

SAUGUS CHARTER COMMISSION
APPROVED MEETING MINUTES
OF
SEPTEMBER 25, 2008

The thirty-sixth meeting of the Saugus Charter Commission was held on Thursday, September 25, 2008. The meeting was held in the Town Hall Auditorium. The meeting was called to order by the Chairman, Peter Manoogian, at 7:30 P.M.

Completion of STEP 4: SELECT THE BEST POSSIBLE SOLUTION(S)

ROLL CALL OF MEMBERS

Eight members of the nine member committee were present at roll call: Karen Cote, Eugene Decareau, Karla J. de Steuben, Albert W. Diotte, Jr., Joan Fowler, Peter Manoogian, Sr., Debra Panetta and Thomas Stewart

Cam Cicolini had informed the Chairman that she would not be present.

READING OF MINUTES OF LAST MEETING (September 18, 2008)

Minutes were distributed to all Commission Members for review before the next meeting.

ACCEPTANCE OF PREVIOUS MINUTES (September 11, 2008)

Peter Manoogian noted corrections to the Minutes.

Debra Panetta made a motion to accept the Minutes of September 11, 2008, as amended.

The Chairman seconded the motion.

The motion passed **8-0**

The Chairman commended the Clerk for the work she has done on behalf of the Charter Commission and the people that they represent. Mr. Manoogian asked for a motion for an Accommodation.

Mrs. Cote moved to commend Mrs. Davis, for her work on the Charter Commission as Clerk.

The Chairman seconded the motion.

The motion passed **8-0**

PUBLIC COMMENT

None at this time.

CHAIRMAN'S REPORT

None at this time.

TREASURER'S REPORT

The Treasurer, Eugene Decareau, moved that the Commission vote to authorize two invoices, one to Kathleen Davis for \$6.29 reimbursement for postage to mail a CD, and the second to pay Michael B. Curran \$1,900 as the first installment for his Consultant's contract.

The Chairman seconded the Motion.

The Motion Passed **8-0**

Mr. Decareau moved that the Charter Commission accept the Treasurer's Report that, with all current invoices accounted for, the balance will be \$27,062.08.

The Chairman seconded the motion.

The motion passed **8-0**

COMMITTEE REPORT

There was no report at this time. Mr. Stewart informed the Commission that they are right where they should be in regard to their timeline.

CORRESPONDENCE

None at this time.

UNFINISHED BUSINESS

The Chairman gave a brief review of last week's discussion of the Executive Branch. The Commission had reached consensus on a hired professional administrator, and calling that position Town Manager. The Members had also reached consensus of having some type of screening process for that individual, leaving off with how that person would be selected after the Screening Committee had done its work; what the Executive process would be. The Chairman asked the Commission Members if they would like to continue that discussion, and asked the Consultant if it would be a good time to continue that discussion.

Mr. Curran responded that, yes, there are still matters to be resolved in that area, such as the responsibilities of the office, manner of appointment, manner of removal.

Mr. Manoogian opened the discussion with the makeup of the Executive Branch, what it would look like, what the term of office would be, whether an individual or individuals, without being concerned with what those positions are called at this time.

The Chairman asked Mr. Curran for a brief overview as a prompt for discussion and deliberation that would be timely and appropriate.

Mr. Curran responded that last week's discussion touched on the Executive Branch making some of the policy-making appointments, but did not go into the specifics of what kind of offices might qualify as policy-making offices, that would be appointed by the Executive Branch, whereas many of these positions are currently being made by the Town Manager. Mr. Curran suggested that the Commission may want to decide if they wanted to make a distinction between the appointments that the executive authority would make, and the ones that would be made by the professional town manager.

He explained that the Commission could discuss the powers that they felt should be in the Executive Branch, referring to last week's discussion that the Executive Branch would be the policy-making agency, having overall responsibility to set goals and objectives for the Administrative Branch, and to propose further policies that would require legislative action to the Legislative Branch. It could be an individual or a multiple member body, but it is not necessary to decide that before discussing powers.

Ms. de Steuben stated that there is some confusion on her part, when the Members discuss the Executive Branch, what exactly is being referred to. She explained that her understanding is, that if you have a council / manager form of government, the professional manager would be considered the executive, whereas if you have a mayor / council form of government, the Mayor would be the executive.

Mr. Curran explained that, the closest thing to having a rule on the subject, as far as the laws in Massachusetts are concerned, are the definitions of the terms used in statutes. The default for the Executive Branch is the Board of Selectmen in a town, and default Administrative Branch is the Town Manager. He feels the distinction is useful. If you are going to have the kind of government that is most typical of town government, where you have a Board of Selectmen, Town Manager, and a Legislative Branch, the logical thing would be to have the Selectmen (if it is a multiple member body, but could be a single individual – a Mayor) being the Executive, setting the policy goals and objectives, those then being carried out by the professional Administrator.

Ms. de Steuben stated that she was trying to get an understanding, because some Members had talked about town council, when the Commission talks about a council / manager form of government, if the council is viewed as a unitary executive / legislative body.

