



CITY CLERK
GLOUCESTER, MA

13 MAY 16 AM 8:39

GLOUCESTER CITY COUNCIL

9 Dale Avenue, Gloucester, MA 01930
Office (978) 281-9720 Fax (978) 282-3051

Budget & Finance Committee

Thursday, May 23, 2013 – 6:00 p.m.
1st Fl. Council Committee Rm. – City Hall

AGENDA

(Items May be taken out of order at the discretion of the Committee)

1. *Discussion of OPEB Liabilities with Daniel J. Rhodes, Consulting Actuary, The Segal Company*
2. *Special Budgetary Transfer Request #2013-SBT-036 from Police Department*
3. *Memorandum from Police Chief re: increase in parking fees for Crosswalk Parking & Loading Zone Parking*
4. *Supplemental Appropriation-Budgetary Request #2013-SA-125 from the Fire Department*
5. *Special Budgetary Transfer Requests from the Department of Public Works: #2013-SBT-35 (Facilities) #2013-SBT-37; #2013-SBT-38*
6. *Supplemental Appropriation-Budgetary Transfer Request #2013-SA-124 from the Highway Force Account*
7. *Memorandum, Grant Application & Checklist from City Auditor re: City Council acceptance of an Additional Early Retiree Reinsurance Program Grant in the amount of 12,483 from the U.S. Department of Health & Human Services*
8. *Special Budgetary Transfer Requests #2013-SBT-033 and #2013-SBT-034 from the Community Development Department*
9. *Memorandum from Senior Project Manager of the Grants Department re: Program Year 2013 CDBG & HOME Grants*
10. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization And Auditor's Report*

COMMITTEE

Councilor Paul McGeary, Chair
Councilor Joseph Ciolino, Vice chair
Councilor Melissa Cox

Back-up and Supporting Documentation all on file at the City Clerk's Office, City Hall

CC: Mayor Carolyn Kirk
Jim Duggan
Kenny Costa
Jeffrey Towne
Police Chief Leonard Campanello
Fire Chief Eric Smith
Mike Hale
Tom Daniel/Debbie Laurie

The listing of matters is those reasonably anticipated by the Chair which may be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

City of Gloucester

Actuarial Valuation and Review of Other
Postemployment Benefits (OPEB) as of
June 30, 2011 in accordance with
GASB Statements No. 43 and No. 45

CITY CLERK
GLOUCESTER, MA
12 DEC 17 PM 2: 59

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★ SEGAL



THE SEGAL COMPANY
116 Huntington Ave., 8th Floor Boston, MA 02116
T 617.424.7300 F 617.424.7390 www.segalco.com

December 7, 2012

Mr. Kenny Costa
City Auditor
9 Dale Avenue
City Hall
Gloucester, MA 01930

Dear Mr. Costa:

We are pleased to submit this report on our actuarial valuation of postemployment welfare benefits as of June 30, 2011 under Governmental Accounting Standards Board Statements Number 43 and 45. It establishes the liabilities of the postemployment welfare benefit plan in accordance with GASB Statements Number 43 and 45 for the fiscal year ending June 30, 2012 and summarizes the actuarial data.

This report is based on information received from the City. The actuarial projections were based on the assumptions and methods described in Exhibit II and on the plan of benefits as summarized in Exhibit III.

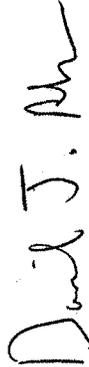
We look forward to discussing this with you at your convenience.

Sincerely,

THE SEGAL COMPANY

By: 
Kathleen A. Riley, FSA, MAAA, EA
Senior Vice President and Actuary

7718067v2/13495.003


Daniel J. Rhodes, ASA, FCA, MAAA
Consulting Actuary

SECTION 1

EXECUTIVE SUMMARY

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SECTION 2

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A COMPLETE COPY OF THE SEGAL GROUP, INC. REPORT:

**ACTUARIAL VALUATION & REVIEW OF OTHER POSTEMPLOYMENT
BENEFITS (OPEB) AS OF JUNE 30, 2011 IN ACCORDANCE WITH GASB
STATEMENTS NO. 43 & NO. 45**

**IS ON FILE IN THE CITY CLERK'S OFFICE AND MAY BE VIEWED DURING
BUSINESS HOURS.**

**City of Gloucester
Special Budgetary Transfer Request
Fiscal Year 2013**

X INTER-departmental requiring City Council approval - 6 Votes Required
 INTRA-departmental requiring City Council approval - Majority Vote Required

TRANSFER # 2013-SBT- 36 Auditor's Use Only

DEPARTMENT REQUESTING TRANSFER: Police

DATE: 4/16/2013 BALANCE IN ACCOUNT: \$ 43,531.77

(FROM) PERSONAL SERVICES ACCOUNT # 101000.10.211.51950.0000.00.000.00.051
Unifund Account #

(FROM) ORDINARY EXPENSE ACCOUNT # _____
Unifund Account #
Police-Uniform, Career Incentive Pay
Account Description

DETAILED EXPLANATION OF SURPLUS: 3 officers budgeted for who did not have Criminal Justice Degrees.

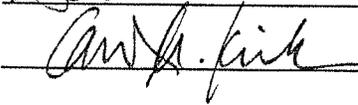
(TO) PERSONAL SERVICES ACCOUNT # 101000.10.212.51950.0000.00.000.00.051
Unifund Account #

(TO) ORDINARY EXPENSE ACCOUNT # _____
Unifund Account #
Police-Investigation, Career Incentive Pay
Account Description

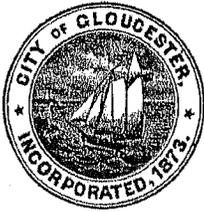
DETAILED ANALYSIS OF NEED(S): Account under budgeted for.

TOTAL TRANSFER AMOUNT: \$ 826.12 NEW BALANCE IN ACCOUNTS AFTER TRANSFER
 FROM ACCOUNT: \$ 42,705.65
 TO ACCOUNT: \$ -

APPROVALS: 

DEPT. HEAD:  DATE: 4/16/13
 ADMINISTRATION:  DATE: 5/8/13
 BUDGET & FINANCE: _____ DATE: _____
 CITY COUNCIL: _____ DATE: _____

COPY TO: J. Duggan 4-16-13



GLOUCESTER POLICE DEPARTMENT
Office of the Chief of Police
197 Main Street
Gloucester, MA 01930

Chief Leonard Campanello
(978)281-9775

RECEIVED

APR 16 2013

Mayor's Office

Memorandum

April 11, 2013

To: Mayor Carolyn Kirk

From: Leonard Campanello

RE: Request for increase in Parking fines

Mayor,

After conferring with my Parking Enforcement Officers, I would respectfully ask to have the City Council consider the following increases in Parking fines throughout the City:

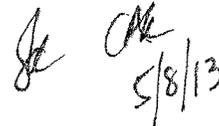
Cross Walk Parking: Increase from \$15.00 to \$25.00
Loading Zone Parking: Increase from \$15.00 to \$25.00

These increases do not affect any timed parking areas, whether kiosk or meters, and they are geared toward safety of pedestrians, easing congestion in loading areas, and the well-being of our less than able bodied citizens. I believe these increases to be focused, reasonable and not an overburden to residents.

I have enclosed fee structures for six surrounding communities. I think you will see that these increases would be in line with the area.

Respectfully,


Leonard Campanello
Chief of Police


5/8/13



Office of the Fire Chief
Eric L. Smith
CITY OF GLOUCESTER FIRE DEPARTMENT
8 School St.
Gloucester, MA 01930
978-281-9760 office



Memorandum

TO: Mayor Smith
FR: Chief Smith
RE: Special Budgetary Transfer Request
DT: 5-7-13

cc: Sue Mills

Mayor Kirk,

Due to a significant portion of our firefighter having turnout gear that is nearing its end of service life I have a significant expense that must be addressed for life safety. I am therefore requesting a specialist budgetary transfer request of the \$25,000.00 from account 101000.10.220.58700.0000.00.000.00.058 (Replacement of Equipment) to account 101000.10.220.55810.0000.00.000.00.054 (Work/Safety Cloths). I would like this processed as quickly as possible.

Best regards,

A handwritten signature in black ink, appearing to be "E. Smith".

Fire Chief Eric Smith

Handwritten initials in black ink, possibly "JS".

