

| DEPARTMENT | FY20 | FY21 | FY22 | FY23 | FY24 | % of total FY24 Turnbacks |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------------|
| Board of Selectmen | \$6,075.07 | \$3,801.40 | \$3,888.21 | \$1,808.12 | \$327.89 | 0.02% |
| Town Administrator | \$99,924.93 | \$1,916.08 | \$9,500.38 | \$13,102.74 | \$2,835.84 | 0.19% |
| Finance/Warr Committee | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Town Accountant | \$17,125.41 | \$5,919.57 | \$11,782.05 | \$12,879.01 | \$4,402.72 | 0.29% |
| Assessors | \$4,461.52 | \$2,601.25 | \$4,932.55 | \$1,351.64 | \$1,135.38 | 0.08% |
| Treasurer/Collector | \$2,109.48 | \$6,268.95 | \$42.90 | \$1,215.50 | \$4,942.43 | 0.33% |
| Town Counsel | \$13,394.06 | \$894.18 | \$413.25 | \$3,425.00 | \$6,065.19 | 0.41% |
| Personnel/Human Resource | \$3,890.09 | \$2,490.00 | \$910.00 | \$8,783.85 | \$3,302.88 | 0.22% |
| Information Technology | \$15,451.66 | \$16,526.49 | \$8,381.40 | \$1,126.73 | \$3,572.31 | 0.24% |
| Town Clerk | \$4,160.47 | \$1,620.15 | \$480.36 | \$5,825.17 | \$25,710.23 | 1.72% |
| Elections & Registrations | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Conservation | \$5,645.75 | \$1,879.16 | \$4,170.03 | \$0.00 | \$684.36 | 0.05% |
| Planning | \$13,686.01 | \$14,721.55 | \$18,634.35 | \$25,967.78 | \$14,850.53 | 0.99% |
| Zoning and Appeals | \$934.04 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Public Bldgs+Prop Maint | \$99,827.91 | \$88,022.09 | \$21,354.01 | \$27,609.39 | \$53,541.22 | 3.58% |
| Town Report/Meeting | \$6,264.20 | \$9,617.86 | \$1,981.91 | \$6,433.19 | \$1,000.00 | 0.07% |
| Police Admin | \$4,550.87 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Police Operations | \$475,512.60 | \$82,707.52 | \$213,759.13 | \$479,066.14 | \$161,179.08 | 10.78% |
| Police Traffic Mark Signs | \$10,767.67 | \$24,271.74 | \$14,336.65 | \$9,987.06 | \$710.00 | 0.05% |
| Police School Traffic | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Fire Administration | \$328.23 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Fire Operations | \$89,598.69 | \$31,440.14 | \$2,004.47 | \$111.84 | \$31,799.90 | 2.13% |
| Ambulance Service | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Inspections | \$10,936.36 | \$11,641.76 | \$3,454.88 | \$3,827.66 | \$15,557.51 | 1.04% |
| Sealer of Weights & Meas. | \$136.93 | \$83.11 | \$0.00 | \$0.00 | \$6,625.00 | 0.44% |
| Civil Defense (MEMA) Emergency Mgmt | \$0.00 | \$6,427.89 | \$6,220.00 | \$213.90 | \$1,353.24 | 0.09% |
| Tree/Forestry | \$3,449.00 | \$824.96 | \$2,167.48 | \$8,252.41 | \$18,414.51 | 1.23% |
| School | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Regional Voc School Assessment | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Highway | \$58,921.45 | \$20,662.50 | \$27,922.03 | \$128,473.25 | \$86,125.86 | 5.76% |
| Snow & Ice | \$61,712.61 | \$0.00 | \$0.00 | \$94,380.11 | \$91,596.60 | 6.13% |
| Street Lighting | \$25,126.87 | \$48,280.61 | \$4,693.52 | \$3,340.38 | \$2,015.88 | 0.13% |
| Town Garage | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Equipment, Repair, and Maint. | \$33,332.98 | \$16,133.61 | \$14,271.75 | \$67,384.31 | \$21,338.55 | 1.43% |
| Sidewalk | \$35,000.00 | \$1,230.50 | \$0.00 | \$0.00 | \$41.26 | 0.00% |
| Public Works Utilities | \$23,358.77 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Solid Waste Disposal | \$30,460.75 | \$3,292.40 | \$36,506.65 | \$19,959.45 | \$22,899.98 | 1.53% |
| Cemetery | \$29,549.46 | \$31,474.98 | \$31,381.20 | \$34,533.23 | \$20,230.31 | 1.35% |
| Health | \$2,489.36 | \$6,570.55 | \$38,644.47 | \$8,678.51 | \$5,774.18 | 0.39% |
| Public Health Nurse | \$1,267.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Mental Health | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Council on Aging | \$20,806.71 | \$6,595.86 | \$17,208.40 | \$3,309.77 | \$31,699.28 | 2.12% |
| Veterans | \$16,703.77 | \$18,874.55 | \$16,768.00 | \$31,454.37 | \$20,557.05 | 1.37% |
| Outreach | \$24,435.89 | \$15.90 | \$0.00 | \$6,370.48 | \$101.17 | 0.01% |
| Library | \$60,869.34 | \$44,606.03 | \$16,600.97 | \$7,662.23 | \$14,844.26 | 0.99% |
| Park & Recreation | \$30,767.30 | \$20,777.55 | \$18,896.45 | \$8,321.66 | \$2,029.43 | 0.14% |
| Historical Commission | \$1,324.69 | \$1,245.16 | \$210.60 | \$1,125.00 | \$1,016.00 | 0.07% |
| Grave Markers & Flags | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Memorial Day | \$1,800.00 | \$1,800.00 | \$1,500.00 | \$1,434.06 | \$1,800.00 | 0.12% |
| Arts/Cultural Council est 7/1/14 | \$50.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Town Debt-Principal | \$0.00 | \$0.00 | \$121,821.00 | \$0.00 | \$0.00 | 0.00% |
| Town Debt-Interest | \$0.00 | \$0.69 | \$129,089.19 | \$1.05 | \$1.32 | 0.00% |
| Retirement Contribution | \$0.00 | \$0.00 | \$57,926.00 | \$62,172.00 | \$5,364.05 | 0.36% |
| Workers Compensation | \$10,793.00 | \$32,857.00 | \$0.00 | \$86.68 | \$0.00 | 0.00% |
| Unemployment Comp | \$0.00 | \$0.00 | \$161,788.00 | \$0.00 | \$0.00 | 0.00% |
| Life Insurance | \$145.15 | \$289.60 | \$712.35 | \$1,884.14 | \$2,213.88 | 0.15% |
| Health Insurance | \$459,560.86 | \$380,950.31 | \$344,429.21 | \$476,589.27 | \$649,736.36 | 43.45% |
| Medicare | \$0.00 | \$0.00 | \$5,195.96 | \$30,721.72 | \$35,860.08 | 2.40% |
| Liability Insurance | \$19,085.00 | \$3,349.00 | \$7,102.00 | \$21,933.50 | \$16,708.00 | 1.12% |
| Reserve Fund | \$126,618.69 | \$108,164.88 | \$57,939.72 | \$17,173.71 | \$24,012.48 | 1.61% |
| Animal Control | \$11,216.40 | \$7,730.07 | \$8,904.25 | \$11,781.24 | \$6,712.02 | 0.45% |
| FEMA | | | | | -\$8,494.08 | |
| DEPARTMENTAL TOTAL | \$1,973,627.00 | \$1,068,577.60 | \$1,447,925.73 | \$1,649,757.25 | \$1,412,194.14 | |
| SCHOOL TOTAL | \$165,710.14 | \$206,588.90 | \$213,291.56 | \$47,857.67 | \$83,008.03 | 5.55% |
| TOWN TOTAL | \$2,139,337.14 | \$1,275,166.50 | \$1,661,217.29 | \$1,697,614.92 | \$1,495,202.17 | |

