

**WELLESLEY CONTRIBUTORY RETIREMENT SYSTEM**

**FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2016 AND 2015**

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# ***Financial Section***



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## **Independent Auditor's Report**

To the Wellesley Retirement Board and the Audit Committee  
Wellesley Contributory Retirement System  
Wellesley, Massachusetts

## **Report on the Financial Statements**

We have audited the accompanying financial statements of the Wellesley Contributory Retirement System, which comprise the statements of assets, liabilities, and fund balance as of December 31, 2016 and 2015, and the related statements of changes in fund balance, statements of income, statements of disbursements, and statements of investment income for the years then ended, and the related notes to the financial statements, as listed in the table of contents.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Commonwealth of Massachusetts' Public Employee Retirement Administration Commission (PERAC). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the Commonwealth of Massachusetts' Division of Public Employee Retirement Administration Rules and Regulations 840 CMR 25.00: "The Conduct of Field Examinations of Contributory Retirement Systems", in existence as of August 27, 2004. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Wellesley Contributory Retirement System as of December 31, 2016 and 2015, and the results of its operations and changes in fund balances for the years then ended, on the basis of the financial reporting provisions of PERAC as described in Note 2.

## **Basis of Accounting**

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. As described in Note 2 to the financial statements, the financial statements are prepared by the Wellesley Contributory Retirement System on the basis of the financial reporting provisions of the Commonwealth of Massachusetts' Public Employee Retirement Administration Commission, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of PERAC. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Additional Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Wellesley Contributory Retirement System's financial statements. The schedule of funding progress, as listed in the table of contents, which is the responsibility of management, is presented for the purpose of additional information and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Restriction on Use**

Our report is intended solely for the information and use of management of the member units, the Wellesley Contributory Retirement Board, others within the Town of Wellesley, Massachusetts, and PERAC and is not intended to be and should not be used by anyone other than these specified parties.



September 13, 2017

# ***Financial Statements***

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**STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE**

December 31,

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Cash and cash equivalents.....	\$ 306,255	\$ 284,844
Massachusetts Municipal Depository Trust (MMDT) funds.....	1,000,355	521,483
Investments:		
Pension Reserve Investment Trust (PRIT) funds.....	162,977,492	152,484,113
Receivables:		
Reimbursements from other systems.....	359,511	343,260
Payments from members.....	86,316	174,741
Prepaid expenses.....	<u>1,681</u>	<u>1,631</u>
Total assets.....	<u>164,731,610</u>	<u>153,810,072</u>
<b>Liabilities</b>		
Reimbursements to other systems.....	377,079	263,075
Other accrued liabilities.....	<u>1,382</u>	<u>10,900</u>
Total liabilities.....	<u>378,461</u>	<u>273,975</u>
Net assets available for pension benefits.....	\$ <u>164,353,149</u>	\$ <u>153,536,097</u>
<b>Fund Balance</b>		
Annuity Savings Fund.....	\$ 37,433,859	\$ 35,690,215
Annuity Reserve Fund.....	6,138,839	6,509,714
Special Military Service Credit Fund.....	2,906	2,903
Pension Fund.....	11,481,990	11,367,539
Pension Reserve Fund.....	<u>109,295,555</u>	<u>99,965,726</u>
Total fund balance.....	\$ <u>164,353,149</u>	\$ <u>153,536,097</u>

See notes to financial statements.

**STATEMENTS OF CHANGES IN FUND BALANCE**

YEARS ENDED DECEMBER 31,

	2016		
	Annuity Savings Fund	Annuity Reserve Fund	Special Military Service Credit Fund
Income:			
Receipts.....	\$ 3,833,978	\$ -	\$ -
Investment income.....	49,557	186,304	3
Total income.....	3,883,535	186,304	3
Disbursements.....	(888,508)	(1,793,136)	-
Net increase (decrease) in fund balance before interfund transfers (out) in.....	2,995,027	(1,606,832)	3
Interfund transfers (out) in.....	(1,251,383)	1,235,957	-
Net increase (decrease) in fund balance.....	1,743,644	(370,875)	3
Fund balance, beginning of year.....	35,690,215	6,509,714	2,903
Fund balance, end of year.....	\$ <u>37,433,859</u>	\$ <u>6,138,839</u>	\$ <u>2,906</u>

See notes to financial statements.

