	\$54.694	\$38.131	\$0.708	\$15.239	\$0.502	\$0.114	-
East Lyme	\$66.009	\$57.789	\$1.302	-	\$6.918	-	-
Franklin	\$6.492	\$5.098	\$0.047	\$1.253	-	\$0.094	-
Griswold	\$33.197	\$19.389	\$0.129	\$11.382	\$2.186	\$0.110	-
Groton City	\$16.428	\$6.307	\$0.270	\$5.106	\$0.205	\$4.425	\$0.115
Groton Town	\$120.892	\$82.974	\$0.298	\$35.133	\$1.935	\$0.551	-
Jewett City	\$0.716	\$0.515	\$0.005	\$0.086	\$0.110	\$0.001	-
Lebanon	\$25.326	\$18.077	\$0.175	\$5.868	-	\$1.207	-
Ledyard	\$53.838	\$34.897	\$0.062	\$1.942	\$3.530	\$13.408	-
Lisbon	\$12.716	\$7.669	\$0.123	\$0.127	\$3.582	\$1.214	-
Montville	\$58.568	\$41.227	\$0.560	-	\$13.983	\$2.799	-
New London	\$88.386	\$50.611	\$0.708	\$33.081	\$3.743	\$0.242	-
North Stonington	\$18.906	\$13.782	\$0.183	\$4.749	-	\$0.193	-
Norwich	\$122.956	\$74.111	\$0.517	\$39.190	\$0.717	\$8.420	-
Preston	\$15.710	\$9.210	\$1.255	\$4.505	-	\$0.740	-
Salem	\$14.946	\$11.233	\$0.153	\$3.480	\$0.025	\$0.054	-
Sprague	\$8.858	\$5.309	\$0.220	\$3.329	-	-	-
Stonington Borough	\$1.138	\$0.772	\$0.003	\$0.214	\$0.111	\$0.038	-
Stonington Town	\$64.013	\$58.363	\$2.445	\$2.331	-	\$0.875	-
Waterford	\$89.049	\$85.023	\$2.409	\$1.582	\$0.035	-	-
Windham	\$61.341	\$31.441	\$0.317	\$27.094	\$1.638	\$0.521	\$0.330
Total	\$936.589	\$658.326	\$12.226	\$197.366	\$39.220	\$35.006	\$0.445
¹ General government only; detailed education revenue information was unavailable							

Current Services and Delivery Methods

The starting point for determining potential shared service opportunities between and among SCCOG member municipalities is to document which services they deliver today, and how they do so in each case. In order to develop a comprehensive inventory of the existing service menu among SCCOG governments, CGR reviewed a series of operational and financial documents for each municipality, and supplemented that information with detailed interviews of the chief elected official (or his / her designee) in each community.

In compiling the service inventory, CGR focused on 31 functions:

Animal control	Planning and zoning
Building and code enforcement	Police
Clerk	Probate court
E-911 dispatch	Public works and highways
Emergency management	Recreation
Engineering	Refuse and recycling collection
Executive and administration	Regional Waste to Energy
Finance	Registrar
Fire department	Senior services
Fire marshal	Sewer and water
Fleet maintenance	Social services
Governing body	Tax assessment
Health	Tax collection
Human resources	Transfer station
Information technology	Youth services
Library	

Further, CGR identified the method of delivery for each service. For example, is the service self-provided by the municipality using municipal personnel? Or, is the service provided on an outsourced basis, pursuant to contract between the municipality and vendor? By contrast, is the service provided on a shared basis, either inter-municipally (i.e. between two local governments) or regionally (i.e. among three or more local governments)? Or is the service not something the municipality is directly involved with providing at all?

Documenting these elements for each government, and for each service, provides a baseline framework for understanding current municipal service delivery in the SCCOG region.

Each of the following sections includes a map that depicts the method of delivering each service throughout the SCCOG region. A standard key is used for each map, as follows:



Self-Provided: A service the municipality either directly provides with its own personnel or formally outsources to an outside vendor



Self-Provided by Town: Applies only to the two boroughs and the City of Groton; indicates a service provided by the respective town government



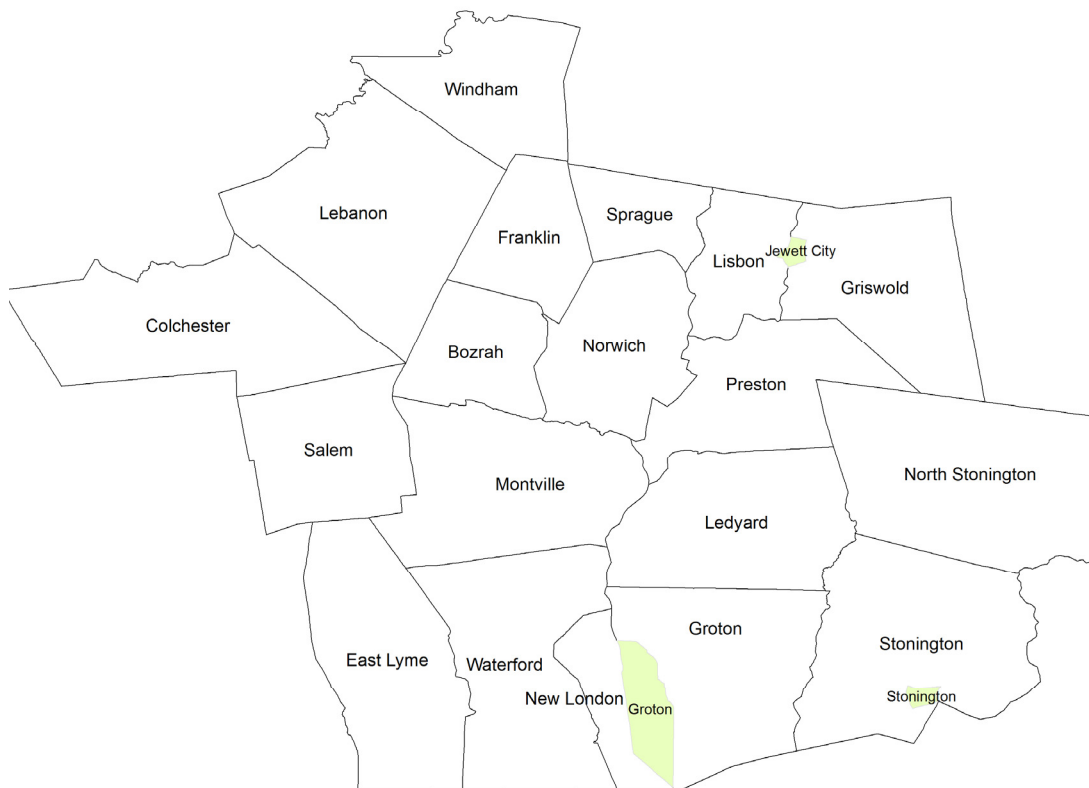
Shared Service (Inter-municipal): Provided in shared fashion by two partner municipalities



Shared Service (Regional): Provided in shared fashion by three or more municipalities, incl. the joint use of a common third party service provider



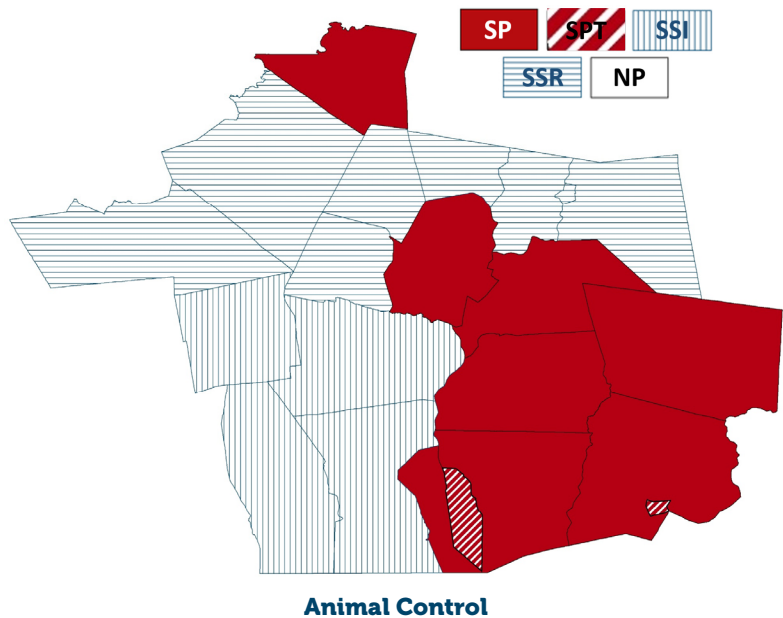
Not Provided: A service where the municipality has no direct role in providing, beyond perhaps only a budget subsidy (e.g. library, fire)



Animal Control

Animal control is one of the most commonly shared municipal services in the SCCOG region. Nineteen (19) municipalities are directly involved in the provision of animal control services; in the three governments that are not – the two boroughs and the City of Groton – the service is provided by the town.

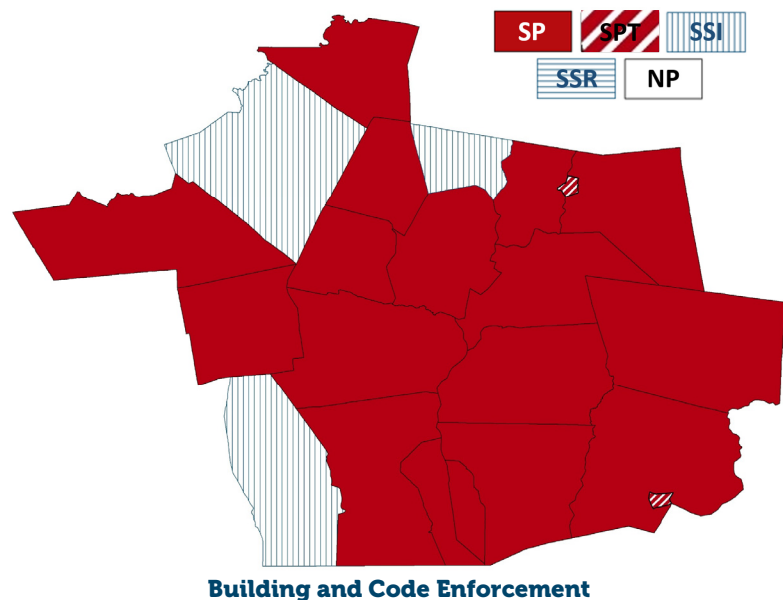
The dominant mode of delivery is through shared arrangements. Eleven (11) municipalities provide the service through a shared framework. Of those, 7 are part of a single regional animal control service via the Northeastern Connecticut Council of Governments, and 4 are participants in one-on-one municipal partnerships (including Waterford-East Lyme and Montville-Salem). Eight (8) governments self-provide the service with their own personnel and without a shared framework.



Building and Code Enforcement

Twenty (20) governments are directly involved in the provision of building and code enforcement functions. The 2 exceptions are boroughs where the function is performed by the town.

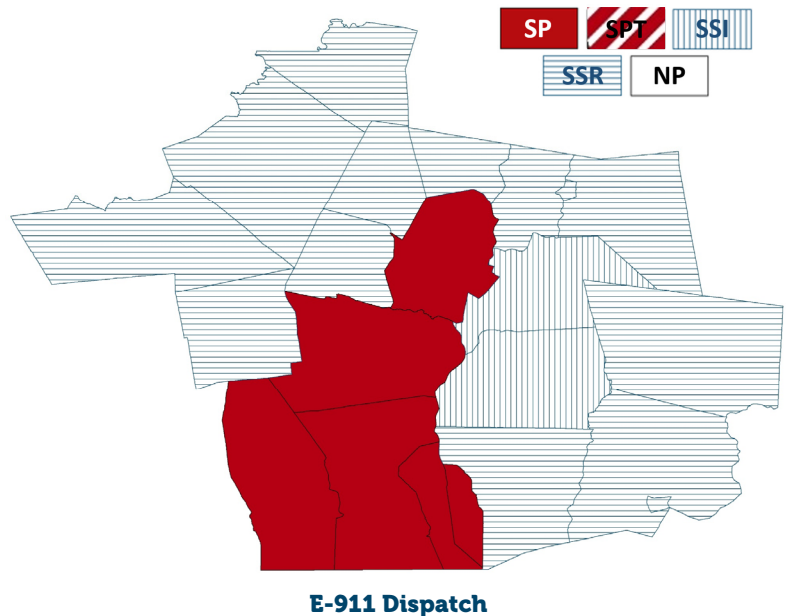
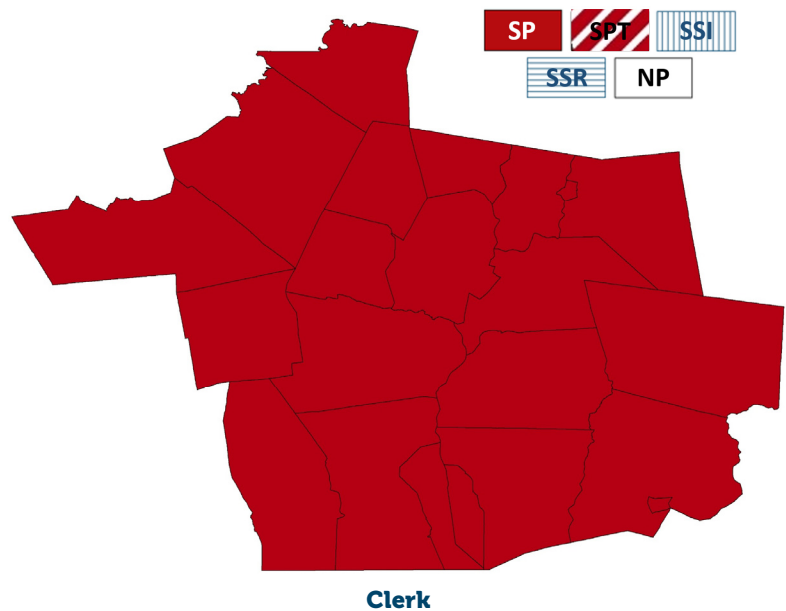
Building and code enforcement is not a function characterized by a significant amount of shared services at the present time. Two inter-



municipal arrangements exist: One between East Lyme and Sprague, where a building and blight officer is shared, and one between Lebanon and its Capitol Region Council of Governments neighbor Columbia, where a building and facility staff member is shared. In total, 17 governments self-provide the service with their own personnel and without a shared framework.

Clerk

Clerk is one of a handful of services where each SCCOG member government self-provides the function. All 22 municipalities have their own clerk. In many cases, the clerk serves as the primary interface between residents and their municipal government. Clerks primarily administer duties mandated by the Secretary of State, including issuing certain licenses, managing public records, overseeing vital records (i.e. birth and death certificates), and recording deeds and survey maps. Town clerks also oversee elections within the town – for local, state and federal elections – and handle office lists, absentee ballots and legal postings. Though the functions and responsibilities are highly consistent across clerk offices, each municipality maintains its own.



E-911 Dispatch

Emergency dispatch is another service that is already characterized by a significant amount of joint regional

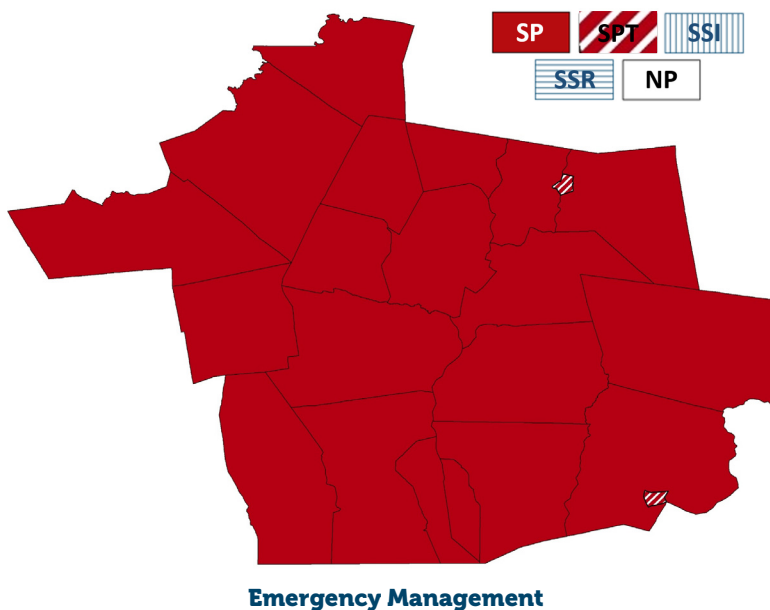
service provision. More than half of SCCOG municipalities have dispatch services provided in whole or part through a shared arrangement. In total, 14 governments are served through shared arrangements and regional public safety answering points (PSAPs); 6 governments self-provide the service through their own municipal PSAP.

Emergency Management

Every municipality in the SCCOG region is covered by an appointed local emergency management director. While the State Response Framework (SRF) outlines roles and responsibilities for coordinating emergency response across the state and local levels, the emergency management function provides each municipality with an official that is “on point” for response organization and the local emergency operations plan.

Twenty (20) municipalities in SCCOG have direct involvement in emergency management; the two exceptions are boroughs, which are covered by the town’s emergency management function.

The presence of an emergency management function in each community should not be interpreted as an absence of coordination. Indeed, the entire SCCOG region is located within State Department of Emergency Management and Homeland Security Region 4 (with a regional office located in Colchester), to provide overarching administrative support and planning assistance to local governments. During emergencies, the regional offices serve as resource coordinators and liaisons between towns and the State Emergency Operations Center.¹²

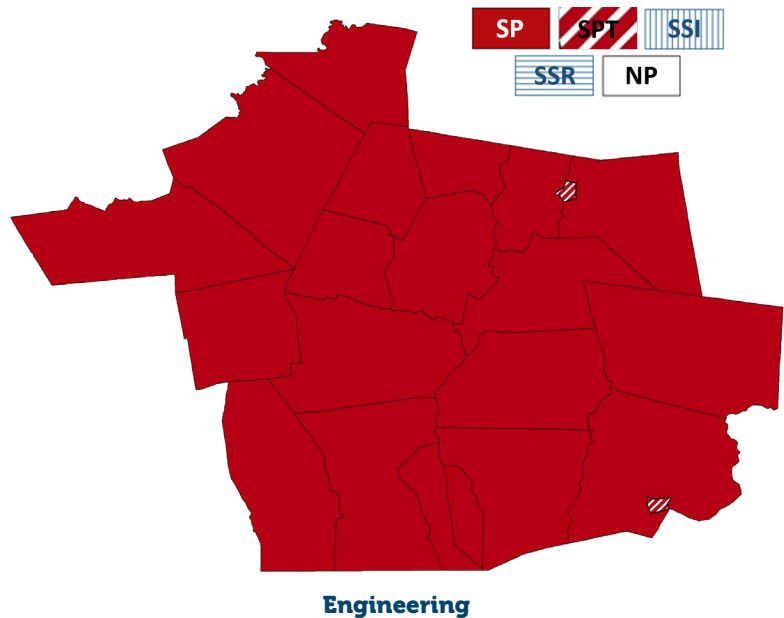


¹² Drawn from the State of Connecticut Local Emergency Management Director and Municipal Official Handbook, 2014: http://www.ct.gov/demhs/lib/demhs/ceo_emd/demhs_emd_ceo_handbook_2014.pdf

Engineering

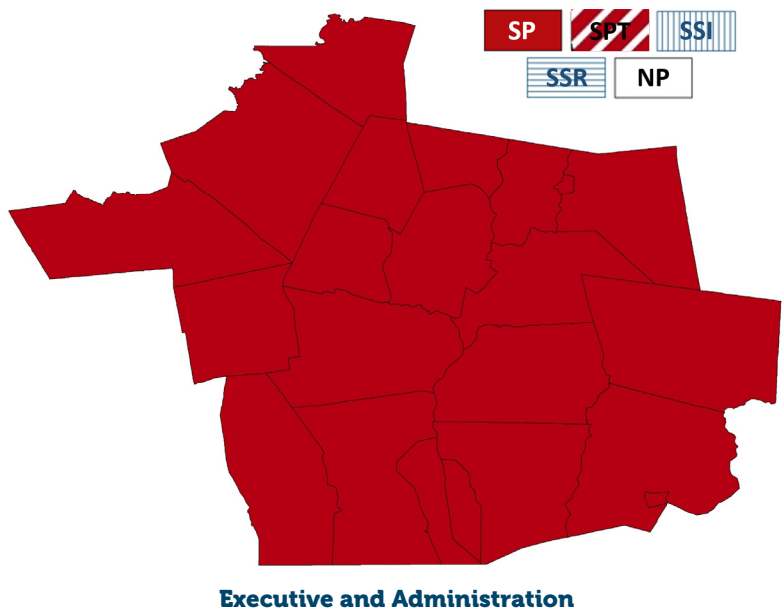
Engineering services are critical to municipalities' capital projects and infrastructure maintenance / planning functions. It is not surprising, therefore, that each SCCOG government provides for engineering services. The lone exceptions are two boroughs, where the function is otherwise provided by the town.

Although each government provides its own engineering function, there are differences in how it is delivered. Nine (9) governments indicate that their engineering service is contracted out to a private third-party vendor, either in whole or in large part. The remaining municipalities provide the function primarily with in-house municipal personnel.



Executive and Administration

Like clerk services, executive / administrative functions are a "threshold" cost of being a municipality. Each independent municipality therefore has its own chief elected official – whether a first selectman, mayor or warden – and governing body. Though this is not necessarily a function that could potentially be shared between or among otherwise separate municipalities, we include it here to acknowledge it as a service that each provides and funds. In addition, 3 SCCOG municipalities

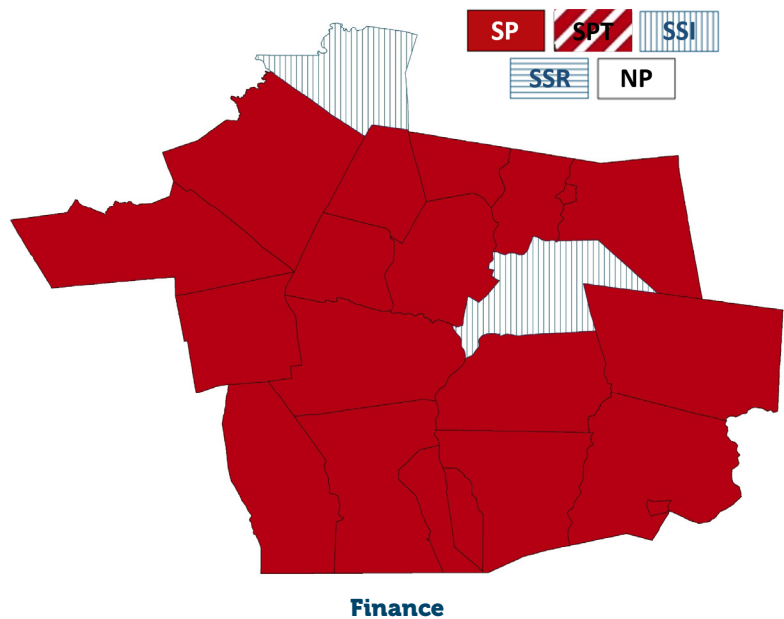


(Groton Town, Norwich, Windham) employ professional managers in addition to having a chief elected official.

Most SCCOG members also budget their legal costs within the administrative function. In general, SCCOG municipalities receive legal counsel on an outsourced basis, paying law firms and / or particular attorneys for support on an as needed basis in handling general claims and litigation, as well as labor relations. A small number of SCCOG governments employ in-house legal counsel – particularly the largest ones. In total, SCCOG members collectively budgeted nearly \$2.5 million in legal services costs in 2016-17.

Finance

All SCCOG governments provide financial administration functions to manage their municipal budgets and cash flow. In certain governments (particularly smaller ones), the finance function also oversees human resources and benefits administration. The most common approach to financial administration is for municipalities to self-provide the service. However, two SCCOG municipalities (Preston and Windham) have effectively combined the finance function with their Board of Education and provide the service jointly for both organizations.



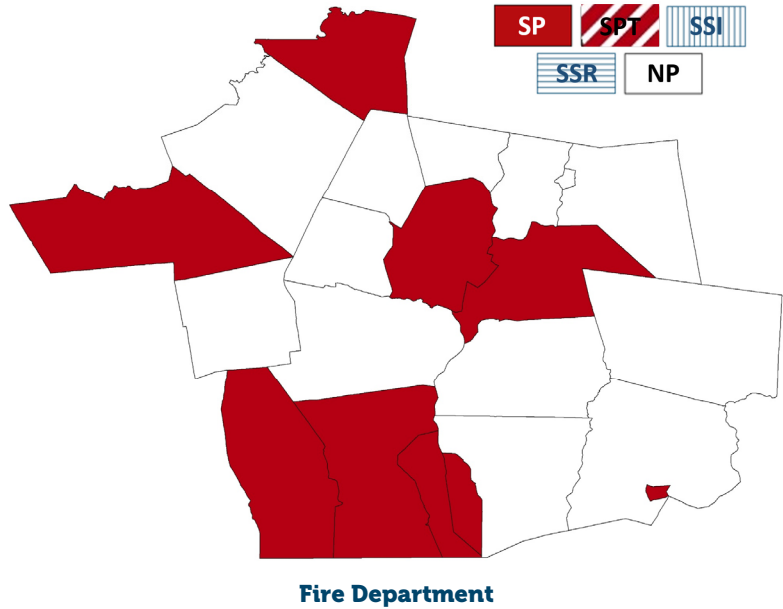
Fire Department

The SCCOG region is served by approximately four dozen fire departments. The departments are a blend of paid career agencies, volunteer agencies and combination forces. Relatively few SCCOG governments are directly involved in the delivery of fire services through a municipal department.

Nine (9) municipalities self-provide through their own department or through municipal-paid staff in support of a non-municipal department. This is an important distinction to note in the accompanying map. A municipality such as New London, which has its own municipal department, is highlighted in red; so, too are towns

where, although fire services are provided by separate nonprofit agencies, the town provides for certain paid personnel.

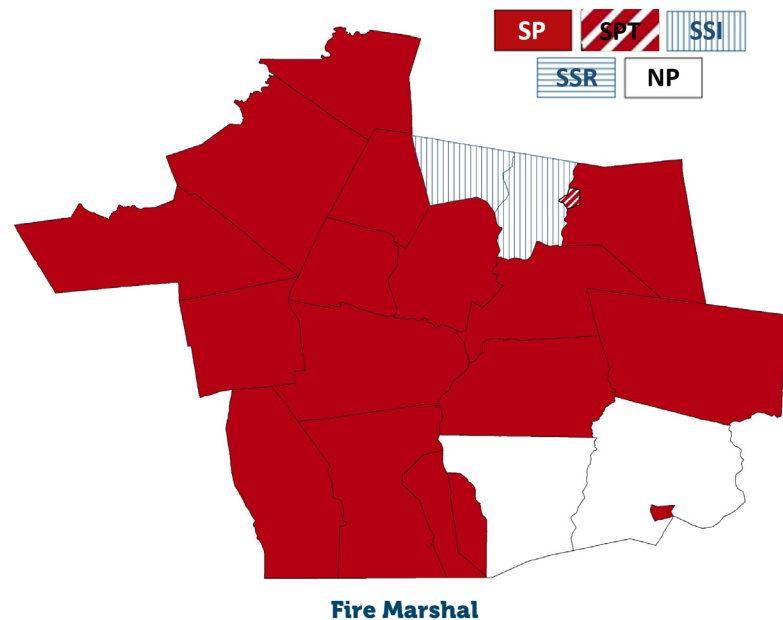
Portions of the region that are unshaded in the accompanying map are served either by independent fire districts or volunteer agencies. In the case of those volunteer agencies, governments generally make an annual subsidy contribution to support operations. So although this is a cost included in the municipal budget, it is not technically a municipally-delivered function. The level of that subsidy varies by community. In some, it can be as large as 90-plus percent of the agencies' annual budget and may include town ownership of fire facilities and / or equipment.



Fire Marshal

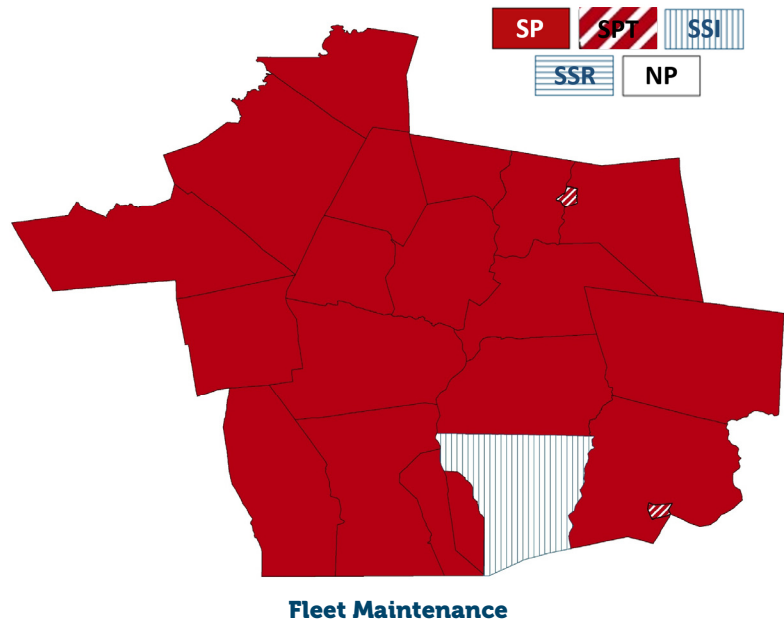
State law conveys on local fire marshals a number of critical responsibilities, including fire investigation; issuance of permits on matters involving public safety (e.g. transportation of explosives); inspection of combustible and flammable liquid storage tanks; and conducting reviews of plans for occupancies and facilities within the town.

Most governments in the SCCOG region self-provide fire marshal services. There is one instance of shared service – Lisbon and Sprague jointly utilize a fire marshal. In the Towns of Groton and Stonington, fire marshal functions are administered by the volunteer fire departments.



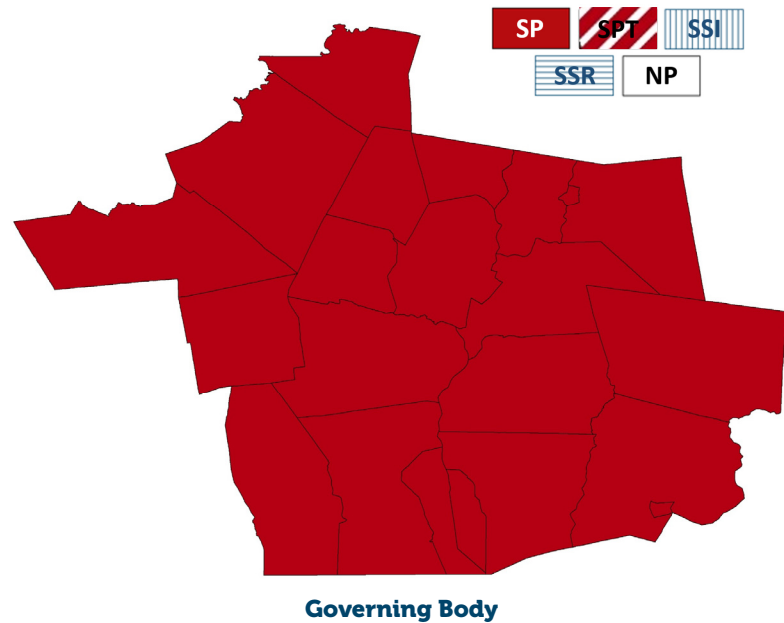
Fleet Maintenance

Nearly all governments in SCCOG provide fleet maintenance on their own. In most cases the service is handled by the municipal public works department, as opposed to a standalone fleet maintenance department. And approximately half of municipalities indicate that at least a portion of fleet maintenance – particularly on larger and more complex pieces of apparatus – is contracted out on an as needed basis. Groton Town participates in the only shared fleet maintenance arrangement in the region, as it also maintains vehicles for both Ledge Light Health District and the Southeastern Connecticut Regional Resource Recovery Authority.



