

**NORFOLK COUNTY RETIREMENT SYSTEM**  
**SCHEDULE OF EMPLOYER ALLOCATIONS AND**  
**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER**  
**YEAR ENDED DECEMBER 31, 2024**



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## INDEPENDENT AUDITORS' REPORT

Honorable Retirement Board  
Norfolk County Retirement System  
Norwood, Massachusetts

### **Report on the Audit of the Schedules**

#### ***Opinion***

We have audited the accompanying schedule of employer allocations of the Norfolk County Retirement System (the System) as of and for the year ended December 31, 2024, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the accompanying schedule of pension amounts by employer of the System as of and for the year ended December 31, 2024, and the related notes.

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations, net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense of the System as of and for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Schedules***

Management is responsible for the preparation and fair presentation of the schedules in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

#### ***Auditors' Responsibilities for the Audit of the Schedules***

Our objectives are to obtain reasonable assurance about whether the schedules are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

Honorable Retirement Board  
Norfolk County Retirement System

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedules.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts in schedules and the related disclosures.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedules.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Other Matter***

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of System as of and for the year ended December 31, 2024, and our report thereon dated October 30, 2025 expressed an unmodified opinion on those financial statements.

***Restriction on Use***

Our report is intended solely for the information and use of management of the System, the Retirement Board, and the System's participating employers and their auditors and is not intended to be, and should not be, used by anyone other than these specified parties.



**CliftonLarsonAllen LLP**

Boston, Massachusetts  
October 30, 2025

**NORFOLK COUNTY RETIREMENT SYSTEM  
SCHEDULE OF EMPLOYER ALLOCATIONS  
YEAR ENDED DECEMBER 31, 2024**

	Employer Contributions	Employer Allocation Percentage
Town of Avon	\$ 1,961,866	1.9397%
Avon Housing Authority	11,589	0.0115%
Town of Bellingham	4,329,820	4.2809%
Bellingham Housing Authority	30,254	0.0299%
Town of Canton	7,565,945	7.4804%
Canton Housing Authority	134,813	0.1333%
Town of Cohasset	3,579,726	3.5393%
Cohasset Housing Authority	3,435	0.0034%
Norfolk County	5,484,763	5.4228%
Charles River Pollution Control	168,781	0.1669%
Town of Dover	1,765,862	1.7459%
Dover-Sherborn Regional High School	944,260	0.9336%
Town of Foxboro	6,445,061	6.3722%
Foxboro Housing Authority	106,797	0.1056%
Town of Franklin	7,890,141	7.8009%
Franklin Housing Authority	126,818	0.1254%
Town of Holbrook	3,171,220	3.1354%
Holbrook Housing Authority	49,141	0.0486%
King Philip Regional School District	1,024,556	1.0130%
Town of Medfield	3,434,727	3.3959%
Medfield Housing Authority	4,590	0.0045%
Town of Medway	3,734,463	3.6922%
Medway Housing Authority	120,822	0.1195%
Metacomet Emergency Communication	394,338	0.3899%
Town of Millis	2,683,958	2.6536%
Millis Housing Authority	68,832	0.0681%
Town of Norfolk	3,149,848	3.1142%
Norfolk Housing Authority	41,467	0.0410%
Norfolk Mosquito Control	224,936	0.2224%
Town of Plainville	2,369,155	2.3424%
Town of Randolph	8,241,722	8.1486%
Randolph Housing Authority	107,673	0.1065%
Town of Sharon	5,903,370	5.8366%
Sharon Housing Authority	39,028	0.0386%
Town of Stoughton	8,434,762	8.3394%
Stoughton Housing Authority	127,484	0.1260%
Town of Walpole	6,910,732	6.8326%
Walpole Housing Authority	78,876	0.0780%
Town of Westwood	6,720,340	6.6444%
Town of Wrentham	2,944,354	2.9111%
Wrentham Housing Authority	34,715	0.0343%
Dedham Westwood Water District	578,331	0.5718%
Total	<u>\$ 101,143,371</u>	<u>100.0000%</u>