2015

Pension Fund	Pension Reserve Fund	Expense Fund	Total All Funds	Total All Funds
\$ 8,038,983	\$ 2,905	\$ -	\$ 11,875,866	\$ 11,773,220
-	10,807,105	1,081,698	12,124,667	1,932,778
8,038,983	10,810,010	1,081,698	24,000,533	13,705,998
(9,420,139)	-	(1,081,698)	(13,183,481)	(13,125,826)
(1,381,156)	10,810,010	-	10,817,052	580,172
1,495,607	(1,480,181)	-	-	-
114,451	9,329,829	-	10,817,052	580,172
11,367,539	99,965,726	-	153,536,097	152,955,925
<u>\$ 11,481,990</u>	<u>\$ 109,295,555</u>	<u>\$ -</u>	<u>\$ 164,353,149</u>	<u>\$ 153,536,097</u>

**STATEMENTS OF INCOME**

YEARS ENDED DECEMBER 31,

	<u>2016</u>	<u>2015</u>
Members deductions.....	\$ 3,541,355	\$ 3,448,878
Employer contributions:		
Town of Wellesley.....	7,512,624	7,235,004
Wellesley Housing Authority.....	49,649	50,893
Investment income.....	12,124,667	1,932,778
Reimbursements from other systems for Pension Fund.....	359,511	343,260
Transfers of members' accounts from other systems.....	225,019	526,129
State Retirement Board, cost of living adjustment.....	107,199	116,067
Federal grant reimbursement.....	-	18,935
Members' makeup payments and redeposits.....	67,604	29,619
Income from court ordered restitution.....	2,347	2,759
Income from workers compensation settlement.....	10,000	-
Interest not refunded.....	<u>558</u>	<u>1,676</u>
Total income.....	<u>\$ 24,000,533</u>	<u>\$ 13,705,998</u>

See notes to financial statements.

**STATEMENTS OF DISBURSEMENTS**

YEARS ENDED DECEMBER 31,

	2016	2015
Superannuation and termination retirement allowance payments from Pension Fund.....	\$ 7,085,736	\$ 6,851,333
Annuity portion of retirement allowance payments from Annuity Reserve Fund.....	1,793,136	1,809,793
Accidental disability payments from Pension Fund.....	1,156,743	1,123,419
Investment management and custodial fees from Expense Fund.....	836,349	784,507
Survivor allowance payments from Pension Fund.....	621,158	577,343
Refunds of members' accounts from Annuity Savings Fund.....	235,541	445,852
Transfer of members' accounts to other systems from Annuity Savings Fund.....	652,967	815,374
Reimbursements to other systems from Pension Fund.....	318,127	244,217
Accidental death benefits from Pension Fund.....	165,597	133,724
Staff salaries and benefits from Expense Fund.....	167,073	155,607
Ordinary disability payments from Pension Fund.....	54,377	63,626
Administrative expenses from Expense Fund.....	39,606	31,678
Section 101 benefits from Pension Fund.....	18,401	25,917
Legal expenses from Expense Fund.....	6,620	17,442
Fiduciary insurance expenses from Expense Fund.....	10,504	9,744
Travel expenses from Expense Fund.....	2,946	2,850
Actuarial and accounting service expenses from Expense Fund.....	18,600	33,400
Total disbursements.....	\$ 13,183,481	\$ 13,125,826

See notes to financial statements.

**STATEMENTS OF INVESTMENT INCOME**

YEARS ENDED DECEMBER 31,

	2016	2015
Gross investment income.....	\$ <u>12,124,667</u>	\$ <u>1,932,778</u>
Investment income required:		
Annuity Savings Fund.....	49,557	49,813
Annuity Reserve Fund.....	186,304	197,870
Special Military Service Credit Fund.....	3	3
Expense Fund.....	<u>1,081,698</u>	<u>1,035,227</u>
Total investment income required.....	<u>1,317,562</u>	<u>1,282,913</u>
Excess investment income transferred to Pension Reserve Fund.....	\$ <u><u>10,807,105</u></u>	\$ <u><u>649,865</u></u>

See notes to financial statements.

**NOTE 1 – PLAN DESCRIPTION**

The Plan is a cost sharing multiple-employer defined benefit plan covering all employees of governmental member units deemed eligible by the Wellesley Retirement Board (the Board), with the exception of school department employees who serve in a teaching capacity. The pensions of such school employees are administered by the Commonwealth of Massachusetts' Teachers Retirement System. The Plan is administered by the Wellesley Contributory Retirement System (the System).

