

**Swampscott Retirement Board & FinCom Joint Meeting
Meeting Minutes
June 22, 2023**

A meeting of the Contributory Retirement Board was held in the Swampscott Police Department Conference Room on Thursday, June 22, 2023, in advance of the joint meeting with FinCom to prepare the meeting presentation.

Present (In-Person):

Chair Thomas Driscoll, Vice-Chair John Behen, Robert Powell

Present (Remote):

Amy Sarro, Kevin Breen

The meeting was unanimously called to order by a motion made by Chair Driscoll and seconded by Vice Chair Behan at 5:56 pm.

Chair Driscoll stated there is no set agenda for this meeting, other than to discuss the presentation for the following meeting with the Finance Committee which will provide background for their recommendation to the Select Board regarding an additional one-time COLA increase of 2% to our retirees.

Amy Sarro stated she received a call from a member of FinCom asking specifics about material which was provided by the Board ahead of the meeting.

Robert Powell suggested an overview similar to that presented at the Select Board meeting.

Amy Sarro suggested reiterating that the projected \$860,000 impact could easily change depending on investment performance, and that that actuarial review occurs every other year impacting projected numbers.

The Board discusses that its responsibility is to provide transparency and truth in providing all necessary information so FinCom and the Select Board can make their own well-informed decision on the matter.

Amy Sarro reiterated that FinCom is concerned about the impact of future burden in 2031, and again points out that the Board should explain that \$860 projection is a point-in-time-number which is most likely going to change.

Chair Driscoll mentioned RFPs will be coming up for custodial bank and investment advisors.

Amy Sarro informed the Board she recently became Procurement Certified.

The meeting of the Contributory Retirement Board continued as a remote joint meeting with FinCom. The meeting was called to order by a motion made by Chair Driscoll and seconded by Vice Chair Behan at 7:09 pm.

Present: Chair Thomas Driscoll, Vice-Chair John Behen, Robert Powell, Amy Sarro, FinCom members Eric Schneider, Erik Hartmann, Naomi Dreeben & Cinder McNerney, Town Administrator Sean Fitzgerald & Treasurer/Collector Patrick Luddy,

Erik Hartmann provided a brief overview of the request by the Select Board to have FinCom provide an opinion on the one-time 2% COLA.

Chair Driscoll provided history on the legislature's decision on allowing municipalities to approve the additional 2%. Explained the financial impact is in 2031 at the end of the funding schedule. The final impact will change based on performance factors, and there are also tools to lessen the impact including extending the funding schedule. Many retirees are living on a low fixed income, and the Board has a responsibility to them.

FinCom Chair, Erik Hartmann suggests revisiting the funding schedule to feather the impact through the years instead of one large impact at the end. Suggests working with the Select Board to provide extra funds if possible.

FinCom member, Eric Schneider expressed concern that an impact on the budget in 2031 would be a burden on a future generations paying for expenses of the past generation.

Town Administrator, Sean Fitzgerald stated Mass Municipal Assoc. opposed this legislation. Town already has millions in unfunded responsibilities and obligations towards recent improvements such as a new school, etc. Seniors are in need of funding for many services. Amy Sarro voted against recommending the additional 2%.

Chair Driscoll pointed out that Mass Municipal Assoc. was initially concerned with the legislature but collaborated with the Governor to address their issues and were satisfied with the changes.

FinCom member Naomi Dreeben was favorable toward recommending the additional 2%. Cites the value to our retirees. Favors the idea of feathering in financial impact.

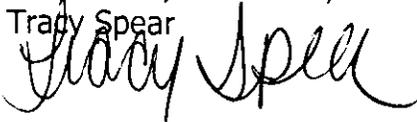
FinCom member Erik Schneider was undecided on a recommendation.

FinCom member Cinder McNerney was undecided, inclined to decline a recommendation based on the financial impact. Needs more time to process information.

Robert Powell asked for a poll on number of FinCom in favor of recommendation. Many undecided. Does not appear to be a majority. Respectfully asks that FinCom provide the Select Board with the update on the discussion and the fact that there was no clear majority. The Board voted unanimously on a motion made by Robert Powell and seconded by Amy Sarro to adjourn the joint meeting at 9:02 pm.

Respectfully submitted,

Tracy Spear

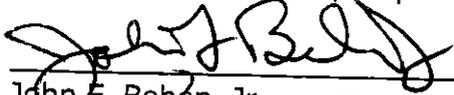


Retirement Administrative Assistant



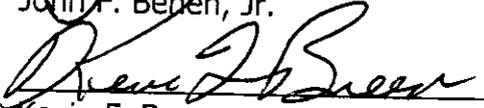
Thomas H. Driscoll, Jr., Esq.

Chair, Appointed



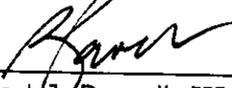
John F. Behen, Jr.

Vice-Chair, Elected Member



Kevin F. Breen

Elected Member



Robert U. Powell, III

Appointed Member



Amy L. Sarro

Ex-Officio