*See accompanying Notes to Schedules of Employer Allocations and Pension Amounts by Employer*

**NORFOLK COUNTY RETIREMENT SYSTEM  
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER  
AS OF AND YEAR ENDED DECEMBER 31, 2024**

EMPLOYER	Deferred Outflows of Resources					
	December 31, 2024 Net Pension Liability	Difference Between Expected and Actual Experience	Difference Between Expected and Actual Investment Earnings	Assumption Changes	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
Town of Avon	\$ 12,452,944	\$ 605,853	\$ 1,074,893	\$ 1,692,302	\$ 350,103	\$ 3,723,151
Avon Housing Authority	73,561	3,578	6,350	9,997	-	19,924
Town of Bellingham	27,483,532	1,337,111	2,372,280	3,734,894	1,165,503	8,609,787
Bellingham Housing Authority	192,037	9,344	16,577	26,096	19,082	71,099
Town of Canton	48,024,836	2,336,474	4,145,330	6,526,369	1,875	13,010,048
Canton Housing Authority	855,726	41,633	73,864	116,289	14,138	245,925
Town of Cohasset	22,722,311	1,105,471	1,961,308	3,087,865	45,887	6,200,530
Cohasset Housing Authority	21,804	1,061	1,882	2,963	1,678	7,584
Norfolk County	34,814,533	1,693,774	3,005,061	4,731,150	1,695,473	11,125,458
Charles River Pollution Control	1,071,337	52,122	92,473	145,590	92	290,277
Town of Dover	11,208,809	545,324	967,504	1,523,229	64,590	3,100,647
Dover-Sherborn Regional High School	5,993,690	291,601	517,353	814,516	27,636	1,651,106
Town of Foxboro	40,910,024	1,990,329	3,531,205	5,559,497	274,173	11,355,204
Foxboro Housing Authority	677,894	32,981	58,512	92,122	2,495	186,111
Town of Franklin	50,082,670	2,436,591	4,322,957	6,806,020	281,499	13,847,066
Franklin Housing Authority	804,977	39,163	69,483	109,394	6,493	224,533
Town of Holbrook	20,129,319	979,320	1,737,490	2,735,488	933,151	6,385,449
Holbrook Housing Authority	311,922	15,175	26,924	42,388	1,147	85,634
King Philip Regional School District	6,503,369	316,397	561,347	883,780	135,661	1,897,185
Town of Medfield	21,801,929	1,060,694	1,881,865	2,962,789	8,017	5,913,365
Medfield Housing Authority	29,135	1,418	2,515	3,959	8,138	16,031
Town of Medway	23,704,504	1,153,257	2,046,089	3,221,341	33,764	6,454,451
Medway Housing Authority	766,918	37,311	66,197	104,221	73,399	281,127

See accompanying Notes to Schedules of Employer Allocations and Pension Amounts by Employer

**NORFOLK COUNTY RETIREMENT SYSTEM  
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (CONTINUED)  
AS OF AND YEAR ENDED DECEMBER 31, 2024**

