

**RESOLUTION NO. 23-047**  
**Riley-Purgatory-Bluff Creek Watershed District**  
**Board of Managers**

**Authorizing execution of auditing services contract with**  
**Abdo**

Manager \_\_\_\_\_ offered the following resolution and moved its adoption, which motion was seconded by Manager \_\_\_\_\_:

**WHEREAS** Minnesota Statutes section 103D.355 requires watershed districts to annually have an audit of their books and accounts completed for submission, pursuant to Minnesota Rules 8410.0150, to the state auditor and Board of Water and Soil Resources;

**WHEREAS** pursuant to authorization of the board of managers, Riley-Purgatory-Bluff Creek Watershed District contracted with Abdo, Eick & Meyers (the predecessor of Abdo) for completion of the audit of RPBCWD’s 2021 and 2022 books and accounts, and Abdo, Eick & Meyers satisfactorily completed and submitted the audit as required, such that RPBCWD wishes to utilize Abdo’s audit services; and

**WHEREAS** RPBCWD solicited letters of interest from auditing firms, pursuant to Minnesota Statutes section 103B.227, in March 2023 and again in June 2023 therefore may select of Abdo for the 2023 and 2024 audits.

**NOW THEREFORE BE IT RESOLVED** that the RPBCWD Board of Managers authorizes the administrator, on advice of counsel, to enter into agreement with Abdo for the 2023 and 2024 audits, at a cost not to exceed \$18,000 in 2023 and \$18,900 in 2024 as finalized with such non-substantive changes as are necessary to implement the intent of the managers.

The question was on the adoption of the resolution and there were \_\_ yeas and \_\_ nays as follows:

**Yea**                      **Nay**                      **Abstain**                      **Absent**

**CRAFTON**  
**DUEVEL**  
**KOCH**  
**PEDERSEN**  
**ZIEGLER**

Upon vote, the president declared the resolution adopted on this 12<sup>th</sup> day of July, 2023.

\* \* \* \* \*

I, Dorothy Pedersen, secretary of the Riley-Purgatory-Bluff Creek Watershed District, hereby certifies that I have compared the above resolution with the original thereof as the same appears of record and on file with RPBCWD and find the same to be a true and correct transcription thereof, and further that the resolution is in full force and effect on this date, and Resolution 23-047 has not been modified, amended, or rescinded since its adoption.

IN TESTIMONY WHEREOF, I set my hand this \_\_\_\_ day of \_\_\_\_\_, 2023.

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Dorothy Pedersen, Secretary

**Exhibit A**  
**Agreement**





Proposed by

**Andrew Berg, CPA**

Partner | Abdo

[andrew.berg@abdosolutions.com](mailto:andrew.berg@abdosolutions.com)

**P** 952.715.3003

June 30, 2023

SERVICE PROPOSAL FOR

# Riley Purgatory Bluff Creek Watershed District

[abdosolutions.com](http://abdosolutions.com) | Mankato, MN - Edina, MN - Scottsdale, AZ



Terry Jeffery, District Administrator  
Riley Purgatory Bluff Creek Watershed District  
18681 Lake Drive E.  
Chanhassen, Minnesota 55317

June 30, 2023

Dear Terry,

Thank you for the opportunity to submit this proposal to the Riley Purgatory Bluff Creek Watershed District (the District) for audit services. We appreciate the opportunity to work with you. Based on our experience with districts like you, we are confident that Abdo (the Firm) would be a great fit.

We work hard for those who matter most - clients, employees, family, and community - and celebrate their successes as our own. This belief is represented through our commitment to people and knowledge, process and you. We will utilize staff that is experienced and dedicated in the area of government. Our process is centered on meeting your needs, exceeding your expectations, and incorporating technology to deliver unparalleled solutions. This includes delivering prompt and effective service of the highest quality to you. The quality of our service allows us an opportunity to be an integral part of your finance team. We believe this investment should make a difference for you, our valued client. We focus on the challenges and needs that are relevant to your district, which allows us to be thoughtful in our approach in providing you with the best solutions, and leaves you assured in the value of our deliverable.

The attached proposal will demonstrate to you that we will be a great service provider and partner for your district. We look forward to meeting with you to discuss our proposal and appreciate this opportunity to present our firm for your consideration. We will follow up with you within two weeks to answer any questions or concerns you may have and to provide any further information you may need.

Sincerely,

**Abdo**

**Andrew Berg, CPA**

Partner | Abdo



# Executive Summary

We are pleased to present our proposal for audit services to the Riley Purgatory Bluff Creek Watershed District. We have prepared our proposal based on our understanding of your organization's needs from the request for proposal we received and conducting your audits the last few years, during which we were able to get to know you better.

