



**AGENDA FOR  
REGULAR CITY COUNCIL MEETING  
SEPTEMBER 16, 2025 – 5:00 P.M.**

1. **Pledge of Allegiance**
2. **Call to Order**
  - Roll Call and Establishment of Quorum
3. **Approval of Agenda**
  - Council Changes
  - Staff Changes
4. **Approval of Minutes**
  - A. September 2, 2025
5. **Audience Participation** (10-minute time limit for items not on the agenda)
6. **Consent Agenda** (items approved with one motion)
  - A. Approve Therapeutic Massage License
  - B. Approve Wastewater Department Jetter Truck Purchase
7. **Scheduled Public Hearings**
8. **Old Business**
9. **Regular Agenda**
  - A. MnDOT Grant Agreement for 80' x 80' Hangar Building – Resolution #54
  - B. Proposals for Financial Audit Services – Resolution #55
  - C. 2026 Preliminary Tax Levy and Budget – Resolutions #56/#57
  - D. 2026 Pay Plan for Part-Time, Seasonal, and Independent Contractors – Resolution #58
  - E. Amendment to Animal Licensing and Regulation Requirements – Ordinance #99
10. **Other Items and Communications**
  - A. Council Items
  - B. Staff Items
11. **Paid Bills and Claims – For Informational Purposes**
  - A. City of Redwood Falls Accounts Payable Summary
12. **Adjournment**

**MINUTES  
REGULAR COUNCIL MEETING  
CITY OF REDWOOD FALLS, MINNESOTA  
TUESDAY, SEPTEMBER 2, 2025**

Pursuant to due call and notice thereof, a regular meeting of the Redwood Falls City Council was called to order in the Municipal Chambers on Tuesday, September 2, 2025, at 5:00 p.m.

Roll call indicated Mayor Tom Quackenbush and Council Members Matt Smith, Denise Kerkhoff, Jim Sandgren, Larry Arentson, and Shannon Guetter were present, constituting a quorum.

Also present were City Administrator Keith Muetzel, Finance Director Kari Klages, City Attorney Trenton Dammann, Public Works Project Coordinator Jim Doering, and Deputy City Clerk Caitlin Kodet.

A motion was made by Council Member Sandgren and seconded by Council Member Arentson to approve the agenda. Motion passed by unanimous vote.

A motion was made by Council Member Smith and seconded by Council Member Guetter to approve the August 19, 2025, minutes as presented. Motion passed by unanimous vote.

A motion was made by Council Member Kerkhoff and seconded by Council Member Arentson to approve the following item on the Consent Agenda:

1. City Assistance with Redwood Area Chamber of Commerce Fall Festival

Motion passed by unanimous vote.

City Administrator Muetzel introduced Ordinance No. 97, Fourth Series – An Ordinance Enacting and Adopting a Supplement to the Code of Ordinances for the City of Redwood Falls.

Mr. Muetzel stated the proposed Ordinance was introduced at the August 19, 2025, City Council Meeting. As part of the City's Supplement Service Plan with American Legal Publishing Corporation for the Codification Services Agreement, the Fourteenth Supplement to the Code of Ordinances has been received. Ordinances No. 89-96, Fourth Series, and other amendments have now been incorporated into the code and are ready for adoption.

A motion was made by Council Member Guetter and seconded by Council Member Kerkhoff to approve Ordinance No. 97, Fourth Series – An Ordinance Enacting and Adopting a Supplement to the Code of Ordinances for the City of Redwood Falls. Motion passed by the following roll call vote.

AYE: Council Members Arentson, Smith, Kerkhoff, Guetter, and Sandgren

NO: None

City Attorney Dammann introduced Ordinance No. 98, Fourth Series – An Ordinance Amending Zoning Ordinance.

Mr. Dammann stated the proposed Ordinance was introduced at the August 19, 2025, City Council Meeting. The City is proposing to rezone from I-1 to B-3 the properties described as 1301, 1303, 1305, 1307, and 1311 E. Bridge Street, 161 N Co. Hwy. 101, and Parcel #88-132-3030. The City received an inquiry from Butch Westman of Westman Group LLC, the property owner of 1303 E. Bridge Street, regarding the current zoning designation of the property. The owner recently purchased the NAPA property with plans to obtain a motor vehicle dealership license with the State of MN to allow for truck sales at that location. The retail sales portion of NAPA would remain, but the owner would like to add commercial truck and commercial truck part sales at that location. The property is zoned industrial (I-1), and vehicles sales are not permitted in industrial districts.

