

**Tri-Board Negotiation Sub-committee**  
**Meeting Notes: May 22, 2007 @ 6:30 p.m. – Ayer Town Hall**

Present: Connie Sullivan, Marie Pinard, Frank Maxant, Mary Spinner, Carolyn Duff and Dan Sallet. Staff: Shaun Suhoski.

Mr. Suhoski distributed a discussion paper to the sub-committee. Though focused on health insurance costs, the group discussed several approaches to mitigate against future contractual cost inflation, including:

- Reduce Town's premium contribution to 70 percent (i.e. 70/30 split)
- Negotiate reduction in contribution levels within one contract cycle (immediate rather than phased over successive agreements)
- Create uniformity amongst all CBUs and non-union employees with respect to "benefits"
- Benefits generally to include: health insurance, leave (vacation, sick, personal)
- Cap or eliminate sick leave buyback uniformly
- Establish "use it or lose it" policy for vacation leave
- Create uniform step increases or potentially eliminate steps

The discussion also included ideas for incentives back to employees in consideration of constraining benefit levels:

- Offer lump sum cash payment (not to be added to base pay) as offset to higher employee costs
- Establish a health savings account (HSA) to fund co-payments, deductibles, etc. with pre-tax dollars
- Establish a flexible spending account (FSA) as option to cover day care, health care, etc. with pre-tax dollars
- Outsource benefits administration to third-party for above plans
- Contribute sufficient Town funds to above plans in first year sufficient to "make whole" employee compensation in the first year (the fund would thereafter adjust yearly at a lower rate than health insurance increases)
- Query whether above accounts preferred versus some form of annuity?

Additional Research / Issues

- The committee questioned whether the concept of HSA or FSA plans can be combined (i.e. day care, health care, deductibles, etc. all allowed)
- The committee asked whether technical assistance could be retained from a person experienced in human resources or benefits administration (Charlie Jones was suggested)
- The committee suggested that having the actual contract negotiating sessions (not strategy sessions) in open or public session would inform the community and provide better transparency

The Town Administrator was asked to: (1) contact Mr. Jones to inquire about technical assistance, (2) obtain legal advice regarding public negotiations, (3) compile Carolyn Duff's contract analyses into a spreadsheet, (4) draft a proposed MOU for Tri-Board that would bind the

three committees to confidentiality and solidarity during negotiations, and (5) determine the Town's vacation leave liability.

#### Next Meetings

The sub-committee agreed to meet on June 14 at 8AM in Town Hall to prepare for the full Tri-Board meeting to be called for Tuesday, June 26 at 7:00 p.m. at the school.

The full Tri-Board meeting would be focused upon establishing a uniform strategy for upcoming contract negotiations, reviewing and agreeing to a proposed MOU, and to formalize the "Negotiating Team(s)."