

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF AN ENGAGEMENT LETTER FROM EDER, CASELLA & CO. FOR AUDITING SERVICES FOR THE YEARS ENDING DECEMBER 31, 2022 AND DECEMBER 31, 2023**

**WHEREAS**, the Village of Barrington Hills ("Village") is required by the Illinois Municipal Code, 65 ILCS 5/8-8-3, to have an audit of its accounts performed annually; and

**WHEREAS**, Eder, Casella & Co. has tendered an Engagement Letter to the Village for purposes of conducting the annual audit for the years ending 2022 and 2023 with an option for 2024, 2025 and 2026, which Engagement Letter is attached hereto and incorporated herein by reference as Exhibit "A;" and

**WHEREAS**, the Village is authorized to execute the Engagement Letter contracting for audit services pursuant to the Illinois Municipal Code, 65 ILCS 5/2-3-8 and 5/8-1-7(b)(2); and

**WHEREAS**, the President and Board of Trustees of the Village deem it in the best interests of the Village to execute the Engagement Letter as attached hereto as Exhibit "A."

**NOW, THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Barrington Hills, a home rule community, located in the Counties of Cook, Kane, Lake and McHenry, Illinois, as follows:

**SECTION ONE:** The recitals set forth above are incorporated herein and made a part hereof.

**SECTION TWO:** The Village Administrator is hereby authorized and directed to execute on behalf of the Village of Barrington Hills, the Engagement Letter attached hereto and incorporated herein by reference as Exhibit "A," with such modifications as may be deemed necessary by the Village President and the Village Attorney.

**SECTION THREE:** This Resolution shall take effect immediately upon its passage and approval as provided by law.

Ayes: 7 (Hills, Strauss, Riff, Ekstrom, Croll, Konicek, Cecola)  
Nays: 0  
Absent: 0

**PASSED AND APPROVED** by the President and Board of Trustees of the Village of Barrington Hills, Illinois, this 23<sup>rd</sup> day of January, 2023.

APPROVED:

  
Village President

ATTEST:

  
Village Clerk

EDER, CASELLA & CO  
**AUDIT SERVICES  
PROPOSAL**

For Village of Barrington Hills

**MCHENRY**

5400 West Elm Street  
Suite 203  
McHenry, IL 60050

**BARRINGTON**

800 Hart Road  
Suite 110  
Barrington, IL 60010

# CONTENT

TRANSMITTAL LETTER	1
OUR PHILOSOPHY	2
WHY EDER, CASELLA & CO	3
GOVERNMENT EXPERIENCE	4
DEDICATED TEAM	5
PROVEN CLIENT EXPERIENCE	6
SCOPE AND TIMING	7
SERVICES AND TIMELINE	8
FEEES AND CLIENT RESPONSIBILITIES	9
PROFESSIONAL INFORMATION	10
QUALITY CONTROL REVIEW REPORT	11
TEAM BIOS	13
FEEES PROPOSAL ATTACHMENT A	15





# TRANSMITTAL LETTER

November 7, 2022

Mr. Wes Levy:

Eder, Casella & Co. is pleased to submit our proposal to provide professional auditing services for Village of Barrington Hills for the fiscal years ending December 31, 2022 and 2023 with option for 2024, 2025 and 2026. We are confident that our firm has the qualifications and expertise necessary to not only meet, but exceed your expectations.

Our firm believes that our extensive experience performing audits for Illinois governments makes us the ideal candidate for this engagement. Your audit team will be hand-picked from our well-qualified staff and tailored to fit your specific needs. Unlike many firms, all of our professional staff that supervise the governmental audits have an average of eight years of governmental auditing/accounting experience.

Eder, Casella & Co. strives to provide the highest level of client satisfaction. The firm size allows us to provide the expertise of a larger firm but the personal service of a small firm. The firm's goal is to provide exceptional and timely service.

Enclosed is information about our firm, an explanation of the scope of the engagement, and references that can elaborate on our performance and service. We look forward to establishing a professional relationship with you and appreciate the opportunity to submit this proposal, which will remain firm and irrevocable for 60 days.

We welcome any questions you may have, so please don't hesitate to contact us should you have any questions. You can connect with me directly via email at [ksmith@edercasella.com](mailto:ksmith@edercasella.com) or by phone at 815-331-8122.

Sincerely,



Kevin Smith, CPA  
Partner

# OUR PHILOSOPHY



## OUR SOLUTIONS TO MEET YOUR NEEDS

We do not believe in a one-size-fits-all approach. Instead, our team takes the time to get to know you and your needs and work together to build the best solution. This allows us to tailor the report to be what you need.

### YOUR NEEDS



**Quality and timely**  
service throughout  
the year.



Service by highly  
**qualified**  
professionals.



Proven **experience**  
serving local  
governments.