We understand that the key requirements you have of your selected advisors include:

- Demonstrate familiarity, knowledge and experience of watershed districts
  - Work with the Board and staff to ensure reporting to the Board of Watershed Districts and Office of the State Auditor is done timely and accurately
- Deliver both concise and informative information to the Finance Committee
- Access to partners and staff for assistance in answering questions throughout the year
- Provide a timely and efficient audit

We understand that the requested work to be completed includes the following services:

- Annual Financial Statement Audit
- Executive Governance Summary
- Presentation to Governance

Based on our work with more than 100 districts similar to yours, we firmly believe we can meet your requirements and exceed your expectations for the reasons listed below and referenced in our proposal.

- We provide timely services and currently adhere to an 18-day turnaround time from fieldwork for the delivery of draft financial statements to the client.
- Our presentation uses ratios and comparisons of trends that give snapshots of metrics for your Organization through graphs and charts.
- We have a dedicated team of over 40 partners, managers and staff that serve governments exclusively.
- Our experience extends beyond just audit and compliance. We also provide the following services to our clients:
  - Human Resource solutions
  - Long-term financial planning
  - One-on-one personalized and group-focused training opportunities
  - Process improvements, including lean process and process evaluation
- Integral to our mission is a philosophy that we help organizations reach their maximum potential through open communications and teamwork. **We enjoy answering questions any time of the year, and at no cost!**

# The Abdo Difference

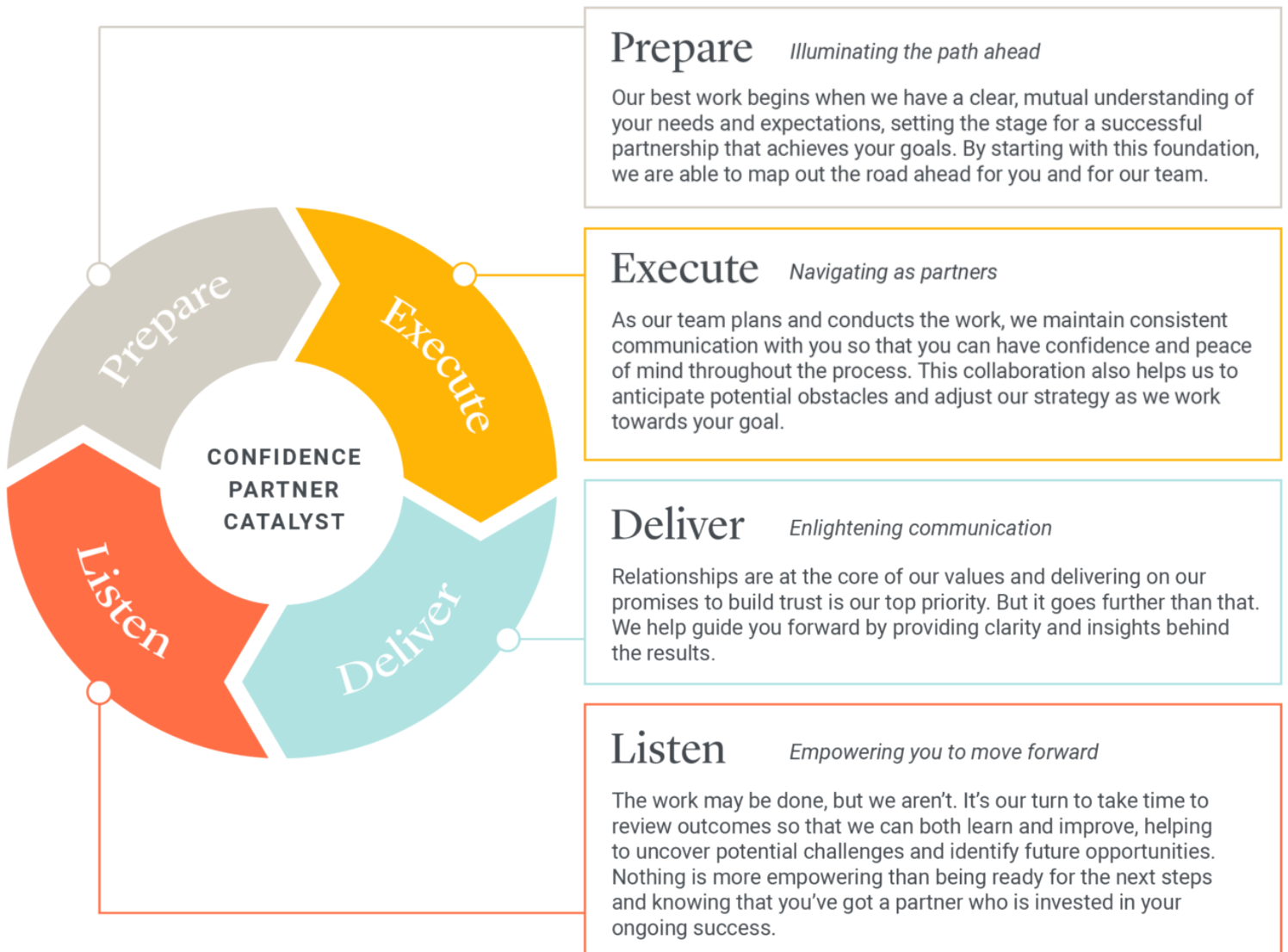
At Abdo, we believe in the importance of relationships. This core value is the foundation of our approach to delivering the best experience and outcomes for our clients. It's inherent in our people and the way we work. We know that for our clients to be successful, it takes more than having experience and credentials – we take the time to listen to their unique motivations, goals, and challenges. We truly care about their journey and where their path leads.