EMPLOYER	Deferred Outflows of Resources					Total Deferred Outflows of Resources
	December 31, 2024 Net Pension Liability	Difference Between Expected and Actual Experience	Difference Between Expected and Actual Investment Earnings	Assumption Changes	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	
Metacomet Emergency Communication	\$ 2,503,060	\$ 121,778	\$ 216,055	\$ 340,153	\$ 191,573	\$ 869,560
Town of Millis	17,036,423	828,846	1,470,521	2,315,177	601,835	5,216,379
Millis Housing Authority	436,911	21,256	37,712	59,374	3,226	121,568
Town of Norfolk	19,993,660	972,718	1,725,782	2,717,053	410,700	5,826,252
Norfolk Housing Authority	263,212	12,806	22,719	35,770	16,866	88,161
Norfolk Mosquito Control	1,427,781	69,463	123,241	194,029	260	386,993
Town of Plainville	15,038,211	731,630	1,298,045	2,043,628	89,204	4,162,507
Town of Randolph	52,314,330	2,545,164	4,515,585	7,109,294	285,307	14,455,350
Randolph Housing Authority	683,454	33,251	58,993	92,878	30	185,152
Town of Sharon	37,471,641	1,823,047	3,234,417	5,092,235	635,868	10,785,567
Sharon Housing Authority	247,730	12,053	21,383	33,664	3,032	70,133
Town of Stoughton	53,539,651	2,604,777	4,621,350	7,275,809	1,483,862	15,985,799
Stoughton Housing Authority	809,205	39,369	69,848	109,967	6,256	225,440
Town of Walpole	43,865,871	2,134,135	3,786,346	5,961,183	18,152	11,899,816
Walpole Housing Authority	500,665	24,358	43,216	68,036	15,795	151,405
Town of Westwood	42,657,358	2,075,338	3,682,030	5,796,953	1,586	11,555,907
Town of Wrentham	18,689,287	909,260	1,613,195	2,539,795	434,010	5,496,260
Wrentham Housing Authority	220,353	10,720	19,020	29,945	3,450	63,136
Dedham Westwood Water District	3,670,956	178,597	316,864	498,868	534	994,863
Total	<u>\$ 642,007,543</u>	<u>\$ 31,234,547</u>	<u>\$ 55,415,779</u>	<u>\$ 87,246,074</u>	<u>\$ 9,345,540</u>	<u>\$ 183,241,940</u>

See accompanying Notes to Schedules of Employer Allocations and Pension Amounts by Employer

**NORFOLK COUNTY RETIREMENT SYSTEM**  
**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (CONTINUED)**  
**AS OF AND YEAR ENDED DECEMBER 31, 2024**

EMPLOYER	Deferred Inflows of Resources		Pension Expense				(Proportionate share of Contributions from Nonemployer Entities) Total Pension Revenue	Total Covered Payroll
	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportion and Share of Plan Pension Expense	Net Amortization from Changes In Proportions	Total Pension Expense			
Town of Avon	\$ -	\$ -	\$ 2,546,488	\$ 170,341	\$ 2,716,829	\$ 73,462	\$ 6,645,741	
Avon Housing Authority	17,653	17,653	15,042	(5,278)	9,764	434	72,542	
Town of Bellingham	79,522	79,522	5,620,075	(360,612)	5,259,463	162,130	15,194,968	
Bellingham Housing Authority	88,774	88,774	39,269	(5,232)	34,037	1,133	252,628	
Town of Canton	209,954	209,954	9,820,541	(40,954)	9,779,587	283,307	28,242,110	
Canton Housing Authority	205	205	174,986	12,480	187,466	5,048	527,528	
Town of Cohasset	546,456	546,456	4,646,458	381,880	5,028,338	134,043	12,535,908	
Cohasset Housing Authority	52,826	52,826	4,459	(18,737)	(14,278)	129	85,952	
Norfolk County	48,023	48,023	7,119,182	208,055	7,327,237	205,377	10,124,004	
Charles River Pollution Control	98,679	98,679	219,076	(76,671)	142,405	6,320	846,729	
Town of Dover	28,569	28,569	2,292,076	(202,701)	2,089,375	66,123	7,136,024	
Dover-Sherborn Regional High School	137,598	137,598	1,225,643	(300,471)	925,172	35,358	3,121,772	
Town of Foxboro	262,189	262,189	8,365,642	(123,887)	8,241,755	241,336	22,676,709	
Foxboro Housing Authority	86,550	86,550	138,622	6,486	145,108	3,999	541,508	
Town of Franklin	244,596	244,596	10,241,345	122,390	10,363,735	295,447	31,371,705	
Franklin Housing Authority	7	7	164,609	2,468	167,077	4,749	480,685	
Town of Holbrook	6,198	6,198	4,116,220	230,470	4,346,690	118,746	13,098,809	
Holbrook Housing Authority	54,511	54,511	63,785	(3,145)	60,640	1,840	68,587	
King Philip Regional School District	217,325	217,325	1,329,866	16,007	1,345,873	38,365	3,946,012	
Town of Medfield	623,171	623,171	4,458,250	(317,601)	4,140,649	128,613	12,712,013	
Medfield Housing Authority	47,167	47,167	5,958	(14,568)	(8,610)	172	-	
Town of Medway	449,545	449,545	4,847,306	272,094	5,119,400	139,837	14,810,781	
Medway Housing Authority	2,829	2,829	156,826	(11,052)	145,774	4,524	432,738	