Mr. Curran referred to the Eighth Edition of the National Civic League Model Charter that Ms. de Steuben has, and the way they trace the development of the office of mayor from the original concept back to 1912, when their first council / manager charter was proposed, to today, showing the growth of the office and the recognition of the policy-making leadership role of the office, even though the mayor, under that particular plan, is a member of the legislative branch. He / she is given a very important policy-making role, at least in the view of the National Civic League, key to the success of the plan today. More than 2/3 of the cities in America, who have a council / manager plan, have a separately elected mayor that has some degree of this executive authority, even though it is ultimately shared with the other members of the council.

Mr. Curran then referred to the model that the Members were currently discussing, as having a separate executive from the council, the legislative branch, and the executive / administrative branch as being in two parts, the policy making and the administrative. He explained that, under the National Civic League Model Charter, it's the legislative branch that is broken into two parts, the mayor initiating executive authority, and the council then confirming it.

Ms. de Steuben said that answered her question, but she didn't think the Commission had reached a consensus that the two would be separate. That was where the Members had ended the previous discussion, which was that a council form of government would be splitting the legislative branch, where a weak mayor or president of the council would have more of a policy-making role than the other councilmen, but he / she would still be part of that body. Ms. de Steuben stated that part of her confusion was not being sure if the Members had leaped ahead and abandoned that, because that wasn't her understanding, and she wanted to make sure that the Commission hadn't done that.

Mr. Curran stated that he thought there had been a moving consensus towards two parts to the executive / admin branch, and a separate legislative branch, adding that is all still flexible right now.

Ms. de Steuben stated that the reason for her question was that it wasn't clear in her mind, not so much that the Commission hadn't reached a consensus, but what they were really talking about when they discussed executive. She stated that her confusion had been that, in a council / manager form of government, did that mean the manager is the executive, and the answer Mr. Curran had given was no, there would still be somebody on the council, whether you called him / her mayor or council president, who the Commission could decide to give a much more policy-making role than the other members of the council.

Mr. Curran made the point that, then, the final policy making decision is made by the legislative body in that system, and there is no clear distinction. He went on to say that the working hypothesis they were discussing had a separate executive / administrative, with legislative being just that.

The Chairman suggested backing up to where he thought there was consensus, and that was that all members wanted to see policy making in an elected office, and there shouldn't be any doubt to anyone who's elected, that they make policy. There shouldn't be any doubt to the voters who elect them, who is responsible for policy. The biggest policy a community makes is the budget.

Referring to the fact that Mr. Curran had worked on the Winthrop Charter, the Chairman posed the question, with statutes that require an executive to either execute a bond, or to take some sort of ministerial duty in a function of local government, who the executive authority would be in that model, with a council president, councilors, and a town manager.

Mr. Curran responded that the executive authority is truly shared in the council, but the Council President in Winthrop has the initiating responsibility, a specific duty to initiate policy proposals to the council, and nominate people to hold local office, that then must be confirmed by the other members of the council.

Mr. Manoogian asked, if one of the goals that the Charter Commission established was having a government that was both transparent and accountable, would they be more likely to yield those things in a body that is legislative with one legislator that initiates policy, or in a model that has a legislature and then five selectmen that hire the manager. He questioned which one would be more likely to lead to more accountability and transparency, so that the public knows who is doing what, how they did it, and can hold them accountable.

Mr. Curran replied that his personal opinion is, the smaller the number, the more visible each individual is. The smallest multiple member body you can have is three members. What everybody says is critical, and you can tell, after everyone has spoken, what's going to happen, and you know who's doing what. It gets more difficult, as the body gets larger, to see how each individual's input makes the total process, because after you get the majority going in a certain direction, you don't necessarily know how key or crucial one person's position on an issue is, as to what the ultimate position of the body turns out to be.

Ms. Panetta stated that the Commission, even though they haven't taken any formal votes, the feeling seemed to be a number between 25-35 for the Legislative Branch. It seems to be a number that people are comfortable with at this point. She then said that last week the Members got to the Executive Branch, with Ms. de Steuben asking the question, will it be more confusing to the public if you have the 25-35 Legislative Branch, and an Executive Branch that includes 5-7 Selectmen, who is responsible for what as far as accountability, transparency, accessibility, etc., because they want to make sure they are being governed by what they feel is important. Ms. Panetta asked Mr. Curran if, when he answered the Chairman's question, if he would be more in favor of having the one branch, if you defined what a legislative branch did and an executive branch did, and you made it clear that the executive branch is going to do policy, and the legislative branch is going to do all the different pieces, in his experience how has that worked.

Mr. Curran responded that there are a number of examples of well functioning selectmen / town manager town governments in Massachusetts, for example, the town of Amherst. The

Board of Selectmen clearly recognizes their role as being leadership / policy making. The Manager represented the Administration, and exercised the policies adopted by the Board of Selectmen, and the Town Meeting is the Legislative Branch. As far as the executive and administrative, it works very well.

