

RESOLUTION NO.: 58 -2013  
INTRODUCED BY: O'Toole

**A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH JAMES G. ZUPKA, C.P.A., INC. FOR NECESSARY ACCOUNTANT SERVICES.**

WHEREAS, the City is in need of professional assistance from an accounting firm for completion of required documentation and financial reports to prepare the City's basic financial statements as required by the State Auditor's Office for 2013, all as set forth in the letter agreement attached to this Resolution as Exhibit A for 2013 of the "Optional Years" in the "Schedule of Fees"; and

WHEREAS, James G. Zupka, C.P.A., Inc. has demonstrated the experience to perform this municipal accounting work;

NOW, THEREFORE, Be It Resolved by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1. The Mayor is authorized to execute an agreement with James G. Zupka, C.P.A, Inc. for accounting services in an amount not to exceed \$14,555 for the work required for the City's financial statements for 2013 as set forth in Exhibit A hereto.

Section 2. The Director of Finance is authorized and directed to appropriate to a proper account the funds necessary for the agreement authorized in Section 1 of this Resolution.

Section 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4. This Resolution shall take effect and be in force from and after the earliest period allowed by law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
Daniel J. Ursu, Mayor

APPROVED: \_\_\_\_\_

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

\_\_\_\_\_  
Betsy Traben  
Clerk of Council

\_\_\_\_\_  
David H. Roche  
President of Council

## EXHIBIT A

### JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants*  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

August 16, 2012

Mr. Paul Ellis  
Finance Director  
City of Richmond Heights  
26789 Highland Road  
Richmond Heights, Ohio

Dear Mr. Ellis:

This letter confirms our recent discussion regarding professional accounting services our firm can provide the City of Richmond Heights. We will perform the following:

- We will complete the required documentation and financial reports to prepare the City's basic financial statements as required by the Auditor of State's office for calendar years 2011 and 2012. It is our understanding that your department will prepare some of the necessary information to assist in the conversion process. We will utilize the cash basis balances and entries that you have prepared as our starting point for this engagement. As part of our task, we will perform the following:
  1. Review client prepared schedules, accounts receivable, and the source of revenue and accrue necessary receivables (and set up of deferred revenue, if applicable).
  2. Review capital asset listing and depreciation of fixed assets as applicable.
  3. Review payable and accrued liabilities.
  4. Review debt to set up bonds and notes in the proper funds.
  5. Complete all trial balances including posting of all adjusting entries.
  6. Review of other areas to establish necessary accounting (e.g., prepaid items, inventory, capital leases, etc.).
  7. We will prepare the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - for the General Fund and the major Special Revenue funds.
  8. We will prepare the basic financial statements with all required footnote disclosures, including government-wide statements and fund financial statements.
  9. We will assist and review the Management's Discussion and Analysis prepared by the City.

Mr. Paul Ellis, Finance Director  
City of Richmond Heights, Ohio  
RE: Accounting Services by James G. Zupka, CPA, Inc.  
August 16, 2012  
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We wish to emphasize that our services do not include an audit of the financial statements in accordance with generally accepted auditing standards, nor an expression of opinion as to their fair presentation. Further, our services are not specifically designed and cannot be relied upon to disclose defalcations or other irregularities although, if present, their discovery may result.

Our proposed fees are based on the level of services we provide to your City. The following estimate was prepared based on our recent conversation and assumes information and documents we discussed will be provided by your staff. Our fees for these services are outlined in the attached Schedule of Fees. We will notify you as soon as possible if circumstances arise to substantially alter our estimate.

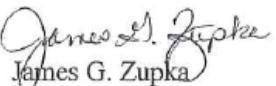
The implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, will be billed separate from this contract. Our fees for these services will be established upon our review of the City's financial information, discussion with you, and subsequent approval by the City.

Should services other than those covered by this letter be required or requested, their extent and the additional fees will be discussed before we perform the work. These hours will be billed at \$70 per hour.

We shall be pleased to discuss this letter with you at any time and to explain the reasons for any item. We appreciate this opportunity to respond to your request for accounting services and we are looking forward to our continued business relationship.

If the terms above are acceptable to the City of Richmond Heights, and the services outlined are in accordance with the City's requirements, please sign the copy of this letter in the space provided and return it to us.

Sincerely,

  
James G. Zupka  
Certified Public Accountant

Accepted by the City of Richmond Heights:

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

JAMES G. ZUPKA, CPA, INC.

**PROPOSAL TO PROVIDE PROFESSIONAL ACCOUNTING SERVICES  
CITY OF RICHMOND HEIGHTS**

**SCHEDULE OF FEES**

	<u>Optional Years</u>			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Hours	225	225	205	205
Hourly Rate	\$ 70	\$ 70	\$ 71	\$ 71
Totals	<u>\$ 15,750</u>	<u>\$ 15,750</u>	<u>\$ 14,555</u>	<u>\$ 14,555</u>