Addendum #1- Response to Questions
Regarding: MEDA RFP 2026-2-Accounting Services
on behalf of the
Moffat Economic Development Authority

1) Q: Please provide previous years financial statements.

   A: The Authority didn't have any activity last year, and no financial statements were prepared. The new accountant will have to prepare them for this year and every year going forward.

2) Q: Has the authority hired an investment manager? What types of investments does the Authority currently have?

   A: Investment manager and accountant RFP's are running simultaneously and will be selected in May 2026. Authority currently holds $5.5M in two CD's at local banks.

3) Q: Who currently manages MEDA's accounting?

   A: MEDA is a new organization. Investment manager and accountant RFP's are running simultaneously and both will be selected in May 2026.

4) Q: The 2026 budget has a line item called "Commissions" for $55,000. What is included in this?

   A: Estimated commissions for an investment advisor. (1% of $5.5M.)

5) Q: Do you have a budget range for accounting services?

   A: No. All proposals will be evaluated and pricing will be one factor the board considers in selection of the accountant.

6) Q: Has there been activity in 2026 that needs to be recorded? Are books up to date? When was the last known bank reconciliation completed?

   A: Total bank transactions for 2026 are less than 5. No transactions occurred in 2025 when the Authority was formed.

7) Q: Are there any known issues with: out of balance general ledger, unreconciled accounts, missing documentation, prior period adjustments needed, system conversion issues?

   A: No issues exist. MEDA is a newly formed Authority.

8) Q: Will Payroll Services be need?

   A: No at this point. There are currently no employees of MEDA, but this may change in the future.

9) Q: How often will the accountant be expected to participate directly in board/management meetings?

   A: The Board meets monthly and it would be expected the accountant, investment advisor, and board meet face-to-face monthly, until accounting and investments protocols are established (estimated 6 months), then remote meetings are possible. Existing Board meetings are less than 1 hr, but may be lengthened after the investment advisor and accountant are selected.

10) Q: How often do financials need to be provided to the Board?

    A: Each monthly meeting while accountant and investment advisor are establishing a financial process for MEDA during the first 6 months, then likely less often (Quarterly) after accounting and investment processes are established.

11) Q: What format do financials need to be provided?

    A: No format exists currently. Bidders should suggest format or options for the Board to consider.

12) Q: When do budgets need to be prepared and completed? Is the Authority Board involved in creating the budget? When will audit work be completed? What type of Audit is needed for MEDA? When was the last Audit completed? What were the Audit findings? What is the upcoming Audit deadline?

    A: See Section 7 of the Establishment Agreement (Page 14). In accordance with the budget and audit statutes for public entities, budgets need to be finalized before the end of each year and filed with the State before January 31st; audits need to be completed by June 30 and filed with the State within 30 days of their completion. If applicable, audit exemption requests need to be filed before March 31. MEDA filed for audit exemption with the State of Colorado for 2025 (exemption was granted). The first audit will be filed in 2026. MEDA budgets follow a specific process detailed in the Establishment Agreement which require approval from Craig City Council and Moffat County Commissioners prior to MEDA formally adopting the Budget. Council and Commissioner approval is a separate requirement aside from the statute requirements. As such, MEDA presents draft budgets to the City and County in September/October. Accountant participation in developing the budget is critical. Accountant participation in City/County adoption would be minimal as Board Members themselves or Staff will likely make the presentations to City and County.

13) Q: What is the fiscal year end of the Authority?

    A: December 31 is fiscal year end.

14) Q: Is there any grant reporting?

    A: No. MEDA has not applied for any grants to date.

15) Q: Does the Authority have any credit cards?

A: No, and none are anticipated in the near future.

16) Q: Are there any loans the authority has taken?

A: No, and none are anticipated.

17) Q: Does the Authority hold any restricted funds?

A: Not in the traditional sense of donations or specific purpose grants, however, this may change in the future.. See Investment Policy regarding general purpose/restrictions of Authority funds for primary job growth and property tax base.

18) Q: What will Accountant's role be in dispersal of funds and how often will dispersals occur?

A: Treasurer will approve the disbursement, but the accountant may process them. The accountant and treasurer will work together to complete the disbursement. Disbursement will occur as needed, there are currently no periodic expenses, and less than 5 total transactions have occurred since the formation of MEDA.

19) Q: Will the accountant be responsible for accounts payable processing (cutting checks, managing vendor payments), or just recording transactions?

A: Please make a proposal. The Board will consider all scenarios proposed. Annual transactions will be very minimal (approximately 5) until funds begin being granted/loaned out after the first $1M of revenue is accrued. See the Establishment Agreement .

20) Q: Do internal written procedures already exist or will accountant be involved in preparing those with management/board?

A: Yes, See Section 7 of the Establishment Agreement (Page 14). In addition, see Investment Policy (may apply more to the investment advisor, than the accountant).

21) Q: Does the Authority have a specific accounting software they expect to be used or will that be at the discretion of the accountant?

A: Discretion of the Accountant.

22) Q: Does the Authority have a document management system, or is this something you would like the accountant to help establish?

A: No system currently. Proposals are welcome.

23) Q: What is the anticipated maximum scope of the fund? Value under management? Annual dispersal anticipated?

A: $5.5 million X 4 annual deposits starting January 2026 from one settlement, totaling $22M in 4 years. The first $5.5M payment has been made and has been placed in CDs. There will likely be $6.5M added from a second settlement that is not yet finalized, to be paid over a 10-year period. MEDA total will be a minimum of $28.5 M in a 10-yr period. There may be additional settlement payments allocated to MEDA in the future, but that is unknown at this point. The fund is designed to be perpetual and maintain or grow the principal balance ($22M in 4 years and $28.5M in 10 years). The Establishment Agreement requires $1M of revenue to be accrued before any dispersals, outside of ongoing operating expenses, are allowed. An additional policy will likely be created to establish detailed criteria for dispersals related to promoting economic development in the community. Dispersals must meet "primary job" qualifications and property tax qualifications and will be decided by the MEDA Board. Accountant would work with Board Treasurer to implement dispersal direction from the Board. MEDA Board expects the $1M requirement to be met between years 2 and 3, but it is possible/likely the Board may not begin dispersals immediately at the $1M revenue point.

24) Q: How many bank and investment accounts does the Authority have?
A: MEDA has one operating account at Yampa Valley Bank, Craig CO and two CD's which mature in June 2026. Then funds will be invested with an investment firm to be selected in May 2026.

25) Q: How many transactions per month (receipts, disbursements, journal entries, investment transactions) are expected for the Authority?

A: In 2026, there have been 1 receipt (1st payment of settlement agreement) , less than 5 expenses paid (insurance and legal services invoices), and 2 investment transactions (2 CD's purchased at local banks). Similar transactions are expected in the future in addition to unknown investment and accounting transactions.

26) Q: Does the Authority have cash receipts?
A: No

27) Q: What type of entity is MEDA?

A: The Authority is organized as a separate legal entity and a political subdivision and public corporation of the State of Colorado pursuant to the power of Article XIV of the Colorado Constitution and in conformity with the provisions of Sections 29-1- 203 and 203.5, C.R.S.

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