### OUR SOLUTIONS



#### **RESPONSIVE**

We will **meet the deadlines** you have set. We are available for questions throughout the year and will provide timely responses.



#### **EXPERIENCED**

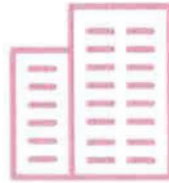
Our governmental audit managers have an average of **8 years of experience with governments.**



#### **SPECIALIZED**

Experience **with local governments of all sizes.** Other services to local governments include fixed asset tracking, special projects, and grant specific audits.

# WHY EDER, CASELLA & CO



## FOUNDED

Eder, Casella & Co. was started in **1989**.

## SIZE & LOCATIONS

With over 60 employees, we have grown to become one of the **largest firms in McHenry County**, expanding our offices in order to provide that same exceptional service to **Barrington** and its surrounding areas.

## SERVICES

We specialize in services to **state and local governmental units**, small businesses, and individuals. We provide a broad range of services including: auditing, accounting, tax, payroll, IT, and consulting.

## INVOLVEMENT:

- American Institute of Certified Public Accountants.
- Illinois CPA Society Governmental Report Review Committee.
- Illinois Association of School Business Officials (IASBO).
- Government Finance Officers Association's (GFOA) Special Review Committee for the Certificate of Achievement for Excellence in Financial Reporting (ACFR) Program.

## INDEPENDENCE:

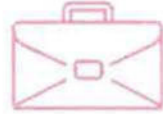
Eder, Casella & Co., its partners, and staff are **independent** of Village of Barrington Hills as defined by generally accepted auditing standards. We have no knowledge of business, investment, or family relationships with Village of Barrington Hills, its agencies, officials, or other employees and personnel of our firm that would impair our independence.

## TECHNOLOGY:

We are proud that all of our audits are performed in a **paperless environment**. We utilize the **latest software** to request and gather information, monitor progress, conduct risk assessments, develop customized audit testing, analytically review all accounts through comparisons and ratios, and generate financial statements.



# GOVERNMENT EXPERIENCE



Our team here at Eder, Casella & Co. is committed to excellence and providing our clients with superior service. We have a dedicated team that concentrates on knowing the latest trends and news impacting your industry.

Our specialized team is proud to serve **over 90 governmental organizations**, including:



Townships /Villages



Water Agencies / Districts



Cities

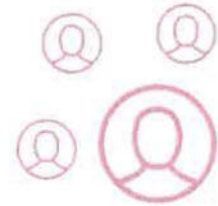


Fire Protection Districts



School Districts

## DEDICATED TEAM



### OUR COMMITMENT TO YOU

We strive to keep a high level of continuity of staff for each of our clients.

- The partner assigned to your needs will remain assigned to you for a **minimum of five years**, but can be rotated at your request.
- Your lead auditor will remain assigned to you for **three to five years**.
- While the lead auditor may rotate after that period, the former lead auditor will work with the new lead auditor to **ensure a smooth transition** for you and your staff.
- Our firm is proud to have a **low rate of staff turnover**, allowing your audit team to stay consistent.

The leaders for your audit team will be:

**Kevin Smith, CPA - Partner**

**Simona David - Manager**

Complete resumes for these individuals are located at the end of this proposal.



# PROVEN CLIENT EXPERIENCE



We are happy to provide this list containing a few of our current local government clients. We encourage you to connect with these organizations to get their perspective on the value our services have provided to them through the years.

## Village of Grayslake

- 5 years of service
- Tim Gavin, Finance Director
- (847) 223-8515

## Village of Wauconda

- 5 years of service
- Thomas Lyons, Finance Director
- (847) 526-9600 x121

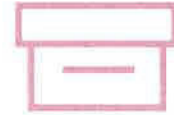
## Village of Round Lake Heights

- 10+ years of service
- Maribel Carrillo, Office Manager
- (847) 546-1206 x301

## City of McHenry

- 10+ years of service
- Carolyn Lynch, Finance Director/Treasurer
- (815) 363-2117

# SCOPE AND TIMING



We propose that Eder, Casella & Co. will perform your audit in accordance with auditing standards under the accrual basis of accounting. The following will encompass the scope of our engagement:

## REPORTS

Audit Report – 10 copies and one electronic copy. (.pdf)

Comptroller Report – Two copies and one electronic copy. (.pdf)

## LETTER

Management letter – 10 copies and one electronic copy. (.pdf)

Report on Compliance letter GAGAS (if necessary) - 10 copies and one electronic copy. (.pdf)

## BOARD

Reporting to the Board of Trustees in accordance with Financial Accounting Standards Board (FASB) AU-C 260, *Communications with Those Charged with Governance*.

## MEETING

Exit meeting with Village of Barrington Hills officials and a representative of the Board to present the results of the audit and related materials.

Our objective is to issue an unmodified opinion on Village of Barrington Hills's basic financial statements in conformity with the accrual basis of accounting.

