CONNECTICUT CONFERENCE OF MUNICIPALITIES
THE VOICE OF LOCAL GOVERNMENT

CCM 2014 Testimony

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PUBLIC SAFETY & SECURITY COMMITTEE

March 4, 2014

Good Afternoon,

My name is Steve Werbner, Town Manager for the Town of Tolland. I am also the chair of the Connecticut Conference of Municipalities (CCM) Labor Relations Committee, and a member of the CCM Board of Directors.

I am here testifying on the following bills of importance to towns:

SB 288 "An Act Concerning Notice of Costs Associated with Resident State Troopers"

HB 5391 "An Act Concerning Overtime and Fringe Benefits of Resident State Troopers"

SB 288 would require the Comptroller to provide municipalities with advanced notice of any fringe benefit rate increases for the Resident State Trooper program. HB 5391 would reduce the municipal cost of the Resident State Trooper for overtime and the fringe benefit costs associated from 100% to 70%.

The Town of Tolland is served by a Resident State Troopers, five in total, who provide valuable law enforcement services for the community. This program is one of the primary examples of how collaboration and service sharing can be beneficial to the State and municipalities. Without this program the State would be responsible for providing law enforcement services at their full cost albeit from resources available at the Troop or the Community would be required to start their own department at a cost which would exceed available resources. However, the continually increasing cost of the program are become a significant financial burden on our local budget. Specifically, the fringe benefit rate for the Resident State Trooper program continues to increase at an unsustainable rate and without adequate notification to towns and cities.

In FY11, the cost for this program to Tolland was $514,382 with a fringe benefit rate of 63.08% In FY13 the cost increased to $542,237 and the fringe benefit rate was increased to 83.8% percent -- and now for FY15 , we have been told by the Comptroller's Office that a good estimate for fringe benefits is 93%. A substantial portion of the increase in fringe benefits is associated with the State charging the Town for the large unfunded liability of the State Troopers Pension Plan. Towns and cities should not be responsible for subsidizing the State's failure over time to properly fund their pension liability. Fringe benefit costs which will shortly exceed salary costs are unsustainable. In addition, on an annual basis local CEOs are not informed of actual rate increases until after July 1st of each year or beyond, almost five months after towns and cities adopted their operating budgets. In the case of Tolland this was $20,000 that had to found in the current fiscal year and in Mansfield it was over $100,000. Each town is required to enter into a two year contract with the State Police for this service except that the contract is silent on cost other than that the towns are responsible to pay promptly what is billed. We have been told on more than one occasion that actual costs cannot be determined until the end of a fiscal

year however there has to be a way for the State to make a professional estimate of expenses based on actuarial assumptions similar to what we are required to do with our insurance and pension liabilities and then true up the following year if assumptions are under estimated.

These two proposals would provide towns that participate in the Resident State Trooper program the ability to better budget for these services and provide some assurance that costs will be sustainable into the future. For each of the some 60 towns statewide involved with this program to have to explore other options for police services is not good statewide public policy. I urge the Committee and General Assembly to support both SB 288 and HB 5391 -- and to amend HB 5391 to allow that the fringe benefit rate for Resident State Trooper *regular time* also be capped at 70%.

Thank you.