

## Shutesbury Finance Committee

Tuesday, March 28, 2023 Virtual (Zoom) Meeting

Members Present: Bob Groves, Jim Hemingway, Susie Mosher, George Arvanitis, and ex-officio member, Becky Torres, Town Administrator

Members Absent: Ajay Khashu, Melody Chartier, Jim Walton

Select Board Members: Rita Farrell, Melissa Makepeace-O'Neil and Eric Stocker

And members of the public attending Select Board meeting

This was a Select Board meeting that members of the Finance Committee joined at approximately 6:05 pm.

The agenda item for Finance Committee consideration was whether to approve the additional 2% COLA for Franklin Regional Retirement System (FRRS) retirees. All COLAs in the FRRS apply to the first \$17,000 only. This increase was approved for all state retirees by special state legislation and the governor's signature. The annual COLA of 3% has already been incorporated into our FY24 draft budget figures.

Our discussion reviewed the FRRS documents addressed in a letter dated January 17, 2023 to the Select Board that the Town Administrator forwarded to us on March 22 as requested by the Select Board chair. This information arrived after our 3/21/23 meeting so we did not have the opportunity to discuss this at a posted meeting.

The cost of the additional 2% would be about \$6,863. The added cost of the retirement benefit for U28 employees was not shown. We received charts comparing Social Security COLAs and of the impact of the additional 2% over the next 8 years.

Points raised about the added increase were:

1. We have not been provided enough time to have an informed discussion at a Finance Committee meeting. Taking a vote without adequate time would not be prudent.
2. Our retirees should be supported. The special legislation justified this added increase due to the current inflation rates.
3. The FRRS board voted to approve the additional 2%. Now it is up to the Select Boards of the 24 towns in the FRRS to vote. A vote from two-thirds of the towns is required to approve the 2%. The vote must be given to the FRRS tomorrow.
4. Due to the deadline, to delay a Finance Committee vote would mean the process will go forward without our opinion.

A motion was made and seconded to delay a Finance Committee vote on the 2% increase until the Finance Committee can discuss this at a regular meeting. Motion passed 2 Yes, 1 No and one abstention due to recusal.

Our portion of the meeting adjourned at 6:23 pm