Mr. Dammann stated following Mr. Westman's inquiry, Staff reviewed the zoning designation of that property as well as the adjacent properties and found the current uses in the area do not fit the general provisions of an industrial district. Industrial districts are established to provide locations for industrial land uses engaged in the production, processing, assembly, manufacturing, packaging, wholesaling, warehousing or distribution of goods and materials. All of the requested parcels are currently zoned I-1: Limited Industrial. The businesses include a bank/financial institution, car wash, automobile parts and accessories sales, hotel, and automobile sales (car dealership). Most of the properties are currently operating as legal non-conforming uses because they are either not permitted in industrial districts or only permitted by conditional use.

Mr. Dammann stated to better align with the current uses of all seven properties, staff recommends rezoning all of the requested properties to B-3: Auto-Oriented Business District. The purpose of the B-3 District is to provide for and limit the establishment of motor vehicle oriented or dependent commercial and service activities. All of the current businesses/uses are permitted uses in a B-3 district. The zoning amendment will not change the current business operations of any of the requested properties. The request to rezone the property was presented to the Planning and Zoning Commission on August 12, 2025. The Planning and Zoning Commission, along with City staff, recommend approval of the re-zone and Amendment of the Zoning Ordinance.

Mr. Dammann stated state law requires that all ordinances adopted be published prior to becoming effective. As Council is aware, Ordinance No. 98, Fourth Series is lengthy. However, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps. Staff have prepared Resolution No. 53 of 2025 and Exhibit A, which contains the summary of Ordinance No. 98 for publication.

A motion was made by Council Member Smith and seconded by Council Member Sandgren to approve Ordinance No. 98, Fourth Series – An Ordinance Amending Zoning Ordinance. Motion passed by the following roll call vote.

AYE: Council Members Arentson, Smith, Kerkhoff, Guetter, and Sandgren  
NO: None

City Attorney Dammann introduced the Potentially Dangerous Dog Appeal Hearing.

Mr. Dammann stated on July 18, 2025, the City of Redwood Falls held a hearing, at which Ms. Raquel Heiderscheidt was present, to decide whether to uphold or overturn the designation of her dog "Franklin" as a potentially dangerous dog pursuant to Minn. Stat. § 347.50 and Redwood Falls City Ordinance § 10.46. By a 3-0 vote, the hearing officers on the Review Panel found by a preponderance of the evidence that Franklin is a potentially dangerous dog and upheld the designation.

Mr. Dammann stated on August 11, 2025, Ms. Heiderscheidt submitted a written request to City Hall to appeal the Panel's decision to the City Council. Pursuant to Redwood Falls City Ordinance 10.46 subd. 16 (F), "If the owner of the dog disputes the decision of the Panel, the Owner shall have the right to appeal the decision to the City Council." The procedure for this hearing will be one of appeal and not trial, meaning that the State will not re-try the entire case by providing testimony and exhibits anew, but rather the Council will receive argument from Ms. Heiderscheidt and State's counsel and will have the ability to review the Panel's findings and any exhibits of record upon request.

Raquel Heiderscheidt was present. Ms. Heiderscheidt stated she is appealing the potentially dangerous dog designation because she feels Franklin was provoked and Ms. Whiting didn't remove her dog from the situation.

Jocelyn Whiting was present. Ms. Whiting described the events of the incident in which Ms. Heiderscheidt's dog attacked her dog while outside their apartment building.

Police Sergeant Brady Stough was present. Sergeant Stough described his interaction with Ms. Heiderscheidt and Franklin after the incident.

City Attorney Dammann provided oral argument and answered questions from Council.

Ms. Heiderscheidt provided oral argument and answered questions from Council.

A motion was made by Council Member Smith and seconded by Council Member Kerkhoff to uphold the panel's designation of a potentially dangerous dog identified as, "Franklin." Motion passed by unanimous vote.

City Attorney Dammann introduced Resolution No. 53 of 2025 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 98, Fourth Series, An Ordinance Amending Zoning Ordinance.

