

**FINAL REPORT OF THE  
2007-2008 CHARTER REVISION COMMISSION  
July 31, 2008**

This Charter Revision Commission was appointed by the Town Board of Directors on May 15, 2007. Appointed to the Commission were: Stephen Penny (Chair), Robert Schneider (Vice-Chair), John Backer, William Bayer, Joseph Diminico, Margaret Hackett, Edward Joy, Lewellyn Pelletier, and James Stevenson. The Commission held public hearings on July 24, 2007, September 20, 2007, April 10, 2008, April 24, 2008, and May 22, 2008 to encourage comments from the public regarding possible changes to the Town's Charter. The Commission also allowed for informal public comment during its March 27, 2008 meeting.

The Resolution creating the Charter Revision Commission charged it with considering the following:

1. Review of substantive or administrative amendments identified by the Town of Administration's review of the Town Charter.
2. Review of Standards of Official Conduct, Section 2-4 of the Town Charter, to consider revisions to create a Code of Ethics by the Board of Directors by ordinance with the Ethics Commission retaining jurisdiction for interpretation and enforcement.
3. Review the positions of Town Treasurer, Section 5-13 of the Town Charter, and Assistant Town Treasurer, Section 5-14 of the Town Charter, for possible elimination of both positions.
4. Review the provisions of the Town Charter regarding the preparation, submission and adoption of the annual budget for possible modifications to the timing requirements and mandated meetings, including public hearings. This includes Section 5-2 through 5-6 of the Town Charter.
5. Review the powers, duties and jurisdiction of all Town Charter mandated boards, commissions and agencies as well as those created outside the Town Charter, with the consideration of possible consolidation or elimination.
6. Review Section 3-3 of the Town Charter to consider increasing the compensation of the members of the Board of Directors.
7. Review Section 5-11(a) of the Town Charter to clarify when there is a need for a public hearing for appropriation of gifts or grants.
8. Review the method of the election of members of the Board of Education in Section 9-1 of the Town Charter to consider two (2) year, nonstaggered terms.

9. Review the requirements for competitive bidding in Section 5-22 of the Town Charter to consider increasing the current bid requirement for expenditures in excess of \$10,000.00.
10. Review the provisions of Section 18-1 of the Town Charter to consider increasing the Town Attorney's settlement authority above \$1,500.00.
11. Review the provisions of Section 2-1 and Section 2-2 of the Town Charter to consider the following: increasing the terms of the members of the Board of Directors from two years to four years; staggering the terms of the members of the Board of Directors; direct election of the position of Mayor on the Board of Directors and increasing the duties and responsibilities of the Mayor; changing the membership of the Planning and Zoning Commission from appointed to elected; providing for nonpartisan municipal elections; changing the position of Town Clerk from an elected position to a permanent administrative position.
12. Review and consider restrictions on the Town's use of its eminent domain power pursuant to Section 1-3 (38) of the Town Charter.
13. Review the provisions of Section 18-1 of the Town Charter with regards to the appointment of a Town Attorney with consideration of selection of the Town Attorney through a nonpartisan, competitive process.
14. Review the Town Charter for consideration of adding a provision requiring a referendum regarding the adoption of the Town's annual budget.
15. Review the provisions of Town Charter Sections 3-9 (Petition for Enactment) and 3-10 (Petition for Referendum) to determine if either section needs modification to clarify the procedures for each petition process.

The review by the Charter Revision Commission was not restricted to the areas identified above. Deliberations on these and other items over the course of 21 meetings resulted in a series of recommendations by the Charter Revision Commission that were submitted to the Board of Directors as a Draft Report on May 27, 2008. On June 19, 2008, the Board of Directors held a public hearing and special meeting with the Charter Revision Commission to discuss the recommendations in the Draft Report.

At its July 1, 2008 regular meeting, the Board of Directors passed a resolution recommending certain revisions to the Charter Revision Commission's Draft Report. Specifically, the resolution suggested changes to the provision for a budget referendum as set out in the Draft Report. On July 24, 2008, the Charter Revision Commission met for a final time to consider the suggested changes to the budget referendum provision. The outcome of the July 24 deliberations have been incorporated into the narrative that follows in this Final Report.

