

Town of Ayer

Benefits and Payroll Department



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Memorandum

Date: January 20, 2016

To: Town Administrator Robert Pontbriand

From: Kevin A. Johnston *KAS*

Subject: Monthly Report – December 2015

The December 2015 monthly report for the Benefits and Payroll Office includes:

- Affordable Care Act Reporting – Work continued on Affordable Care Act (ACA) reporting for calendar year 2015. A worksheet to verify local information was developed and DRAFT forms were completed to test the data. On December 28th the Internal Revenue Service (IRS) extended the deadline for providing ACA reporting forms to employees to March 31, 2016 and the date for filing with the IRS to May 31, 2016 for paper submissions and June 30, 2016 for electronic filing. Data compilation will continue when W-2s are completed in January.
- Minuteman Nashoba Health Group (MNHG) Directors Meeting – I attended the MNHG Board of Directors meeting on December 8th. The Treasurer's report is showing a good trend for the FY16 plan year; \$2.2M of uncommitted fund balance was allocated for expenditure in FY16 and six months into the plan year only \$400K has been needed. If this trend continues a higher than projected fund balance will be available for future use. The Board suggested using a 10% health benefits increase for budget planning; FY17 rate increases will be discussed at the February 2016 Board meeting. Tufts, Harvard Pilgrim and Fallon are working to provide CY15 ACA reporting information for each member group. The MNHG Wellness Program will have a newsletter in 2016 and will have more programs at the MNHG level for all employees; more info on this is expected in February.
- Middlesex County Retirement System (MCRS) Advisory Council – I attended the MCRS Advisory Council meeting with the Treasurer on December 16th. The bi-annual actuarial valuation will likely see a small investment gain since 2014, however, there will also be deferred investment losses in the valuation. Some actuarial assumptions will be considered including reducing the investment assumption to 7.75%. Initial estimates are a 6.5% increase in the annual assessment for FY18 & 19, but this increase will vary for each unit because of local salary increases, employment changes, and changes to the local retiree base. More information will be available in late spring.
- Personnel Board – Work continues with the Personnel Board on the Prevention of Unlawful and Sexual Harassment Policy and CORI Policy. Suggestions from the Personnel Board are included in updated DRAFT documents that will be presented in January.