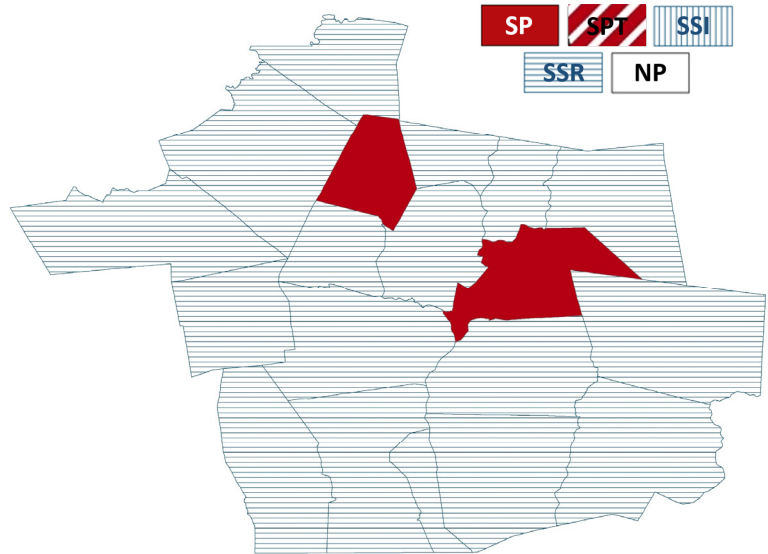
Governing Body

Like executive and administrative functions, a governing body represents a “threshold” cost of being a municipality. Each independent municipality has its own legislative governing board, whether a Board of Selectmen, Town Council, Board of Burgesses or City Council. Though this is not a function that could be shared between or among otherwise separate municipalities, we include it here to acknowledge it as a service that each provides and funds.



Health

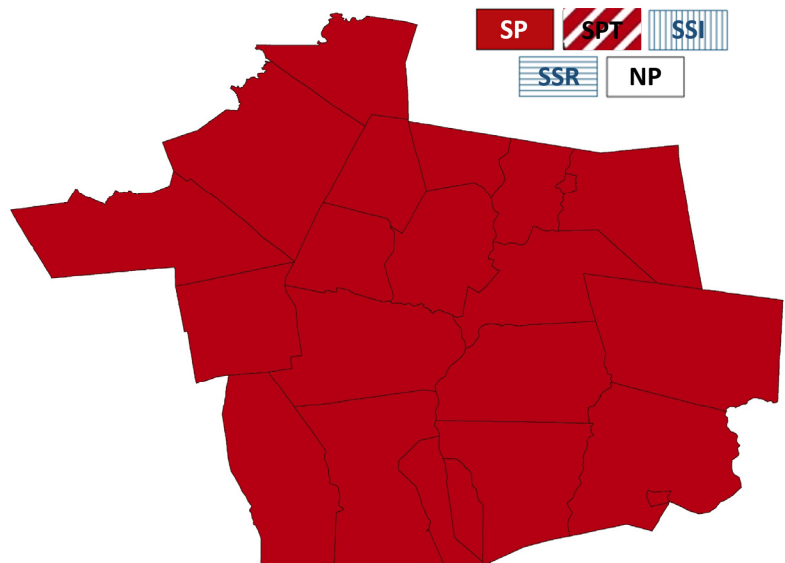
Public health is one of the most commonly-shared services among SCCOG municipalities. Only 2 governments self-provide the function through local health departments (and in each case do so on a part-time basis). The others are served by one of four regional health districts. Health districts that serve multiple municipalities is the most common approach statewide. More than half of Connecticut's local governments receive health services through a health district, of which there are 20 statewide.



Uncas Health District, which is located in Norwich, serves 8 SCCOG governments; Ledge Light Health District, located in New London, also serves 8. The Chatham Health District and North Central Health District each serve one SCCOG government in addition to municipalities in neighboring COGs.

Human Resources

Human resources is a function that is performed separately by each local government. The complexity and volume of HR services varies widely across SCCOG governments, reflecting the different scales, breadth and workforce sizes across the region. Most municipalities, particularly the larger ones, have a standalone human resources department that handles employee relations, benefits administration and related

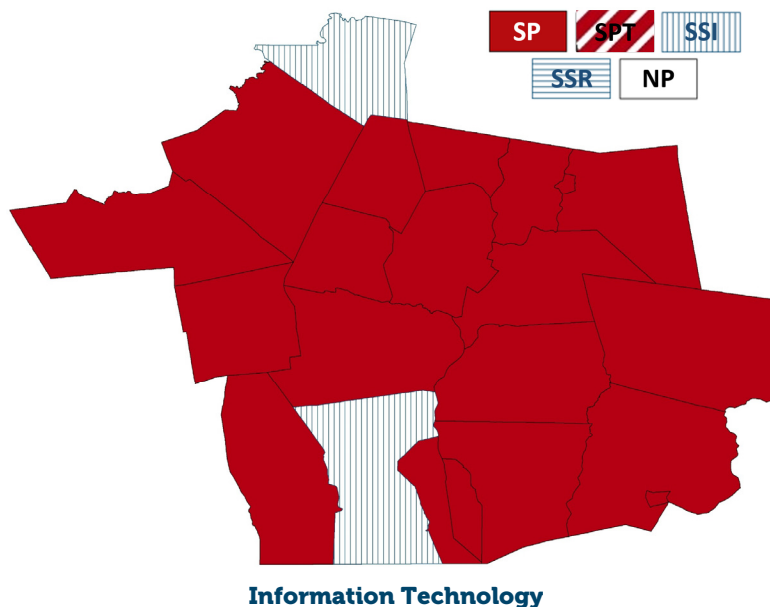


Human Resources

functions. In the smaller governments, it is common for the HR function to be within the portfolio of the finance department or executive administration.

Information Technology

Most SCCOG governments self-provide information technology (IT) services. Larger municipalities typically have an IT department that supports the entire government, while smaller municipalities generally rely on tech savvy staff in other departments to troubleshoot and provide user support as needed. Seven (7) governments indicate that they contract out IT functions in whole or large part; one other intends to contract this service out in the near future.



Two shared service arrangements were noted. Waterford and its Board of Education jointly provide IT, with the Town paying the Board for the service. Also, Windham provides the service collaboratively with three NECCOG towns: Scotland, Hampton and Chaplin.

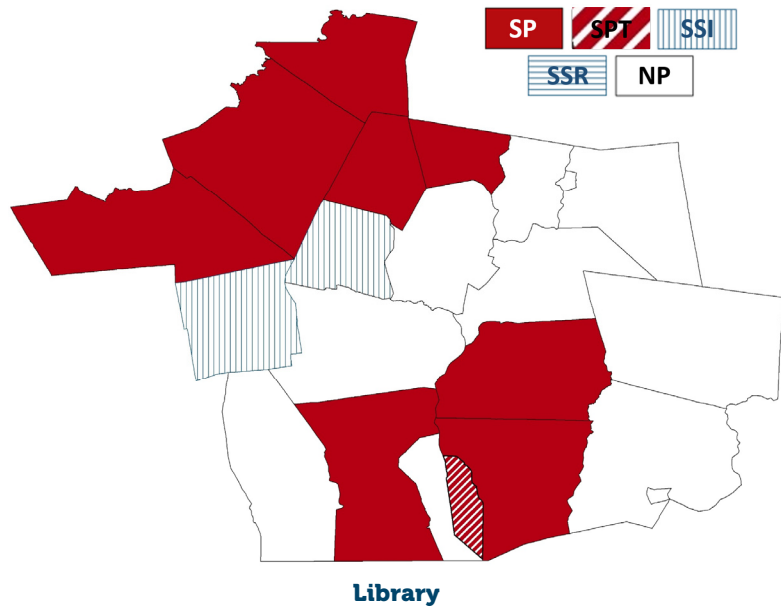
In the context of IT services, it is worth noting Geographic Information Systems (GIS). SCCOG maintains a regional GIS system that provides regional access to maps, geographically referenced property information and other geographic data. The system uses the MapGeo platform by AppGeo.¹³ At the same time, more than half of SCCOG member municipalities also provide their own GIS data which, in some cases, overlaps that of SCCOG. CGR's review of available GIS data in the region found 13 SCCOG members with an online interactive GIS platform in addition to SCCOG's service. A variety of vendors are used to deliver the data online, including New England GeoSystems, CAI (Axis GIS), MainStreetGIS and PeopleGIS.¹⁴

¹³ See <https://sccogct.mapgeo.io/>

¹⁴ Colchester, East Lyme, Groton Town, Lebanon, Ledyard, Lisbon, Montville, North Stonington, Norwich, Preston, Salem, Stonington Town and Windham.

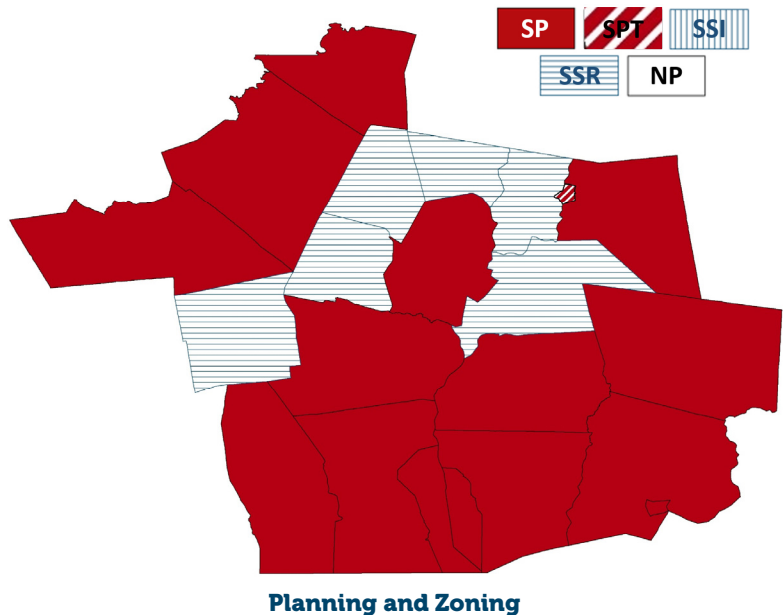
Library

Library services are provided in a variety of different ways across the SCCOG region. Nine (9) municipalities self-deliver library services using municipal employees. Two (2) others pay another local government for library services since they do not have their own local library. The remaining communities have no formal municipal involvement in delivering library services, as the function is handled by a separate independent / non-profit library. In those cases, the municipality typically makes a subsidy contribution to the library to support its operations.



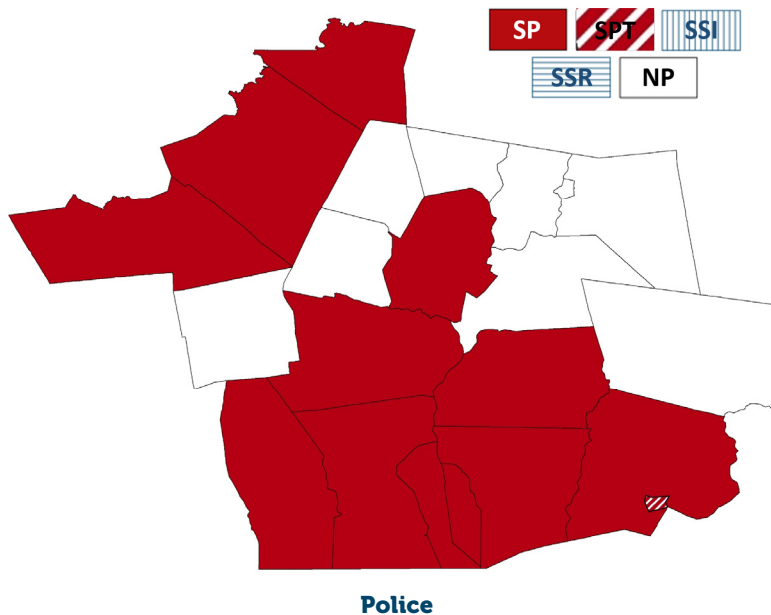
Planning and Zoning

Planning functions are characterized by two basic methods of service delivery in the SCCOG region. The most prevalent is for municipalities to self-provide the function with their own planning and zoning staff. All but 5 currently do so. The others utilize an innovative shared contract model with SCCOG, whereby the Council of Governments provides professional planning services to the municipalities. Currently, SCCOG staff includes four full-time planners and a contract planner who serve the role of town planner in the municipalities that contract for the service.



Police

A variety of approaches are used to provide law enforcement services across the region. The most common is a self-provided model wherein municipalities staff, fund and administer their own town / city police department. Nine (9) communities currently employ that method.¹⁵ Three (3) other municipalities self-provide the service through the use of a small force of constables, with additional support from the resident state trooper program.¹⁶ Collectively, these municipalities are reflected in red in the accompanying map since they make a formal investment in law enforcement personnel, whether police or constables.



Beyond those municipalities that employ their own police or constable force, 7 communities¹⁷ rely solely on the resident trooper program and make annual payments to the state police. Three communities (Bozrah, Franklin and Windham) are under state police jurisdiction without resident troopers.¹⁸ Collectively, these municipalities are reflected in white in the accompanying map since there is no formal municipal force of police or constables.

¹⁵ One of these is in Windham, where a local force is provided only in Willimantic through a taxing district.

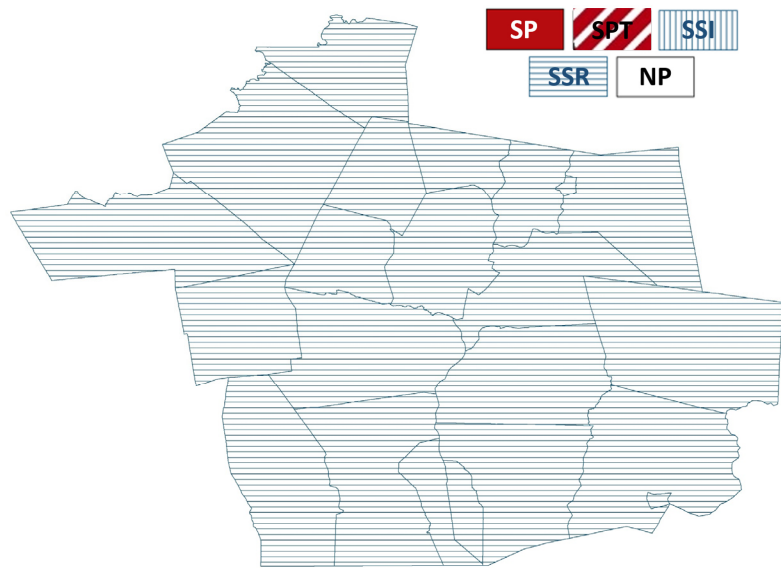
¹⁶ "Eighty towns in Connecticut are under state police jurisdiction either because they do not have their own organized police department or have agreed, under a contract, to let the state police supervise their police officers or constables. The state police provides law enforcement services in these towns through 11 troops operating from barracks across the state. Each troop is responsible for several towns. Any town that wants its own resident trooper must execute a contract with the state police and pay a percentage of the trooper's compensation, maintenance and other expenses. Currently, 54 towns have resident state troopers, including 10 in the SCCOG region." In "Connecticut Towns Under State Police Jurisdiction," Office of Legislative Research, 2016, <https://www.cga.ct.gov/2016/rpt/pdf/2016-R-0246.pdf>.

¹⁷ One of these is in Windham for the portion of the town outside the Willimantic taxing district.

¹⁸ <https://www.cga.ct.gov/2016/rpt/pdf/2016-R-0246.pdf>, p 3.

Probate Court

Probate court services are delivered throughout SCCOG – and statewide – using a regional court model, per state law. Connecticut statute establishes 54 probate court regions throughout the state and assigns each municipality to one of them. The SCCOG region is split across 5 regional probate courts, two of which are entirely within the region and three that also contain municipalities from neighboring COG regions.

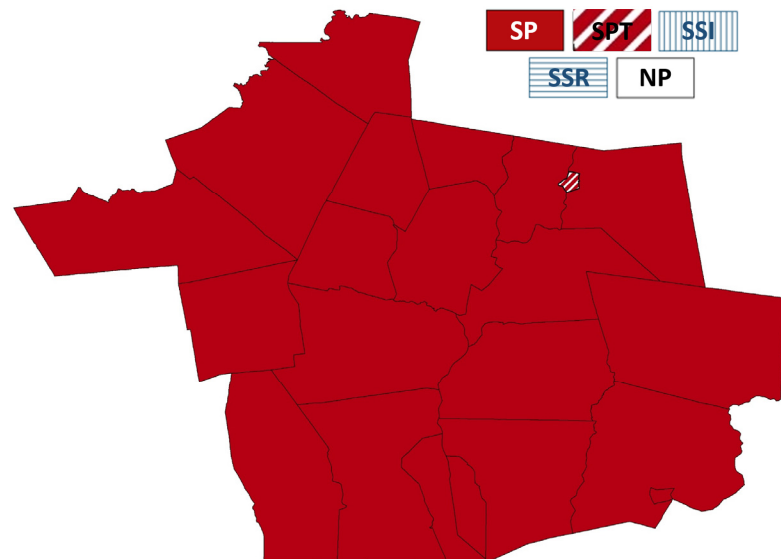


Probate Court

Public Works and Highways

Nearly every SCCOG municipality self-provides public works services through its own department and municipal personnel. The lone exception is Jewett City, which receives the service through Griswold (though the Borough pays additional for Borough streets). Jewett City's own public works department was dissolved in the 1990s through action of a state-appointed receiver, who transferred the function to the Town.

Although public works is provided separately by each local government, there are examples of informal and *ad hoc* sharing. Some of this is around shared equipment and specific tasks, such as East Lyme and New London sharing a grant-funded grapple truck,

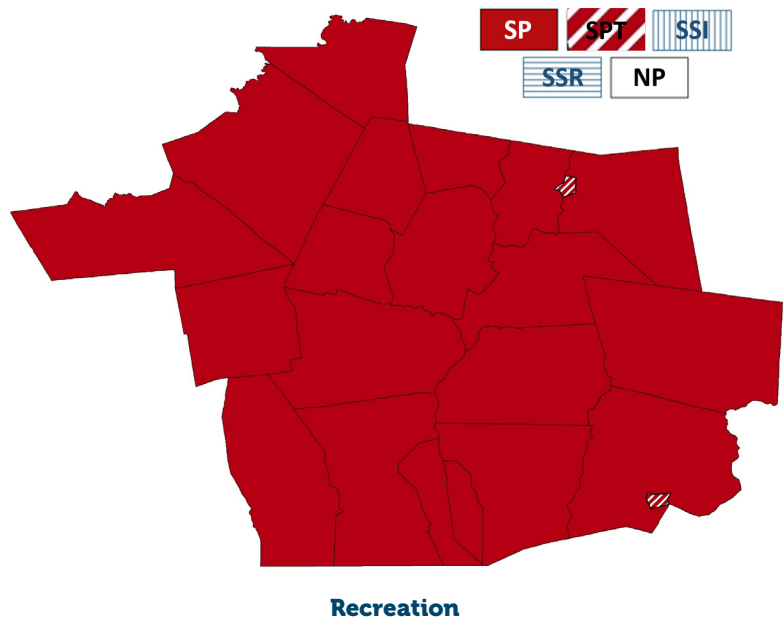


Public Works and Highways

and Groton City and Town collaborating on funding for City street repairs.

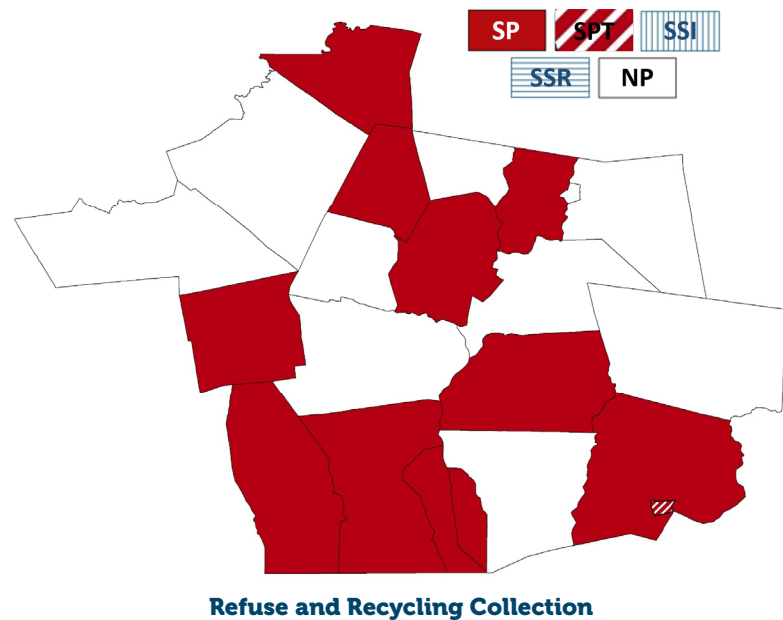
Recreation

Recreation services are largely decentralized across SCCOG. Each town administers its own recreation program, and the scale of offerings varies widely. The extent of programming, associated cost and volume of participation generally reflect the size of the community, with larger municipalities having more numerous offerings and fee-based programs. The two borough governments do not run their own recreation departments, but rather receive that service from the town.



Refuse and Recycling (Municipal Solid Waste Disposal)

A variety of different methods are used for refuse and recycling collection in the region. In 4 municipalities, the service is provided and funded directly by the local government using municipal crews and equipment. Seven (7) communities self-provide the function as a municipal service but contract the service to an outside provider (e.g.



Willimantic Waste).¹⁹ The remaining municipalities have no formal municipal role in delivering collection services, leaving it to the discretion of property owners as to whether they wish to contract with a private vendor for collection or dispose of their trash on their own via the local transfer station.

Connecticut's General Assembly Legislative Program Review and Investigations Committee examined the diversity of approaches in detail in a 2010 report²⁰, noting: "Under state statute, each Connecticut municipality must 'make provisions for the safe and sanitary disposal of all solid wastes generated within its boundaries'." The report illustrated 16 possible options available to local governments when considering residential solid waste service levels. The report found that roughly half of Connecticut municipalities use a "self-haul" program whereby residents can take their own solid waste to a municipal transfer station or dump. As the report notes, transfer stations are "facilities that serve as an intermediate collection point for small scale waste haulers... and necessary element(s) in the waste management system because it is too costly to transport municipal waste over long distances in typical waste collection vehicles."²¹

On that point, most SCCOG towns have their own municipal transfer station where they accept and consolidate different types of waste, including municipal solid waste, land clearing debris, scrap metal, construction materials and recyclables. In total, the SCCOG region includes 18 municipal transfer stations registered by the State Department of Energy and Environmental Protection (DEEP). One is located in each of the following communities:

- Bozrah
- Colchester
- East Lyme
- Franklin
- Griswold
- Groton
- Lebanon
- Ledyard
- Montville
- New London
- North Stonington
- Norwich
- Preston
- Salem
- Sprague
- Stonington
- Waterford
- Windham

¹⁹ This includes Lisbon, where curbside recycling pickup is part of the municipal budget and contracted out to Willimantic Waste. Lisbon does not otherwise provide or contract for refuse collection, providing residents with the option to pay a vendor separately for that service.

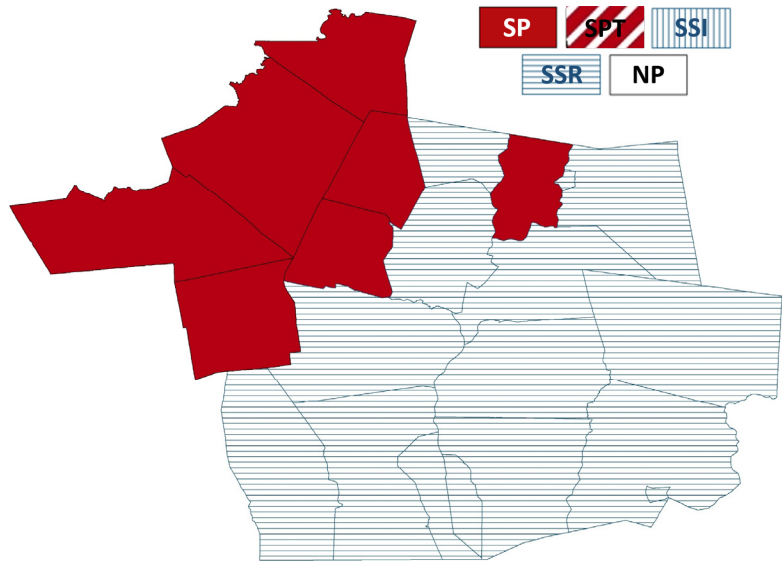
²⁰ "Municipal Solid Waste Management Services in Connecticut," Connecticut General Assembly, Legislative Program Review and Investigations Committee, January 2010, accessed at https://www.cga.ct.gov/2009/pridata/Studies/PDF/MSW_Services_Final_Report.pdf.

²¹ Ibid.

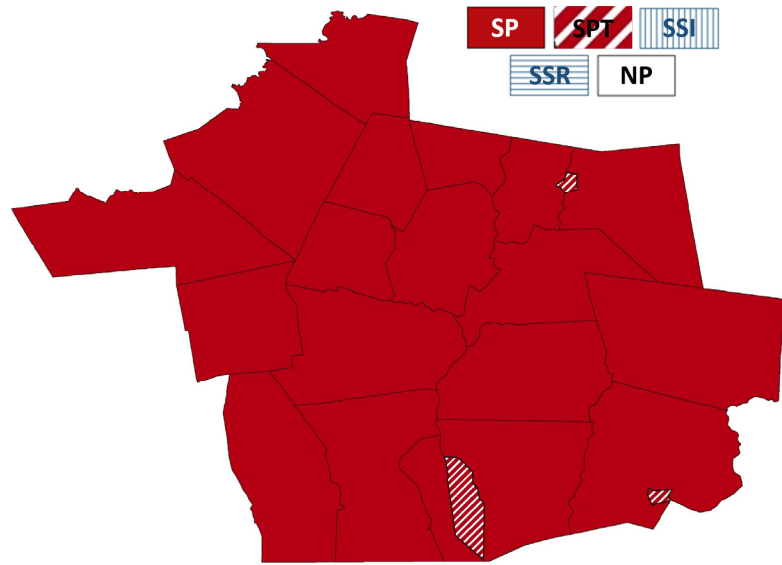
Additionally, there are 3 active landfill sites in the region: Municipally-owned facilities in North Stonington and Sprague, both of which accept bulky waste, and a facility in Stonington owned by Connecticut American Water Company which accepts special waste and aluminum residuals.²²

Regional Waste to Energy Plant

A dozen SCCOG members participate in a regional shared service through the Southeastern Connecticut Regional Resource Recovery Authority (SCRRA). The Authority's facility in Preston, which became operational in 1992, processes more than 700 tons per day and converts it via mass burn to electrical power. SCRRA also provides its member municipalities with hazardous waste collection, electronics recycling and brush grinding services, as well as recycling and solid waste education services. The Preston facility, which is operated under DEEP permit by Covanta, is one of 7 such resource recovery facilities permitted for operation statewide (although only 2 are currently accepting and combusting waste).



Regional Waste to Energy Plant



Registrar

Registrar

Each town²³ has its own registrar's office, pursuant to

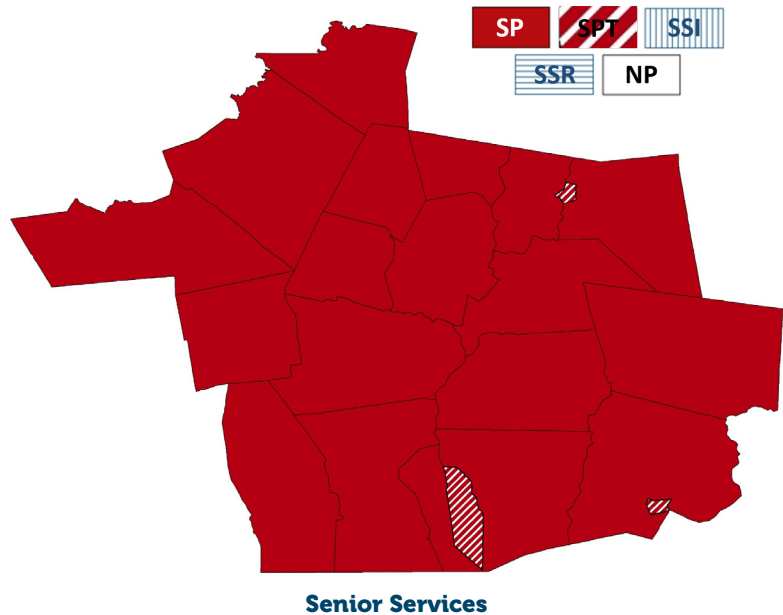
²² See DEEP website at http://www.ct.gov/deep/cwp/view.asp?a=2718&q=325462&deepNav_GID=1646

²³ In the boroughs and city, the service is administered by the town.

Connecticut General Statutes Chapter 146, Section 9-190. An elected position, the registrar function is governed by state law and funded by the municipality. Its primary role involves assisting qualified residents to register to vote, as well as administering and implementing free and open elections for each level of government within the home municipality. This includes administering absentee ballots for residents. In 2016, SCCOG began providing Regional Election Monitor services to its members, as required by Public Act 15-5. This position, funded by a grant from the Secretary of State's office, assists local registrars in the preparation for and conduct of local elections.

Senior Services

Each town²⁴ administers its own senior function. The scale of services provided varies by municipality, but typically spans aging network organizations, education / leisure, elder rights advocacy, food / nutrition programs, transportation, utility assistance, housing and health insurance, among other offerings. The SCCOG region is home to 16 senior centers and 3 adult day care centers.