## Recommendations

### **1. Review of substantive or administrative amendments identified by the Town of Administration's review of the Town Charter.**

#### **a. Review Section 1-3 of the Charter to consider including language that incorporates the "all hazards" mission of the Fire Department.**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The Commission determined that the existing provisions of the Corporate Powers in the Town Charter adequately cover all functions and services performed by the Fire Department.

#### **b. Review Section 2-1 to reconcile the process of electing/appointing the Town's Justices of the Peace.**

Decision: The Commission voted unanimously to amend the language regarding the selection of Justices of the Peace in order to be consistent with State statutes. See Exhibit #1.

Discussion/Rationale: Although Justices of the Peace are selected in accordance with State Statute and are no longer elected, the Charter contains some references to the election of Justices of the Peace. This revision makes the corrections necessary to be consistent with the selection process.

#### **c. Review Section 2-13(b) to authorize the General Manager to make certain changes to job descriptions.**

Decision: The Commission voted by a 6-1 margin to decline to take action on this item.

Discussion/Rationale: The Administration suggested amending the section on Classified Service to enable the General Manager to establish minimum qualification standards and the duties and responsibilities of each position in the Classified Service. The Board of Directors would continue to approve changes in pay grades or salary ranges as well as any new positions and changes that would result in a change in pay range. The majority of Commission members viewed the requirement for the Board of Directors to approve all changes in job descriptions as a necessary oversight authority. Although a case was made that Board of Directors involvement in all of the details of job descriptions creates an unnecessary burden, the Commission concluded that the current Charter requirements provide for a check and balance on the General Manager's authority to make organizational and personnel related changes.

**d. Review Section 5-8 to consider eliminating the requirement for public hearings when making appropriations of up to \$10,000.**

Decision: The Commission voted unanimously to eliminate the requirement for a public hearing for appropriations of \$500 or less. See Exhibit #2.

Discussion/Rationale: The Commission acknowledged that numerous relatively small appropriations are made by the Board of Directors and that they should not all require a public hearing as many simply lengthen the meeting agenda. However, the Commission did not agree with the Administration to raise the threshold for a required public hearing to \$10,000 and chose to recommend a threshold of \$500.

**e. Review Section 5-2(a) to consider revising the timing and process for calling the joint meeting of the Board of Education and Board of Directors to discuss the proposed budget.**

Decision: The Commission voted unanimously to make the first joint meeting of the Board of Directors and Board of Education optional at the discretion of the Chair of the Board of Education and to establish a mandatory joint meeting after the submittal of the General Manager's proposed budget and budget adoption. See Exhibit #3 (Note: Exhibit #3 also reflects the recommended provision for petition for budget referendum)

Discussion/Rationale: The current Charter language requires at least one, and at times two, joint meetings to occur after the submittal of the Board of Education proposed budget and before the submittal of the General Manager's proposed budget. In practice, the joint meetings have been difficult to schedule and the practice has been to adjourn the joint meeting without discussion. Substantive discussions between the two boards have occurred during a budget workshop designated specifically for the education budget. The revised language codifies this practice while preserving the Board of Education Chair's ability to call a joint meeting in advance of the submittal of the General Manager's proposed budget.

**f. Review Section 5-5 to consider amending the process by which the Board of Directors makes adjustments to the General Manager's recommended budget.**

Decision: The Commission declined to take action on this item.

Discussion/Rationale: The Commission's recommendation concerning provision for a budget referendum made the possibility of acting on this recommendation problematic.

**g. Review Section 5-22 to consider changing the threshold for the requirements of competitive bidding to an amount above the \$10,000 level.**

Decision: The Commission voted unanimously to recommend indexing the threshold for required competitive bidding to 0.000003 of the Grand List. See Exhibit #4

Discussion/Rationale: The current Charter requires competitive bidding for purchases of \$10,000 or more. Over time, inflation erodes the value of this amount resulting in increasing frequency of the need for competitive bidding. By indexing the figure, the dollar threshold for competitive bidding remains a meaningful amount. The recommended index equates to \$11,470 based on the current grand list.