Mr. Manoogian noted that Amherst had a Charter Commission and a Charter Proposal a few years back, with Mr. Curran stating Amherst had a Council / Manager Proposal, and that it lost by 22 votes. It was re-submitted two years later and lost by a slightly larger amount.

The Chairman asked, if you look at the council president similar to what you have in Winthrop, and like some of the Members have discussed, could the duties and responsibilities of that position be structured in such a way that there would be immense clarity to the voters that the individual holding that position has a level of responsibility that is separate and apart, but cannot act alone, and must have the consensus or vote of another body, whether it be the council or some type of subcommittee, but that the person is really viewed as someone that can propose new playgrounds, budget items, etc. with the assistance of the town manager to propose the direction of the community, whether it be for zoning changes or development. What are the options for structuring the role and responsibilities of a centrally elected leader, without making it a strong mayor?

Mr. Curran responded that, with those kinds of powers, you are describing, in some ways, a strong mayor. The position in Winthrop, though called Council President, was intended to be, and is, a true copy of the Eighth Edition Council / Manager Plan's mayor, with additional responsibilities. In addition to having the responsibilities of a mayor, he / she is also a member of the School Committee. In most other jurisdictions they are separate.

Peter Manoogian asked if, in Winthrop, they wanted to have a comprehensive zoning master plan, let's say to overlay districts, where the proposal would generate from; the council or the town manager.

Mr. Curran stated that, under the General Laws of Massachusetts, the authority for master-planning is specifically given to the Planning Boards of Massachusetts. He went on to explain that, in their Charter, the Members could say something different, even though there is a specific statutory responsibility of all the things that are supposed to be included in it, giving extensive power to the planning board. That does not deny anybody else in a town or city from submitting a proposed rezoning matter to the legislative body, or submitting one to a town or city council. He suggested that the Commission may want to address planning in a special way in their Charter, stating that he doesn't know anyone in particular that has done it. The National Municipal League's Charter does have special planning provisions.

The Chairman asked who was responsible for it in The National Municipal League's Charter. The Consultant did not know the answer off the top of his head, and Ms. de Steuben did not have her copy with her. Mr. Manoogian asked the Clerk to email Mr. Curran and remind him to look up their recommendation on the planning process.

A brief discussion followed regarding the planning process in Newton. Ms. Cote referred back to the minutes of June 12, 2008, when the Commission interviewed Lyle Baker of Newton, and she stated that they have a Capital Improvement Plan that the Mayor prepares in the fall, they have a public hearing on it, and then it's adopted to the budget.

Mr. Manoogian put forth an example, if Saugus had an elected mayor, and instead of a manager there might be a chief financial officer, or a chief of staff, or something of that

nature. Invariably the person running for that position of mayor would probably go before the voters of Saugus, telling them that they are missing the boat on opportunities for land use or development, promising if elected, would want to see that area enhanced. One person would make a pitch to the community as to how it should look in the future. In spite of planning boards coming up with master plans, the elected person would interpret that as mandate to carry out what they campaigned on.

Mr. Curran stated that was one of the attributes to the singular executive system, where you can campaign for an office and say, "If I'm elected, I'll do 'this' and I won't do 'that.'" People have some sense of the direction the community is going to go in, and vote for or against that person. It's much more difficult with a multiple member body. However, there is an argument that a multiple member body serves a useful purpose, having different voices, a broader approach, and compromise amongst the members. A zoning change, as mentioned by Mr. Manoogian, would have to go through a planning board under the Statutes of Massachusetts, get the recommendations of the planning board, and then go before the legislative body. Depending on the Charter, whatever the vote is, could then be taken to an initiative or referendum group, and to the voters at large.

Ms. de Steuben had a question on the separate executive position, asking, at some point, depending on how much authority the Commission would give the separate executive, which determines whether they are more like a strong mayor or a weak mayor, if there is a point in which the Members would have to consider paying someone like that, more than a general councilperson, or a general selectman. At some point their workload becomes so great that they are spending full time being the executive of the town, in addition to the town manager or administrator.

Mr. Curran responded that if you start assigning duties to an office, like in Winthrop, where the person serves as both a member of the council and a member of the school committee, that makes it pretty much a full time job, and when they set salaries for the initial go-around, it is about \$5,000 that the mayor gets. He suggested that the Commission shouldn't be designing a Charter where they expect somebody to take the position as a public service. You should expect that people need to be compensated if they are going to spend significant periods of time on the job.

Mr. Manoogian noted that Mr. Curran had raised the issue that, in a council / manager form of government, the council could range from 7-15 members, asking if the members of the council receive compensation. Mr. Curran stated that, yes it is.

The Chairman asked what the range of compensation is, to which Mr. Curran responded that the Charters that have been adopted, where they have created town councils have set relatively moderate salaries, but the salaries that are paid to city councilors in some of the longer existing cities in Massachusetts, are quite high, some getting \$20,000. The big thing in holding public office today, in addition to the salaries, is the group insurance benefits. A number of charters have recently taken the position that elected officials, serving as councilmen, school committee, or even the mayor, are not eligible for Chapter 30B benefits.