| Local Receipts | Budget | Actuals | Variance | Budget | Forecast |
|---------------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|
| | Fiscal Year | FY2024 | FY2024 | | FY2025 |
| Motor Vehicle Excise | \$2,150,000 | \$2,613,146.99 | \$463,146.99 | \$2,250,000 | \$2,500,000 |
| Other Excise | | | | | |
| Meals | \$175,000 | \$212,856.35 | \$37,856.35 | \$200,000 | \$220,000 |
| Penalties and Interest on Taxes | \$75,000 | \$99,798.73 | \$24,798.73 | \$75,000 | \$80,000 |
| Payments in Lieu of Taxes | \$2,624 | \$8,451.46 | \$5,827.46 | \$2,624 | \$5,000 |
| Fees (Demands) | \$50,000 | \$70,314.26 | \$20,314.26 | \$50,000 | \$50,000 |
| Rentals | \$196,513 | \$260,108.26 | \$63,595.26 | \$269,183 | \$229,073 |
| Department Revenue | | | | | |
| Schools | \$500 | \$1.96 | -\$498.04 | \$500 | \$500 |
| Library | \$0 | \$0.00 | \$0.00 | 0 | 0 |
| Cemetery | \$35,000 | \$44,220.00 | \$9,220.00 | \$35,000 | \$35,000 |
| Recreation | | | | | |
| Other Departmental Revenue | \$277,350 | \$476,433.00 | \$199,083.00 | \$456,500 | \$391,500 |
| Licenses and Permits | \$690,600 | \$925,342.64 | \$234,742.64 | \$800,000 | \$800,000 |
| Special Assessments | \$101,250 | \$107,969.02 | \$6,719.02 | \$20,000 | \$6,523 |
| Fines and Forfeitures | \$3,500 | \$5,191.65 | \$1,691.65 | \$3,500 | \$8,000 |
| Investment Income | \$500,000 | \$1,244,486.58 | \$744,486.58 | \$660,000 | \$933,365 |
| Medicaid Reimbursement | \$50,000.00 | \$45,544.00 | -\$4,456.00 | \$50,000 | \$0 |
| Misc. Non Recurring | 0 | \$164,973.00 | \$164,973.00 | 0 | \$0 |
| Misc. Non Recurring MSBA | 0 | | \$0.00 | \$0 | \$0 |
| Total | \$4,307,337 | \$6,278,838 | \$1,971,501 | \$4,872,307 | \$5,258,961 |
| | | | | | |
| | \$8,481,363.0 | \$8,552,764.0 | \$71,401.0 | | |
| | \$400,000.0 | \$523,712.0 | \$123,712.0 | | |
| | Total Revenue Variance | | \$2,166,614 | | |

