Addendum #3 IFB on Annual Audit

City of Sedalia responses to questions received regarding Bid on Annual Audit

1. What is the reason for the City issuing a request for proposal for audit services?
    a. See Addendum #2, Question #1
2. Was the City's current auditor invited to respond to this RFP? If not, please indicate the reasons why.
    a. See Addendum #2, Question #2
3. Are you looking for something specific in a new auditor that would persuade you to change auditors.
    a. No, we are not looking for something specific in a new auditor that would persuade us to change auditors.
4. Is the City aware of any fraud, errors or irregularities that should be evaluated in determining the scope of the audit.
    a. No, the City is not aware of any fraud, error or irregularities that should be evaluated in determining the scope of the audit.
5. If you could name just one item that could be improved in the audit process, what would it be?
    a. No report to provide.
6. Is the March 31, 2026 financial statement available at this time? If so, could you send this out or let me know where I can locate it? It was noted that the FY25 Financial Statement is available on the City's website.
    a. The unaudited March 31, 2026 financial statements were published in June. See that publication included at the end of this record.
    b. The FY25 Financial Statement is available on the City's website.
7. Approximately how many people serviced the City's audit in FY26?
    a. As far as I am aware, there were four individuals who were contacts for various portions of the FY26 audit.
8. Did the previous auditors perform any of their procedures remotely?-if so, how did that work for City staff?
    a. Yes, the previous auditors performed some procedures remotely.
    b. This worked well for City staff.
9. What are the City's thoughts regarding remote or hybrid fieldwork or meetings?
    a. See Addendum #1, Question #1
10. Are you anticipating any significant changes in the City over the next several years that would affect the City financially?
    a. There are several housing development projects in process that should have a positive financial impact on the City.
11. Under V.B in the Request for Proposal you indicate "but will not include preparation of audit work papers or supporting documents." Can you elaborate on this statement? Will the City be providing supporting documentation for amounts presented within the trial balance? For example, a listing of accounts payable, accounts receivable, capital assets, etc.?

    a. The audit practice is that records are requested by the firm and provided by the City. This statement indicates the City will not prepare audit work papers nor supporting documents, in addition to documents requested in advance of the field work or already available in support of the financial details.
    b. The City has a practice of providing supporting documents to support amounts presented within the trial balance.
12. Is the Sedalia Public Library financial information maintained in the City's financial system as a separate fund or is there a different relationship for this component unit that the auditor would need to be aware of?
    a. The Sedalia Public Library financial information is maintained in the City's financial system as a separate fund.

CITY OF SEDALIA, MISSOURI
UNAUDITED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE FOR THE TWELVE MONTHS ENDED MARCH 31, 2026

