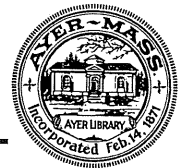


# Town of Ayer

## Benefits and Payroll Department

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## Memorandum

**Date:** June 21, 2022

**To:** Town Manager Robert Pontbriand

**From:** Kevin A. Johnston *KAS*

**Subject:** Monthly Report – May 2022

The May 2022 monthly report for the Benefits and Payroll Office includes the following:

### Minuteman Nashoba Health Group (MNHG)

- An in-person Health Fair was held in the Great Hall on Thursday, May 5<sup>th</sup> from 11:00 am 1:00 pm. Representative from Blue Cross Blue Shield, Fallon Senior Plan, Tufts Health Plan, Harvard Pilgrim Health Plan, Altus Dental Benefits, Boston Mutual Life Insurance, Abacus Health, the Minuteman Nashoba Health Group Wellness program, and the Massachusetts SMART Plan Deferred Compensation Program were available to meet with employees to answer questions and assist with enrollments.
- The transition from Fallon Health Care to Blue Cross Blue Shield Health Benefits is on track for the July 1, 2022, implementation. Current Fallon Health Care subscribers will be automatically transitioned to Blue Cross Blue Shield for July 1<sup>st</sup>; this is expected to be completed by the third week of June.

### Middlesex County Retirement System (MCRS)

The MCRS Advisory Council met on May 25<sup>th</sup>, discussion at the meeting included:

- Preliminary Actuarial Valuation results as of January 1, 2022, show the following:
  - The actuarial investment rate of return for 12/31/2020 is 9.21% and for 12/31/2021 is 11.89% resulting in a net asset gain.
  - The recommendation is to reduce the investment rate of return from the current 7.30% target.
  - Funding scenarios for a rate of return reduction to 7.15% and 7.00% were presented to the Advisory Council for their consideration
- The Advisory Council recommended an investment rate of return reduction to 7.15% with annual increases of 6.5% through 2028 and 3.94% increases through full funding in 2036. Assuming all the actuarial assumptions are met, this recommendation fully funds the Middlesex County Retirement one year earlier in than the current funding schedule for full funding in 2037.
- The Middlesex County Retirement Board will consider this recommendation in their discussion about reducing the investment rate of return and the funding schedule for MCRS.