

Ordinance 05-19

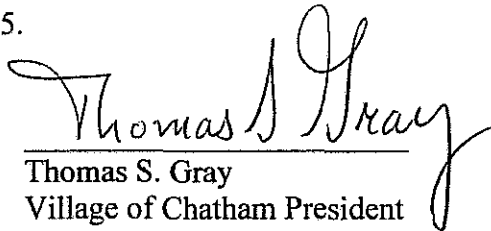
**AN ORDINANCE APPROVING THE ENAGEMENT OF SIKICH GARDNER &
ASSOCIATES
FOR AUDIT SERVICES AND SERVICES ASSOCIATED WITH GASB 34
IMPLEMENTATION FOR FISCAL YEAR 2005**

SECTION 1: The Village of Chatham shall engage the firm of Sikich Gardner & Associates to perform the fiscal year 2005 audit and services to assist with the implantation of GASB 34 for a price of \$20,250, attached hereto as Exhibit A is hereby approved.


SECTION 2: The Village President is hereby authorized to engage Sikich Gardner & Associates to perform audit services and assistance with the implantation of GASB 34 for fiscal year 2005 and the proper officers of the Village shall carry out the terms of the engagement.

SECTION 3: This Ordinance is effective immediately.

PASSED the 26th day of April, 2005.


Thomas S. Gray
Village of Chatham President

ATTEST:


Patrick F. Schad
Village of Chatham Clerk



AYES: 6 HERR SCATTEMAN BOYLE
MCCARTHY MCCRATH KAVALAGH

PASSED: 4-26-05

NAYES: 0

APPROVED: 4-26-05

ABSENT: 0

STATE OF ILLINOIS)

)

COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

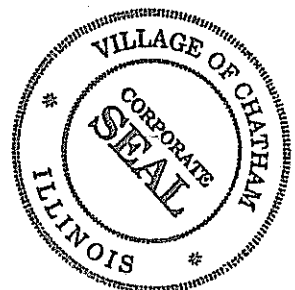
I do hereby certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 05-19 adopted by the President and the Board of Trustees of said Village on the 26th day of April, 2005 said Ordinance being entitled:

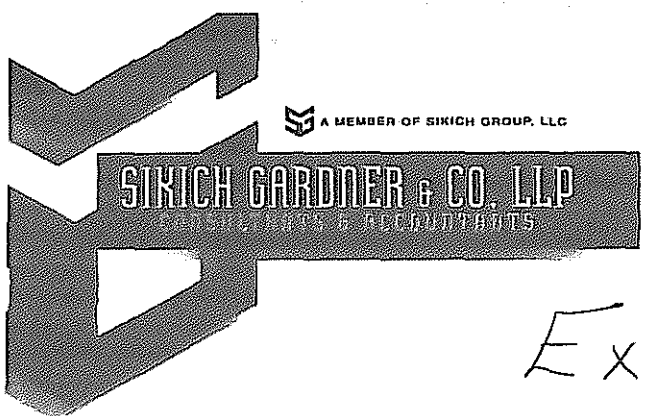
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I do further certify that prior to making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

ON WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 26th day of April, 2005.

Pat Schulz
Clerk





MEMBERS O
AMERICAN INSTITUTE O
CERTIFIED PUBLIC ACCOUNTANT
ILLINOIS CPA SOCIET

Exhibit A

Ms. Sherry K. Dierking, Treasurer
Village of Chatham
117 E. Mulberry
Chatham, Illinois 62629

The fee for the financial audit and preparation of the annual financial report, management letter and Comptroller Report, including all direct and indirect costs, will not exceed \$20,250 for the fiscal year ending April 30, 2005. These fees include our base audit fee of \$16,250 and \$4,000 to assist with implement GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

*** GASB S-34 Implementation**

In order to correctly implement GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, for the fiscal year ending April 30, 2005, we would perform procedures that include reviewing financials statements to identify major areas of change, analyzing budget methodology/fund structure/account structure, determining major and non-major funds, providing advice on policy decisions relating to fixed assets and infrastructure, converting to the accrual basis of accounting and implementing changes to the financial statements.

In 2001, our Aurora office assisted with the implementation of GASB S-34, including the retroactive reporting of infrastructure, for the Village of Carol Stream, Illinois which is the first complete implementation for a general purpose local government in Illinois. In 2002, our Springfield office assisted the Springfield Airport Authority and the Springfield Mass Transit District with the implementation of GASB S-34. In 2003, our Springfield office assisted the City of Springfield, the City of Champaign and the Rock Island County Metropolitan Mass Transit District with the implementation of GASB S-34. In 2004, our Springfield office assisted the Village of Pleasant Plains with the implementation of GASB S-34. We have also assisted in the planning process and provided technical assistance for other general purpose local governments that are required to implement GASB S-34 in 2005, including reviewing financials statements to determine the necessary changes, analyzing and determining major and non-major funds and providing advice on policy decisions relating to fixed assets and infrastructure.

The Firm's philosophy on additional fees and/or billings is based on an understanding between the Firm and the client of the scope of the work to be performed. We have bid a "not to exceed fee" for the audit, the scope and timing of which was specified by the Village. The billings for the audit would not exceed this fee unless the Village specifically requests that the scope of the engagement be expanded or new accounting or auditing standards require changes to the nature and scope of the audit procedures to be performed and the Village and the Firm reach a mutual agreement, as to the expanded scope of the engagement or additional services requested and the fee, if any, for the expanded scope. This is based on our initial understanding that the Village is not required to have a Single Audit under the guidelines of the Office of Management and Budget (OMB) Circular A-133 (as revised subsequent to passage of the Single Audit Act Amendments of 1996). Should a Single Audit under the guidelines of OMB Circular A-133 be required, we will revise our proposal, as necessary, and discuss any changes with the Administration Committee before completing the engagement.

SIKICH GARDNER & CO, LLP

A handwritten signature in cursive script that reads "Sikich Gardner & Co, LLP".

By Gary D. Neubauer, CPA
Partner

The Firm's philosophy on additional fees and/or billings is based on an understanding between the Firm and the client of the scope of the work to be performed. We have bid a "not to exceed fee" for the audit, the scope and timing of which was specified by the Village. The billings for the audit would not exceed this fee unless the Village specifically requests that the scope of the engagement be expanded or new accounting or auditing standards require changes to the nature and scope of the audit procedures to be performed and the Village and the Firm reach a mutual agreement, as to the expanded scope of the engagement or additional services requested and the fee, if any, for the expanded scope. This is based on our initial understanding that the Village is not required to have a Single Audit under the guidelines of the Office of Management and Budget (OMB) Circular A-133 (as revised subsequent to passage of the Single Audit Act Amendments of 1996). Should a Single Audit under the guidelines of OMB Circular A-133 be required, we will revise our proposal, as necessary, and discuss any changes with the Administration Committee before completing the engagement.

SIKICH GARDNER & CO, LLP

A handwritten signature in cursive script that reads "Sikich Gardner & Co, LLP".

By Gary D. Neubauer, CPA
Partner