

TOWN COUNCIL MAJORITY OFFICE

BUDGET COMMITTEE

JUNE 24, 2014

CORRECTED 06-26-14

PRESENT: Ram Aberasturia, Temporary Chair, Councillors Barbara-Ann Rossi and Anita Morrison

ALSO

PRESENT: Marcia Leclerc, Mayor
Michael Walsh, Finance Director
Esther Clarke, Councillor

~~ABSENT: Board of Education representatives:
Nate Quesnel, Superintendent
Jeff Curroy, Chair
Paul Mainuli, Director of Business Services~~

CALL TO ORDER

Temporary Chair Aberasturia called the meeting to order at 5:34pm.

NOMINATION OF OFFICERS:

Chair

MOTION By Barbara-Ann Rossi
seconded by Anita Morrison
to **nominate** Ram Aberasturia as **Chair**
of the Budget Committee
Motion carried 3/0.

Secretary

MOTION By Ram Aberasturia
seconded by Anita Morrison
to **nominate** Barbara-Ann Rossi as **Secretary**
of the Budget Committee
Motion carried 3/0.

ADOPTION OF RULES GOVERNING MEETINGS

MOTION By Barbara-Ann Rossi
seconded by Anita Morrison
to **adopt** Roberts Rules of Order as the rules that shall govern
parliamentary procedure at all subcommittee meetings, with the exception
that (1) the Chair shall not be required to restate the motion of any
Council member unless requested by another Councillor, or when in the

discretion of the Chair, such restatement is necessary to avoid any confusion as to the motion; and (2) where such rules are in conflict with the provisions of the State Statutes, the Town Charter or Town Ordinances.

Motion carried 3/0.

ESTABLISHMENT OF MEETING DATES

MOTION By Anita Morrison
seconded by Barbara-Ann Rossi
to **hold** meetings at the call of the Chair.
Motion carried 3/0.

STORAGE OF RECORDS

MOTION By Anita Morrison
seconded by Barbara-Ann Rossi
to **store** records in the Town Council office.
Motion carried 3/0.

APPROVAL OF MINUTES

February 5, 2013

MOTION By Barbara-Ann Rossi
seconded by Ram Aberasturia
to **approve** the February 5, 2013 minutes of the Budget Committee.
Motion carried 2/0. **Abstain:** Morrison

OPPORTUNITY FOR RESIDENTS TO SPEAK

None

OLD BUSINESS

Updates on Combining Services: IT, Legal and Purchasing

Finance Director Mike Walsh handed out copies of the following to all present:

1. June 9, 2014 memo from Mike Walsh to Mayor Marcia Leclerc re: **Financial Observations on the BOE FY 14 and FY 15 Budgets** indicating a “surplus” of **\$2.4** million for FY 14 which will be used to prepay debt, OPEB, and Health Benefits from the FY 15 budget. This will most likely culminate in a \$6 million request from the BOE by the year 2016.

2. **Actuarial Valuation** prepared by Milliman 7/1/2013 re: Town of East Hartford Other Post-Employment Benefits Program (OPEB) indicating a total accrued liability as of 7/1/2013 for the BOE in the amount of \$57,653,062, and for the Town in the amount of \$102,802,771 for a total amount of \$160,455,833.
3. **Proforma For Negotiations** from March 27, 2012 which the Town has fully implemented, but not the BOE. We were given examples from 818 Supervisors' Contract and Teamsters Contracts of the use of the proforma. A cap in the 1174 Contract will give the Town a net medical decrease in the amount of \$231,000 by using the Proforma suggestions. He also included a **Proforma for Collectively Bargained Labor Agreements** from March, 2014.
4. Finally, he gave us a draft by BlumShapiro dated June 23, 2014 of the **Proposal to Perform a Municipal and School District Shared Services Operational Study** related to the Finance and Human Resources functions. This proposal puts Purchasing and IT, Risk Management and Grants under "Finance", and Legal would be under Human Resources. It was suggested that the Budget Committee forward a copy of this report to all Town Council members, Board of Education members, as well as BOE Administrators. We will request that the Town Council Clerk accomplish this task as soon as possible.

Chair Aberasturia added that, as he understands it, the Board of Education will be meeting shortly to organize a Board of Education subcommittee to work with Mayor Leclerc's office and the Budget Committee in investigating opportunities for efficiency.

Update on Department Organizational Charts

This topic will be discussed at the next Budget Committee meeting. No further action taken at this time.

ADJOURNMENT

MOTION By Barbara Rossi
 seconded by Anita Morrison
 to **adjourn** (6:53 p.m.).
 Motion carried 3/0.

c: Town Council
 Mayor Leclerc
 Mike Walsh, Finance Director
 Nate Quesnel, Superintendent
 Jeff Currey, Chair, Board of Education
 Paul Mainuli, Director of Business Services, Board of Education
 Christopher Wethje, Human Resources, Board of Education