Our process is built around a deep commitment to every client:

*We light the path forward so you can proceed with **confidence**.*

*We're the **partner** you can trust to help you along the way.*

*We're the **catalyst** who empowers you to reach your goals.*





# Your Team

Based on our ability to provide the requested services, our shared core values, and an understanding of your unique needs, we have the resources, knowledge, people and services to light the path forward for your district.

We have assembled a team with relevant experience who are committed to working with you to ensure success. Each team member is briefly profiled below, and full biographies can be found in Appendix C.



**ANDREW BERG, CPA**

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*andrew.berg@abdosolutions.com*  
**P** 952.715.3003



**JUSTIN NILSON, CPA**

**Senior Manager**  
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**ADAM OWENS**

**Associate**  
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**P** 952.715.3040



**ROBBIE SMITH**

**Associate**  
*robbie.smith@abdosolutions.com*  
**P** 952.715.3022





# Government Experience

You can have confidence in our 60 years of quality auditing services and partnership in the government space. Since 1963, we've served entities just like yours. With an unwavering commitment to streamlining processes, training staff, and finding technology-based solutions, we proudly offer excellence in auditing. Out of our 180-strong, talented staff, over 40 team members are 100% focused on government clients, including services for over 100 cities and various municipalities. By serving local municipalities across Minnesota, we have become experts in the nuances of how to best support your district. Our expertise affords you an audit experience that's painless. We do this by communicating up front, coming better prepared, and being available throughout the year to support you.

## PROCESS

Our methods are centered around incorporating technology to deliver unparalleled solutions for local governments. In addition to our audit experience, our firm expertly performs outsourcing for governments giving us a wealth of experience in a finance director role. We don't believe in a one-size-fits-all mentality, so together we'll focus on the needs that are relevant to your and provide the right services to meet them with a tailored approach.

## FOCUS

Through continuous training and growth opportunities, we've established an environment with a focus on serving local governments. We spend more than 100 hours training and onboarding to ensure success for our clients. We truly hope that you partner with our team to forge a brighter path forward for your district.

## OUR QUALIFICATIONS

- GFOA and MnGFOA Association members
- We speak and train on government accounting and auditing topics
- Audit services for 100+ cities
- Our clients represent top tier governments with 20 municipal clients receiving the GFOA's Certificate of Achievement for Excellence in Financial Reporting
- Audit services for 20+ EDA's and HRA's
- Audit services for 35+ other governmental entities
- Audit or attestation services for 80 Fire Relief Association's



**114** CITY & COUNTY CLIENTS  
ACROSS MINNESOTA

# Audit Approach

We deliver auditing services that are more than just a compliance service. We exceed what's considered the "standard audit support," placing a strong emphasis on a relationship-driven approach that facilitates a partnership with your district. We work together to ensure we have a clear understanding of the District's needs, challenges and financial information. Together with your team, we'll help to leverage this information to increase efficiency and effectiveness.

### PARTNERSHIP

Integral to our mission is a philosophy that we help districts reach their maximum potential through open communication and teamwork. We enjoy answering questions any time of the year, and at no cost! We also believe in:

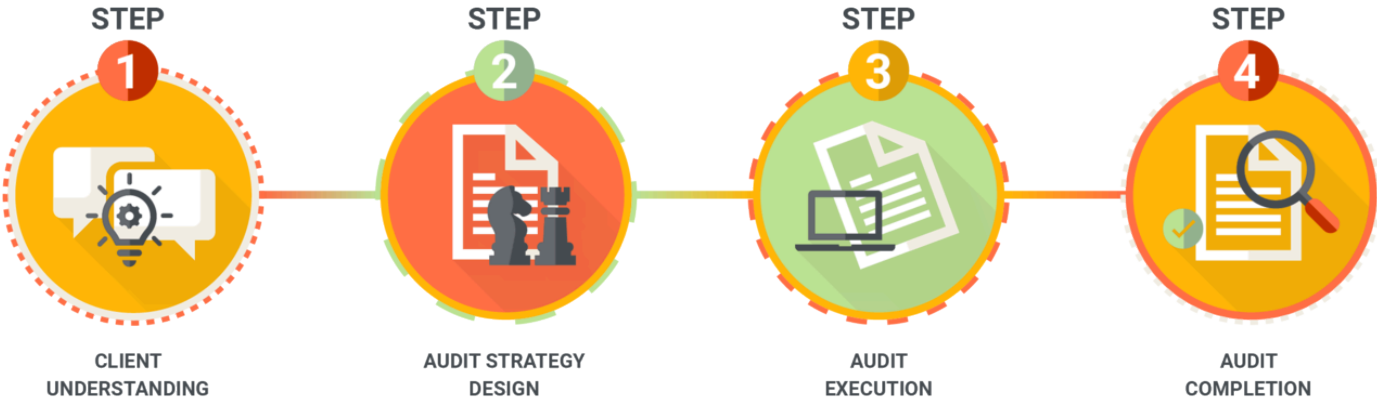
- Consistent, clear, proactive communication that offers suggestions and makes your work easier
- Returning phone calls and questions promptly
- Gathering information through dialog, not checklists
- Conducting listening calls with you outside of the engagement to understand the District, build a long-term relationship with you, and learn how we can improve.