CMK
5/8/13

City of Gloucester
SUPPLEMENTAL APPROPRIATION - BUDGETARY REQUEST
Fiscal Year 2013

****CITY COUNCIL APPROVAL- 6 VOTES NEEDED****

APPROPRIATION # 2013-SA- 125 Auditor's Use Only

DEPARTMENT REQUESTING TRANSFER: FIRE DEPARTMENT

APPROPRIATION AMOUNT: \$ 25,000.00

Account to appropriate from:

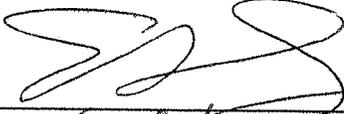
Unifund Account #	<u>101000.10.220.58700.0000.00.000.00.058</u>
Account Description	<u>FIRE DEPARTMENT, REPLACEMT OF EQUIPMT</u>
Balance Before Appropriation	\$ <u>25,000.00</u>
Balance After Appropriation	\$ <u>-</u>

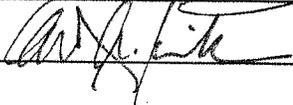
Account Receiving Appropriation:

Unifund Account #	<u>1010000.10.220.55810.0000.00.000.00.054</u>
Account Description	<u>FIRE DEPARTMENT, WORK/SAFETY CLOTHES</u>
Balance Before Appropriation	\$ <u>4,268.85</u>
Balance After Appropriation	\$ <u>29,268.85</u>

DETAILED ANALYSIS OF NEED(S): THIS FREE CASH WAS INTENDED FOR APPARATUS TOOLS.
THERE IS A LIFE SAFETY NEED TO PURCHASE TURN-OUT
GEAR.

APPROVALS:

DEPT. HEAD:  DATE: 5/7/2013

ADMINISTRATION:  DATE: 5/8/13

BUDGET & FINANCE: _____ DATE: _____

CITY COUNCIL: _____ DATE: _____

**City of Gloucester
Special Budgetary Transfer Request
Fiscal Year 2013**

____ INTER-departmental requiring City Council approval - 6 Votes Required
 ____ INTRA-departmental requiring City Council approval - Majority Vote Required

TRANSFER # 2013-SBT- 35 Auditor's Use Only

DEPARTMENT REQUESTING TRANSFER: DPW Facilities

DATE: 4/23/2013 BALANCE IN ACCOUNT: \$ 107,407.85 ✓

(FROM) PERSONAL SERVICES ACCOUNT # _____ *Unifund Account #*
 (FROM) ORDINARY EXPENSE ACCOUNT # _____ *Unifund Account #*
101000.10.472.51100.0000.00.000.00.051
DPW Facilities Permanent Positions
Account Description

DETAILED EXPLANATION OF SURPLUS: Funds available for transfer

(TO) PERSONAL SERVICES ACCOUNT # _____ *Unifund Account #*
101000.10.470.51300.0000.00.000.00.051
 (TO) ORDINARY EXPENSE ACCOUNT # _____ *Unifund Account #*
DPW Public Services Overtime
Account Description

DETAILED ANALYSIS OF NEED(S): Funds needed for overtime needs for the rest of the fiscal year.

TOTAL TRANSFER AMOUNT: \$ 30,000.00 ✓ NEW BALANCE IN ACCOUNTS AFTER TRANSFER
 FROM ACCOUNT: \$ 77,407.85
 TO ACCOUNT: \$ 31,334.00 ✓

APPROVALS: JOT
 DEPT. HEAD: [Signature] DATE: 24 April 13
 ADMINISTRATION: [Signature] DATE: 5/8/13
 BUDGET & FINANCE: _____ DATE: _____
 CITY COUNCIL: _____ DATE: _____

**City of Gloucester
Special Budgetary Transfer Request
Fiscal Year 2013**

INTER-departmental requiring City Council approval - 6 Votes Required *OK*
 INTRA-departmental requiring City Council approval - Majority Vote Required

TRANSFER # 2013-SBT- 37 Auditor's Use Only

DEPARTMENT REQUESTING TRANSFER: DPW

DATE: 4/26/2013 BALANCE IN ACCOUNT: \$ 8,064.36 ~~8,475.00~~

(FROM) PERSONAL SERVICES ACCOUNT # Unifund Account #
(FROM) ORDINARY EXPENSE ACCOUNT # Unifund Account #
101000.10.411.52000.0000.00.000.00.052

Engineering Contract Services

DETAILED EXPLANATION OF SURPLUS: Funds available for transfer

(TO) PERSONAL SERVICES ACCOUNT # Unifund Account #
(TO) ORDINARY EXPENSE ACCOUNT # Unifund Account #
101000.10.421.57100.0000.00.000.00.057

Administration In-State Travel

DETAILED ANALYSIS OF NEED(S): Funds needed for M. Hale's gas expenses for the rest of the fiscal year.

TOTAL TRANSFER AMOUNT: \$ 1,250.00 NEW BALANCE IN ACCOUNTS AFTER TRANSFER
FROM ACCOUNT: \$ 6,814.36 ~~7,925.00~~
TO ACCOUNT: \$ 1,477.00

APPROVALS:
DEPT. HEAD: *[Signature]* DATE: 29 April 2013
ADMINISTRATION: *[Signature]* DATE: 5/8/13
BUDGET & FINANCE: _____ DATE: _____
CITY COUNCIL: _____ DATE: _____

**City of Gloucester
Special Budgetary Transfer Request
Fiscal Year 2013**

INTER-departmental requiring City Council approval - 6 Votes Required *PK*
 INTRA-departmental requiring City Council approval - Majority Vote Required

TRANSFER # 2013-SBT- 38 *Auditor's Use Only*

DEPARTMENT REQUESTING TRANSFER: DPW Solid Waste

DATE: 5/2/2013 BALANCE IN ACCOUNT: \$ 20,000.00

(FROM) PERSONAL SERVICES ACCOUNT # Unifund Account #
(FROM) ORDINARY EXPENSE ACCOUNT # Unifund Account # 53960
1010000.10.403.5458.0000.00.000.00.052
DPW Solid Waste Rubbish Contract
Account Description

DETAILED EXPLANATION OF SURPLUS: Funds available for transfer

(TO) PERSONAL SERVICES ACCOUNT # Unifund Account # 101000.10.499.54850.0000.00.000.00.054
(TO) ORDINARY EXPENSE ACCOUNT # Unifund Account #
DPW Central Parts & Accessories
Account Description

DETAILED ANALYSIS OF NEED(S): Funds needed for vehicle parts for the rest of the fiscal year.

TOTAL TRANSFER AMOUNT: \$ 20,000.00 NEW BALANCE IN ACCOUNTS AFTER TRANSFER
FROM ACCOUNT: \$ -
TO ACCOUNT: \$19,509.92

APPROVALS:
DEPT. HEAD: *PK* *Michael B. Hill* DATE: 5/2/13
ADMINISTRATION: *Andrew Smith* DATE: 5/8/13
BUDGET & FINANCE: _____ DATE: _____
CITY COUNCIL: _____ DATE: _____

**City of Gloucester
SUPPLEMENTAL APPROPRIATION - BUDGETARY REQUEST
Fiscal Year 2013**

****CITY COUNCIL APPROVAL- 6 VOTES NEEDED****

Mc

APPROPRIATION # 2013-SA- 124 Auditor's Use Only

DEPARTMENT REQUESTING TRANSFER: Highway Force Account

APPROPRIATION AMOUNT: \$ 40,000.00

Account to appropriate from:

Unfund Account #

294015.10.991.59600.0000.00.000.00.059

284075

Account Description

Highway Force Account, Trans. to GF

Balance Before Appropriation \$ 50,874.00

Balance After Appropriation \$ 10,874.00

Account Receiving Appropriation:

Unfund Account #

101000.10.470.58415.0000.00.000.00.058

Account Description

Public Service Paving

Balance Before Appropriation \$ 3,998.56

Balance After Appropriation \$ 43,998.56

DETAILED ANALYSIS OF NEED(S): Funds needed for spring paving program.

APPROVALS:

DEPT. HEAD:

Mc

Michael B. Hill

DATE:

5/1/13

ADMINISTRATION:

Chris. Pitt

DATE:

5/8/13

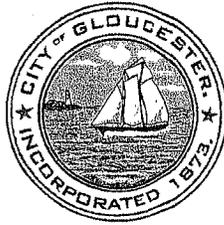
BUDGET & FINANCE:

DATE:

CITY COUNCIL:

DATE:

City Hall
Nine Dale Avenue
Gloucester, MA. 01930



TEL 978 281 9730
FAX 978 281 8472

CITY OF GLOUCESTER
CITY AUDITOR'S OFFICE

MEMORANDUM

TO: Jackie Hardy, City Council President
FROM: Kenny Costa, City Auditor *KC*
RE: Early Retiree Reinsurance Program Grant
Date: April 22, 2013

The City has been awarded additional funds from the Early Retiree Reinsurance Program (ERRP) grant in the amount of \$12,483.36 from the U.S. Department of Health & Human Services. The City received \$81,811.88 originally from the grant in Fiscal Year 2012. The program provides reimbursement to sponsors of participating employment based plans for a portion of the cost of health benefits for the City and employees/retirees and their spouses, surviving spouses and dependents. The purpose of the reimbursement is to make health benefits more affordable for plan participants and sponsors so that health benefits are accessible to more Americans than they would otherwise be without this program.

