

Binghamton Johnson City Joint Sewage Board

ADDENDUM #1

REQUEST FOR INFORMATION (RFI)

Date: January 23, 2025

Subject: Financial Audit

Title: **REQUEST FOR QUALIFICATIONS AND PROPOSALS FOR PROFESSIONAL AUDITING SERVICES**

Due Date: February 13, 2025

Request for Information:

1. What was the cost of the 2023 financial audit?

Response: \$21,000.00 (for a “one Federal grant year” [FEMA/NYS-DHSES]).

2. (a) What is the reason for going out for RFP?

Response: Expiration of previous engagement’s term. Periodic solicitation.

- (b) Will the current firm be able to propose?

Response: Yes.

3. What is the ideal timing of the fieldwork for the audit (preliminary, final and presentation)?

Response: Typically, the timing of the fieldwork for the audit is coordinated with the Fiscal Officer (contact information listed in Answer to 4, below, and generally occurs at mutually convenient times during late May, June, or early July in order to meet the engagement schedule deadlines set forth in 3.2 of the RFQ/RFP:

3.2 Project Schedule. The services contemplated by this RFQ shall begin with the Notice to Proceed. The auditing firm shall schedule its services so that (i) an initial draft audit report is made available not later than the last business day of July and (ii) the final draft audit report is made available not later than the last business day of August. (*underscore added for emphasis*)

The final draft audit is presented for ratification during the Board’s September Regular Meeting, which is held on the second Tuesday in September (meeting begins at 3:30pm [Eastern Time]). Following

presentation/ratification, the audit report is to be finalized not later than the last business day of September so that it can be distributed and, for reporting years when Federal grant funding has been received, required filings with the Federal Clearinghouse can be made timely by the federal FY end deadline.

4. Is remote fieldwork an option?

Response: There may be some fieldwork tasks that can be carried out remotely, but certain of the examination/testing tasks would need to be carried-out at the office of the Fiscal Officer (Charles “Chuck” Robinson, 2nd Floor, Binghamton City Hall, 38 Hawley Street, Binghamton, New York 13901, phone [607] 772-7011, e-mail <cwrobinson@cityofbinghamton.gov>).

5. What IT system(s) do you utilize for the general ledger, work order system, etc?

Response (a): MUNIS/Tyler Enterprise ERP (by Tyler Technologies) is used for the GL and AP accounting.

Response (b): eMaint (from Fluke Corporation) is used for CMMS, including the Work Order system.

6. Were there any adjusting journal entries made as a part of the 2023 audit? If so, can you please attach.

Response: Yes. See attached.

7. Has there been any significant changes since the last audit such as a change in accounting or operation software or turnover in key finance / accounting personnel?

Response: Other than periodically issued software updates, there have been no changes in accounting (MUNIS/Tyler Enterprise ERP) or maintenance (eMaint) software since the last audit. From a key personnel standpoint, a change occurred in early June 2024 when the prior Fiscal Officer (who had served in that role since *circa* 2014) left his employment as Comptroller of Co-Owner City of Binghamton to undertake employment by Co-Owner Village of Johnson City as its Village Clerk/Treasurer. Current Fiscal Officer Charles “Chuck” Robinson has been employed for many years in the City of Binghamton’s Finance Department, and before being appointed Comptroller in early June 2024, Mr. Robinson was serving as the City’s Assistant Comptroller.

8. Is there a single audit anticipated to be needed for 2024? If so how many different programs and the anticipated dollar amount?

Response: No. During 2024, there were no federal grant programs in effect, and no federal grant funding was received.

9. The RFP refers to an audit under the Uniform Guidance, but the last 2-3 years there has not been a Single Audit required. Do you anticipate that a Single Audit will be required in the next year or two?

Response: During **2024**, there were no federal grant programs in effect, and no federal grant funding was received, so no Single Audit is required as to **2024**. At this juncture, it is not known whether federal grant funding might be awarded/received in **2025**. The Owners presently have an engineering contract under which design work is ongoing for the *Terminal Pumping Station (TPS) Improvements* project, which is anticipated to be ready to advertise for construction contract bids during 2025. One or more applications

for grant funding may be submitted by the Joint Sewage Project's Owners (City of Binghamton and Village of Johnson City) in connection with the TPS project, and there may be other grant-eligible capital projects undertaken near term for certain aspects of the Joint Sewage Project.

10. Has your current auditor done planning procedures before year-end?

Response: No advance field work was necessary and has not been planned as of yet.

11. The 2023 report notes that the FEMA receivables, and the construction in progress, have been resolved. Is there still significant capital activity in 2024 and beyond?

