

**TOWN OF MANCHESTER, CONNECTICUT
CHARTER REVISION COMMISSION
MEETING MINUTES
APRIL 24, 2008 – 7:00 P.M.
LINCOLN CENTER HEARING ROOM**

PRESENT: Chairman Stephen Penny, Commission Members John Backer, William Bayer, Joseph Diminico, Margaret Hackett, Edward Joy, Lewellyn Pelletier, and James Stevenson

ALSO: Town Attorney Geoffrey Naab and Budget and Research Officer Julian Freund

ABSENT: Vice-Chairman Robert Schneider

MEETING CALLED TO ORDER

The April 24, 2008 meeting of the Charter Revision Commission was called to order at 7:03 p.m. by Chairman Penny.

COMMUNICATIONS

There were no communications brought before the Commission at this time.

ADOPTION OF MINUTES OF PRIOR MEETINGS

a. March 27, 2008

MOTION: Ms. Hackett made a motion to approve the minutes as written. Mr. Stevenson seconded the motion and all eight members present voted in favor.

PUBLIC HEARING

Lou Spadaccini, 102 Wetherell Street, spoke in favor of a budget referendum. He supports taxpayer input in the budget adoption process. Mr. Spadaccini supports an automatic trigger, but would be happy for any opportunity that would provide a direct vote on the budget.

Joe Brooks, 601 Bush Hill Road, said he has little to no respect for the Town Charter. He believes leaders can look at the Charter and ignore it if that is what meets their needs. Mr. Brooks related several incidents that took place when he was a member of the Police Department. The Town Charter says the Board of Directors has the right to investigate any entity within Town Government. The Charter should not say “may,” it should say “should.”

Geoff King, 62 Arnott Road, can see the arguments for and against holding a budget referendum. If a referendum is held, he is opposed to a trigger mechanism. He would rather let the current standards for petition stand. He suggested a reasonable minimum turnout, such as 15%, as one safeguard to help insure the integrity of a referendum.

DISCUSSION OF THE FOLLOWING RECOMMENDATIONS FOR CHARTER REVISION:

- a. **Review the Town Charter for consideration of adding a provision requiring a referendum regarding the adoption of the Town's annual budget (BOD Recommendation #14)**

Mr. Penny began the discussion by asking the Commission's feelings on a financial trigger, a petition process, or both.

Mr. Stevenson asked for a list of Towns that do have automatic triggers. Mr. Freund said he found no Connecticut towns that have automatic triggers when he researched it. Some towns do have an automatic referendum.

Mr. Bayer would like to see only one referendum. He was originally in favor of an automatic trigger, but after looking into the cost of living and CPI and discovering how the numbers have been manipulated, he is of the opinion a referendum has to be by petition.

Mr. Diminico expressed his concern over a trigger mechanism. He believes the message to the public with a trigger is that there will be a budget increase but if it is under a certain percentage, their opinion does not matter. With a petition process, it gives the voters total control.

Mr. Pelletier questioned whether bonded funds should be included in the percentage increase or decrease. The expense was already voted on and should not be included in the trigger. Mr. Pelletier thinks a petition may be the best way but is concerned about the timeframe.

Mr. Diminico thinks the bonded indebtedness should be included in the percentage used for a referendum trigger. If a taxpayer is told their taxes will be going up one percentage figure and then he is actually billed for another, he will not be happy. Nothing should be excluded.

Ms. Hackett stated she does not want to be the Town that pioneers a trigger referendum. She cautioned the Commission against going in the direction of a trigger.

Mr. Backer suggested an automatic trigger and the right to petition.

Mr. Diminico asked about the complication of revaluation.

Mr. Freund suggested other triggers can be used in place of the tax rate, such as total expenditures or total tax levy.

Mrs. Brooks relayed concerns from the Superintendent of Schools regarding the timing of the budget process. Holding a referendum will move that timeframe up and decisions will be made earlier with less concrete information. By law, Manchester is required to provide free public education.