Mr. Dammann stated state law requires that all ordinances adopted be published prior to becoming effective. As the Council is aware, Ordinance No. 98, Fourth Series is lengthy and authorizes a change to the zoning map referred to in Section 6.03 of the Unified Development Ordinance. However, Minnesota Statutes, Section 412.191, subd. 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps. Staff prepared Resolution No. 53 of 2025 and Exhibit A, which contains the summary of Ordinance No. 98 for publication.

A motion was made by Council Member Sandgren and seconded by Council Member Arentson to waive the reading of Resolution No. 53 of 2025 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 98, Fourth Series, An Ordinance Amending Zoning Ordinance. Motion passed by unanimous vote.

A motion was made by Council Member Smith and seconded by Council Member Guetter to approve Resolution No. 53 of 2025 – A Resolution of the City of Redwood Falls Providing for the Summary Publication of Ordinance No. 98, Fourth Series, An Ordinance Amending Zoning Ordinance. Motion passed by unanimous vote.

Public Works Project Coordinator Jim Doering provided an update on the walking bridge located at the end of Sunrise Boulevard over the ditch connecting the Sunrise neighborhood with the elementary school site. The Redwood Valley Elementary School contractor, Kraus-Anderson, is aware of the need for stairs on the north side of the bridge but will be prioritizing the school site work at this time. Tom Anderson with the Redwood Area School District approved the installation of stairs but the contractor has not provided a timeline for completion.

Council Member Smith stated a concern he received from a resident regarding Lake Redwood and high waters affecting the fishing pier.

Public Works Project Coordinator Jim Doering stated the Lake Redwood fishing pier is designed to withstand high water and movement from high winds without damage.

Bills and Claims were presented to the Council for informational purposes. No questions, comments or concerns were raised.

There being no further business, a motion was made by Council Member Sandgren and seconded by Council Member Kerkhoff to adjourn the meeting at 5:40 p.m. Motion passed by unanimous vote.

ATTEST:

---

Keith Muetzel  
City Administrator

---

Tom Quackenbush  
Mayor



Caitlin Kodet  
Deputy City Clerk  
Phone: 507-616-7400  
Fax: 507-637-2417  
ckodet@ci.redwood-falls.mn.us

---

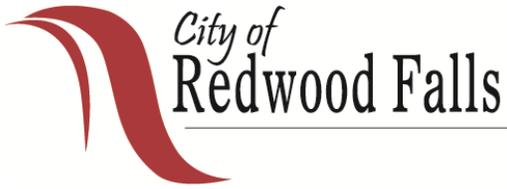
### **AGENDA RECOMMENDATION**

**Meeting Date:** September 16, 2025

**Agenda Item:** 2025 Therapeutic Massage Application

**Recommendation/Action Requested:** Staff recommend issuance of a license to Richard Van Derveer employed by Redwood Chiropractic PSC to conduct therapeutic massage from September 16, 2025 to December 31, 2025 at 821 E. Bridge Street.

**Summary/Overview:** We have received all required documents and fees for the Therapeutic Massage License application. The background check of Mr. Van Derveer and premises inspection at 821 E. Bridge Street have been completed, with no issues identified.



Keith Muetzel  
City Administrator  
Phone: 507-616-7400  
Fax: 507-637-2417  
kmuetzel@ci.redwood-falls.mn.us

---

**Meeting Date: September 16, 2025**

## **AGENDA RECOMMENDATION**

**Agenda Item:** Wastewater Department Jetter Truck

**Recommendation/Action Requested:** Approve purchase of 2014 jetter truck from Flexible Pipe Tool & Equipment in the amount of \$78,500.00 and declare 1992 F-800 jetter truck as surplus property.

**Summary/Overview:** The 2026 operating budget was originally proposed to include the purchase of a used sewer jetter truck to replace our existing jetter which is a 1992 model. Staff have located a used 2014 model year truck and desire to make the purchase within this budget year, thereby removing the purchase from the 2026 budget. The current truck has an estimated value of \$10,000 and will be sold locally.