Instituted in 1937, the System is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws. Membership in the Plan is mandatory immediately upon the commencement of employment for all permanent and full-time employees and those employees who are scheduled for 1,000 hours per calendar year.

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 (except for members who were hired on or after April 2, 2012, where the retirement allowance is calculated on the highest five-year average). Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

Members become vested after ten years of creditable service. For members who began service prior to April 2, 2012, 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 and 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). For members who began service on or after April 2, 2012, a superannuation retirement allowance may be received upon the completion of age 60 with 10 years of service and normal retirement for most employees occurs at age 67 (except for certain hazardous duty and public safety positions, a superannuation allowance may also be received at age 55 and whose normal retirement is at age 57).

A retirement allowance consists of two parts; an annuity portion and a pension portion. 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 portion. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

Active members contribute between 5 and 11% of their gross regular compensation. 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 the Public Employee Retirement Administration Commission's (PERAC) actuary. When a member's retirement becomes effective, his/her 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 the Commonwealth of Massachusetts' state law during those years are borne by the Commonwealth and are deposited into the Pension Fund. Cost-of-living adjustments granted after 1997 must be approved by the Board 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 payments as determined by PERAC's actuary. Upon their inception, retirement systems were paying only the actual retirement benefits that were due each year. Systems had no statutory authorization to put aside money for the future benefits of employees who are currently employed. Large unfunded liabilities resulted from operating under this pay-as-you-go basis. In 1977, legislation authorized local governments to appropriate funds to meet future pension obligations. In 1983, additional legislation was passed requiring the transfer of investment earnings (in excess of the amount credited to member accounts) into the Pension Reserve Fund.

Administrative expenses, which were previously appropriated from the governmental entities whose employees are members of the system, are now paid from investment income.

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, veterans' 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, a member who voluntarily withdraws with less than 10 years of creditable service is entitled to receive 3% interest on his or her contributions. Members who involuntarily withdraw or those with more than 10 years of creditable service are entitled to interest on his or her contributions at the regular interest rate.

Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements are presented on the basis of accounting and reporting practices prescribed by the Commonwealth of Massachusetts' Commissioner of PERAC. Financial accounting and reporting standards required by generally accepted accounting principles (GAAP) differ in some respects from the requirements of PERAC. The valuation of assets, liabilities, and net assets/fund balance are substantially the same. The main difference between GAAP and PERAC is that the financial statements for the changes in net assets/fund balance are presented in different formats.

The accounting records of the System are maintained on a calendar year basis in accordance with the standards and procedures established by the Commissioner of PERAC.

The *Annuity Savings Fund* is the fund in which members' contributions are deposited. Voluntary contributions, redeposits, and transfers to and from other systems are also accounted for in this fund. Members' contributions to the fund earn interest at a rate determined by PERAC. Interest for some members who withdraw from the System with less than 10 years of service is transferred to the Pension Reserve Fund. Upon retirement, a member's contributions and interest are transferred to the Annuity Reserve Fund. Dormant account balances are not entitled to an allowance and must be transferred to the Pension Reserve Fund after a period of 10 years of inactivity.

The *Annuity Reserve Fund* is the fund to which a Member's account is transferred upon retirement from the Annuity Savings Fund. The annuity portion of the retirement allowance is paid from this fund. Interest is credited monthly to this fund at the rate of 2.5% annually on the previous month's balance.

The *Special Military Service Credit Fund* contains contributions and interest for members while on military leave for service in the Armed Forces who will receive creditable service for the period of that leave. Creditable service is granted provided the member returns to the same governmental unit within two years of the date of discharge from the military.

The *Pension Fund* contains the amounts appropriated by the governmental units as established by PERAC to pay the pension portion of each retirement allowance.

The *Pension Reserve Fund* contains the amounts appropriated by the governmental units for the purpose of funding retirement benefits. Any profit or loss realized on the sale or maturity of any investment or on the

unrealized gain or loss of market valued investments as of the valuation date is credited to the Pension Reserve Fund. Additionally, any investment income in excess of the amount required to credit interest to the Annuity Savings Fund and Annuity Reserve Fund is credited to the Pension Reserve Fund.

The *Expense Fund* contains amounts transferred from investment income for the purpose of administering the System.

The *Investment Income Account* is credited with all interest and dividends derived from invested funds. At the end of the year, the interest credited to the Annuity Savings Fund, Annuity Reserve Fund, Special Military Service Credit Fund, and the Expense Fund is distributed from this account and the remaining balance is transferred to the Pension Reserve Fund.