Mr. Manoogian asked about pensions, to which Mr. Curran replied that pensions are different, being set by statute. Chapter 32B has a provision that the appropriate municipal authority can determine, as far as elected officials are concerned. The distinction comes if you are an elected official and you work 20 hours or less, on a regular basis, on a regular work week, then it is discretionary whether or not you get benefits. Mr. Curran stated that a number of charters that he has work with in the last ten years, have included provisions that

say that elected officials are part-time official, and are not expected to work 20 or more hours per week, and are not entitled to group insurance benefits.

The Chairman asked if Mr. Curran had ever seen a provision, similar to the 27th Amendment, where there could be no increase of salary during the term of office, and there would have to be an intervening election before a pay raise would take place.

Mr. Curran stated that it's common, because a council can't adopt a salary for themselves, there has to be an intervening election, and it has to be adopted early enough in the session so that the voters can take a referendum on it too, if it doesn't automatically go on the ballot.

The Chairman recapped what Mr. Curran had said, stating that it's customary in a council form of government to have salaries that would accompany those offices, and then explained that, in the town of Saugus, because of the financial problems the town was having a year or so ago, the selectmen gave up their salaries and school committee gave up their personal expense reimbursement. The only officials that receive a salary in the Town of Saugus are the Board of Health and the Board of Assessors. Salary has not been an issue in the town.

Mr. Curran stated that you could put a restriction in the Charter that nobody would get paid, but some people, as in Newton, feel that it prevents the ordinary person from serving. It doesn't have to be much, but should be enough to reimburse people for direct out-of-pocket expenses directly associated with holding public office. Mr. Curran went on to say that it is perfectly alright for someone to waive their salary, but would be wrong to use the charter to bar any compensation given.

Ms. Panetta stated that the Board of Revenue not only suggested the School Committee give up compensation, but also return any group medical benefits (but they weren't receiving any). She went on to note that there are various other cities and towns where members of the school committee receive salaries, health benefits, and expense accounts. Ms. Panetta said that she agrees that people holding these offices should get something in return.

Mr. Manoogian asked if the Charter should be silent on that, and let something like that be established by budget or by-law, except for, perhaps a restriction that you couldn't increase the salary until an intervening election, and then asked if the Winthrop Charter had established the \$2,000 for the Councilors.

Mr. Curran replied that most charters, in fairness to the voters so that they know exactly what the commission is proposing, Winthrop for example, states the Town Council will receive such salary that may, from time to time, be established by ordinance, but no ordinance shall be adopted except in the first 18 months. Then there is a transitional provision that says until such time as the council by ordinance adopts an ordinance superseding it, the salary of the Council shall be "X" amount of dollars, and does the same for the mayor and manager, filling in all the numbers so that there is no doubt what the cost is going to be, and it sets the initial scale.

The Chairman asked, in the town charters that Mr. Curran has written or re-written, such as selectmen and representative town meeting, what he has seen relative to salaries in those types of charters.

Mr. Curran stated that he has not put in salaries, but has put in provisions that selectmen will not receive group medical benefits. That is where the thrust has been. In staying with the typical town form, the saving is not in cutting the salaries or making salaries for the selectmen, but in depriving future selectmen, or any other elected official, from getting group insurance.

Mr. Manoogian asked if the reason for that is because you don't want people to run just for the purpose of getting those benefits.

Mr. Curran responded that for many years it was an invisible benefit that many people didn't even realize the elected officials were getting. In some towns, such as East Hampton it was being abused, so he believes this measure was a response to that abuse.

Mr. Decareau stated that the Members have been talking about accountability and transparency, yet historically, in the Town of Saugus, the majority of the people have always perceived the Selectmen as having power and authority, and as being the policy making board of the town, which is not true. He went on to explain that most of the people that he has interviewed, or discussed the work of the Charter Commission with, are very concerned about what avenue they are taking. The majority are concerned about whether Saugus remains a town or not, not particularly who has the authority or not. Mr. Decareau stated that the most important thing he perceives the Commission doing is making sure the people in the community understand who has that authority or accountability, whether it be five selectmen, because of what the Commission does, become the policy making board and have the authority that most people thought they had, would make a big impact on the community. He also noted that the Commission seems to be talking a lot about councils and mayors, but very little about selectmen, and he's not sure where they are headed, but does believe that they (council / selectmen) should be compensated for at least their expenses. He continued by saying that he doesn't know of many communities where the Board of Selectmen and School Committee would give up their salaries, and applauded those of Saugus for doing so, and thinks it says a lot for the community itself.

Ms. Cote referred to one of the items that Mr. Curran had sent to the Members, "A Memorandum of Understanding Between the Harvard Board of Selectmen and the Harvard School Committee" to create a finance department. Ms. Cote found it very interesting, because during the Commission's interview with the Town Accountant, she had expressed the need for some type of chief financial officer, and the document that Mr. Curran sent touched on many of the same things that the Accountant had discussed with the Members.