**h. Review Section 5-25 to consider enabling the Board of Directors to authorize the issuance of negotiable bonds or notes for capital improvements of \$1,000,000 or less without the requirement of voter approval by referendum.**

Decision: The Commission voted by a margin of 5-2 to decline to take action on this item.

Decision/Rationale: The recommendation was made in order to provide the Board of Directors the ability to approve borrowing for small to mid-size capital projects or to act quickly when previously approved projects required additional funding due to cost inflation or other contingencies. However, most Commission members held that history has demonstrated the public's support for capital improvements in Manchester. There was concern among members that the authorization could be used to circumvent the referendum requirement, for example by authorizing several small bonded projects that would more appropriately be presented to the voters through referendum as one unified project. The referendum requirement provides a check against the Board of Director's spending authority.

**i. Review Section 16-1 to consider eliminating the ex officio position of the General Manager or designee from the Library Board.**

Decision: The Commission voted unanimously to recommend eliminating the General Manager or designee as a nonvoting ex officio member of the Library Board. See Exhibit #5.

Discussion/Rationale: As a result of the prior Charter Revision, the Library was made a department under the direction of the General Manager. With that change in organizational structure, the Manager's ex officio seat on the Library Board is unnecessary.

**2. Review of Standards of Official Conduct, Section 2-4 of the Town Charter to consider revisions to create a Code of Ethics by the Board of Directors by ordinance with the Ethics Commission retaining jurisdiction for interpretation and enforcement.**

Decision: The Commission voted by a margin of 8-1 to amend the section of the Charter regarding the Ethics Commission and standards of official conduct such that the standards of official conduct would be eliminated from the Charter, that the Charter include an enabling provision vesting authority in the Board of Directors to adopt standards of official conduct by ordinance which shall incorporate opinions of the Ethics Commission as part of the standards, and requiring a seven-member majority on the Board of Directors for approving changes to the standards of official conduct once adopted. See Exhibit #6.

Discussion/Rationale: The consideration of this recommendation was framed largely by work previously done by an ad hoc committee on the Code of Ethics. The ad hoc committee had carried out an extensive review of the existing standards of conduct included in the Town Charter and codes of conduct in other municipalities. The ad hoc committee produced a proposed set of standards of conduct and a report to the Board of Directors that framed a number of issues, including that of how to implement new standards. The majority of the Commission agreed to remove the standards of official conduct from the Charter and to enable the Board of Directors to adopt standards by ordinance. By adopting standards through an ordinance, the Board of Directors will have greater flexibility in amending the standards and to address problems as situations warrant. Since it is impossible to anticipate all scenarios that can arise, it is periodically necessary to revisit the standards of conduct to proscribe conduct that was not previously proscribed, or conversely to relax provisions that are overly restrictive. At the same time, the Commission determined that a “super majority” of seven members of the Board of Directors should be required to make amendments to the standards of conduct. This way, the likelihood that a majority on the Board of Directors could ratify improper conduct by simply amending the standards is minimized. The Commission also determined that the provision referencing the standards of official conduct shall require the standards to incorporate opinions of the Ethics Commission as part of the standards. This is typical of codes of professional responsibility and provides additional clarity as to what is permitted and what is not. Finally, the Commission decided to include a date by which the Board of Directors would be expected to adopt standards of official conduct. If the Board of Directors does not adopt standards by that date, the existing standards of conduct will automatically remain in effect. A case was made that the existing standards of official conduct and the role of the Ethics Commission have served the Town well. Instances of gross misconduct have been extremely rare and to amend the code that defines ethical standards now would be an attempt to correct a problem that does not exist.