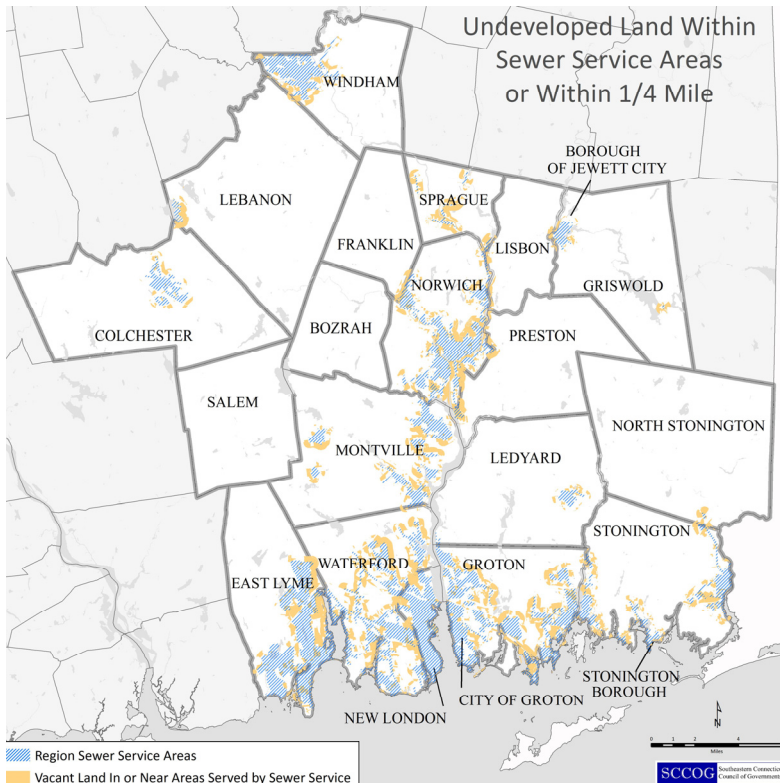
Sewer and Water

Sewer and water systems are concentrated in the most densely developed and populated portions of the SCCOG region. The most extensive sewer systems are located in the southern portion of the region, across Groton, New London, Waterford, East Lyme, and Stonington, and stretch up through Montville and Norwich. The northwest portion of Windham is also sewered. Outside of these areas, there is limited sewer coverage in Franklin, Ledyard, Lisbon and Preston, and no service in Bozrah, Lebanon and North Stonington.²⁵ Per SCCOG's 2017 Regional Plan of Conservation and Development (RPOCD), an estimated 9 percent of the region's land area (and 20

²⁴ In the boroughs and City of Groton, the service is administered by the town.

²⁵ Southeastern Connecticut Council of Governments Regional Plan of Conservation and Development, 2017, p 98.

percent of developed land area) is served by sewers. "Where density and land use do not require public sewer systems," the plan notes, "private septic systems are used to treat wastewater."²⁶



Regarding opportunities for regional approaches, the RPOCD noted recommendations contained in a 1969 *Recommended Regional Sewerage Plan* "remain applicable" today: "The plan predicted that by 1980, there would be 18 sewage treatment plants in the region, and instead recommended that number could be reduced to 13 if inter-municipal systems were used... The plan did recommend the formation of a Regional Water Pollution Control Agency, something that has never happened. Rather, the cooperative agreements that have allowed for one municipality to send

wastewater to another's treatment plant have come about through informal voluntary action."²⁷

As for water, the SCCOG region is served by more than 100 community supply systems. "The largest of these, with one exception, are municipally owned, while the others are privately owned or operated by the Southeastern Connecticut Water Authority (SCWA). Together, these systems serve approximately 75 percent of the region's population, and one-third of the region's land area."²⁸ SCWA was created by state legislation in the 1960s in response to drought and water supply challenges, and empowered to establish and implement programs to meet water supply demands. It is governed by a 7-member board appointed by the Representative Advisory Board,

²⁶ *Ibid*, p 98.

²⁷ *Ibid*, p 98.

²⁸ *Ibid*, p 95.

which itself is comprised of two members from each of the region's municipalities and boroughs.²⁹

Water service in the region is structured using a series of "exclusive service areas." Per Connecticut General Statute, an exclusive service area is defined as an area in which public water is supplied by a single system. The entire SCCOG region is contained within the Eastern Public Water Supply Management Area (PWSMA), which also spans the NECCOG region. In total the Eastern PWSMA consists of 615 public water systems.³⁰ Each municipality contains at least one public water system. The majority of water systems in the Eastern PWSMA (and in the SCCOG region) serve fewer than 1,000 people. As of December 2016, only 43 systems (7 percent of all systems in the Eastern PWSMA) served more than 500 people.³¹ Within SCCOG there are 22 public water systems that serve more than 1,000 people each, including the Mashantucket Pequot Tribal Nation and Mohegan Tribal Utility Authority. Measured by average daily demand, the largest systems are Groton Utilities (5.7 million gallons per day), New London Department of Utilities (5.2 million) and Norwich Public Utilities (4.5 million).³²

The December 2016 Coordinated Water System Plan provided detailed information on the number and type of public water system service areas for each municipality in the PWSMA region. Information pertaining to SCCOG member municipalities is presented below, drawn from the 2016 Plan.

²⁹ Drawn from www.waterauthority.org.

³⁰ Connecticut Department of Public Health, Coordinated Water System Plan, Part I: Final Water Supply Assessment, Eastern Connecticut Public Water Supply Management Area, 2016: http://www.ct.gov/dph/lib/dph/drinking_water/pdf/2016-12-14easternwsa.pdf.

³¹ *Ibid*, p 1-7.

³² Southeastern Connecticut Council of Governments Regional Plan of Conservation and Development, 2017, p 97.

Public Water System Service Areas by Municipality

Source: Eastern PWSMA Water Supply Assessment, 2016

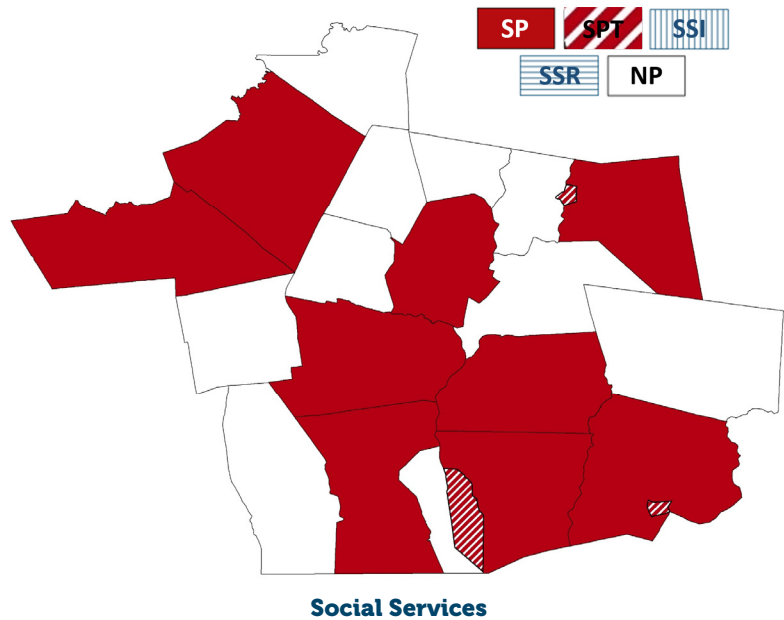
	Total Number of Systems	Community Systems	Non-Transient Non-Community Systems	Transient Non-Community Systems
Bozrah	11	1	1	9
Colchester	21	8	2	11
East Lyme	6	1	1	4
Franklin	20	1	4	15
Griswold	19	6	2	11
Groton	17	6	5	6
Lebanon	37	6	9	22
Ledyard	14	8	1	5
Lisbon	10	6	3	1
Montville	60	27	10	23
New London	1	1	0	0
N. Stonington	39	5	7	27
Norwich	15	6	1	8
Preston	22	4	1	17
Salem	14	3	4	7
Sprague	6	1	2	3
Stonington	22	6	4	12
Waterford	4	2	0	2
Windham	13	3	3	7

There have been discussions regarding the benefit of more regional approaches in water supply, particularly where water-limited areas require new and additional supplies. As the RPOCD notes, "In 2009, SCCOG decided to take a more active role in responding to regional water supply by forming a Regional Water Committee... The goal of this committee and its subcommittee is to encourage and support actions by its member municipalities and affiliate-member Native American tribes to develop additional water supply sources and water supply interconnections, leading to the creation of a regional water supply system. In 2010, SCCOG adopted the Regional Water Priority Planning Document which recommended a series of new water supplies and interconnections classified as being needed in the near term, mid-term, or long term. In 2012, SCCOG had prepared an Intra-Regional Water Supply Response Plan for emergency transfers of water in the region, and in 2014 applied for and received the necessary permits to allow this to take place. Currently, the SCCOG, its member municipalities, and the region's water utilities are participating in the Eastern Connecticut Water Utility Coordinating Committee (WUCC), which will prepare and adopt a coordinated water system plan for all of eastern Connecticut."³³

³³ *Ibid*, p 96.

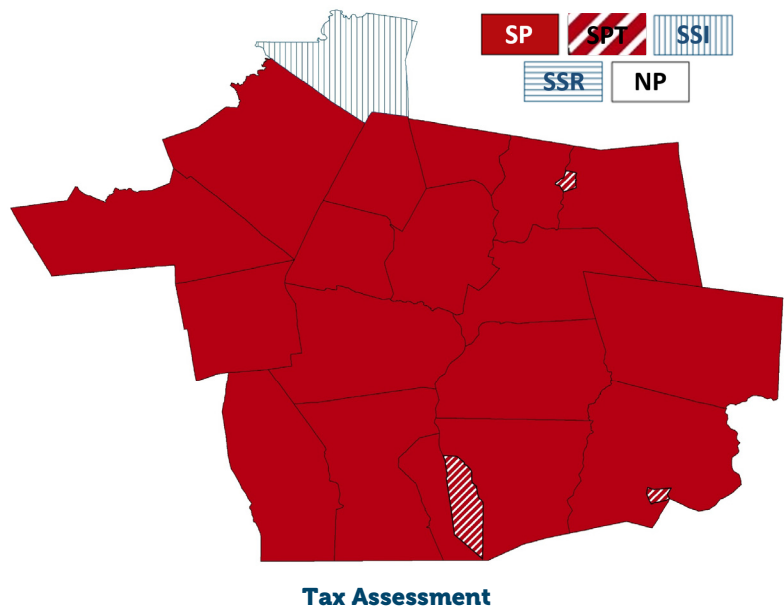
Social Services

Nine (9) municipalities report providing a robust social services function to residents. The State also operates a regional office on West Thames Street in Norwich to provide information and enrollment involving child support, adult / family social work, protective services for the elderly, ombudsman services and other programs. Beyond the municipalities that do provide some social service programming, others (e.g. New London, Franklin) provide service referrals and information, but do not otherwise have a dedicated municipal department.



Tax Assessment

The assessment function is generally decentralized across SCCOG. Each municipal assessor is tasked with determining the value of all taxable property in the municipality, and maintaining those records for the local government. There is one shared service example: Windham and Chaplin jointly provide assessment services via inter-municipal agreement. As shown in the map, the City of Groton and the boroughs receive the service from their respective town. East Lyme and Waterford have jointly solicited and engaged the same revaluation company in the past.

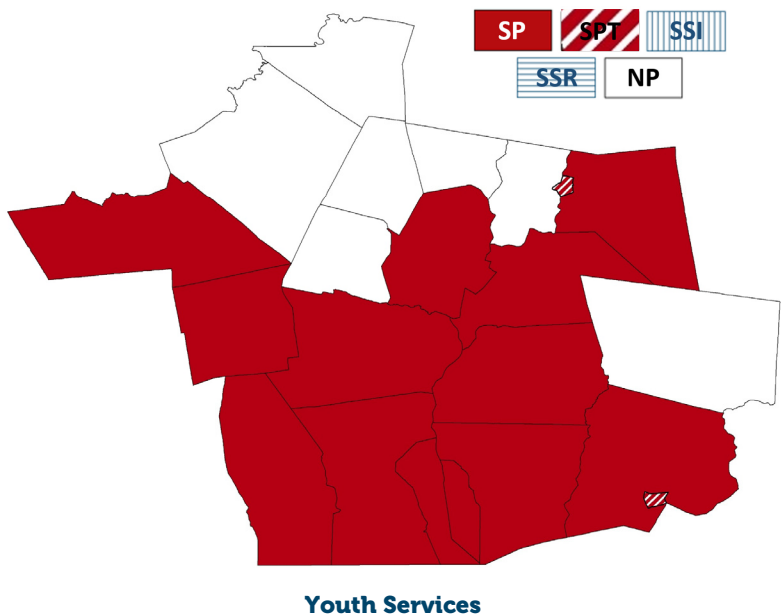
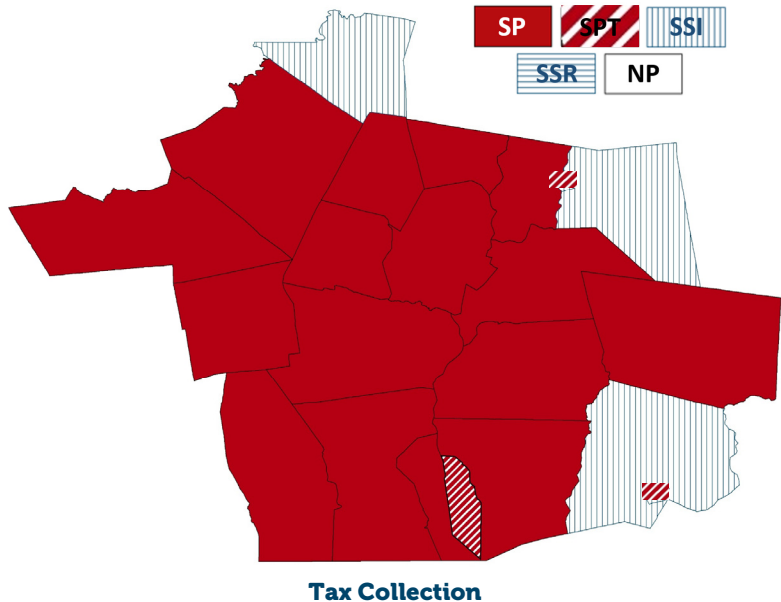


The Connecticut Conference of Municipalities' 2017 report (This Report is Different) identified

assessment services as a potential area for sharing or consolidating, calling for coordination among assessment offices servicing less than 15,000 parcels. "Based on a 2013 national study conducted by the International Association of Assessing Officers... the typical property assessment office is responsible for assessing over 50,000 parcels... Municipal assessors (in CT), on the other hand, average just under 15,000 parcels... Based on national survey data, there is every reason to believe there are economies of scale in property assessment, even after controlling for the complexities faced in Connecticut."³⁴ CCM estimated the statewide savings potential for shared assessment at \$5 to \$10 million.

Tax Collection

Tax collection is generally administered by each individual municipality. Griswold and Stonington Town both provide the service on a contract basis for their boroughs (Jewett City and Stonington Borough, respectively); Groton Town also provides tax collection for Groton City. Windham provides the service jointly to NECCOG member Chaplin.



Youth Services

More than half of SCCOG municipalities provide some youth programming as a local government service. Where youth services are provided,

³⁴ Securing the Future: Service Sharing and Revenue Diversification for Connecticut Municipalities, Connecticut Conference of Municipalities, January 2017.

they are generally done on a municipality by municipality basis, with little formal inter-municipal collaboration.

Inventory of Existing Collaborative Approaches

The previous section examined the diversity of services and delivery methods across SCCOG governments. This section goes deeper, documenting the specific relationships that already exist around shared services in the region. In other words, ***specifically who is sharing what with whom?***

SCCOG's exploration of new shared service arrangements builds on a strong foundation, as the region's local governments already engage in a number of important, cross-cutting and vital service collaborations. In many cases those shared arrangements are long-standing; in others, more recent. They represent a variety of different services, scales, service delivery structures and financial arrangements. Perhaps most importantly, they evidence a willingness on the part of SCCOG's member governments to share services where it makes sense and can sustain (or even enhance) the quality and level of service residents depend on.

This section presents an inventory of current service sharing involving SCCOG member governments. CGR compiled the information through a review of operational and financial documents with each member municipality, supplemented by interviews with the chief elected official (or his / her designee) in each.

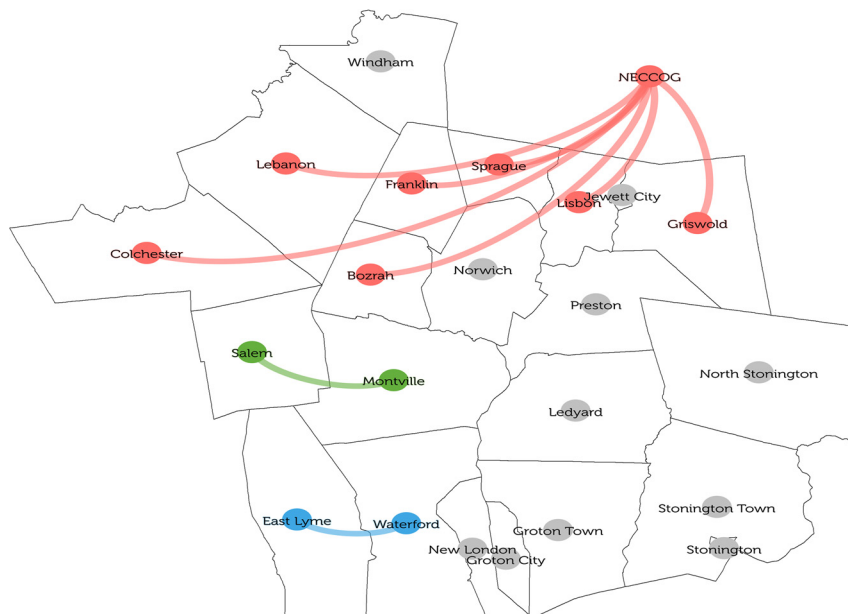
Our review identified thirty-three (33) existing shared arrangements involving SCCOG member governments, spanning 15 functional areas. The arrangements include those entered into on a discretionary, inter-municipal basis (e.g. two towns sharing a building official by contract) or regional basis (e.g. multiple towns sharing a common regional transfer station). They also include cases where state statute has created regional service districts for the administration of particular functions (e.g. probate courts).

This section is then followed by a discussion of broader "sharing communities" within SCCOG – that is, where there is already a dense amount of sharing occurring between and among governments in certain parts of the region. CGR identified 5 such sharing communities, which can serve as a foundation for expanding existing sharing or introducing new shared frameworks.

Animal Control

CGR identified three (3) existing shared service arrangements in animal control.

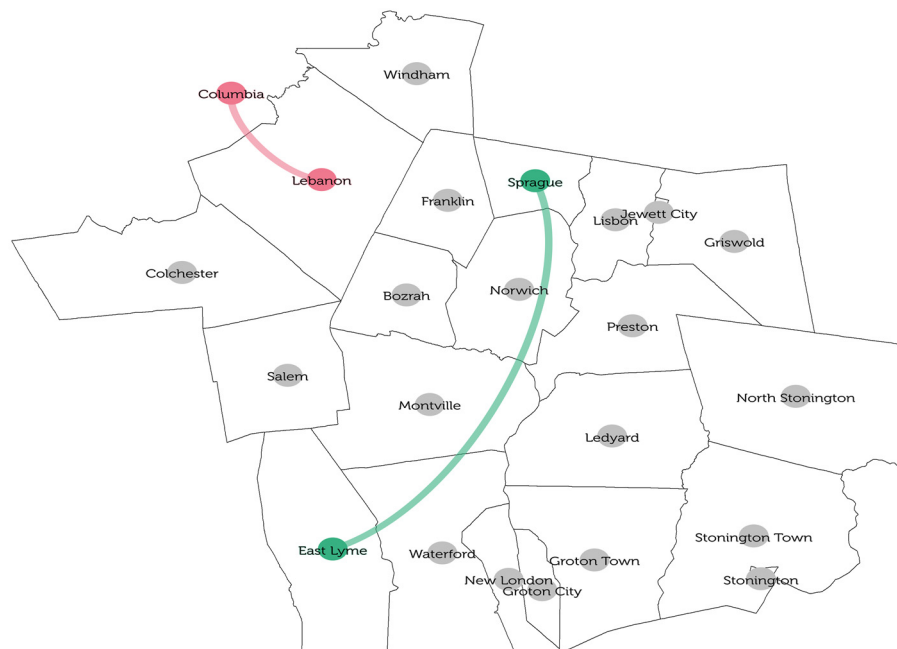
- 1.** Bozrah, Colchester, Franklin, Griswold, Lebanon, Lisbon and Sprague jointly provide animal control services through contract with NECCOG, the Northeastern Connecticut Council of Governments. The partnership of SCCOG members, which had existed previously, began contracting with NECCOG in 2017. In all, the NECCOG program serves 18 towns, eleven of which are outside the SCCOG region.
- 2.** East Lyme and Waterford share animal control services and an animal shelter, located on Avery Lane in Waterford.
- 3.** Montville and Salem share animal control services.



Building and Code Enforcement

CGR identified two (2) existing shared service arrangements in building and code enforcement.

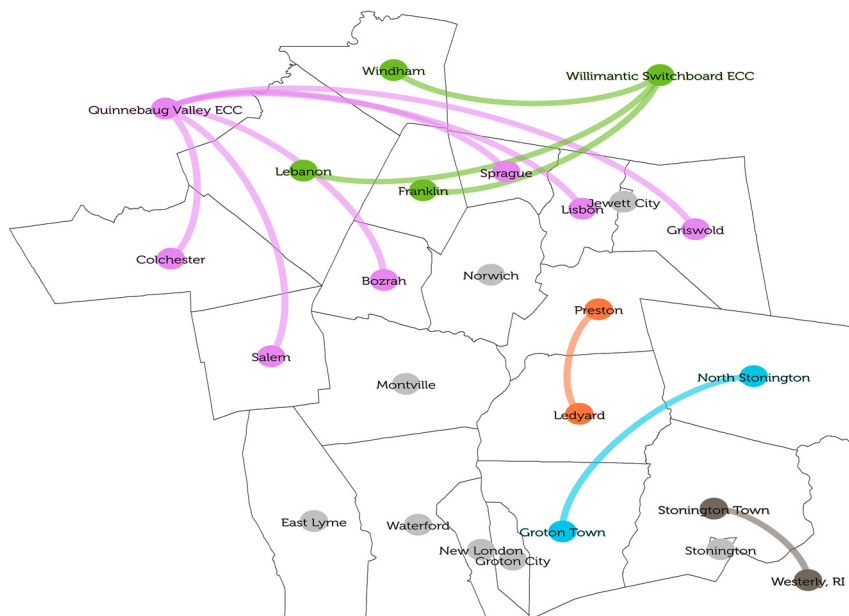
- 1.** East Lyme and Sprague utilize a common part-time employee as building inspector and blight officer.
- 2.** Lebanon and Columbia (in CRCOG, the Capitol Region Council of Governments) share a building official under a formal inter-municipal agreement.



E-911 Dispatch

CGR identified five (5) existing shared service arrangements in emergency dispatch.

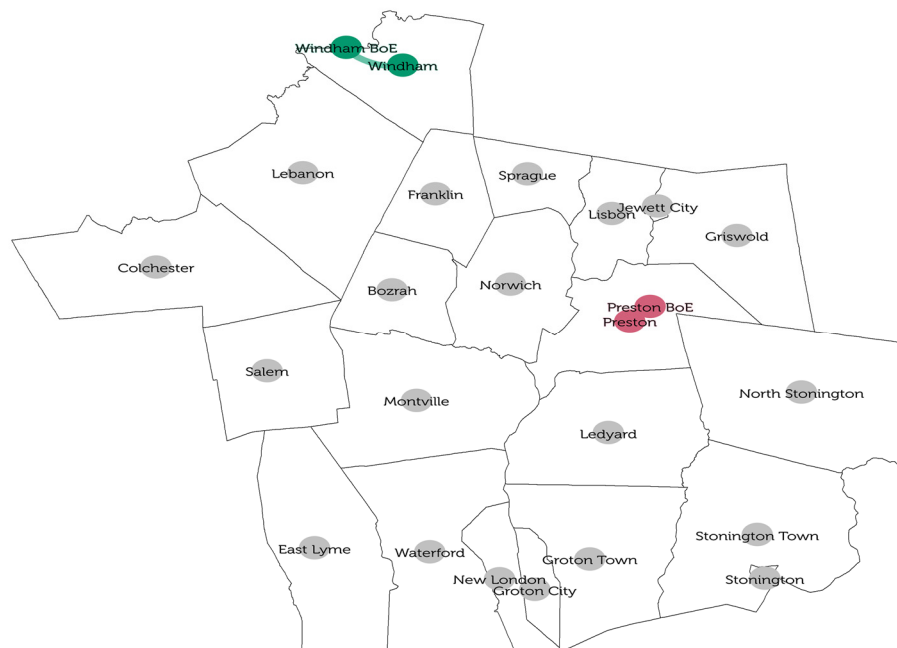
- 1.** Bozrah, Colchester, Griswold, Lisbon, Salem and Sprague jointly receive dispatch services via the Quinebaug Valley Emergency Communications Center (ECC). Located in Killingly, the Center also serves nearly all municipalities in NECCOG, the Northeastern Connecticut Council of Governments. Quinebaug Valley ECC is considered a regional public safety answering point (PSAP) by the Division of Statewide Emergency Telecommunications (DSET).
- 2.** Franklin, Lebanon and Windham jointly receive dispatch services via the Willimantic Switchboard ECC. These are the only municipalities served by the Center, which is located in Windham. Willimantic Switchboard ECC is considered a regional public safety answering point by DSET.
- 3.** Groton Town jointly serves itself and North Stonington through the Groton ECC, which is considered a regional public safety answering point by DSET.
- 4.** Ledyard jointly serves itself and Preston through the Ledyard ECC, which is considered a multi-town public safety answering point by DSET.
- 5.** Stonington Town and Westerly, Rhode Island jointly provide dispatch through a multi-town public safety answering point.



Finance

CGR identified two (2) existing shared service arrangements in finance.

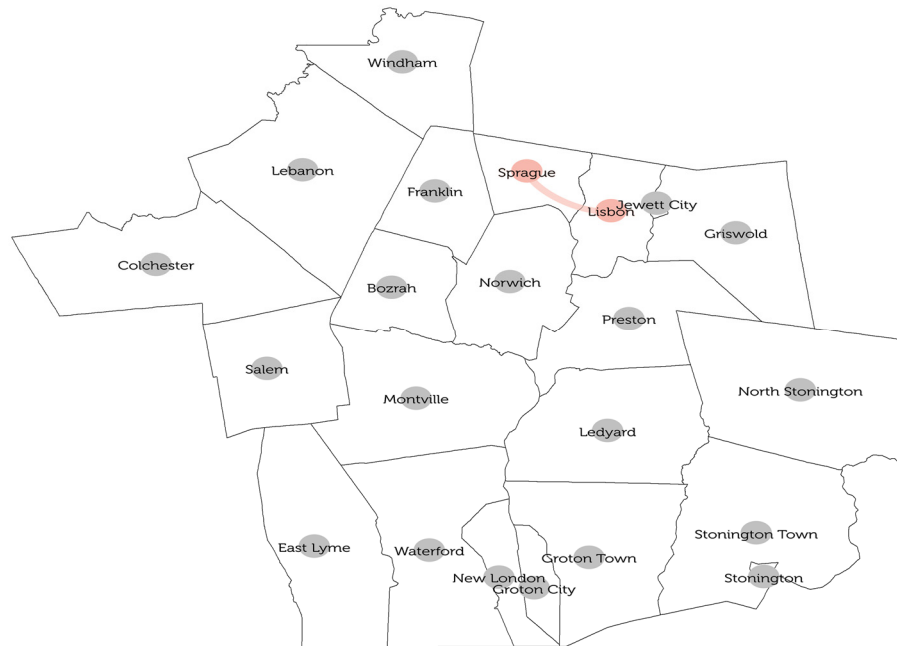
- 1.** Preston provides financial administration services jointly with its Board of Education.
- 2.** Windham provides financial administration services jointly with its Board of Education.



Fire Marshal

CGR identified one (1) existing shared service arrangement in fire marshal services.

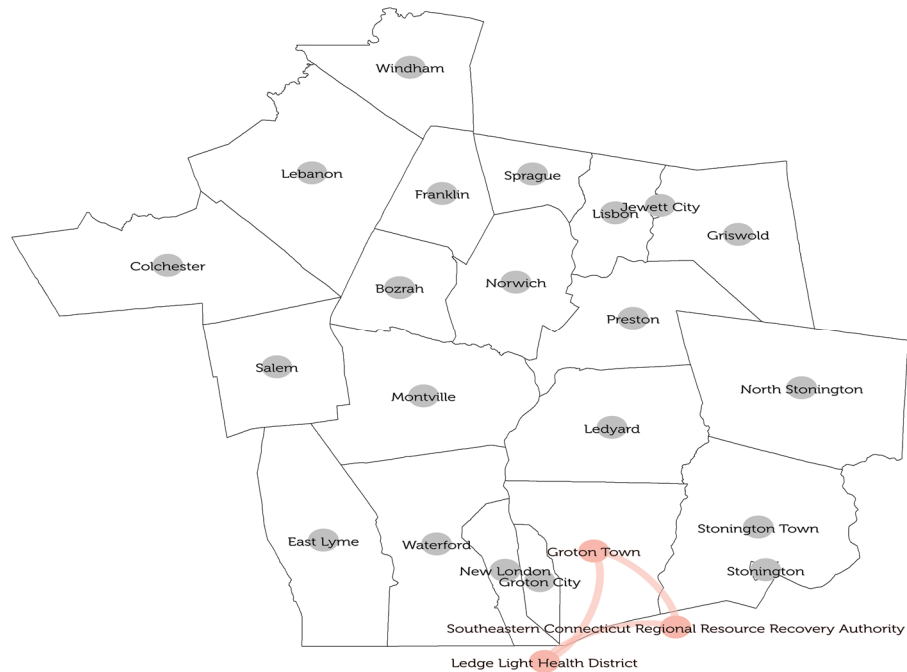
1. Lisbon and Sprague share a fire marshal.



Fleet Maintenance

CGR identified one (1) existing shared service arrangement in fleet maintenance.

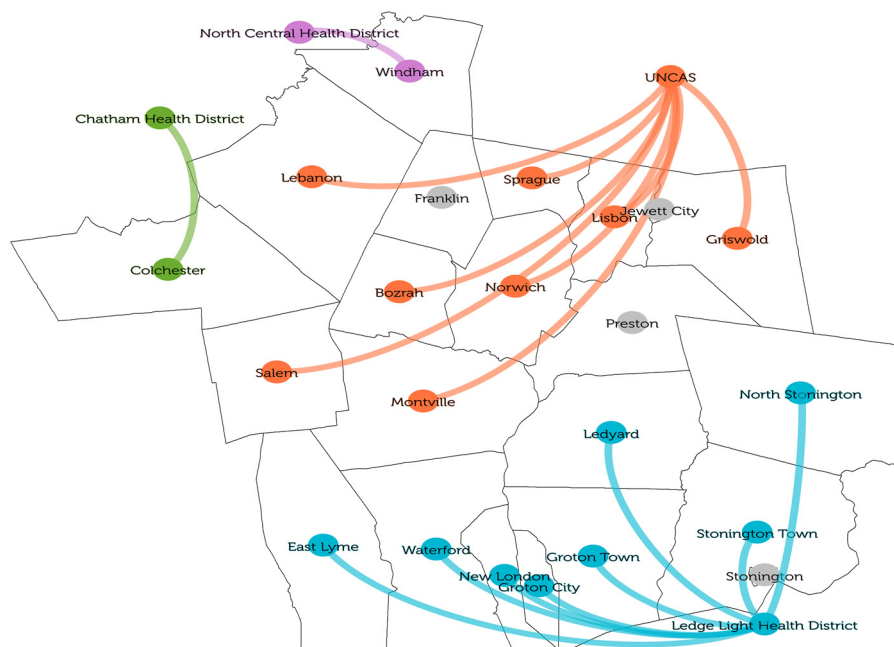
1. Groton Town provides fleet maintenance services to two other regional service providers that serve SCCOG municipalities: Ledge Light Health District and the Southeastern Connecticut Regional Resource Recovery Authority.