| | FY2025 | FY2026 | \$ Change | % Change |
|--------------------------------|---------------------|---------------------|--------------------|--------------|
| REVENUES | Budget | Forecast | FY25 to FY26 | FY25 to FY26 |
| Property Tax Levy | \$51,283,621 | \$53,088,030 | \$1,804,410 | 3.52% |
| 2 1/2 Levy Increase | \$1,282,091 | \$1,327,201 | \$45,110 | 3.52% |
| New Growth | \$475,000 | \$400,000 | -\$75,000 | -15.79% |
| Debt Exclusions | \$2,382,869 | \$1,894,656 | -\$488,213 | -20.49% |
| Total Property Tax Levy | \$55,423,580 | \$56,709,887 | \$1,286,307 | 2.32% |
| | FY2025 | FY2026 | \$ Change | % Change |
| OTHER REVENUES | Budget | Forecast | FY25 to FY26 | FY25 to FY26 |
| State Aid | \$8,655,894 | \$8,962,639 | \$306,745 | 3.54% |
| Local Receipts | \$4,872,307 | \$5,258,961 | \$386,654 | 7.94% |
| Other Available General Funds | \$784,887 | \$803,486 | \$18,599 | 2.37% |
| Enterprise Fund Offset | \$2,280,969 | \$2,209,233 | -\$71,737 | -3.15% |
| Total Other Revenue | \$16,594,057 | \$17,234,318 | \$640,261 | 3.86% |
| Total Revenue | \$72,017,637 | \$73,944,205 | \$1,926,568 | 2.68% |

| SHARED FIXED COSTS - INSURANCE/BENEFITS | FY25 Town Meeting Approved | FY26 Forecast | \$ Change | % Change |
|--|----------------------------|---------------|-----------|----------|
| Workers Compensation Insurance | \$293,518 | \$274,763 | -\$18,755 | -6.39% |
| Property, General Liability, and Professional | \$292,085 | \$289,086 | -\$2,999 | -1.03% |
| Police and Fire 111F Injured on Duty Insurance | \$90,000 | \$90,000 | \$0 | 0.00% |
| Unemployment Trust Fund | \$50,000 | \$25,000 | -\$25,000 | -50.00% |
| Life Insurance | \$16,000 | \$16,800 | \$800 | 5.00% |
| Health Insurance | \$4,948,985 | \$5,430,416 | \$481,431 | 9.73% |
| Medicare Tax | \$708,000 | \$733,000 | \$25,000 | 3.53% |

