



Special City Council Meeting
Thursday, January 25, 2024
City Council Chambers
3:30 p.m.

AGENDA

Call to Order

1. Building Official Resignation
2. Ratification of Agreement with Abdo Solutions – Interim Financing Director Staffing
3. Authorization for Council Member Grunig – Financial Transactions/EFTs
4. Finance Director – Hiring Recommendation
5. Adjourn



January 19, 2024

Steve Nasby
City Administrator
City of Windom
444 9th Street
Windom, MN 56101

Dear Steve, Windom City Council Members and Mayor Jones:

Please accept this letter as my formal resignation from my position as Building Official, Planning & Zoning Officer and Fire Marshal for the City of Windom. My last day of work will be February 16, 2024. I plan to use vacation time from February 12th thru 16th.

I would ask the Council to waive City Policy and pay out in excess of 80 hours of accrued vacation time so that I can remain available in the office as much as possible in the next three weeks.

In order to help the City transition and to maintain the level of service we provide, I am willing to continue in my role as the Designated Building Official on a part time, as needed, basis for up to 12 months so that a replacement can be hired and trained.

I appreciate the opportunity the City of Windom gave me and am grateful for the experience and knowledge gained during my 7 years here.

Sincerely,



Andrew Spielman

MEMORANDUM



CITY OF WINDOM

444 9th Street

Windom, MN 56101

Phone: 507-831-6129

Fax: 507-831-6127

www.windom-mn.com

TO: City Council
FROM: City Administrator and Building Official
DATE: January 22, 2024
RE: Building Official Transition Plan

As Andy Spielman, Building Official, has submitted his resignation for City Council action it is necessary to work on a transition plan. Mr. Spielman is generously offering to help the City transition as we seek a person to re-fill the Building Official position.

This transition plan is envisioned to include Mr. Spielman moving from a full-time salaried position into a part-time position, but remaining a City employee. We contacted the League of Minnesota Cities to discuss the logistics of making this change and items to address. As such, we will be drafting a letter of understanding for review and approval by the City Attorney. Upon City Attorney approval we will present the letter of understanding to the City Council for formal action at your February 6th meeting.



SERVICE PROPOSAL FOR

City of Windom

444 9th Street, Windom, Minnesota 56101-0038

January 22, 2024

abdosolutions.com | Mankato, MN - Edina, MN - Scottsdale, AZ

Abdo
Financial
Solutions

Proposed by

Victoria Holthaus, CPA

Partner | Abdo Financial Solutions, LLC

victoria.holthaus@abdofs.com

P 952.715.3069



Steve Nasby, City Administrator
City of Windom
444 9th Street
Windom, Minnesota 56101-0038

January 22, 2024

Dear Steve,

Thank you for the opportunity to submit this proposal to the City of Windom, Minnesota (the City, for accounting services. Based on our past experience with cities of comparable size and complexity, we believe our structured contract with defined outcomes offered through Abdo Financial Solutions, LLC (Abdo FS), will provide the City with excellent financial services.

We believe our solution will result in the City receiving high-level information, continual improvement of processes, and allow the City to keep overall costs stable. Our proposal is based on the needs of the City as discussed in our meeting on January 8th, in addition to the experiences we have had working with other cities. This proposal outlines the scope of services we believe will address the needs of the City.

The following are a few ways in which our Financial Solutions professionals can support the City during this transition:

- You indicated that high-level finance support will be needed to ensure that legal compliance deadlines are met. Our team will provide assistance and oversight to ensure these critical tasks are completed timely.
- The City's audit is scheduled for March 25th. We have met with your auditor to discuss the timeline, and past audit experience. Financial Solutions can assist the City in preparing work papers and adjustments for your audit fieldwork to ensure the process runs smooth.
- You expressed that support for daily operations is critical through this transition, including:
 - Assistance providing general ledger coding for certain accounts payable claims.
 - Review of the utility billing, including: sampling of invoices and analytical procedures to reasonably assure that the billing is accurate.
 - Coding assistance for non-routine cash receipts.
 - Support for quarterly and annual payroll tax returns. Payment of payroll liabilities.

The term of this contract shall be from January 1, 2024 through June 30, 2024.

An Abdo FS representative will be in the City offices as necessary to perform responsibilities as noted on the Scope of Services page. Services will also be performed remotely as necessary.

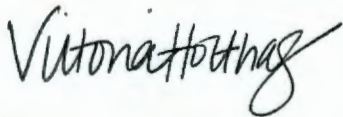
The investment required for our services is indicated on the value page, and this quote remains valid for thirty (30) days. Please note that Abdo FS is independent of the City as defined by auditing standards generally accepted in the United States of America.

Abdo FS acknowledges the City may have retained an independent registered municipal advisor (IRMA) to assist and advise the City in evaluating information relating to the issuance of municipal securities and/or municipal financial products. Abdo FS acknowledges the City will rely on advice from their IRMA. Abdo FS will have no recourse against the City or its IRMA, regarding action or inaction relating to evaluating, commenting on, or responding to financial projects or information received under this Agreement. Abdo FS acknowledges it is not the registered independent municipal advisor retained by the Municipal Entity Client.

Abdo FS would like to thank the City for the opportunity to propose on these services. We look forward to exceeding your expectations and continuing our long-term, mutually beneficial relationship.

Sincerely,

Abdo Financial Solutions

A handwritten signature in black ink, reading "Victoria Holthaus". The signature is fluid and cursive, with the first name "Victoria" and last name "Holthaus" clearly distinguishable.

