

RESOLUTION NO. 23-046
Riley-Purgatory-Bluff Creek Watershed District
Board of Managers

Authorizing execution of accounting services contract with
Redpath and Company (Redpath)

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 RPBCWD solicited letters of interest from auditing firms, pursuant to Minnesota Statutes section 103B.227, in March 2023 and again in June 2023; and

WHEREAS Redpath provided a proposal fully indicating their understanding of the services requested and their qualifications to provide such services; and

WHEREAS pursuant to authorization of the board of managers, Riley-Purgatory-Bluff Creek Watershed District contracted with Redpath for accounting services in 2022 and 2023 and Redpath satisfactorily completed and submitted monthly accounting and reporting as required, such that RPBCWD wishes to utilize Redpath.

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 base cost of \$1,750 per month with additional services, as authorized by the board or administrator per RPBCWD policy and by-laws to be performed at the standard hourly rate of \$165/hour 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 12th 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that the resolution is in full force and effect on this date, and Resolution 23-046 has not been modified, amended, or rescinded since its adoption.

IN TESTIMONY WHEREOF, I set my hand this ____ day of _____, 2023.

Dorothy Pedersen, Secretary

Exhibit A
Agreement

Proposal to Provide Accounting Services

RILEY PURGATORY BLUFF CREEK WATERSHED DISTRICT

June 19, 2023

Submitted By:
Mark C. Gibbs, CPA
Managing Partner

Redpath and Company, Ltd.
55 5th Street East, Suite 1400
St. Paul, MN 55101
651.426.7000
mgibbs@redpathcpas.com
www.redpathcpas.com



June 19, 2023

Riley Purgatory Bluff Creek Watershed District
c/o Mr. Terry Jeffery
18681 Lake Drive E
Chanhassen, MN 55317

Dear Mr. Jeffery:

In response to your request, we are pleased to submit a proposal to perform monthly accounting services for the Riley Purgatory Bluff Creek Watershed District for the years ended December 31, 2024 and 2025.

Firm Background

Redpath and Company is a leading accounting firm providing proactive, innovative and value driven CPA services. We serve closely held businesses, government and not-for-profit entities in the areas of audit & attest, tax, benefits and compensation administration, international consulting, mergers & acquisitions, succession and estate planning, and valuation services. Our offices are located in downtown St. Paul and White Bear Lake with approximately 190 employees. The work on this engagement will be performed by the White Bear Lake office.

Redpath and Company is a full-service accounting firm. We help individuals and organizations – including businesses, local governments and not-for-profits – make decisions that create value and contribute to their financial well-being. Substantial effort of our professional staff is directed toward serving Minnesota local governments. Twenty-five staff members are assigned to governmental and not-for-profit services and devote significant time and effort in providing audit and other services to Minnesota governmental entities.

Redpath and Company is prepared to continue to assist you with your monthly and quarterly accounting needs. Our objective is to make your life easier, save you time and save your staff time.

We have an extensive list of governmental clients. These clients value our service and retain our services for extended periods because we:

1. Provide professional and courteous service in a timely manner.
2. Remain in contact throughout the year to answer questions relative to funding, annual budgeting, compliance matters and other accounting issues.
3. Are available to assist in problem solving and long-range planning.
4. When requested, meet with the governing board to explain financial reports and answer questions.

Client References

Entity	Contact
Ramsey-Washington Metro Watershed District	Tina Carstens 651/792-7960
Valley Branch Watershed District	Frederick Gelbman 651/429-5125
Rice Creek Watershed District	Theresa Stasica 763/398-3070
Capitol Region Watershed District	Mark Doneux 651/644-8888
Carnelian Marine St. Croix Watershed District	Mike Isensee 651/275-7451
Bassett Creek Watershed District	Laura Jester 952/270-1990
Comfort Lake-Forest Lake Watershed District	Mike Kinney 651/395-5855

Accountant Qualifications

The Redpath and Company staff responsible for your account will be:

Mark C. Gibbs, CPA – *Managing Partner*. Responsible for final review. Assists staff with complex technical issues.

Courtney Baskette, CPA – *Senior Manager*. Responsible for review and assistance as needed.

Bonnie Burns – *Accountant*. Responsible for monthly accounting services.

Mark has extensive audit and accounting service experience with the following watershed districts: Ramsey Washington Metro Watershed District, South Washington Watershed District, Valley Branch Watershed District, Minnehaha Creek Watershed District, Nine Mile Creek Watershed District, Browns Creek Watershed District, Capitol Region Watershed District.

Courtney manages our accounting and management outsourcing department. She reviews, oversees, and performs monthly accounting services for various industries and governmental entities. She is also available for special projects as needed.

Bonnie works exclusively in our not-for-profit and government area. She performs monthly accounting services for the following watershed districts:

- Ramsey-Washington Metro Area Watershed District
- Capitol Region Watershed District
- Comfort Lake-Forest Lake Watershed District
- Rice Creek Watershed District

Redpath and Company would prepare the monthly accounting as follows:

Monthly Accounting

- District codes invoices and receipts
- District approves each check and signs them at the monthly meeting. District would mail checks to vendors.
- Redpath and Company enters invoices and receipts into Sage accounting system, generates monthly financial statements, including:
 - Customized check register
 - Financial Reports
 - Administrative and program budget report
 - Statement of revenue, expenditures and changes in fund balance
 - Income statement/balance sheet
 - Budget to actual comparisons for all funds
 - Schedules of each fund

Redpath and Company reconciles all accounts, prepares bank reconciliations and makes journal entries to close the month, allocates interest revenue, allocates administrative expenditures and other such journal entries as may be required. Any journal entries prepared by Redpath will be approved by the District.

Monthly Reporting

- The Watershed District Board meets on the first Wednesday of each month.
- The District will provide Redpath and Company with all monthly financial and payroll information (coded invoices, coded receipts, bank statements, etc.) at an agreed upon time by the District and Redpath. We would then return the monthly accounting packet described above at a time we both agree on.

This process allows us to maintain our independence because we will not be making any management decisions; those decisions (coding of the invoices and receipts) are made by the Administrator.

Payroll

- Redpath and Company prepares payroll in MyPay payroll service on a semi-monthly basis in accordance with District policies.
- Redpath and Company coordinates all payroll related reports (Federal Form 941, State of Minnesota Department of Revenue, Department of Labor, etc.) and files on a timely basis.
- Redpath and Company coordinates the preparation of Federal and Minnesota Department of Revenue payroll tax deposit requirements for semi-monthly deposits.
- Redpath and Company prepares Public Employee Retirement Association Salary Deduction Report, submits payment on a timely basis and files a copy with the PERA office in accordance with District policies.
- Redpath and Company prepares Deferred Compensation/IRA listing and submits payment on a timely basis in accordance with District policies.

Financial Review

Redpath and Company will be available for monthly/annual financial review and consulting on an as-needed basis.

Fees

Bonnie Burns would be your primary contact for accounting and payroll services. Our fee estimate is to provide the above services for \$1,750 per month, subject to annual review. The cost of supplies (checks, copies, etc.) will be passed through to the Watershed District.

Our fee estimate is to provide payroll services for an additional \$500 per month, subject to annual review. The cost of MyPay fees (approximately \$125 per month) is included in this estimate and will not be passed through to the Watershed District.

Our fee to provide financial review and consulting will be at our standard hourly rate, which is \$165 per hour.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

We are available to discuss this letter with you at any time.

Sincerely,

REDPATH AND COMPANY, LTD.

A handwritten signature in black ink, appearing to read "Mark Gibbs".

Mark C. Gibbs, CPA