### NOTE 3 – PLAN ADMINISTRATION

The System is administered by a five-member retirement board consisting of the Town Finance Director, who shall be a member ex officio, two elected members, one member appointed by the Board of Selectmen, and one member appointed by the other 4 members.

Ex officio Member:	Sheryl Strother	Term Expires:	Indefinite
Elected Member:	Timothy Barros	Term Expires:	June 2020
Elected Member:	Michael Leach	Term Expires:	June 2019
Appointed Member:	David Kornwitz	Term Expires:	Indefinite
Appointed Member:	Charles Cahill	Term Expires:	June 2018

Board members are required to meet at least once a month and must keep record of all Board proceedings. The Board must annually submit to the appropriate authority an estimate of the expenses of administration and cost of operation of the System. The Board must annually file a financial statement of condition for the System with the Commissioner of PERAC.

The investment of the System's funds is the responsibility of the Board. All retirement allowances must be approved by the Board. All expenses incurred by the System must be approved by at least three members of the Board.

The Board members and employees are bonded by an authorized agent representing a company licensed to do business in Massachusetts. The bonding provides dishonesty coverage in the amount of \$1,000,000 and fiduciary liability coverage in the amount of \$50,000,000.

### NOTE 4 – CASH AND INVESTMENTS

At December 31, 2016 and 2015, the carrying amount (book value) of the Retirement System's deposits totaled \$306,255 and \$284,844 and the bank balances totaled \$454,693 and \$502,882, respectively. The bank balances were fully covered by Federal Depository Insurance.

#### Investments

The Retirement System's investments at December 31, 2016 and 2015, consist of two external investment pools,

namely the Pension Reserve Investment Trust (PRIT) and the Massachusetts Municipal Depository Trust (MMDT).

The Retirement System participates, as a participating member, in the Pension Reserves Investment Trust (PRIT), which meets the criteria of an external investment pool. PRIT is administered by the Pension Reserves Investment Management Board, which was established by the Treasurer of the Commonwealth of Massachusetts who serves as trustee. The fair value of the position in the PRIT is the same as the value of the PRIT shares.

The PRIT fund, as a pool, invests in various products including, but not limited to, money market mutual funds, equities, pooled foreign and domestic fixed income and equity funds, United States government sponsored enterprises and treasury notes, real estate, and commodities. The underlying components of PRIT's fixed income portfolio had an effective weighted duration rate ranging from .45 to 22.60 years in 2016.

The MMDT meets the criteria of an external investment pool. The MMDT is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

MMDT maintains a cash portfolio and a short-term bond portfolio. The cash portfolio had a weighted average maturity of 51 days and the short term bond portfolio had a weighted average maturity of approximately 2.7 years. Credit ratings associated with the short-term bond portfolio ranged from BBB to AAA. Approximately 67% of the total was rated AAA, approximately 16% of the total was rated A/AA and approximately 17% rated BBB.

As of December 31, 2016 and 2015, the Retirement System had investments in PRIT totaling \$162,977,492 and \$152,484,113 and investments in MMDT totaling \$1,000,355 and \$521,483, respectively.

## NOTE 5 – ACTUARIAL VALUATION

The most recent actuarial valuations of the System contained the following information:

<b>Funding Information</b>	<u>January 1, 2015</u>	<u>January 1, 2013</u>	<u>January 1, 2012</u>
Actuarial accrued liability - active members.....	\$ 101,684,411	\$ 91,615,394	\$ 82,832,589
Actuarial accrued liability - retired and inactive members.....	<u>106,243,826</u>	<u>94,620,256</u>	<u>82,575,642</u>
Actuarial accrued liability - total.....	207,928,237	186,235,650	165,408,231
Actuarial value of assets.....	<u>152,955,923</u>	<u>125,714,763</u>	<u>125,424,614</u>
Unfunded liability.....	<u>\$ 54,972,314</u>	<u>\$ 60,520,887</u>	<u>\$ 39,983,617</u>
<b>Other Actuarial Information</b>			
Normal cost for employees.....	\$ 3,410,805	\$ 3,192,423	\$ 3,147,569
Normal cost for employer.....	\$ 2,468,524	\$ 1,954,193	\$ 1,808,560
Covered employee payroll.....	\$ 37,792,050	\$ 34,036,988	\$ 33,919,655
Investment return.....	6.75%	7.00%	7.75%