### PEOPLE

Our value comes from our experience and the education we can provide. Our professionals go beyond the required standards to make sure we have a clear understanding of your district. We work with your management team to leverage this information to increase efficiency and profitability. We put together a team of experts specifically for you, whose experience and industry knowledge aligns with the needs of your district.

### PROCESS

While we will audit the financial statements of your district in accordance with the applicable regulatory standards, our process is designed to go far beyond that. It enables us to gain a thorough understanding of the processes, procedures, and general operations of your district.



## CLIENT UNDERSTANDING

Your leadership team plays an important role in your financial reporting. We always begin our process with a face-to-face conversation to gain a thorough understanding of your district, internal controls, processes and procedures. Our experience with districts like yours allows us to develop a customized audit and communications plan. We will prepare a timeline detailing significant steps in the audit process from beginning to end.

## AUDIT STRATEGY DESIGN

Your district is unique and therefore your audit plan will be tailored to your operations and will include the relevant and appropriate standards. Our audit strategy is based off our understanding of your district. It will also encompass:

- Leadership concerns and expectations
- Risk assessment
- Understanding your internal controls
- Testing

## AUDIT PLAN EXECUTION

Our execution of your audit strategy begins with fieldwork and ends with a presentation of your draft financial statements. Our team, including partners and managers, will be present during fieldwork and we'll be in continuous communication with your staff.

Fieldwork is where we document internal controls, conduct walk throughs, and obtain audit evidence to support financial statement amounts and disclosures. Our paperless audit approach allows us to do much of the fieldwork from our office. We will discuss your preference for the amount of onsite work and agree on a mutually beneficial schedule.

During fieldwork we will discuss any potential audit adjustments with your staff to ensure we agree on the need for the audit adjustment and amount. We will also discuss any potential internal control deficiencies to verify our understanding and discuss potential solutions. We want to be problem solvers, not problem reporters.

After reviewing the financial statements, notes and supplementary schedules, if any, we prepare a draft of the financial statements for your review and approval. We will also send a list of audit adjustments noting the reasons for each adjustment.

## AUDIT COMPLETION

After the previous segments mentioned are complete, we will be ready to finalize the audit. We will report results of your audit to the finance committee and/or board of directors (or any other group desired). We will also deliver a executive governance summary that identifies critical financial trends and recommendations for improvement, provides required communications, and discusses changes in the environment in which your district operates.

During this stage we will also complete the following procedures:

- Complete subsequent events review procedures and review legal and representation letters
- Complete final overall analytical review procedures
- Communicate significant deficiencies and material weaknesses
- Conduct exit conference
- Issue an audit opinion



# Additional Approach Details

## ***Analytical Procedures***

Analytical procedures are defined in Statement on Auditing Standards No. 56, "Analytical Procedures" as evaluations of financial information made by a study of plausible relationships around both financial and non-financial data. They are required in the planning and final review stage, but our firm encourages staff to use analytical procedures where possible. Our firm management directs the use of analytical procedures as follows:

- *Planning* - The objective for analytical procedures at this stage is to direct attention to likely misstatements. We use trend analysis to meet our objective in planning. Examples of trend analysis would be a comparison to the budget for funds that adopt a budget and/or comparison to prior year. We also may consider a comparison among three to five years. Additional testing may result if the expectations established at the start of the trend analysis are not met.
- *Substantive Testing* - The objective of analytical procedures at this stage is to support or refute financial statement account balances. We have found that analytical procedures are more efficient and can be more effective than tests of details. Depending on the make-up of the account, we will use trend analysis, ratio analysis and/or modeling.
- *Final Review* - The objective is to review the reasonableness of financial statement account balances. We use trend analysis to meet our objectives. This trend analysis is completed on final audited amounts.

## ***Approach to be Taken to Gain and Document an Understanding of the District's Internal Control Structure***

Our goal in preliminary fieldwork is to gain a thorough understanding of your internal controls, processes, and procedures. The completion of these elements allows us to minimize the fieldwork required to complete the audit.