Victoria Holthaus, CPA

Partner | Abdo Financial Solutions, LLC



The Abdo Difference

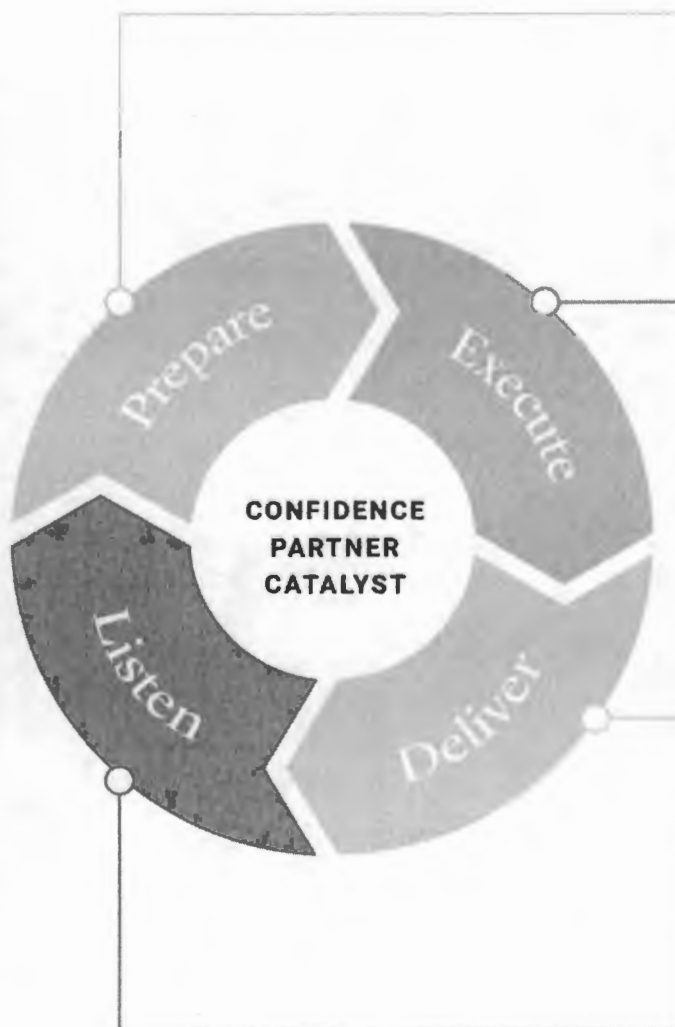
At Abdo, we believe in the importance of relationships. This core value is the foundation of our approach to delivering the best experience and outcomes for our clients. It's inherent in our people and the way we work. We know that for our clients to be successful, it takes more than having experience 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.*



Prepare *Illuminating the path ahead*

Our best work begins when we have a clear, mutual understanding of your needs and expectations, setting the stage for a successful partnership that achieves your goals. By starting with this foundation, we are able to map out the road ahead for you and for our team.

Execute *Navigating as partners*

As our team plans and conducts the work, we maintain consistent communication with you so that you can have confidence and peace of mind throughout the process. This collaboration also helps us to anticipate potential obstacles and adjust our strategy as we work towards your goal.

Deliver *Enlightening communication*

Relationships are at the core of our values and delivering on our promises to build trust is our top priority. But it goes further than that. We help guide you forward by providing clarity and insights behind the results.

Listen *Empowering you to move forward*

The work may be done, but we aren't. It's our turn to take time to review outcomes so that we can both learn and improve, helping to uncover potential challenges and identify future opportunities. Nothing is more empowering than being ready for the next steps and knowing that you've got a partner who is invested in your ongoing success.

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 city.

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.



VICTORIA HOLTHAUS, CPA

Partner

victoria.holthaus@abdofs.com
P 952.715.3069



ANNETTE STORM

Manager

annette.storm@abdofs.com
P 952.449.6224



ASHLEY FELDEWERD

Manager

ashley.feldewerd@abdofs.com
P 952.715.3060



AMANDA WATSON

Senior Associate

amanda.watson@abdofs.com
P 952.395.9332





Government Experience

You can have confidence in our years of experience performing consulting services, the quality of the accounting services we offer and our understanding of the unique challenges our clients face in the government space. Since 1963, we've served cities just like yours. With an unwavering commitment to streamlining processes, training staff, and finding technology-based solutions, we proudly offer excellence in city consulting and auditing. Out of our 180-strong, talented staff, over 40 team members are 100% focused on government clients, which include over 100 cities and other governmental entities. By serving cities across Minnesota, we have become experts in the nuances of how to best support your city. Our expertise affords you a consulting experience that is painless. We do this by communicating up front, coming fully prepared, and being available throughout the year to support you.

PROCESS

Our methods are centered around incorporating technology to deliver unparalleled solutions for government organizations. In addition to our consulting experience, our firm expertly performs outsourcing for governments giving us a wealth of experience in a consulting 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 city and provide the right services to meet them with a customized methodology based on your needs. We're focused on developing creative, customized solutions to help your city mitigate costs and boost efficiency.

FOCUS

Through continuous training and growth opportunities, we've established an environment with a focus on serving government entities. We spend more than 100 hours training and onboarding to ensure success for our clients. We truly hope that you partner with us to light the path forward for your organization.

