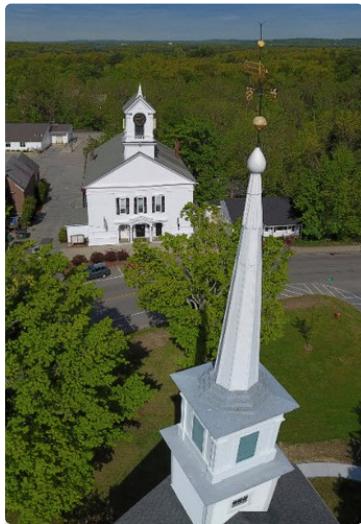


Town Manager Report

Town of Lunenburg-October 20, 2020



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Announcement on Existing Vacancies:

The following is a list of vacancies on the following committees:

- Architectural Preservation District Commission (1 vacancy)
- Cultural Council (1 vacancy)
- Historical Commission (1 vacancy)
- Parks Commission (1 vacancy)
- TCP Building Design Committee (1 vacancy appointed by Select Board and Town Moderator for member at large)
- Zoning Board of Appeals (1 Associate vacancy)

Interested persons can find application forms on the Town Website and completed forms can be sent to the Select Board's Office.

Trunk or Treat:

The Parks and Recreation Director has been organizing a Trunk or Treat event that will be a drive by Trunk or Treat for Lunenburg families. There will be 25 businesses/organizations participating as the "trunks" that will be set up around the MS/HS parking lot passing out treats. There were a number of

families on the wait list for this event, that have now been included in the 250 maximum participants. The event will be held on Saturday, October 31st from 10:30 a.m. until 2:30 p.m.

Complete Streets Update:

At the September 22nd Select Board's meeting, WorldTech Engineering presented the project design and next steps in regards to the Complete Streets Construction funding the Town was awarded. WorldTech Engineering discussed the process of putting the design documents together in order to put the project out to bid with a spring construction start. A member of the public asked about the overall cost of the project and how much the engineer's cost for this project would be. As discussed during the process of putting the Complete Streets application together and prior to submitting a request for construction funding, the total estimated amount of the work to be done on Memorial Drive, the pedestrian crossing from the Ritter to Town Hall, and the Main Street at Oak Avenue Sidewalk connection is \$560,000. The engineer's fee for this project, which covers the design for the whole project (\$560,000) is \$45,000 (approximatley 8%). This is well below the typical 12-15% of projects of this size and type. The scope covers all survey work needed, design, preparation of contract bid documents and bid phase assistance. The grant will cover \$258,460 of the total cost, \$22,000 of the cost will be covered by the capital project for ADA Ramp and Sidewalk improvements to the sidewalk in front of Town Hall, and the remainder (estimated \$324,540) will be paid out of Chapter 90 funds as was discussed at the various meetings the Board has had on this topic when developing a Complete Streets construction project application.

Grant Received by the Town Clerk:

The Town Clerk applied for and received a grant for \$5,000 from the Center for Tech and Civic Life for the purpose of planning and operating a safe and secure election in 2020. These funds can be used towards ballot drop boxes, poll worker recruitment, hazard pay, training expenses, polling place rental, cleaning expenses, temporary staffing, vote by mail or absentee voting equipment and election administration equipment.

Post 65 Program:

Our Health Insurance Account representative and the Health Trust Project Manager under MIIA approached us in late September about participating in the Post 65 program that would move a small subset of retirees over age 65 that are not eligible to receive free Medicare Part A, as they were hired prior to 1986 and were not required to contribute to Social Security to a Medicare plans. Therefore, this small group of retirees did not earn the required 40 quarters to qualify for free Medicare Part A. These retirees became known as "Medicare ineligibles" and remained on the HMO and PPO plans with the active employees and under 65 retirees.

The Post 65 program was a concept that originated with Blue Cross Blue Shield of MA quite a few years ago and it was first introduced in the Town of Ware as a pilot program. MIIA has since rolled it out to other much larger groups with some help from Social Security. MIIA has transitioned over 300 retirees to date and estimates that the program is now saving these municipalities close to \$10 million dollars annually combined.