See accompanying Notes to Schedules of Employer Allocations and Pension Amounts by Employer



**NORFOLK COUNTY RETIREMENT SYSTEM**  
**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (CONTINUED)**  
**AS OF AND YEAR ENDED DECEMBER 31, 2024**

EMPLOYER	Deferred Inflows of Resources		Pension Expense				
	Changes in						
	Proportion and					(Proportionate share	
	Differences Between					of Contributions	
	Employer					from Nonemployer	
	Contributions	Total Deferred	Proportion and	Net Amortization	Total Pension	Entities)	Total Covered
	and Proportionate	Inflows of	Share of	from Changes	Expense	Total Pension	Payroll
	Share of	Resources	Plan Pension	In Proportions		Revenue	
	Contributions		Expense				
Metacomet Emergency Communication	\$ 321,758	\$ 321,758	\$ 511,848	\$ 507,899	\$ 1,019,747	\$ 14,766	\$ 1,950,946
Town of Millis	490,992	490,992	3,483,758	255,434	3,739,192	100,501	10,929,187
Millis Housing Authority	115	115	89,343	9,570	98,913	2,577	233,022
Town of Norfolk	202,038	202,038	4,088,480	86,195	4,174,675	117,946	11,826,895
Norfolk Housing Authority	25,775	25,775	53,824	(5,448)	48,376	1,553	147,602
Norfolk Mosquito Control	173,339	173,339	291,965	(52,750)	239,215	8,423	944,362
Town of Plainville	1,252,694	1,252,694	3,075,146	(214,731)	2,860,415	88,713	9,800,974
Town of Randolph	402,899	402,899	10,697,695	(219,881)	10,477,814	308,612	29,028,405
Randolph Housing Authority	73,413	73,413	139,759	(24,686)	115,073	4,032	479,096
Town of Sharon	301,665	301,665	7,662,531	(145,553)	7,516,978	221,052	19,091,117
Sharon Housing Authority	29,666	29,666	50,658	29,312	79,970	1,461	99,331
Town of Stoughton	4,879	4,879	10,948,259	412,516	11,360,775	315,840	28,360,484
Stoughton Housing Authority	31,488	31,488	165,473	21,456	186,929	4,774	447,631
Town of Walpole	444,461	444,461	8,970,079	90,075	9,060,154	258,773	25,729,143
Walpole Housing Authority	13,971	13,971	102,380	874	103,254	2,954	277,380
Town of Westwood	1,559,924	1,559,924	8,722,952	(555,503)	8,167,449	251,643	26,568,279
Town of Wrentham	230,242	230,242	3,821,750	18,860	3,840,610	110,251	11,551,829
Wrentham Housing Authority	9,859	9,859	45,060	(4,486)	40,574	1,300	109,003
Dedham Westwood Water District	474,015	474,015	750,669	(150,915)	599,754	21,656	2,745,294
Total	\$ 9,345,540	\$ 9,345,540	\$ 131,283,353	\$ -	\$ 131,283,353	\$ 3,787,317	\$ 365,245,433

See accompanying Notes to Schedules of Employer Allocations and Pension Amounts by Employer