The principal actuarial assumptions used in the January 1, 2015 valuation were as follows:

Valuation date.....	January 1, 2015
Actuarial cost method.....	Entry Age Normal Cost Method
Amortization method.....	Level dollar for 2010 ERI liability and 3.5% increasing payments for the remaining unfunded liability
Remaining amortization period.....	7 years from July 1, 2015 for 2010 ERI and 15 years from July 1, 2015 for the remaining unfunded liability
Asset valuation method.....	Market value
Inflation rate.....	3.5%
Projected salary increases.....	Varies by length of service with ultimate rates of 3.5% for Group 1 and 2 employees and 4.00% for Group 4 employees
Cost of living adjustments.....	3.0% of the first \$15,000 of retirement income
Rates of retirement.....	Varies based upon age for general employees, police and fire employees
Mortality Rates:	
Healthy Retiree.....	The RP-2014 Blue Collar Healthy Employee and Annuitant Mortality Tables with MP-2014 improvement projections backed out to a base year of 2006 and projected generationally with Scale BB2D
Disabled Retiree.....	The RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward 3 years for males with MP-2014 improvement projections backed out to a base year of 2006 projected generationally with Scale BB2D
Investment rate of return/Discount rate.....	6.75%, net of pension plan investment expense, including inflation (previously, 7.00%)

#### NOTE 6 – MEMBERSHIP

The following table represents the System's membership at December 31:

	<u>2016</u>	<u>2015</u>
Active members.....	709	692
Inactive members.....	219	221
Disabled members.....	35	34
Retirees and beneficiaries currently receiving benefits.....	<u>367</u>	<u>369</u>
Total.....	<u><u>1,330</u></u>	<u><u>1,316</u></u>

# ***Additional Information***

**SCHEDULE OF FUNDING PROGRESS**  
(Dollar amounts in thousands)

Actuarial Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability (AAL) Entry Age	(C) Unfunded AAL (UAAL) (B) - (A)	(D) Funded Ratio (A) / (B)	(E) Covered Payroll	UAAL as a Percentage of Covered Payroll (C) / (E)	Investment Return Assumption
01/01/15	\$ 152,956	\$ 207,928	\$ 54,972	73.6%	\$ 37,792	145.5%	6.75%
01/01/13	125,715	186,236	60,521	67.5%	34,037	177.8%	7.00%
01/01/12	125,425	165,408	39,983	75.8%	33,920	117.9%	7.75%
01/01/10	129,514	149,447	19,933	86.7%	32,053	62.2%	8.00%
01/01/08	144,298	136,022	(8,276)	106.1%	30,256	-27.4%	8.00%
01/01/06	127,011	123,086	(3,925)	103.2%	26,392	-14.9%	8.00%
01/01/04	116,792	112,846	(3,946)	103.5%	23,173	-17.0%	7.50%
01/01/03	119,034	114,811	(4,223)	103.7%	22,573	-18.7%	7.00%
01/01/01	123,291	92,279	(31,012)	133.6%	21,561	-143.8%	7.50%
01/01/99	106,296	81,975	(24,321)	129.7%	17,695	-137.4%	7.50%

Valuation of Assets

Actuarial Valuation Date	Actual Market Value of Assets (1)	Actuarial Value of Assets (2)	Difference in Valuation Methods	Asset Valuation Methodologies
01/01/15	\$ 152,956	\$ 152,956	\$ -	(1) The actual market value of the System's assets as reported in the System's Annual Statement of the Financial Condition of the Wellesley Retirement Board to PERAC.
01/01/13	125,715	125,715	-	
01/01/12	113,747	125,425	(11,678)	(2) The actuarial value of assets may otherwise be determined as the market value of assets (as reported in the System's Annual Statement) less unrecognized return in each of the last five years. Unrecognized return is equal to the difference between the actual market value return and the expected market value return and is recognized over a five year period, further adjusted, if necessary, to be within 20% of the actual market value.
01/01/10	107,929	129,514	(21,585)	
01/01/08	144,298	144,298	-	
01/01/06	127,011	127,011	-	
01/01/04	116,792	116,792	-	The actuarial value of assets was reset to actual market value in the valuations dated January 1, 2004, 2006, 2008, 2013, and 2015.
01/01/03	99,621	119,034	(19,413)	
01/01/01	127,990	123,291	4,699	
01/01/99	118,107	106,296	11,811	