

**ADDENDUM #1**  
**City of Seaford**  
**Request for Proposals**  
**For**  
**Professional Auditing Services**

**April 29, 2021**

The City of Seaford is sending out Addenda #1 to clarify and address questions presented at the pre-proposal meeting held on April 28, 2021, 10 a.m., in City Hall Council Chambers, 414 High Street, Seaford, DE 19973.

The questions and responses were as follows:

- Can we get a copy of the prior year audit adjustments?
  - Response: Yes. There were adjustments to OPEB and Pension Liability. Please see attached.
  
- What accounting software is used by the City?
  - The City uses the MCSJ 2020.3 software from Edmunds GovTech. The City has been using this software since 2009. We use almost all of their applications: Financial Super Suite, A/P, Purchase Order, Inventory, Fixed Assets, Payroll, Tax & Utility Billing, Miscellaneous A/R, and Code Permitting.
  
- Can the current firm propose?
  - Yes
  
- How many days and level of staff were on site to perform the audit?
  - FY 2020 was an unusual year due to the Coronavirus Pandemic. It was performed completely remote.
  - Prior years consist of around a week for preliminary fieldwork and then around a week for final fieldwork.
  - The number of staff was 2-3.
  
- Did the City receive any CARES Act Funding and if so, how much?
  - Yes. \$35,539.34.
  
- Who is the actuary for OPEB?
  - Buck Global. They have been the City's actuaries for 20+ years.
  
- Did the current firm only invoice the City for the \$22,000 audit fee or were there other services provided as a different engagement?
  - Yes. There were no other engagement services.

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- Does the City convert the fund level financial statements to the entity wide statements?
  - No. However, the City provides all the accounting records to the auditors necessary to prepare the statements.
- Where there any management letter comments?
  - No. It was the standard language.
- Clarification - Even though this did not come up at pre-proposal meeting on April 28, 2021, as a restatement all proposals are due by 2:15 p.m., May 5, 2021, City Hall, City of Seaford, 414 High Street, Seaford, DE 19973. All Audit proposals will be opened by Staff immediately following this designated time for review and ranking.
- Due to the limited time for submittals of proposals this concludes all questions and answers the City will provide prior to the receipt of formal proposals due May 5, 2021.

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Please confirm receipt of this bid addendum, by signing and returning this confirmation.

Please fax the confirmation back to 302-629-9307, Attention – June Merritt, Director of Finance and HR.

Thank you for your cooperation!

I, \_\_\_\_\_, am hereby in receipt of the bid addendum #1 for the City of Seaford – Request for Proposals for Professional Auditing Services

I agree the presented changes are hereby set as required specifications in this bidding process.

\_\_\_\_\_  
Signature of Acknowledgement

\_\_\_\_\_  
Date

\_\_\_\_\_  
Company

\*\*\*\*END OF ADDENDUM NO. 1\*\*\*\*

Client: **City of Seaford, Delaware**  
 Engagement: **CITY OF SEAFORD, DELAWARE**  
 Period Ending: **6/30/2020**  
 Trial Balance: **0101.05 - Electric Trial Balance**  
 Workpaper: **Combined Journal Entries Report - Electric Fund**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 1</b>				
FY20 OPEB Entries				
044-203-20	DEFERRED FINANCING OUTFLOW		74,703.00	
044-203-25	DEFERRED FINANCING INFLOW		12,933.00	
044-203-20	DEFERRED FINANCING OUTFLOW			39,017.00
044-203-25	DEFERRED FINANCING INFLOW			44,640.00
044-410-43500-230	Elec Pension			3,979.00
<b>Total</b>			<b>87,636.00</b>	<b>87,636.00</b>
<b>Adjusting Journal Entries JE # 2</b>				
FY20 NPL Entries				
044-203-15	NET PENSION LIABILITY		1,199,581.00	
044-410-43500-230	Elec Pension		228,894.00	
044-203-15	NET PENSION LIABILITY			1,428,475.00
<b>Total</b>			<b>1,428,475.00</b>	<b>1,428,475.00</b>
<b>Adjusting Journal Entries JE # 3</b>				
FY20 Pension D.I and D.O Entries				
044-203-20	DEFERRED FINANCING OUTFLOW		149,134.00	
044-203-25	DEFERRED FINANCING INFLOW		12,886.00	
044-410-43500-230	Elec Pension			162,020.00
<b>Total</b>			<b>162,020.00</b>	<b>162,020.00</b>
	<b>Total Adjusting Journal Entries</b>		<b>1,678,131.00</b>	<b>1,678,131.00</b>
	<b>Total All Journal Entries</b>		<b>1,678,131.00</b>	<b>1,678,131.00</b>