**Attachments:** Truck Invoice

FLEXIBLE Pipe Tools & Equipment  
22606 186th Ave  
Cold Spring, MN 56320 USA  
+13205977552  
www.flexiblepipetoolco.com



## Estimate

**ADDRESS**

City of Redwood Falls  
City Hall  
PO Box 526  
Redwood Falls, MN 56283

**SHIP TO**

City of Redwood Falls  
Public Works  
1105 S Mill  
Redwood Falls, MN 56283

**ESTIMATE # 1440**

**DATE 09/10/2025**

**SALES REP**

Shane

|                     | DESCRIPTION   | QTY | RATE      | AMOUNT    |
|---------------------|---|-----|-----------|-----------|
| Equipment<br>- Used | 2014 Sewer Equipment 800HPR Truck Jet<br>Mounted on 2015 Freightliner M2 Chassis<br>Includes New Cobra Sewer Hose and all items<br>listed on Spec Sheet (originally sent 7/16/2025) | 1   | 75,000.00 | 75,000.00 |
| Part                | Add Arrowboard, LED Strobes & 3" Duct Valve   | 1   | 3,500.00  | 3,500.00  |

---

|              |                    |
|--------------|--------------------|
| SUBTOTAL     | 78,500.00          |
| TAX          | 0.00               |
| <b>TOTAL</b> | <b>\$78,500.00</b> |

Accepted By

Accepted Date

Meeting Date: September 16, 2025

### AGENDA RECOMMENDATION

**Agenda Item:** Resolution No. 54 of 2025

**Recommendation/Action Requested:** Read the proposed Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If no concerns, adopt proposed Resolution by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** The Council approved the FAA grant submission for the 80x80 hangar at the regularly scheduled meeting held on March 18, 2025. MnDOT Aeronautics has issued the state companion grant agreement 1060757 for Council approval and signature.

Staff are recommending the approval of Resolution No. 54 that will allow for the access of reimbursable funds through MNDOT Aeronautics. The federal committed funds for the project are 95% or \$585,000.00. State funding and the local share split the remaining 5% to the sum of \$15,394.74 each.

**Attachments:** Resolution No. 54 of 2025  
MNDOT Agreement No. 1060757

**RESOLUTION NO. 54 OF 2025**

**AUTHORIZATION TO EXECUTE  
MINNESOTA DEPARTMENT OF TRANSPORTATION  
GRANT AGREEMENT FOR AIRPORT IMPROVEMENT  
EXCLUDING LAND ACQUISITION**

WHEREAS, the City of Redwood Falls is resolved to the following: That the State of Minnesota Agreement No. 1060757, "Grant Agreement for Airport Improvement Excluding Land Acquisition," for State Project No. A6401-61 at the Redwood Falls Municipal Airport is accepted.

FURTHER, that the Mayor and City Administrator are authorized to execute this Agreement and any amendments on behalf of the City of Redwood Falls.

PASSED AND ADOPTED by the City Council of the City of Redwood Falls this 16th day of September 2025.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

**CERTIFICATION**

STATE OF MINNESOTA

COUNTY OF REDWOOD

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the City of Redwood Falls at an authorized meeting held on the 16<sup>th</sup> day of September 2025, as shown by the minutes of the meeting in my possession.

\_\_\_\_\_  
Keith Muetzel  
City Administrator

Subscribed and sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 2025.

(Corporate Seal)

\_\_\_\_\_  
Notary Public

STATE OF MINNESOTA  
STATE AIRPORTS FUND  
GRANT AGREEMENT

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and the City of Redwood Falls 333 S. Washington Street, PO Box 526, Redwood Falls, MN 56283-0526 ("Grantee").

**RECITALS**

1. Minnesota Statutes Chapter 360 authorizes State to provide financial assistance to eligible airport sponsors for the acquisition, construction, improvement, marketing, maintenance, or operation of airports and other air navigation facilities.
2. Grantee owns, operates, controls, or desires to own an airport ("Airport") in the state system, and Grantee desires financial assistance from the State for an airport improvement project ("Project").
3. Grantee represents that it is duly qualified and agrees to perform all services described in this agreement to the satisfaction of the State. Pursuant to [Minn.Stat.§16B.98](#), Subd.1, Grantee agrees to minimize administrative costs as a condition of this agreement.