Mr. Penny stated his opinion that an automatic trigger will not work. It is not unusual to have increases out of line with expected increases. By Connecticut law, once a labor agreement is ratified, it must be fully funded. The only alternative would be layoffs. In the late 1970s and

early 1980s, there were budget increases of as much as 8%. If inflation such as that were present again, a cap around 3% is unrealistic. Mr. Penny stated that an external benchmark based on the CPI is unreliable due to the changes made in the calculations of the CPI. Mr. Penny stated that a petition approach allows the people to decide whether a budget is out of line. In good financial times, it would be less likely to see a petition for referendum.

Mr. Penny concluded that there is a consensus to go with a petition process. He moved on to the number of signatures required to ratify the petition. Other towns range from 5% to 10% and East Hartford is at 15%.

Mr. Bayer believes 10% is too high and suggested 6% or 7% may be more reasonable.

Mr. Penny moved on to the number of days to gather signatures.

Attorney Naab stated that the example timeline given to the Commission allows for 10 days to gather signatures, 10 days to certify them, and 15 days to hold a referendum.

Mr. Joy noted that in a previous action of the Commission, an extra week was given to the Board of Education for budget preparation. With the proposed timeline, the Board of Education will lose that week and need to provide its budget two weeks earlier than the current requirement.

Ms. Hackett questioned the public notice requirements for a referendum. Attorney Naab believes the State recommends a 30 day notice, but does not mandate it.

Mr. Backer added that a notice in the newspaper is required, but there is no time requirement given.

Mr. Penny asked the Commission what form of petition it preferred: accept or reject, increase or decrease, or a line item option. Most towns seem to opt for increase or decrease.

After some discussion among Commission members the consensus was the increase or decrease option.

Mr. Penny asked the Commission members their thoughts on the minimum turnout required to reject the budget. He suggested 15% and other Commission members seemed to agree. Members also agreed to limiting referenda to one per year.

MOTION: Mr. Diminico moved to amend the Charter to provide for the possibility of a petition that would provide for an increase or decrease in the adopted budget. Mr. Joy seconded the motion. Members Bayer, Penny, Stevenson, Diminico, Hackett, and Joy voted in favor. Members Pelletier and Backer were opposed.

MOTION: Mr. Bayer made a motion to require signatures of 7% of registered voters to ratify the petition. Mr. Diminico seconded the motion. Mr. Joy and Mr. Backer opposed the motion. Members Penny, Stevenson, Hackett, Diminico, Bayer, and Pelletier voted in favor.

MOTION: Mr. Backer moved to amend the motion to require signatures of 5% of registered voters. Mr. Joy seconded the amendment. Mr. Backer and Mr. Joy voted in favor of the amendment and Members Penny, Stevenson, Hackett, Diminico, Bayer, and Pelletier opposed the motion to amend.

MOTION: Mr. Joy made a motion to accept scenario one of the possible timelines, changing the June 5 date to May 29. Mr. Diminico seconded the motion and all members voted in favor.

MOTION: Mr. Joy made a motion to require a minimum turnout of 15% of registered voters to reject the budget. Mr. Stevenson seconded the motion and all members voted in favor.

MOTION: Mr. Joy moved to allow a maximum of one referendum per year. Ms. Hackett seconded the motion and all members voted in favor.

MOTION: Mr. Joy moved to allow the Board of Directors to adopt a revised budget with no parameters. Mr. Diminico seconded the motion. Members Hackett, Diminico, Joy, Penny, Stevenson and Bayer voted in favor. Mr. Pelletier and Mr. Backer opposed the motion.

DISCUSSION OF AGENDA FOR SUBSEQUENT MEETINGS

Mr. Penny suggested the Town Attorney provide the Commission members with draft language incorporating all motions for the next meeting.

ANY OTHER BUSINESS TO PROPERLY COME BEFORE THE COMMISSION

There was no other business brought before the Commission at this time.

ADJOURNMENT

The meeting was adjourned until the May 1, 2008 meeting of the Charter Revision Commission in the Lincoln Center Hearing Room.

Adjournment: 9:06 p.m.

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APPROVED:

Stephen Penny, Chairperson