Keeping this small subset of retirees in our HMO and PPO population is a contributing factor to our overall claims costs. In general they require more medical care and are prescribed more pharmaceuticals. Medical cost and prescription trends have increased dramatically over the past decade and MIIA estimates that this population incurs \$2 in claims costs for every \$1 of premium

dollars that is paid toward their coverage by the municipal entities and the retirees themselves. MIIA has worked with BCBS on claims analysis and continues to monitor the cost impact annually. On average each individual retiree and spouse in this population will incur about \$20,000 in medical and prescription costs per year, directly impacting the claims and premium increases for the Town. This program allows us to shift these claims to Medicare.

As part of participating in the program, the Town would agree to pay the Part A premium, Part A and B penalties for these retirees and MIIA would offer a 2% discount on our active health insurance rate renewal for FY22 in order to offset the initial costs of making this transition on July 1, 2021. By moving these retirees from our active to retiree plans it is estimated this will shift approximately \$220,000 in claims annually to Medicare. The claims savings and lower Medex premium are benefits to the Town. Our Payroll Coordinator and Health Insurance consultant did a full analysis of the cost of moving this pool of retirees from active plans to Medicare plans and this would equate to a minimum savings of approximately \$52,000 in the first year.

I also spoke with our actuary Parker Elmore regarding the effect on our Other Postemployment Benefits (OPEB) and he highly recommended moving forward with participating in this program. Participating in a Medicare Buy-In program has something he has spoken about with the Town since at least 2017 and was also included in the last actuarial report for fiscal year ending June 30, 2020. In that report, that although it will cost the Town to buy into this program, this cost will be far less than the cost of the claims that the associated retirees are expected to incur. Our actuary estimated this will yield an approximate \$5-6 Million reduction in OPEB liabilities.

This change must be agreed to by the Public Employee Committee, which we have a meeting tomorrow and if agreed to, we would need to notify MIIA by the end of the week.

Fraudulent Unemployment Claims:

A number of municipalities across the state have been receiving fraudulent unemployment claims filed in the names of current employees and according to the Department of Unemployment Assistance this is part of a national unemployment fraud scheme. As of October 19th a total of 21 unemployment claims have been identified as fraudulent. The Payroll/Benefits Coordinator receives notice of new claims, contacts the employee to verify if a valid claim and if it is fraudulent notifies the employee of the process they need to follow, the Payroll/Benefits Coordinator also notifies the Department of Unemployment Assistance that the claim is fraudulent, and the employee has been told to notify the Police Department as well to file a police report. To date the Town has not been charged for any of these fraudulent claims but if we were to be charged it would be follow the standard appeal process under the Department of Unemployment Assistance.

Sale of Surplus Vehicles through Municibid:

The Department of Public Works Administrative Assistant advertised surplus vehicles and equipment on Municibid, an online auction site, and four vehicles and one piece of equipment was sold for a total of \$12,455. The DPW Administrative Assistant is proceeding to advertise 10 surplus police cruisers on Municibid with the auction going live tomorrow. This will be a general fund receipt and will be considered surplus revenue taken in during FY21.

Update on DPW Director Search:

After receiving the DPW Director's written notice on September 21st that his last day before retirement would be on October 30th, the Assistant Town Manager/HR Director advertised the position that

same week on the town website, the American Public Works Association, the newspaper and on Indeed.com with a preference given to applicants that submitted applications by October 14th, but the position will be open until filled. To date we have received 7 applications and after pre-screening the applications we will be interviewing the 4 candidates that met the qualifications.

Meetings, Events and Other Announcements:

- The School Committee will be meeting through Zoom on Wednesday, October 21st at 6:30 p.m.
- The Conservation Commission will be meeting through Zoom on Wednesday, October 21st at 7:00 p.m.
- The TCP Building Design Committee will be meeting through Zoom on Thursday, October 22nd at 5:30 p.m.
- The Historical Commission will be meeting through Zoom on Monday, October 26th at 6:30 p.m.
- The Planning Board will be meeting through Zoom on Monday, October 26th at 6:30 p.m.
- The Sewer Commission will be meeting through Zoom on Tuesday, October 27th at 5:00 p.m.
- Town Counsel has office hours on Wednesday, October 28th from 1-5 p.m.
- The Special Town Meeting will be held on Tuesday, November 17th at 7 p.m.