Health

CGR identified four (4) existing shared service arrangements in public health.

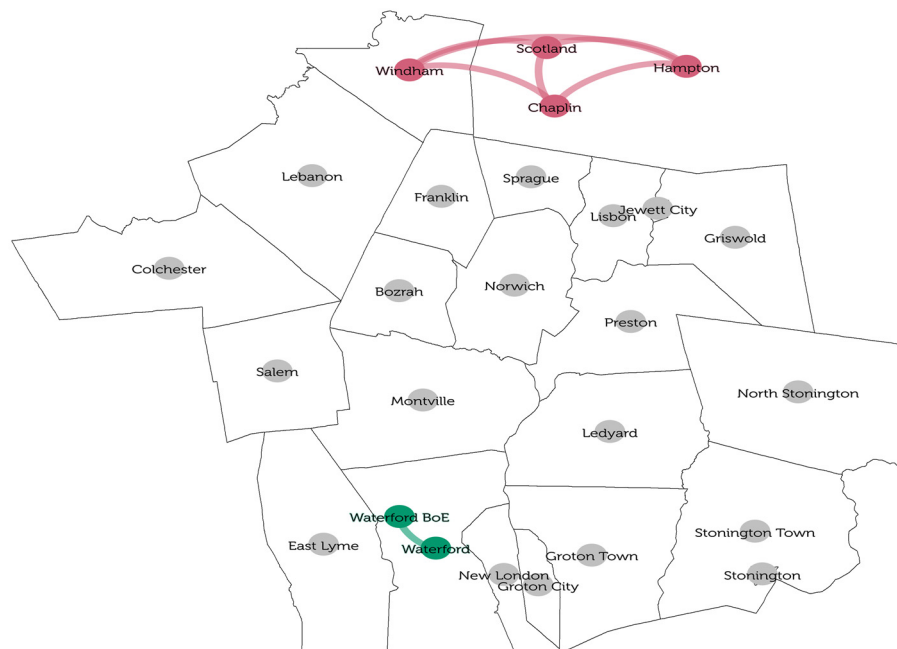
- 1.** East Lyme, Groton City, Groton Town, Ledyard, New London, North Stonington, Stonington Town and Waterford each contract with Ledge Light Health District (LLHD), one of 20 regional health districts across the State of Connecticut. LLHD also serves Old Lyme, which is in the Lower Connecticut River Valley Council of Governments.
- 2.** Bozrah, Griswold, Lebanon, Lisbon, Montville, Norwich, Salem and Sprague each contract with the Uncas Health District. Uncas also serves Voluntown, which is in the Northeastern Connecticut Council of Governments.
- 3.** Colchester contracts with the Chatham Health District, which also serves certain municipalities from the Capitol Region and Lower Connecticut River Valley Councils of Governments.
- 4.** Windham contracts with the North Central Health District, which also serves a series of Capitol Region COG municipalities (and which are non-contiguous to Windham).



Information Technology

CGR identified two (2) existing shared service arrangements in information technology.

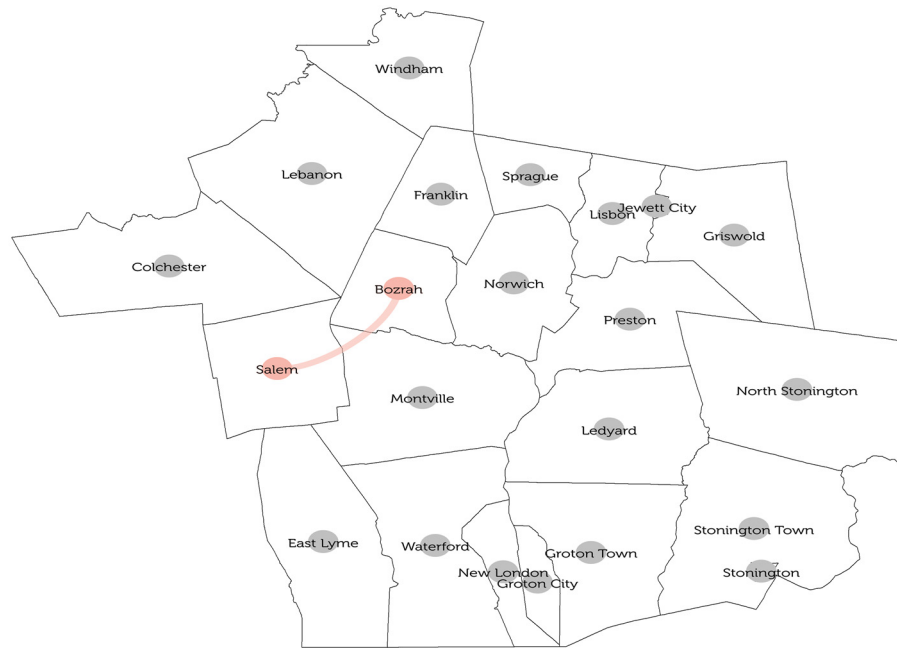
1. Waterford provides information technology services jointly with its Board of Education.
2. Windham provides information technology services jointly pursuant to inter-municipal agreement with three NECCOG towns: Chaplin, Hampton and Scotland.



Library

CGR identified one (1) existing shared service arrangement in libraries.

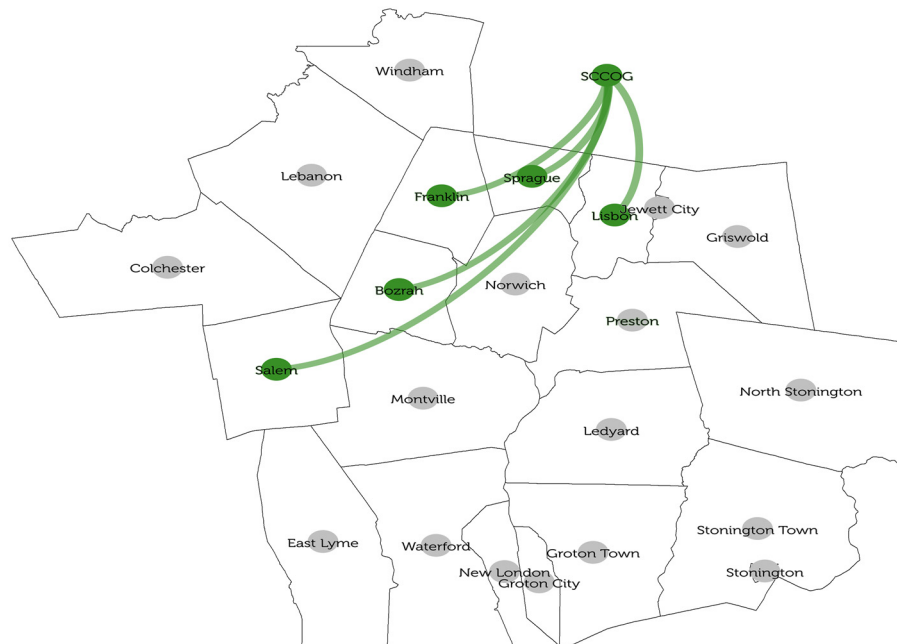
1. Bozrah, which does not have a library of its own, pays Salem an annual fee to partner through the Salem Free Public Library.



Planning

CGR identified one (1) existing shared service arrangement in planning.

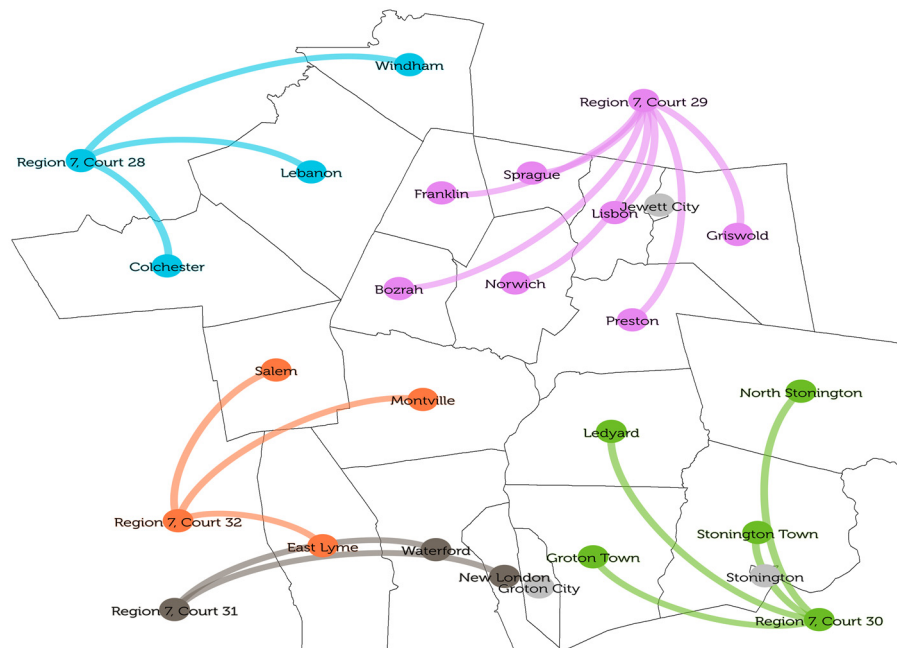
1. Bozrah, Franklin, Lisbon, Salem and Sprague each contract with SCCOG for planning services. (Note: Bozrah maintains two contracts with SCCOG – one to support the Planning Commission and one for wetlands. Also, it is worth noting that over the years SCCOG has entered into contracts with municipalities to do a specific item of planning work [e.g. plans of conservation and development or elements thereof]. Also, when some towns have lost a planner through departure or otherwise faced conflicts of interest, SCCOG has supported those departments on an interim basis to fill the immediate need.)



Probate Court

CGR identified five (5) existing shared service arrangements in probate court. The structure derives from state statute, which establishes 54 probate court regions statewide and assigns each municipality to one of them.

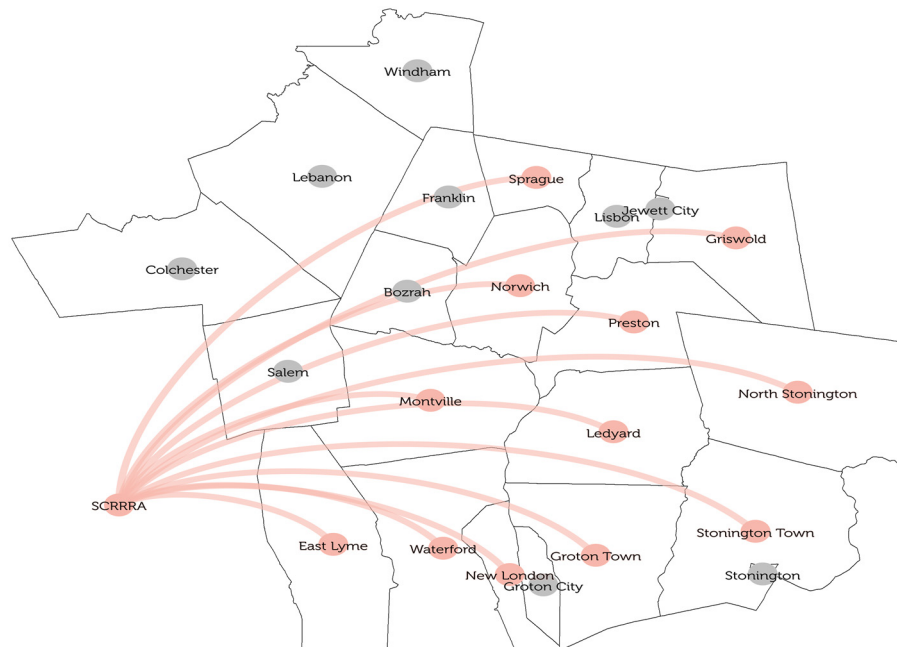
- 1.** Colchester, Lebanon and Windham are served by Court 28, which also serves NECCOG members Chaplin, Hampton and Scotland.
- 2.** Bozrah, Franklin, Griswold, Lisbon, Norwich, Preston and Sprague are served by Court 29, which also serves NECCOG member Voluntown.
- 3.** Groton Town, Ledyard, Stonington Town and North Stonington are served by Court 30.
- 4.** New London and Waterford are served by Court 31.
- 5.** East Lyme, Montville and Salem are served by Court 32, which also serves Lower CT River Valley COG member Old Lyme.



Regional Waste to Energy Plant

CGR identified one (1) existing shared service arrangement in regional waste to energy services.

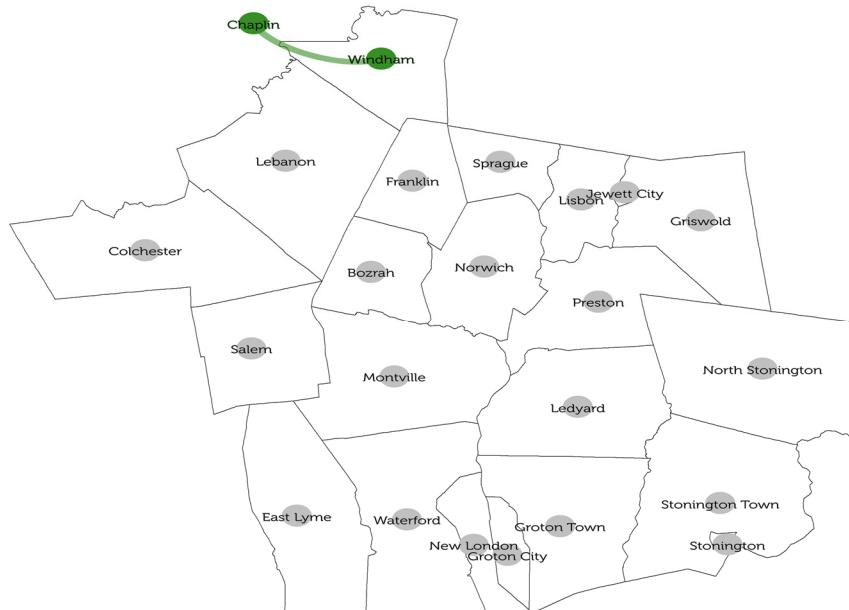
1. East Lyme, Griswold, Groton Town, Ledyard, Montville, New London, North Stonington, Norwich, Preston, Sprague, Stonington Town and Waterford all jointly partner through the Southeastern Connecticut Regional Resource Recovery Authority (SCRRRA). Established in 1987 through an act of the state legislature, SCRRRA handles municipal solid waste (MSW), recycling and other waste disposal services at its Preston facility.



Tax Assessment

CGR identified one (1) existing shared service arrangement in tax assessment.

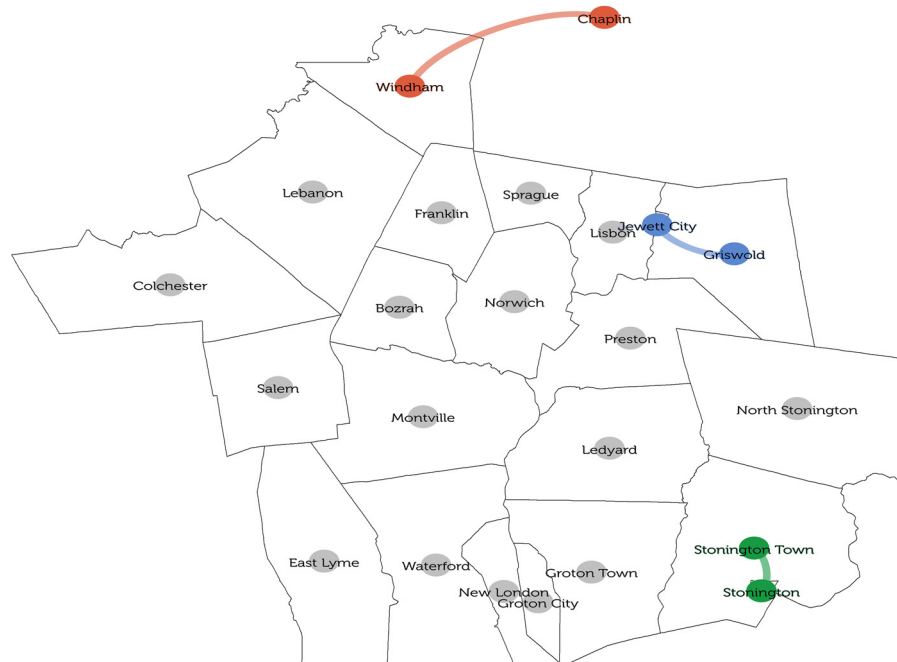
1. Windham provides tax assessment jointly with NECCOG member Chaplin pursuant to inter-municipal agreement.



Tax Collection

CGR identified three (3) existing shared service arrangements in tax collection.

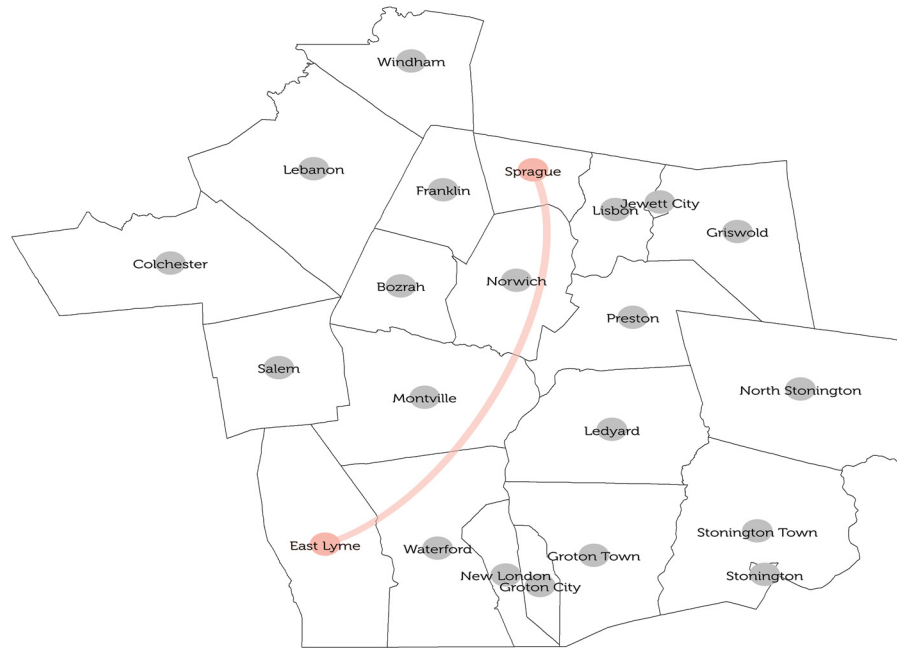
1. Jewett City contracts with Griswold for the service
2. Stonington Borough contracts with Stonington Town for the service.
3. Windham provides the service to NECCOG member Chaplin pursuant to an inter-municipal agreement.



Zoning

CGR identified one (1) existing shared service arrangement in zoning.

1. East Lyme and Sprague share a zoning enforcement officer / building official.



Summary of Existing Collaborative Approaches

Service	Partners	Start Date	Elements	Est Value¹	Basis
Animal Control	Bozrah, Colchester, Franklin, Griswold, Lebanon, Lisbon, Sprague / NECCOG	2017 at NECCOG	Staff, supplies, facilities	\$155,000	Contract
Animal Control	East Lyme, Waterford	More than 5 years ago	Staff, supplies, facilities	\$85,000	Contract
Animal Control	Montville, Salem	2016	Staff, supplies, facilities	\$80,000	Contract
Building and Code	East Lyme, Sprague	N/A	Staff	\$50,000	Shared staff member
Building and Code	Lebanon, Columbia	N/A	Staff	\$60,000	Contract
E-911 Dispatch	Bozrah, Colchester, Griswold, Lisbon, Salem, Sprague	Variable ²	Staff, supplies, facilities	\$140,000 ¹	Contract
E-911 Dispatch	Franklin, Lebanon, Windham	More than 5 years ago	Staff, supplies, facilities	\$400,000	Contract
E-911 Dispatch	Groton Town, North Stonington	1980s	Staff, supplies, facilities	\$1,400,000	Contract
E-911 Dispatch	Ledyard, Preston	2002	Staff, supplies, facilities	\$400,000	Contract
E-911 Dispatch	Stonington Town, Westerly (RI)	More than 5 years ago	Staff, supplies, facilities	\$40,000 ¹	Contract
Finance	Preston, Preston Public Schools	N/A	Staff, supplies	\$100,000	Supervised by First Selectman and Supt of Schools
Finance	Windham, Windham Public Schools	More than 5 years ago	Staff, supplies	\$475,000	Supervised by First Selectman and Supt of Schools

Fire Marshal	Lisbon, Sprague	N/A	Staff	\$20,000	Shared staff member
Fleet Maintenance	Groton Town, Ledge Light Health District, SCRRRA	More than 5 years ago	Staff, supplies, facilities	\$520,000	Reimbursement contract
Health	E. Lyme, Groton City, Groton Town, Ledyard, New London, N. Stonington, Stonington Town, Waterford / Ledge Light Health District	Variable ²	Staff, supplies, facilities	\$1,100,000 ¹	Contract
Health	Bozrah, Griswold, Lebanon, Lisbon, Montville, Norwich, Salem, Sprague / Uncas Health District	Variable ²	Staff, supplies, facilities	\$600,000 ¹	Contract
Health	Colchester / Chatham Health District	2010	Staff, supplies, facilities	\$165,000 ¹	Contract
Health	Windham / North Central Health Department	More than 5 years ago	Staff, supplies, facilities	\$115,000 ¹	Contract
Info Technology	Waterford / Waterford Public Schools	More than 5 years ago	Staff, supplies	N/A	Unified Department
Info Technology	Windham, Chaplin, Hampton, Scotland	N/A	Staff, supplies	N/A	N/A
Library	Bozrah, Salem	More than 5 years ago	Staff, supplies, facilities	\$8,000	Annual subsidy contribution
Planning	Bozrah (2 contracts), Franklin, Lisbon, Salem, Sprague / SCCOG	Variable ²	Staff	\$125,000	Contract
Probate Court	Colchester, Lebanon, Windham / Court 28	Statutory assignment	Staff, supplies, facilities	\$15,000 ¹	Statutory
Probate Court	Bozrah, Franklin, Griswold, Lisbon, Norwich, Preston, Sprague / Court 29	Statutory assignment	Staff, supplies, facilities	\$43,000 ¹	Statutory
Probate Court	Groton Town, Ledyard, Stonington Town, North Stonington / Court 30	Statutory assignment	Staff, supplies, facilities	\$26,000	Statutory
Probate Court	New London, Waterford / Court 31	Statutory assignment	Staff, supplies, facilities	\$58,000	Statutory

Probate Court	East Lyme, Montville, Salem / Court 32	Statutory assignment	Staff, supplies, facilities	\$36,000 ¹	Statutory
Regional Waste to Energy	East Lyme, Griswold, Groton Town, Ledyard, Montville, New London, North Stonington, Norwich, Preston, Sprague, Stonington Town, Waterford / Southeastern Connecticut Regional Resource Recovery Authority	1987	Staff, supplies, facilities	\$8,250,000	Contract
Tax Assessment	Windham, Chaplin	N/A	Staff	\$75,000 ¹	Shared staff member
Tax Collection	Griswold, Jewett City	2016	Staff, supplies, facilities	\$200,000	Contract
Tax Collection	Stonington Town, Stonington Borough	N/A	Staff, supplies, facilities	\$210,000	Contract
Tax Collection	Windham, Chaplin	2013	Staff, supplies, facilities	\$290,000 ¹	Contract
Zoning	East Lyme, Sprague	N/A	Staff	\$50,000	Shared staff member
¹ Total reflects investment of SCCOG members only ² Members have joined at different points Note: Where information was not available or could not be verified, N/A is shown.					

“Sharing Communities” in SCCOG

The preceding section presents an inventory of existing shared services in the SCCOG region. Thirty-three in all, spanning 15 distinct functional areas, the shared services evidence a willingness on the part of SCCOG governments to partner, contract and / or share services where there is demonstrable benefit – in the form of improved service, enhanced quality, or both.

These existing shared services are important in at least two respects.

First, they offer precedent and context for the options phase of this project, detailed in the following sections, wherein CGR examines opportunities to increase shared services in the SCCOG region. Some of those opportunities involve new shared services, while others involve expanding existing shared services and building on examples of demonstrated collaborative success.

Second, and perhaps as importantly, these existing shared services also demonstrate a degree of trust between and among municipalities that builds on preexisting relationships. CGR’s work on the issue of municipal shared services often finds that trust is a critical component to pursuing new or expanded shared services. Where such trust is already established through a preexisting working relationship, the pathway to shared services may be easier than where such inter-municipal relationships do not yet exist.

As is the case in most regions, the existing shared services across SCCOG tend to involve common partners. Where a municipality shares one service with a neighbor, it is likely to share other services with them. This typically occurs for two (not necessarily mutually exclusive) reasons: Geographic proximity (i.e. municipal neighbors or governments relatively close to one another) and preexisting inter-municipal relationships.

Where groups of municipalities share multiple services we can begin to identify what we call “sharing communities.” CGR’s review of SCCOG municipalities and the services they provide – particularly those that are shared or provided collaboratively through a common mechanism – found 5 sharing communities at present.

The sharing communities were identified using the following process. First, CGR modeled shared services involving SCCOG members as a network. Each network is made up of municipalities and their connections to one another through service agreements or contracts. Some members have more connections, others less.

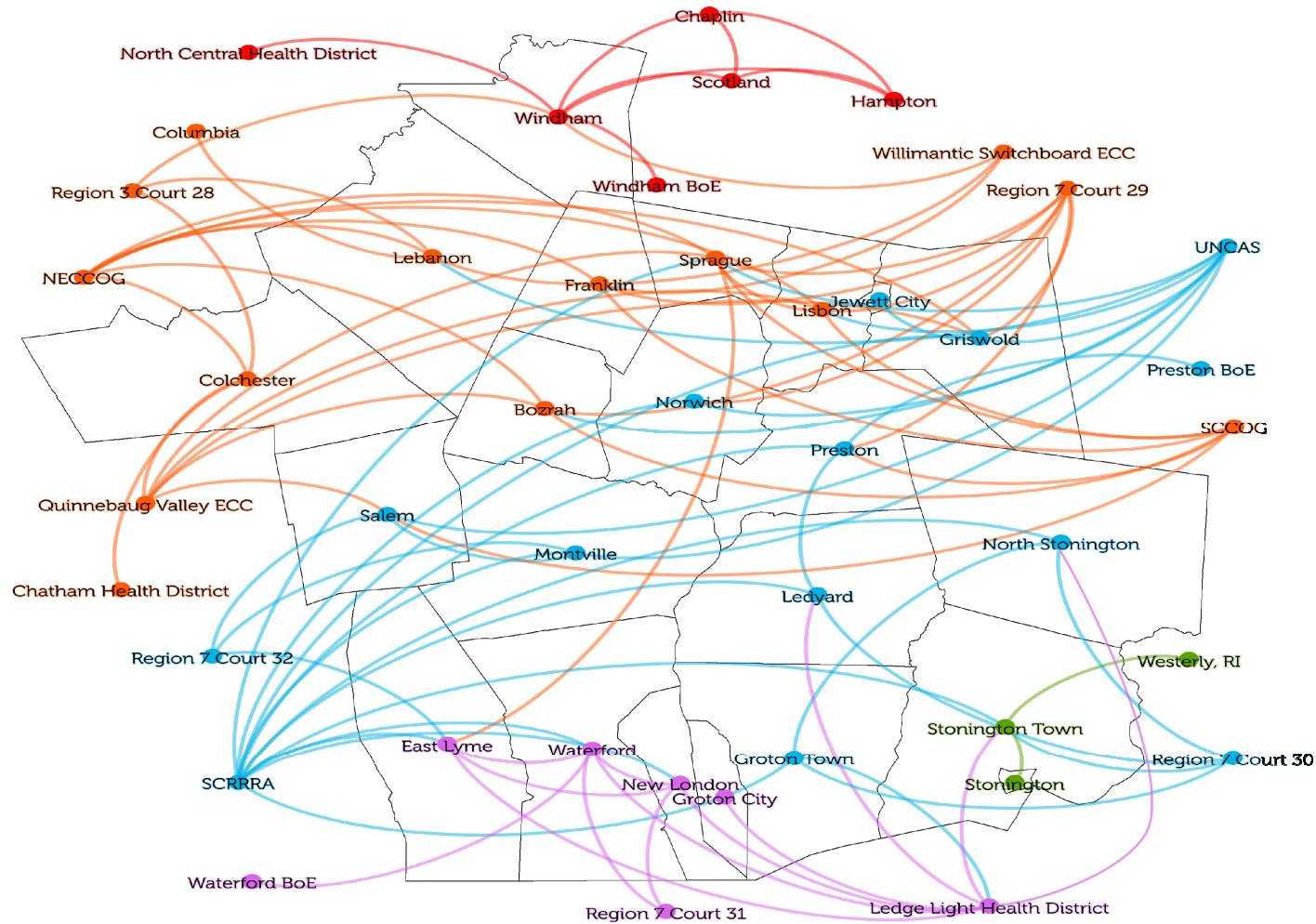
With the overall network modeled, CGR distilled out a series of “communities” of municipalities that tend to be connected on common shared services.

Our process identified 5 sharing communities within SCCOG, as represented by the different color networks shown in the following map. Key takeaways include:

- **Sharing communities are geographically concentrated**, with municipalities tending to share most commonly with their immediate neighbors and others in their part of the SCCOG region;
- **Sharing communities are different in size and the extent of connection**, with some spanning more municipalities and a larger number of services than others;
- **Some municipalities participate in more than one sharing community**, reflecting a wider range of inter-municipal partners – one example is Ledyard, where probate, health and E-911 services transcend multiple sharing communities and collaborations; and
- **Non-municipal / third party service providers serve as important “connective tissue” for the sharing communities in the region**, with service providers such as health districts, probate courts, emergency communication centers and even SCCOG itself serving as nexus points among multiple local governments.

“Sharing Communities in the SCCOG Region”

(Note: Each color denotes a different identified sharing community)



Opportunities to Expand Shared Services in SCCOG

Building on a Strong Foundation

Opportunities to expand shared services in the SCCOG region build on a reasonably strong foundation. As the previous sections demonstrate, SCCOG member governments collaborate to jointly deliver a host of important services. The mosaic of collaborations is diverse and demonstrates a long-standing and ongoing willingness on the part of municipalities to seek – and implement – collaborative solutions.