**AGREEMENT TERMS****1 Term of Agreement, Survival of Terms, and Incorporation of Exhibits**

- 1.1 **Effective Date.** This agreement will be effective on the date the State obtains all required signatures under [Minn.Stat.§16B.98](#), Subd. 5, whichever is later. As required by [Minn.Stat.§16B.98](#) Subd. 7, no payments will be made to Grantee until this agreement is fully executed. Grantee must not begin work under this agreement until this agreement is fully executed and Grantee has been notified by the State's Authorized Representative to begin the work.
- 1.2 **Expiration Date.** This agreement will expire on December 31,2029, or when all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this agreement, including, without limitation, the following clauses: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 11. Workers Compensation; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.
- 1.4 **Plans, Specifications, Descriptions.** Grantee has provided the State with the plans, specifications, and a detailed description of the Project **6401-61**, which are on file with the State's Office of Aeronautics and are incorporated into this Agreement by reference.
- 1.5 **Exhibits.** **Exhibit 'A'** – Grant Request Letter; **Exhibit 'B'** – Credit Application; **Exhibit 'C'** – Cost Split

**2 Grantee's Duties**

- 2.1 Grantee will complete the Project in accordance with the plans, specifications, and detailed description of the Project, which are on file with the State's Office of Aeronautics. Any changes to the plans or specifications of the Project after the date of this Agreement will be valid only if made by written change order signed by the Grantee and the State. Subject to the availability of funds, the State may prepare an amendment to this Agreement to reimburse the Grantee for the allowable costs of qualifying change orders.
- 2.2 If the Project involves construction, Grantee will designate a registered engineer to oversee the Project work. If, with the State's approval, the Grantee elects not to have such services performed by a registered engineer, then the Grantee will designate another responsible person to oversee such work.
- 2.3 Grantee will notify State's Authorized Representative in advance of any meetings taking place relating to the Project.
- 2.4 Grantee will comply with all required grants management policies and procedures set forth through [Minn.Stat.§16B.97](#), Subd. 4 (a) (1).
- 2.5 **Asset Monitoring.** If Grantee uses funds obtained by this agreement to acquire a capital asset, the Grantee is required to use that asset for a public aeronautical purpose for the normal useful life of the asset. Grantee may not sell or change the purpose of use for the capital asset(s) obtained with grant funds under this agreement without the prior written consent of the State and an agreement executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 2.6 **Airport Operations, Maintenance, and Conveyance.** Pursuant to Minnesota Statutes Section 360.305, subdivision 4 (d) (1), the Grantee will operate the Airport as a licensed, municipally-owned public airport at all

times of the year for a period of 20 years from the date the Grantee receives final reimbursement under this Agreement. The Airport must be maintained in a safe, serviceable manner for public aeronautical purposes only. Without prior written approval from the State, Grantee will not transfer, convey, encumber, assign, or abandon its interest in the airport or in any real or personal property that is purchased or improved with State funds. If the State approves such a transfer or change in use, the Grantee must comply with such conditions and restrictions as the State may place on such approval. The obligations imposed by this clause survive the expiration or termination of this Agreement.

### 3 Time

3.1 Grantee must comply with all the time requirements described in this agreement. In the performance of this grant agreement, time is of the essence.

### 4 Cost and Payment

4.1 **Cost Participation.** Costs for the Project will be proportionate and allocated as follows:

| <u>Item Description</u>                                | <u>Federal Share</u> | <u>State Share</u>  | <u>Grantee Share</u> |
|--|----------------------|---------------------|----------------------|
| AIG-80X80 Multi-Bay Hangar.<br>Phase 1 (62.9614%) of 3 | 95%<br>\$585,000.00  | 2.5%<br>\$15,394.74 | 2.5%<br>\$15,394.74  |

|                    |                            |
|--------------------|----------------------------|
| Federal Committed: | <b><u>\$585,000.00</u></b> |
| State:             | <b><u>\$ 15,394.74</u></b> |
| Grantee:           | <b><u>\$ 15,394.74</u></b> |

The federal multiyear amount is an estimate only. These funds are not committed and are only available after being made so by the U.S. Government. Federal funds for the Project will be received and disbursed by the State. In the event federal reimbursement becomes available or is increased for the Project, the State will be entitled to recover from such federal funds an amount not to exceed the state funds advanced for this Project. No more than 95% of the amount due under this Agreement will be paid by the State until the State determines that the Grantee has complied with all terms of this Agreement and furnished all necessary records.

4.2 **Travel Expenses.** Blank

4.3 **Sufficiency of Funds.** Pursuant to Minnesota Rules 8800.2500, the Grantee certifies that (1) it presently has available sufficient unencumbered funds to pay its share of the Project; (2) the Project will be completed without undue delay; and (3) the Grantee has the legal authority to engage in the Project as proposed.