ERRP regulation specifies that the City must use the proceeds under this program only for the following purposes: (1) To reduce the City's health benefit premiums or health benefit costs, or (2) To reduce health benefit premium contributions, copayments, deductibles, coinsurance, or other out-of-pocket costs, or any combination of these costs, for plan participants, or (3) To reduce any combination of the costs in (1) and (2). Proceeds under this program must not be used as general revenue for the City.

According to MGL Chapter 44, Section 53A, the City may accept grants from the federal government with the approval of the Mayor and City Council.

Please refer this matter to the Budget & Finance Committee.



City of Gloucester
Grant Application and Check List

Granting Authority: State _____ Federal Other _____

Name of Grant: Early Retiree Reinsurance Program

Department Applying for Grant: Personnel Department

Agency-Federal or State application is requested from: Dept. of Health & Human Services

Object of the application: Make health benefits more affordable

Any match requirements: Employer share of health contribution - 75%

Mayor's approval to proceed: [Signature] 5/8/13
Signature Date

City Council's referral to Budget & Finance Standing Committee: _____
Vote Date

Budget & Finance Standing Committee: _____
Positive or Negative Recommendation Date

City Council's Approval or Rejection: _____
Vote Date

City Clerk's Certification of Vote to City Auditor: _____
Certification Date

City Auditor:
Assignment of account title and value of grant: _____
Title Amount

Auditor's distribution to managing department: _____
Department Date sent

NOTE: A copy of all grant paperwork must be submitted to the Auditor's Office

FORM: AUDIT GRANT CHECKLIST - V.1



**City of Gloucester
Grant Application and Check List (Continued)**

The following are documents needed by the Auditing Office for grant account creation:

1. Grant Application
2. Grant Award Letter/Standard Contract Approval Form
3. Council Order Approval
4. Original Grant Account Budget as approved by Grantor
5. Amended Grant Account Budget as approved by Grantor (if applicable)
6. Any additional information as requested by the Auditing Department

Note: All documents must be complete signed copies.

Please attach the following documents with the Grant Application and Check List and send to the Auditors' Office.

CITY OF GLOUCESTER

ACCOUNT BUDGET

DEPARTMENT NAME: Personnel Department
 ACCOUNT NAME: Early Retiree Reinsurance Program Grant
 FUND NUMBER AND NAME: (N/A FOR NEW FUND) 292 070
 CFDA # (Required for Federal Grants): 93.546
 DATE PREPARED: April 22, 2013

APPROVED
 AMENDED BUDGET

OBJECT	ORIGINAL BUDGET	(IF APPLICABLE)	AMENDED REQUEST	REVISED BUDGET
REVENUE (4_____)				
45810	81,811.88		12,483.36	94,295.24 \$0.00
				\$0.00
				\$0.00
Total:	81,811.88 \$0.00	\$0.00	12,483.36 \$0.00	94,295.24 \$0.00
EXPENSE (5_____)				
51750	81,811.88		12,483.36	94,295.24 \$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total:	81,811.88 \$0.00	\$0.00	12,483.36 \$0.00	94,295.24 \$0.00

DEPARTMENT HEAD SIGNATURE _____
 DATE ENTERED (AUDIT) _____ AUDITING DEPARTMENT INITIALS _____



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Reimbursement Event History

[Print this page](#)

Number of Reimbursement Requests: 1	Login Information Susan , Shllue Designee April 2, 2013
Total Requested To Date: \$12,483.36	Change or Reset Security Questions
Total Reimbursed To Date: \$12,483.36	
Application Information	
Plan Sponsor ID: 507066	
Plan Sponsor Name: City of Gloucester	
Application ID: 1020400074	
Plan Name: City of Gloucester Health Plan	
Plan Year Start: July 01, 2009	
Plan Year End: June 30, 2010	
Application Status: Approved	
Early Retiree List Response File Creation Date: October 27, 2011	
Early Retiree List Response File Expiration Date: November 02, 2011	
How Do I ... ?	
Need More Help?	

The following list contains the reimbursement events that have occurred on this application. Note: Your last reimbursement request may not appear in the list if your request is in progress.

To view details of an event, click the link in the Action(s) column for the appropriate event. Note: Details are not available for all events.

Application ID: 1020400074
Plan Year: July 01, 2009 - June 30, 2010 Reimbursement Transaction History

<u>Event Number</u>	<u>Event Date</u>	<u>Event</u>	<u>Reimbursement Requester</u>	<u>Amount</u>	<u>Action(s)</u>
15	December 1, 2011	Reimbursement Issued	N/A	\$12,483.36	View Transaction

Payment Event History

Page 2 of 2

<u>Event Number</u>	<u>Event Date</u>	<u>Event</u>	<u>Reimbursement Requester</u>	<u>Amount</u>	<u>Action(s)</u>
14	December 1, 2011	Reimbursement Determined	N/A	\$12,483.36	View Determination
10	November 2, 2011	Reimbursement Requested	Susan Shillue	\$12,483.36	View Request
7	September 14, 2011	Reimbursement Request Cancelled	N/A	\$12,823.23	N/A
4	May 17, 2011	Reimbursement Requested	Susan Shillue	\$12,823.23	View Request
3	April 22, 2011	Payee Information Established	N/A	N/A	N/A
2	April 21, 2011	Payee Creation Requested	N/A	N/A	N/A

[Return to Application List](#)

 SECURE AREA

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A federal government website managed by the U.S. Department of Health & Human Services
200 Independence Avenue, S.W. - Washington, D.C. 20201

Approved OMB-0938-1087 HHS Form CMS-10321

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OMB Approval 0938-1087

ERRP

Early Retiree Reinsurance Program Application



U.S. Department of Health and Human Services

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1087. The time required to complete this information collection for this application is estimated to average 35 hours, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

HHS Form # CMS-10321



Please note that if any information in this Application changes or if the sponsor discovers that any information is incorrect, the sponsor is required to promptly report the change or inaccuracy.

Send, using the U.S. Postal Service, a hardcopy of the signed original ERRP Application (i.e. not a photocopy) and Attachments (if any) to:

HHS ERRP Application Center
4700 Corridor Place
Suite D
Beltsville, MD 20705



An asterisk (*) identifies a required field.

PART I: Plan Sponsor and Key Personnel Information	
1) *Organization's Name (Must correspond with the information associated with the Federal Employer Tax Identification Number (EIN):	<u>City of Gloucester</u>
2) *Type of Organization (Check the one category that best describes your organization):	<input checked="" type="checkbox"/> Government <input type="checkbox"/> Union <input type="checkbox"/> Religious <input type="checkbox"/> Commercial <input type="checkbox"/> Non-profit
3) *Organization's Employer Identification Number (EIN):	<u>04 - 6001390</u>
4) *Organization's Telephone Number:	<u>978 - 281 - 9742</u> ext. _____
5) Organization's FAX Number:	<u>978 - 282 - 3055</u> ext. _____
6) *Organization's Address (must be the address associated with the EIN provided above):	* Street Line 1: <u>9 Dale Avenue</u> Street Line 2: _____ *City: <u>Gloucester</u> *State: <u>Massachusetts</u> *Zip Code: <u>01930</u>
7) Organization's Website Address:	<u>www.gloucester-ma.gov</u>
B. Authorized Representative Information	
1) *First Name:	<u>David</u> Middle Initial: <u>J</u>
*Last Name:	<u>Bain Jr.</u>
2) *Job Title:	<u>Personnel Director</u>
3) Date of Birth:	Do not respond to this item now. To comply with the Application Instructions, you must provide this at a later date if and when the application is approved.
4) Social Security Number:	Do not respond to this item now. To comply with the Application Instructions, you must provide this at a later date if and when the application is approved.
5) *Email Address:	<u>dbain@gloucester-ma.gov</u>
6) *Telephone Number:	<u>978 - 281 - 9742</u> ext. _____
7) FAX Number:	<u>978 - 282 - 3055</u> ext. _____
8) *Employer Name:	<u>City of Gloucester</u>



9) * Authorized Representative Business Address:

* Street Line 1: 9 Dale Avenue
Street Line 2: _____
*City: Gloucester
*State: Massachusetts
*Zip Code: 01930

C. Account Manager Information

1) *First Name: Holly Middle Initial: A

*Last Name: Dougwillo

2) *Job Title: WC/Benefits Agent

3) Date of Birth: Do not respond to this item now. To comply with the Application Instructions, you must provide this at a later date if and when the application is approved.