## ***Approach to be Taken in Determining Laws and Regulations Subject to Audit Test Work***

We are required to obtain an understanding of the possible financial statement effect of laws and regulations that have a direct and material effect on the determination of financial statement amounts. The determination of laws and regulations are addressed in the planning stage through reading available grant documentation, client inquiries, and a preliminary review of finance system accounts and search of the Board minutes. We also have a working knowledge of the types of laws and regulations Minnesota governments operate under. Further discussion is provided in the section Firm Qualifications and Experience. In addition, we obtain further information about federal laws and regulations through the Catalog of Federal Domestic Assistance (CFDA) and the U.S. Office of Management and Budget (OMB) Compliance Supplement.

## ***Approach to be Taken in Drawing Audit Samples for Purposes of Tests of Compliance***

Since each program or grant agreement is different, we use a variety of statistical designs in our compliance testing. The size of the sample considers many program factors; size, maturity, complexity, level of oversight and prior audit findings. Ultimately, our professional judgment determines that a representative number of transactions have been selected. You can be confident in our judgment because only senior level (partner, manager, and supervisor) staff makes decisions on planned compliance testing.

## ***Identification of Anticipated Potential Audit Problems***

At this time, we do not anticipate any potential audit problems. If problems did arise, we carefully work with the District to resolve the matter.

# Service Timeline



We prepare a timeline each year for our audits. Timelines are based on when organizations are able to complete their necessary year-end work. Please see below for an anticipated timeline that identifies what you can expect, and when. Once hired we will work with you on an exact timeline that fits your needs. This is an example of a typical timeline. Additionally, the table below outlines our proposed segmentation of the engagement.

## DECEMBER

### Client Understanding:

Together, we mutually agree with management on a timeline to perform the audit.

## JANUARY

### Planning & Interim Fieldwork

We will select our sample and provide information requests to management. We estimate the planning and interim fieldwork taking one day.

## APRIL

### Year-end Audit & Fieldwork

We will have our team conduct remote fieldwork using our outlined audit approach. We estimate that the fieldwork will take 2 days.

## JUNE

### Reporting

We will provide drafted materials by June 1st and meet with key management the second week of June, followed by a report presented to the Finance Committee in a June meeting.

# Technology



We believe technology should enhance our service offerings, making our work less intrusive, our time with you more productive and everyone's data more secure. The use of technology in our audit services enables us to streamline our processes and helps to automate certain functions of our work so we are able to spend more time analyzing our results and working directly with you.

Through the outbreak of COVID-19, our team has been able to seamlessly move to a completely remote work environment with no loss of productivity, cooperation, or communication. Since March 17, 2020, our staff has been successfully conducting remote audit services using the latest video conferencing and secure file sharing technology. Through Zoom, Microsoft Teams, or whatever technology your district may use, our team will continue to work through normal procedures, including regular meetings with you during the planning/fieldwork phase to ensure effective collaboration with your team.

We take the security of our client's data - and our own - very seriously. A number of systems are in place to ensure the safety of your district's data. We operate on a remote distributed infrastructure leveraging Microsoft's Cloud Platform Azure. This not only allows our staff to securely work from any computer, anywhere, any time, but also provides large-scale, cutting-edge technology and security for your data. Your data is housed in secure data centers that reside exclusively in the U.S. and not on laptops or local servers which could be stolen or misplaced. We continually provide security awareness training to our staff members to ensure they are good digital stewards of your data. In addition to this, we also consult bi annually with 3rd party security experts to conduct risk assessments and conduct annual penetration tests.

## IT ALSO MEANS:



All firm staff use dual authentication to ensure that every login to our remote environment is secure and authorized.



All data is saved on redundant servers and data centers so if one server fails, another immediately takes over with no data lost.



All data is backed up continually which means we always have an extra copy for safe-keeping.



All incoming emails, attachments, and embedded links are scanned for viruses prior to landing in our inbox, which allows us to operate with more protection from phishing emails, malware attacks, and other digital threats.

Our cloud platform, Azure, is globally trusted by companies and governments and has numerous security compliance standard they adhere to. Reports of these can be provided as requested.



# Value

Our fees are based upon the experience and level of the individuals to be assigned to perform the work from \$170 - \$445 per hour. Fees are also based on the assumption that you will be assisting us whenever possible with supporting documentation. We will agree to a detailed plan and prepare a list of requested schedules upon proposal acceptance.

We do not believe in charging for phone calls, emails, or routine communications. Instead, we encourage clients to call us for questions, advice, or just update us on what is happening in their district throughout the year. We want to be a resource for you – without any worry about whether or not the meter is running.

If our communications identify additional service needs, we'll discuss these needs with you and provide an additional fee range as needed. We also tailor our billing policies to the desires of our clients, so we welcome you to discuss any specific needs with our team upon acceptance of this proposal.

We have not anticipated any additional hours for new audit or accounting standards. Accounting or audit standard changes may result in increased hours.

## SUMMARY SCHEDULE OF PROFESSIONAL FEES

FOR THE YEAR ENDING DECEMBER 31,	2023	2024
Audit	\$18,000	\$18,900

# What Our Clients Say



## CLIENT REFERENCES

One of the things we enjoy most about our work is developing long-term relationships with our clients and watching their district thrive as we help them to evolve and grow. Our clients listed below serve as a sample of references of those we partner with for their audit preparation services. Additional references are available upon request.

