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TOWN OF NEWTOWN

CHARTER REVISION COMMISSION

**Minutes of the Charter Revision Commission Meeting held on Monday November 22, 2010
in the Council Chamber at the Newtown Municipal Center, 3 Primrose Street, Newtown,
CT.**

Charter Revision Commission Chairman William Lavery called the meeting to order at 6:30 PM.

PRESENT: Robert Duero, John Godin, Joseph Golden, William Lavery, Carey Schierloh, Peter Spanedda, Eric Paradis.

ABSENT: None.

ALSO PRESENT: First Selectwoman Patricia Llodra, Town Attorney David Grogins, two members of the press.

APPROVAL OF MINUTES:

Mrs. Schierloh made a motion to approve the minutes of the November 5, 2010 meeting. Motion seconded and unanimously approved.

NEW BUSINESS:

Mr. Lavery presented a letter to the commission from Legislative Council Members Kevin Fitzgerald, Gary Davis, and James Belden (Attachment A). Mr. Lavery asked the commission if any members would like to make a motion based on the letter. No motions were brought forth.

Town Attorney David Grogins presented language for recommended Charter revisions 6-14(a) and 6-14(b) (Attachment B).

A discussion ensued regarding 6-14(b) (specifying the Board of Finance's role in a failed budget scenario in the Charter). Mrs. Schierloh questioned if recommending the change would take away time from the Legislative Council in the process, creating a time crunch. She added that the Commission has not done enough research on the potential impact of the change. Mr. Lavery noted that the Legislative Council typically meets the day after a budget failure and they have a joint meeting with the Board of Finance. The recommended revision does not prevent the Legislative Council and Board of Finance from having joint meetings. Mr. Golden added that the intent of the recommendation was to require the Legislative Council to get input from the Board of Finance. Town Attorney David Grogins reviewed the Charter and proposed revision and stated that the recommendation still fits within current 7 day timeframe required by the Legislative Council.

Mr. Golden made a motion to adopt 6-14(b). 2nd by Mr. Spanedda. Mr. Golden, Mr. Spanedda, and Mr. Lavery in favor. Mrs. Schierloh, Mr. Paridis, Mr. Godin, and Mr. Duero against. Motion failed.

Mr. Duero made a motion to remove the proposed revision 6-14(b). Second by Mrs. Schierloh. Mrs. Schierloh, Mr. Paridis, Mr. Godin, and Mr. Duero in favor. Mr. Golden, Mr. Spanedda, and Mr. Lavery against. Motion carried.

Mr. Duero feels that the recommendation of 6-14(b) is outside the current charge to the Commission and that process of Board of Finance input is already in place on a discretionary basis. Mr. Paridis sees that it may be connected to the charge but that it is still outside. He agreed with Mrs. Schierloh's point that the Commission has not done sufficient research on the issue. Mr. Spanedda feels that is directly related to the charge. He added that it is a recommendation to the Legislative council and that if they felt it was a time crunch they could reject the recommendation. The proposal would enable the Legislative Council to formally accept the advice of the Board of Finance. Mr. Golden noted that decisions shouldn't always be made solely based on the current personalities involved. Currently there is a lot of cooperation between the two groups but that may not hold up 5 or 10 years down the line. He added that the recommendation is directly related to the budget voting process. Mr. Lavery stated that he is in favor of the recommendation.

The Commissioners discussed potential recommendations to be given to the Legislative Council for a future Charter Revision Commission to consider. The recommendations will be included in the final presentation of materials consulted and recommendations to the Legislative Council.

- Mr. Lavery recommended that 6-14(b) be considered.
- Mr. Godin recommended that the consistency in replacement of all board/commission vacancies be considered.
- Mr. Godin also added that the issue of which positions should be hired, appointed, or elected throughout the Town government should be examined.
- Mr. Spanedda asked Town Attorney Grogins if general language could be added to the Charter that every board/department would have to consider the financial impact of decisions to the overall budget. Attorney Grogins stated that there is an impact provision for the Finance Director. He added that under the current structure there is a required monthly report from the Board of Education to the Finance Director which is subject to audit. The section of the Charter that covers the question is 5-01(b)(6).
- First Selectwoman Pat Llodra stated that currently the Board of Selectmen has the right to negotiate contracts with bargaining entities however the Board of Finance and Legislative Council have the ultimate say on if transfers to the salary line can be made. The Board of Selectmen could close negotiations with a bargaining unit but the Legislative Council or Board of Finance could reject the transfer of funds to the salary line. Mr. Lavery added the the bargaining entity could potentially sue the Town in this type of scenario. Mrs. Llodra concluded that she would forward the commission recommended language to exclude negotiated contracts from transfer authority. She thanked the commission members for their service to the Town and added that they did an excellent job in considering the charge given to them.