Response: Yes. The Joint Sewage Board has adopted a *5 Year Plan* which, including the *TPS Improvements* project mentioned above, lists three near-term capital projects. (For further information, please see page 7 [and, *for further detail*, pages 8-13, 15-20 and 27-28] at URL: <http://www.bjcwwtp.com/sites/default/files/BJCJSB%205YP%20Official%20FINAL%20%2012%2010%202024.pdf>).

12. Regarding the OPEB and pension obligations, is the JSTP obligations calculated separately from the City and Village? Or are your obligations based on a percentage/portion of the City/Village's?

Response: **OPEB:** Independently of the City or the Village, and in accordance with [i] collectively bargained agreements between the Board and the labor organization representing hourly employees of the Board and [ii] Board-approved policy with respect to non-bargaining unit employees, the Board procures and provides postemployment benefits to eligible retirees (and eligible spouses/dependents of retirees) in the form of health insurance.

PENSION: As a discrete "location code" under the City of Binghamton, the Board participates in the New York State and Local Employees' Retirement System ("System") which provides pension benefits for its eligible employees who retire, and the employer contributions paid by the Board are calculated separately from the City's contributions, based on the NYS-ERS employer contribution rates established by the System.

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Binghamton-Johnson City Joint Sewage Board

AJE

Year End: December 31, 2023

Trial balance

Date: 1/1/2023 To 12/31/2023

Prepared by BDS888 8/7/2024	Detailed Rev	Mgmr/Dir Rev
Partner Review TES844 9/26/2024	EQCR Review	

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
AJE01	12/31/2023	DEF OUTFLOWS OF RESOURCES-PENS	496A		237,852.00			
AJE01	12/31/2023	STATE RETIREMENT - HOURLY	901058000AJS2HR		429,044.00			
AJE01	12/31/2023	NET PENSION ASSET - PROP SHARE	108			661,138.00		
AJE01	12/31/2023	DEF INFLOWS OF RES - PENSION	697A			706.00		
AJE01	12/31/2023	NET PENSION LIAB - PROP SHARE	638			5,052.00		
To adjust pension and related components to proper								
AJE02	12/31/2023	SEWER SERVICE - OTHER GOVT	42374		17,000,000.00			
AJE02	12/31/2023	INFRASTRUCTURE	106					
AJE02	12/31/2023	ACCUM DEPR - INFRASTRUCTURE	116		424,000.00			
AJE02	12/31/2023	INFRASTRUCTURE	106			17,000,000.00		
AJE02	12/31/2023	DEPRECIATION	199454999			424,000.00		
Adjustment to remove settlement agreement budget adjustment from capital assets and adjust current year depreciation to proper								
RJE04	12/31/2023	interest exp	54100		5,626,039.80			
RJE04	12/31/2023	INTEREST SUBSIDY	44991			2,293,830.00		
RJE04	12/31/2023	DEBT SERVICE	813054001COB			1,728,543.17		
RJE04	12/31/2023	DEBT SERVICE	813054001VJC			1,437,679.18		
RJE04	12/31/2023	interest exp	54100			165,987.45		
Reclass for interest expense and interest subsidy								
					23,716,935.80	23,716,935.80		
Net Income (Loss)			(6,480,772.48)					

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RJE

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Partner Review TES844 9/26/2024	EQCR Review	

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
RJE01	12/31/2023	DUE TO OTHER GOVERNMENTS	631 COB		3,868,687.00			
RJE01	12/31/2023	DUE TO OTHER GOVERNMENTS	631 VJC		3,388,735.00			
RJE01	12/31/2023	DUE TO OTHER GOVERNMENTS - JOHNSTO EFPR.2				3,388,735.00		
RJE01	12/31/2023	DUE TO OTHER GOVERNMENTS - BING CUR EFPR1				3,868,687.00		
Reclass for current portion of LTD								
RJE02	12/31/2023	ACCRUED LIABILITIES	601		4,720,445.70			
RJE02	12/31/2023	DUE TO OTHER GOVERNMENTS	J .80.JTSWR .JTSWR .631 .			4,720,445.70		
Reclass for amounts due to other governments from accrued liabilities								
RJE03	12/31/2023	SEWER SERVICE - OTHER GOVT	42374		12,225,149.96			
RJE03	12/31/2023	SEWER SERVICE - OTHER GOVT	42374		4,211,677.21			
RJE03	12/31/2023	REIMB CITY - DEBT SVC PMTS	42430			5,572,133.88		
RJE03	12/31/2023	REIMB VILLAGE - DEBT SVC PMTS	42410			6,653,016.08		
RJE03	12/31/2023	REIMB VILL LOCAL SYS COSTS	42400			1,448,889.06		
RJE03	12/31/2023	REIMBURSE CITY LOC SYS COSTS	42420			2,762,788.15		
Reclass for debt service costs from sewer service costs								
					28,414,694.87	28,414,694.87		
Net Income (Loss)			(6,480,772.48)					