



## CONTRIBUTORY RETIREMENT SYSTEM

TOWN HALL • 525 WASHINGTON STREET • WELLESLEY, MA 02482-5992

### RETIREMENT BOARD

DAVID N. KORNWITZ, CHAIRMAN  
TIMOTHY BARROS, VICE CHAIRMAN  
SHERYL STROTHER  
CHARLES CAHILL  
MICHAEL LEACH

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LYNN WHYNOT  
RETIREMENT ADMINISTRATOR

### February 24, 2015 BOARD MEETING MINUTES

A duly called, posted meeting was held at 7:38 a.m. in the Peg Arnold Room, Wellesley Free Library, Wellesley, Massachusetts.

Members Present: David Kornwitz, Timothy Barros, Sheryl Strother, Charles Cahill, and Michael Leach.

Also present: Lynn Whynot, Retirement Administrator

On a motion made by Michael Leach and seconded by Charles Cahill the Board voted unanimously to approve the open session minutes for the meeting of January 30, 2015.

The Board noted the following Deaths in the Town of Wellesley Retirement System:

Name	Ret. No.	Date of Death	Dept.	Group
Ellen Gordon	02-864	02/17/2015	ZBA	1
Gregory Carr	Active	02/14/2015	DPW	1

The Board discussed former member Sally Tesoro. Ms. Tesoro's accumulated contributions were transferred to the Lexington Retirement System in 2012. In 2014, based on an inquiry from the Lexington Retirement Board, Ms. Tesoro's service was revised to reflect an additional 2 months of creditable service with the Wellesley Retirement System. Ms. Tesoro was an inactive member in Lexington at that time and became vested in the Lexington Retirement System and retired as a result of the additional 2 months of creditable service. She is now requesting indemnification for COBRA premiums paid to Lexington until she retired and became eligible for retiree medical benefits through the Town of Lexington. After discussion, the Board requests that their legal counsel, Michael Sacco, reach out to Lexington to assist in resolving this issue.

The Board discussed our current actuarial asset methodology used in the development of the valuation results and appropriation by units. The methodology allocates assets in proportion to each unit's liability as a percentage of the total actuarial accrued liability.

Each unit has historically paid its required share of the annual appropriation. Allocating assets on the basis of accrued liability theoretically captures the level of contributions by each unit.

Liability gains and losses should offset each other in the long term and provide equity among the units. If a unit were to accelerate contributions in the future, the asset method should be refined to separately track cash flows based on an asset split at that time.

Both the obligations and the assets are responsibility of the Retirement System. The current asset methodology provides a simplified and appropriate method to calculate annual appropriations by unit.

**VOTED: To Approve Voucher 201503**

Amity Insurance Agency (MACRS policy)	\$9,788.00
Michael Sacco (Legal Fees)	352.00
Town of Wellesley-Staff Salaries/Benefits	12,322.54
Town of Wellesley Postage through 2/19/15	<u>646.48</u>
<b>Total</b>	<b>\$23,109.02</b>

The next Board meeting will be held at 7:30 a.m. on Tuesday, March 31, 2015 in the Peg Arnold Room.

**VOTED:** To adjourn.  
Adjourned at 8:20 a.m.

Respectfully Submitted,  
WELLESLEY RETIREMENT BOARD  
Approved March 31, 2015