**NORFOLK COUNTY RETIREMENT SYSTEM**  
**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2024**

EMPLOYER	2025	2026	2027	2028	Total
Town of Avon	\$ 1,324,772	\$ 1,807,136	\$ 630,001	\$ (38,758)	\$ 3,723,151
Avon Housing Authority	1,996	4,895	(1,727)	(2,893)	2,271
Town of Bellingham	3,013,473	4,150,255	1,523,208	(156,671)	8,530,265
Bellingham Housing Authority	(5,911)	(148)	(14,474)	2,858	(17,675)
Town of Canton	4,618,988	6,499,215	1,993,969	(312,078)	12,800,094
Canton Housing Authority	87,583	120,582	40,152	(2,597)	245,720
Town of Cohasset	2,079,552	2,924,293	809,182	(158,953)	5,654,074
Cohasset Housing Authority	(15,887)	(14,885)	(14,728)	258	(45,242)
Norfolk County	3,788,626	5,195,945	1,927,466	165,398	11,077,435
Charles River Pollution Control	73,082	118,946	19,762	(20,192)	191,598
Town of Dover	1,093,054	1,548,967	494,657	(64,600)	3,072,078
Dover-Sherborn Regional High School	540,951	797,699	234,214	(59,356)	1,513,508
Town of Foxboro	3,954,950	5,565,423	1,737,806	(165,164)	11,093,015
Foxboro Housing Authority	44,227	68,393	5,659	(18,718)	99,561
Town of Franklin	4,871,130	6,818,841	2,130,056	(217,557)	13,602,470
Franklin Housing Authority	80,515	112,048	36,283	(4,320)	224,526
Town of Holbrook	2,259,214	3,053,683	1,134,339	(67,985)	6,379,251
Holbrook Housing Authority	14,075	25,412	(2,357)	(6,007)	31,123
King Philip Regional School District	625,549	877,701	261,979	(85,369)	1,679,860
Town of Medfield	1,902,911	2,763,546	743,540	(119,803)	5,290,194
Medfield Housing Authority	(11,643)	(10,211)	(10,967)	1,685	(31,136)
Town of Medway	2,223,603	3,119,203	895,172	(233,072)	6,004,906
Medway Housing Authority	96,051	128,851	54,431	(1,035)	278,298
Metacomet Emergency Communication	255,490	310,101	69,075	(86,864)	547,802
Town of Millis	1,750,202	2,401,962	779,099	(205,876)	4,725,387
Millis Housing Authority	43,805	60,301	19,303	(1,956)	121,453
Town of Norfolk	2,034,846	2,819,331	926,533	(156,496)	5,624,214
Norfolk Housing Authority	20,956	31,345	7,719	2,366	62,386
Norfolk Mosquito Control	84,205	139,909	10,737	(21,197)	213,654
Town of Plainville	1,063,461	1,636,038	277,334	(67,020)	2,909,813
Town of Randolph	5,013,600	7,078,008	2,186,367	(225,524)	14,052,451
Randolph Housing Authority	41,480	68,497	7,153	(5,391)	111,739
Town of Sharon	3,696,421	5,178,098	1,674,126	(64,743)	10,483,902
Sharon Housing Authority	18,651	25,327	2,473	(5,984)	40,467
Town of Stoughton	5,674,855	7,775,568	2,711,964	(181,467)	15,980,920
Stoughton Housing Authority	74,257	103,705	27,622	(11,632)	193,952
Town of Walpole	4,159,282	5,860,269	1,750,286	(314,482)	11,455,355
Walpole Housing Authority	48,025	67,511	21,123	775	137,434
Town of Westwood	3,679,088	5,356,892	1,384,899	(424,896)	9,995,983
Town of Wrentham	1,906,328	2,642,866	871,339	(154,515)	5,266,018
Wrentham Housing Authority	18,797	27,594	7,327	(441)	53,277
Dedham Westwood Water District	212,811	356,813	22,709	(71,485)	520,848
Total	<u>\$ 62,457,421</u>	<u>\$ 87,615,925</u>	<u>\$ 27,384,811</u>	<u>\$ (3,561,757)</u>	<u>\$ 173,896,400</u>