OUR QUALIFICATIONS

- GFOA and MnGFOA Association members
- Government operations training
- MSRB Municipal Advisor Qualified Representatives (Series 50 and Series 54)
- Consulting services for over 100 cities
- We've assisted many municipalities in preparing for the GFOA's Certificate of Achievement for Excellence awards in financial reporting

OUR FINANCIAL MANAGEMENT AND CONSULTING SERVICES INCLUDE:

- Budget process development
- Capital improvement planning
- Cash flow analysis
- Cost containment processes
- Debt management plans
- ERP system consulting
- Federal and State relations/grant consulting
- Finance Director services
- Financial management plans
- Financial reporting and analysis
- Fleet: Operations and replacement rate analysis
- Interim accounting and financial services
- Internal control evaluation
- Long-term strategic planning
- Payroll processing
- Policy development
- Process flows and efficiencies
- Project management
- Quarterly and monthly reporting to management
- Reconciliations
- Software implementation
- Utility/fee analysis
- Year-end audit preparation and financial statement preparation



Outsourced Finance Director

Building relationships to become a valuable extension of your city is what our Financial Solutions team will be ardently focused on when we work with you. When you employ our team, you gain a fresh perspective on a broad range of topics — you'll have one point of contact but a whole team of people bringing you value. With that said, we've had the opportunity to partner with over 100 clients in the Midwest. Among the support we provide, Outsourced Finance Director Services are a primary focus of our team. We offer this service for a broad range of cities with populations ranging from 800 — 25,000 in size.

Acting as outsourced finance directors and controllers requires a broad ranges of skills and experience. We bring a unique set of skills and experience as former government auditors, finance directors and controllers. Through this lens, we implement processes and procedures to improve your city's daily operations. Our experience translates to insights that streamline the audit and budget process and internal controls, consequently reducing audit findings and improving efficiencies. Ultimately, this will save your city time and money.

PROCESS

When you select our team, our process is made simple — for you and for your employees. First, we meet with your city administration to understand the challenges you face. We then analyze your financial statements, review budgets, and connect with your auditors to understand your financial position from their perspective. This gives us a holistic view to formulate a plan and propose how we can best support you.

Once our proposal is accepted, we'll work with key stakeholders to understand cash flow, investments, and begin fulfilling proposal initiatives. Together, we'll identify priorities and begin implementation.

QUALIFICATIONS

Our people make the difference — we have three members on our team who have passed the Series 50 exam. These registered municipal advisors will manage your bonds, investments, and strategic planning initiatives. Out of 25 members in our Financial Solutions group, 60% of their work is focused on outsourced Finance Director services. The majority of our team members have worked in government organizations and public accounting, bringing you a fresh perspective backed by relevant experience. We're confident that Abdo FS has the right expertise, team support, and recommendations to help your city grow. We look forward to supporting you and your team



SEE A SAMPLE REPORT

See a sample of our quarterly financial reports.

Value

We at Abdo FS help cities achieve their financial goals.

OUTSOURCED FINANCE DIRECTOR SERVICE FEES	DAILY FEE
Manager	\$ 2,320
Senior Associate	\$ 1,920
Associate	\$ 1,600

Our outsourced finance director service is based on a daily rate and we estimate between one and three days of resource hours, per week, throughout our service period. A manager will be assigned as the primary contact for the City; however, from time to time, support from staff at other levels will be utilized.

Travel time will be invoiced at one-half our regular bill rate and mileage per IRS standards.

Setup and processing fees for 1099s, W2s, and ACA reports are not included in our hourly service fees and will be invoiced separately.

Through February 16, a limited Scope of Services will be provided. This is highlighted on the next page.

Service fees will be invoiced monthly throughout the contract.

This quote is valid for thirty (30) days.

Audit preparation services will be performed at our hourly service rates. Our fees range from \$180 - \$480 per hour based upon the experience and level of the individuals to be assigned to perform your work.

We are able to schedule audit preparation services in the month of April and May, which will require the City to adjust its audit fieldwork with Schlenner Wenner & Co, CPAs.

STAFF LEVEL	HOURLY RATE
Partner	\$480
Senior Manager	\$350
Manager	\$290
Senior Associate	\$225 - \$240
Associate/Accounting Specialist	\$180 - \$200

Scope of Services

ABDO FS CONTRACT TASK	CLIENT RESPONSIBILITY	FREQUENCY
Through February 16, our limited Scope will include: One-day of on-site support each week. The focus of our on-site time will be to review business processes to ensure continuity during the transition. Identify opportunities for staff to take on operational items during the transition.		
Provide outsourced 1099 form processing, printing, and filing assistance	Complete 1099 template, ensure vendor records are up to date	One-time
Provide outsourced W2 form processing, printing, and filing assistance	Complete W2 template, ensure employee records are up to date and payroll is reconciled quarterly and annually	One-time
Provide outsourced processing of payroll tax returns including: Federal 941, MN Withholding, and MN Unemployment Report.	Access to records.	One-time
Provide support for legal compliance filings including: MN Office of the State Auditor Summary Budget Report, MN Office of the State Auditor Lobbyist Expense Report, MN PERA Annual Leave Report, Report of Outstanding Indebtedness, and Summary Budget Publication	Provide the approved budget, the budget resolution, confirmation of employees on leave, and confirmation of lobbyist expenses.	One-time



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 financial accounting and consulting 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 financial accounting and consulting services using the latest video conferencing and secure file sharing technology. Through Zoom, Microsoft Teams, or whatever technology your city may use, our team will continue to work through normal procedures, including regular meetings with you during the engagement 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 city'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.

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 city 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 accounting services. Additional references are available upon request.



