



Report of the Town Manager

February 8, 2016

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1. Financial Updates-

- a. **Meeting with Representatives from the State Department of Revenue**
Board Chair Mike Barbaro, Town Accountant Donna Allard and I met with the DOR on Thursday to review the progress made by Winchendon since the Division of Local Services report was issued in July 2015. I provided DOR representatives a written summary responding to each of the 24 findings in the report. A copy of what I provided to the DOR is attached. Overall the DOR seemed to be satisfied with the progress made since the issuance of their July report. The DOR representatives will continue to check in on Winchendon's progress in the foreseeable future.
- b. **Health Stop Loss Audit Update** – Town consultant Cook & Company has audited the last two years' stop loss claims when your policy was with Blue Cross and Blue Shield. The audit was for FY14 and FY15 (through February 2015). Cook and Company has confirmed that all money due back to the Town for excess claims was appropriately reimbursed. In total for the two years, the Town received \$704,000 in reimbursements.
- c. **Release of Escrowed Working Deposit Funds by Blue Cross** - Blue Cross has agreed to release an additional \$287,804.71 of the Town's working deposit making a total of \$587,804.71 that will be returned in February. Blue Cross will still be holding a balance of \$100,000 to pay future claims. A release date is not known at this time.

2. Personnel Updates-

- a. There are no personnel updates

3. Project Updates-

- a. The Harris Road bridge project was recently awarded to Kodiak Corporation in the amount of \$2,129,943. The Bid was opened on December 1, 2015. A Notice to Proceed has not been issued by MassDOT. MassDOT's Resident Engineer will be in contact with the Town once a Notice to Proceed is issued. Al Gallant expects the bridge work to begin in the spring. The Town's contribution to the project was legal fees and easement recording fees totaling \$5,000.

4. Miscellaneous Updates

- a. **Community Compact** - As the Board is aware the Town of Winchendon's request to participate in the Massachusetts Community Compact has been approved. The Lieutenant Governor will be meeting with area communities in Athol on Thursday, February 11th at noon to sign compact agreements with communities that have joined the compact including Winchendon. Chairman Barbaro and I are planning on attending. If any other Board member would like to attend please let me know. Below is the text of the compact application Acting Manager Lynch submitted.

Best Practice Personnel System Area #1

Why did you choose this best practice?	The Town of Winchendon does not have a current comprehensive personnel system of pay and classification, or terms of employment. The result is a fragmented and random personnel management system
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Best Practice Financial Management Area #2

Financial Management Best Practice	Capital Planning // Best Practice: Funding capital needs on a regular basis is critical to maintaining publicly-owned assets and delivering services effectively. The community develops and documents a multi-year capital plan that reflects a community's needs, is reviewed annually and fits within a financing plan that reflects the community's ability to pay.
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Why did you choose this best practice?	The Town of Winchendon does not have a comprehensive capital management program.
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Best Practice Housing & Economic Development Area #3

HED Best Practice:	Job Creation and Retention // Best Practice: There is a documented economic development plan which leverages local economic sector strengths, regional assets, encourages innovation and entrepreneurship, and demonstrates collaboration with educational institutions for the development of a workforce plan.
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Why did you choose this best practice? The Town of Winchendon needs to create a comprehensive strategy, built upon its existing assets, to promote economic development for the Town.

- b. I attended a joint water meeting with representatives from the Town of Ashburnham to continue discussions about extending Veolia's contract for another five years and how the proposed Capital Improvement Project was going to be funded. After a brief discussion the voting members voted unanimously to share the CIP costs equally. Originally Ashburnham was proposing to have Winchendon's share of the CIP costs be 60% based on Winchendon's overall water consumption. This decision will save Winchendon between \$100,000 and \$200,000 over ten years.