

***Village of North Riverside***  
**Finance, Health & Appropriations Committee**

Meeting Date: January 22, 2018

Trustee Mengoni, Chairman  
Trustee Flores  
Trustee Sarro

Others in attendance were Trustees Bianco, Czajka and Demopoulos, Finance Director Scarpiniti and Administrator Belmonte.

The meeting was called to order at 6:00 pm and the following is a summary of the meeting:

**Item #1: Fiscal Year 2017 Comprehensive Annual Financial Report Presentation:** Director Scarpiniti introduced Sean Hickey from Lauterbach & Amen. Mr. Hickey gave a detailed presentation highlighting the audited financial statements for all Village funds for the fiscal year ended April 30, 2017. Mr. Hickey summarized the three major sections of the Village's financial report – the introductory, financial and statistical sections. The introductory section provides miscellaneous data regarding the Village and includes a list of principal officials, organizational chart, letter of transmittal from the Village Treasurer/Finance Director and a copy of the Certificate of Achievement for Excellence in Financial Reporting. North Riverside has been the proud recipient of the Certificate of Achievement for Excellence in Financial Reporting for 31 consecutive years. This is prestigious national award issued through the Government Finance Officers Association and recognizes conformance with the highest standards for preparation of state and local government financial reports.

The financial section of the report provides the independent auditors report, management's discussion and analysis, basic financial statements and note disclosures, required supplementary information, and combining and individual fund statements and schedules. The Village received an unqualified audit opinion. This is the highest form of audit opinion available and means the Village's financial statements are presented in accordance with generally accepted accounting principles and free of material misstatements with respect to its financial position. Mr. Hickey advised Trustees to read the management discussion and analysis because it provides comparative financial information on the Village's financial activities and is the best place to read a detailed summary of the Village's financial operations for the fiscal year.

The statistical section is unaudited and provides detailed information to help readers understand what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health. It focuses on financial trends, revenue and debt capacity, demographic and economic information, and Village operating information.

Director Scarpiniti informed the Committee that a copy of the 2017 audit and prior years are available on-line on the Village's website.

**Item #2: Fiscal Year 2017 Actuarial Presentation:** Director Scarpiniti introduced Todd Schroeder, Director & Enrolled Actuary for Lauterbach & Amen. Mr. Schroeder provided a detailed presentation on the reporting of the police and fire pension funds as of April 30, 2017. Highlighted in his presentation was the change in the Village's current year contribution requirement, the unfunded actuarial liability and the demographic losses and changes in actuarial assumptions that impacted the Village's current year

contribution requirement. The Village's contribution requirement for the upcoming FY19 fiscal year will increase approximately \$238,000 or 9% to \$2.8 million for both police and fire pension funds. The current year funded percentage on an actuarial value of assets basis is 38.6% for fire and 44.3% for police. The unfunded actuarial liability totals \$35.5 million for both pension funds combined.

There being no further business the meeting was adjourned at 6:35 pm.

Respectfully submitted,

Trustee Joe Mengoni, Chairman