CITY OF CRYSTAL

Kim Therres
Assistant City Manager
P 763.531.1132

SERVICES PROVIDED

Long-term Plan
Outsourced Finance Director
Process Evaluation (ProEval)
Utility Rate Study
Budgeting
Audit Preparation
Utility Billing
Payroll Processing

CITY OF NEW HOPE

Valerie Leone
City Clerk / Treasurer
P 763.531.5117

SERVICES PROVIDED

Outsourced Finance Director
Audit Preparation
Long-term Plan
Budgeting

CITY OF ALBERTVILLE

Tina Lannes
Finance Director
P 763.497.3210

SERVICES PROVIDED

Long-term Plan
TIF Reporting
Audit Preparation

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 city. 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.

PROCESS SOLUTIONS

"Because we've always done it that way" is an easy trap to fall into. But outdated processes or systems might not be delivering the best results and cause redundancies, unreliable outcomes, and frustrated staff. An ineffective process can become your Achilles' heel in a crisis. Our customized process improvement solutions will meet you where you are - and guide you to a better tomorrow.

Our process solution services include:

- *Process Mapping Documentation - How do transactions and data flow through your city?*
- *Abdo ProEval - Removing waste in your processes allows your team members to focus on what they were hired to do - and to spend more time on value-added initiatives.*
- *Abdo ProEval - Kaizen - Does the project seem too large, or the change too overwhelming? The Kaizen approach is a pared - down version of our ProEval service. Instead of a full operational review, we'll focus on one aspect of your operation*
- *Software Inventory & Assessment - Including recommendations for increasing efficiency and, if possible, reducing software-related costs.*

STRATEGIC PLANNING

We provide strategic planning in numerous areas to maximize and protect your city's value. Areas include cash flow modeling and analysis, growth and profitability strategies, key employee incentives, management consulting as well as succession and exit planning strategies. Our accounting staff has the experience and diverse skills to help identify areas of interest and strategies to achieve desired goals. We strive to build a reliable and confidential relationship, and desire to become a trusted advisor that is accessible throughout the year with any planning needs that may arise.





*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.

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





Appendix A

AGREEMENT FOR FINANCIAL SERVICES

Agreement for Financial Services

THIS AGREEMENT, is made and entered into on January 22, 2024 by and between the City of Windom, Minnesota (hereinafter referred to as the "Client"), and Abdo Financial Solutions (hereinafter referred to as the "Contractor").

Articles of Agreement & Recitals

WHEREAS, the Client is authorized and empowered to secure from time to time certain professional services through contracts with qualified consultants; and

WHEREAS, the Contractor understands and agrees that:

1. The Contractor will act as an Independent Contractor in the performance of all duties under this Agreement. Accordingly, the Contractor shall be responsible for payment of all taxes, including federal, state and local taxes and professional/business license fees arising out of the Contractor's activities;
2. The Contractor shall have no authority to bind the Client for the performance of any services or to obligate the Client. The Contractor is not an agent, servant, or employee of the Client and shall not make any such representations or hold himself/herself out as such;
3. The Contractor shall be the exclusive outsourced accounting service provider for the Client during the term of this Agreement;
4. The Contractor shall perform all professional services in a competent and professional manner, acting in the best interests of the Client at all times.
5. The Contractor shall not accrue any continuing contract rights for the services performed under this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, it is agreed as follows:

ARTICLE I

INCORPORATION OF RECITALS

The recitals and agreement set forth above are hereby incorporated into this Agreement.

ARTICLE II

LIABILITY INSURANCE

Section 1 Liability Insurance: The Contractor shall obtain professional liability insurance, at their expense with liability insurance coverage minimums in the amount of \$2,000,000, which Contractor must secure and maintain during the term of this Agreement. Contractor will provide Client with proof of liability insurance coverage under this Agreement in writing upon request by the Client.

ARTICLE III

DURATION OF THE AGREEMENT

Section 1 Duration: This Agreement shall commence upon date of execution by all parties and will remain in effect until June 30, 2024 unless earlier terminated as provided in Sections 2 and 3.

Section 2 Client's Termination Rights: The Client may terminate this Agreement upon thirty (30) days written notice in the event the Client determines in its sole discretion that it is not in the Client's best interest to continue using Contractor's services. The Client may terminate on ten (10) days written notice if the Contractor fails to perform its obligations under this Agreement.

Section 3 Contractor's Termination Rights: Contractor may terminate this Agreement upon thirty (30) days written notice to Client in the event Client does not pay Contractor compensation as required under Article 5, Section 9 within fifteen (15) days after invoice is received by Client. In the event of non-payment within thirty (30) days, Contractor shall give the Client an opportunity to cure the default by giving a notice of such non-payment and an additional five (5) days after the Client's receipt of the notice to remit such payment, prior to giving a notice of termination. Contractor can also terminate the Agreement with thirty (30) days written notice if the Contractor believes it is in its best interests to terminate the Agreement.

ARTICLE IV

GENERAL

Section 1 Authorized Client Agent: The Client's authorized agent for the purpose of administration of this Agreement is the City Administrator. Said agent shall have final authority for approval and acceptance of the Contractor's services performed under this Agreement and shall further have responsibility for administration of the terms and conditions of this Agreement. All notices under this Agreement shall be sent to the person and address indicated below on the signature lines.

Section 2 Amendments: No amendments or variations of the terms and conditions of this Agreement shall be valid unless in writing and signed by the parties.

Section 3 Assignability: The Contractor's rights and obligations under this Agreement are not assignable or transferable.