4) Social Security Number: Do not respond to this item now. To comply with the Application Instructions, you must provide this at a later date if and when the application is approved.

5) *Email Address: hdougwillo@gloucester-ma.gov

6) *Telephone Number: 978 - 281 - 9742 ext. _____

7) FAX Number: 978 - 282 - 3055 ext. _____

8) *Employer Name: City of Gloucester

9) *Account Manager Business Address:

* Street Line 1: 9 Dale Avenue
Street Line 2: _____
*City: Gloucester
*State: Massachusetts
*Zip Code: 01930



PART II: Plan Information

A. Plan Information

1) *Plan Name: City of Gloucester Health Plan

2) *Plan Year Cycle: Start Month/Day: 07 / 01 End Month/Day: 06 / 30

B. Benefit Option(s) Provided Under This Plan (If the plan has more than one benefit option for which you intend to seek program reimbursement, please include the information below for each benefit option, on a separate copy of the Attachment below.)

1a) *Benefit Option Name: HMO

1b) *Unique Benefit Option Identifier: 057399

1c) *Benefit Option Type: Self-Funded Insured Both

1d) *Benefit Administrator Company Name: Harvard Pilgrim Health Care



C. *Programs and Procedures for Chronic and High-Cost Conditions

A sponsor cannot participate in the Early Retiree Reinsurance Program unless, as of the date of its application for the program is submitted, its employment-based plan has in place programs and procedures that have generated or have the potential to generate cost savings with respect to plan participants with chronic and high cost conditions. The program regulations define "chronic and high cost condition" as a condition for which \$15,000 or more in health benefit claims are likely to be incurred during a plan year by one plan participant. Please identify the chronic and high cost conditions for which the employment-based plan has such programs and procedures in place, and summarize those programs and procedures, including how it was determined that the identified conditions satisfy the \$15,000 threshold. If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.

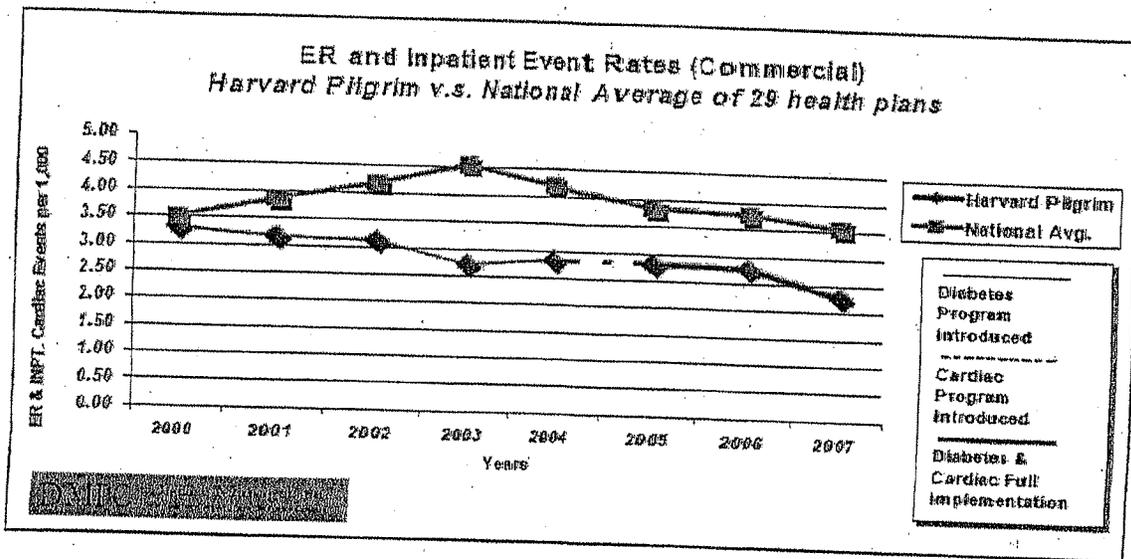
Please see attached.



Glouster

Our disease management programs are mature programs, and carry a history of consistently delivering the highest quality and benchmark outcomes. This history is what enables us to confidently and accurately identify which conditions typically carry the highest burden of claims cost. Our programs are based on highly refined algorithms that identify the likelihood of clinical risk and/or cost risk, and we have extensive experience with the data – we know which programs carry the highest risk, and we know what to do to address that risk effectively.

And independent experts have agreed, recognizing Harvard Pilgrim's programs for effectiveness. In one example, the Disease Management Purchasing Consortium compared HPHC's inpatient and emergency room visits (events) for high-prevalence chronic conditions to 29 other health plans across the nation (including several New England plans). The results showed that HPHC outperformed the national average across the board and in some programs by as much as 60% - underscoring the effectiveness of our programs. The graph below (produced by the DMPC) shows the multi year comparison of HPHC CAD related events to the average of the other 29 plans in the study.



In Fall of 2008, Harvard Pilgrim was recognized as a Leading Disease Management Organization by the Health Industries Research Company (HIRC), a third-party, independent organization that annually evaluates and identifies organizations providing the best disease management programs in the field. Harvard Pilgrim was rated in this report as having the "best disease management outcomes in the United States." By comparison, of our two primary local competitors, one was rated only as having comprehensive programs covering most conditions, and the other did not merit a ranking.

Also in Fall 2008, Judith Frampton, Harvard Pilgrim's Vice President of Medical Management, was named one of the Top 25 Leaders in Disease Management, by Managed Healthcare Executive. This honor recognizes health plan executives who have leveraged their knowledge to generate greater accountability and innovation in disease management, and who have created clinical and financial value for members. Judith was specifically recognized for her "commitment to the disease management discipline, program results, innovation, and thought leadership."

In the March 2009 issue of Managed Care, Harvard Pilgrim was featured for the effectiveness of its cardiovascular programs. And Harvard Pilgrim was the first in the country to be certified – and has continuously remained certified – by the Disease Management Purchasing Consortium for validity in

critical outcomes report analysis, ensuring clients that the outcomes we present have been validly measured and are trustworthy.

The programs listed below have been selected because, based on our extensive experience with these programs, Harvard Pilgrim has identified them as having the potential for significant cost savings.

Care and Disease Management Programs for Fully Insured Employers As of May 3, 2010

Harvard Pilgrim helps employers control their health care costs by actively engaging employees and their families in promoting their own personal wellbeing. We seek to inspire and motivate our constituents to engage in the practice of wellness, regardless of the health challenges they may face.

Recognizing that the incidence of chronic disease continues to rise, Harvard Pilgrim has committed itself to developing programs that not only help members manage diseases, but also support members in achieving the behavioral change needed to prevent and manage serious chronic conditions, and their associated high costs and risks. The programs listed below have been selected because they have the potential for significant cost savings.

Program Components

All Care and Disease management programs include focused educational sessions conducted by specialized clinicians. Programs are available to all members with relevant diagnoses, and include combinations of the following components:

- Guidelines for effective clinical care
- Clinician education in these guidelines
- Patient identification and outreach to inform patients and their physicians of current programs, their benefits, and referral procedures
- Identification of high-risk members who are most in need of intensive management
- Patient education emphasizing self-management skills
- Care management and outreach focused on support for high-risk patients
- Tele-monitoring as appropriate based on patient severity class and symptoms
- Improvement of utilization trends
- Cost Reduction
- Member education and provision of resources that will prevent acute deterioration,
- Proactive identification of members at risk for complex, costly, or long-term health care services;
- Efficient facilitation and appropriate medical management, monitoring, and coordination of care across the health care continuum; and
- Identification of opportunities for program improvements.