| | | | | |
|--|--------------------|---------------------|------------------|--------------|
| Norfolk County Retirement | \$3,434,727 | \$3,479,436 | \$44,709 | 1.30% |
| Total Town and School Employee Benefits | \$9,833,315 | \$10,338,501 | \$505,186 | 5.14% |

| DEBT SERVICE | FY25 Town Meeting Approved | FY26 Forecast | \$ Change | % Change |
|--------------------------------|----------------------------|--------------------|-------------------|----------------|
| Town Debt - Principal | \$2,931,249 | \$2,587,821 | -\$343,428 | -11.72% |
| Town Debt - Interest | \$1,035,984 | \$913,288 | -\$122,696 | -11.84% |
| Lease Purchase Finance Payment | \$48,095 | \$48,095 | \$0 | 0.00% |
| Total Debt | \$4,015,328 | \$3,549,204 | -\$466,124 | -11.61% |

| EXPENDITURES NOT REQUIRING APPROPRIATION | FY25 Town Meeting Approved | FY26 Forecast | \$ Change | % Change |
|--|----------------------------|------------------|-------------------|----------------|
| Snow Deficit/Land Damages/Tax Title | \$0 | \$0 | \$0 | 0.00% |
| State Aid Offsets | \$30,986 | \$35,389 | \$4,403 | 14.21% |
| Deficit to be raised on the Recap | \$0 | \$0 | \$0 | 0.00% |
| State Assessments | \$708,928.00 | \$562,352.63 | -\$146,575 | -20.68% |
| Overlay | \$200,000 | \$225,000 | \$25,000 | 12.50% |
| Total Not Requiring Approp | \$939,914 | \$822,742 | -\$117,172 | -12.47% |

| VOCATIONAL SCHOOL ASSESSMENT | FY25 Town Meeting Approved | FY26 Forecast | \$ Change | % Change |
|---|----------------------------|---------------------|--------------------|-----------------------|
| Vocational School Assessment | \$127,924 | \$134,320 | \$6,396 | 5.00% |
| Total Vocational School Assessment | \$127,924 | \$134,320 | \$6,396 | 5.00% |
| | | | | |
| REMAINING REVENUES | \$57,101,156 | \$59,099,438 | \$1,998,282 | 3.50% |
| | | | | |
| OPERATING BUDGETS: 75%/25% REVENUE SPLIT | FY25 Town Meeting Approved | FY25 Forecast | \$ Change | % Change FY24 to FY25 |
| School Department | \$43,112,411 | \$44,611,122 | \$1,498,711 | 3.48% |
| Town Departments | \$13,988,744 | \$14,488,314 | \$499,570 | 3.57% |
| Total | \$57,101,155 | \$59,099,437 | \$1,998,282 | 3.50% |

| Plan | Plan Type | Sum of Nov-24 |
|--|------------|---------------|
| Access Blue NE Saver - High Deductible | Family | 18 |
| | Individual | 12 |
| Blue Care Elect Preferred Options PPO | Family | 18 |
| | Individual | 26 |
| HMO Blue NE Options | Family | 140 |
| | Individual | 98 |
| Medex 2 | Family | 2 |
| | Individual | 299 |
| Medex 2 LIS | Individual | 3 |
| Grand Total | | 616 |

| RATES EFFECTIVE 7/1/2024 (except Medex) | | | |
|---|--------|------------|-------------|
| Rate | Months | Town share | Annual cost |
| \$838.89 | 12 | 62% | \$112,344 |
| \$2,182.26 | 12 | 62% | \$194,832 |
| \$2,480.07 | 12 | 50% | \$267,848 |
| \$953.01 | 12 | 50% | \$148,670 |
| \$2,454.00 | 12 | 62% | \$2,556,086 |
| \$943.34 | 12 | 62% | \$687,808 |
| \$434.09 | 12 | 50% | \$5,209 |
| \$434.09 | 12 | 50% | \$778,757 |
| \$434.09 | 12 | 50% | \$7,814 |