### **BROWN'S CREEK WATERSHED DISTRICT**

*Karen Kill*  
*District Administrator*  
**P 651.330.8220**

### **SOUTH WASHINGTON WATERSHED DISTRICT**

*Matt Moore*  
*Administrator*  
**P 651.714.3729**

### **COMFORT LAKE FOREST LAKE WATERSHED DISTRICT**

*Michael Kinney*  
*District Administrator*  
**P 651.209.9753**

*"We have contracted with Abdo since 2017 to conduct our financial audits. We have had the pleasure of working with the same audit team every year. By having the same personnel to work with each year, it creates continuity and makes for a smooth audit process. They are professional, timely, and have been very helpful in answering all of my questions."*

### **SOUTH WASHINGTON WATERSHED DISTRICT**

*Melissa Imse | Operations Manager*

# Value-Added Services

When you partner with Abdo, you get access to our entire catalog of services. Below is a selection of the additional solutions that we believe could be of great value to your district. If you have need of these services, please reach out to us so we can help! Our additional service offerings can be found at [www.abdosolutions.com](http://www.abdosolutions.com).

## **HR & PAYROLL SERVICES**

**We help employers better support their most valuable resource...their people.** Having clear and consistent HR practices that best suit the individuality of your district is key, even more so in today's tight employment environment. And because the right policies are just as important, we lend our HR expertise to help you strategically plan for your future.

We help districts with:

- Employee management and development
- Regulatory compliance
- Benefits analysis and administration, including the Affordable Care Act (ACA) and workers' compensation
- HR/Payroll software implementation and management
- Advisory services such as specialized labor cost analysis, compensation studies, and HR process development and implementation

## **TECHNOLOGY & DATA SOLUTIONS**

**Empowering you with advanced data analytics & insights.** Data is one of your district's most powerful assets. Using it to your advantage, however, can be a challenge. Our technology and data solutions are designed to give you the information you need - how, when, and where you need it. Our consultants leverage a powerful mix of technology and tools to support you with the data analytics and insights you need. From creating user-friendly dashboards and reports to managing software implementations, we deliver solutions that work for you.

We can help your district with:

- Strategic data analytics
- Software solutions: evaluation, selection & implementation
- Financial reporting solutions
- Automation solutions

# Why Partner with Abdo

## LIGHTING THE PATH FORWARD

In a world of ever-changing complexity, people need caring, empathetic and highly skilled professionals they can depend on to provide the right advice and solutions for them. Our clients seek growth and success, but also want security and confidence. For nearly 60 years, Abdo has provided insights for our clients to help them achieve their goals.

That same innovative spirit is also what has earned us the title of being one of the top accounting firms in the Midwest. Abdo is a better firm today because of the efforts we made to support a culture driven by our core values of growth, relationships, and teamwork.

With this foundation in place, we have successfully helped our clients identify and break through their own growth barriers. Every challenge they face is an opportunity for us to listen, understand and empower them with solutions and a plan to achieve their goals. It's fulfilling to serve as the catalyst that helps them overcome obstacles that block their progress.

When it comes to our working relationships, we are partners. We're confidants. We're the catalyst that sparks true business growth, providing guidance through every challenge and opportunity along the way.

## ABOUT ABDO

Abdo is a full-service accounting and consulting firm that delivers customized strategies and innovative solutions to help businesses, governments and nonprofits succeed. With more than 180 professionals and nearly six decades of experience, Abdo is ranked as one of the top accounting firms in the Midwest. It is a licensed CPA firm with offices located in Minneapolis and Mankato, Minnesota, and Scottsdale, AZ. Abdo's commitment to its clients is to gain in-depth knowledge of their unique challenges, opportunities, and needs. Through this consultative approach, Abdo partners with organization leaders to light the path forward to confidently reach their goals.

*"Listening to our clients' needs, understanding their challenges, and adjusting how we work together is key to our partnership with the people we serve."*

-- **Steve McDonald, CPA** | *Managing Partner*



# *An ongoing quest to be better, together*

## **OUR COMMITMENT TO DIVERSITY, EQUITY, & INCLUSION**

At Abdo, we recognize the need for continuous improvement in diversity, equity and inclusion initiatives throughout our firm and the accounting industry at large. We believe that when we understand each other better, we grow better together.

Over the past year, we have increased our efforts to promote diversity, equity, and inclusion within our firm and community through implicit/unconscious bias, anti-harassment, and interview training. Our Diversity, Equity, and Inclusion Committee continues to implement new ideas, projects, and initiatives to move our firm forward through learning, understanding, and improving on these issues.

We continue to increase our number of women at the highest leadership level. We strive for continued growth in our ability to attract and retain women and people of color within our firm and we are working towards greater equity and diversity for all within our industry.

In order to build a more inclusive work environment, the firm has implemented diversity and inclusion education through partnering with expert speakers and trainers. Please let us know if you have any ideas on how we can improve diversity, equity, and inclusion at Abdo.