See accompanying Notes to Schedules of Employer Allocations and Pension Amounts by Employer

**NORFOLK COUNTY RETIREMENT SYSTEM  
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER  
DECEMBER 31, 2024**

**NOTE 1 DESCRIPTION OF THE ENTITY**

The Norfolk County Retirement System (the System) was established in 1937 to provide retirement benefits to eligible employees of its member employers. The System is governed by a five-member retirement board who establishes the policies under which the System operates. Board members also approve all financial transactions of the System, including the approval of retirement benefits to members. The day-to-day operations of the System are managed by an Executive Director. The legislative oversight body for the System is an Advisory Council consisting of full-time treasurers or other qualified officials of the member units. The Advisory Council meets at least twice annually and is responsible for supervising and certifying the procedures involved in the election of members to the retirement board.

The System issued a publicly available audited financial statement for the year ended December 31, 2024, which is available through the System's website at [www.norfolkcountyretirement.org](http://www.norfolkcountyretirement.org). A copy of the financial statement may be obtained by submitting a request to the System's Executive Director at 720 University Avenue, Suite 120, Norwood, MA 02062.

**Plan Description**

The System is a cost-sharing multiple-employer contributory defined benefit governmental pension plan established under Chapter 32 of the General Laws of the Commonwealth of Massachusetts (MGL) covering all employees of governmental member units deemed eligible by the Board. The System is a member of the Massachusetts Association of Contributory Retirement Systems and is governed by Chapter 32 of MGL. The Public Employee Retirement Administration Commission (PERAC) is the state agency responsible for the regulation of the Commonwealth's public retirement systems.

**Membership**

Membership in the Plan is mandatory immediately upon the commencement of employment for all permanent employees (excluding teachers) regularly scheduled to work 20 hours or more per week. The pensions of school department employees who serve in a teaching capacity are administered by the Commonwealth of Massachusetts Teachers' Retirement System.

**Benefits**

Massachusetts contributory retirement system benefits are, with certain exceptions, uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, the retirement allowance benefits are based on the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

**NORFOLK COUNTY RETIREMENT SYSTEM  
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
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**NOTE 1 DESCRIPTION OF THE ENTITY (CONTINUED)**

**Benefits (Continued)**

There are three classes of membership in the retirement system: group 1, group 2, and group 4. Group 1 consists of general employees which includes clerical, administrative, technical and not otherwise classified positions. Group 2 consists of positions that have been specified as hazardous. Group 4 consists of police officers, firefighters, and other hazardous positions.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of 20 years of service or upon reaching the age of 55 with 10 years of service if hired after 1978 and if classified in groups 1 or 2. A person who became a member on or after April 2, 2012 is eligible for a superannuation retirement allowance upon reaching the age of 60 with 10 years of service if in group 1, 55 years of age with 10 years of service if in group 2, and 55 years of age if hired prior to 1978 or if classified in group 4. Normal retirement for most employees occurs at age 65 (except for certain hazardous duty and public safety positions, whose normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and the interest they generate constitute the annuity. The differential between the total retirement benefit and the annuity is the pension. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

Members who become permanently and totally disabled for further duty may be eligible to receive a disability retirement allowance. The amount of benefits to be received in such cases is dependent on several factors, including whether or not the disability is work related, the member's age, years of creditable service, level of compensation, veteran status and group classification.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. In addition, with at least ten years of creditable service, such employees are entitled to receive one hundred (100%) percent of the regular interest which has accrued upon those deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

**Contributions**

Active members contribute between 5 and 9% of their gross regular compensation. Members joining the System after January 1, 1979 must contribute an additional 2% on regular compensation earned at a rate in excess of \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. These deductions are deposited in the Annuity Savings Fund and earn interest at a rate determined by PERAC's actuary. When a member's retirement becomes effective, their deductions and related interest are transferred to the Annuity Reserve Fund. Any cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by MGL during those years are borne by the Commonwealth and are deposited into the Pension Fund.