Mr. Curran stated that the material from the town of Harvard spells out in great detail what the relationship is going to be, and as touched on earlier, there are at least two other places, Barnstable, with a council / manager charter, being one of them, who consolidated their school and municipal finance department, and it's working very well. The town of Weymouth, with a council / mayor charter, has also consolidated the schools. The town of Canton created a combined department of municipal finance, and the bond rating is just about as high as you can have, which is one of the spin-off benefits of having that combined department of municipal finance. Canton also created a department of human resources that does include schools. Some of the things that are talked about in the Harvard paper are not in Canton's finance department, but in the human resources department. He suggested that those are some of the consolidations that the Members can think about and consider.

Mr. Curran continued, handing out information on an auditor position. The National Association of Local Government Auditors recommends that every municipality has a local audit position. It's consistent with the recommendations that are made in what's called "The Yellow Book," put out by the Comptroller General of the United States. Presently in Massachusetts, in most towns we have a town accountant, who has duties that also include auditing. Generally what an auditor does is a pre-audit function, putting bills on warrant for

payment, making sure that all of the backup material is there, and then every two or three months according to the statutes, go back and look at everything he / she did, and audit everything he / she did. Performing both duties, most people find that everything he / she did was just fine. So, a number of charters, consistent with the pages that Mr. Curran handed out, have created an auditor position. Also, in Massachusetts, by Federal Law as part of the General Standards adopted by the Comptroller General, any town or city that gets some small amount of money has to be audited by a certified public accountant. In the normal course of events, it is recommended by the Comptroller General, that it be a position that reports to the Legislative Branch, and that the auditor be appointed by the Legislative Branch to avoid putting the “fox in charge of the henhouse.”

Mr. Manoogian interjected that in Saugus, the Town Manager hires the auditor, and Town Meeting merely appropriates the funds. In fact, when Town Meeting wanted a certain program audited, the Town Counsel ruled that the Finance Committee could not even hire the auditor. It had to be the Town Manager, so the Accountant is appointed by the Town Manager, and the Auditor is hired by the Town Manager. The Commission learned that in Wakefield, the selectmen appoint the town accountant.

Mr. Curran responded that in a lot of towns, the accountant is appointed by the board of selectmen, so that there isn't a process of paying bills with the accountant, the treasurer, and the manager, all on the same page, creating a temptation for dishonesty.

The Chairman explained that, in the Town's most recent audit, Powers & Sullivan recommended that there be a separate auditing function within the town government, and they determined that it was material weakness in the town's financial operation that they did not have one. They acknowledged that it is a common weakness in municipalities, but that the Federal Government wants the accounting procedures to include an auditing function. He also noted that many of the Charter Proposals included internal auditing.

The Chairman, speaking to the Members, noted that they have been talking about a lot of issues that are going to have to deal with regardless of the form of government they adopt, but have still not gotten to the question of what would constitute the Executive Branch, stating that he wasn't trying to force anything, but asked Mr. Curran how to get back to that issue and resolve it.

Mr. Curran wanted to mention one more thing in terms of the budget. In towns in Massachusetts, the town meeting can do anything it wants in terms of appropriation. It is limited ultimately by 2 ½. Canton adopted a rule that if anyone wants to amend a spending measure, either to add money to an existing appropriation, or create a new appropriation, they must have a corresponding decrease somewhere else. A number of towns in Massachusetts annually exceed what they have to spend, and then have to go back at some point and cut back. That shouldn't happen in cities if the mayor and manager are doing their jobs. The way the budget laws are written for cities in Massachusetts that are subject to Chapter 44 Sections 32 and the following sections, whatever is proposed in the budget by the Manager or Mayor, the legislative body can reduce or eliminate, but it cannot add or increase. In The National Municipal League's Charter, their finance provisions provide that the council can raise amounts by deleting amounts, but the bottom line cannot exceed the budget that has been submitted. Mr. Curran told the Member that those are the kinds of

things that they can write into their Charter under the budget making provisions to control what happens.

Mr. Manoogian asked, referring back to the discussion of how important the budget is in establishing policy, if you had, for example, an eight member council, with a ninth member president, and a town manager, could you have a provision that the president of that council, in consultation with the town manager, propose a budget to the rest of the council, could vote on that budget, but the rest of that council, as in Newton, could not increase any line item, they could only reduce it.

Mr. Curran answered that Newton is written to be consistent with Chapter 44, as mentioned earlier. The council cannot add or increase, it can only delete or decrease. In Winthrop, on the other hand, the council can switch items around on a budget, on the theory that they are the policy makers. The manager is only implementing their will. The council ultimately controls what happens, so that they can't exceed the bottom line.

Mr. Decareau noted that, at the last meeting, he had asked a question about writing into the Charter that all budgets had to be line-item. Mr. Curran's answer had been, yes, however it restricts the department heads. Mr. Decareau explained that he had been involved in a matter last week where a department was requesting a sum of money, and he happened to be on one of the boards and asked the question, "what are the expenses?" He wanted to look at something before he voted, and when he got the expense sheet, a couple of items were extremely vague, for example, \$20,000 expenses, not broken down. Nothing showed the income to offset the expenses. Mr. Decareau again stated that he is really pushing for line items, because he feels that things have been running rampant with revolving accounts, and enterprise accounts, noting that he has not seen any accountability. He thinks the line-item will force people to do a better job.