Town Attorney Grogins discussed the language for the public notice for the Public Hearing to be held December 8, 2010 as well as the procedure for bringing commission to a close.

ADJOURNMENT:

Mr. Golden moved to adjourn the meeting. Motion seconded and unanimously carried. Having no further business, the meeting was adjourned at 7:20

Patrick M. Kelley, Clerk

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Dear Charter Revision Commission members:

Thank you for the time and effort you have spent on this important Commission serving the taxpayers of Newtown.

We have always believed that the taxpayers, not town government, are the ultimate fiscal authority in Newtown. This year, the Charter Review Commission was established to play an important role in addressing a significant issue that arose again during budget deliberations: clear voter intent. For the first time, voters who support education fought the recommendations of the Board of Finance and the majority of the Legislative Council and successfully voted against the budget because they felt funding for education was too low. Some of our elected officials had difficulty understanding this message until the third referendum, when the budget passed after the LC increased the education budget by a modest \$200,000 over what the Board of Finance had recommended.

As a result of the past budget process, the Legislative Council unanimously supported creating the Charter Review Commission to address three specific issues:

1. **Sec. 6-14 (a) Consider including the requirement for a bifurcated budget, to include separate ballot questions for the Board of Selectmen budget and the Board of Education budget?**
2. **Sec. 6-14 or 6-15- Consider including non-binding advisory questions as to whether a negative vote is due to the budget being too high or too low.**
3. **Sec. 6-14 – consider a budget ballot requiring each voter to (a) approve the budget, or (b) reject the budget because it is too high, or (c) reject the budget because it is too low. One choice only. Advisory questions not necessary.”**

While we recognize you have made an initial decision on two of these issues, we would ask your further consideration on these points before forwarding your final recommendations to the Legislative Council.

Allow the public to vote on the concept of bifurcation: The input you have received in support of not bifurcating the budget has come from Newtown’s leadership, who want to maintain the status quo, and not from Newtown taxpayers, who we believe may be willing to try a new approach to the budget process that will be more able to convey their intent. It is Newtown’s taxpayers, and not Newtown’s leadership, who are the driving force behind the Legislative Council charging your Commission with the review of budget bifurcation and advisory questions. Newtown taxpayers have made it clear following another contentious budget season that it is time for Newtown to find a better way to understand voter intent at budget time. Many taxpayers believe that the current process is broken.

Bifurcation provides an option to easily understand voting results of the people for the town budget and education budget separately. As one of your Commission members

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pointed out, we already have a bifurcated review process. The Republican controlled Board of Finance, through its actions, has made it clear that it distinguishes between the budget provided by the Republican controlled Board of Selectmen versus the budget recommended by the IPN/Democratic controlled Board of Education. The concept of one town/one budget is a ruse. It is supported only because it provides town officials greater control over the outcome of the budget process. Indeed, it appears that for many other towns' bifurcation of the two budgets creates a more responsive budget process for the voter. All boards involved in the budget process would need to be mindful of the support for each separate budget in order to have it pass on the first vote.

So far, the track record of the budgets that have been recommended by the BOF and rubber-stamped by the Legislative Council being approved on a first, or even second, vote has not been a good one. Town leaders seem to suggest that bifurcation will only "split" Newtown at budget time, but isn't that exactly what happens today without bifurcation? While bifurcation won't bring both sides together, it could reduce the overall frustration and contention by providing a channel for clearer communication and may make it easier to discern where voter support lies for each individual budget. Bifurcation has worked for other towns. We believe that the decision lies with the voters. Newtown voters deserve the right to vote on whether they want a different budget process than the one we have today, and we hope that you will consider such a recommendation to let the voters decide.

