



MEETING MINUTES

FINANCE COMMITTEE OF THE VILLAGE BOARD

WEDNESDAY, JUNE 7, 2017

9:00 A.M.

DAVID C. LEACH CONFERENCE ROOM OF WILMETTE VILLAGE HALL

- Members Present: Trustee Dan Sullivan, Chair
 Trustee Senta Plunkett
 Trustee Stephen Leonard
- Staff Present: Melinda Molloy, Finance Director
 Mike Braiman, Assistant Village Manager
 John Risko, Assistant Finance Director
- Others Present: Ron Amen, Lauterbach & Amen
 Jason Franken, Foster & Foster

I. CALL TO ORDER

Trustee Sullivan called the meeting to order at 9:07 a.m. Committee members Sullivan, Plunkett and Leonard were present.

II. APPROVAL OF MINUTES OF SEPTEMBER 13, 2016

Trustee Sullivan moved to approve the minutes of the September 13, 2016 Joint Meeting of the Finance Committee of the Village Board, the Police Pension Board of Trustees and the Firefighters’ Pension Board of Trustees as presented. The motion was seconded by Trustee Plunkett. No further discussion occurred on the motion. Voting yes: Trustees Sullivan, Plunkett and Leonard. Voting no: none. **The motion carried.**

III. DISCUSSION OF FY 2016 CERTIFIED ANNUAL FINANCIAL REPORT (CAFR) AND POLICE AND FIRE PENSION ACTUARIAL REPORTS

Ron Amen of Lauterbach and Amen presented the 2016 Certified Annual Financial Report (CAFR). Discussion included the issuing of an unmodified “clean” audit opinion for the Village for 2016 and the awarding of a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the 2015 CAFR.

In June 2015, the Government Accounting Standards Board (GASB) issued Statement No. 74, Financial Reporting for Post-Employment Benefits Plans Other Than Pension Plans, which applies to individual postemployment benefit plans, and Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions, which applies to the state and local government employers that sponsor the plans. Ron Amen discussed how the Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to the other post-employment benefit (OPEB) plans. GASB Statement No. 75 applies to the employer’s reporting of other post-employment benefit plans and is applicable to the Village’s financial statements for the year ended December 31, 2018.

Jason Franken (of Foster & Foster, via conference call) presented the 2017 Police and Fire Pension Fund Actuarial Valuation reports. The Police Pension Fund has a funded ratio of 67.0% and the Fire Pension Fund has a funded ratio of 62.0%. Investment returns were much better than last year. The Committee began discussions on long-term strategies to responsibly fund the public safety pension plans with the goal of leveling off future contribution spikes while starting to pay down each plan’s unfunded liability. The discussion focused on each plan’s amortization period and whether to continue with the period as identified by State law (90% funded by 2040; noting that the Village’s goal is to be 100% funded by 2040) or to move to a rolling amortization period. These discussions will continue into 2018 with the expectation that a recommendation will be made to the Village Board for the FY 2019 Budget.

IV. NEW BUSINESS

None.

VII. PUBLIC COMMENT

None.

VIII. ADJOURNMENT

At 10:53 a.m., Trustee Sullivan moved to adjourn the meeting. The motion was seconded by Trustee Plunkett. No further discussion occurred on the motion. Voting yes: Trustees Sullivan, Plunkett and Leonard. Voting no: none. **The motion carried.**

Respectfully Submitted,

John Risko
Assistant Finance Director