Member Identification

Members are identified for participation in disease management programs using:

- Referrals by patients' physicians or care managers
- Self-referrals
- Computerized algorithms that filter inpatient, outpatient, and pharmaceutical data
- Disease-specific high-risk registries
- Claims analysis (inpatient, outpatient, and pharmacy data to identify patients with specific diagnoses, omissions in care, and under- or overutilization of medications)
- High-cost claimant lists
- Predictive modeling programs

Outreach

Outreach to inform and encourage members to participate in these programs occurs through a variety of mechanisms, including:

- Clinician education programs to help clinicians identify patients appropriate for referral to disease management programs
- Case listings provided to physicians to identify patients who might benefit from follow-up/program enrollment
- Letters or phone calls to members from care managers
- Direct-to-member outreach through educational mailings, reminder letters, and community events
- Newsletters to members identified as at risk for these conditions
- Articles in the member newsletter *Your Health*

**Care and Disease Management Programs for Fully Insured Employers
As of May 3, 2010**

Program Name	Program Description
Asthma	Asthma management is Harvard Pilgrim's most mature disease management program and is available to both adults and children. The hallmark of the program is our asthma nurse who provides outreach, support, and care coordination to adults and children with asthma. A number of self-management tools are also mailed to members with asthma to help support and educate them in the management of their disease.
Chronic Obstructive Pulmonary Disease	Our COPD program is designed for members with lung disease who would benefit from coordinated resources that would enhance the quality of their lives and reduce the need for costly emergency room visits and periods of inpatient hospitalization. The program offers support and coordinated services that help the member better understand the disease in order to improve self-care management, including written patient information and access to nurse care managers.
Diabetes	Diabetes management is a multi-faceted program for all members with diabetes. The program provides outreach, support and education to adults and children with diabetes. The program supports problem identification and prioritization, goal setting, and follow-up to assist providers in caring for patients with a chronic condition where outcomes are so heavily dependent on behavioral change.
Cardiac: <i>HeartBeats</i>	<p>The cardiac disease management program is designed to improve quality of life for adult members with cardiovascular disease and to increase their ability to manage their condition. Specific program goals are to:</p> <ul style="list-style-type: none"> • Improve coordination of care through early identification of members with cardiac diagnoses (i.e., ischemic cardiac disease, post-cardiac surgery, heart failure); • Improve health and quality of life through self-management, medication adherence, and secondary prevention; and • Reduce cost of care as measured by reduced avoidable utilization. <p>Program components include direct-to-member educational materials and targeted outreach to high-risk members by nurse care managers.</p>
Attention Deficit Hyperactivity Disorder	Harvard Pilgrim, in conjunction with our behavioral health vendor, has implemented a multifaceted program to help parents and providers better manage children with attention deficit/hyperactivity disorder (ADHD). We identify children who have filled a new stimulant medication and then target information to their parents and their providers. The goal of the program is to encourage providers to provide appropriate follow-up and care coordination for members who are on stimulant medications. Additionally, it encourages providers to give parents more resources about behavioral counseling, medication management and working with schools and teachers.
Depression	Harvard Pilgrim, in conjunction with our behavioral health vendor, has implemented a depression program that promotes the early detection and treatment of depression through screening and the discussion of results with health care providers. The goal is to increase the number of commercial adult members accessing services who are screened for depression and to increase the number of commercial members appropriately diagnosed with depression.
Chronic Kidney Disease/Renal Failure	The CKD Care Manager works collaboratively with the member or "member" caregivers to ensure the most appropriate plan of care, reduce unnecessary utilization, and promote adherence to their care plan through member education. The HPHC CKD program demonstrates effective implementation of a care management program that empowers members through education while reducing overall costs and leading to optimal wellness. HPHC's CKD Care Management program realizes that the key to good renal outcomes is planning the care of CKD members and ensuring resources are effectively utilized.

**Care and Disease Management Programs for Fully Insured Employers
As of May 3, 2010**

Program Name	Program Description
Flu/Pneumonia Prevention	<p>Our flu prevention efforts target at-risk populations, particularly the <i>First Seniority Freedom</i> (our Medicare Advantage Plan) membership and commercial members with COPD, cardiac disease, asthma or diabetes. Annual influenza vaccination is the primary method for preventing influenza and its severe complications, such as pneumonia. The goal of the program is to increase influenza immunization rates among Medicare beneficiaries and commercial members with certain chronic diseases. Direct phone outreach to members encourages flu vaccination by providing education as well as information on no-cost flu clinics in the member's area. We work with local retail pharmacies and community public health agencies to provide multiple flu clinic locations throughout our service area. Members are also encouraged to discuss their need for a pneumococcal pneumonia vaccine with their primary care providers.</p>
Pregnancy: Healthy Pregnancy Resources	<p>Harvard Pilgrim offers educational support for women who are pregnant or thinking of becoming pregnant. All women have access to our extensive educational material at www.harvardpilgrim.org/pregnancy. This Web site includes fact sheets on common issues during pregnancy, telephonic access to a maternal and child health nurse, and other resources. Preconception counseling is also available online, with information sheets on "Planning for a Pregnancy" and "Quick Guide to a Healthy Pregnancy." In addition, <i>Health Topics A-Z</i> provides reliable and comprehensive online health information to help people make better health decisions. Powered by the Healthwise® Knowledgebase, members can use this feature to find out how best to take care of themselves when planning a pregnancy.</p> <p>In addition, we remind women about the importance of timely post-delivery follow-up by proactively contacting women with postpartum visit reminders, as well as postpartum depression assessment and informational materials. Depending upon their assessment score, women may be encouraged to seek follow-up care.</p>
Pregnancy: Healthy & High-Risk Pregnancy Outreach	<p>We also offer Healthy Pregnancy Programs managed by our Maternal/Child Health Unit. The services include a nurse care management program for women wishing to become pregnant and for women with high-risk pregnancies. Members are triggered for identification via a proprietary algorithm, which considers maternal age, prenatal medications, ART and previous obstetrical claims history. The algorithm stratifies members into either a Healthy Pregnancy outreach or a High-Risk outreach program.</p> <p>For Healthy Pregnancy, obstetrical care management nurses provide education to ensure that the member can engage in optimal healthy behaviors before becoming pregnant and during pregnancy. The same nurse provides specific support and clinical collaboration between the care management team (nursing and social work) and the obstetrical care provider. The member's nurse is available throughout the pregnancy, providing ongoing follow-up, and may be contacted directly by the member if she or a family member has questions or needs additional assistance as the pregnancy progresses. After delivery, there is telephonic outreach for a minimum of six weeks.</p> <p>For High-Risk Pregnancy, the goal of the program is to proactively identify women with potential risk to maximize the length of their pregnancy. Through clinical collaboration with the member and provider, the care manager provides an anticipatory plan of care for the mother and baby. After delivery, if the baby is identified as high risk, our pediatric care managers continue to follow the member, baby and family for as long as care management services are needed.</p>

**Care and Disease Management Programs for Fully Insured Employers
As of May 3, 2010**

Program Name	Program Description
Medication Safety	<p>Harvard Pilgrim launched an innovative patient safety program designed to reduce medication errors. It includes three initiatives:</p> <ul style="list-style-type: none"> • Anticoagulation management, a multi-faceted program designed to help reduce the risks associated with the use of warfarin; and • Polypharmacy, designed to help members 50 and over who are taking 8 or more chronic medications manage their medications safely.
Oncology	<p>Our oncology care management program is designed to provide members with access to our oncology care managers, who work collaboratively with the members, their caregivers and their providers to develop the most appropriate plan of care, encourage adherence to it, and reduce unnecessary utilization. Members undergoing active chemotherapy and/or radiation treatment are eligible for this program. It offers a member-centered care plan that addresses both clinical and psychosocial issues, including support for family members.</p>
Predictive Modeling: <i>Health Advance</i>	<p>Harvard Pilgrim's predictive modeling program, <i>Health Advance</i>, is specifically designed to identify and reach out to at-risk members before they require more intensive medical services, specifically those at risk for hospitalization or deterioration in their health within the next 12 months. These members typically have multiple diagnoses and psychosocial needs that can significantly diminish their quality of life. By intervening early, we are able to dramatically influence the health and well-being of this member group, which, while small in number, represents a significant percentage of overall medical costs. Uniquely member-centered, <i>Health Advance</i> strives to ensure coordination of medical care, increase self-reliance, enhance daily activity and fitness, and strengthen interdependence with family and friends. The program's core is nurse outreach and support. A designated Health Advance Care Manager works with the member, family, and providers to create a member-specific care plan. Members enrolled in Health Advance have shown a significant decrease in hospital admissions as well as reductions in per member per month costs.</p>
Rare Diseases (Your Care Champion)	<p>Harvard Pilgrim's Rare Diseases program is focused on providing support services to members with complex, chronic conditions. This interactive health management program, administered in conjunction with Accordant Health Services, combines personalized content, specialized education, disease-specific assessment tools and interaction with specially trained providers, to effectively deliver improved quality of life while reducing healthcare costs and improving outcomes to our members. In addition to Harvard Pilgrim care managers, members in this program also have access to accordant.com, which features specialized resources, self-management tools, and access to specially trained nurses, medical experts, and interactive online communities.</p> <p>Currently the program offers support for members with the following progressive and chronic conditions: seizure disorders, multiple sclerosis, lupus, rheumatoid arthritis, Parkinson's disease, cystic fibrosis, Crohn's disease, hemophilia, myasthenia gravis, sickle cell disease, scleroderma, polymyositis, ALS, Gaucher disease, CIDP, and dermatomyositis.</p>
Screening and Immunization Reminders	<p>We have developed preventive care reminder programs for breast cancer screening, cervical cancer screening, colorectal cancer screening, and pediatric immunization. Member outreach is routinely performed to maximize preventive care and to improve early detection of disease. The goals are to increase the percent of women ages 40-69 who have a mammogram every year; to increase the percent of women ages 21-64 who have a pap smear every three years; to increase the percent of members over age 50 who are screened for colorectal cancer; and to ensure that pediatric members under age 2 and adolescents under age 13 are receiving their required immunizations.</p>

