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**VILLAGE OF SUGAR GROVE  
BOARD REPORT**

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**TO:** VILLAGE PRESIDENT & BOARD OF TRUSTEES  
**FROM:** MATT ANASTASIA, FINANCE DIRECTOR  
**SUBJECT:** AUTHORIZING AGREEMENT FOR OPEB ACTUARIAL SERVICES FY2025-2028  
**AGENDA:** JANUARY 21, 2025  
**DATE:** JANUARY 13, 2025

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**ISSUE**

Shall the Village authorize the execution of a 4-year agreement with Lauterbach & Amen for OPEB 74/75 Actuarial services for Fiscal Year 2025, 2026, 2027 and 2028.

**DISCUSSION**

The Village requested 4-year proposal from Lauterbach & Amen, the current Village Actuarial vendor. The proposal includes completion of the required OPEB 74/75 Actuarial Study for Post Employment Benefits:

	<u><b>FYE2025</b></u>	<u><b>FYE2026</b></u>	<u><b>FYE2027</b></u>	<u><b>FYE2028</b></u>
Lauterbach & Amen	\$3,370	\$1,730	\$3,650	\$1,870

The full OPEB 74/75 Actuarial Study has to be completed every other year, with the other years being a shortened update, this is shown in the cost difference.

There was a 15% increase from our last full OPEB valuation to the proposal. This increase is standard in the market, as we received this same type of increase when we went out for a proposal for Audit services earlier this year. A 15% increase in this proposal equates to a \$440 annual increase. Throughout the contract, there is a 4% annual increase built in.

**COST**

The cost of the FYE2025 actuarial study would be an amount not to exceed \$3,370, which would be budgeted for in the FY2026 budget.

**RECOMMENDATION**

Approve Resolution 20250121D Authorizing Execution of an Agreement with Lauterbach & Amen, LLP. For Actuarial Services.



**VILLAGE OF SUGAR GROVE  
KANE COUNTY, ILLINOIS**

**Resolution No. 20240121D**

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**A Resolution Approving an Agreement with Lauterbach & Amen for Actuarial Services  
Village of Sugar Grove,  
Kane County, Illinois**

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Adopted by the  
Board of Trustees and President  
of the Village of Sugar Grove  
this 21st day of January 2025.

Published in Pamphlet Form  
by authority of the Board of Trustees  
of the Village of Sugar Grove, Kane County,  
Illinois, this 21st day of January 2025.

**RESOLUTION 20250121D**

**RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH LAUTERBACH & AMEN FOR ACTUARIAL SERVICES.**

**WHEREAS**, the Village of Sugar Grove Board of Trustees find that it is in the best interest of the Village to engage the services of Lauterbach & Amen to provide professional actuarial services, and to execute the attached agreement;

**NOW, THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois as follows:

The attached hereto and incorporated herein by reference is an engagement agreement between the Village of Sugar Grove and Lauterbach & Amen for actuarial services for fiscal year 2025-2028. And that the Finance Director or the Village Administrator are hereby authorized to execute said agreement on behalf of the Village and to take such further actions as are necessary to fulfill the terms of said agreement.

**PASSED AND APPROVED** by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois this 21st day of January 2025.

\_\_\_\_\_  
Jennifer Konen  
President of the Board of Trustees  
of the Village of Sugar Grove, Kane County, Illinois

	Aye	Nay	Absent	Abstain
Trustee Heidi Lendi	_____	_____	_____	_____
Trustee James F. White	_____	_____	_____	_____
Trustee Sean Herron	_____	_____	_____	_____
Trustee Matthew Bonnie	_____	_____	_____	_____
Trustee Michael Schomas	_____	_____	_____	_____
Trustee Sean Michels	_____	_____	_____	_____

ATTEST: \_\_\_\_\_

Tracey Conti  
Clerk, Village of Sugar Grove



January 9, 2025

Members of the Board of Trustees  
Village of Sugar Grove  
10 S Municipal Drive  
Sugar Grove, Illinois 60554

We are pleased to confirm our acceptance and understanding of the services we will provide for the Village of Sugar Grove for the fiscal years ending April 30, 2025 through April 30, 2028. It is our understanding that Lauterbach & Amen, LLP will prepare the GASB 74/75 Actuarial Valuation for the Village.

You agree to assume all management responsibilities for the actuarial services we provide; you will oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; you will evaluate the adequacy and results of the services and will accept responsibility for them.

Lauterbach & Amen, LLP does not assume any management responsibilities for the Village. These services cannot be relied upon to detect errors, irregularities, or illegal acts that may exist. However, we will inform you of any such matters that may come to our attention.

**Costs for our services are as follows:**

	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended
Annual Actuarial Reports	04/30/2025	04/30/2026	04/30/2027	04/30/2028
• Preparation of GASB 74/75 Actuarial Valuation*	\$3,370	\$1,730	\$3,650	\$1,870
• Preparation of Audit Friendly Exhibits	Included	Included	Included	Included
<b>Total Annual Actuarial Reports</b>	<b>\$3,370</b>	<b>\$1,730</b>	<b>\$3,650</b>	<b>\$1,870</b>

\*All GASB 74/75 reporting will follow a biennial reporting cycle and for all fiscal year ends where a full-valuation is not required, we will prepare financial statement entries based on a limited actuarial report. The limited actuarial report will not require updating of participant or medical information but will be run at the most recently available discount rate required by the GASB 74/75 standards. If, for any reason, the Village or auditors require a full-valuation vs. the limited actuarial report, updating of all participant and medical information will be required and the fee for a full valuation will be charged.

**Out of Scope Services:**

Out of scope services will be billed on a time and charges basis. The hourly rate for out of scope services is \$275 per hour. We will provide an estimate of costs for any out of scope services when the service is requested and the scope is defined. You will not be charged any additional costs under this section unless written approval, including email confirmation, is provided ahead of time.

In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. Please be advised that we will charge interest on late invoices over sixty days.

Either party may terminate our engagement at any time for any reason upon thirty (30) days written notice to the other. Subcontracting will be disclosed to the Village's Board of Trustees prior to beginning work. This agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

We appreciate the opportunity to be of service to the Village of Sugar Grove and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please indicate your acceptance by signing below and returning it to us.

Cordially,

*Lauterbach & Amen, LLP*

Lauterbach & Amen, LLP

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**RESPONSE:**

This letter correctly sets forth the understanding of the Village of Sugar Grove:

Accepted by: \_\_\_\_\_

Title: \_\_\_\_\_