Section 4 Data: Any data or materials, including, but not limited to, reports, studies, photographs, negatives, or any and all other documents prepared by the Contractor or its outside consultants in the performance of the Contractor's obligations under this Agreement shall be the exclusive property of the Client, and any such data and materials shall be remitted to the Client by the Contractor upon completion, expiration, or termination of this Agreement. Further, any such data and materials shall be treated and maintained by the Contractor and its outside consultants in accordance with applicable federal, state and local laws. Further, Contractor will have access to data collected or maintained by the Client to the extent necessary to perform Contractor's obligations under this Agreement. Contractor agrees to maintain all data obtained from the Client in the same manner as the Client is required under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 or other applicable law (hereinafter referred to as the "Act"). Contractor will not release or disclose the contents of data classified as not public to any person except at the written direction of the Client. Upon receipt of a request to obtain and/or review data as defined in the Act, Contractor will immediately notify the Client. The Client shall provide written direction to Contractor regarding the request within a reasonable time, not to exceed fifteen (15) days. The Client agrees to indemnify, hold harmless and defend Contractor for any liability, expense, cost, damages, claim, and action, including attorneys' fees, arising out of or related to Contractor's complying with the Client's direction. Subject to the aforementioned, Contractor agrees to defend and indemnify the Client from any claim, liability, damage or loss asserted against the Client as a result of Contractor's failure to comply with the requirements of the Act. Upon termination and/or completion of this Agreement, Contractor agrees to return all data to the Client, as requested by the Client.

ARTICLE IV - CONTINUED

GENERAL (CONTINUED)

Section 5 Entire Agreement: This Agreement is the entire agreement between the Client and the Contractor, and it supersedes all prior written or oral agreements. There are no other covenants, promises, undertakings, or understandings outside of this Agreement other than those specifically set forth. Any term, condition, prior course of dealing, course of performance, usage of trade, understanding, or agreement purporting to modify, vary, supplement, or explain any provision of this Agreement is null and void and of no effect unless in writing and signed by representatives of both parties authorized to amend this Agreement.

Section 6 Severability: All terms and covenants contained in this Agreement are severable. In the event any provision of this Agreement shall be held invalid by any court of competent jurisdiction, this Agreement shall be interpreted as if such invalid terms or covenants were not contained herein, and such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7 Contractor Fiscal Decision Waiver: Contractor is responsible for providing the Client with timely and accurate financial recommendations and information that allows the Council the ability to make final financial decisions. Contractor will provide final financial recommendations but is not responsible for the final decisions made regarding financial matters.

Section 8 Client Employment of Contractor's Employees: The Client acknowledges and agrees that Contractor's workforce, including employees assigned to staff the engagement provided for under this Agreement, constitutes an important and vital aspect of Contractor's business. In recognition of the foregoing and the harm that Contractor will suffer in the event of the loss of one or more of its employees, the Client agrees that during the Term of this Agreement and for a period of six (6) months following the termination of this Agreement for any reason (the "Restrictive Time Period") the Client shall not, directly or indirectly, on behalf of itself or any person, firm, corporation, association or other entity, (a) recruit, solicit, or assist anyone else in the recruitment or solicitation of, any of Contractor's employees to terminate their employment with Contractor and to become employed by or otherwise engaged with or by the Client in any capacity independent of Contractor; (b) hire or engage any Contractor employee; or (c) otherwise encourage or induce any of Contractor's employees to terminate their employment with Contractor (collectively the "Contractor Employee Restrictive Covenant").

Notwithstanding the foregoing, Contractor may (but shall not be obligated to) consent to the Client's recruitment, solicitation, employment or other engagement of a Contractor employee otherwise prohibited by this paragraph provided that (a) the Client discloses to Contractor in writing its desire to recruit, solicit, employ or otherwise engage the Contractor employee independent of Contractor before engaging with the Contractor employee regarding any such potential relationship; (b) the Client agrees to pay Contractor a Restrictive Covenant Exception Fee (as hereafter defined) in the event the Contractor employee becomes employed by or otherwise engaged with the Client independent of Contractor; and (c) Contractor provides written consent to the Client to engage with the Contractor employee regarding any such relationship. For purposes of this Agreement, the Restrictive Covenant Exception Fee shall be the greater of: (i) 200% of the annual contracted cost of Contractor's services under this Agreement in addition to the annual contracted cost paid or due Contractor hereunder; or (ii) 200% of the fees paid or due Contractor for services provided under this Agreement during the twelve (12) month period immediately prior to the termination of this Agreement or, in the event the Agreement has not been terminated, during the twelve (12) month period immediately prior to Contractor's provision of written consent to the Client to engage in the recruitment, solicitation, employment or other engagement of a Contractor employee otherwise prohibited by this paragraph.

ARTICLE IV - CONTINUED

GENERAL - CONTINUED

Section 8 Client Employment of Contractor's Employees (Continued): In the event Contractor is unwilling to consent to the Client's recruitment, solicitation, employment, or other engagement of a Contractor employee otherwise prohibited by this paragraph and/or agree on the Client's payment of a Restrictive Covenant Exception Fee, then the Contractor Employee Restrictive Covenant shall remain in full force and effect. If the Client breaches or threatens to breach the Contractor Employee Restrictive Covenant, Contractor shall be entitled to injunctive and other equitable relief from a court of competent jurisdiction restraining the Client's breach of said covenant in addition to such other remedies as may be available to Contractor in law and equity, as well as the recovery from Client of Contractor's reasonable attorneys' fees and costs incurred in any such legal action. The Client also acknowledges, understands, and agrees that although the harm Contractor will suffer as a result of the Client's breach of the Contractor Employee Restrictive Covenant cannot be or is very difficult to accurately estimate, the sum which is the greater of (i) 200% of the average annual fees paid by the Client to Contractor for services under this Agreement during the three-year period preceding the breach, or (b) 200% of the employee's average annual compensation during the three-year period preceding the breach represents and constitutes a reasonable estimation of the damages to Contractor caused by Client's breach (the "Liquidated Damages Amount"). Therefore, at its sole election, Contractor may elect to enforce and compel the Client's compliance with the Contractor Employee Restrictive Covenant or to seek an award from Client of the Liquidated Damages Amount, together with the reasonable attorneys' fees and costs incurred by Contractor in connection with any legal action to obtain such relief.

