



REQUEST FOR PROPOSAL ANNUAL AUDIT AND CAFR PREPARATION

The City of Collinsville, Illinois is requesting proposals for the preparation of the City's Comprehensive Annual Financial Report (which includes the annual audit) for the fiscal years ending December 31, 2021, 2022, & 2023 with the option to renew for another three (3) years at the end of the term.

Description of City and Record to be Audited

General Information

The City is located approximately twelve miles east of downtown St. Louis, Missouri. The three Collins brothers (for whom the City was named) arrived in the area in 1817. A village was platted in 1837 and a village charter was adopted in 1850. In 1872, the City of Collinsville was incorporated.

Through its history, the City has been the site of zinc works, lead works, coal mines, knitting mill, cow bell factory, and canning plants. The bulk of these industries were gone by the 1950's. Collinsville has an estimated population from the 2020 Census at 24,366.

Besides being a residential community, the City has a hospitality district with over 1,300 hotel/motel rooms and the Gateway Convention Center (Southwestern Illinois' largest convention and visitor's center). The City is also home to Ameren Illinois Corporate Headquarters, the District 11 Illinois State Police, Illinois Department of Transportation headquarters, Cahokia Mounds State Historic Site, and FanDuel Sportsbook and Horse Racing Racetrack (and future Racino).

Pursuant to a special census, the City was certified by the State of Illinois as a home rule unit, as of August 24, 2005, under Section 6 of Article VII of the 1970 Illinois Constitution.

Approximately 90% of the City's 2020 Equalized Assessed Valuation is in Madison County, with the remainder in St. Clair County. The City encompasses nearly ten square miles and is bordered by a number of unincorporated areas. Incorporated areas that border the City include the Village of Maryville on the north and the Village of Caseyville on the south.

The City is a municipality operating under the City Council-Manager form of government. The adoption of this form of government was approved by a public referendum in 1991. The City

Council is the governing legislative and policy making body for the City and consists of a Mayor and four Council members, all elected at large, with the Mayor voting on all issues and without veto power. The City Council has purely legislative powers, through which it establishes policy and makes all laws, rules, and regulations. The City Manager, City Clerk, Corporate Counsel, City Attorney, and City Treasurer are appointed by the Mayor with the approval of the City Council. The City Manager is the Chief Executive Officer for the City and is responsible for implementing the legislation and policies adopted by the City Council as well as all aspects of City operations.

The City's General Fund budget is \$28M for Fiscal Year 2021 which ends December 31. The City's Enterprise Fund budget for the same period is approximately \$9.5M. The City also has 4 TIF Districts, 4 Business Districts, a Motor Fuel Tax fund, and several small funds all which make up our Special Revenue Funds and have an approximate budget of \$10M for 2021. The general ledger has more than 15 funds, some with departments. The City currently has 11,686 utility (water/sewer) accounts, billed bi-monthly. The City employs 201 current full-time employees and 63 part-time employees. During the summer, the City will hire 150-180 seasonal staff. All employees are paid every two weeks. The City also has 5 bargaining units. One main location (City Hall) located at 125 S. Center Street, Collinsville, IL 62234. The City has a Water Plant, Sewer Plant, Street Dept location, 2 Fire stations, 1 Police station, Gateway Convention Center, Heritage Farm, Water Park, 2 Public Parks, Sports Complex, and an Animal Shelter.

Accounting System

The City currently uses Locis for accounting and payroll and Fixed Asset CS for fixed assets. The City will be moving to a new software in 2022.

CAFR Requirements

The City of Collinsville, Illinois has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association the past several years and will continue to do so with the assistance of the audit firm selected. Experience in the preparation of the document is required. The auditing firm is required to prepare the Introductory Section, Financial Section (which includes notes to the financial statements), Statistical Section (the city staff does a lot of this work), and the Single Audit Section. The City will be responsible for preparing the Management Discussion and Analysis narrative portion of the Financial Section. The auditing firm will provide the numbers for the MD&A through the statements. The auditing firm will be responsible for its inclusion of that document in the report. The auditing firm will be responsible for typesetting and putting together the final draft of the CAFR. The auditing firm selected will also be responsible to respond in writing to any GFOA request for follow up on exceptions noted by the GFOA on the previous year's CAFR. Preparation of the CAFR must comply with the requirements of the Certificate of Achievement Program sponsored by the Government Finance Officer Association.

Audit Requirements

The audit (included as part of the CAFR) shall include examinations of the financial and other records of the various departments and funds of the City in accordance with generally accepted government auditing standards for financial and compliance audits. The auditor will also be responsible for the issuance of a Single Audit report if required.

