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**THE CITY OF BLUE ISLAND  
COOK COUNTY, ILLINOIS**

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**RESOLUTION  
NUMBER 2019-004**

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**A RESOLUTION AUTHORIZING EXECUTION OF AN  
AGREEMENT WITH JOHN KASPEREK CO., FOR YEAR END  
CONSULTING SERVICES FOR THE CITY OF BLUE ISLAND**

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**DOMINGO F. VARGAS, Mayor  
Randy Heuser, City Clerk**

**DEXTER JOHNSON  
LETICIA VIEYRA  
NANCY RITA  
TOM HAWLEY  
BILL FAHRENWALD  
CANDACE CARR  
KENNETH PITTMAN**

**GEORGE POULOS  
FRED BILOTTO  
KEVIN DONAHUE  
ALECIA SLATTERY  
JAN OSTLING  
JAIRO FRAUSTO  
NANCY THOMPSON**

**Aldermen**

**RESOLUTION NO. 2019-004**

**A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT  
WITH JOHN KASPEREK CO., INC. FOR YEAR END CONSULTING  
SERVICES FOR THE CITY OF BLUE ISLAND**

Whereas, the City of Blue Island has the authority to contract and be contracted with pursuant to 65 ILCS 5/2-2-12;

Whereas, the city plans to enter into an agreement with John Kasperek Co., Inc. for year end consulting services for the City of Blue Island

Whereas, the appropriate city officials have considered and reviewed the agreement attached as Exhibit A and find the same to be in the best interests of the City;

NOW AND THEREFORE, BE IT RESOLVED by the City Council of the City of Blue Island, Cook County, Illinois, as follows:

**SECTION 1: AGREEMENT FORM AND TERMS AUTHORIZED**

The terms and conditions as shown in the Agreement attached as Exhibit A to this Resolution are hereby approved.

**SECTION 2: AUTHORIZATION OF AGENT TO EXECUTE AND ACT IN  
ACCORDANCE WITH AGREEMENT**

The City Council further authorizes the Mayor or his designee to execute any and all documentation that may be necessary to carry out the intent of this Resolution. The officers, employees, and/or agents of the City shall take all action necessary or reasonably required by the City to carry out, give effect to, and consummate the intent of this Resolution.

**SECTION 3: EFFECTIVE DATE**

This resolution shall be in full force and effect upon its passage and approval as required by law.

# **K** John Kasperek Co.

CERTIFIED PUBLIC ACCOUNTANTS

1471 Ring Road • Calumet City, IL 60409 • 708.862.2262

November 12, 2018

City of Blue Island  
13051 Greenwood Ave.  
Blue Island, IL 60406

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for the City of Blue Island (the City).

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the City of Blue Island (specified party) on water billing information and processes of the City. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of the specified party and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed below do not constitute an examination or review, we will not express an opinion or conclusion on water billing information and processes of the City. In addition, we have no obligation to perform any procedures beyond those listed below.

1. Test a sample of sixty (60) water bills to determine if they are being sent to the correct address.
2. Test a sample of sixty (60) meter reads to determine if the meters read correspond to the correct property.
3. Test a sample of sixty (60) customer payments to determine if the correct account is credited in the general ledger.
4. Examine the process by which customer payments flow through the financial system to determine whether the funds remain in the Water Fund unavailable for use by other funds.
5. Examine the process by which new customers are added for multi-tenant properties to determine whether any improvements can be made to ensure proper onboarding, billing, collection, and offboarding of tenant accounts.

We plan to begin our procedures in December 2018 and, unless unforeseeable problems are encountered, the engagement should be completed by February 2019.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the City of Blue Island. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. If circumstances occur relating to the condition of your records, the availability of evidence, or the existence of a significant risk of material misstatement of the subject matter caused by error or fraud, which in our professional judgment prevent us from completing the engagement or reporting findings on the subject matter or assertion, we retain the right to take any course of action permitted by professional standards, including declining to report findings or issue a report, or withdrawing from the engagement. You understand that the report is intended solely for the information and use of the City and should

not be used by anyone other than the specified party. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the water billing information and processes of the City that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the water billing information and processes of the City, we will disclose those matters in our report.

You are responsible for the water billing information and processes of the City and that it is in accordance with all applicable laws, regulations, and City policies; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the water billing information and processes of the City. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the water billing information and processes of the City in accordance with all applicable laws, regulations, and City policies.

John Kasperek, Jr. is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for this service will be based on our standard hourly rates which range from \$60 to \$175 per hour depending on the level of skill of the personnel involved. We estimate that the total fees will not exceed \$9,000, including travel and other out-of-pocket costs such as report production, word processing, postage, etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you 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 sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Very truly yours,



John Kasperek, Jr.  
Managing Partner

**RESPONSE:**

**This letter correctly sets forth the understanding of the City of Blue Island:**

**By:** \_\_\_\_\_

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

**Date:** \_\_\_\_\_