Mr. Curran explained that most charter provisions on a budget would require, as a first step for the person preparing the budget, to give a complete accounting of all anticipated receipts. Everything has to be projected so that you know, if you are going to be spending ten million dollars, you know where that money is coming from. Some charters go into some detail requiring how all of that pre-work is done; the budget estimates, how they are circulated, so that everyone is working on the same page when they are putting their budgets together.

The Chairman interceded, again stating that the topics they are discussing are all great stuff, but they still have the big questions to deal with. He felt that they needed to "build the house" before they decorated it.

Ms. de Steuben wanted to follow up on the material from Mr. Curran, which she found very useful, and asked about the notes he had on the budget, and the difference between program, line item, and performance budgets, and asked if he could give an example of the distinction between program and performance budgets.

Mr. Curran stated that he couldn't off the top of his head, without checking his notes again, and Ms. de Steuben suggested talking about it next meeting.

The Chairman went back to the question he had asked about resolving the larger issues.

Mr. Curran felt that the Members had a loose talk about the legislative, executive and administrative branches, and had talked about the responsibilities that are going to fall into

the different branches. Now they were discussing the budget process, and the responsibility in each of the branches, and how the audit function would fit in. Next week perhaps discuss the whole structure, and if combining departments would work, how departments and agencies get established.

Continuing the finance discussion, Mr. Manoogian stated that it was his understanding that in order for the municipality, the town side of the street, to become entwined in the school finance, there needs to be a vote of the school committee allowing that. He asked, if a charter had specificity that it wanted that, if it would trump State Law.

Mr. Curran responded that there is an optional state statute that is a much lower level than the Charter, that is a vote of the school committee and a vote of the board of selectmen, but a charter is a higher form than that. What's nice about the Harvard agreement is that everyone sets out what is going to be accomplished, and nobody's doing it to step on anyone's toes, or take control. They tried to set up a policy that would be best for the town.

The Chairman explained that, in Saugus, over the last two budgets, the School Department had put forth claims that there was no extra money, and then at the end of the fiscal year, there's \$200,000 - \$300,000 that the School Department is turning back to the town, when in the months preceding that, the Town Meeting had been asked to borrow money to buy books, raise more money for different programs or salary increases that the School Department didn't feel it had. Mr. Manoogian stated that he believes, if the School Department is going to be involved in the budget development process, that it is perfectly reasonable to have them monitored throughout the spending process, so that you avoid the unnecessary borrowing, when all along the money was there, if it was monitored in a different way. Perhaps another set of eyes would have picked up on it. He asked Mr. Curran if he felt a provision such as Harvard would help avoid those miscommunications.

Ms. Panetta explained that, being on the School Committee, there is a Finance Manager, and a Superintendent that know pretty much everything that is going on. When the bills come in, and when the Finance Manager actually pays those bills, there are a lot of timing issues. The Finance Manager works with the Personnel Director for special needs, and they think that they are going to have to pay a particular bill, and then something happens, or they get additional money. Everything is upfront, however, Ms. Panetta said that she is not opposed to another set of eyes helping the Finance Manager.

Mr. Curran asked if they used computers. Ms. Panetta said, yes, they do, and Ms. Cote went on to explain that the town computers do not interface with each other. Each department has their own software package.

A recess was called at 8:59 P.M.

The meeting resumed at 9:09 P.M.

The Chairman addressed the Members, explaining that he had spoken with the Consultant during the break, and that Mr. feels there is so much that, as a group of nine, they can agree on, that it is not necessary, at this time, to find the areas where they are not going to agree. Having everyone on board for as much as the Commission agrees on is going to be a better dynamic in the end, so that if the ultimate goal is to have a unified consensus, that would best be served by finding all of those areas of agreement, and establishing those.

The Chairman suggested discussing boards and commissions, referring to the interviews that the Commission has done. It was their feeling that, for the most part, having boards and commissions appointed rather than elected, was something the community was comfortable with.

Mr. Curran explained that they were originally created to carry out functions, such as Conservation Commission, Board of Public Welfare, Board of Health, etc., and some of the many boards and commissions have outlived their usefulness. If there should be some pruning, it does not necessarily have to be done by the Charter Commission. This could be effected by the way the Charter deals with the way the municipality is organized, and the delivery of municipal services, and whether the Commission was to continue with the power the manager has now to do it by his / her self, or whether you would empower the Executive Branch to do that, or some involvement of the Legislative Branch.

Mr. Curran went on to say that multiple member bodies were originally created as a way of getting problems resolved outside of Town Meeting.

Mr. Manoogian stated that one of the issues that has come up is an appointed licensing board. A great deal of the Selectmen's time is spent on victular's licenses, liquor licenses, hair salons, etc.