Section 9 Compensation: The parties agree that the Contractor shall be paid compensation for the services provided hereunder, payable for work performed in accordance with this Agreement, based on the fees indicated on the Value page of this proposal. Additional fees will not be incurred without prior approval of the Client.

Initial invoice for anticipated first month fees will be sent within 10 days of the execution of this agreement. Monthly installment fees will be invoiced throughout the remainder of this Agreement. If the Agreement is for an hourly fee basis, invoices will be sent monthly.

Section 10 Additional Services: Should the Client request additional services in addition to the Contracted Services, the Contractor will provide the Client with proposed fees for the services to be provided. The Client shall provide a written or electronic confirmation prior to the proposed services implementation.

Section 11 Outside Contractors: It shall be the responsibility of Contractor to compensate any other outside consultants retained or hired by Contractor to fulfill their obligations under this Agreement and shall be responsible for their work and Contractor, by using outside contractors, shall not be relieved of its obligations under this Agreement.

Section 12 Municipal Advisor: Abdo FS acknowledges the Client may have retained an independent registered municipal advisor (IRMA) to assist and advise the Client in evaluating information relating to the issuance of municipal securities and/or municipal financial products. Abdo FS acknowledges the Client will rely on advice from their IRMA. Abdo FS will have no recourse against the Client or its IRMA, regarding action or inaction relating to evaluating, commenting on, or responding to financial projects or information received under this Agreement. Abdo FS acknowledges it is not the registered independent municipal advisor retained by the Municipal Entity Client.

ARTICLE V

RENEWAL OF THE AGREEMENT

Section 1 Renewal Period: Not less than ninety (90) days prior to the expiration of this Agreement, the Client may provide written notice of intent to renew this Agreement for an additional term of up to six months upon terms and conditions agreed upon by both parties to the Agreement. If no such renewal agreement is executed by the parties, the Agreement terminates without further action of either party on June 30, 2024. Our bill rates are subject to change on September 1st of each year. Bill rate changes will apply to all renewals.

Appendix B

AGREEMENT FOR THE PROVISION OF
PROFESSIONAL SERVICES

Agreement for the Provision of Professional Services

WHEREFORE, this Agreement was entered into on the date set forth below and the undersigned, by execution hereof, represent that they are authorized to enter into this Agreement on behalf of the respective parties and state that this Agreement has been read by them and that the undersigned understand and fully agree to each, all and every provision hereof, and hereby, acknowledge receipt of a copy hereof.

City of Windom

444 9th Street

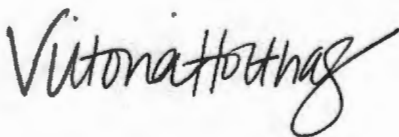
Windom, Minnesota 56101-0038


2024-01-22 10:04:57 (AST)

Abdo Financial Solutions, LLC

5201 Eden Avenue, Suite 250

Edina, Minnesota 55436



Victoria Holthaus, CPA

Partner | Abdo Financial Solutions, LLC

January 22, 2024



Appendix C

TEAM BIOS





Victoria Holthaus

CPA

Partner | Abdo Financial Solutions

Municipal Advisor Representative (Series 50)

Municipal Advisor Principal (Series 54)

victoria.holthaus@abdofs.com

P 952.715.3069

Vicki aims to simplify the complex for her clients. Her goal is to give them a solid understanding of their finances, so they can confidently plan ahead. She specializes in working with local governments and nonprofit agencies to strategize capital improvements, develop long-range financial plans, and troubleshoot accounting and financial challenges. She also provides process evaluation and process improvement services for nonprofit and private sector clients. Over the past several years, Vicki has helped many organizations with strategic upgrades to technology and software as they navigate new ways of interacting with constituents and customers. Along with the ability to creatively explain technical terms, Vicki has firsthand knowledge of the issues local governments often face. Prior to joining the firm, she served Minnesota municipalities and joint ventures in various finance and administrative roles.

EDUCATION

- Bachelor of Science in Accounting, National American University
- Master of Arts in Public Administration, Hamline University
- Minnesota Certified Municipal Clerk
- Continuing professional education

PROFESSIONAL MEMBERSHIPS

- Minnesota and Arizona Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- Minnesota Clerks and Finance Officers Association
- Government Finance Officers Association of the United States and Canada
- Minnesota and Arizona Government Finance Officers Association

AFFILIATIONS

- Hamline School of Business, Accounting Board Member
- Arizona Women Leading Government Member

QUALIFICATIONS

- 17 years of experience working with local governments and nonprofits in finance and administration
- Experience with budgeting, capital planning, debt management, as well as being the process evaluation and improvement engagement lead
- Previous speaker at MCFOA Municipal Clerks and Finance Officers Association, League of Minnesota Cities and has developed newsletter content on automation, long-term planning and process improvements



Annette Storm

Manager | Abdo Financial Solutions

annette.storm@abdofs.com

P 952.449.6224

Annette joined the Firm in 2022 as a Manager in the Financial Solutions group. Prior to joining Abdo, Annette spent three years as the Director of Administrative Services and two years as the Assistant Finance Director for the City of Marshall and three years as an Accountant for Lyon County. She has a wealth of knowledge and experience in all aspects of governmental finance, including, but not limited to: budgeting, financial reviews, monthly and annual reporting, cash flow projects, economic development and software implementation.

