



Agenda Memo

Crest Hill, IL

Meeting Date:	April 13, 2026
Submitter:	Blaine Wing, City Administrator
Department:	Administration
Agenda Item:	Forensic Accounting Discussion

Summary: During the March 2, 2026, City Council meeting, City Treasurer Jamie Malloy distributed packets of information to City Council and others relating to the Crest Hill Events Committee. Within a few minutes it was verbally noted that there was private information contained within some of the documents that was not redacted, and at the City Attorney's direction, the packets were requested to be given to him. (A redacted version of the packet has since been provided to City Council and has also been made publicly available on the City's website.)

It was said during Treasurer Malloy's report that there were outstanding questions about the Crest Hill Events Committee, and it was suggested that a forensic audit should be conducted.

As part of the SWARM assigned attorneys' response, they are providing for City Council's discussion a firm and person who they are recommending, if City Council want to move forward with the forensic audit. The SWARM assigned attorneys have worked with Ms. Sarah Ketchum in the past and are recommending City Council discuss her proposal and approach. Ms. Ketchum has broken down the review into phases. She is estimating, based on what she has been told, and currently available information, the Phase One preliminary fee estimate is approximately \$10,000 to \$12,000. Any changes to that estimate as a result of new or additional information would be timely communicated. A budget estimate for Phase Two, or additional Phases, would be determined and provided based upon the information obtained through Phase One as project facts and case direction are determined.

She proposes Phase One to perform initial fact finding and information gathering. Phase One would include document and data requests and an initial assessment and understanding of the City of Crest Hill's available financial records and information.

Phase One Proposed Efforts – Fact Finding and Information Gathering:

- Develop and provide document request(s).
- Perform information gathering with counsel and client personnel.
- Review relevant documents, including project files; financial records; Committee information; among others.
- Assess financial records and historical City Committee records to determine records availability.

- Conduct communications with counsel, including discussion of initial findings and observations.

Phase Two, or additional Phases:

Phase Two would likely include further development and detailed support of a forensic funds tracing effort. Depending upon the ultimate path forward, a Phase Three could be appropriate if it is determined that expert testimony is necessary or for purposes of further case or litigation consulting support.

The engagement team would be led by Sarah Ketchum, assisted by others if and as necessary. Ketchum Advisory bills for professional services performed at established hourly rates, plus any necessary out-of-pocket expenses at cost with no markup. Sarah's hourly rate on this matter is \$475. Hourly rates for other professionals who may assist on this matter range from \$250 to \$550. These hourly rates are guaranteed through December 31, 2026.

Attached is a CV and a list of selected case examples, with a primary focus on Commercial Damages, Forensic Accounting, and Municipal matters. (See attachments Ketchum CV and Selected Case Examples). She is happy to answer any questions about her proposed process, provide a draft engagement letter, and she looks forward to hearing from the SWARM attorneys regarding next steps.

SWARM assigned attorneys Jason Blumenthal and Michael Bersani will be present in-person and by phone, respectively, to discuss this matter.

Recommended Council Action: Discuss and answer questions with City Council on Monday and determine if the Council wants to move forward with a forensic audit and if so determine or define the scope of the work.

Attachments:

- Ketchum CV and a list of selected case examples