4.4 **Total Obligation.** The total obligation of the State for all compensation and reimbursements to Grantee under this agreement will not exceed **\$15,394.74**.

#### 4.5 Payment

4.5.1 **Invoices.** Grantee will submit invoices for payment by Credit Application via email. Exhibit "B", which is attached and incorporated into this agreement, is the form Grantee will use to submit invoices. The State's Authorized Representative, as named in this agreement, will review each invoice against the approved grant budget and grant expenditures to-date before approving payment. The State will promptly pay Grantee after Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices will be submitted timely and according to the following schedule: Monthly basis as needed.

4.5.2 **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion.

4.5.3 **State's Payment Requirements.** State will promptly pay all valid obligations under this agreement as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Grantee's invoices for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Grantee within ten days of discovering the error. After State receives the corrected invoice, State will pay Grantee within 30 days of receipt of such invoice.

4.5.4 **Grantee Payment Requirements.** Grantee must pay all contractors under this agreement promptly. Grantee will make undisputed payments no later than 30 days after receiving an invoice. If an invoice is incorrect, defective, or otherwise improper, Grantee will notify the contractor within ten days of discovering the error. After Grantee receives the corrected invoice, Grantee will pay the contractor within 30 days of receipt of such invoice.

**4.5.5 Grant Monitoring Visit and Financial Reconciliation.** During the period of performance, the State will make at least annual monitoring visits and conduct annual financial reconciliations of Grantee's expenditures.

4.5.5.1 The State's Authorized Representative will notify Grantee's Authorized Representative where and when any monitoring visit and financial reconciliation will take place, which State employees and/or contractors will participate, and which Grantee staff members should be present. Grantee will be provided notice prior to any monitoring visit or financial reconciliation.

4.5.5.2 Following a monitoring visit or financial reconciliation, Grantee will take timely and appropriate action on all deficiencies identified by State.

4.5.5.3 At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Grantee.

**4.5.6 Closeout.** The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

**4.5.7 Closeout Deliverables.** At the close of the Project, the Grantee must provide the following deliverables to the State before the final payment due under this Agreement will be released by the State: (1) Electronic files of construction plans as a PDF and in a MicroStation compatible format; and (2) Electronic files of as-builts as a PDF and in a MicroStation compatible format. (3) Electronic files of planning documents (Airport Layout Plans – ALP) and Airport Zoning as a PDF and in a MicroStation compatible format and in GIS.

**4.6 Contracting and Bidding Requirements.** Prior to publication, Grantee will submit to State all solicitations for work to be funded by this Agreement. Prior to execution, Grantee will submit to State all contracts and subcontracts funded by this agreement between Grantee and third parties. State's Authorized Representative has the sole right to approve, disapprove, or modify any solicitation, contract, or subcontract submitted by Grantee. All contracts and subcontracts between Grantee and third parties must contain all applicable provisions of this Agreement. State's Authorized Representative will respond to a solicitation, contract, or subcontract submitted by Grantee within ten business days.

## 5 Conditions of Payment

All services provided by Grantee under this agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law. In addition, Grantee will not receive payment for Airport's failure to pass periodic inspections by a representative of the State's Office of Aeronautics.

## 6 Authorized Representatives

6.1 The State's Authorized Representative is:

Luke Bourassa, South Region Airports Engineer; ([luke.bourassa@state.mn.us](mailto:luke.bourassa@state.mn.us)) (651)508-0448 and/or Brian Conklin, Regional Airport Specialist Sr.; ([brian.conklin@state.mn.us](mailto:brian.conklin@state.mn.us)) (651)252-7658, or their successor. State's Authorized Representative has the responsibility to monitor Grantee's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2 Grantee's Authorized Representative is:

Jim Doering, Public Works Project Coordinator  
(507) 616-7400, [jdoering@ci.redwood-falls.mn.us](mailto:jdoering@ci.redwood-falls.mn.us)  
333 S. Washington Street, PO Box 526  
Redwood Falls, MN 56283-0526  
, or their successor.

If Grantee's Authorized Representative changes at any time during this agreement, Grantee will immediately notify the State.

## 7 Assignment Amendments, Waiver, and Grant Agreement Complete

**7.1 Assignment.** The Grantee may neither assign nor transfer any rights or obligations under this agreement without the prior written consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.