**Care and Disease Management Programs for Fully Insured Employers
As of May 3, 2010**

Program Name	Program Description
Smoking Cessation	<p>Harvard Pilgrim continues its collaboration with the Massachusetts Department of Public Health and other local health plans and agencies to help members quit smoking. QuitWorks is a free, state-of-the-art smoking cessation service that offers providers a simple approach to identify patients who smoke and link them to the state's full range of tobacco treatment resources. The goals are to educate providers about the QuitWorks program; to enhance providers' referral rate of smokers to the QuitWorks tobacco treatment programs; to enhance members' awareness of the tobacco treatment programs; and to reduce rates of smoking among our membership and the overall population. Members can access TRY-TO-STOP resources directly by calling 1-800-QUIT-NOW. Information about these smoking cessation services is also included in our mailings to members with chronic illnesses such as diabetes, asthma, and COPD.</p>
On-site Management in Acute Rehabilitation and Extended Care Facilities	<p>On-site Nurse Care Manager at high volume Acute Rehabilitation and Skilled-Nursing Facilities to assess members, ensure appropriate utilization, and coordinate care. The Nurse Care Manager evaluates members who are:</p> <ul style="list-style-type: none"> • experiencing a new illness, • Discharged from acute hospitalization, • Dealing with a catastrophic and/or chronic condition <p>Through a holistic and member centered approach, Care Management works collaboratively with the member and his or her family, as well as the facility treatment team, to ensure optimal services are received.</p>
Clinical Transitions Program for New Members	<p>The Clinical Transitions Program is designed for members who are receiving active treatment for an illness, injury, or pregnancy, and need to safely transition care between providers (for example, at the point of Harvard Pilgrim enrollment or when a treating provider leaves Harvard Pilgrim's provider network).</p> <p>Through the Clinical Transitions Program, the nurse care manager works with prospective members and the attending provider(s) to develop reasonable and appropriate transition plans to ensure quality and continuity of care.</p>
Medical Social Work Services	<p>Referrals to the HPHC Medical Social Work Program are made by Care Managers and may be triggered by events of illness that could adversely impact the health or well being of a member, and/or result in more costly utilization of health care resources. Harvard Pilgrim social workers are able to service all Harvard Pilgrim members across the network, allowing for more proactive and comprehensive care planning.</p>
High Cost Claimant Review Program	<p>The Care Management program reviews claims greater than \$50,000 on a weekly basis. If the information indicates the opportunity for Care Management services, Nurse Care Managers will contact the members telephonically to perform a clinical assessment to identify</p> <ul style="list-style-type: none"> • the member's needs, • outstanding care management issues, and • proactive interventions.
Post-hospitalization discharge calls -	<p>The nurse care manager proactively outreaches to members, based upon admission diagnosis, within 3 days of discharge. Through this call, Nurse Care Managers coordinate the member's treatment plan needs related to medication compliance, and proactively identifies and solves potential problems to prevent re-hospitalization. Harvard Pilgrim utilizes this telephonic model to manage members admitted to Tertiary and Acute Care Hospitals, low volume Acute Rehabilitation facilities and Skilled Nursing facilities. Medication Reconciliation is an integral component of the discharge call, ensuring that each member fully understands and is compliant with the prescription therapy plan post discharge.</p>

**Care and Disease Management Programs for Fully Insured Employers
As of May 3, 2010**

Program Name	Program Description
Concurrent reviews and discharge planning -	Harvard Pilgrim requires prior authorization for inpatient admissions to rehabilitation hospitals and skilled nursing facilities. A Nurse Care Manager conducts concurrent review at a high volume rehabilitation and skilled nursing facilities, which is used to ensure the appropriate utilization of inpatient services, and the timely and effective coordination of services for members receiving care at these facilities. Concurrent review is also utilized to identify potential discharge planning/care management opportunities.
Decision Assist	Harvard Pilgrim's <i>DecisionAssist</i> program offers members telephonic resources to help them make informed health care decisions for upcoming procedures and treatments. In an environment of increased cost sharing and health care complexity, <i>DecisionAssist</i> offers confidential, personalized decision-support services. <i>DecisionAssist</i> Nurse Care Managers empower members to participate more fully in their own health care decisions.
RN 24/7 * This program must be purchased for an additional fee.	The RN 24/7 Program is a trusted source of information and support for a wide range of health concerns. Many of the options available to members are listed below: <ul style="list-style-type: none"> • 24x7 telephone access to a registered nurse • 24x7 access to an RN via the Web • Audio Health Information Library • HealthForum.com • Private labeled phone line program • Daily and quarterly reporting • Year 1 customized introductory brochure and postcard mailings during the year • Year 2, 3 customized postcard mailings
Prepared for Care* This program is offered on a limited basis. Please check with your Account Executive to determine if your plan has this program.	Dedicated Nurse care manager dedicated specifically to their employees and their dependents. <i>Prepared for Care</i> offers help for members who have complex medical conditions or who are pregnant or considering pregnancy. Your Harvard Pilgrim nurse can help members to assess their health care needs, coordinate services, develop and implement a customized care plan, monitor health status and conditions and provide information on available community services. Members can consult with the <i>Prepared for Care</i> nurse via a dedicated toll-free phone line, email, or even on-site at your workplace on mutually agreed upon times.

D. *Estimated Amount of Early Retiree Reinsurance Program Reimbursements

Please estimate the projected amount of proceeds you expect to receive under the Early Retiree Reinsurance Program for the plan identified in this application, for each of the first two plan year cycles identified in this application. If you wish, you may provide a range of expected program proceeds that includes: (1) a low-end estimate of expected program proceeds, (2) an estimate that represents your most likely amount of program proceeds, and (3) a high-end estimate of expected program proceeds. For purposes of this estimate only, please assume for each of those plan year cycles that there will be sufficient program funds to cover all claims submitted by the Plan Sponsor that comply with program requirements. If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.

We project the first years reimbursements under this program to be in the range of \$220,000 to \$256,000. In year two we project the range to be \$232,000 to \$272,000. This is based on historical claims data provided by our health insurance carrier.



E. *Intended Use of Early Retiree Reinsurance Program Reimbursements

- 1) Please summarize how your organization will use the reimbursement under the Early Retiree Reinsurance Program to reduce health benefit or health benefit premium costs for the sponsor of the employment-based plan (i.e., to offset increases in such costs); or reduce, or offset increases in, premium contributions, copayments, deductibles, coinsurance, or other out-of-pocket costs (or combination of these) for plan participants; or reduce a combination of any of these costs (whether offsetting increases in sponsor costs or reducing, or offsetting increases in, plan participants' costs). If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.

The City of Gloucester confirms that the reimbursements under this program will only be used to offset future health insurance cost increases for both the City and the employees/retirees. The City of Gloucester currently pays 75% of the cost of health insurance and the employees and retirees contribute the remaining 25%. The City's plans are on a fully insured premium financial arrangement. These reimbursements will be used to offset future premium increases for both the City and employees/retirees.



E. *Intended Use of Early Retiree Reinsurance Program Reimbursements (continued)

2) If a sponsor decides to apply the reimbursement for its own use, it may only use the reimbursement to offset increases in its health benefit premium costs, if an insured plan, or its health benefit costs, if it is self-funded. If any amount of the reimbursement is used to offset increases in health benefit premium or health benefit costs of your organization (as opposed to offsetting increases to, or reducing, plan participants' costs), please summarize how program funds, as a result of being used by your organization for such purposes, will relieve your organization of using its own funds to subsidize such increases, thereby allowing your organization to instead use its own funds to maintain its level of financial contribution to the employment-based plan. (In other words, please explain how your organization will continue to maintain the level of support for this plan, and if it applies the reimbursement for its own use, will use the program reimbursement to pay for increases in health benefit premium costs or health benefit costs, as applicable). If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.

As referenced in E-1 the City will not be using the reimbursement strictly for its own purposes, it will be sharing the reimbursements with the employees & retirees. However, as we generally anticipate an average of a 10% increase in health insurance costs per year, this reimbursement will assist us in maintaining our health insurance coverage.