**3. Review the positions of Town Treasurer, Section 5-13 of the Town Charter, and Assistant Town Treasurer, Section 5-14 of the Town Charter, for possible elimination of both positions.**

Decision: The Commission voted unanimously to recommend elimination of the Town Treasurer and Assistant Town Treasurer positions. See Exhibit #7.

Discussion/Rationale: Since 1991, the Town Treasurer has, on a biennial basis, transferred the Charter delineated duties and responsibilities of that office to the Finance

Department. The practice was established as part of a reorganization of the Treasurer's Office and Finance Department. For practical purposes, the Treasurer's function has been limited to membership on the Pension Board (established by ordinance). All duties and responsibilities previously carried out by the Town Treasurer have been executed by the Finance Department. The Commission determined that the Charter delineated duties and responsibilities of the position are performed by the Finance Department and that adequate internal controls and independent oversight exist within the existing framework. The proposed changes will codify current practices and procedures.

**4. Review the provisions of the Town Charter regarding the preparation, submission and adoption of the annual budget for possible modifications to the timing requirements and mandated meetings, including public hearings. This includes Section 5-2 thru 5-6 of the Town Charter.**

Decision: The Commission declined to take action on this item.

Discussion/Rationale: The Commission initially considered amending certain deadlines in the budget preparation and adoption process with the intent of providing more time to the Board of Education and the Board of Directors to adopt their respective budgets. However, the Commission's recommendation concerning a provision for a budget referendum made the possibility of a longer budget adoption process problematic.

**5. Review the powers, duties and jurisdiction of all Town Charter mandated boards, commissions and agencies as well as those created outside the Town Charter, with the consideration of possible consolidation or elimination.**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: There are six boards and commissions established by the Town Charter. The Commission determined that they are varied in nature and not suitable for consolidation. Moreover, since some of the boards and commissions are required by law, and those that are not perform vital functions for the operation of town government, the Commission determined that none are suitable for elimination.

**6. Review Section 3-3 of the Town Charter to consider increasing the compensation of the members of the Board of Directors.**

Decision: The Commission voted unanimously to recommend increasing the Board of Directors' compensation to \$4,500 annually for the Chairman, \$3,500 annually for the Deputy Chairman and Secretary, and \$3,000 for the other members of the Board. See Exhibit #8.

Discussion/Rational: The Board of Directors are currently compensated in the amounts of \$3,000 annually for the Chairman, \$2,400 for the Deputy Chairman and Secretary, and \$2,000 for other members of the Board. These amounts were last changed in 1996. Over

time, inflation has eroded the value of the compensation amounts. The Commission determined that it is an appropriate time to increase the amounts.

**7. Review Section 5-11(a) of the Town Charter to clarify when there is a need for a public hearing for appropriation of gifts or grants.**

Decision: The Commission addressed this item through action on a similar recommendation by the Administration. The Commission voted to recommend eliminating the requirement for a public hearing for appropriations of \$500 or less. See Exhibit #2.

**8. Review the method of the election of members of the Board of Education in Section 9-1 of the Town Charter to consider two (2) year, non-staggered terms.**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The Commission received numerous communications from Board of Education members requesting this part of the Charter not be changed. The staggered terms ensure continuity on the Board of Education. The three-year terms provide Board of Education members with time to become familiar with Board business and reduces the frequency that members must run campaigns for re-election.

**9. Review the requirements for competitive bidding in Section 5-22 of the Town Charter to consider increasing the current bid requirement for expenditures in excess of \$10,000.00.**

Decision: The Commission addressed this item through action on a similar recommendation made by the Administration. The Commission voted unanimously to index the threshold for required competitive bidding to 0.000003 of the Grand List. The recommended index equates to \$11,470 based on the current grand list. See Exhibit #4.

**10. Review the provisions of Section 18-1 of the Town Charter to consider increasing the Town Attorney's settlement authority above \$1,500.00.**

Decision: The Commission voted unanimously to recommend increasing the Town Attorney's settlement authority from \$1,500 to \$7,500; settlement authority with approval of the General Manager from \$7,500 to \$15,000; and Board of Directors approval for any settlement amount over \$15,000. See Exhibit #9.