| 10% INCREASE ON CURRENT COSTS | | | |
|-------------------------------|--------|------------|-------------|
| Rate | Months | Town share | Annual cost |
| \$922.78 | 12 | 62% | \$123,579 |
| \$2,400.49 | 12 | 62% | \$214,315 |
| \$2,728.08 | 12 | 50% | \$294,632 |
| \$1,048.31 | 12 | 50% | \$163,537 |
| \$2,699.40 | 12 | 62% | \$2,811,695 |
| \$1,037.67 | 12 | 62% | \$756,589 |
| \$447.11 | 12 | 50% | \$5,365 |
| \$447.11 | 12 | 50% | \$802,120 |
| \$447.11 | 12 | 50% | \$8,048 |

Total cost \$4,759,368.06
 \$396,614.01

Total cost \$5,179,880.26
w/ buffer (\$175,000) \$5,354,880.26

Health insurance budget \$5,354,880.26

| | |
|-------------------------|-----------------------|
| FSA fee | \$13,536.00 |
| HSA match - Individual | \$18,000.00 |
| HSA match - Family | \$24,000.00 |
| State tax (FY24 budget) | \$10,000.00 |
| Cook and Company | \$10,000.00 |
| Total | \$5,430,416.26 |

| | |
|------------------------|-----------------------|
| FY25 Budget | \$4,948,985.00 |
| Difference - \$ | \$481,431.26 |
| Difference - % | 9.73% |

Assumptions:

- (1) Medfield projected yearly assessments from Pink Sheet (Nov 24)
- (2) Medfield payroll costs estimated to increase. 4%
- (3) Transfer out of Pension Reserve Fund in FY 25 \$ (337,920)
- (4) Investment Return on balance in Pension Reserve Fund 4.0%
- (4) Yearly limit of net projected pension costs after transfers through FY 2031 2.5%
- (5) Pension Reserve Fund Balance Sept 30, 2024 \$ 3,300,777
- (6) Significant budget flexibility starts in FY 32

| FISCAL YEAR | Norfolk County | | | Estimated | | Pension Reserve | | | Net | |
|----------------|--------------------------|---------------------------------|-----------------------------|-------------------------------|--|-------------------------|-----------------------------|----------------------|-------------------------------|--|
| | Assessment Escalation | Estimated Yearly Increase | Payroll Costs Escalation | Emplr. Cost (% of Payroll) | Transfer from Pension Reserve Fund | Fund (Invest Return) | Revised Net Pension Cost | Projected (B - G) | Pension Cost Growth Capped | |
| | 0.0% | 4% | | | 4.0% | | 2.5% | | | |
| FY 21 | \$ 3,026,978 | | | | \$ (75,000) | | | | | |
| FY 22 | \$ 3,162,435 | \$ 135,457 | \$ 11,755,970 | 26.9% | \$ (75,000) | \$ 3,616,000 | \$ 3,087,435 | | | |
| FY 23 | \$ 3,394,258 | \$ 231,823 | \$ 12,343,769 | 27.5% | \$ (200,000) | \$ 3,399,853 | \$ 3,194,258 | | | |
| FY 24 | \$ 3,296,275 | \$ (97,983) | \$ 12,837,519 | 25.7% | \$ (275,000) | \$ 3,300,777 | \$ 3,021,275 | \$ 3,021,275 | | |
| FY 25 | \$ 3,434,727 | \$ 138,452 | \$ 13,351,020 | 25.7% | \$ (337,920) | \$ 3,081,371 | \$ 3,096,807 | \$ 3,096,807 | | |
| FY 26 | \$ 3,479,436 | \$ 44,709 | \$ 13,885,061 | 25.1% | \$ (305,209) | \$ 2,887,209 | \$ 3,174,227 | \$ 3,174,227 | | |
| FY 27 | \$ 3,899,532 | \$ 420,096 | \$ 14,440,463 | 27.0% | \$ (645,949) | \$ 2,330,910 | \$ 3,253,583 | \$ 3,253,583 | | |
| FY 28 | \$ 4,063,191 | \$ 163,659 | \$ 15,018,082 | 27.1% | \$ (728,269) | \$ 1,666,747 | \$ 3,334,922 | \$ 3,334,922 | | |
| FY 29 | \$ 4,207,695 | \$ 144,504 | \$ 15,618,805 | 26.9% | \$ (789,400) | \$ 912,442 | \$ 3,418,295 | \$ 3,418,295 | | |
| FY 30 | \$ 4,382,990 | \$ 175,295 | \$ 16,243,557 | 27.0% | \$ (879,237) | \$ 34,533 | \$ 3,503,753 | \$ 3,503,753 | | |
| FY 31 | \$ 4,565,541 | \$ 182,551 | \$ 16,893,300 | 27.0% | \$ (974,194) | \$ (977,248) | \$ 3,591,347 | \$ 3,591,347 | | |
| FY 32 | \$ 1,415,523 | \$ (3,150,018) | \$ 17,569,032 | 8.1% | \$ - | | \$ 1,415,523 | \$ 1,415,523 | | |
| FY 33 | \$ 1,463,189 | \$ 47,666 | \$ 18,271,793 | 8.0% | \$ - | | \$ 1,463,189 | \$ 1,463,189 | | |
| FY 34 | \$ 1,512,280 | \$ 49,091 | \$ 19,002,664 | 8.0% | \$ - | | \$ 1,512,280 | \$ 1,512,280 | | |
| FY 35 | \$ 669,907 | \$ (842,373) | \$ 19,762,771 | 3.4% | \$ - | | \$ 669,907 | \$ 669,907 | | |
| | \$ 31,964,527 | \$ 1,045,260 | | | \$ (3,431,746) | | \$ 28,532,781 | | | |