Some shared services have been in place for decades; others are more recent.

Some involve two, three or four municipalities working collaboratively; others span a dozen communities or more. Some even transcend Council of Government boundaries and involve partnerships with neighboring COGs and the municipalities within them.

Some are a function of regional frameworks required by state law; others involve voluntary collaborations on services municipalities are otherwise authorized to deliver independently (and in many other parts of Connecticut and the Northeast, often do).

Some are exclusively municipal partnerships; others involve multiple municipalities securing a common service from a non-municipal third party.

Some have financial values of a million dollars or more; others involve minimal exchange of dollars.

Over the course of CGR's work with SCCOG, and in particular through our interviews with elected officials and municipal personnel, we have found that the region is characterized by three elements that support expanded cooperation:

- A shared services record that is at least on par with its peer regions;
- A reasonable level of trust among officials, particularly elected leaders, that can serve as a power catalyst for expanded collaboration; and
- An openness to consider (and willingness to pursue) new shared services.

Another factor driving officials' openness to consider new shared services is the broader fiscal environment. The extended impasse that characterized the most recent state budget process offered a poignant reminder of Connecticut's fiscal challenges,

and how funding uncertainty and cost growth are challenging traditional methods of service delivery. A large majority of SCCOG elected officials interviewed for this project acknowledged that the delivery of municipal services has gotten more difficult in the past 5-10 years, and that fiscal uncertainty represents a challenge to sustaining the high-quality services that characterize the SCCOG region.

Identifying Opportunities

With a common information baseline in place, CGR identified and reviewed a series of potential shared service opportunities. These included both new shared service opportunities between and among SCCOG members, and opportunities to extend and build on existing collaborations.

Among the opportunities evaluated, there is no standard, “cookie cutter” type, nor level of impact. Some represent low hanging fruit, while some are more challenging (yet still feasible). Some have potential financial benefits that can be quantified, or at least offer a savings frame of reference; others have potential benefits that cannot be quantified at the present time. Still others are not likely to generate direct savings at all, but rather offer opportunities to expand the scale and scope of current services, improve service sustainability, or both, without producing material savings.

Some opportunities are municipality-specific. More numerous, however, are system-wide opportunities that are not specific to any one government.

And some opportunities are more process in nature, with an eye toward building a more collaborative ecosystem among the leaders of select service areas, which can serve as a foundation for future shared services.

CGR considers the opportunities presented in this section to be primary opportunities, in that they are most feasible from an implementation standpoint and likely offer SCCOG governments the greatest demonstrable benefit. In evaluating the benefit of any potential shared services, CGR considered three basic dimensions:

- **First**, the opportunity to generate savings for participating municipalities (i.e. cost reductions that are enabled when a service is delivered across multiple entities);
- **Second**, the opportunity to expand the scale, scope or level of service provided in participating municipalities (e.g. shifting from part-time to full-time, improving levels of expertise, expanding programmatic offerings, etc.); and
- **Third**, the opportunity to improve service sustainability in the future (e.g. affordability, succession planning for services that require specialized expertise, etc.).

The opportunities presented in this section span 11 service areas:

- Health
- Animal Control
- Planning
- Tax Assessment
- Public Works
- Recreation
- Administrative Services
 - General
 - Finance
 - Purchasing
 - Human Resources
 - Information Technology

Opportunities in each area are different: In their respective levels of detail, ability to be analyzed, implementation complexity and potential for quantifiable savings. Still, even where opportunities are at more of a “conceptual” level, CGR has included them. In several cases, additional planning and analysis by a group of service experts from SCCOG municipalities will be required to fully flesh out details.

Notwithstanding these differences across opportunities, CGR has sought to discuss each using a standard format. The following sections summarize the “Current Approach” to each service area, building on the baseline review and incorporating additional information gathered through data questionnaires and focus groups; articulate the “Recommendation” around the opportunity; discuss the “Potential Benefits” of the opportunity; and summarize key “Implementation Considerations” for moving the opportunity forward.

Health

Current Approach

Local health agencies serve a crucial role in ensuring the health and well-being of Connecticut’s communities. In addition to enforcing the Connecticut Public Health Code, agencies are responsible for delivering mandated services contained within Connecticut General Statutes Section 368-e (for municipal departments) and 368-f (for health districts).

By and large, health services in the SCCOG region are already provided in shared fashion. Uncas Health District, located in Norwich, serves 8 SCCOG governments;

similarly, Ledge Light Health District, located in New London, serves 8. The Chatham Health District and North Central Health District each serve one SCCOG government in addition to municipalities in neighboring regions. Those districts are among 20 statewide with jurisdictions ranging from two to 20 towns.³⁵ Collectively, regional health districts provide service to approximately 98 percent of SCCOG's population.

The remaining 2 percent are served by part-time local (i.e. municipal) health departments in two towns: Franklin and Preston. The towns are among 18 such part-time local departments statewide. Statewide, 4 percent of total population is served by part-time local departments.

Recommendation

The 2 SCCOG municipalities that currently operate their own part-time local health department should consider joining one of the existing regional health districts.

Potential Benefits

The state's Department of Public Health has in recent years advocated for greater integration and regionalization of local health departments. Financially, DPH has posited that regionalization increases municipal eligibility for preventative health and health service block grant funding; increases capacity to bill for clinical services; reduces costs through coordination of resources across towns; and reduces state Medicaid expenditures on emergency room visits through targeted preventative health services.

According to DPH, the benefits extend to level of service as well. Regional approaches improve availability of services, shifting from part-time to full-time; increase the state's ability to provide oversight, assistance and training; improve municipalities' ability to address cross-border challenges; and enhance access to professional health staff with expertise in a wide variety of public health areas. Further, per DPH integration promotes health equity across communities and increases the capacity to conduct community health assessments and community health improvement plans.³⁶

Based on our review, CGR agrees. We find several reasons to suggest that those SCCOG municipalities operating their own part-time local health department may be better – and more cost-effectively – served by joining one of the existing regional

³⁵ Via State Department of Public Health: <http://www.ct.gov/dph/cwp/view.asp?a=3123&Q=388754>

³⁶ *Benefits of Local Health District and Department Integration*, State Department of Public Health, December 2016.

health districts. This is consistent with steps taken recently by other SCCOG members to join health districts, including Stonington and North Stonington (both in 2017).

Level and Consistency of Service

Local public health agencies “have a broad scope of regulations and mandated services that must be delivered. Connecticut General Statutes govern the scope of mandated services in conjunction with local ordinances and health district regulations... The provision may include providing services directly, contracting with another health department or community agency, or coordinating with other community or regional resources for services. State mandated public health services include:

- (1) Public Health Statistics
- (2) Health Education
- (3) Nutritional Services
- (4) Maternal and Child Health
- (5) Disease Control
- (6) Environmental Services
- (7) Community Nursing Services
- (8) Emergency Medical Services.”³⁷

There are level of service differentials between a part-time local department and a full-time health district, notwithstanding the services that are required to be delivered. At the most basic level, part-time local departments are, by definition, *part-time*. They can therefore have a tendency to be more reactive, addressing public health issues as they emerge. As the 2010 Governor’s Council report points out, often “part-time health departments lack the resources to provide a full array of public health services.”³⁸ This can result in certain services not being consistently delivered and / or costs being shifted to other entities involved in public health.

A comparison of data contained in the Connecticut Local Health Annual Report (LHAR) for State Fiscal Year 2016, for 2 of the districts serving SCCOG (Ledge Light and Uncas) and both part-time local departments, illustrates some of the difference in service level. By contrast to the part-time local departments, the districts report:

- Significantly more open office hours per week;
- A much deeper pool of staff experts;

³⁷ *Moving Toward Public Health Equity in Connecticut*, Governor’s Council for Local Public Health Regionalization, January 2010.

³⁸ *Ibid.*

-
- Formal arrangements (either through a staff member or MOU / MOA) to ensure backup coverage when the Director of Health is absent;
 - Completing community health assessments within the past three years;
 - Planning to complete a community health improvement plan within the next year;
 - More completed inspections, staff time designated for conducting inspections, and orders issued;
 - Access to state Department of Public Health (DPH) funding to support their operating budget;
 - Access to state resources other than DPH funding to support their operating budget;
 - Access to federal funding to support their operating budget;
 - Collecting primary quantitative data over the past three years through a variety of methods, including target group surveys, inspection data, community health assessments and surveillance data;
 - Providing data on the health of their local populations to DPH within the past year; and
 - Developing and implementing health promotion strategies within the past five years.

The following table illustrates service level differentials based on select data drawn from the 2016 LHAR for both part-time municipal departments and the two districts.

	Districts		Part-Time Local Depts	
	Ledge Light	Uncas	Town of Preston	Town of Franklin
General				
Do you have a Board of Health?	Yes	Yes	No	No
Number of hours in Director's average work week	40	50	2 to 4	4
Has your department developed a community health assessment?	Yes	Yes	No	No
Number of Full Time Registered Sanitarians	5	3	0	0
Number of Full Time Sanitary Inspectors	3	2	0	0
Number of Environmental Health Personnel	8	7	2	1
What is your total operating budget?	\$1,867,003	\$1,226,686	\$20,000	did not disclose
Environmental Health Services: Food Service				
Class I: Number of Inspections	44	33	7	1
Class II: Number of Inspections	73	34	2	2
Class III: Number of Inspections	224	185	8	7
Class IV: Number of Inspections	529	406	37	5
Total staff time designated for conducting inspections of food service establishments.	6	40	0.5	0.25
Number of orders (written by the director of health) issued to food service establishments.	64	20	0	0
Environmental Health Services: Subsurface Sewage Disposal				
Number of lots tested	82	150	4	4
Number of new permits issued	36	50	9	3
Number of 19-13-B100a application reviews	170	254	72	2

Does your department have written procedures/protocols/policies in place for investigation of subsurface sewage disposal system complaints?	Yes	Yes	No	No
Clinical Preventative Services				
Do you provide vaccination services for:				
Children (0-5 years of age)?	Yes	Yes	No	No
Adolescents (12-18 years of age)?	Yes	Yes	No	No
Adults (>18 years of age)?	Yes	Yes	No	No
Do you conduct an annual influenza clinic?	Yes	Yes	No	No
Do you offer blood pressure screenings?	Yes	Yes	No	No
Population-Based Prevention & Health Promotion				
Is your department engaged with promoting access to healthy food in low income or food desert areas?	Yes	Yes	No	No
Does your department have a current tracking log or audit of reports of disease reporting, laboratory test reports, and/or investigations with timelines?	Yes	Yes	No	Other
Has your department distributed information to the public about public health and/or about your department's mission, programs, and services with the past five (5) years?	Yes	Yes	No	No
Program Evaluation				
Has your department collaboratively implemented strategies to improve access to health care services for those who experience barriers within the past five (5) years?	Yes	Yes	No	No
Has your department evaluated the effectiveness, efficiency or quality of programs and services within the past five (5) years?	Yes	Yes	No	No

At least two additional level of service-related benefits can be realized through the district approach. First, participation in a health district helps ensure consistency of health regulations across municipal boundaries. Second, and perhaps most importantly, the complexity surrounding the application and administration of public health requirements is arguably greater today than any time previously. This has created additional incentive for municipalities to transfer the function to an agency capable of managing it on a full-time, expert basis.

Expertise and Succession Planning

Most public health agencies already face a challenge in finding expertise and sourcing competent, trained personnel. This is particularly the case for positions like sanitarians. The 2010 Governor's Council report attributed the workforce challenges to several factors, "including an insufficient number of workers in highly skilled occupational categories, aging of the workforce resulting in loss of talent through retirement, inadequate replacements in the pipeline, insufficiently prepared workers, and new skills and expectations" resulting from emerging public health issues.³⁹ The report pointed out Connecticut's number of state and local public health workers per capita was 34 percent below the national average, and trending further downward. Shortages in public health nurses and physicians, epidemiologists, laboratory scientists and technicians, planners and public health leaders were most pronounced.⁴⁰

While most agencies already face this challenge, the difficulty can be even higher in part-time departments. Unlike districts, which have the scale advantage of being able to pool resources to hire and retain a deeper staff, individual municipalities typically lack the resources to staff a robust health department.

Cost Savings Potential

Franklin is contiguous to the Uncas Health District, being surrounded by Uncas members Lebanon, Bozrah, Norwich and Sprague. Based on an analysis of Franklin's current health-related spending, and a benchmarking of its costs to other Uncas member municipalities, CGR estimates that the fiscal impact to Franklin from joining Uncas would range from cost-neutral to a savings of up to \$8,000. This estimate is based on applying the current per capita cost of Uncas members like Bozrah, Sprague and Salem to Franklin's current population.

Preston is actually contiguous to both Ledge Light and Uncas, with Ledge Light bordering the town on the south and Uncas bordering it to the north. Based on a review of Preston's current year health costs, CGR estimates that the fiscal impact to

³⁹ *Ibid.*

⁴⁰ *Ibid.*

Preston from joining either district would range from cost-neutral to a savings of up to \$9,000.

Implementation Considerations

Municipalities' authority to join a regional health district is clear. As the process is voluntary, it would require action on the part of the town in collaboration with the district it wishes to join.

Animal Control

Current Approach

Much of the SCCOG region already relies on shared services to provide animal control. The existing shared arrangements range from inter-local agreements, such as Montville-Salem sharing services and East Lyme-Waterford sharing services and a shelter, to broader regional frameworks. Seven (7) SCCOG municipalities provide the service through a regional structure, contracting with the Northeastern Connecticut Council of Governments (NECCOG) for the function. Those governments are Bozrah, Colchester, Franklin, Griswold, Lebanon, Lisbon and Sprague.

NECCOG's regional animal control model – the only one of its type in Connecticut – formally began operating in August 2004. Initiated with 3 NECCOG member towns, the Council of Governments provided the initial seed money. Within one year, the regional service had grown to serve 8 towns. Today, NECCOG serves 19 towns, including the SCCOG participants. Its total budget has grown from less than \$100,000 in 2004 to approximately \$400,000 today. The service area's geographic footprint is expansive, spanning an area that is approximately one hour's drive-time from the furthest points served.

NECCOG notes that having access to a facility was fundamental to beginning the program in 2004. Its facility in Killingly was also home to the Killingly dog pound. Having a 10-kennel facility at the outset removed a major capital consideration and made the service viable. A donation to NECCOG several years into the program's operation enabled a doubling in the size of the shelter. Today, the program has 21 kennel runs, and a pending state grant to expand further (to 34 kennels and a room capable of accommodating 100 cats). NECCOG indicates that it has some capacity to expand services to additional small and mid-sized municipalities; it would likely not have capacity to absorb larger communities due to service demand and facility constraints.

Recommendation

Small and mid-sized SCCOG municipalities that currently operate their own animal control service should consider joining NECCOG's regional model. Based on their size and current spending level, North Stonington and Preston, along with Ledyard, appear to CGR to be the most appropriate candidates.

Potential Benefits

CGR's review found several reasons to suggest that more municipalities would benefit from leveraging the existing regional approach to animal control services. CGR has also confirmed that NECCOG is capable of scaling its current service to accommodate new SCCOG participants, depending on the size of the town. Current participant towns include two of 16,000 residents or more.

Level of Service

One of the clearest benefits of NECCOG's regional model is the opportunity to provide full-time animal control services to towns that previously could only afford part-time service. Indeed, of the SCCOG towns that participate in NECCOG's service, four are among the 5-smallest SCCOG municipalities in terms of population. The capital and staffing costs of maintaining a stand-alone animal control service of the level currently provided by NECCOG would be cost prohibitive for smaller towns.

Additionally, NECCOG handles all paperwork for participant towns. NECCOG provides "backbone" support to the regional animal service, including audit, finance and telephone operator services. In total, NECCOG estimates receiving approximately 8,000 calls for service per year, and COG operators are cross-trained to handle certain basic animal control issues by telephone.

Process Duplication and Capital Cost

Delivering animal control services, whether through a stand-alone municipal office or through a shared / regional arrangement, requires providers to staff a series of processes (e.g. incident response, investigation, abuse prevention, sheltering, ensuring the care and well-being of animals in custody). Although demand for these services grows with the size of the community, there is almost certainly a degree of "scalability" within them. NECCOG's animal control staffing includes four ACOs (animal control officers), a director and clerical support. NECCOG also provides general administrative support to the animal control function through its telephone reception, financial administration and general management services. Each of these is an element a stand-alone municipal department would otherwise be required to provide on its own.

Capital cost is also a consideration for municipal animal control departments. Multiple SCCOG members indicated that their current facilities are suboptimal – in size, condition or both. And given state regulations on animal shelter size, construction and functionality, the cost of repairing or replacing a shelter can be prohibitive. State law establishes regulations on the physical requirements of buildings to be used as shelters, with conditions on fencing, pen / run size, floor material, floor pitch, HVAC, lighting, isolation areas and animal care.

Cost Effectiveness

NECCOG's model is based on a simple professional services agreement, renewable on an annual basis with a 30-day opt out provision. To date, no participants have dropped out of the program.

NECCOG's fee is currently \$3.15 per capita. This rate would appear to offer potential cost savings to a number of SCCOG towns. CGR analyzed 2017 budgeted animal control expenditures for SCCOG municipalities. Of those that do not currently contract with NECCOG, 7 have per capita costs in excess of the current NECCOG contract rate. The aggregate net difference is approximately \$155,000; of that total, CGR estimates potential net savings for North Stonington, Preston and Ledyard to be \$13,000, \$9,000 and \$20,000, respectively.

Implementation Considerations

As noted, a simple professional services contract serves as the basis for NECCOG's animal control function. Municipalities that wish to participate would have to adopt the contract.

The authorization for municipalities to jointly deliver animal control functions would appear to fall under Connecticut General Statutes (CGS) Section 7-148cc, which states that "two or more municipalities may jointly perform any function that each municipality may perform separately under any provisions of the general statutes or of any special act, charter or home rule ordinance by entering into an interlocal agreement pursuant to sections 7-339a to 7-339l, inclusive."

Planning

Current Approach

SCCOG members provide planning services using two basic approaches. The first is self-provision – more than two-thirds of governments handle planning functions with their own in-house municipal staff. Collectively, those governments employ more

than 50 full-time equivalent staff and spend approximately \$6 million. The second approach involves an innovative contract model whereby SCCOG provides professional planning services to 5 member municipalities. As noted in the baseline review, SCCOG staff includes four full-time planners and a contract planner who serve the role of town planner in those municipalities that contract for service.

Notably, the governments currently contracting with SCCOG for this service represent the 5-smallest in terms of population: Bozrah, Franklin, Lisbon, Salem and Sprague.

Recommendation

Small and mid-sized SCCOG municipalities that currently operate their own planning office should consider joining SCCOG's contract services model. Based on their size and current spending level, Preston, North Stonington, Lebanon, Ledyard and Griswold appear to CGR to be the most appropriate candidates. And although larger towns such as Stonington and Colchester have deeper planning staff capacities, there may be cost savings opportunities for them as well.

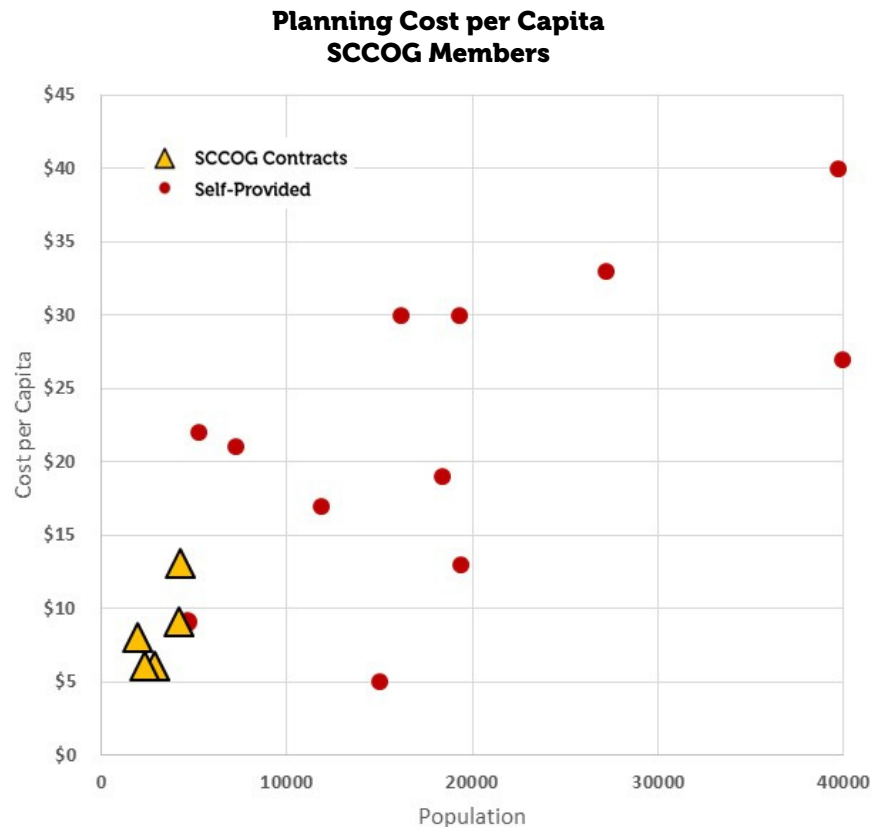
Potential Benefits

CGR's review found several reasons to suggest that more municipalities would benefit from leveraging SCCOG's contract services approach to planning services.

Cost Effectiveness

The amount invested in planning services by an individual government can vary widely, reflecting the level of service provided, hours of operation, staff size, expertise desired, and so on. Across SCCOG, per capita investments in planning range from \$4 to nearly \$40. Not surprisingly, at present the region's largest planning budgets and staffs are concentrated in its most populous municipalities. In larger communities the planning operation tends to be a full-time function and encompass related elements beyond traditional plan review (e.g. economic and community development). Those governments are generally spending in the range of \$20 to \$30 per capita on planning and related functions.

The towns contracting with SCCOG for planning services are spending less than \$10 per capita on average. Some rely exclusively on SCCOG for planning services; others make small additional investments to supplement the core services received from SCCOG.



The SCCOG contracting model, as currently constructed, would most likely not work for all member municipalities. The higher level and scope of services provided by larger governments, as well as the level of intensity and full-time service, likely makes the contract model inappropriate for them. However, CGR finds that there are likely cost savings opportunities for smaller and mid-sized municipalities through the SCCOG model. For example, applying the per capita average for SCCOG-contracting municipalities to the next 6-largest member governments would result in savings of over a half-million dollars. That savings figure could be mitigated by any additional related services a contracting government chose to provide as a supplement to a SCCOG contract for core planning services.

CGR estimates that savings to North Stonington, Lebanon and Griswold could approach \$60,000, \$80,000 and \$80,000, respectively. Savings opportunities are subject to two factors: First, whether those towns opt to make additional investments to supplement the core service provided under the SCCOG contract, and second, the level of SCCOG planning staff the municipality wants staffing the contract. Under the current contract model, SCCOG charges for hours actually worked based on the

annual salary of the SCCOG planner assigned plus an indirect cost multiplier. In FYE 2018, the hourly rate ranged from \$31.59 to \$40.60 / hour; the indirect rate was 101.7%.

Expertise and Succession

Some SCCOG members that currently self-provide planning services indicated that succession planning was a pending concern, and likely to be faced in the next several years. A small pool of qualified municipal planners makes it challenging to fill vacant positions as incumbents retire or leave for other employment. The challenge is likely to be magnified for smaller planning offices. SCCOG's contract model offers an opportunity to reduce the number of qualified planners required by the system, mitigate the challenge individual governments may face in sourcing their own planning staff, and provide contracting governments a deeper contract staff pool of planners to use for core services.

Implementation Considerations

Councils of governments are expressly authorized to provide technical and planning assistance to municipalities within their region under Connecticut General Statutes (CGS) Section 8-3a(c), which states that "The regional council of governments may provide administrative, management, technical or planning assistance to municipalities within its region and other public agencies under such terms as it may determine, provided, prior to entering into an agreement for assistance to any municipality or other public agency, the regional council of governments shall have adopted a policy governing such assistance." The same section of law further notes that member governments can pay the council for the service: "The regional council of governments may be compensated by the municipality or other public agency with which an agreement for assistance has been made for all or part of the cost of such assistance."

A professional service contract serves as the basis for SCCOG's contract planning service. Contracts are one year in duration, and can be cancelled by either party upon 30 days' written notice. A review of one current contract finds that SCCOG "will assign a planner to attend and provide advice at meeting of the Town's Planning and Zoning Commission and to provide advice to the Commission at other times as necessary." Costs are on a time and materials basis, with the municipality paying for the hours actually worked by the Council planner on the municipality's contract, plus an indirect cost multiplier of 101.7 percent of direct salary, plus a direct charge at the IRS rate per mile for travel on business related to the municipality's contract. The municipality is billed quarterly.

If SCCOG were asked to take on additional towns, it may need to hire additional planners to support that added workload. Such an expansion of SCCOG staff would be subject to current staff workload and funding sources.

It is also worth noting that there may be potential for SCCOG to provide functions beyond traditional planning, such as zoning enforcement, wetlands and blight enforcement. Those are functions planners are already performing elsewhere in Connecticut.

Tax Assessment

Current Approach

Property taxes are a critical component of the revenue stream that supports local governments, both in the SCCOG region and throughout the state. In FYE 2017, property taxes accounted for more than 69 percent of all municipal revenues among SCCOG governments. Levying and collecting those taxes depends in significant part on a fair, equitable tax assessment system.

Within SCCOG, as well as statewide, the assessment function is generally decentralized. Each municipality administers its own assessment function, and each municipal assessor is tasked with determining the value of all taxable property in the municipality and maintaining those records. Although there are examples of inter-municipal sharing (e.g. Windham providing services jointly with NECCOG member Chaplin, and East Lyme and Waterford having jointly solicited and engaged a common revaluation company in the past), they are the exception to the rule. By and large, the assessment function is staffed, administered and implemented independently by each local government.

Recommendation

SCCOG municipalities should pursue shared assessment operations through inter-municipal agreement, using common municipal assessors (where feasible), shared “back office” support services, or both. Ideally, arrangements should seek combined account portfolios at or above 10,000 in order to leverage the greatest unit cost benefit.

SCCOG municipalities, particularly those on a common revaluation schedule, should jointly bid revaluation services.

Potential Benefits

The idea of achieving efficiencies through shared assessment services is not new. The Connecticut Conference of Municipalities in 2017 singled out assessment as a potential area for sharing or consolidating, specifically falling for greater coordination among assessment offices servicing fewer than 15,000 parcels. “Based on national

survey data,” CCM noted, “there is every reason to believe there are economies of scale in property assessment, even after controlling for the complexities faced in Connecticut.”⁴¹ Based on our review, CGR agrees.

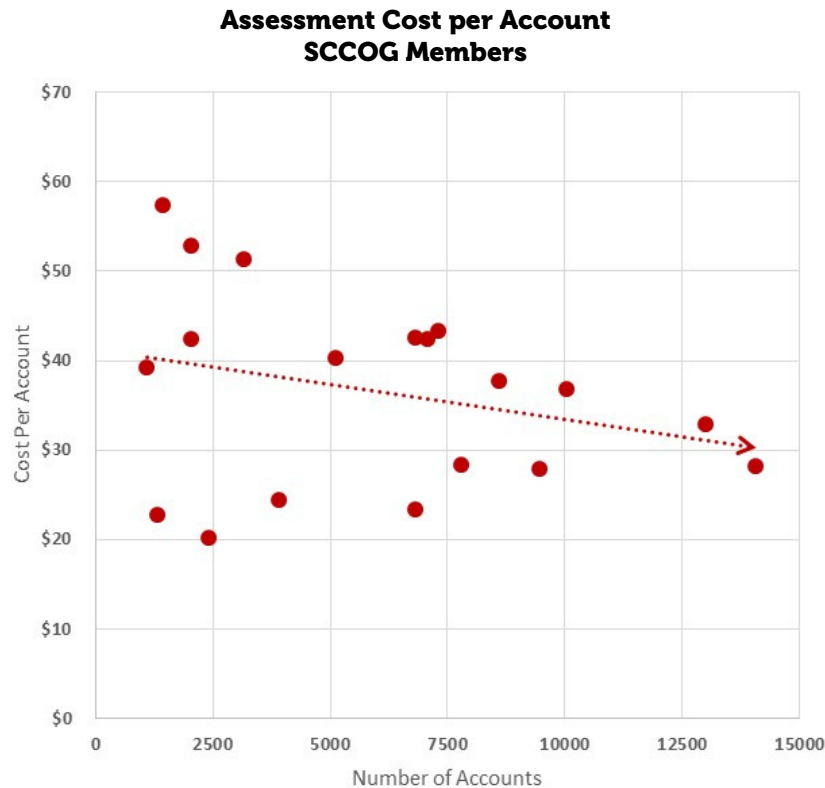
The push to improve the efficiency and cost-effectiveness of assessment services is not unique to Connecticut. Both Massachusetts and New York have explored regional approaches to their fragmented municipal assessing systems in recent years. In fact, New York launched the Centralized Property Tax Administration Program in 2008-10 to examine shared service feasibility in counties statewide and provide financial incentives to encourage collaboration.

CGR’s review found several reasons to suggest that inter-municipal approaches could yield benefit in the SCCOG region. Each is addressed below.

Size-Cost Relationship

An analysis of assessment costs by SCCOG municipality for fiscal year ending 2017 found a relationship between portfolio size (i.e. the number of parcels / accounts served by a municipal assessing unit) and unit costs. Specifically, the analysis found SCCOG municipalities that serve the largest number of parcels / accounts *generally* have lower costs per parcel / account. Consider: The SCCOG municipalities with the 9-fewest assessing accounts had an average per account cost of \$38.30, more than ten percent higher than the SCCOG-wide mean (\$34.65) and sixteen percent higher than the municipalities with the 9-most assessing accounts (\$33.04). The unit cost differential was even greater with respect to the 3 SCCOG municipalities whose assessing portfolio included more than 10,000 accounts (i.e. Norwich, Groton and Stonington). Their combined per account cost was \$31.85, nearly 17 percent lower than the cost for municipalities with fewer than 10,000 accounts.

⁴¹ *Securing the Future: Service Sharing and Revenue Diversification for Connecticut Municipalities*, Connecticut Conference of Municipalities, January 2017.



Commonality of Function

A second factor suggesting potential benefit through shared services is the commonality of functional responsibility across municipalities' assessing operations. Although each city and town has certain community and property characteristics that render it "unique" in ways that can impact valuations, the basic responsibility of the assessing office in each municipality is the same. This is particularly the case given state requirements governing assessing operations. Assessing is therefore unlike some municipal services that may see more variability in level-of-service or approach from community to community.

Succession Planning

Some SCCOG members indicated that succession planning was a concern, either as a result of a pending retirement or in general. Given the specific qualifications and experience required of municipal assessors, and the relatively small pool of talented and capable assessors in any region, municipalities often find it challenging to fill vacant positions as incumbents retire or leave for other employment. More collaborative approaches to providing the service have the potential to reduce the number of qualified assessors required by the system and mitigate the challenge of each municipality having to identify its own.