Discussion/Rationale: The Commission determined that the process for settling small claims could be made more efficient by increasing the dollar amounts of claims that could be settled by the Town Attorney and by the Town Attorney with General Manager approval. By increasing the Town Attorney's settlement authority to \$7,500, virtually all



property damage claims, as well as some personal injury claims, could be settled by the Town Attorney.

**11. Review the Town Charter, Sections 2-1 and 2-2, to consider the following:**

**a. increasing the terms of the members of the Board of Directors from two years to four years and staggering the terms of the members of the Board of Directors**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The Commission determined that there is no compelling reason to alter the terms of the Board of Directors at this time. Commission members also regarded a four-year term as potentially discouraging individuals from running for office.

**b. direct election of the position of Mayor on the Board of Directors**

Decision: The Commission voted by a margin of 7-1 to recommend direct election of the Mayor as the recipient of the highest number of votes on the ballot for Board of Directors regardless of party affiliation or nonaffiliation. See Exhibit #10.

Discussion/Rationale: The Commission heard testimony from numerous citizens on this issue, including a former Mayor and the current Mayor. The vast majority of those who spoke are in favor of direct election of the Mayor. The majority of the Commission took the position that direct election of the Mayor would provide an opportunity for expression of voter sentiment regarding the leader of the legislative body. Moreover, direct election could serve to energize the electorate. The difficulties of carrying out Board of Directors business and communications with the General Manager when the Mayor and the majority are of different parties were raised as arguments against direct election of the Mayor.

**c. increasing the duties and responsibilities of the Mayor**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The consensus of the Commission, as well as among the vast majority of speakers during public hearings, is that the current Council-Manager form of government serves Manchester well. The current form of government provides for management accountability through one chief executive and allows the legislative body to focus on policy setting.

**d. changing the membership of the Planning and Zoning Commission from appointed to elected**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: Testimony from speakers at the public hearing and from Commission members with experience on the Planning and Zoning Commission emphasized the importance of the knowledge and experience of Planning and Zoning Commission (PZC) members. Decisions made by the PZC must be made in light of the Town's Plan of Conservation and Development and the PZC must adhere to specific steps and timetables. Much of its work is regulated by State Statutes and case law. Appointed memberships based on expertise mitigates against mistakes and erroneous decisions. The Board of Directors can evaluate potential members, their background and how they formulate judgements. Election of members would not permit that type of background study.

**e. providing for non-partisan municipal elections**

Decision: The Commission voted unanimously to decline to take action on this item.

Decision/Rationale: The Commission determined this proposal to be impractical. Moreover, the current system allows the parties to vet candidates for their individual qualifications.

**f. changing the position of Town Clerk from an elected position to a permanent administrative position**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The Commission determined that the Town Clerk position is highly visible and has extensive direct contact with the public. The Commission opted to preserve the direct accountability the Town Clerk has to the public by keeping it an elected position.

**12. Review and consider restrictions on the Town's use of its eminent domain power pursuant to Section 1-3 (38) of the Town Charter.**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The Town Charter authorizes the Town to use eminent domain in the manner prescribed by Connecticut State Statutes. The State Statutes set out the purposes for which eminent domain may be used and the procedural requirements entailed in its use, including public hearings, preparation of development plans, notification of property owners, and method of obtaining property appraisals. Recent legislation has also created an Ombudsman for Property Rights. State statutes also ensure that owners will receive a fair price for their property, by requiring independent appraisals for example. The Commission determined that the State Statutes provide

adequate protections to private land owners. Moreover, not every scenario can be anticipated, and a limitation in the Charter on use of eminent domain may restrict the Board of Directors in unintended ways. In practice, the government rarely needs to use its eminent domain powers. The eminent domain process typically is the result of the parties not coming to agreement on a purchase price or is a case of the owner not wanting to sell at all.

