Town of Ayer Benefits and Payroll Department

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Memorandum

Date: June 21, 2021

To: Town Manager Robert Pontbriand

From: Kevin A. Johnston

Subject: Monthly Report – May 2021

The May 2021 monthly report for the Benefits and Payroll Office includes the following:

Health and Dental Benefits Open Enrollment

Open enrollment changes for health and dental benefits were processed for the plan year beginning on June 1, 2021.

Flexible Spending Account (FSA) Open Enrollment

The annual open enrollment period for the FSA was conducted in May for the plan year beginning June 1, 2021.

Minuteman Nashoba Health Group (MNHG)

The MNHG Steering Committee and Board of Directors met on May 10th via ZOOM. A report on the meeting includes:

- The FY 2020 audit exit interview. CPA Bill Fraher reported the MNHG is in a strong financial position with not material findings in the audit.
- The MNHG undesignated fund balance is \$8.5M through 3/31/21.
- The MNHG voted to change the plan year from June 1 May 31 to July 1 June 30 effective in FY23.
- Fallon Health Care issued a statement of confidence to maintain their contracts through the end of FY22 when Fallon is leaving the commercial market. Joseph Anderson from Gallagher is meeting with health benefits carriers and planning strategies for MNHG for FY23.

Middlesex County Retirement System (MCRS)

The MCRS Advisory Council met via ZOOM on May 19th. Discussion included:

- CY 2021 investment rate of return is over 4.0% for the quarter ending March 31, 2021.
- PERAC affirmed their recommendation to move the actuarial investment rate of return to 7.0% from the current 7.3%. The Board will consider the impact of additional reductions in the investment rate of return for the 1/1/2022 system valuation. MCRS is projected to be fully funded in 2037 with current actuarial assumptions.
- The FY22 budget was approved by the Advisory Council.