Joint Bidding of Revaluation Services

Revaluation is a critical element of a fair and equitable tax assessment system. "Connecticut law requires that all property be re-valued for assessment purposes periodically. A revaluation is required to be completed every five years. The purpose of this requirement is to ensure uniformity in real property valuations by eliminating inequities that may have developed since the previous revaluation."⁴² Because of the 5-year requirement, the future schedule of revaluations among SCCOG member municipalities is staggered. According to data obtained from the State Office of Policy and Management, the current schedule of revaluation in SCCOG is as follows:

2017	2018	2019	2020	2021
Bozrah Preston Sprague Stonington Waterford	Franklin Lebanon New London Norwich Windham	< None >	Ledyard N. Stonington	Colchester East Lyme Griswold Groton Lisbon Montville Salem

Though it is not a requirement that municipalities be contiguous to jointly bid revaluation services, neighboring communities who share a common revaluation schedule may offer more natural opportunities at first. The 2018 communities include four contiguous municipalities: Franklin, Lebanon, Norwich and Windham. In 2019, neighbors Ledyard and North Stonington are due. And in 2020, two groups of contiguous communities are due: Griswold / Lisbon, and Colchester / East Lyme / Montville / Salem.

The revaluation process includes common phases in each municipality: Inspection (i.e. data collection), market analysis, valuation, field review and hearings. Revaluation efforts are generally outsourced, although individual municipalities have in the past opted to retain certain elements of the process in-house.

CGR finds that there is potential benefit in municipalities jointly bidding these revaluation services. Collectively, SCCOG municipalities spent a combined \$2.6 million over their most recent revaluation rounds. As noted earlier, there is already an example of joint bidding in the SCCOG region. In 2009, a report of the state's Property Revaluation Workgroup explored the possibility of establishing a series of "revaluation regions" throughout the state to better coordinate revaluations and position municipalities to leverage efficiencies through a common schedule. Although the

⁴² Via State Office of Policy and Management: <http://www.ct.gov/opm/cwp/view.asp?q=385050>

Workgroup opted against recommending a mandated regional revaluation schedule, it did recognize the cost savings potential of collaborative approaches. Further, in noting that the staggered revaluation schedule is an inhibitor to shared services, it recommended the state “grant a town a revaluation delay in order to allow the town to enter into an inter-local revaluation agreement.”⁴³

The Northeastern Connecticut Council of Governments has already implemented a regional property revaluation. “NECCOG, in 2009, sought and secured legislation (Public Act 09-60) that enabled a regional approach to property revaluation.”⁴⁴ The Act provided flexibility to alter the revaluation dates for individual towns in order to equalize regional workload over the five-year period. “Subsequent to the legislation’s passage, NECCOG put in place the first ever regional revaluation program in Connecticut. The resulting savings to the participating towns was significant – estimated at more than \$650,000” through the first five-year cycle.⁴⁵

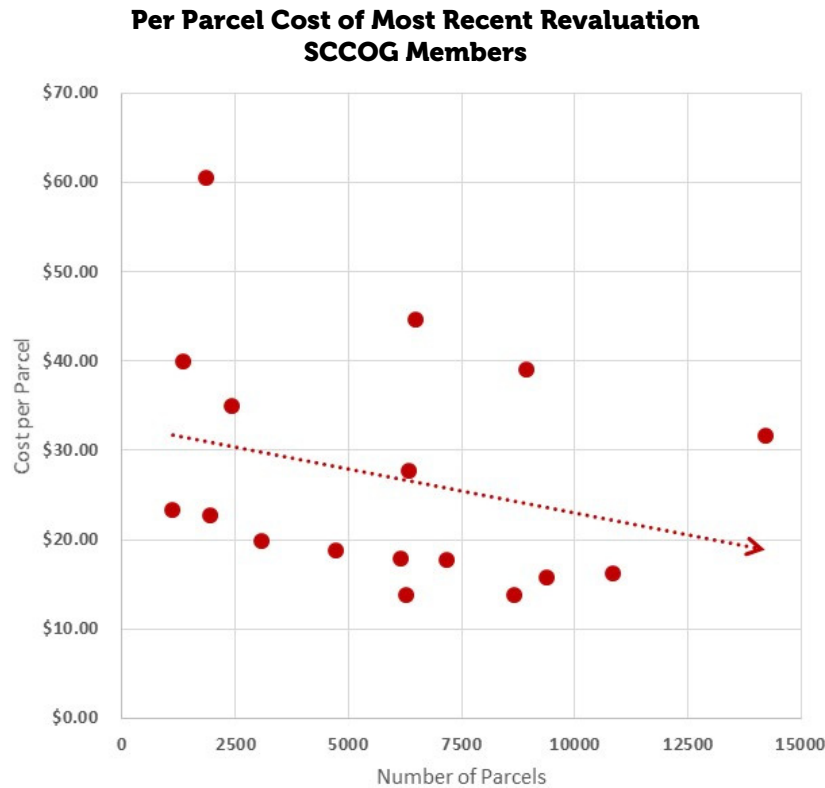
Even within SCCOG, there is a relationship between revaluation scale and unit cost. Municipalities with higher number of parcels *generally* spent less on a per-parcel basis for their most recent respective revaluation. There is some “noise” in this relationship, given the different levels of outside assistance used by each municipality in the revaluation process. Some outsource the entire process, while others outsource only a portion and retain certain elements in-house. But as shown in the following graph, for the most recent round, larger-scale revaluations among SCCOG members appear to have *generally* been more cost-effective than smaller-scale ones.

⁴³ Report of the Property Revaluation Workgroup:

http://www.ct.gov/opm/lib/opm/igp/prop_reval_wkgrp/revaluation_report_pt1.pdf

⁴⁴ Northeastern Connecticut Council of Governments, <http://neccog.org/programs-services/>

⁴⁵ *Ibid*



Cost Savings Potential

There is savings potential from sharing assessment services more widely. The magnitude of that savings is subject to precisely what services are shared and the structure by which it occurs. But in at least two areas – general assessment services and joint bidding of revaluations – there is evidence that cost reductions may be achieved by operating at a larger (i.e. more collaborative) scale.

Within SCCOG today, there is a direct relationship between the scale at which assessment services are provided (i.e. the number of accounts covered) and the unit cost of those services (i.e. the cost per unit). It is an inverse relationship indicating scale efficiency – in general, municipalities with more accounts pay a lower unit cost than do municipalities with fewer accounts. Consider: If the SCCOG municipalities with the 9-fewest assessing accounts were able to reduce their unit cost to the average unit cost of the SCCOG municipalities with the 9-most assessing accounts, the savings potential is nearly \$150,000. Moreover, if SCCOG municipalities with fewer than 10,000 accounts were able to reduce their unit cost to the average unit cost of those municipalities with more than 10,000 accounts, the savings potential is slightly more than \$300,000.

Regarding joint / regional bidding of revaluations, a similar scale relationship exists and can offer a frame of reference for potential savings. One leverage point appears to be at the 7,000-parcel mark: SCCOG municipalities with more than 7,000 parcels spent (or are spending) an average of \$23.13 per parcel on their most recent (or ongoing) revaluation; by contrast, SCCOG municipalities with fewer than 7,000 parcels spent at a rate of \$27.15 per parcel, 17 percent more. If the smaller municipalities were able to achieve the scale benefit of the largest ones, the SCCOG region could realize potential savings of more than \$160,000.

Implementation Considerations

The authorization for municipalities to jointly deliver assessment functions would appear to fall under Connecticut General Statutes (CGS) Section 7-148cc, which states that "two or more municipalities may jointly perform any function that each municipality may perform separately under any provisions of the general statutes or of any special act, charter or home rule ordinance by entering into an interlocal agreement pursuant to sections 7-339a to 7-339l, inclusive."

Regarding joint revaluation, CGS Section 12-62q (Regional revaluation program) already provides a mechanism for collaboration: "...any two or more towns may enter into an agreement, as provided in section 7-148cc and sections 7-339a to 7-339l, inclusive, to establish a regional revaluation program. Towns participating in such an agreement shall provide for the revaluation of all parcels or real property encompassed within such towns at the same time and not less than once every five years, or shall annually revalue approximately one-fifth of all such parcels over a five-year period."

There is a potential role for SCCOG to play in facilitating such shared arrangements. As the statute continues, "Any agreement entered into pursuant to subsection (a) of this section shall: (1) Establish or designate an entity, which may be a regional planning organization, as the coordinating agency for implementation of the regional revaluation program..." As noted above, the same CGS section provides flexibility such that "participating towns shall submit to the Secretary of the Office of Policy and Management proposed adjustments to the revaluation schedules" in order to shift participants to a common schedule.

It is worth noting that SCCOG municipalities' most recent revaluations / reassessments were largely clustered with a single vendor, although each was bid independently. A total of six vendors were used (or are being used) by SCCOG municipalities for their most recent updates – one vendor in particular was separately contracted by 13 governments, while five other vendors were contracted by one government each.

Public Works

Current Approach

There is no single definition to public works among SCCOG governments. Every municipality but one⁴⁶ has its own department that provides an array of services depending on the needs of the community. Collectively, those governments employ about 410 full-time equivalent staff (including transfer station employees) and spend approximately \$72 million. Some public works departments perform tasks that are handled by recreation departments in other communities. Also, engineering services may appear under public works or under a separate department. Some communities provide curbside refuse pick up while others contract for that service with private haulers or provide only a transfer station. In short, “to know one SCCOG public works department is to know one SCCOG public works department.”

Notwithstanding this diversity of approach, public works-related services are responsible for about 20 percent of municipalities’ non-educational costs and about 20 percent of municipal employees, and by its size is the largest function, so it should be a focus for shared service opportunities.

One challenge in moving significant shared services forward in the immediate term is public works agencies’ operational independence. CGR found that formal sharing of equipment, staff and specialty skills across SCCOG public works agencies is not common. Informal cooperation occurs somewhat more often, but generally speaking public works agencies operate separately. This suggests some “building blocks” to collaboration are necessary to increase connections and familiarity across agencies and pave the way for future shared services. Bringing public works leaders together more regularly is a way to begin doing that, and is included below as a recommendation. Another building block would be joint training courses on relevant topics to foster familiarity between workforces.

Public works departments do work collaboratively when there are weather events or other situations that impact the community. For example, when a recent windstorm damaged the northern municipalities, several communities in the south sent resources to assist. There are also examples where resources have been collaboratively purchased and shared across communities. For example, New London and East Lyme jointly purchased a grapple truck using a grant. Also, a tub grinder that is owned by the Southeastern Connecticut Regional Resource Recovery Authority travels through the area on a circuit. Some departments take advantage of purchasing supplies (such as road salt and guardrails) and services (such as crack sealing and catch basin cleaning) using the Capitol Region COG’s Regional Purchasing Council (which SCCOG

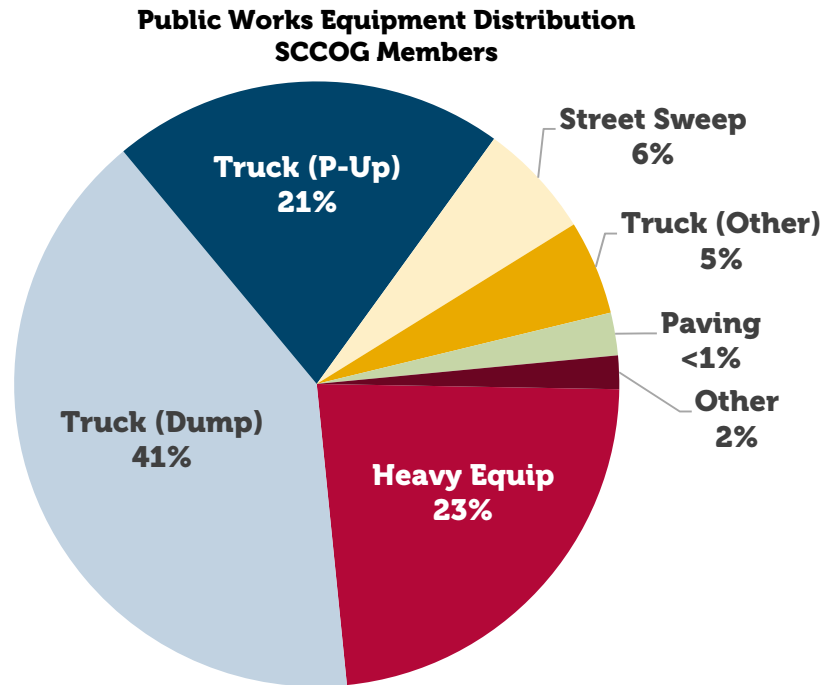
⁴⁶ Jewett City contracts with Griswold for this service.

members can join through SCCOG for an annual cost of \$500) or other collaborative purchasing methods.

Collectively, SCCOG public works departments own 686 pieces of equipment. Dump trucks, which are also used to plow, are the most numerous. These vehicles can cost nearly \$200,000 when fully outfitted and have a service life of about 15 to 20 years when properly maintained.

Public Works Equipment Distribution, SCCOG Municipalities (2016)										
	Truck (Dump)	Heavy Equip	Truck (P-up)	Sewer Jet/ Vac	Street Sweep	Truck (Other)	Paving	Other	Non- Typed Equip	Grand Total
Bozrah	4	4	1			1				10
Colchester	15	9	6		1	1	3			35
East Lyme	13	5	13		1	1		1		34
Franklin	4	3			1					8
Griswold	12	5	1		1					19
Groton (C)	2	3	2		1					8
Groton (T)	43	35	51	4	5	14	4	4		160
Lebanon	10		2						72	84
Ledyard	13	3	5	1	1	1				24
Lisbon	2	2			1					5
Montville	15	4			1	1				21
New London	12	10	3	1	1	3				30
N Stonington	13	7	4		1	1	1	1		28
Norwich	26	9	12	1	2	2	2	3		57
Preston	6	3	3		1	2				15
Salem	10	2		1	1	2				16
Sprague	2	3	1		1					7
Stonington (T)	13	11	6		1	1	2			34
Stonington (B)			2		1					3
Waterford	18	7	5		2	1				33
Windham	16	17	12	3	3		2	2		55
Total	249	142	129	11	27	31	14	11	72	686

Source: 2016 Resource Typing Survey conducted by Connecticut Division of Emergency Management and Homeland Security, Region 4



Staffing across the departments is reported to have declined significantly in the last decade. While a retrospective analysis was not a focus of the report, this context is important to consider as the road infrastructure has not been reduced and traffic has increased in many places. Several departments also report that their workforce is aging and will face an increased rate of retirement in the next several years. It was anecdotally noted that recent job openings for operator positions have had relatively few applicants compared to the past, or to other municipal positions such as clerks.

Recommendations

Public works directors should gather on a regular basis to share best practices and identify new collaborative opportunities.

Expand the practice of using group purchasing of services (such as catch basin cleaning and road striping) to all appropriate users and consider expanding collaboration to include purchasing of capital equipment.

Investigate technology to improve efficiency of operations.

Explore selling / swapping services across SCCOG municipalities, such as vehicle maintenance or small area paving.

More actively share seldom-used or specialty equipment through formal agreements or a cooperative fleet management.

Potential Benefits

Each director currently has some familiarity with their neighbors, but there is not a regular meeting or formal association of public works directors. Establishing such a group would create a vehicle for identifying and leveraging collaboration going forward, increasing familiarization with peers to support resource sharing and operations in times of need; education on best practices for public works; and, potentially, coordinated purchasing of supplies and equipment.

Some SCCOG public works departments make use of group purchasing arrangements for services. This practice could be expanded to include other frequently performed services such as sidewalk plowing, tree removal, road side mowing or street paving. Additionally, capital expenditures for public works equipment is estimated at several million dollars per year. Much of that is spent on common items such as plow trucks and large pickup trucks. While they can be purchased already on a group bid site, there is the potential of further savings if several municipalities agree to purchase vehicles at the same time through common manufacturers built to the same specifications.

Public works departments across the region use technology at different rates and levels. Common concerns include fleet management, tracking of work orders, route optimization and inventory management. Moving to appropriate technology could lead to efficiencies in operations for public works. Although selecting technology can be time consuming and require an initial investment, sharing those costs across several municipalities would lower the individual costs.

As noted, municipalities handle their public works departments in different manners. A byproduct of this is that some self-provide services to their community that their municipal neighbors need to hire an outside organization to perform. For example, the Town of Groton maintains the capability and expertise to pave small sections of roadway or trails. Their equipment and personnel could be available to other municipalities, either at a cost or in exchange for similar value services. Another example is the City of Norwich, which maintains a paint bay capable of painting large vehicles. It could provide this service to other communities under a contract or as an exchange of services.

While every public works department has regular need for certain items like plow trucks, loaders and pickups, other items like bulldozers, aeriels and grapples are used infrequently. When those functions might be needed by a municipality that does not own the equipment, they usually either make due with other equipment or rent from a private vendor. An alternative model would be to develop a list of infrequently used specialty equipment that could be shared through formal agreements (to cover

liability, operations and maintenance) that would either provide value by trading services or through rental fees.

Implementation Considerations

Creating a regular “table” of the region’s public works officials is a low-cost and low-risk vehicle for supporting several of the recommendations presented above. It would increase familiarity across agencies and disseminate best practices across the region, while surfacing new opportunities to collaborate. This table would be the appropriate vehicle for pushing forward the recommendations around expanding group purchasing, investigating the sale or exchange of unique services, and identifying “sharable” specialty equipment.

Group purchasing efforts could begin by creating a “master” fleet replacement plan that places each SCCOG municipality’s replacement schedule in a common calendar. Although the level of detail and sophistication in fleet replacement plans varies across SCCOG governments, public works leaders have a general sense of what the next 3-5 years looks like in terms of their respective fleet needs. Aligning common fleet needs according to a common schedule (e.g. “Five municipalities intend to bid a total of 10 dump trucks in 2020”) provides a starting point for building common specifications. The potential for savings is greatest where officials can agree on common manufacturers and specifications, which is not currently in place across the region’s public works agencies.

Selling or exchanging unique services across SCCOG municipalities would require a formal shared service contract, and be subject to approval of the participating governing bodies. A model for this could be the shared service agreement prepared and overseen by SCCOG for use of variable message signs by a number of SCCOG member municipalities. Similarly, the sharing of specialty equipment would also likely be subject to a shared services contract. In interviews, SCCOG municipal officials identified concerns over liability as an obstacle to sharing equipment. A contract framework that explicitly addresses liability and the use of such equipment would help mitigate that concern.

Long-Range Consideration

In addition to the shared service recommendations offered above, CGR encourages SCCOG municipalities to think more broadly about the future of public works services in the region. We note that if the southeastern Connecticut region was creating a public works services system today from scratch, it is highly unlikely that the task would be divided among more than 20 different organizations, each with its own budget, capital equipment, staff and leadership. The overall workload would not be changed, i.e. the same number of bridges, centerline miles and road repairs would remain, so the number of frontline workers would not be substantially reduced.

However, delivering that service in a more coordinated way, through a regional workforce and from strategically-positioned regional facilities, could lead to more responsive and cost-effective service.

Recreation

Current Approach

In interviews, 19 SCCOG governments indicated being directly or indirectly involved in the provision of recreation services. CGR estimates that at least 79,000 individuals participate annually in municipally-sponsored programs, classes and related community events, based on data supplied in response to a programmatic questionnaire.⁴⁷ Notwithstanding that some participants may be non-residents and / or participating in multiple programs, the total still represents a sizable share (approximately 28 percent) of the region's population.

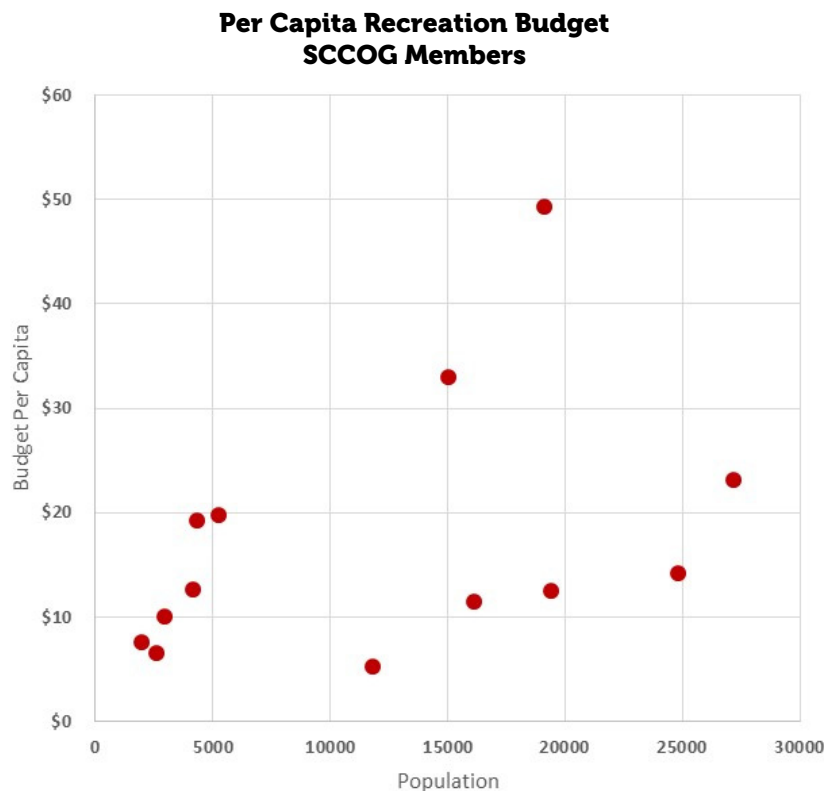
A wide variety of programmatic offerings is available across the region. Among governments responding to CGR's questionnaire, the most commonly offered programs were found to be aerobics, baseball / softball, basketball, martial arts, soccer, summer camps and volleyball. Based on governments that provided detailed program enrollment data, community events appears to be the region's most-subscribed recreation category (approximately 40 percent of all participation), followed by family programs (30 percent), youth programs (25 percent), and adult programs (5 percent).

Nearly all SCCOG governments provide up-to-date recreation information online, either as part of their municipal website or a dedicated recreation portal. CGR noted that 12 municipalities offer online registration through vendor software. Six different software packages are currently in use across those 12 governments, with Vermont Systems used in the largest number of towns (4). Vendors RecDesk, MyRec.com and Jarvis each serve 2 SCCOG communities.

Recreation budgets are supported by a combination of user fees and general municipal subsidy, with the share varying by community. On average, 54 percent of recreation budgets are supported by participant fees. Overall fee-based support ranges from as low as 0 percent (i.e. funded entirely by municipal subsidy) to as high as 100 percent (i.e. funded entirely by users / participants). Of the governments reporting data on funding approach, a large majority rely on program fees to support at least half of their recreation budget. Thirty percent rely on fees to support more than two-thirds of their budget; 50 percent rely on fees for half to two-thirds of their budget.

⁴⁷ Thirteen SCCOG municipalities provided detailed data on programmatic offerings and participation levels.

The overall level of investment varies considerably across the region's governments, reflecting differences in both community size and service expectations. Across the 15 SCCOG governments for which parks / recreation is a dedicated budget cost center (i.e. not combined with general public works or other services), total expenditures in 2017 exceeded \$5.7 million, or approximately \$21.01 per capita. Including estimates for those governments in which parks / recreation is not a dedicated cost center, CGR estimates that total SCCOG-wide expenditures are approximately \$6.0 million.⁴⁸ Unlike some other services discussed in this report, CGR does not find a clear scale relationship between municipality size and recreation unit costs.



The diversity in funding approaches, along with the wide range of services offered, represents both a strength in meeting the recreation demands of the region and a challenge to aligning cost sharing philosophies that can help support shared programming and administration. The diversity in approach was evident in CGR's focus groups with recreation officials. Some participants shared that their government has chosen to rely heavily on program fees to support most or all of recreation

⁴⁸ In certain cases, CGR found that parks and recreation budgets comingled operating and capital costs, which has the potential to skew direct comparisons. In the graph, CGR excludes data for select municipalities for this reason.

services; others noted that their municipality had made the choice to charge little or no program fees, opting instead to support programming through the tax base as a municipal service. Balancing the pressure for cost recovery with the desire to provide access across all income levels has been addressed in different ways across SCCOG member governments.

During the focus group session, programming diversity was pointed to as a leading strength across the region. Participants pointed to generally high enrollments, the relevancy of offerings across cultures, races and ethnicities, and the particular strength of adaptive programs that serve as “regional draws.” This is reinforced by a sense that the region offers a strong combined set of assets to support recreation programming. Existing facilities include hockey and athletic fields, indoor arenas, local schools, a skate park and golf course, all of which are regularly used.

Recommendations

Pursue a shared, more regional approach to marketing / advertising recreation programming throughout the SCCOG region. The most natural and immediate opportunity would involve creating and managing a shared website for program schedules and registration.

Consider developing a “regional recreation strategic plan” that evaluates programmatic overlaps / gaps throughout the region and identifies opportunities to combine offerings where current enrollment levels or trends put long-term sustainability at risk.

Centralize or pursue targeted sharing of equipment purchasing, technology programs and training opportunities.

Increase collaboration with high schools, human service programs and youth bureaus within and across member municipalities.

SCCOG members may wish to explore formation of a municipal (or metropolitan) district to administer recreation and parks functions. In addition to supporting several of the preceding recommendations, such a district would provide an opportunity for dedicated funding.

Potential Benefits

Programmatic Diversity and Sustainability

In many ways, the potential benefits of the shared service opportunities in recreation and parks are less about cost savings than about programmatic diversity, access and sustainability. As noted earlier, there are a host of common programmatic offerings throughout the region, including summer camps, baseball / volleyball, aerobics and

soccer. They enjoy relatively high enrollment levels and, notwithstanding potential fee increases, appear sustainable. On the other hand, a number of “specialty” recreation offerings are available across the region as well. Though generally not as highly subscribed as the more common offerings, they reinforce the region’s programmatic diversity and support the recreation fabric in individual communities.

A shared approach to marketing and advertising recreational offerings – on a regional basis rather than community by community – would enhance the potential audience for those specialty programs. This can significantly improve the sustainability of those programs, helping ensure they meet the critical mass necessary for a municipality to continue offering those programs. A more coordinated regional approach to marketing and registering for recreation programs effectively expands the potential participant “marketplace” for each offering. While this would likely not have a significant impact on highly-subscribed and commonly-offered programs, it could offer a significant benefit to the more obscure, specialty programs only offered in pockets of the region. CGR’s review of program and enrollment data supplied by SCCOG governments suggests offerings such as cooking, fencing, football, gymnastics, lacrosse, pet training and wrestling may benefit.

Similarly, certain offerings (e.g. tennis and swimming) require specialized facilities that may not be available at scale in every community. A regional approach to marketing programming and registering participants would help more effectively open up those offerings to all residents of the region.

More Coordinated Use of Facilities, Staffing and Assets

There are numerous examples nationally of neighboring communities and regions engaging in multi-town recreation planning efforts. In most of these cases, a multi-town / regional recreation strategic plan serves as the basis for more coordinated facility use and the sharing of staff and facilities. Whereas a coordinated approach to marketing and registration can expand the potential participant marketplace in “real time,” a formal planning process can position the region to be more forward looking and intentional about the programs it offers and where / when it will offer them, in order to best leverage demand and facilities.

Purchasing Efficiencies, Shared Technology and Training

Focus group participants pointed specifically to the administrative burdens associated with purchasing, and how those burdens can compromise the kinds of economies of scale that would be available through bulk procurement. More coordinated efforts across recreation departments to jointly RFP common equipment and supplies may offer lower costs. Several larger municipalities, such as New London, are in a position to share technology solutions such as cost indexing tools, field rotation software and

maintenance strategies, which can help save time and capital costs among smaller municipalities.

Recreation officials also point to training as a significant cost, particularly when it comes to meeting specialized workforce requirements and supporting in-demand programs. Aquatic safety is an example, with several municipalities indicating a shortage of available staff.

Leverage Synergies with Human Services and Youth Bureaus

Several municipalities report having realized savings through better coordinating (or combining) recreation services with their municipal human services or youth bureau functions. Still others acknowledge that short of consolidation, they have realized benefits through co-location with those agencies, especially considering they often have shared constituencies.

Coordinated Governance and Funding Flexibility

As noted above, CGR recommends that SCCOG members explore the formation of a municipal or metropolitan district to administer recreation functions. Such a step would be the most challenging from an implementation standpoint, given the process for creating a district and the diversity of programming and fee structures that municipal recreation departments currently enjoy. It would, however, create a formal structure within which to better coordinate the delivery and administration of recreation services throughout the region. In addition to formalizing shared recreation governance and planning among participating municipalities, a district may have its own taxing authority, providing additional funding flexibility apart from the municipal budget.

The Warwick Regional Recreation Commission, based in Lancaster County in Southeast Pennsylvania, offers an example. The Commission framework, which is funded on a population-based formula basis by member municipalities, integrates the region's recreation service providers into a "comprehensive park and recreation system for the region" by "organizing, coordinating and efficiently streamlining the regional recreation providers." Coordinated inspection schedules, bulk bidding of insurance, master scheduling and venue assignment, and coordinated multi-jurisdiction planning of recreation, parks and open space are among its core responsibilities. Though the Warwick region is smaller than SCCOG, the model offers a template worth considering.

Implementation Considerations

Key implementation considerations for each recommendation are discussed below. More broadly, SCCOG member municipalities might consider doing a comprehensive

fee study to determine specific program costs across recreation service providers. This would be particularly valuable given that member recreation budgets do not contain the level of detail necessary to align funding / costs to specific programs and participant levels.

Regional Marketing and Shared Website: As noted earlier in this section, most municipal recreation departments in the region already provide fairly comprehensive and up-to-date information online regarding programmatic offerings. More than half of them also offer online registration capabilities, albeit through the use of 6 different vendor software packages. This suggests that the core elements of a regional marketing effort – a comprehensive list of programs throughout the region and registration information – are already largely in place among SCCOG members. The next step is to integrate them within a common website. CGR’s review of the various vendor software systems in place among SCCOG members indicates that they share the same basic functionality, and any system would likely be capable of powering a regional website. Further, we find that the cost to operate such a site would likely not be significant, especially if shared across multiple municipalities. At least one of the software vendors currently serving SCCOG communities charges no setup or maintenance fees, but rather charges a fixed annual license fee based on population size. A mid-sized SCCOG community using that software currently pays \$3,400 per year.

Regional Recreation Strategic Plan: An existing group of recreation service department heads / leaders from across the region, which has been meeting on an informal basis, offers a natural starting point for discussions on a coordinated strategic plan. The group has a sense of the most natural, feasible and immediate opportunities to collaborate. As an interim step, CGR recommends this group begin the process of identifying core opportunities to jointly program over the next 2-4 years, emphasizing specialty / unique offerings that are undersubscribed or facing negative enrollment trends. While the group of recreation officials is best positioned to take the lead, it is important that Recreation Commissions and SCCOG members be informed on the group’s progress.