**61%**

*of our employees  
are female*



**51%**

*of our  
management level  
employees are  
female*



**23%**

*of our interns this  
year were people  
of color*

## ABDO DIVERSE SCHOLARSHIP & INTERNSHIP PROGRAM

Abdo was a proud co-sponsor of the AICPA PCPS George Willie Ethnically Diverse Student Scholarship & Internship, which allows 10 ethnically diverse accounting students the opportunity to be awarded internships with a firm that has been selected by the AICPA. Upon conclusion of this successful partnership, we were inspired to create our own DEI Sponsorship program, annually awarding a rising diverse accounting student a scholarship & internship.



# DEI Initiatives



## PARTNERSHIP WITH NABA

Abdo is proud to sponsor the Minnesota State University, Mankato Chapter of NABA (National Association of Black Accountants) Inc. NABA is committed to increasing the number of African Americans in the accounting and finance professions and to promoting their success. As a firm, we are invested in not only increasing diversity within our organization but support diversifying the industry as a whole. We are committed to providing guidance and mentorship along with financial support to this organization.



## GREATER MANKATO GROWTH DEI COLLABORATIVE

Abdo is a founding sponsor and member of Greater Mankato Growth's (the Mankato region's chamber of commerce) DEI Collaborative. This collaborative was formed to discuss what we could do as individuals, organizations, and the community to increase diversity and make our community a welcoming one. Together, we explored our individual biases, developed action plans to make a difference within our organization, and pledged to continue the work to make our community inclusive.

## CEO ACTION PLEDGE

We are proud signatories of the CEO Action Pledge, a pledge signed by CEOs from different sectors, sizes, and geographical area to support more inclusive workplaces. As part of this pledge, we work toward goals including DEI education and recruiting. We promise to have the difficult conversations and make our firm, and this industry—one that better reflects the communities we live and work.



## YWCA

We are committed to the continued support and advancement of women in our firm and in our communities. One of the ways we do this is through a partnership with YWCA Mankato, an organization whose mission is dedicated to eliminating racism, empowering women, and promoting peace, justice, freedom and dignity for all. We are proud sponsors of the Elizabeth Kearney Women's Leadership Program, Women's Leadership Conference, and Women of Distinction event.



## COMMUNITY INVOLVEMENT

Every year, we come together as a firm to participate in what we call a "Day of Action." This gives us an opportunity to give back to organizations within our communities that support underserved populations. You can catch us volunteering at a food shelf, building houses, or helping at an After School Program. In addition, the firm pledges 24 hours of VTO (Volunteer Time Off), for each employee to volunteer at the nonprofit of their choosing. We truly believe we are better, together.



# License & Independence

## LICENSED TO PRACTICE IN MINNESOTA

Abdo (the Firm) and its entire CPA staff hold licenses to practice in the state of Minnesota. All licenses are in good standing. The Firm and several partners and staff are licensed in other states and also are in good standing. The Firm's CPAs are all members in good standing with the Minnesota Society of CPAs and the AICPA. Our professional staff and membership in professional associations indicates that the services we provide to your district will be of the highest quality.

## INDEPENDENCE

Our standards require that we be without bias with respect to your operations. The Firm is independent of Riley Purgatory Bluff Creek Watershed District as defined by auditing standards generally accepted in the United States of America.

The Firm is a member of the American Institute of Certified Public Accountants Division of Firms and has received an unmodified opinion on its Peer Review, a copy of which is attached to this proposal in Appendix B. Our Peer Review was completed in 2020 and resulted in a pass rating.

The Firm has not had any federal or state desk reviews or field reviews of its audits in the last three years. We have had no disciplinary action taken or pending against the Firm during the past three years with state regulatory bodies or professional organizations.

We maintain library facilities which include current professional literature and specific information for the industries that we serve. The Firm library is also reviewed as part of the external quality review program. The Firm has in-house training programs specific to the industries we serve in order to maintain a knowledge-base relevant to our unique clients. We also perform auditing and accounting updates for our clients that are organized by our staff. These practices ensure the quality of our staff over the term of engagement.



# Appendix A

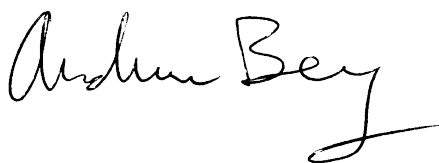
## PROPOSER GUARANTEES & WARRANTIES



# Proposer Guarantees & Warranties

1. Proposer warrants that it is willing and able to comply with State of Minnesota Laws with respect to foreign (non-State of Minnesota) corporations.
2. Proposer warrants that it is willing and able to obtain an “errors and omissions” insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Riley Purgatory Bluff Creek Watershed, located in Chanhassen, Minnesota.
4. Proposer certifies that it can and will provide and make available at a minimum, all services set forth in Section II, Nature of Services Required.
5. Proposer warrants that all information provided in this proposal is true and accurate.

