



SWAMPSCOTT CONTRIBUTORY RETIREMENT SYSTEM

Swampscott Contributory Retirement Board

Thomas Driscoll Jr,
Chair (Appointed)

John Behen Jr,
Vice-Chair (Elected)

Kevin Breen, Member (Elected)

Robert Powell III,
Member (Appointed)

Amy Sarro, Member (Ex-Officio)

Nancy Lord, Retirement
Administrator
nlord@swampscottma.gov

Tracy Spear, Administrative
Assistant
tspear@swampscott.ma.gov

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WE WANT TO HEAR FROM YOU!

Do you have a suggestion for an article? Or is there a topic you would like to see in our next newsletter? Let us know by emailing us at:
tspear@swampscottma.gov



HAPPY NEW YEAR TO OUR RETIRES AND MEMBERS!

The Swampscott Contributory Retirement System wishes you and your family a happy, healthy, and safe New Year!

And do not forget – 2024 is a leap year.
We hope it brings you luck!

Coming This February

The Swampscott Contributory Retirement Board
invites you to attend our

Retirement Information Series

Want to know more about the
Swampscott Retirement System
and how it works?

Join us for an informational series of presentations.
Retirees AND active members are welcome!





Follow **SWAMPSCOTT CONTRIBUTORY RETIREMENT SYSTEM**
on **Facebook** for updates on dates & locations.

Board Member News

John Behen, Jr. was re-elected to the Swampscott Contributory Retirement Board, in accordance with M.G.L. Chapter 32, for a three (3) year term which commenced on December 11, 2023 and will expire on December 10, 2026. John will continue to serve as Vice-Chair of the board.

Frequently Asked Questions

	<p style="text-align: center;">WHAT HAPPENS TO THE MONEY I’VE CONTRIBUTED IF I DIE BEFORE I RETIRE?</p> <p>The beneficiary indicated by you on the Beneficiary Selection form you completed when you joined the Retirement System will receive the balance of your contributions to your annuity account in a lump sum. If you chose Option D, your beneficiary will receive a life-long monthly allowance based on two-thirds of what you would have received if you had retired.</p>
	<p style="text-align: center;">WHO GOVERNS THE SWAMPSCOTT CONTRIBUTORY RETIREMENT SYSTEM?</p> <p>The public retirement systems in Massachusetts are closely governed by Massachusetts General Law Chapter 32. The Public Employee Retirement Administration Commission (PERAC) provides regulatory oversight and guidance for the effective, equitable and ethical operations of all the Commonwealth’s public pension systems as related to Chapter 32. PERAC’s units include actuarial, administration, audit, communications, compliance & investments, disability, fraud prevention, information systems and legal – all of which oversee the Swampscott Contributory Retirement System. In addition, we engage outside legal, actuarial, custodial bank and investment advisement services.</p>

EXPLAINED: WINDFALL ELIMINATION PROVISION (WEP)

Overview

If you are a retiree of the Swampscott Contributory Retirement System and you also worked at a job where you paid Social Security tax and qualify for Social Security benefits, you will likely be impacted by the Windfall Elimination Provision (WEP).

History

The Windfall Elimination Provision was introduced in 1983 as part of the Social Security Amendments of that same year. This provision affects your Social Security benefit if you qualify for Social Security AND qualify for retirement benefits from a federal, local, or state employer, such as the Town of Swampscott. Massachusetts is one of only a handful of “non-Social Security” states, which means as a government employee, you pay into your local retirement system instead of Social Security. However, many retirees find themselves in a situation where they have earned Social Security credit from previous or concurrent employment. For example, a firefighter might work a second job where they pay social security tax. A police officer might retire at an early age and move on to another job covered by social security. Finally, many Town employees come to work here after they have spent years working in a private sector job where Social Security taxes were withheld. Approximately three percent of Social Security beneficiaries nationally fall into this category.

The WEP was approved by Congress in 1983 to remove an unintended advantage for workers who collect a government pension in addition to Social Security. Since its creation in 1935, Social Security was designed to provide a greater benefit to those viewed as low wage workers. For many pension recipients, much of their lifetime income was earned through their government job. Because relatively little of their total lifetime income was reflected in their Social Security earnings record, these workers benefited from the Social Security’s progressive formula for calculating retirement payments, which is weighted in favor of low-wage workers. In other words, prior to the enactment of WEP, someone who may have been collecting a healthy government pension was also receiving a boosted Social Security benefit.

WEP in the News

Retiree advocates have been fighting for decades to eliminate or reform WEP as a seemingly unfair penalty that diminishes the Social Security benefit of government employees. In 2023 alone, there have been six reform proposals filed by various Congressional leaders, all of which are currently pending within the House and US Senate. Opposition leaders cite repeal or reform of WEP to be fiscally irresponsible as it would cost \$150 billion dollars over a decade and advance Social Security’s potential insolvency date, which is the main reason these and prior proposals have been stalled. Follow Mass Retirees (www.massretirees.com) coverage of WEP to learn more about the fight for reform.

Want to know how WEP affects you?

You will never lose all your Social Security benefits due to WEP. WEP is applied to your Social Security benefits based on the number of years of earnings outside of the public sector. To find out more, contact Social Security or visit Social Security’s website www.ssa.gov which provides a calculator to help gauge how WEP affects your Social Security benefits.

Form 1099-R Coming To Retirees

The Swampscott Contributory Retirement Board will mail a form 1099-R for calendar year 2023 to all retirees at the end of January 2024. Please be aware that if you reached the age of 59 ½ during the calendar year, you will receive two form 1099-R's. Both forms will need to be reported when filing your returns. This is the only time you would receive two 1099-Rs during your retirement. If you have any questions about filing a tax return, please contact your tax preparer.

Member Annual Statements To Be Mailed

Active and inactive members of the Swampscott Contributory Retirement System will receive their annual Statement of Member's Account shortly. The statement will provide you with your total accumulated annuity contributions through December 31, 2023. Please review your statement for accuracy and update our office with any changes in name, address, SSN or beneficiary.

Upcoming 2024 Pension Payment Schedule

Direct Deposit of your monthly benefit occurs on the last business day of the month.

Month	2024 Direct Deposit Dates
January	Wednesday, 1/31
February	Thursday, 2/29
March	Friday, 3/29
April	Tuesday, 4/30
May	Friday, 5/31
June	Friday, 6/28
July	Wednesday, 7/31
August	Friday, 8/30
September	Monday, 9/30
October	Thursday, 10/31
November	Friday, 11/29
December	Tuesday, 12/31

**The Board wishes to congratulate and recognize the following employees who retired in 2023.
Thank you for your exemplary service to the Town of Swampscott.
We wish you a long and healthy retirement!**

Vladimir Akim, SPS
Richard Blake, SFD
Michael Bowden, SPD
Cheryl Collier, SPS

Francis "Ted" Delano III, SPD
Santiago Gahm-Diaz, SPS
Gene Gardiner, DPW
Gary Lord, SPD

Peter McCarriston, TWN
Robert Myers, SPS
Thomas O'Neill, SFD

Contact Us:
Swampscott Contributory Retirement Board
22 Monument Avenue, 3rd Floor
Swampscott MA 01907
Phone: 781.596.8827
www.swampscottretirement.com



Office Hours:
Mon, Tue, Thurs: 8:00am – 5:00pm
Wed: 8:00am – 7:00pm
Closed Fridays