Beyond this interim step, CGR finds that there would be value in SCCOG members commissioning a consultant to facilitate development of a regional recreation strategic plan. A comprehensive review of current and anticipated recreation programming by all SCCOG governments, as well as a review of non-governmental (e.g. non-profits and community based organizations) service providers would produce a “level set” of the region’s current offerings and enable the identification of overlaps and gaps. It would also serve as a common information baseline from which to identify and prioritize future recreation needs / demand across SCCOG communities. Ideally, this plan should also include an inventory and analysis of facilities and non-facility assets that support recreation programming in SCCOG.

Increase Collaboration with Schools, Human Service Agencies and Youth Bureaus:

The onus for moving this recommendation forward rests at the local level, rather than regional. There is a range of existing collaboration levels among recreation departments, human service agencies, youth bureaus and schools – from informal, occasional and *ad hoc* collaboration at the low end, to co-location and joint programming at the high end. The recreation department / commission in each municipality would be a logical place to initiate this discussion.

Explore Formation of Multi-Town District: The authorization for municipalities to form municipal or metropolitan districts is provided under Connecticut General Statutes (CGS) Section 7-330, which states that “any two or more towns, cities or boroughs may, by vote of their legislative bodies, vote to form a district for the performance of any municipal function which the constituent municipalities of such district may, under any provision of the general statutes or of any special act, perform separately. The affairs of any such district shall be managed by a board consisting of two members from each constituent municipality appointed by the board of selectmen of towns, the council or board of aldermen of cities and the board of burgesses of boroughs. Any town, city or borough having a population of more than five thousand inhabitants as determined by the last-completed federal census shall be entitled to one additional representative for each additional five thousand population or part thereof. The board shall, at its first meeting, determine by lot which members shall serve for one, two or three years, provided the terms of office of not more than fifty per cent of the board shall expire in any one year. Thereafter, the terms of office shall be for three years. Such board shall choose by ballot from its membership a chairman, a secretary and a treasurer. Such treasurer shall give bond to the board to the satisfaction of its members, the cost of such bond to be borne by the board.”

Section 7-331 provides authority for payment of expenses: “The proportional share of each constituent municipality of the indebtedness and current expenditures of the district for its projects under the provisions of sections 7-330 to 7-332, inclusive, shall be determined by the board, which board shall have all the powers and duties with regard to such projects as such constituent municipalities would have severally.” Section 7-332 provides the process for admission to or withdrawal from a district: “Any municipality may, by vote of its legislative body, after the formation of a district in accordance with the provisions of section 7-330, elect to apply for admission to such district and the board of such district may admit such municipality. Any constituent municipality of any district may, by vote of its legislative body, elect to withdraw from such district, but such withdrawal shall not be effective until six months after such vote, nor shall such withdrawal relieve such municipality of any liability which it incurred as a member of such district.”

A metropolitan district, which is distinctly provided for in state law (see Section 7-333 *et seq.*), is a municipal district that includes a “central city,” defined as a city having a population of 25,000 or more.

Administrative Services

Overview: Focus Groups

SCCOG municipalities currently manage a range of core administrative services in largely independent ways, and use a variety of part- and full-time staffing combinations and outsourced contracts. CGR’s review found opportunities for improved service and / or cost savings in four key categories:

- Financial administration
- Purchasing
- Human resources
- Information technology

Given the interrelated nature of these functions, they are presented together within this combined section. Focus groups conducted by CGR with administrative department heads and managers of SCCOG municipalities reinforced the connection among these services, with participants noting their synergies and expressing a desire to have them more integrated. In fact, some smaller municipalities already have one individual (or common staff) performing more than one of these administrative functions.

Focus group participants shared that tight budgets and uncertainty around state funding have contributed to a difficult political and management environment in which to plan strategically for current and future needs. According to participants, a key obstacle to administrative planning is the redundancy of information systems and support systems. In general, participants expressed that leaders – elected and appointed – need to be stronger allies in advocating for better administrative infrastructure, as well as the acquisition and integration of industry-leading systems.

Some focus group participants offered that resistance to change among elected officials and long-term municipal employees was a pointed obstacle. Available new technologies, approaches and systems are too often viewed as “questioning current practices” and “challenging institutional knowledge,” rather than as new ideas and innovations capable of solving problems differently or producing valuable new information. Participants also shared that past collaborations were often undone by individual municipalities opting to “go it alone,” and too often subject to the state of relationships among elected officials of partner municipalities.

Participants noted that in certain cases positions are elected (e.g. tax collector), which creates a complicating factor in sharing services.

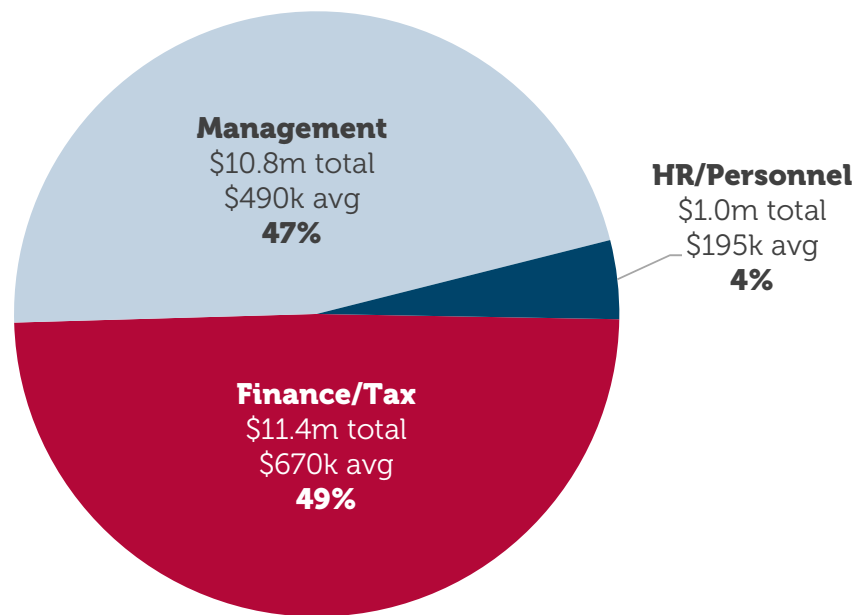
Focus group participants were generally quite optimistic about immediate opportunities to collaborate, even regardless of institutional support and additional investment. Shared cross-training and succession planning efforts, as well as joint exploration of best practice tools (e.g. new software and systems) were offered as suggestions. The group was also interested in creating a more formal table for bringing the region's network of administrative leaders together to share challenges, discuss best practices and find new ways to "work as one larger community and not a collection of individual neighbors." There was a strong sense among participants that, notwithstanding size and scale, most core administrative services were generally similar across SCCOG governments and offered opportunities to collaborate.

Based on our review, CGR agrees with focus group participants regarding the formation of regular "user groups" within each of these administrative functions, to discuss best practices, perspectives, challenges and opportunities. A regular larger meeting spanning all four functions might also be valuable in helping build a shared sense of advocacy, deepening managers' understanding of the diversity of approaches in place across the region, and surfacing new opportunities going forward.

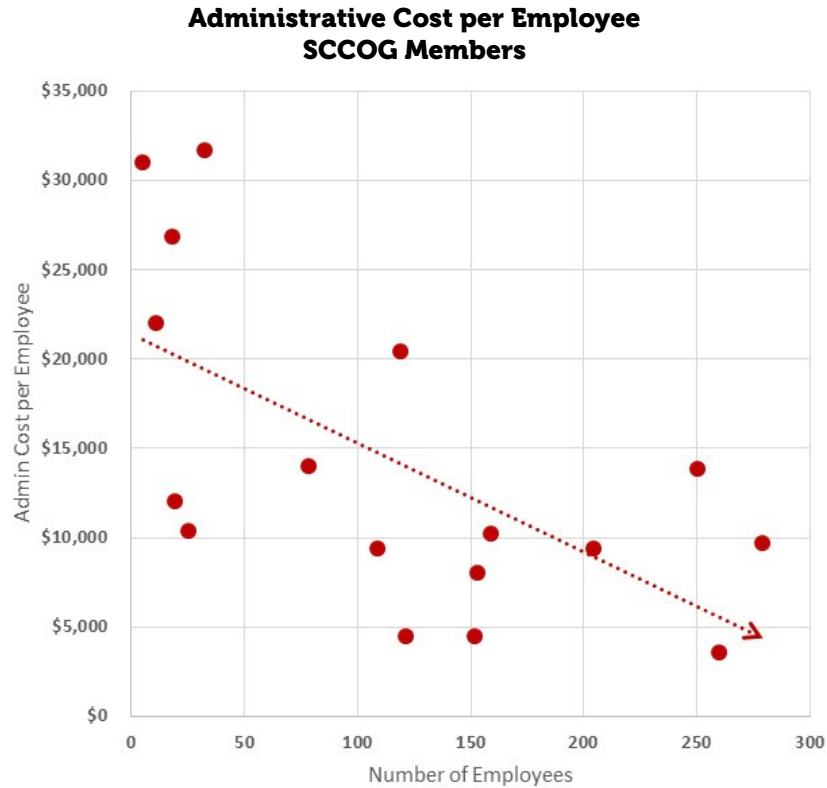
Overview: Finance, Purchasing and HR Costs⁴⁹

SCCOG municipalities spent an estimated \$23.2 million on general management (including purchasing), human resources and finance functions in FYE 2017. The range of expenditure levels varied widely, reflecting size and scale of each respective government.

⁴⁹ As noted earlier in this report, although municipalities generally adhere to a common budget cost center / code structure, different governments occasionally budget common items in different ways and / or at varying levels of line-item detail. CGR developed a budget crosswalk that aligned SCCOG member budgets into standardized categories. As part of that process, finance / purchase / HR costs were aggregated; information technology costs could be isolated. For that reason, finance / purchase / HR costs are discussed together here, while information technology costs are discussed later in this section.



CGR's analysis found a relationship between administrative unit costs and scale (i.e. municipality size), such that larger-sized governments had lower administrative costs per employee. This makes sense, considering that financial administration, general management, purchasing and HR are "threshold costs" for any government, regardless of its size, and offer scale opportunities. It also reinforces the potential benefit of collaboration in these functions, especially for smaller municipalities. Consider the following as a frame of reference. The average per employee administrative cost for the 7 smallest municipalities (based on workforce size) was more than twice that of the remaining municipalities: \$18,500 vs. \$9,200. The aggregate value of that difference across those 7 smaller municipalities is \$1.7 million. The strength of the scale / unit cost relationship is illustrated in the following graph.



Finance

The opportunities identified by CGR, and supported by focus group participants, revolve mainly around systems and infrastructure. There are at least two reasons for this: Financial administration staffing levels have thinned in recent years, while at the same time technological advances have provided new opportunities to streamline internal processes and enhance data sophistication.

One example involves Enterprise Resource Planning systems, or ERPs. Many larger municipalities and Boards of Education (BOE) are using fully loaded ERP systems to manage their financial operations. The core advantage of ERP systems involves the integration of data. "The central feature of all ERP systems is a shared database that supports multiple functions used by different business units."⁵⁰ In the municipal context, this may include finance, human resources, treasury / tax collection, billing, payroll, taxpayer / property information and a host of other departmental information. Many ERP systems also offer a robust Human Resource Management (HRM) module, which can make additional sharing possible in human resources.

⁵⁰ See Oracle / Netsuite at <http://www.netsuite.com/portal/resource/articles/erp/what-is-erp.shtml>

ERP systems can be costly. A subset of SCCOG municipalities that report using an ERP system provided annual cost data to CGR. Average annual cost (post-implementation) among that group is approximately \$50,000. Up-front and implementation costs can stretch into the high six figures or more, especially for larger governments.

As expected, SCCOG municipalities with these systems in place shared that automation is greatly reducing redundancy of efforts and better integrating data that used to be spread across multiple databases.

Focus group participants expressed immediate interest in using Application Programming Interfaces (API) to connect and exchange data among different systems, which would require collaboration with IT directors to plan for and arrange data extraction scripts across systems. Participants expressed concern about several older systems that continue to run reports but are incompatible with new technology infrastructure requirements.

Several participants shared that maintaining two separate finance platforms between the municipality and BOE was suboptimal. CGR agrees. Too often it requires significant workload to reconcile information between the two entities, particularly during the budget process and annual audit. It also increases costs – both in licensing and annual maintenance – beyond what a single system would incur.

Even in some cases where the municipality and BOE are employing the same system, the systems may be segregated. Merging them into a single contract could offer greater data integration and cost savings, as well as shared training on different modules.

While focus group participants were excited about new collaborative shared service opportunities, there was a general acknowledgement that recent layoffs have trimmed line staff and pushed transactional work onto management, limiting time for strategic planning and collaboration with other municipalities and BOEs.

Recommendations

Where it has not already occurred, SCCOG municipalities and their BOEs should formally evaluate alignment of the financial administration software system(s) each currently has in place. In cases where both are utilizing common systems under different licenses, there may be an opportunity to combine under a single license and generate cost savings. By contrast, in cases where the municipality and BOE are using different systems, consideration should be given to migrating to a common system in the future.

Given that at least 6 different ERP systems are currently in place across the region's governments, and that more than half currently do not have such a

system, SCCOG municipalities should consider the feasibility of migrating to a single ERP system.

Given that at least 4 different Document (File) Management Systems are in place across the region's governments, and nearly two-thirds of municipalities do not have such a system, SCCOG members should consider jointly procuring a common Document Management System.

Potential Benefits

Savings Potential

A more coordinated strategy to align existing financial, ERP and Document Management Systems to common platforms has the potential to produce savings for participating municipalities. Jointly bidding and licensing these systems, perhaps under the auspices of SCCOG, can lower annual costs – especially if interested governments are able to agree on a single platform solution. Similar savings opportunities are available at the sub-regional level as well, between municipalities and BOEs that are not already sharing common platforms (or where they are, doing so under separate licenses). Related, shifting to common platforms across the region provides an opportunity for shared training.

Make Cost Prohibitive Investments More Attainable

As noted, ERP systems currently in place across SCCOG governments tend to be in the larger jurisdictions. In part this reflects the higher level of complexity and service demand / internal process that tends to characterize larger organizations. But it also likely reflects the cost of such investments. For many mid-size and smaller municipalities, investing in innovations such as ERP and Document Management Systems – while appealing – is simply cost prohibitive. Jointly bidding and licensing such systems has the potential to make these investments considerably more feasible for smaller entities.

Improved Data Integration and Related Processes

More universal use of ERP and Data Management Systems across the region's governments would improve the accuracy and timeliness of financial information, position governments to make more data-informed decisions, and reduce or eliminate some existing paper-based processes. Particularly where municipalities and BOEs are on common, integrated platforms, there would be greater efficiency in budgeting and annual audit processes.

Implementation Considerations

Implementation of these opportunities should proceed at two levels.

At the individual community level, municipal and BOE finance / IT personnel should investigate the alignment of their current respective financial software platforms and address a series of key questions.

Where common systems are employed,

- Are they being jointly licensed (and bid, when necessary)?
- Are common training opportunities being leveraged?

Where different systems are employed,

- How satisfied are the municipality and BOE with their respective systems?
- What is the annual cost of the respective systems (licensing, maintenance, etc.)?
- Do either the municipality or BOE anticipate exploring a different system in the next 3-5 years?

At the SCCOG level, members should consider appointing a committee of municipal finance and IT managers to assess satisfaction levels with current ERP / DMS systems (where already in place) and develop a timeframe for jointly bidding them over the next 3-5 years. This effort should include both governments that currently use ERP / DRM systems and those that do not, given that a joint approach may alleviate what would otherwise be a cost prohibitive investment.

Purchasing

Current Approach

Purchasing services are currently delivered differently across SCCOG municipalities. Some have a designated purchasing agent / office, while others make use of clerical or other departmental staff. Even where a designated purchasing agent does exist, purchasing policies are not always fully enforced, resulting in process inefficiencies. Even the most proactive municipalities indicate that delays in the process and overly restrictive rules lead many department heads to seek alternative acquisition methods.

Data gleaned from CGR's questionnaire of municipalities found over 300 RFPs are issued annually by SCCOG governments. Most report averaging about 10 RFPs per year.

In focus groups, municipal staff noted that creating RFPs is time consuming, particularly for more complex commodities or procurements requiring detailed

specifications. For example, utility purchasing requires adherence to separate ordinances that add more time to the process.

On a monthly basis, SCCOG municipalities report issuing more than 6,000 total checks and purchase orders, an average of more than 300 per municipality. Several municipalities have begun using purchase cards and report a significant reduction in transactions.

Eleven SCCOG governments (East Lyme, Ledyard, Lisbon, Montville, New London, North Stonington, Norwich, Salem, Stonington Town, Waterford and Windham) take advantage of a low-cost opportunity to participate in the Capitol Region Council of Government's (CRCOG) Purchasing Council, a cooperative council of over 100 towns and other entities throughout Connecticut. It was established in 1968 in response to CRCOG member towns' needs for regional procurement of common goods and services, and has since expanded to serve entities elsewhere in the state. "Under the auspices of the CRCOG, the Council functions as both a supplemental procurement office for its member municipalities and as a central clearinghouse for the collection and distribution of purchasing-related information and expertise."⁵¹ The Council offers annual / biennial bids, access to the ezIQC Job Order Contracting construction program, an IT Services Cooperative, and Energy Consortia. The Council does not make awards for annual / biennial bids. Rather, Council members make their own awards based on their respective determination of which vendor(s) is most responsive and appropriately priced. Individual municipalities can coordinate their needs and jointly approach the CRPC with opportunities. Additionally, members can ask that selected local vendors be included in market research and competitive bid processes.

SCCOG members can join for \$500 per year, paid through SCCOG.

Recommendations

SCCOG municipalities, particularly small to mid-sized governments, should consider jointly pooling the purchasing function through a shared services contract.

SCCOG members that are not currently participating in the Capitol Region Purchasing Council should begin doing so.

Potential Benefits

Municipalities that pool purchasing resources or choose to join the CRPC are likely to lower their own administrative / staffing costs associated with purchasing functions

⁵¹ <http://crcog.org/capitol-region-purchasing-council/>

and see savings through bulk purchasing and utilization of more competitive acquisition vehicles.

In instances where purchasing functions are handled by administrative staff or less than half-time purchasing staff, which characterizes most of SCCOG's smallest communities, municipalities should consider a joint funding / shared staffing agreement to handle core purchasing functions. For example, six municipalities currently funding part-time purchasing staff (or relying on administrative staff to handle purchasing duties) could together fund perhaps 2 full-time designated purchasing agents who would be responsible for assembling and publishing bid documents, issuing bid notices, receiving sealed proposals, administering bid openings and issuing awards. This would relieve administrative (or other non-purchasing professionals) who are currently handling procurement from doing so, better positioning them to focus on core functions while placing the purchasing responsibility in the hands of day-to-day purchasing professionals. Moreover, it would create a *de facto* central purchasing function across participating municipalities, which would likely result in new opportunities to jointly bid common goods and services (or piggyback on other existing bids).

Implementation Considerations

Small and mid-sized governments that opt to pursue a joint / pooled purchasing function can do so through a shared services agreement, which would be subject to approval by each participating municipality.

SCCOG members that are not currently members of the Capitol Region Purchasing Council can do so via SCCOG for \$500 per year.

Human Resources

Current Approach

Data gleaned from CGR's questionnaire of SCCOG members found that municipalities had posted 123 open positions, conducted 8 Civil Service exams and filled 31 Civil Service positions in the past twelve months. Collectively, employees across SCCOG member governments are represented by more than 70 collective bargaining units. Member governments report more than 2,000 full-time equivalent positions.⁵²

There is a reasonably high degree of consistency across SCCOG governments in terms of their core HR functions. Where there are differences, they generally reflect scale and

⁵² A full breakdown of municipal employment by functional area is provided in the Appendix.

workforce size variations across municipalities, with larger governments tending to have correspondingly larger HR capacity.

During focus groups, HR personnel shared that ongoing vacancies in their departments – especially in director-level positions – create challenges to delivering important services. They also compromise the ability to plan for an aging workforce, the result being scarce or non-existent succession plans and no overlapping training periods for outgoing and incoming staff.

In addition to thinking more broadly about shared HR opportunities across SCCOG governments, there is also an opportunity to formally explore collaborations between municipalities and their Board of Education. Such a model exists in Waterford, where the Town and its BOE have shared an HR director since 2009. This type of arrangement can face challenges, given that municipalities and schools often have different bargaining units, compensation plans, compliance considerations and employment terms / conditions. But none of these challenges is insurmountable. Indeed, even within a single municipality an HR office is generally required to navigate different bargaining units, compensation plans and compliance considerations. Focus group participants agreed that the overall benefits to such an approach between municipalities and Boards of Education outweighed the challenges, and pointed to a host of technology solutions to make centralized, shared human resources feasible.

Recommendations

SCCOG municipalities and their Boards of Education should seek to share common human resource functions as a step toward fully integrated municipal-BOE human resource offices.

Small and medium sized SCCOG municipalities should consider outsourcing certain HR services, where possible. Further, joint bidding of those services would yield the most aggressive pricing.

Potential Benefits

Combined municipal-BOE human resource offices would reduce the duplication of certain HR processes that are common to each independent office, such as benefits enrollment, employee onboarding, coordination of training and posting of position openings. Although CGR did not complete a detailed assessment of payroll operations throughout SCCOG governments and their BOEs, a single HR office serving both offers an opportunity to combine payroll services and enable unit cost savings. Similarly, to the extent that separate municipal and BOE human resource offices within the same community are using different software systems / ERPs to maintain employee records, operating as a unified HR entity offers potential savings in annual user licenses and system maintenance.

Several SCCOG municipalities reported increased performance and lower costs through outsourcing of select functions, such as benefits administration. In one instance, benefits administration is already performed by a single broker for multiple SCCOG governments; in others, municipalities have fully outsourced employee recruitment, onboarding and retention through services like CivicPlus.

Among joint bidding opportunities, payroll services has the potential to produce benefit – especially for the region’s smallest municipalities. An analysis of payroll cost data for 7 SCCOG governments found a wide variation in annual payroll processing costs per employee. Governments with more employees generally had lower per employee processing costs. Indeed, the highest per-employee cost was borne by the government with the fewest number of employees.

Implementation Considerations

Within individual SCCOG governments, sharing between municipal and school human resource offices would most appropriately be initiated by the respective HR directors, in collaboration with the governing body and Board of Education. CGR suggests this process include a review of the recent statewide salary survey conducted by the CRPC, in conjunction with the Connecticut Conference of Municipalities (CCM), which included 131 Connecticut towns and 13 SCCOG member municipalities. Although the submission deadline for the salary survey has passed, towns can still gain access to the data.

Intermunicipal collaborations on opportunities such as joint bidding of outsourced services (e.g. payroll) would benefit from establishing a human resources “networking group,” similar to that discussed at the beginning of this Administrative Services section. This would be a natural starting point to move these sharing efforts forward. Focus group participants expressed interest in such a group, seeing it as an opportunity to share best practices and explore opportunities more formally.

Information Technology

Current Approach

SCCOG members address their information technology needs through a wide variety of service models, ranging from full in-house operation of all IT support functions to a full outsourcing of services through contracts and shared service arrangements. While smaller towns tend to do most of the sharing / contracting out of core services, there are several examples of sharing among larger communities.

Based on a sample of SCCOG member budgets that list IT expenses as a separate cost center, the average per capita IT spending among SCCOG municipalities in FYE 2017 was approximately \$10. Extrapolating this average across all SCCOG members, CGR

estimates the region's local governments collectively spend more than \$2.3 million per year.

To supplement CGR's analysis of budget figures, 19 municipalities provided more detailed IT cost information in response to a data questionnaire. Collectively they reported more than \$300,000 in annual spending on external vendor support, including site and server hosting. This suggests that almost 90 percent of the overall IT budget supports in-house services.

The data questionnaires revealed a significant level of investment in software and systems to support municipal operations, something that was corroborated by focus group participants. During focus groups, many stressed that these investments are returning value, but that they are not always being optimized and that there needs to be more of a commitment across their respective organizations to embrace the potential efficiencies and service enhancements available through modern information systems.

SCCOG members report the following software system costs, which are at least partially paid for through capital budgets:

- **Geographic Information Systems (GIS):** Nearly \$50,000 to support GIS platforms across 18 municipalities.
- **Financial Software Systems:** More than \$250,000 to support financial software systems across 8 municipalities that reported cost data. An additional 10 municipalities reported systems, but did not include cost data. Taken together, these systems range from simple QuickBooks applications to more formal ERP systems, such as MUNIS.
- **Human Resources Management (HRM) Systems:** More than \$50,000 to support two HRM systems (with two additional municipalities reporting systems but not providing costs).
- **General Software:** More than \$800,000 in software costs across 14 reporting municipalities in support of 80 different applications. A host of common applications are maintained by multiple municipalities.

Cooperative purchasing of both software and hardware offers an immediate opportunity for cost savings. The Capitol Region Purchasing Council's (CRPC) IT Services Cooperative, established in 2014 for municipalities, BOEs, libraries and other public entities, provides an existing vehicle for doing so.⁵³ The one-half of SCCOG municipalities that are already members of the CRPC have automatic access to the IT Services Cooperative; the others can join the Cooperative for a small annual

⁵³ See <http://crcog.org/it-services-cooperative/>

membership fee (though a recommendation offered earlier in this report would involve all SCCOG members joining the CRPC). The Cooperative offers member entities a variety of services, including:⁵⁴

- **Fiber Infrastructure Services:** The Cooperative provides a variety of general IT services, including assessments, managed services and development services, to member entities through a CRCOG contract with the nonprofit Connecticut Center for Advanced Technology (CCAT).
- **Hosting Services:** The Cooperative provides hosting services that can be managed by either CCAT or, at the member municipality's option, the municipality's own staff.
- **Human Resources Portal:** Through a contract with Prime 3SG, the Cooperative provides a nearly paper free system that allows member entities to manage employee recruitment, selection and related processes, as well as access to salary surveys and model documents. There is also an HR file management system that is running as a pilot program parallel to the portal.
- **Online Permitting:** In partnership with ViewPoint and Muncity Software, the Cooperative provides a program that enables homeowners and licensed contractors to apply for and receive building permits, track the status of permit applications and request inspections through cloud based permitting technology. On the front end municipalities can offer a transparent application process and user friendly interface which citizens can access 24/7. On the back end, the program provides municipalities with an intuitive online tool that will help to organize, streamline, and track their permitting operations. Online Permitting solutions facilitate collaboration between departments by centralizing and automating workflows. This service is currently utilized by one SCCOG government (Waterford).
- **VOIP Solutions:** Through a contract with Genei Innovations, Inc. and Intellinet for Voice Over IP (VOIP) Solutions, the Cooperative provides the capability for municipalities, schools and libraries to shift to VOIP telephony over the Nutmeg Network. VOIP offers advanced communications such as web and video conferencing, hot desking, "find me, follow me" and many more features. Member towns can choose from either of the vendors who offer different strengths in their offerings.

⁵⁴ The following descriptions are drawn from the Cooperative's website, *Ibid*.

And related to an opportunity raised earlier in the Finance section, the Cooperative is also running an electronic document management program pilot. One SCCOG government (Waterford) is participating.

Recommendation

Aggressively pursue opportunities for joint bidding / procurement of software and hardware. An immediately available option is the CRPC's IT Services Cooperative. SCCOG municipalities that are not already members of the Cooperative should join.

Potential Benefits

Cost Savings with Flexible Solutions

Though based on a limited number of data points, an analysis of currently outsourced IT support contracts among four SCCOG municipalities suggests that per unit support costs go down as the number of computers / laptops services goes up. Among the four, per unit support costs for the smallest municipality were nearly six times those of the largest. The savings potential is greatest for the region's smallest governments, since they tend to have fewer units. As a frame of reference, the 7 smallest SCCOG municipalities collectively support nearly 70 laptop / computer units. Reducing their current average per unit support cost to the average rate of larger SCCOG municipalities creates savings potential of more than \$80,000. Actual savings by municipality would be subject to the types of units supported and level of support required.

The CRPC's IT Service Cooperative provides SCCOG members with a ready-made vehicle for cost benchmarking and bulk purchasing. It is also extremely low risk, given the low annual fee and the flexibility to tailor the type and level of support / hardware services to municipalities' respective needs and wants. In nearly every category of support provided by the Cooperative, flexibility is available to member municipalities to purchase only the type / level of service they desire. For example, the Cooperative's contract with CCAT provides "Tier I" services (desktop support, workstation installations, security updates, on-call troubleshooting and basic software patches) and "Tier 2" services (networking, server installations, server software upgrades/patches, and overall network optimization). Under the current CCAT contract, Tier 1 services are billed at \$85 / hour, and Tier 2 services at \$135 / hour.

The Cooperative also reports saving members on hosting service costs – in some cases as much as 40 percent.

Implementation Considerations

Joining the IT Services Cooperative is straightforward – SCCOG municipalities can join for an annual fee (\$500 for the entire CRPC, which CGR recommends, or \$250 for the IT Cooperative only) via SCCOG.

Future collaborations would benefit from establishing a formal IT “networking group,” as discussed at the beginning of this Administrative Services section. Focus group participants expressed interest in such a group, seeing it as an opportunity to share best practices and explore opportunities more formally. Indeed, general discussion during the focus group surfaced an opportunity to collaborate and share best practices about a pending financial administration software bid by one municipality. Such an opportunity would not have emerged without bringing the group together.

More broadly, focus group discussions also raised the issue of changing the “mindset” among SCCOG municipalities regarding how they approach IT investments. Too often, technology investments are made on a reactive basis rather than a proactive one. This stresses compliance and immediate need, and minimizes future planning and innovation.

Appendix A: Municipal Service Summary

The following table presents a summary of services in each SCCOG government, indicating whether (and how) they provide each of the standard services evaluated in this report. This summary information, which was compiled through CGR's review of organizational information for each government and supplemented through interviews with each chief elected official (or their designee), was redistributed to each government to confirm its accuracy. Any revisions that were submitted to CGR are now reflected.

In some cases, governments submitted clarifying information that pertained to services that were not among the functions CGR reviewed (e.g. floodplain and wetland management, shell fishing management, utilities, marketing, etc.). Those additions are not reflected here.