Mr. Curran responded that, the way the statute is written, it states "unless some other provision is made in charter," so that in your charter you can set up the system that you deem to be best.

Mr. Manoogian stated that if you free up the Selectmen from licensing, then perhaps there would be more of an opportunity for them to deal with policy, budget development, and to take on some of those larger issues that never seem to get addressed.

Mr. Stewart stated, getting back to the Commission's interviews, he distinctly remembers some of the members of the town's appointed boards feeling that, even if they want to move on or retire, there won't be anybody to fill the position, and the question becomes, is there no successor because the board has outlived its usefulness in the form that it's in. He said that he would be interested in putting something in the charter for a study to be commenced.

Ms. Panetta said that when the Commission interviewed, board members, for example the Board of Assessors, talked about the experience and the amount of classes they had to take to do their job. Ms. Panetta went on to say that one of the Commission's goals is to encourage this type of civic engagement. She thought it was interesting that Mr. Curran talked about maybe eliminating some of the boards and commissions, because her philosophy in both of her proposals was to add more committees.

Mr. Curran replied that the biggest problem he is aware of in local government in Massachusetts today is finding anybody that is willing to do the work that has to be done. There aren't enough candidates running for selectmen, school committee, or any of the elected offices, and the appointing officials have a very difficult job trying to find sufficiently qualified people to fill the spots that they have available.

The Chairman stated that there is something to be said about when somebody runs for office, say you go to a mayor, and that mayor perceives a mandate, or the majority of the board of selectmen turns over, people of a like mind. In the process of campaigning, they know who has a similar view of the community, and so it's natural when you see boards of selectmen turn over, you do see new candidates emerge for these positions. It's, perhaps, the spoil system, where somebody knows someone else who thinks the same way, and the person feels that they have a mandate, and would like someone in a position to help implement that

vision that he / she put out to the community. He asked if that made an impact on the decision that they make as a Charter Commission on how to make appointments, and asked if the nomination should be from and administrator exclusively, like a town manager that does all the interviewing, and then nominates to a board of selectmen or another elected appointing authority, or should it be the elected people putting in the citizenry.

Mr. Curran stated, as discussed earlier, the executive authority should be responsible for policy making decisions, and line functions be appointed by the manager, but still isn't sure that there will be enough candidates to fill the positions.

Mr. Manoogian stated that there used to be a time in Saugus when one of the most coveted positions was a seat on the planning board, and the planning board was seen as a place, obviously you needed zoning recommendations there, but whether a planning board was predisposed to scrutinize proposals to make sure that they were following sub-division rules and regulations, or is it the perspective that the planning board should move things along to help create a sustained tax base. We've had that pendulum swing over the years in Saugus, and generally it comes out of the Town Manager's Office. If a Town Manager wants to see more new revenue, he will look to people on land use boards and commissions that are more likely to approve development with a level of scrutiny that may not be perceived as excessive if there are those that feel there is over-development, such as the Selectmen, then the pressure's put on that we need to have people that are more careful about land use and so forth. It does translate, but it's not as transparent as it could be. It could be more apparent as to why these people are getting the appointments.

Mr. Curran responded that if the Selectmen were the ones making the appointments, it would be clearer. If you have a Selectman elected with one point of view, and someone appointed to the Planning Board with another point of view, there are going to be problems. The town isn't going to be going in a single direction. Ideally, to tie the appointment of the Planning Board to the policy makers is very important.

Ms. de Steuben said that she was thinking about the next step. Once the Members start talking about boards and committees, the policy making body or policy making person, the executive body / person, and what committees and boards they should appoint to, do we have to make a decision if we even want to have that in the charter, and how do the Members decide which ones to put in the Charter, and which ones not to.

Mr. Curran responded that usually two or three specific offices are mentioned and then a general statement with regard to policy offices and intergovernmental appointments.

Ms. de Steuben asked then, if they would also have in the Charter, who has the responsibility for creating those boards and committees, and said she assumed it would also have to be the policy making board or executive.

Mr. Curran replied that, yes, you have that general language.

Mr. Manoogian noted that Mr. Curran keeps using the term line agency, and then asked Mr. Decareau if he served on the Retirement Board, and if he was appointed by the Town Manager, to which he responded, yes. The Chairman then asked if that would be the type of board that is a line agency.

Mr. Curran responded that that's an exception. It is a local agency but is also a State agency, sort of like a housing authority. The town is implementing a section of the State General Law, and is subject to the State regulations.

Mr. Manoogian asked about a Council on Aging.

Mr. Curran stated that you can do anything you want with a Council on Aging. The statute on that is simply that a town, by by-law, can establish a Council on Aging.

The Chairman asked if that would be considered a policy making body.

Mr. Curran stated that if the Commission considers it one, they might want to have the Board of Selectmen appoint it. That is a judgment the Members would make as to whether it is a policy making board.

Mr. Manoogian asked Mr. Decareau if he was on that Council, to which Mr. Decareau replied, no, he was on the Friends of the Senior Center, and that the Council on Aging was appointed by the Town Manager. The Chairman then asked Mr. Decareau if he thought they made policy for the Senior Center, to which he replied that they would like to, but according to the director, she reports directly to the Manager, and they cannot tell her what to do, so there is a problem in that situation right now.