PART III: Banking Information for Electronic Funds Transfer

1) *Bank Name: Eastern Bank

2) *Bank Address:

* Street Line 1: _____

Street Line 2: _____

*City: Lynn

*State: Select One MA

*Zip Code: _____

3) *Account Number: 14435

4) *Name of Organization Associated with Account: City of Gloucester

5) *Account type: (Checking or Savings Account) Select One _____

6) *Bank Routing Number: 011501798

7) *Bank Contact Name:

*First Name: Linda Middle Initial: _____

*Last Name: Carbone

8) *Email address: _____

9) *Telephone Number: 781-598-7475 ext. _____



PART IV. Plan Sponsor Agreement

1. **Compliance:** In order to receive program reimbursement(s), Plan Sponsor agrees to comply with all of the terms and conditions of Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R. Part 149 and in other guidance issued by the Secretary of the U.S. Department of Health Human Services (the Secretary), including, but not limited to, the conditions for submission of data for obtaining reimbursement and the record retention requirements.
2. **Reimbursement-Related and Other Representations Made by Designees:** Plan Sponsor may be given the opportunity to identify one or more Designees (i.e., individuals the Sponsor will authorize to perform certain functions on behalf of the Sponsor related to the Early Retiree Reinsurance Program, such as individual(s) who will be involved in making program reimbursement requests). Plan Sponsor certifies that all individuals that will be identified as Designees will have first been given authority by the Plan Sponsor to perform those respective functions on behalf of the Plan Sponsor. Plan Sponsor understands that it is bound by any representations such individuals make with respect to the Sponsor's involvement in the Early Retiree Reinsurance Program, including but not limited to the Sponsor's reimbursement under the program.
3. **Written Agreement:** Plan Sponsor certifies that, prior to submitting a Reimbursement Request, it has executed a written agreement with its health insurance issuer or employment-based plan regarding disclosure of information, data, documents, and records to HHS, and the issuer or plan agrees to disclose to HHS, on behalf of the Plan Sponsor, at a time and in a manner specified by the HHS Secretary in guidance, the information, data, documents, and records necessary for the Plan Sponsor to comply with the requirements of the Early Retiree Reinsurance Program, as specified in 45 C.F.R. 149.35.
4. **Use of Records:** Plan Sponsor understands and agrees that the Secretary may use data and information collected under the Early Retiree Reinsurance Program only for the purposes of, and to the extent necessary in, carrying out Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R. Part 149 including, but not limited to, determining reimbursements and reimbursement-related oversight and program integrity activities, or as otherwise allowed by law. Nothing in this section limits the U.S. Department of Health Human Services' Office of the Inspector General's authority to fulfill the Inspector General's responsibilities in accordance with applicable Federal law.
5. **Obtaining Federal Funds:** Plan Sponsor acknowledges that the information furnished in its Plan Sponsor application is being provided to obtain Federal funds. Plan Sponsor certifies that it requires all subcontractors, including plan administrators, to acknowledge that information provided in connection with a subcontract is used for purposes of obtaining Federal funds. Plan Sponsor acknowledges that reimbursement of program funds is conditioned on the submission of accurate information. Plan Sponsor agrees that it will not knowingly present or cause to be presented a false or fraudulent claim. Plan Sponsor acknowledges that any excess reimbursement made to the Plan Sponsor under the Early Retiree Reinsurance Program, or any debt that arises from such excess reimbursement, may be recovered by the Secretary. Plan Sponsor will promptly update any changes to the information submitted in its Plan Sponsor application. If Plan Sponsor becomes aware that information in this application is not (or is no longer) true, accurate and



	complete, Plan Sponsor agrees to notify the Secretary promptly of this fact.
6.	Data Security: Plan Sponsor agrees to establish and implement proper safeguards against unauthorized use and disclosure of the data exchanged under this Plan Sponsor application. Plan Sponsor recognizes that the use and disclosure of protected health information (PHI) is governed by the Health Insurance Portability and Accountability Act (HIPAA) and accompanying regulations. Plan Sponsor certifies that its employment-based plan(s) has established and implemented appropriate safeguards in compliance with 45 C.F.R. Parts 160 and 164 (HIPAA administrative simplification, privacy and security rule) in order to prevent unauthorized use or disclosure of such information. Sponsor also agrees that if it participates in the administration of the plan(s), then it has also established and implemented appropriate safeguards in regard to PHI. Any and all Plan Sponsor personnel interacting with PHI shall be advised of: (1) the confidential nature of the information; (2) safeguards required to protect the information; and (3) the administrative, civil and criminal penalties for noncompliance contained in applicable Federal laws.
7.	Depository Information: Plan Sponsor hereby authorizes the Secretary to initiate reimbursement, credit entries and other adjustments, including offsets and requests for reimbursement, in accordance with the provisions of Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R Part 149 and applicable provisions of 45 C.F.R. Part 30, to the account at the financial institution (hereinafter the "Depository") indicated under the Electronic Funds Transfer (EFT) section of the Plan Sponsor application. Plan Sponsor agrees to immediately pay back any excess reimbursement or debt upon notification from the Secretary of the excess reimbursement or debt. Plan Sponsor agrees to promptly update any changes in its Depository information.
8.	Policies and Procedures to Detect Fraud, Waste and Abuse. The Plan Sponsor attests that, as of the date this Application is submitted, has in place policies and procedures to detect and reduce fraud, waste, and abuse related to the Early Retiree Reinsurance Program. The Plan Sponsor will produce the policies and procedures, and necessary information, records and data, upon request by the Secretary, to substantiate existence of the policies and procedures and their effectiveness, as specified in 45 C.F.R. Part 149.
9.	Change of Ownership: The Plan Sponsor shall provide written notice to the Secretary at least 60 days prior to a change in ownership, as defined in 45 C.F.R, 149.700. When a change of ownership results in a transfer of the liability for health benefits costs, this Plan Sponsor Agreement is automatically assigned to the new owner, who shall be subject to the terms and conditions of this Plan Sponsor Agreement.
	Signature of Plan Sponsor Authorized Representative I, the undersigned Authorized Representative of Plan Sponsor, declare that I have legal authority to sign and bind the Plan Sponsor to the terms of this Plan Sponsor Agreement, and I have or will provide evidence of such authority. I declare that I have examined this Plan Sponsor Application and Plan Sponsor Agreement. My signature legally and financially binds the Plan Sponsor to the statutes, regulations, and other guidance applicable to the Early Retiree Reinsurance Program including, but not limited to Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R. Part 149 and applicable provisions of 45 C.F.R. Part 30 and all other applicable statutes and regulations. I certify that the information contained in this Plan Sponsor Application and Plan Sponsor Agreement is true, accurate and complete to the best of my knowledge and belief, and I authorize the Secretary to verify this information. I understand that, because program



reimbursement will be made from Federal funds, any false statements, documents, or concealment of a material fact is subject to prosecution under applicable Federal and/or State law.

*Signature:

Daryl Baird



Attachment: Additional Benefit Options
(Complete this form for each unique benefit option not already specified above in Part II.B)

1a) *Benefit Option Name: _____

1b) *Unique Benefit Option Identifier: _____

1c) *Benefit Option Type: Self-Funded Insured Both

1d) *Benefit Administrator Company Name: _____



**City of Gloucester
Special Budgetary Transfer Request
Fiscal Year 2013**

INTER-departmental requiring City Council approval - 6 Votes Required
 INTRA-departmental requiring City Council approval - Majority Vote Required

TRANSFER # 2013-SBT- 33 Auditor's Use Only

DEPARTMENT REQUESTING TRANSFER: Community Development

DATE: 4/29/2013 BALANCE IN ACCOUNT: \$ 17,759.68

(FROM) PERSONAL SERVICES ACCOUNT # 101000.10.181.51100.0000.00.000.00.051
Unifund Account #

(FROM) ORDINARY EXPENSE ACCOUNT # _____
Unifund Account #
Community Dev. Salary wage-permanent
Account Description

DETAILED EXPLANATION OF SURPLUS: Senior Planner position hired later than originally planned

(TO) PERSONAL SERVICES ACCOUNT # _____
Unifund Account #

(TO) ORDINARY EXPENSE ACCOUNT # 101000.10.181.57000.0000.00.000.00.057
Unifund Account #
Community Development - Other chrages/expenses
Account Description

DETAILED ANALYSIS OF NEED(S): To cover communication costs for new Director

TOTAL TRANSFER AMOUNT: \$ 750.00 NEW BALANCE IN ACCOUNTS AFTER TRANSFER
 FROM ACCOUNT: \$ 17,009.68
 TO ACCOUNT: \$ 2,123.85

APPROVALS: JW

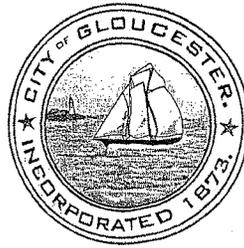
DEPT. HEAD: [Signature] DATE: 4/29/13

ADMINISTRATION: [Signature] DATE: 5/8/13

BUDGET & FINANCE: _____ DATE: _____

CITY COUNCIL: _____ DATE: _____

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CITY OF GLOUCESTER
COMMUNITY DEVELOPMENT DEPARTMENT
GRANTS OFFICE

Memorandum

To: Carolyn Kirk, Mayor
From: Deborah Laurie, Senior Project Manager
CC: Tom Daniel, Community Development Director
Date: May 2, 2013

Re: Program Year 2013 CDBG & HOME Grants

We are preparing Program Year 2013 (PY13 - July 1, 2013 to June 30, 2014) of our Community Development Block Grant (CDBG) and HOME Funding Annual Appropriations.