REVENUES	GENERAL FUND	SELF FUNDED HEALTH INS	ANIMAL CONTROL FUND	LIBRARY FUND	PARK FUND	CENTRAL BUSINESS & CULTURAL DIST FUND	CAPITAL PROJECTS FUND	OPIOID SETTLEMENT FUND	MIDTOWN TIF	COMMUNITY IMPROVEMENT DISTRICTS	SALES TAX SHARING FUND	FIRE & POLICE PENSION FUND	FIRE ACADEMY FUND	TRANSPORTATION FUND	ENTERPRISE FUNDS	TOTAL MEMORANDUM ONLY
TAXES	12,670,470	-	-	886,129	4,597,258	43,191	4,759,984	-	334,963	160,361	-	180,199	-	3,876,119	-	27,508,674
LICENSES & PERMITS	1,052,276	-	-	-		-	-	-	-	-	-	-	-	-	74,888	1,127,164
INTERGOVERNMENTAL	1,885,123	-	598,811	46,721	(1,475,827)	-	3,428,992	-	6,600	50,271	-	-	-	630,877	1,248,171	6,419,739
CONTRIBUTIONS/DONATIONS	-	-	28,787	44,300	1,501,158	-	-	-	-	-	-	-	-	-	-	1,574,245
CHARGES FOR SERVICES	154,355	2,299,815	81,385	9,099	1,714,797		-	-	-	-	-	-	-		15,047,025	19,306,476
FINES & FORFEITURES	121,192	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121,192
MISCELLANEOUS	920,316	21,395	(11,187)	55,128	101,962	10,950	16,666,789	104,977	3,683	(312)	61,917	1,164,715	602	103,823	1,069,046	20,273,805
TOTAL REVENUES	16,803,731	2,321,210	697,796	1,041,377	6,439,348	54,141	24,855,765	104,977	345,246	210,320	61,917	1,344,914	602	4,610,819	17,439,130	76,331,294
EXPENDITURES																
										-						
ADMINISTRATIVE	1,436,581	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,436,581
FINANCE	1,143,137	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,143,137
RECORDS	263,309	-	-	-	-	-	-	-	-	-	-	-	-	-	-	263,309
PERSONNEL	324,053	-	-	-	-	-	-	-	-	-	-	-	-	-	-	324,053
AIRPORT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,130,667.86	1,130,668
FIRE	4,938,321	-	-	-	-	-	-	-	-	-	-	891,598	2,316	-	-	5,832,235
POLICE	7,442,967	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,442,967
STREET & ALLEY	-	-	-	-	-	-	-	-	-	-	-	-	-	3,882,842	-	3,882,842
CODE ENFORCEMENT	811,568	-	-	-	-	-	-	-	-	-	-	-	-	-	-	811,568
COMMUNITY DEVELOPMENT	216,738	-	-	-	-	-	-	-	-	-	-	-	-	-	-	216,738
BUILDING MAINTENANCE	567,483	-	-	-	-	-	-	-	-	-	-	-	-	-	-	567,483
INFORMATION SOLUTIONS	674,437	-	-	-	-	-	-	-	-	-	-	-	-	-	-	674,437
MANAGEMENT OF PUBLIC WORKS	666,349	-	-	-	-	-	-	-	-	-	-	-	-	-	-	666,349
CEMETERY	524,588	-	-	-	-	-	-	-	-	-	-	-	-	-	-	524,588
VEHICLE MAINTENANCE	356,997	-	-	-	-	-	-	-	-	-	-	-	-	-	-	356,997
ANIMAL CONTROL	-		662,342	-	-	-	-	-	-	-	-	-	-	-	-	662,342
MUNICIPAL COURT	300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300
DEBT SERVICE	-	-	-	100,099	-	-	3,458,657	-	-	-	-	-	-	-	1,162,090	4,720,847
CAPITAL OUTLAY	-	-	-	34,562	60,181	-	264,037	-	-	-	-	-	-	678,779	1,558,063	2,595,622
CAPITAL PROJECTS	-	-	45,579.06	-	2,286,826	-	10,562,536	-	-	-	-	-	-	-	3,083,169.69	15,978,111
SELF FUNDED HEALTH INSURANCE	-	2,404,578	-	-	-	-	-	-	-	-	-	-	-	-	-	2,404,578
LIBRARY	-	-	-	829,309	-	-	-	-	-	-	-	-	-	-	-	829,309
PARK	-	-	-	-	5,698,071	-	-	-	-	-	-	-	-	-	-	5,698,071
CENTRAL BUS./CULTURAL DIST	-	-	-	-	-	44,312	-	-	-	-	-	-	-	-	-	44,312
OPIOID SETTLEMENT	-	-	-	-	-	-	-	187,364.41		-	-	-	-	-	-	187,364
MIDTOWN TIF	-	-	-	-	-	-	-	-	79,423	-	-	-	-	-	-	79,423
COMMUNITY IMPROVEMENT DISTRICTS	-	-	-	-	-	-	-	-	-	208,759	-	-	-	-	-	208,759
SALES TAX SHARING	-	-	-	-	-	-	-	-	-	-	61,917	-	-	-	-	61,917
SANITATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,781,824	1,781,824
SEDALIA REDEVELOPMENT CORPORATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,316	17,316
WATER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,326,166	3,326,166
WATER POLLUTION CONTROL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,094,274	4,094,274
TOTAL EXPENDITURES	19,366,826	2,404,578	707,921	963,971	8,045,078	44,312	14,285,230	187,364	79,423	208,759	61,917	891,598	2,316	4,561,621	16,153,570	67,964,485
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,563,095)	(83,368)	(10,125)	77,406	(1,605,730)	9,829	10,570,535	(82,387)	265,823	1,561	-	453,316	(1,713)	49,197	1,285,560	8,366,808
OTHER FINANCING SOURCES (USES)																
LOAN PROCEEDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPERATING TRANSFER IN/OUT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NON-OPERATING REV/(EXP)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PAYABLES NOT EXPENSED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CERTIFICATE OF PARTICIPATION PROCEEDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CAPITAL CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND USES	(2,563,095)	(83,368)	(10,125)	77,406	(1,605,730)	9,829	10,570,535	(82,387)	265,823	1,561	-	453,316	(1,713)	49,197	1,285,560	8,366,808
PRIOR PERIOD ADJUSTMENT																-
AUDITED FUND BALANCE March 31, 2025	8,852,358	397,837	3	1,574,128	2,828,579	205,623	7,036,583	309,145	43,428	49,178	0	7,575,723	15,355	1,125,046	59,095,954	89,108,940
UNAUDITED FUND BALANCE March 31, 2026	6,289,263	314,468	(10,121)	1,651,534	1,222,848	215,451	17,607,118	226,758	309,251	50,739	-	8,029,039	13,642	1,174,243	60,381,515	97,475,749

ADDITIONAL INFORMATION AVAILABLE FROM JESSICA PYLE, FINANCE DIRECTOR, MUNICIPAL BLDG., SEDALIA, MO.