EDUCATION

- Bachelor of Science in Accounting and Finance, Southwest Minnesota State University
- Continuing professional education

PROFESSIONAL MEMBERSHIPS

- Minnesota Government Finance Officers Association
- Government Finance Officers Association of the United States
- Marshall, MN Young Professionals

QUALIFICATIONS

- Over 10 years experience working with local governments
- Experience in a variety of roles within local government, including, but not limited to: monthly and annual reporting, audit preparation and review, budget development and control, training and supervising staff, cash flow projections, long-range planning, and utility rate studies
- Experience in policy and procedures development, including process evaluations to ensure efficiency in the finance department
- Leadership skills having managed finance teams/departments, participation in leadership meetings, and preparation of Council reports and attendance at City Council meetings
- Proficient in Tyler Technologies Incode 9 and 10 software; including software conversion from version 9 to 10 along with account restructure
- Proficient in AS400 County Tax Program, IFS Financial Software, Banyon and BS&A



Ashley Feldewerd

Manager | Abdo Financial Solutions

ashley.feldewerd@abdofs.com

P 952.715.3060

As a Manager, Ashley assists many local governments in a variety of different roles including budgeting, utility billing, processing quarterly and yearly payroll reporting, accounts payable and accounts receivable, quarterly, monthly and annual reporting, in addition to many others. Since joining the Firm in 2017, Ashley has assisted in managing finance teams, training and developing processes within utility billing, as well as automating our internal quarterly reporting process. She also assists clients with internal training for staff that are new to the government sector.

EDUCATION

- Associates Degree, Business Administrative Assistant, Minnesota School of Business
 - *Graduated with Honors*
- Associates Degree, Accounting, Rasmussen College
 - *Graduated with Honors*
- Continuing professional education

QUALIFICATIONS

- 8 years of experience working with local governments in administration and finance and 3 years of experience working at a financial institution in administration and finance
- Works extensively with Engagement, Yooz, CTAS, Black Mountain, Asyst, Tyler Incode, Civic, BS&A and Banyon
- Experience with Microsoft Office Suite and XCM Task Management
- Experience processing quarterly/yearly payroll reporting (941 Federal Tax Return, MN Department of Revenue Return, Unemployment Return, W-2, 1099)
- Areas of expertise include: budgeting, payroll, bank reconciliation, accounts receivable, accounts payable and automation, sales tax, and journal entries
- Assists in internal and external systems, processes and training for utility billing
- Quarterly/Monthly/Annual Reporting and presentation to Council, including audit prep, quarterly reports and annual audits
- Strong leadership skills managing finance team and preparation of Council reports and attendance at City Council meetings

ACTION ITEM



CITY OF WINDOM

444 9th Street

Windom, MN 56101

Phone: 507-831-6129

Fax: 507-831-6127

www.windom-mn.com

TO: City Council
FROM: Personnel Committee and City Administrator
DATE: January 22, 2024
RE: Authorization for Electronic Funds Transfer and Check Signing
DEPT: Administration\Finance
CONTACT: Steve.Nasby@windommn.com

Recommendations/Options/Action Requested

The Personnel Committee recommends that the City Council take the following action:

1. Authorize Council member Marv Grunig to sign checks and approve Electronic Funds Transfers.

Issue Summary/Background

The City needs authorized persons to make regular accounts payable transactions and approve Electronic Fund Transfers. Generally, the City Administrator and Finance Director are authorized to approve these financial transactions. In the event of an absence for illness, vacation or out of office conferences\meetings there needs to be at least two authorized persons. City Code already requires two-party signatures on checks issued which include the Mayor, but the other signature must be manually affixed which requires an on-site signer.

Fiscal Impact

None if the City is able to process financial transactions, but if there were lapses in payments the City could incur late fees instituted by vendors.

Attachments

1. None.

City of Windom

Electronic Funds Transfers Policy

I. Purpose

- Cities are incorporating more activities on the Internet and electronic banking is widely accepted. Effective internal control policies and procedures need to be adopted to protect city funds from fraudulently being disbursed.
- This policy sets citywide guidelines to allow certain payments by electronic funds transfers (EFTs) including wire transfers for payables, payroll and receivables. It also
 - 1) sets guidelines to ensure that the use of electronic funds transfers and receipts are initiated, executed and approved in a secure manner,
 - 2) identifies the proper documents to be completed by city staff who might have a new electronic funds transfer request, receipt or employee payroll deposit change, and
 - 3) seeks to mitigate the risks of fraud within the electronic funds transfer process.

II. Policy

- The City of Windom may make certain payments by electronic funds transfer if certain policies, described in MN Statute 471.38 are in place. Electronic funds are defined as any transfer of funds that is initiated by electronic means, including but not limited to check, credit cards, debit cards, and automated clearing house (ACH) or wire transfers, both within and between separate financial institutions.
- The City Council shall annually authorize the Finance Director, City Administrator, or their designee, to make electronic funds transfers.

III. Scope

- This policy applies to all city departments and employees that have control over city disbursement transactions and governs the actions of all city employees.