**Signature of Official:**

A handwritten signature in black ink that reads "Andrew Berg". The signature is written in a cursive style with a long, sweeping tail on the letter "g".

**Name:** Andrew Berg, CPA

*Title:* Partner

*Firm:* Abdo

*Date:* June 30, 2023



# Appendix B

PEER REVIEW LETTER



## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

November 10, 2020

To the Partners of  
Abdo, Eick and Meyers, LLP  
and the Peer Review Committee of the Nevada Society  
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Abdo, Eick and Meyers, LLP (the firm) in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; audits of employee benefit plans, and an audit performed under FDICIA.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Abdo, Eick and Meyers, LLP in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Abdo, Eick and Meyers, LLP has received a peer review rating of *pass*.



Brady Martz and Associates, P.C.



# Appendix C

TEAM BIOS





# Andy Berg

## CPA

Government Partner

[andrew.berg@abdosolutions.com](mailto:andrew.berg@abdosolutions.com)

Direct Line 952.715.3003

Andy joined the Firm in 1994 after graduating Cum Laude from Gustavus Adolphus College. He is registered and licensed to practice as a CPA in Minnesota. His experience includes auditing municipalities, school districts, and nonprofits under government auditing standards and single audits under Uniform Guidance. He stays current on issues affecting his clients by staying involved in several industry organizations. He participates on the special review committee for the Government Finance Officers Association. This committee reviews reports for acceptance into the Certificate of Achievement for Excellence in Financial Reporting program.

### EDUCATION

- Bachelor of Science in Accounting, Gustavus Adolphus College
  - *Graduated Cum Laude*
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

### PROFESSIONAL MEMBERSHIPS

- American Institute of Certified Public Accountants
- Minnesota Society of Certified Public Accountants
- Minnesota Government Finance Officers Association
- Minnesota Association of School Business Officials
- Government Finance Officers Association

### QUALIFICATIONS

- 28 years of experience auditing local governments and schools in Minnesota
- Over 95 percent of billable time related to governmental clients
- Participates on the special review committee for the Government Finance Officers Association (GFOA). This committee reviews reports for acceptance into the Certificate of Achievement of Excellence in Financial Reporting program
- Experienced in municipal government long term financial plans
- Previous MN GFOA presenter on GASB Update and ACFR review
- Previous MNCPA City Report Review Committee



# Justin Nilson

## CPA

Senior Manager

[justin.nilson@abdosolutions.com](mailto:justin.nilson@abdosolutions.com)

Direct Line 952.715.3011

Justin joined the Firm in 2012 after graduating from Saint John's University. His work experience includes assisting in the audits of several municipal, school district and Single Audits. Justin is active within the Firm, participating in numerous internal task forces created to develop streamlined processes and efficiency tools, as well as assisting with internal initiatives around Recruiting and Technology.

### EDUCATION

- Bachelor of Arts in Accounting, Saint John's University
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

### PROFESSIONAL MEMBERSHIPS

- American Institute of Certified Public Accountants
- Minnesota Society of Certified Public Accountants
- Minnesota Government Finance Officers Association

### QUALIFICATIONS

- 9 years of experience auditing local governments and schools in Minnesota
- Over 90 percent of billable time relates to governmental clients
- Experienced in municipal government long term financial plans
- Experienced in models for various municipal government specific areas such as utility rate, tax levy and debt analysis



# Adam Owens

Associate

[adam.owens@abdosolutions.com](mailto:adam.owens@abdosolutions.com)

Direct Line 952.715.3040

Adam joined the Firm in 2022 after graduating from the University of St. Thomas. Prior to joining Abdo full-time in October 2022, Adam was a government intern during the 2021 city audit season and 2022 school audit season.

## EDUCATION

- Bachelor of Science in Economics, University of St. Thomas
  - *Graduated Magna Cum Laude*
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

## QUALIFICATIONS

- 2 years of experience auditing local governments and schools in Minnesota
- Over 90 percent of billable time relates to governmental clients
- Works extensively with Microsoft Office and several accounting software





# Robbie Smith

Associate

robbie.smith@abdosolutions.com

Direct Line 952.715.3022

Robbie joined the Firm in 2022 as an Associate with the Government group after completing his accounting and finance degree from Southwest Minnesota State University. His work includes assisting in the audits of many of the Firm's governmental clients. Prior to joining Abdo, Robbie spent two springs as a tax and audit intern at a firm in Marshall, Minnesota and one summer as a cost accounting intern for a cabinet manufacturer in Waconia, Minnesota.

## EDUCATION

- Bachelor of Science in Accounting and Finance, Southwest Minnesota State University
  - *Summa Cum Laude*
- Pursuing Master of Business Administration degree, Southwest Minnesota State University
  - *Concentration in Leadership*
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

## QUALIFICATIONS

- 1 year of experience in audit and attest services primarily for farms and small businesses
- Experience auditing local governments and schools in Minnesota
- Over 90 percent of billable time relates to governmental clients
- Works extensively with Microsoft Office