Client: **City of Seaford, Delaware**  
 Engagement: **CITY OF SEAFORD, DELAWARE**  
 Period Ending: **6/30/2020**  
 Trial Balance: **0101.04 - Sewer Trial Balance**  
 Workpaper: **Combined Journal Entries Report - Sewer Fund**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 1</b>				
FY20 OPEB Entries				
043-203-20	DEFERRED FINANCING OUTFLOW		30,760.00	
043-203-25	DEFERRED FINANCING INFLOW		5,324.00	
043-203-20	DEFERRED FINANCING OUTFLOW			16,066.00
043-203-25	DEFERRED FINANCING INFLOW			18,381.00
043-310-43260-211	WWTF Retiree Health Insurance			1,637.00
<b>Total</b>			<b>36,084.00</b>	<b>36,084.00</b>
<b>Adjusting Journal Entries JE # 2</b>				
FY20 NPL Entries				
043-203-15	NET PENSION LIABILITY		439,092.00	
043-310-43260-230	WWTF Pension		173,112.00	
043-203-15	NET PENSION LIABILITY			612,204.00
<b>Total</b>			<b>612,204.00</b>	<b>612,204.00</b>
<b>Adjusting Journal Entries JE # 3</b>				
FY20 Pension D.I and D.O Entries				
043-203-20	DEFERRED FINANCING OUTFLOW		63,914.00	
043-203-25	DEFERRED FINANCING INFLOW		6,002.00	
043-310-43260-230	WWTF Pension			69,916.00
<b>Total</b>			<b>69,916.00</b>	<b>69,916.00</b>
<b>Total Adjusting Journal Entries</b>			<b>718,204.00</b>	<b>718,204.00</b>
<b>Total All Journal Entries</b>			<b>718,204.00</b>	<b>718,204.00</b>

Client: **City of Seaford, Delaware**  
 Engagement: **CITY OF SEAFORD, DELAWARE**  
 Period Ending: **6/30/2020**  
 Trial Balance: **0101.03 - Water Trial Balance**  
 Workpaper: **Combined Journal Entries Report - Water Fund**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 1</b>				
FY20 OPEB Entries				
042-203-20	DEFERRED FINANCING OUTFLOW		26,366.00	
042-203-25	DEFERRED FINANCING INFLOW		4,565.00	
042-200-43300-211	Water Retiree Health Insurance			1,405.00
042-203-20	DEFERRED FINANCING OUTFLOW			13,771.00
042-203-25	DEFERRED FINANCING INFLOW			15,755.00
<b>Total</b>			<b>30,931.00</b>	<b>30,931.00</b>
<b>Adjusting Journal Entries JE # 2</b>				
FY20 NPL Entries				
042-200-43300-230	Water Pension		129,926.00	
042-203-15	NET PENSION LIABILITY		380,244.00	
042-203-15	NET PENSION LIABILITY			510,170.00
<b>Total</b>			<b>510,170.00</b>	<b>510,170.00</b>
<b>Adjusting Journal Entries JE # 3</b>				
FY20 Pension D.I and D.O Entries				
042-203-20	DEFERRED FINANCING OUTFLOW		53,262.00	
042-200-43300-230	Water Pension			41,223.00
042-203-25	DEFERRED FINANCING INFLOW			12,039.00
<b>Total</b>			<b>53,262.00</b>	<b>53,262.00</b>
	<b>Total Adjusting Journal Entries</b>		<b>594,363.00</b>	<b>594,363.00</b>
	<b>Total All Journal Entries</b>		<b>594,363.00</b>	<b>594,363.00</b>