IV. Accounts Payable

- Vendors Direct Deposit Authorization Form
 - I. Any Vendor that the City pays via electronic funds transfer must have a completed Direct Deposit Authorization Form with handwritten signature and a follow up phone call to verify the vendor identity. The phone call will be made to a trusted number not identified in the same communication as the request to set up electronic payments.
 - II. This form must be reviewed by the Office Admin Assistant as well as the Finance Director.
 - III. Any changes requested by a vendor must also follow this process with a follow up phone call to verify the vendor identity and that the vendor initiated the change.
- Vendor Payment Approvals
 - I. Payments must have proper approval by department head or designee.
 - II. The Office Admin Assistant will prepare the Vendor payments, and the Finance Director will review and approve for payment.
 - III. With the exception of payroll and investments transfers, a list of all electronic fund transfers shall be submitted to the City Council at the next regular City Council Meeting following the transfer, if not specifically approved beforehand.

- Vendor Payment Verification
 - I. Written confirmation of each online electronic funds transfer shall be available within one business day of each transaction.
- Additional processes:
 - I. Conduct an annual review of vendors
 - 1. Remove duplicate vendors
 - 2. Inactivate old or unused vendors
 - 3. Review for unusual activity such as fluctuation in payment amounts, activity for inactive vendors
 - II. Always require a signed Form W-9 from every new payee in advance of making any payments or change in a mailing address.

V. Payroll

- Direct Deposit Authorization Form
 - I. All employees must bring in a voided check or bank document upon start of employment.
 - II. This will be reviewed by the Finance/Admin Assistant.
- Any changes requested by an employee must be made by bringing in a new voided check or bank document. A follow up phone call (to a trusted phone number not obtained with the change request) is required from the Finance/Admin Assistant to verify identity, if employee did not personally turn in the form.
- Payroll Payments
 - I. The Finance/Admin Assistant will prepare the payroll file and upload to bank. The Finance Director or Billing Clerk will review and approve file.

VI. Receivables

- Online one-time utility billing payments
 - I. Payments are initiated by the customer and reconciled against the city's accounting software to verify the amount sent by the merchant transaction processor matches the amount processed through the city's financial software.
- Recurring utility billing ACH and Credit Card payments
 - I. The customer must complete the Automatic Payment form for any ACH or Credit Card recurring payments. Customer has the choice of two payment dates.
 - II. The Billing Clerk creates and uploads the monthly recurring utility bill ACH and Credit Card payment files. The Finance Director or Finance/Admin Assistant reviews and approves file for payment.
- Miscellaneous receipts
 - I. Any Intergovernmental or other payments received electronically by the city are reconciled to the bank by the Finance Director. It is the city's policy to limit customers with authorization to credit the city's bank account. Therefore, unless transactions are part of a professional relationship with a vendor, the city prefers to collect payments via cash, check, or credit card. For example, a fire call invoice should be paid by cash, check, or credit card, but a credit card merchant company can electronically deposit settlement batches into the city's bank account.

ACTION ITEM



CITY OF WINDOM

444 9th Street

Windom, MN 56101

Phone: 507-831-6129

Fax: 507-831-6127

www.windom-mn.com

TO: City Council
FROM: Personnel Committee
DATE: January 22, 2024
RE: Hiring Recommendation – Finance Director\Controller Position
DEPT: Administration
CONTACT: Steve Nasby, City Administrator: Steve.Nasby@windommn.com

Recommendations/Options/Action Requested

The Personnel Committee recommends that the City Council take the following action:

1. Authorization to hire Donna Torkelson for the Finance Director\Controller position at Step 8 on the 2024 Supervisory Scale.

Issue Summary/Background

The Personnel Committee reviewed applications (new and from the prior round.). On January 19th the Personnel Committee met and is recommending that the City Council extend an offer of employment to Donna Torkelson. Ms. Torkelson is currently the Cottonwood County Auditor and has previous professional experience.

Fiscal Impact

The Finance Director\Controller position was recently opened due to the resignation of Kim Armstrong. This supervisory position is currently in our organizational structure and is included in the 2024 proposed budget.

Attachments

1. Employment term sheet.

MEMORANDUM

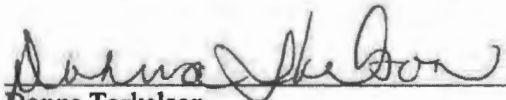


CITY OF WINDOM
444 9th Street
P. O. Box 38
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127

TO: Donna Torkelson
FROM: Steve Nasby, City Administrator
DATE: January 22, 2024
RE: Finance Director\Controller Position – Terms of Employment

Welcome to the City of Windom. The interview team and City Council are looking forward to your employment as Finance Director\Controller. This offer of employment is subject to final approval by the City Council on January 25, 2024.

Starting Date	On or before February 20, 2024
Salary	\$101,670 as Step 8 on the 2024 Supervisory pay scale. Upon successful completion of Probationary Period, advancement to Step 9 at \$103,875.
Federal Status	This is an exempt position. Flexible hours depending on work schedule.
Vacation Accrual	Vacation accrual according to City Policy starting on Year 5 (120 hours).
Holidays	Eleven paid holidays (City Policy)
Sick Leave	One day per month (City Policy)
Retirement	State of Minnesota – Public Employee Retirement Account (PERA).
Deferred Compensation	State of Minnesota (employee's option – no City matching)
Health Insurance	Health Plan with applicable VEBA and/or HSA contributions by City.
Medical\Dependent Care Flex Acct	Available pre-tax deductions (employee's option – no City contribution)
Life Insurance	\$50,000 decreasing term life policy (100% premium paid by City)
Probation Period	6 months (terms according to City Policy).


Donna Torkelson

City of Windom