The Request for Proposals was issued on January 25, 2013, with applications being received March 7, 2013. Two public hearings were held: an informational public hearing on February 14, 2013, in the Friend Room of the Sawyer Free Library and a second meeting on March 14, 2013, in the Friend Room, Sawyer Free Library, which included a Fair Housing Information Public Hearing and the presentations of the submitted RFPs. The city's proposed allocation of funds was advertised for public comment on April 26, 2013. This ad included instructions for any individual interested in examining the Draft 2013 Annual Action Plan to do so at the Grants Division, City Clerk's Office, the Sawyer Free Library or on the city website at www.gloucester-ma.gov. The final version of this plan will be submitted to the US Department of Housing and Urban Development (HUD) on or about May 27, 2013.

Please request that City Council accept the **anticipated** CDBG Grant in the amount of \$566,926, in CDBG Funds from HUD, reprogram \$310,000 of program income and unprogrammed CDBG funds from prior years and utilize \$10,000 of anticipated program income in PY13 for administration costs, for a total of \$886,926 and \$59,559 of HOME funds. The city proposes to use these funds for the following activities:

Attached is an itemization, including a brief description, of the proposed activities to be funded with Community Development Block Grant funds (886,926) and HOME funds (\$59,559) for PY13 beginning July 1, 2013 and ending June 30, 2014.

First-Time Housing Opportunities:

HOME Funds - The city will allocate \$59,559 to support the First-Time Homebuyers Program. The First-Time Homebuyers Program expands access to homeownership for low and moderate-income persons, with a long-term benefit from a relatively small investment by the city (a maximum of \$10,000). With HOME funds, the city will provide down payment and/or closing cost assistance to approximately six (6) low and moderate-income households.

Economic Development:

\$20,000 is awarded to Action, Inc. for their Home Health Aide Training Program to support training to get a job as a home health aide. Action, Inc.'s program includes life skills and career readiness components, pivotal for students entry into the job market. The program has a 100% graduation rate and a 71% employment rate within two months of graduation. The Home Health Aide Program goal is to assist 52 students.

The City, Community Development Department, will allocate \$95,000 for financial assistance for businesses through Gloucester's Loan Programs and technical assistance and \$10,000 for project delivery. An eligible business must create or retain jobs that benefit at least 51% low-to-moderate income Gloucester residents. The program is designed to compliment investor equity and bank financing. The average amount received is \$35,000 to \$50,000.

The City's Grants Division and a Review Committee are responsible for administration of funds. One full-time job or an aggregate amount of part-time jobs must be created or retained for each \$35,000 borrowed. The business must create or retain, within established guidelines, at least 51% of the jobs to low to moderate income Gloucester residents.

The City will continue to offer the Brownfields Cleanup Revolving Loan (BCRLF) to businesses requiring assistance with cleanup of contaminated properties. This program is funded with a grant from the Environment Protection Agency.

Housing Rehabilitation Programs:

The Low to Moderate Homeowner Rehabilitation Program provides deferred, 0% loans to low/mod income homeowners to address health, safety, energy issues and code violations in their homes. The loan will be due upon the transfer or sale of the property, if the property is no longer the principle place of residence of the original applicant and sometimes upon refinancing.

The city will allocate \$223,145 for this program, including project delivery. With these different initiatives within the Housing Rehabilitation Program, Gloucester will better be able to achieve comprehensive rehabilitation services with a positive impact on housing quality, affordability and neighborhood improvements. The Housing Rehabilitation Program goal is to assist 10 units of housing.

Public Services:

CDBG provides both a safety net for unmet needs in the community, as well as a leveraging tool for state, federal, and private funding of the strong nonprofit agencies that provide so many services in the community. The city will allocate \$98,500 for programs, and \$6,696 project delivery. CDBG intends to fund the following programs and projects:

Family, Special Needs and Elderly

- \$4,000 is awarded to Cape Ann Interfaith Commission (CAIC) to support their Rental Assistance Program. CAIC will assist at least 8 households/individuals to help alleviate homelessness in Gloucester. Since CAIC is an all-volunteer program, 100% of CDBG funds received directly assist their recipients to obtain housing.
- \$4,000 is awarded to Gloucester Housing Authority's Cape Ann Home Ownership Center "Pre/Post Home Homebuyer Education and Foreclosure Program" which will serve 290 low to moderate income clients prior to and for three years after purchasing a home.
- \$4,000 is awarded to HAWC for services in Gloucester for their Community Based Domestic Violence Crisis Intervention and Prevention Program. They assist in domestic violence issues and serve approximately 165 clients in crises.
- \$10,000 is awarded to The Grace Center, Inc. for a day, drop-in center that serves low-income and homeless adults in crisis. Staff and volunteers will perform assessments, coordinate program evaluation, supervise data retrieval and increase prevention screening for major mental and physical health conditions. Program will serve approximately 500 clients in crisis.
- \$2,500 is awarded to North Shore Health Project for clients living with Hepatitis C. This funding will be used for a Wellness/Manager/HCV case manager who works with 25 HCV individuals to develop treatment plan, provide individualized program supports and referrals.
- \$5,000 is awarded to The Open Door/Cape Ann Food Pantry to support their Mobile Market. This program will provide nutritious, fresh produce and other foods to 2,165 Gloucester low income individuals and families at their schools, community centers and public housing neighborhoods.

Youth and Young Adult Employment

- \$40,000 is awarded to the YMCA's Youth Employment Program to employ approximately 150 teens as the Downtown Clean Team. This program provides employment opportunities and ensures our residents and tourists will not encounter litter as they travel through downtown Gloucester.

- \$10,000 is awarded to the YMCA "ACCESS" program to provide scholarships for children and families to participate in YMCA programs through a variety of free memberships and programs that include, but are not limited to: summer camp, swimming lessons, instructional classes and more. Anticipate approximately 200 youths will be served.
- \$7,000 is awarded to Cape Ann Art Haven for their Hive Summer TAG Program. This program will employ ten teens for the summer. They will receive training and mentoring to assist the art instructors and learn to create, market and sell their art.
- \$3,000 is awarded to the Schooner Thomas E. Lannon for their "Schooner Sails Fifth Grade Educational Program" which will serve 200 students with two hours of hands on sailing experience.

Employment and Educational Training:

- \$9,000 is awarded to Wellspring House for their Adult Learning Initiative Program to provide adults with a range of programs including, GED, education and job training, and career development. This program plans to serve up to 45-50 adults.

Public Facilities:

Under the CDBG Program, funds may be used to undertake a variety of public facilities and public improvement projects. The city will allocate \$280,200 for programs and \$30,000 for project delivery. Public facilities and public improvements are interpreted to include all facilities and improvements that are publicly owned or owned by a non-profit organization and open to the general public. CDBG intends to fund the following programs and projects:

- \$3,600 is awarded to the City of Gloucester for Matto's Field at Veteran's School for field bleachers.
- \$5,000 is awarded to Action, Inc. for architectural services for classroom buildout.
- \$52,000 is awarded to The City Hall Restoration Commission to provide handicap access in compliance with the Americans with Disabilities Act (ADA) to the auditorium stage by installation of a lift.
- \$74,000 is awarded to the Rocky Neck Art Colony for handicap access in compliance with the Americans with Disabilities Act (ADA) by creating a handicapped accessible ramped entrance, a wheelchair lift between the two floors and two accessible lavatories.
- \$45,600 is awarded to the Gloucester Unitarian Universalist Church for ADA accessibility project, phase II. The project will consist of two ground floor and a first floor women's ADA lavatories. Also, second floor ADA compliant lavatory and accompanying hallway expansion. ADA compliant ground floor entry with

power door opener and first floor compliant entry. Both entries will have video cameras installed.

- \$100,000 is awarded to the City of Gloucester for Accessible Park and Street/Sidewalk improvements.

Planning and Administration:

- \$123,385 is allocated for the Planning and Administration of the CDBG grant, which includes \$10,000 (20%) of anticipated Program Income for PY2013. The city plans to further the goals of Economic Development, Brownsfield Remediation, Housing Rehabilitation, and Public Services and Facilities.