**13. Review the provisions of Section 18-1 of the Town Charter with regards to the appointment of a Town Attorney with consider of selection of the Town Attorney through a non-partisan, competitive process.**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: The current Charter indicates that the Board of Directors appoints the Town Attorney, but does not prescribe a method of appointment. The Commission determined that the Charter currently provides sufficient flexibility for the Board of Directors to select the Town Attorney using a non-partisan, competitive process if they desire. The most recent Town Attorney appointment was made using a Request For Proposals process.

**14. Review the Town Charter for consideration of adding a provision requiring a referendum regarding the adoption of the Town's annual budget.**

Decision: Through a series of votes, the majority of the Commission decided to recommend allowing for a budget referendum by petition with a limit of one budget referendum per budget year. The provision requires that the ballot provide electors with three choices: to approve the budget as adopted by the Board of Directors, to reject the adopted budget because it is too high, or to reject the adopted budget because it is too low. The individual votes that were taken are listed below.

Votes on April 24, 2008 relating to budget referendum:

- Motion to provide for a referendum by petition allowing petitioners to indicate a desired increase or decrease to the adopted budget. Motion passed 6-2.
- Motion to require signatures of 7% of registered voters on petition for budget referendum. Motion passed 6-2.
- Motion to amend number of required signatures to 5%. Motion defeated 2-6.
- Motion to accept timeline scenario #1 outlined in Summary Timeline for Budget Adoption Process with a revision of the end date of June 5 to May 29. Motion passed 8-0.

- Motion to require a minimum turnout of 15% of registered voters to reject an adopted budget. Motion passed 8-0.
- Motion to allow for a maximum of one budget referendum per year. Motion passed 8-0.
- Motion to allow Board of Directors to adopt a revised budget following a referendum rejecting the previously adopted budget with no parameters. Motion passed 6-2.

Votes on May 1, 2008 relating to budget referendum:

- Motion to rescind all motions passed during April 24, 2008 meeting. Motion defeated 4-5.
- Motion to change number of required signatures on budget referendum petition to 5%. Motion defeated 1-8.
- Motion to approve budget referendum language drafted and presented by Town Attorney. Motion passed 5-4.

Vote on July 24, 2008 in response to changes recommended by the Board of Directors:

- Motion to approve revised budget referendum language requiring the ballot provide electors with three choices regarding the adopted budget. Motion passed 7-2.

See Exhibit #3 (Note: Exhibit #3 also reflects recommended amendments to the process for calling the joint meeting of the Board of Directors and Board of Education).

Discussion/Rationale: Much of the public comment during the public hearings was directed at this item, with the majority of speakers advocating some form of budget referendum. Supporters of a budget referendum held that it would provide some check against the legislative body's taxing authority and allow for direct participation by the public in one of the Town's more important decision making processes. Detractors held that a budget referendum runs counter to representative democracy and that the legislative body is in the best position to understand the complexity of the budget itself. The Commission's initial discussions on the subject reflected the pros and cons raised during public comment sessions, but the Commission reached a consensus relatively quickly that some provision for a budget referendum should be incorporated into the Charter. The deliberations turned to whether a referendum should be automatic, should only occur when certain financial criteria in the budget adopted by the Board of Directors are met, or should only occur as a result of a successful petition drive. Supporters of the petition method held that it would provide voters with the opportunity to challenge the budget in any given year, not just those in which certain financial thresholds had been exceeded. Opponents of the petition method argued that it provides the legislative body too much latitude to simply make symbolic changes to a budget that is rejected by referendum. They also viewed the time constraints related to collecting signatures, submitting a petition and certifying the signatures as too burdensome. Supporters of