**NORFOLK COUNTY RETIREMENT SYSTEM  
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
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**NOTE 1 DESCRIPTION OF THE ENTITY (CONTINUED)**

Cost-of-living adjustments granted after 1997 must be approved by the System and all costs are borne by the System. The pension portion of any retirement benefit is paid from the Pension Fund of the System. The governmental unit employing the member must annually appropriate and contribute the amount of current-year pension assessment.

**NOTE 2 BASIS OF PRESENTATION**

The schedules present amounts that are elements of the financial statements of the System or of its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of either the System or its participating employers. The amounts presented in the schedules were prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Such preparation requires management of the System to make a number of estimates and assumptions relating to the reported amounts. Due to inherent nature of these estimates, actual results may differ from those estimates.

**NOTE 3 NET PENSION LIABILITY**

The components of the net pension liability of the System as of December 31, 2024, are presented as follows:

Total Pension Liability	\$ 2,152,078,731
Fiduciary Net Position	<u>(1,510,071,188)</u>
Net Pension Liability	<u><u>\$ 642,007,543</u></u>

Fiduciary Net Position as a Percentage of Total Pension Liability	70.17%
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The total pension liability is calculated by the System's actuary and plan fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 67 in the System's notes to financial statements and required supplementary information.

**NORFOLK COUNTY RETIREMENT SYSTEM  
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
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**NOTE 3 NET PENSION LIABILITY (CONTINUED)**

**Actuarial Methods and Assumptions**

The total pension liability was determined by an actuarial valuation as of January 1, 2024. The following actuarial assumptions were applied to all periods included in the measurement that was rolled forward to December 31, 2024:

Actuarial Cost Method	Entry Age Normal Cost Method
Asset Valuation Method	Market Value
Investment Rate of Return	7.625%
Projected Salary Increases	3.5% - 8.0%
Inflation	2.75%
Cost of Living Increases	3.00% of first \$20,000 of Retirement Income.
Mortality Table	Pub-2010 Public Retirement Plans Mortality Tables Report from the Society of Actuaries dated January 2019; amount-weighted and projected generationally with Scale MP-2021.

**Long-Term Expected Rate of Return**

The long term expected rate of return on System's investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

<b>ASSET CLASS</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Equity	30.5 %	7.3 %
International Equities	15.5	8.0
Fixed Income	20.5	4.9
Real Estate	9.5	7.0
Private Equity	10.0	10.2
Hedge Funds	11.5	8.6
Real Assets	2.5	8.9
Total	100.0 %	

The System's policy in regard to the allocation of invested assets is established and may be amended by the Board. Assets are managed with a long-term objective of achieving and maintaining a fully-funded status for the benefits provided through the System.

**NORFOLK COUNTY RETIREMENT SYSTEM  
NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
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DECEMBER 31, 2024**

**NOTE 3 NET PENSION LIABILITY (CONTINUED)**

The annual money-weighted rate of return on investments, net of investment expense was 8.91% for the year ended December 31, 2024. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Discount Rate**

The discount rate used to measure the total pension liability as of December 31, 2024 was 7.625%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates, actuarially determined. Under Chapter 32 of MGL, employers are required to make the necessary contributions such that the System reaches full funding status by 2040.

Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the System's investments was applied to all periods of projected benefit payments to determine total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the System as of December 31, 2024, calculated using the discount rate of 7.625%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

	<u>1% Decrease (6.625%)</u>	<u>Current Discount Rate (7.625%)</u>	<u>1% Increase (8.625%)</u>
Net Pension Liability	\$ 869,874,461	\$ 642,007,543	\$ 448,398,263

**NORFOLK COUNTY RETIREMENT SYSTEM**  
**NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND**  
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**NOTE 4 PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES**

Pension expense for the year ended December 31, 2024 was as follows:

Service Cost	\$ 44,796,091
Interest Cost	156,617,380
Expected Return on Assets	(105,699,283)
Member Contributions	(44,682,290)
Current Year Amortization of Difference Between Expected and Actual Experience	18,854,478
Current Year Amortization of Changes in Assumptions	30,293,775
Current Year Amortization of Difference Between Projected and Actual Investment Earnings	12,708,881
Administrative Expenses	2,228,426
Plan Changes	16,165,895
Total	<u>\$ 131,283,353</u>

The System's pension expense is based on the January 1, 2024 valuation. The employers' allocation of the pension expense is shown in the Schedule of Pension Amounts by Employer.

The following presents a summary of the changes in the collective deferred outflows of resources and deferred inflows of resources for the year ended December 31, 2024:

	Amortization Period (Years)	Original Amount	Accumulated Amortization	Beginning of Year Balance	Current Year Amortization	End of Year Balance
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Difference Between Expected and Actual Experience:						
2021	4.08	\$ 33,610,962	\$ 24,713,943	\$ 8,897,019	\$ 8,237,981	\$ 659,038
2023	4.88	51,808,503	10,616,497	41,192,006	10,616,497	30,575,509
Subtotal		85,419,465	35,330,440	50,089,025	18,854,478	31,234,547
Difference Between Projected and Actual Investment Earnings:						
2020	5	(40,896,153)	(32,716,923)	(8,179,230)	(8,179,230)	-
2021	5	(129,087,718)	(77,452,632)	(51,635,086)	(25,817,544)	(25,817,542)
2022	5	276,609,422	110,643,768	165,965,654	55,321,884	110,643,770
2023	5	(25,272,334)	(5,054,467)	(20,217,867)	(5,054,467)	(15,163,400)
2024	5	(17,808,811)	-	-	(3,561,762)	(14,247,049)
Subtotal		63,544,406	(4,580,254)	85,933,471	12,708,881	55,415,779
Difference from Changes in Assumptions:						
2023	4.88	147,833,624	30,293,775	117,539,849	30,293,775	87,246,074
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>		<u>\$ 296,797,495</u>	<u>\$ 61,043,961</u>	<u>\$ 253,562,345</u>	<u>\$ 61,857,134</u>	<u>\$ 173,896,400</u>

The difference between expected and actual experience and the effect of assumption changes are amortized over the average expected remaining service lives of active and inactive members. The difference between projected and actual investment earnings is amortized over 5 years.



**NORFOLK COUNTY RETIREMENT SYSTEM  
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**NOTE 4 PENSION EXPENSE, DEFERRED INFLOWS OF RESOURCES AND DEFERRED  
OUTFLOWS OF RESOURCES (CONTINUED)**

**Changes in Proportion**

The previous amounts do not include specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts are recognized (amortized) by each employer over the average expected remaining service lives of all plan members.

The following schedule reflects the amortization of the balance of deferred outflows of resources and deferred inflows of resources at December 31, 2024:

Measurement Period <u>Ending December 31,</u>	<u>Amount</u>
2025	\$ 62,457,421
2026	87,615,925
2027	27,384,811
2028	<u>(3,561,757)</u>
Total	<u><u>\$ 173,896,400</u></u>

**NOTE 5 PROPORTIONATE SHARE ALLOCATION METHODOLOGY AND EMPLOYER  
ALLOCATIONS**

GASB Statement No. 68 requires employers in the System to recognize their proportionate share of the collective net pension liability. Employers' proportionate shares were allocated on the basis of actual employer contributions to the System for the year ended December 31, 2024. The Schedule of Employer Allocations displays the employer contributions and percentages used to allocate the net pension liability, deferred outflows of resources, and pension expense to each of the System's member employers.



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