The Chairman explained to Mr. Curran that Saugus has a very active senior community. Demographically, the town is an older community in a statistically significant way, and the seniors are very active and engaged, and they are probably some of the most dedicated citizens. He then asked if the Charter Commission would take that into consideration when making the judgment as to who would do an appointment on a senior Council on Aging that is an important function in the community, and perhaps it should come directly as a Board of Selectmen appointment.

Mr. Curran responded that, as Mr. Decareau said, it points out a problem that the Members are going to have to look at when doing their Charter. He went on to say that one of the reasons for doing away with these multiple member bodies, is because you have a full time executive that is running the function. There is a director of the Council on Aging, appointed by the Manager, who runs the programs. The Council on Aging, under the statute, is supposed to create and manage programs of interest to the elderly, and co-ordinate those with State efforts. What it amounts to in the situation that Saugus has, is that the board is reduced to an advisory board. If you want the director to be responsive to the Council on Aging, then you want the director to be an employee of the Council on Aging.

Mr. Manoogian explained that the town has precedent for that with the Library Board of Trustees, who are appointed by the Board of Selectmen, and they in turn appoint the Library Director. They, and only they, hire the employees at the Library, not the Town Manager. The Town Manager controls the building, but the Trustees have the ultimate authority.

Mr. Curran suggested that is a distinction that they might want to keep in mind when they look at other departments as they are setting up the Charter.

Mr. Stewart stated that one of the boards he had contact with was the Youth Commission, and after his interview, a written correspondence came in from someone on that commission, and she felt that being a member was almost irrelevant, because all they did was sanction what the director, who is hired by the Town Manager, did, if they could get a quorum.

Mr. Manoogian said that he was wondering about the other side of the coin, though. Going back to the example of the Council on Aging, if they went down the road of having them directly appointed by the Board of Selectmen, and gave them the authority to hire and supervise the Senior Center Director, asking what that could portend for the community over a series of years. Could it create some sort of authority in and of itself, with its own political power base that could leverage perhaps at budget time, in a different way. A town manager could sit back and see something happening that, financially, might not be in the best interest of the town, but this group has so much political base that it's established, and become and

entity of their own right. Is that a danger, and what could the Members build in to protect from something like that.

Mr. Curran replied that the best control there is the budget. The manager is going to have the purse strings to control, and if he/she doesn't get cooperation from the Council on Aging, then sanctions can be imposed through the budget.

Ms. de Steuben referred back to the conversation on the Board of Health. She met with the Board of Health and the town has a separate Board of Health that is nominated by the Town Manager, and confirmed by the Board of Selectmen. Then the town has a separate department as well, and she was told that the Board of Health does make policy decisions.

Mr. Curran stated that they have the authority to do it, and the Health Director could promulgate regulations too, if you didn't have the board anymore. Some charters constitute that health professionals constitute the membership. The State Sanitary code goes into explicit detail in every aspect of public health, and there is really no need for a local Board of Health.

He went on to say that the Board of Assessors has been mention in recent years, all across the state, and he would assume in Saugus, there is probably a full time assessor who works for the board and does all the work. So, what the board has become, although still called a Board of Assessors, is a board of appellate review.

Mr. Manoogian noted a problem in Saugus that the Members have identified, that being that the Selectmen are the Sewer Commissioners, and Town Meeting Serves as the Water Commissioners, and asked what the practice is in towns that Mr. Curran is seeing.

Mr. Curran explained that some of it is a planning function, and the elected officials should be in charge of setting the rate, and would suggest the Board of Selectmen do both water and sewer.

The Members agreed, at the suggestion of the Chairman, to have the Clerk include a shaded box at the end of the Minutes to contain a list of items that they have reached consensus on, and add to it after each meeting.

Mr. Stewart made a motion to accept the suggested schedule of meetings with agenda items that Mr. Curran presented them with.

The Chairman seconded the motion

The motion passed **8-0**

NEXT MEETING DATE

Members agreed to schedule the next five meetings to take place on October 2, October 9, October 16, October 23, and October 30, 2008, all at 7:30 P.M., in the Town Hall Auditorium.

MEMBERS ANNOUNCEMENTS / MOTIONS

None at this time.

PUBLIC FORUM

None at this time.

ADJOURNMENT

Karen Cote moved to adjourn at 10:08 P.M.

The Chairman seconded the motion.

The motion passed **8-0**

APPROVED ON _____

SUBMITTED BY _____

Areas of Apparent Consensus

A professional administrator with the title of Manager

A screening committee to be used in the process of hiring a manager

Having policy reside in the hand of elected officials

An auditing function within the structure of town government

Auditing enhanced financial oversight of the School Department

25 to 35 member legislative body

Keeping quantity of 10 precincts

A mixture of at large and precinct specific representatives

Appointments to policy making boards would be by elected officials

Staggered terms

Provision for ethics or conflict of interest