using financial criteria preferred making a budget referendum automatic whenever the tax levy in the adopted budget increases by more than the consumer price index for all urban consumers (CPI-U). In the event that a budget is rejected at referendum, the Board of Directors would be bound to adopt a substitute budget with a tax levy change that is no higher than the CPI-U. Supporters of this method argued that it would be more effective in moderating taxes because after a budget is rejected by referendum, taxes would be subject to an identifiable limit. Those opposed to using a tax levy threshold tied to the CPI-U argued that the index is an unreliable indicator of rises in costs. They also argued that basing the referendum on a tax levy threshold does not allow for citizens to take action on a budget that they may consider to be underfunded. The majority of the Commission supported the petition method. The resulting recommendation requires petitioners for a budget referendum to submit a petition no more than ten days after budget adoption by the Board of Directors. The signatures of at least 7% of registered voters is required on the petition. A minimum turnout of 15% of registered voters in the referendum is required for a budget to be rejected. There was general agreement that the number of budget referenda should be limited to one per budget year.

The petition method initially recommended in the Draft Report would have required petitioners to indicate in the petition whether they seek an increase to the adopted budget or a decrease, while the ballot question would have provided for a vote to either approve or reject the adopted budget. In response to the resolution passed by the Board of Directors on July 1, the Commission reconsidered this aspect of the budget referendum provision. In order to avoid “duelling petitions” (a scenario in which two petitions are submitted – one calling for a reduction to the adopted budget and one calling for an increase), the Commission modified its recommended budget referendum provision. The petition method ultimately recommended requires the ballot provide electors with three choices regarding the adopted budget: to approve the adopted budget, to reject the adopted budget because it is too high, or to reject the adopted budget because it is too low. The petition itself simply refers the adopted budget to referendum. Most Commission members held that this approach would be most effective in providing the Board of Directors with guidance in developing a revised budget.

The Board of Directors had also suggested reducing the number of required signatures on the petition and lowering the required turnout at the budget referendum. Some members of the Commission held that the required signatures of 7% of registered voters on the petition is too high a threshold given that the petition must be submitted no later than ten days following budget adoption. They also held that the 15% required turnout at the budget referendum was too high and should be eliminated to be consistent with Charter provisions for other town elections. Supporters of the required number of signatures on the petition and minimum turnout to reject the adopted budget held that the higher standards are necessary to ensure that a rejected budget reflects widespread sentiment in the community and not simply a motivated minority of electors.

As additional background information on the budget referendum discussion, the following attachments are provided:

- Outline of comments made by Chairman Penny “Budget Referendum Charge”

- Copy of proposal submitted by Vice Chairman Schneider “Motion on Referendum”
- Copy of notes from Commission member Backer “Utilizing CPI as a Referendum Trigger”
- Handout “CPI Determines Income for Millions of People”
- Charter language providing for a budget referendum
- Summary timeline for budget adoption process

**15. Review the provisions of Town Charter Sections 3-9 (Petition for Enactment) and 3-10 (Petition for Referendum) to determine if either section needs modification to clarify the procedures for each petition process.**

Decision: The Commission voted unanimously to decline to take action on this item.

Discussion/Rationale: This item in the Commission’s charge is the result of concern that the Charter lacked language providing sufficient guidance regarding how the Town Attorney is involved when a resident uses the petition process to propose an ordinance. During a recent petition effort, the Town Attorney became extensively involved in the wording and form of the petition, even though the Town Attorney is the Town’s counsel, not individual citizens’ counsel. However, the Commission determined that the Town Charter does not create any obligation for the Town Attorney to interact this extensively with individual petitioners. A memorandum from the Town’s Administrative Staff Attorney indicated that the Charter does not need to be revised, and that there is no requirement for the Town Attorney to become engaged in a petition effort.

**Attachments:**

- Outline of comments made by Chairman Penny “Budget Referendum Charge”
- Copy of proposal submitted by Vice Chairman Schneider “Motion on Referendum”
- Copy of notes from Commission member Backer “Utilizing CPI as a Referendum Trigger”
- Handout “CPI Determines Income for Millions of People”
- Charter language providing for a budget referendum
- Summary timeline for budget adoption process
- July 1, 2008 Board of Directors resolution recommending changes to the Draft Report of the Charter Revision Commission
- Minutes of all Charter Revision Commission meetings
- Exhibits – Proposed amendments to Town Charter