



**Addendum No. 1**

**Request for Proposals Audit Services**

**December 23, 2024**

Bid Time and Date:

3:30 p.m. MST, January 6, 2025

**Written questions submitted about the Request for Proposals with written responses**

1. Why is the City going out for audit?  
The City's old Auditors –Pinion, LLC formerly Anderson ZurMuehlen & Co, PC are no longer performing government audits.
2. Were there any issues with the current auditor? Do they intend to propose again?  
There were no issues with our old auditors. No, they are not going to propose again.
3. Were there any journal entries discovered by the auditors during the 2023 or 2024 audit process for the City?  
No, there were no journal entries discovered by the auditors during the 2023 or 2024 audit.
4. Have there been any significant changes in key staff in the past year that would affect the 2025 audit? Is any anticipated turnover during the proposed five-year audit period known at this time?  
No, there were no significant changes in key staff in the past year that would affect the 2025 audit. There is no anticipated turnover during the proposed three-year audit period know at this time.
5. Outside of the audit process, what does the City find/define value from its auditors?  
At this time, the City's value from its auditors is directly related to the City's audit. We correspond with our current auditors when issues arise that may affect the current year audit.
6. Were there any major audit issues identified for 2023 or 2024? Are there any anticipated issues for 2024?  
There were no audit issues identified for 2023 or 2024. There are no anticipated issues for 2025.
7. What part of the audit process would the City like to improve over the past audits?

There were no significant parts of the audit process that the City would like to improve over past audits. The City is always working towards getting the finalization of the audit sooner.

8. What transition issues would the City be concerned about if the audit is awarded to new auditors?  
There are no significant transition issues the City would be concerned about when the audit is awarded to new auditors. The City is motivated to make the change to a new audit firm.
9. What were the fees for the prior year audits for the City?  
The fees for prior audits for the City were FY 2022, \$52,000; FY 2023, \$53,000, and FY 2024, \$54,000.
10. Does the City have a preference of whether fieldwork is completed onsite or in person?  
No, the City does not have a preference of whether fieldwork is completed onsite or offsite. Prior auditors have completed part of the audit onsite (two to three weeks) and finished the audit offsite.
11. When will the ACFR and final trial balances be available for the auditor's to begin year end fieldwork for the audit?  
Usually the City closes its Fiscal Year the last day of August. The final trial balance is available the second or third week of September. Financial statements are available the first week of October, with DRAFT ACFR available in middle of October. The City would look at changing this schedule as needed.
12. Are there significant changes in federal funding anticipated for 2024? How many federal programs are expected in 2024? Were there any findings that will require follow up?  
There are no significant changes in federal funding anticipated for 2025. 13 Federal Programs are expected in FY 2025. There are no findings that require follow up.
13. What basis of accounting do you maintain your accounting records on throughout the year?  
The accrual basis of accounting.
14. Does the City prepare the ACFR in its entirety or are there areas that the auditor's have been asked to help with in the past?  
The City's prepares the ACFR in its entirety. There are no areas that the City has asked for help with in the past.
15. How many funds does the City have within the general ledger system? Our experience with other Montana local governments is such that we see several funds that roll into single funds presented in the ACFR's and we'd like to be able to understand the extent of additional funds in the System that are rolled up for financial statement presentation.  
The City has 99 Funds in its General Ledger System. This includes:
  - Pooled Cash Fund
  - General Fixed Assets Account Grp
  - General Long Term Debt Acct Grp
  - 5 Trust Funds for the Upper Lower River Road Water Sewer District
  - Payroll fund reported in the Health and Benefits Internal Service fund

- 28 Street Lighting Funds reported in the Street Lighting Districts Special Revenue fund
- 3 Street Lighting debt funds reported in the Master Debt SILD Debt Service fund
- All the rest of the funds are reported separately in the Annual Comprehensive Report which includes:
  - 5 Major Governmental Funds
  - 4 Major Enterprise Funds
  - 29 Nonmajor Governmental Funds
  - 10 Nonmajor Enterprise Funds
  - 10 Internal Service Funds (reported as Governmental Activities on the Entity Wide Statements)
  - 2 Private-Purpose Trust Funds
  - 1 Custodial Fund

Issued By:  
City of Great Falls  
Finance Department

Melissa Kinzler  
Finance Director

**END OF ADDENDUM NO. 1**