The auditors may commence the examination any time after the selection of the auditors is made by the City. The City will complete the final adjustments to its general ledger for the Fire and Police Pension plans no later than January 31st, and for the rest of the City funds by March 31st of each year. The City is requesting the audit of the Pension Plans be complete and draft financial statements for those Pension Plans be submitted to the City's Actuary's no later than February 28th of each year. The City is also requesting the audit be completed and final reports issued by May 31st of each year. During the audit, the auditors will be required to meet with the Chief Financial Officer to discuss each Adjusting Journal Entry and Management Comments **as they arise during the audit.** The Chief Financial Officer should approve/deny all Adjusting Journal Entries. Upon completion of the audit, a post-audit conference with the Chief Financial Officer to review the CAFR that includes the financial statements, notes, and compliance reports, statistical and introductory sections will be held no later than June 15th of each year. A review of the final report of comments and recommendations (prepared under a separate cover) will be discussed with the Chief Financial Officer no later than June 15th of each year. A presentation of ten (10) copies of the Comprehensive Annual Financial Annual Report and presentation to the City Council shall be made no later than July 31st of each year.

Copy of the FY 2020 CAFR and Audit are available on the City's website at www.collinsvilleil.org.

Presentations concerning the audit shall be made to the City Council as needed.

Reports Required

The following are required for the completion of the CAFR:

A Comprehensive Annual Financial Report, which includes a report on the examination of the financial statements for Collinsville, Illinois including all accounts and funds. The financial statements and the notes to the financial statements will be prepared by the auditor. The CAFR should also include the Introductory and Statistical Sections prepared by the audit firm, but with the help of City Staff. A report of internal control and compliance in accordance with the Single Audit Act. Preparation of the CAFR must comply with requirements of the Certificate of Achievement Program sponsored by the GFOA.

A separate report of comments and recommendations addressed to the Chief Financial Officer.

Use of City Facilities and Personnel

The City will provide an adequate work area for the auditing staff. City staff will be available to answer questions and for consultation as needed in order to expedite the audit fieldwork.

FORM OF PROPOSAL

Proposal Requirements:

1. Describe your firm's approach to conducting the audit examination, including your understanding of the scope of the services to be provided and the reports and documents required. It should indicate the approximate date the audit will begin and end (including any preliminary fieldwork). Include a copy of your firm's most current peer review report.
2. Describe the governmental experience of your firm including the specific details regarding experience in the preparation of a Comprehensive Annual Financial Report.
3. Provide a list of at least three municipal government references where your firm has conducted an audit in the past 24 months. This list should indicate the names and telephone numbers of officials in the other municipalities that may be contacted.
4. Number and level of staff to be assigned to the City's audit. Biography of the Partner assigned to the City's audit should be included.
5. Fees. The city requires a firm, fixed fee for the audit service listed below. Years 2024 – 2026 are optional years if the City and the selected Proposer choose to renew.
 - 5.1. CAFR/audit for the year ending December 31, 2021
 - 5.2. CAFR/audit for the year ending December 31, 2022
 - 5.3. CAFR/audit for the year ending December 31, 2023
 - 5.4. CAFR/audit for the year ending December 31, 2024
 - 5.5. CAFR/audit for the year ending December 31, 2025
 - 5.6. CAFR/audit for the year ending December 31, 2026
 - 5.7. Single audit for the year ending December 31, 2021
 - 5.8. Single audit for the year ending December 31, 2022
 - 5.9. Single audit for the year ending December 31, 2023
 - 5.10. Single audit for the year ending December 31, 2024
 - 5.11. Single audit for the year ending December 31, 2025
 - 5.12. Single audit for the year ending December 31, 2026
 - 5.13. Firefighter pension audit for the year ending December 31, 2021
 - 5.14. Firefighter pension audit for the year ending December 31, 2022
 - 5.15. Firefighter pension audit for the year ending December 31, 2023
 - 5.16. Firefighter pension audit for the year ending December 31, 2024
 - 5.17. Firefighter pension audit for the year ending December 31, 2025
 - 5.18. Firefighter pension audit for the year ending December 31, 2026
 - 5.19. Police pension audit for the year ending December 31, 2021
 - 5.20. Police pension audit for the year ending December 31, 2022
 - 5.21. Police pension audit for the year ending December 31, 2023
 - 5.22. Police pension audit for the year ending December 31, 2024
 - 5.23. Police pension audit for the year ending December 31, 2025

5.24. Police pension audit for the year ending December 31, 2026

Presentation of Proposals

An envelope sealed and marked “CAFR/Audit Proposal” with three (3) copies of your proposal should be received by the Chief Financial Officer at 125 South Center Street, Collinsville, Illinois 62234 on or before 2:00 p.m. (CST) on October 15, 2021. Electronic copies are encouraged and can be emailed to kmooney@collinsvilleil.org Only one electronic copy is required.

Evaluation and Award of Contract

The selection committee will review all proposals and will select the proposal that is a **combination of the lowest fee and best qualifications**. The Chief Financial Officer will then recommend to the City Council the selection of an Audit/CAFR preparation firm at the October 26th, 2021 City Council meeting.

Questions can be submitted for clarification of this RFP by September 24th, 2021. An amendment to this RFP detailing each question asked and the City’s answer will be emailed to all inquiries and posted on the City’s website at www.collinsvilleil.org Questions can be submitted to the Chief Financial Officer at kmooney@collinsvilleil.org Please note that questions will not be answered on an individual basis only via an amendment by the City.

It should be understood that the City of Collinsville, Illinois reserves the right to reject any and all proposals submitted and to request additional information.