	Bozrah	Colchester	East Lyme	Franklin	Griswold	Groton (C)	Groton (T)	Jewett City	Lebanon	Ledyard	Lisbon	Montville	New London	N. Stonington	Norwich	Preston	Salem	Sprague	Stonington (T)	Stonington (B)	Waterford	Windham
Animal control	#	#	#	#	#		•		#	•	#	#	•	•	•	•	#	#	•	#	#	•
Assessment	•	•	•	•	•	•	•		•	•	•	•	•	•	•	•	•	•	•	#	•	#
Building and codes	•	•	•	•	•	•	•		#	•	•	•	•	•	•	•	•	#	•		•	•
Clerk	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
E-911	#	#	•	#	#	•	#		#	#	#	•	•	#	•	#	#	#	#		•	#
Emergency management	•	•	•	•	•	•	•		•	•	•	•	•	•	•	•	•	•	•		•	•
Engineering	•*	•	•	•*	•*	•	•		•*	•	•	•*	•	•*	•	•*	•	•*	•		•*	•
Exec & administration	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Finance	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	# ⁸	•	•	#	•	•	# ⁸
Fire department		•	• ¹			•							•		•	• ⁷				•	•	•
Fire marshal	•	•	•	•	•	•			•	•	#	•	•	•	•	•	•	#		•	•	•
Fleet maintenance	•	•	•	•	•	•	# ³		•	•	•	•	•	•	•	•	•	•	•		•	•
Governing body	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Health	#	#	#	•	#	#	#		#	#	#	#	#	#	#	•	#	#	#		#	#
Human resources	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Info technology	•*	•	•*	•*	•	•	•	•*	•*	•	•	•	•	•	•	•	•	•*	•		# ⁸	#
Library	#	•		•			•		•	•							#	•			•	•
Planning & zoning	#	•	•	#	•	•	•		•	•	#	•	•	•	•	•	#	#	•	•	•	•
Police		•	•			•	•	6	•	•	6	•	•	6	•	6	6	6	•		•	• ⁶
Probate court	#	#	#	#	#		#		#	#	#	#	#	#	#	#	#	#	#		#	#
Public works & highways	•	•	•	•	•	•	•		•	•	•	•	•	•	•	•	•	•	•	•	•	•
Recreation	•	•	•	•	•	•	•		•	•	•	•	•	•	•	•	•	•	•			•
Refuse & recycling coll			•	•*		•				•	•		•		•*		•*		•*		•	•*
Registrar	•	•	•	•	•		•		•	•	•	•	•	•	•	•	•	•	•		•	•
Senior services	•	•	•	•	•		•		•	•	•	•	•	•	•	•	•	•	•		•	•
Social services		•					•		•	•		•	5		•				•		•	
Tax collection	•	•	•	•	# ²		•	# ⁴	•	•	•	•	•	•	•	•	•	•	•	#	•	#
Transfer station (MSW)	•	•	•	•	•		•		•	•		•	•	•	•	•	•	•	•		•	•
Waste-to-energy plant			#		#		#			#		#	#	#	#	#		#	#		#	
Youth services		•	•			•	•			•		•	•		•	•	•		•		•	

• **Self-provided services:** Services the municipality either directly provides with its own personnel or formally outsources to an outside vendor (denoted with *)

Shared and / or regional services: Services the municipality shares inter-municipally or provides regionally in partnership with other local govts / service providers

Footnotes: ¹ Nonprofits use some town personnel, ² Contracted to Borough, ³ Also service Ledge Light and SCRRRA, ⁴ Contracted with Town, ⁵ Have director but not a full department, ⁶ Resident trooper program, ⁷ Some town staff, ⁸ Shared with Board of Education

Appendix B: Municipal Facility Inventory

Bozrah

General	1 River Road	Bozrah
Fire Department	239 Fitchville Road	Bozrah
Public Works	227 Fitchville Road	Bozrah
Recreation / Senior Center	59 Bozrah Street	Bozrah
Transfer Station	255 Bozrah Street	Bozrah

Colchester

General	127 Norwich Avenue	Colchester
Cragin Memorial Library	8 Linwood Avenue, Route 16	Colchester
Fire Department	52 Old Hartford Road	Colchester
Highway Department	300 Old Hartford Road	Colchester
Police Department	127 Norwich Avenue	Colchester
Public Works	127 Norwich Avenue, Suite 106	Colchester
Recreation	127 Norwich Avenue, Suite 107	Colchester
Senior Center	95 Norwich Avenue	Colchester
Sewer & Water	127 Norwich Avenue, Suite 106	Colchester
Transfer Station	89 Old Amston Road	Colchester
Youth & Social Services	127 Norwich Avenue, Suite 205	Colchester

East Lyme

General	108 Pennsylvania Avenue, PO Box 519	Niantic
Flanders Fire Station	151 Boston Post Road	Niantic
Niantic Fire Station	8 Grand Street	Niantic
Niantic Fire Station 2	227 West Main Street	Niantic
Parks & Recreation Department	41 Society Road	Niantic
Police Department	278 Main Street	Niantic
Public Safety	171 Boston Post Road	Niantic
Public Works	108 Pennsylvania Avenue, PO Box 519	Niantic
Senior Center	37 Society Road	Niantic
Transfer Station	91 Roxbury Road	East Lyme
Water & Sewer	108 Pennsylvania Avenue, PO Box 519	Niantic

Franklin

General	7 Meetinghouse Hill Road	Franklin
Emergency Management	7 Meetinghouse Hill Road	Franklin
Fire Station	5 Tyler Drive	Franklin
Public Works	197 Pond Road	Franklin
Senior Center	5 Tyler Drive	Franklin
Transfer Station	171 Pond Road	Franklin

Griswold

General	28 Main Street	Jewett City
Fire Department	883 Voluntown Road	Griswold
Parks & Recreation Department	68 Ashland Street	Jewett City
Public Works & Transfer Station	1148 Voluntown Road	Griswold
Senior & Social Services	22 Soule Street	Jewett City
Slater Library	26 Main Street	Jewett City

Groton, City of

General	295 Meridian Street	Groton
Fire Department	140 Broad Street	Groton
Fire Department	416 Benham Road	Groton
Police Department	295 Meridian Street	Groton
Public Works	295 Meridian Street	Groton
Transfer Station	685 Flanders Road	Groton
Water & Electric Operations	1240-1270 Poquonnock Road	Groton

Groton, Town of

General	45 Fort Hill Road	Groton
Animal Shelter	80 Groton Long Point Road	Groton
Emergency Management	68 Groton Long Point Road	Groton
Fire District - Center Groton	163 Candlewood Road	Groton
Fire District - Mystic	34 Broadway	Mystic
Fire District - Noank	Ward Avenue	Noank
Fire District - Old Mystic	295 Cow Hill Road	Mystic
Fire District - Poquonnock Bridge	329 Long Hill Road	Groton
Housing Authority	770 Poquonnock Road	Groton

Human Services	2 Fort Hill Road	Groton
Library - Bill Memorial Library	240 Monument Street	Groton
Library - Groton Public Library	52 Newtown Road	Groton
Library - Mystic & Noank Library	40 Liberty Street	Mystic
Parks & Recreation	29 Spicer Avenue	Noank
Police Department	68 Groton Long Point Road	Groton
Public Works	134 Gorton Long Point Road	Groton
Senior Center	102 Newtown Road	Groton
Transfer Station	685 Flanders Road	Groton

Jewett City

General	28 Main Street	Jewett City
Fire Department	105 Hill Street	Jewett City
Public Utilities	9 East Main Street	Jewett City

Lebanon

General	579 Exeter Road	Lebanon
Jonathan Trumbull Library	580 Exeter Road	Lebanon
Transfer Station	171 Exeter Road	Lebanon

Ledyard

General	741 Colonel Ledyard Highway	Ledyard
Bill Library	718 Colonel Ledyard Highway	Ledyard
Gales Ferry Library	18 Hurlbutt Road	Gales Ferry
Parks & Recreation	4 Blonders Boulevard	Ledyard
Police Department	737 Colonel Ledyard Highway	Ledyard
Public Works	741 Colonel Ledyard Highway	Ledyard
Senior Center	12 Van Tassell Drive	Gales Ferry
Town Garage	889R Colonel Ledyard Highway	Ledyard
Transfer Station	889 Colonel Ledyard Highway	Ledyard
Youth & Social Services	741 Colonel Ledyard Highway	Ledyard

Lisbon

General	1 Newent Road	Lisbon
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Senior Center

11 Newent Road

Lisbon

Montville

General	310 Norwich-New London Turnpike	Uncasville
Police Department	911 Norwich-New London Turnpike	Uncasville
Public Works	225 Maple Avenue	Uncasville
Raymond Library	832 Raymond Hill Road	Oakdale
Senior Center	12 Maple Avenue	Uncasville
Youth Service Bureau	836 Old Colchester Road	Oakdale
Transfer Station	669 Route 163	Oakdale

New London

General	181 State Street	New London
General	15 Masonic Street	New London
General / Museum	8 Mill Street	New London
Emergency Management	289 Bank Street, PO Box 1009	New London
Fire Department - Headquarters	289 Bank Street, PO Box 1009	New London
Fire Department	240 Broad Street	New London
Fire Department	25 Lower Blvd	New London
Park Administration	1225 Ocean Avenue	New London
Police Department	5 Governor Winthrop Boulevard	New London
Police Department (Substation)	South Water Street	New London
Public Utilities	120 Broad Street	New London
Public Works	111 Union Street	New London
Public Works	100 Trumbull Street	New London
Recreation	120 Broad Street	New London
Senior Center	120 Broad Street	New London
Transfer Station	63 Lewis Street	New London
Water Department / DPW	109 Crystal Avenue	New London
Water Treatment Plant	1153 Hartford Tpke	New London

North Stonington

General	Old Town Hall, 40 Main Street	North Stonington
Fire Protection and Safety	267 Norwich-Westerly Road, PO Box 279	North Stonington
Public Works	11 Wyassup Road	North Stonington
Senior Center	391 Norwich-Westerly Road	North Stonington

Transfer Station	215 Wintechog Hill Road	North Stonington
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Norwich

General	100 Broadway	Norwich
Emergency Management	10 N. Thames Street	Norwich
Fire Department	10 N. Thames Street	Norwich
Human Services	80 Broadway	Norwich
Police Department	70 Thames Street	Norwich
Public Parking	3 Falls Avenue, PO Box 127	Norwich
Public Utilities	16 S. Golden Street	Norwich
Public Works	50 Clinton Avenue	Norwich
Recreation	75 Mohegan Road	Norwich
Senior Center	8 Mahan Drive	Norwich
Transfer Station	73 Rogers Road	Norwich
Youth & Family Services	80 Broadway	Norwich

Preston

General	389 Route 2	Preston
Public Works	423 Route 2	Preston
Senior Center	42 Long Society Road	Preston
Transfer Station	108 Ross Road	Preston

Salem

General / Public Works	270 Hartford Road	Salem
Public Works	228-230 Hartford Road	Salem
Salem Free Public Library	264 Hartford Road	Salem
Transfer Station	189 Rattlesnake Ledge Road	Salem

Sprague

General	1 Main Street, PO Box 677	Baltic
Transfer Station	112 Bushnell Hollow Road	Sprague

Stonington, Borough of

General	26 Church Street, PO Box 328	Stonington
Fire Department	100 Main Street	Stonington

Stonington, Town of

General	152 Elm Street	Stonington
General (Fourth District Hall)	10 Broadway Avenue	Mystic
Human Services	166 South Broad Street	Pawcatuck
Neighborhood Center	27 Chase Street	Pawcatuck
Police Department	173 South Broad Street	Pawcatuck
Public Works	86 Alpha Avenue	Stonington
Transfer Station	151 Greenhaven Road	Pawcatuck

Waterford

General	15 Rope Ferry Road	Waterford
Community Center	24 Rope Ferry Road	Waterford
Emergency Management	204 Boston Post Road	Waterford
Fire Department	204 Boston Post Road	Waterford
Library	49 Rope Ferry Road	Waterford
Police Department	41 Avery Lane	Waterford
Public Works	1000 Hartford Turnpike	Waterford
Recreation & Parks	24 Rope Ferry Road	Waterford
Transfer Station	1000 Hartford Turnpike	Waterford

Windham

General	979 Main Street	Willimantic
Recreation Department	322 Prospect Street	Willimantic
Senior Center	47 Crescent Street	Willimantic
Transfer Station	8 Industrial Park Drive	Willimantic
Water Pollution Control	2 Main Street	Willimantic
Water Works	174 Storrs Road	Mansfield Center
Willimantic Fire Department	13 Bank Street, PO Box 115	Willimantic
Willimantic Police Department	22 Meadow Street	Willimantic
Willimantic Public Library	905 Main Street	Willimantic

Appendix C: Municipal Staffing by Function

# of FTE's in:	Animal Control	Building & Codes	Clerk	E-911	Emergency Mgt	Engineering	Exec/ Admin	Finance / Tax Coll	Fire	Health	HR	IT
Bozrah			1.00					1.00				
Colchester		1.00	2.00			1.00	4.00	8.00	8.00			1.00
East Lyme	1.50	1.50	2.75	7.00	4.00	3.50	5.00	6.50	11.00		0.75	1.00
Franklin		1.00	2.00		1.00		1.00	1.00		1.00		
Griswold		1.50	2.00				2.00	5.50				
Groton City		2.00	1.00	4.00	1.00		5.00	5.00	17.00		2.00	9.00
Groton Town	2.00	4.00	5.00	13.00	1.00	5.00	12.00	13.00			3.00	6.00
Jewett City Borough												
Lebanon	***** NO RESPONSE RECEIVED *****											
Ledyard	1.50	2.00	2.50	6.00	1.00	1.00	1.75	6.00	6.00	11.00	1.00	2.00
Lisbon			2.00					2.00				
Montville	2.00	3.00	2.00	5.00	2.00		2.00	6.00	9.00			2.00
New London	2.00	4.00	4.00	8.00		2.00	4.00	12.00	64.00		2.00	3.00
North Stonington	0.20	0.50	1.00		0.10		2.00	1.90				0.75
Norwich	1.75	6.00	4.50	9.00	0.25	6.00	4.00	12.50	58.75		4.00	2.00
Preston	0.30	1.00	1.00		0.30		2.00	2.00	2.00	0.30		0.30
Salem		0.20						1.50	2.00			
Sprague	***** NO RESPONSE RECEIVED *****											
Stonington Borough							1.40		1.40			
Stonington Town	1.50	3.00	3.00	6.00	1.50	1.00	4.00	8.00			1.00	2.00
Waterford	1.00	3.00	3.00	10.00	1.00		2.00	8.00	14.00		2.00	
Windham	1.50	3.00	3.00	8.00	1.00	1.00	3.00	10.00	26.00		1.00	1.00
Total	15.25	36.70	41.75	76.00	14.15	20.50	55.15	109.90	219.15	12.30	16.75	30.05

# of FTE's in:	Library	Planning / Zoning	Police	Public Works	Rec	Registrar	Sr. / Youth Svcs	Social Svcs	Tax Assessment	X-Fer Station	Other incl. utilities	Total	Min Hrs to be considered FT:
Bozrah												2.00	40.00
Colchester	6.00	4.00	11.00	19.00	2.00		8.00		3.00			78.00	35.00
East Lyme	13.50	3.50	23.00	39.00	10.00	1.00	6.50	0.00	3.00	3.00	4.50	151.50	35.00
Franklin	4.00	1.00		3.00		2.00		1.00	1.00			19.00	40.00
Griswold		2.00		8.00	1.00	1.00	7.00		2.00			32.00	35.00
Groton City		1.00	31.00	19.00	5.00						102.00	204.00	40.00
Groton Town	19.00	9.00	68.00	55.00	18.00	3.00	7.00	7.00	5.00	5.00		260.00	35.00
Jewett City Borough												0.00	35.00
Lebanon	***** NO RESPONSE RECEIVED *****												
Ledyard	10.50	3.00	23.50	18.00	3.75	1.00	3.00	1.00	2.00	1.00		108.50	35.00
Lisbon				5.00			1.00		1.00			11.00	30.00
Montville		4.00	28.50	24.00	2.00	2.00	7.50	1.50	3.00	3.00	12.00	120.50	40.00
New London		11.00	74.00	31.00	3.00		1.00	6.00	3.00	13.00	3.00	250.00	35.00
North Stonington		1.90		10.50	0.40	0.50	0.80		2.00	2.00	0.20	24.75	40.00
Norwich		3.00	94.00	51.00	5.60	2.00	9.00	3.00	3.00		149.00	428.35	35.00
Preston	2.00	1.00	1.00	5.00	1.00	0.50	1.00		2.00	1.00		23.70	28.00
Salem	3.00	0.30	2.00	6.00	0.10	0.20			1.50	1.00		17.80	37.00
Sprague	***** NO RESPONSE RECEIVED *****												
Stonington Borough		0.20		2.00								5.00	35.00
Stonington Town		5.00	36.00	22.50	2.00	1.00	1.00	3.00	4.00	8.00	5.50	119.00	35.00
Waterford		7.00	50.00	33.00	11.00	4.00	7.00		3.00			159.00	35.00
Windham	10.00	3.00	44.00	22.00	4.00	2.00	2.00	3.00	3.00	1.00		152.50	40.00
Total	68.00	59.90	486.00	373.00	68.85	20.20	61.80	25.50	41.50	38.00	276.20	2166.60	

Note: Blanks indicate no data reported by the government for that particular service area.

Appendix D: Municipal Data Questionnaire

The following questionnaire was distributed to each SCCOG government to obtain staffing and other service-specific data. Of the 22 governments, 20 provided data in response to CGR's request.



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MEMORANDUM

To: SCCOG Member Governments
From: CGR (Shared Services Study Project Consultant)
Date: September 15, 2017
Re: Data and Information Request

Thank you for your support of SCCOG's shared services study to-date. **To support the next phase of our work, this questionnaire seeks additional data and information from each SCCOG member government. Please return your completed questionnaire by Friday, September 29.** The information requests are broken out by type: General, Information Technology, Finance, Tax Assessment, HR, Public Works and Recreation. Feel free to have the appropriate department complete its relevant section of the survey.

If you have some or all of this information in another format and would prefer to email it directly rather than complete the questionnaire, please send to jstefko@cgr.org. Completed surveys can be scanned and emailed to jstefko@cgr.org or sent via U.S. Mail to CGR, 1 South Washington Street, Suite 400, Rochester, New York 14614. Any questions can be directed to the email address shown above.

MUNICIPALITY NAME

GENERAL INFORMATION

1. Please send the most current capital asset list of your municipality's major equipment and rolling stock (e.g. vehicles) to jstefko@cgr.org. If you do not have such a list available, an inventory of insured vehicles can be substituted.
2. Please send a list of your municipal facilities to jstefko@cgr.org.
3. What is your municipality's FTE staff level in the following services?

Animal Control	_____	Library	_____
Building & Codes	_____	Planning / Zoning	_____
Clerk	_____	Police	_____
E-911 Dispatch	_____	Public Works	_____
Emergency Mgt	_____	Recreation	_____
Engineering	_____	Registrar	_____
Executive / Admin	_____	Senior / Youth Svcs	_____
Finance / Tax Coll	_____	Social Services	_____
Fire	_____	Tax Assessment	_____
Health	_____	Transfer Station	_____
Human Resources	_____	Other	_____
Info Technology	_____	Total	_____

4. Regarding the FTE figures in the staffing totals above, how many hours per week is considered a "full time" position? _____ (e.g. 35, 37½, 40)



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INFORMATION TECHNOLOGY

5. Does your municipality use any outside vendors for IT services? YES or NO

If yes,

Vendor Name	Purpose	Est. Annual Cost

6. Do you use an electronic data management system (e.g. SharePoint)? YES or NO

If yes, which? _____

7. Which platform do you use for managing GIS (Geographic Information Systems) data? _____

If you use ESRI, which version? _____

8. How many computer terminals / laptops would you estimate are in use? _____

9. How are servers maintained in your municipality?

- ☐ We maintain our own servers
☐ We use a cloud platform
☐ We have a combination of our own servers and cloud platform
☐ Other _____

10. What software packages are currently in use, and what are their estimated annual maintenance costs?

Software Package	Est. Annual Cost

FINANCE

11. Does your municipality process payroll itself, or do you use an outside vendor?

If you use an outside vendor, who? _____

What is the annual cost? _____

12. What CPA firm serves as your municipality's outside auditor? _____

What is the annual cost? _____

13. What software do you use for financial reporting and accounting? _____

14. How many checks / purchase orders would you estimate your municipality issues in a typical month? _____

15. How many RFPs (request for proposal) and bids would you estimate your municipality issues in a typical year? _____

TAX ASSESSMENT

16. In what year was your last revaluation completed? _____

Which vendor did you use? _____

What was the cost? _____

HUMAN RESOURCES

17. Does your municipality use an ERP (Employee Resource Planning) or HRM (Human Resource Management System)? **YES or NO**

If yes, which? _____

18. On average, how many open staff positions does your municipality post in a typical year? _____

19. How many collective bargaining units (i.e. labor unions) are represented in your municipality? _____

20. How many civil service exams does your municipality administer in an average year, if applicable? _____

21. How many civil service positions does your municipality fill in an average year, if applicable? _____

PUBLIC WORKS & HIGHWAYS

22. Which best describes the adequacy of your current public works facilities?

- ☐ Modern and appropriately designed
- ☐ Functional, does not need repair
- ☐ Functional, but needs some repair
- ☐ Outdated, not functional

23. Describe the condition of your current public works facilities. Include items such as year built, availability of heat, parking space, storage for equipment, repair capabilities, etc.

24. What would you estimate the remaining life of your current public works facility to be (in years)?

25. Do you have sufficient space to house all of your public works apparatus (esp. vehicles) under cover? YES or NO

26. Do you ever rent or lease equipment from a private company? YES or NO

If yes, what kind of equipment and how frequently?

27. Do you borrow or loan equipment with nearby communities? YES or NO

If yes, what kind of equipment and how frequently?

28. How do you handle paving:

- ☐ We use our own in-house personnel
- ☐ We outsource to a private vendor
- ☐ We partner with a neighboring municipality

☐ Other:

29. Please list the programs you provide, and an estimated annual enrollment for each:

[illegible]

30. Approximately what share (percent) of your municipality's recreation program budget is supported by user fees? _____

Appendix E: Implementation Summary

	Anticipated Impacts			Implementation Parties																											
<i>Note: Regarding cost savings potential, items where savings are anticipated but cannot be estimated at the present time are denoted with "○"</i>	Cost Savings Potential	Service Enhancement	Improved Sustainability	SCCOG	Bozrah	Colchester	East Lyme	Franklin	Griswold	Groton City	Groton Town	Jewett City	Lebanon	Ledyard	Lisbon	Montville	New London	N Stonington	Norwich	Preston	Salem	Sprague	Stonington Borough	Stonington Town	Waterford	Windham	Board of Education	NECCOG	CRCOG	Uncas Health	Ledge Light Health
Health: Shift remaining local health departments into regional districts	●	●	●				X													X										X	
Animal Control: Add small / mid-sized communities to regional animal control service	●	●	●															X		X								X			
Planning: Increase number of municipalities contracting with SCCOG for planning services	●		●	X	X			X					X	X				X		X				X							
Tax Assessment: Share assessment operations to achieve combined account portfolios of 10,000 or more	●		●		X	X	X	X	X				X	X	X	X	X	X		X	X	X		X	X	X					
Tax Assessment: Jointly bid revaluation services for municipalities on common schedules	●			X	ALL MUNICIPALITIES																										
Public Works: Convene public works directors on regular basis to share best practices, opportunities				X	ALL MUNICIPALITIES																										
Public Works: Expand group purchasing of services and expand to joint spec / purchase of capital equipment	○				ALL MUNICIPALITIES																										
Public Works: Investigate technology to improve the efficiency of public works operations	○	●	●		ALL MUNICIPALITIES																										
Public Works: Explore selling / swapping unique services across SCCOG municipalities	○	●			ALL MUNICIPALITIES																										
Public Works: Share seldom-used or specialty equipment across public works agencies	○	●			ALL MUNICIPALITIES																										
Recreation: Pursue shared marketing approach through use of a common website for scheduling and registration	○	●	●		ALL MUNICIPALITIES																										
Recreation: Develop a regional recreation strategic plan that evaluates overlaps / gaps, combines offerings		●	●	X	ALL MUNICIPALITIES																										

	Anticipated Impacts			Implementation Parties																												
<i>Note: Regarding cost savings potential, items where savings are anticipated but cannot be estimated at the present time are denoted with "o"</i>	Cost Savings Potential	Service Enhancement	Improved Sustainability	SCCOG	Bozrah	Colchester	East Lyme	Franklin	Griswold	Groton City	Groton Town	Jewett City	Lebanon	Ledyard	Lisbon	Montville	New London	N Stonington	Norwich	Preston	Salem	Sprague	Stonington Borough	Stonington Town	Waterford	Windham	Board of Education	NECCOG	CRCOG	Uncas Health	Ledge Light Health	
Recreation: Sharing of equipment purchasing, technology programs and training opportunities	○	●	●	ALL MUNICIPALITIES																												
Recreation: Increase collaboration with high schools, human service programs and youth bureaus		●	●	ALL MUNICIPALITIES																								X				
Recreation: Explore formation of municipal / metropolitan district to administer recreation functions		●	●	X	ALL MUNICIPALITIES																											
Administrative Services: Establish “user groups” of officials in four key disciplines (finance, purchase, HR, IT)				X	ALL MUNICIPALITIES																											
Finance: Evaluate alignment of municipal-BOE financial software; jointly license or migrate to common system	○			ALL MUNICIPALITIES																								X				
Finance: Consider feasibility of migrating to a single ERP system across SCCOG municipalities	○	●		ALL MUNICIPALITIES																												
Finance: Consider jointly procuring a common document management system	○			ALL MUNICIPALITIES																												
Purchasing: Small and mid-sized governments should consider jointly pooling the purchasing function	○	●			X			X					X		X			X		X	X	X										
Purchasing: All SCCOG members should join the Capitol Region Purchasing Council	○	●		X	X	X		X	X	X	X	X	X							X		X	X						X			
Human Resources: Share common municipal-BOE human resource functions; pursue integrated HR offices	○	●	●																													
Human Resources: Small and mid-sized governments should outsource HR services where possible; joint bid	○				X			X				X		X			X		X	X	X											
Information Technology: Joint bidding and procurement through CRPC IT Services Cooperative	○		●	X	X	X		X	X	X	X	X	X							X		X	X						X			

Appendix F: Connecticut Council of Small Towns Municipal Bulletin on Consolidation of Non-Educational Expenditures, January 22, 2018



MUNICIPAL BULLETIN (January 22, 2018)

CONSOLIDATION OF NON-EDUCATIONAL EXPENDITURES

State education funding for many small towns was significantly reduced for this fiscal year due to changes in the Education Cost Sharing (ECS) formula, a reduction in overall education funding, and, additional cuts made by Governor Malloy to address the ongoing budget deficit. This has resulted in enormous uncertainty on the local level, as towns are left scrambling to respond to midyear cuts in funding while trying to hold town property tax levels and continue to deliver critical services.

What's more, changes in the federal tax law have sharply reduced the amount of property and other taxes that residents can deduct from their federal income taxes. This will impose additional pressure on towns to control local budgets and property tax levels.

Unfortunately, towns don't have much authority to control the biggest driver of local property taxes – the education budget. Education spending makes up between 70-80% of local budgets. Clearly, towns need the tools to respond to reductions in state aid and control local spending, including education spending, to mitigate the impact on property tax levels without jeopardizing the delivery of core services – education, local transportation, public safety and public health.

Some towns have been successful in achieving cost savings by consolidating or sharing non-educational functions and services, such as accounting, finance, and property maintenance. Recently, for example, the Town of Canton has combined the finance office for the town and the board of education.

Recognizing the need to facilitate efforts of local governments and boards of education to work together to achieve savings and improve efficiencies, the legislature adopted numerous provisions last session to address this issue. Although the measures don't go nearly far enough, COST urges towns to review these provisions, reach out to their boards of education, and determine whether there are opportunities for savings.

Please let us know if these measures are helpful or if we need to go back to the legislature and request that they strengthen these provisions so that towns can have meaningful discussions with their boards of education about the need to share services and reduce costs.

Thank you.

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CONSOLIDATION OF NON-EDUCATIONAL EXPENDITURES

Under Section 10-222, CGS, a board of education must annually submit an itemized estimate of maintenance expenses to the town's appropriating authority at least two months before the authority's annual budget meeting. The law also requires a town's appropriating authority to make spending recommendations and suggestions to the school board regarding consolidation of noneducational services and cost savings no later than 10 days after the school board submits its annual itemized estimate. The school board may accept or reject the suggestions, but must provide a written explanation of any rejections. In towns that have utilized this process, efforts have been successful in achieving cost savings through the consolidation of Information Technology (IT) functions, human resources services, facility maintenance, grounds maintenance and financial services.

New Provisions included in Public Act 17-2

§ 153 – ADMINISTRATIVE & CENTRAL OFFICE FUNCTIONS – TOWN/BOE

Allows a municipality's legislative body and local board of education to enter into a cooperative agreement relative to the performance of administrative and central office functions for the municipality and the school district.

§ 154 – ADMINISTRATIVE & CENTRAL OFFICE FUNCTIONS – BOE/BOE

Expands current law which allows any two or more boards of education to establish cooperative arrangements to provide school accommodations services, programs or activities, special education services, health care services, or alternative education, to include administrative and central office duties.

§ 155 – BOE NOTIFICATION OF NEW HIRES

Requires a local board of education to notify the legislative body of a municipality prior to the start date for any person hired to fill a central office administrative personnel position with a salary of \$100,000 or more that was not included in the approved education budget, unless the position is funded through a grant, gift, or donation.

§ 156 – REGIONAL BOE/FINANCE COMMITTEE

Allows a regional board of education to establish a finance committee for the regional school district which must provide information to the regional board of education concerning local budget issues of the member towns, and any assistance requested by the regional board of education in the preparation of the proposed budget for the regional school district. The local board of education for each member town, or the legislative body of a member town in which there is no local board of education for such member town, shall appoint two representatives to the finance committee.

§ 157 – BOE ADMINISTRATIVE PERSONNEL CONTRACTS – POSTING REQUIREMENT

Requires local and regional boards of education to file a signed copy of any contract for administrative personnel with the town clerk(s), which contract must be posted on the municipal website(s).

§ 160 – JOINT PURCHASING OF INSURANCE

Provides that notwithstanding any special act, municipal charter or home rule ordinance, the legislative body of a municipality and the local board of education for such municipality shall consult when possible regarding the joint purchasing of property insurance, casualty insurance and workers' compensation insurance.

§ 161 – BOE/TOWN COOPERATIVE AGREEMENTS

Requires local boards of education, after going out to bid for a good or service and receiving submissions, to consult with the legislative body of such municipality if such municipality provides or uses such good or service, and, if the municipality has a lower cost option than the lowest qualified bid received by the school board, the school board must consider a cooperative agreement with the municipality for the provision of such goods or services. Under the act, "good or service" includes, but is not limited to, portable classrooms, motor vehicles or materials and equipment, such as telephone systems, computers and copy machines.

§ 162 – BOE/TOWN ACCOUNTING SOFTWARE

Requires local boards of education to consult with the legislative body of such municipality prior to purchasing payroll processing or accounts payable software systems to determine whether such systems may be purchased or shared on a regional basis.

§ 152 – SUPERINTENDENTS

Gives local boards of education whose towns have fewer than 10,000 residents; fewer than 2,000 resident students; or fewer than three public schools the option to either employ a local superintendent or receive direction from another board of education's superintendent, if the other board of education authorizes the use of its superintendent. Under existing law, boards of education may jointly employ a superintendent.

§ 267 — SUPERINTENDENTS FOR MULTIPLE TOWNS

Notwithstanding any state or local law, allows boards of education that jointly employ the same superintendent to holding regular joint meetings, at least once every two months, in order to reduce expenses and align their provision of education