Post Employment Benefits Policy

1. Pension

The Contributory Retirement System is a defined benefit program that is governed by Massachusetts General Laws, Ch. 32 and is regulated by the PERAC, a state entity responsible for the oversight, guidance, monitoring, and regulation of the public pension systems in Massachusetts. Funding for this system covers the costs of employees who are part of the Norfolk County Retirement System, which does not include teachers, as their pensions are funded by the state through the Massachusetts Teachers Retirement System.

Norfolk County Retirement System

The Town is required to annually appropriate sufficient funds to cover the annual assessment received from the Norfolk County Retirement System. Norfolk County is required by the state to have a funding schedule and assess the annual required contribution (ARC) to the Town.

- The current Pension system is required by State law to be fully funded by 20345.
- Currently (~~December~~August 2024), the latest anticipated date for full funding of the Pension system is the end of fiscal year 203529. NCRS has recently changed many of their actuarial assumptions and extended the full funding date to 2035 (previously 2029). Annual assessments have been revised to smooth out the revised impact of the change in actuarial assumptions and future funding schedule through 2035.
- The Town should continue to inform residents of the status of the pension liability, including the anticipated date of fully funding and the amount of anticipated budget savings.

2. Other Post Employment Benefits (OPEB)

OPEB is the cost of providing health care and other non-pension benefits for retirees.

The Town shall continue its practice of having an independent actuary prepare biennial valuations, which are in compliance with the Government Accounting Standards Board (GASB) and Massachusetts law.

While there is no legal requirement to fund OPEB liability, the Town should strive to move toward fully funding the Annual Required Contribution (ARC), ultimately developing a funding schedule that fully funds OPEB liability.

The Town has established an OPEB Liability Trust Fund. This Trust Fund is an irrevocable trust, and its assets can only be used to fund the OPEB liability for retiree health insurance benefits. The establishment of the trust allows the Town to make contributions to fund the OPEB liability.

Funds can be saved in this account from year to year, and interest earned remains with the account.

The Town shall strive to appropriate from Free Cash no less than \$551,250 per year to the OPEB Liability Trust Fund, with the goal of increasing that contribution 5% annually thereafter, until the date of full funding for the Norfolk County Retirement System

The Town shall re-evaluate the above policy three years prior to the anticipated full funding date for the Norfolk County Retirement System, strive in fiscal years after full funding of the Norfolk County Retirement System to increase the annual appropriation to the OPEB Liability Trust Fund by 5% each

~~subsequent year and include such appropriation as part of the general fund's annual operating budget each year thereafter.~~

DRAFT