

Expense Control Task Force

Meeting Minutes

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Meeting Date: February 13, 2009	
Meeting Location: Edwin Dlott Meeting Room, Natick Town Hall	
Members in Attendance:	Patrick Hayes – Clerk Dirk Coburn Barbara Honthumb Bill Idzal Andres Rochwerger Jeffrey Silverstein Absent: Kristine Van Amsterdam – Chair , Tony Lista – Vice Chair,
Agenda	<ol style="list-style-type: none">1. Review and approve February 6, 2009 meeting minutes2. Review the Sassamon Trace Golf Course status3. Discuss and prioritize recommended Cost Savings and Cost Control opportunities in the Town’s various union contracts4. Scheduling next meeting(s)
Call to Order	The Meeting was called to order by Mr. Hayes acting as Chairperson with the absence of both Ms. Van Amsterdam and Mr. Lista
Agenda Item #1: Approval of Prior Meeting Minutes	The February 6, 2009 meeting minutes were reviewed and approved by a vote of 5-0-0.
Agenda Item #2: Review of the Sassamon Trace Golf Course Status	Mr. Hayes opened the discussion by providing an overview of the most recent Board of Selectmen’s meeting which had the Sassamon Trace Golf Course Open/Close decision on the agenda. Key points shared with the Task Force included: <ul style="list-style-type: none">• An overview of the Private Well Water irrigation system plans including more details as to how the well system and irrigation system will operate, the use of the holding pond on the golf course land to support a Sherborn private land owners commercial business, the cost to Natick for operating expenses for the watering system and the potential contracts

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	<p>aspects.</p> <ul style="list-style-type: none">○ There was general discussion about the concerns the Task Force has with respect to any new contracts being entered into by the Town with private parties, especially when the Town of Natick is currently encumbered with potentially unfavorable contracts with these same parties.○ Concern was also expressed about the true potential savings that the golf course will realize from this private well system if there are undocumented costs to the Town for returning the property to its prior state should the land lease terminate. As well, it is unknown whether there would be incremental costs to the town to dismantle the well water system if it should ever be shut down. <ul style="list-style-type: none">● A review of the proposed fee structure including the proposed surcharge fee for non-town residents to play the course and the fee for the high school golf team to use the course for scholastic match play. It was shared that the Board of Selectmen approved the fee structure with the exception of the non-resident surcharge and the scholastic match play fee.● A review of the acknowledgement by the Board of Selectmen that the golf course is running a deficit when including all direct and indirect costs and that it's unlikely that the gold course will cover costs in the foreseeable future, if ever. The current deficit is forecasted to be in the \$350,000 range, pending final budget approvals and rounds played in calendar year 2009.● Finally, it was shared with the Task Force that the Board of Selectmen did accept a recommendation from Selectwoman Van Amsterdam to revisit the Golf Course financial performance at the end of the current fiscal year to re-affirm the Go decision or to consider alternative strategies if the forecasts turned out to be to optimistic. <p>The Task Force followed this update with a general discussion on the golf course problem set. Amongst the key discussion points was a desire to reinforce through the Board of Selectmen our point of view that:</p> <ul style="list-style-type: none">● Any agreement with the Sherborn property owner around the well water and irrigation systems should:<ul style="list-style-type: none">○ Be both a legally binding contract and definitely written or reviewed and vetted by Town Counsel.○ Have a more detailed financial analysis completed and reviewed
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	<p>to understand the near-term and more importantly any longer term financial implications (i.e. all-in total costs)</p> <ul style="list-style-type: none"> ○ Limit or prohibit any direct or indirect operating expenses that can't be tranching into one year increments in order to improve the annual Go/No Go analysis. ● The Task Force strongly recommends that in advance of the June, 2009 status review by the Board of Selectmen, the Selectmen have the Expense Control Task Force conduct a more detailed and comprehensive independent analysis in advance of the Sassamon Trace Golf Course management read-out to the Selectmen in late June or early July.
<p>Agenda Item #3: Review Town's various union contracts and prioritize recommendations</p>	<p>The group used the list of potential contract cost savings/control opportunities that was brainstormed during the February 6, 2009 meeting. (That list is part of the February 6 meeting minutes.)</p> <p>Note: At this point, Mr. Coburn recused himself given the subject matter and left the meeting area.</p> <p>After general discussion amongst the Task Force members the group finalized the following as a non-prioritized list:</p> <ul style="list-style-type: none"> ● Ensure all contracts follow the same fiscal year schedule to be co-terminus with the Towns annual budget schedule. <ul style="list-style-type: none"> – This would include having any annual salary; COLA or benefits adjustments take affect at the start of the new fiscal year rather than at the start of a calendar year. ● Participate in any and all benefit programs that allow the Town to manage to the lowest cost providers on a year to year basis during the contract period, while maintaining continuity of benefits during the contract period <ul style="list-style-type: none"> – The intent is to provide appropriate coverage to our Town employees while allowing the broadest possible range of cost management and cost mitigation options to the Town in order for the Town to maximize flexibility in which plans to consider and offer on an annual basis – This approach is a best practice that has become well-accepted in the Private Sector and helps to manage long term costs ● Cap the health care contributions from the GenGov and SC/NSD side, even if that means employees share or annual premiums or co-pays increases yearly. Consider including Health Savings Accounts

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	<p>as an integral part of the health benefits plan</p> <ul style="list-style-type: none">• Fully understand the costs of contracts, salary, direct benefits, and indirect benefits, as well as incremental pay treatments such as step-ups, longevity bonus, training bonus, sick day buy-backs, etc; Consistent with that analysis review all work rules that impact costs on an annual and longer-term basis (e.g. minimum shift requirements for Fire Department, using FF for Smoke Detector certifications, etc.)• Establish a mechanism that salary and other direct compensation payments move up or down based on a percent of total town revenues; or, approach COLA adjustments both upward and downward using indices that correlate closer to town revenues.
Agenda Item #4: Next Meeting Date	It was determined the next meeting will be scheduled for February 27, 2009.
Agenda Item Last: Adjournment	A motion was made to end the Task Force Meeting; a second was received and the motion carried to adjourn the meeting
	Respectfully yours, Patrick Hayes Clerk