We will prepare a management letter which will include our comments and recommendations on the internal controls, policies, and procedures of Village of Barrington Hills.

Upon completion of the audit examination, we will review the management letter, if any, and audit report with Village of Barrington Hills's administration and/or Board prior to issuing any of the reports.

# SERVICES AND TIMELINE



## PRELIMINARY TIMELINE

December 31, 2022 Audit

*Timeline subject to change upon agreement by both parties*

Event	Timeframe									
	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	
I. Preliminary Planning & Internal Control Evaluation <ul style="list-style-type: none"><li>• Phone calls between engagement team and representatives of the Village including a representative of the Board to customize our approach to your audit.</li><li>• Conduct interviews to gather current internal controls and identify areas of risk.</li><li>• Supply Village with a list of information required to begin audit fieldwork.</li><li>• Develop a timetable for completing subsequent phases of audit.</li></ul>										
II. Fieldwork <ul style="list-style-type: none"><li>• Prepare audit work papers, perform tests, analyze data, and provide adjusting journal entries, if necessary.</li><li>• Review minutes of meetings of the Board of Trustees.</li><li>• Exit meeting with Village of Barrington Hills representatives and a member of the Board.</li></ul>										
III. Report Preparation & Review Part 1 - After On-Site Fieldwork <ul style="list-style-type: none"><li>• Prepare reports and management letter, if necessary.</li><li>• Review of all reports by the engagement manager and partner.</li><li>• Proof all reports for quality control.</li><li>• Outside Quality Control review of all reports by an audit manager not part of the engagement team.</li></ul>										
IV. Report Preparation & Review Part 2 - Draft <ul style="list-style-type: none"><li>• Draft report delivered for approval by May 12<sup>th</sup>.</li></ul>										
V. Report Preparation & Review Part 3 - Final Report <ul style="list-style-type: none"><li>• Final copies of audit report, management letter, and other necessary reports delivered by June 2<sup>nd</sup>.</li></ul>										



# FEES AND CLIENT RESPONSIBILITIES



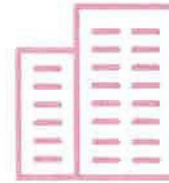
The proposed fees are included on Attachment A of this proposal. While additional fees are not expected, they will be considered if the federal government, state, or other agencies impose significant changes in reporting requirements from the prior year. Any additional fees will be discussed with you before the fees are incurred and an additional services engagement letter will be provided. Fees for such additional services would be billed at our standard hourly rates.

As a part of our audit fee, we are available for telephone consultations throughout the succeeding year covering routine matters. Any requests requiring research or additional services would be billed at our standard hourly rates. Our hourly rates can be found on Attachment A at the end of this document.

Our fees are based on projection of time requirements with the understanding that the following conditions will be met:

1. The general ledger is in balance;
2. All accruals will be calculated and recorded;
3. The cash and investment accounts are reconciled, on a monthly basis, to the amounts shown on your general ledger;
4. Your staff will be available to answer questions, locate misplaced documents and resolve problems as needed;
5. Your filing system allows for easy retrieval of the documents we request; and
6. Your staff will have all documents requested on the "Audit Items Needed Listing" ready and available.

# PROFESSIONAL INFORMATION



## STATE AND FEDERAL REVIEW:

Our firm or its partners have not been subject to any suspension, debarment, or disciplinary action with state regulatory bodies or professional organizations during the past three years or during the current year. In addition, the firm has not had any federal or state desk reviews or field reviews in the past three years or during the current year. Finally, the firm has not been involved in any litigation over the past three years or during the current year related to the quality of audit work or pricing of auditing services rendered.

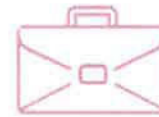
## LICENSE:

Eder, Casella & Co. is licensed to practice public accounting under registration number 066-005142. All key members of your audit team will be registered/ licensed public accountants in the State of Illinois. All partners are licensed to practice in the State of Illinois.

## PEER REVIEW:

Eder, Casella & Co. has an independent quality control review performed every three years. The most recent review report is dated January 10, 2022 and a copy of the report is enclosed. The peer examination included a review of our governmental engagements and our Uniform Guidance single audits.

# QUALITY CONTROL REVIEW REPORT



ELLIN & TUCKER

## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

To the Partners of  
Eder, Casella & Co., P.C. and the Peer Review Alliance Report Acceptance Committee

We have reviewed the system of quality control for the accounting and auditing practice of Eder, Casella & Co., P.C. (Firm) in effect for the year ended July 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### FIRM'S RESPONSIBILITY

The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and remediating weaknesses in its system of quality control, if any.

### PEER REVIEWER'S RESPONSIBILITY

Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review.