The Charter Review Commission charge given by the Council, and integral to the selection process for the Commission, was a clear directive to thoroughly research and analyze the options regarding bifurcation and advisory questions, including its effectiveness in other towns and how it could be applied in Newtown. Thus far, we have seen little evidence that serious consideration has been given to the issue. Any recommendation to the Legislative Council needs a well thought out and researched position on budget bifurcation. Our hope is that along with that information will be a recommendation to bring the issue to the voters so that they can decide.

Create advisory questions that provide clear voter intent: Two simple questions will not provide clear meaning as to why voters may oppose a budget, unless you are using them in the context of a bifurcated budget process. If we are voting on the town budget and the education budget separately, then asking if a person is voting no because it is too high or too low, makes sense. If we are to stay with the current budget process of voting on one combined budget, you must ask at least 4 questions to discern any credible information on voter intent:

- Is the education budget too high?**
- Is the education budget too low?**
- Is the town budget too high?**
- Is the town budget too low?**

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This is the only way to really understand why voters are voting against our single budget. Without those four questions, you have failed to take the guesswork out of the budget process for the Legislative Council.

Expanding the scope of the Board of Finance: Beyond those questions with which the Legislative Council has charged your Commission, you have chosen to include a recommendation that the Board of Finance be required to make a recommendation to the Legislative Council after each failed budget referendum. We understand that this request came out of a conversation with John Kortze, Board of Finance Chairman, which occurred outside of your regular meetings. This item is not even on the list of recommendations that the public provided to the Legislative Council Charge Committee for consideration. And as you know, as demonstrated after the first referendum failed earlier this year, the Legislative Council Chair already has the discretion to invite the Board of Finance to participate in the Council's review. This does not need to be formalized in the Charter, which would only take any flexibility out of the process. Quite frankly, we see such action as detrimental to the process because it would allow the Board of Finance a bully pulpit to try to support its previous failed budget recommendation and give it more authority to second guess public intent. This would only add further angst to the budget process. Indeed, if you are to recommend added steps in the budget process, you would also need to address the inequity in the Charter's requirement that a super majority of the Legislative Council is necessary to increase the Board of Finance recommended budget, while only requiring a majority to approve a decrease to the Board of Finance recommended budget. This question was included multiple times on the list of issues the public wanted the Legislative Council to include in your review. A simple majority should be required for both increasing and decreasing the budget, particularly if the Commission is recommending the Board of Finance, by Charter, be involved in each budget revision before it goes to the Legislative Council. The Board of Finance makes its budget recommendation in good faith, but if its recommendation is rejected, then it is the Legislative Council's responsibility to craft a budget acceptable to the voters.

We thank you for considering our input into the process, and we look forward to seeing your final recommendations when they are made to the Legislative Council.

Respectfully yours,

Kevin Fitzgerald
Legislative Council, District 1

Gary Davis
Legislative Council, District 2

James Belden
Legislative Council, District 3

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6-14(a)

At the Annual Budget Referendum, the proposed budget shall be approved as a whole by a majority of those voting who are lawfully entitled to vote, or rejected as a whole by a majority of those voting who are lawfully entitled to vote, provided, however, if rejected, voters shall indicate whether the Budget is being rejected as "too low" or as "too high." The question and responses on the ballot shall be as follows:

Shall the sum of \$ _____ be appropriated as the annual Town Budget for the fiscal year?

- a.) Yes
- b.) No, Too High
- c.) No, Too low

Voters shall be required to vote for one item only. For the purposes of determining whether or not the annual town budget has been rejected, all no votes (items b and c) shall be added together. Items b and c shall be advisory only and shall not be binding on the budget making authority.

6-14(b)

In the event that a majority of those voting reject the proposed budget, the Board of Finance shall meet and upon due deliberation recommend within 48 hours of the failed Budget Referendum, a Budget to be considered by the Legislative Council. Given the advisory nature of items b and c referenced in Section 6-14(a) above, in making its recommendation, the Board of Finance may consider the number of voters rejecting the Budget as "too high" and the number of voters rejecting the Budget as "too low." However, the number of voters rejecting the Budget as "too high" and the number of voters rejecting the Budget as "too low" shall not be binding on the Board of Finance.

Budget