### REQUIRED SELECTIONS AND CONSIDERATIONS

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

### OPINION

In our opinion, the system of quality control for the accounting and auditing practice of Eder, Casella & Co., P.C. in effect for the year ended July 31, 2021 has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable



# QUALITY CONTROL REVIEW REPORT



ELLIN & TUCKER

professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Eder, Casella & Co., P.C. has received a peer review rating of *pass*.

*Ellin & Tucker*

ELLIN & TUCKER  
Certified Public Accountants

Baltimore,  
Maryland January  
10, 2022

PAGE

12

# KEVIN SMITH, CPA

## PARTNER



ksmith@edercasella.com  
Woodstock, IL

### Professional Experience

Eder, Casella & Co. (June 2008 – Present, Internship – Summer 2007)  
Responsibilities:

- Manages and supervises accounting and auditing engagements for school districts, special education districts, and other governmental and not-for-profit clients.
- Reviews annual financial reports as well as the IRS form 990 and AG 990-IL.
- Reviews annual financial reports as well as annual reports for Illinois State Board of Education, Illinois Department of Insurance, and the Illinois Comptroller's Office.
- Reviews single audits in accordance with OMB Uniform Guidance Audit Guidelines.
- Assists school districts with the implementation of new accounting standards.
- Provides accounting consultation services for governmental clients.

### Professional Affiliations

- Licensed in the State of Illinois
- Member, Illinois CPA Society
- Member, Illinois CPA Society Governmental Report Review Committee
- Member, American Institute of Certified Public Accountants

### Honors & Activities

Dean's List – Northern Illinois University  
Student Accounting Society – Northern Illinois University

### Education

Certified Public Accountant  
Northern Illinois University – Bachelor of Science (Accounting), Magna Cum Laude

# SIMONA DAVID

## MANAGER



s david@edercasella.com  
Grayslake, IL

### Professional Experience

Eder, Casella & Co. (January 2016 – Present)

#### Responsibilities:

- Prepares, manages and reviews accounting and auditing engagements for villages, school districts, other governmental and not-for-profit clients.
- Prepares annual audit reports as well as annual reports required for State and Federal purposes.
- Prepares single audits in accordance with Uniform Guidance Audit Guidelines.
- Assists local governments with the implementation of new accounting standards.
- Assists with training new accountants at Eder, Casella & Co.

### Honors & Activities

Scholarship and Achievement Awards – Northern Illinois University

### Education

Northern Illinois University – Bachelor of Science (Accountancy)



# FEE PROPOSAL ATTACHMENT A



Schedule of professional fees for the audit of the financial statements as of December 31, for the fiscal years listed below:

	Audit	GAGAS Audit If necessary	Single Audit If necessary
2022	\$26,000	\$1,750	\$4,500
2023	\$27,820	\$1,875	\$4,850
*2024	\$29,750	\$2,000	\$5,175
*2025	\$31,850	\$2,150	\$5,525
*2026	\$33,425	\$2,300	\$5,925

\*Optional three years

\*\*Assumes schedule will be provided noting all potential GASB 87 leases - additional fees for assistance with identification of potential leases under new standard.

Schedule of professional fees for additional services, quoted hourly rates for the fiscal years listed below:

	2022	2023	2024	2025	2026
Partner	\$285 - \$330	\$295 - \$345	\$305 - \$360	\$315 - \$375	\$330 - \$390
Manager	\$180 - \$235	\$185 - \$245	\$190 - \$255	\$200 - \$265	\$210 - \$275
Supervisor	\$150 - \$175	\$155 - \$180	\$160 - \$185	\$165 - \$190	\$170 - \$200
Staff	\$125 - \$150	\$130 - \$155	\$135 - \$160	\$140 - \$165	\$145 - \$170
Administration	\$55 - \$60	\$60 - \$65	\$65 - \$70	\$70 - \$75	\$75 - \$80

Firm Name: Eder, Casella & Co.

Address: 5400 W. Elm St. Suite 203

McHenry, IL 60050

Signature:

Date: November 7, 2022

Printed Name: Kevin Smith

Title: Partner

Telephone: (815) 331-8122

# SIGNATURE PAGE



November 7, 2022

Mr. Wes Levy, Village Treasurer  
Village of Barrington Hills  
112 Algonquin Road  
Barrington Hills, IL 60010

Mr. Levy:

Please indicate acceptance of the professional auditing services outlined in this proposal for Village of Barrington Hills for the fiscal years ending December 31, 2022 and 2023 with option for 2024, 2025 and 2026, at the fees stated in our audit proposal dated November 7, 2022, by signing below and returning this letter to our office.

Sincerely,

Kevin Smith, CPA  
Partner

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

Title: Director of Administration

Date: 01/24/2023



**MC HENRY**

5400 West Elm Street  
Suite 203  
McHenry, IL 60050

**BARRINGTON**

800 Hart Road  
Suite 110  
Barrington, IL 60010