- 7.2 **Amendments.** Any amendments to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office. Notwithstanding the foregoing, when FAA issues a Letter Amendment on a federal grant agreement that results in an increase in federal funds beyond the total amount in this grant agreement (i.e., federal amendment), MnDOT's receipt of the Letter Amendment from FAA has the effect of amending the total amount in this grant agreement.
- 7.3 **Waiver.** If the State fails to enforce any provision of this agreement, that failure does not waive the provision or the State's right to subsequently enforce it.
- 7.4 **Grant Agreement Complete.** This grant agreement contains all negotiations and agreements between the State and Grantee. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.
- 7.5 **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 7.6 **Certification.** By signing this Agreement, the Grantee certifies that it is not suspended or debarred from receiving federal or state awards.

## 8 **Liability**

In the performance of this agreement, and to the extent permitted by law, Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this agreement by Grantee or Grantee's agents or employees. This clause will not be construed to bar any legal remedies Grantee may have for the State's failure to fulfill its obligations under this agreement.

## 9 **State Audits**

Under Minn. Stat. § 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of Grantee, or other party relevant to this grant agreement or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. Grantee will take timely and appropriate action on all deficiencies identified by an audit.

## 10 **Government Data Practices and Intellectual Property Rights**

10.1 **Government Data Practices.** Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either Grantee or the State. If Grantee receives a request to release the data referred to in this section 10.1, Grantee must immediately notify the State. The State will give Grantee instructions concerning the release of the data to the requesting party before the data is released. Grantee's response to the request shall comply with applicable law.

### 10.2 **Intellectual Property Rights.**

10.2.1 **Intellectual Property Rights.** State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks and service marks in the Works and Documents created and paid for under this agreement. "Works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes and disks conceived, reduced to practice, created or originated by Grantee, its employees, agents and subcontractors, either individually or jointly with others in the performance of this agreement. Works includes Documents. "Documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks or other materials, whether in tangible or electronic forms, prepared by Grantee, its employees, agents or subcontractors, in the performance of this agreement. The Documents will be the exclusive property of State, and Grantee upon completion or cancellation of this agreement must immediately return all such Documents to State. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." Grantee assigns all right, title and interest it may have in the Works and the Documents to State. Grantee must, at the request of State, execute all papers and perform all other

acts necessary to transfer or record the State's ownership interest in the Works and Documents.

## 10.2.2 **Obligations**

10.2.2.1 **Notification.** Whenever any invention, improvement or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by Grantee, including its employees and subcontractors, in the performance of this agreement, Grantee will immediately give State's Authorized Representative written notice thereof and must promptly furnish State's Authorized Representative with complete information and/or disclosure thereon.

10.2.2.2 **Representation.** Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of State and that neither Grantee nor its employees, agents or subcontractors retain any interest in and to the Works and Documents. Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless State, at Grantee's expense, from any action or claim brought against State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs and damages, including but not limited to, attorney fees. If such a claim or action arises, or in Grantee's or State's opinion is likely to arise, Grantee must, at State's discretion, either procure for State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of State will be in addition to and not exclusive of other remedies provided by law.

## 11 **Workers Compensation**

The Grantee certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

## 12 **Publicity and Endorsement**

12.1 **Publicity.** Any publicity regarding the subject matter of this agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant agreement. All projects primarily funded by state grant appropriation must publicly credit the State of Minnesota, including on the Grantee's website when practicable.

12.2 **Endorsement.** The Grantee must not claim that the State endorses its products or services.

## 13 **Governing Law, Jurisdiction, and Venue**

Minnesota law, without regard to its choice-of-law provisions, governs this agreement. Venue for all legal proceedings out of this agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

## 14 **Termination; Suspension**

14.1 **Termination.** The State or Commissioner of Administration may unilaterally terminate this agreement at any time, with or without cause, upon written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 **Termination for Cause.** The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Grantee has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 **Termination for Insufficient Funding.** The State may immediately terminate this agreement if:

- 14.3.1 It does not obtain funding from the Minnesota Legislature; or
- 14.3.2 If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

14.4 **Suspension.** The State may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

## 15 Data Disclosure

Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

16 **Fund Use Prohibited.** The Grantee will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Grantee from utilizing these funds to pay any party who might be disqualified or debarred after the Grantee's contract award on this Project. For a list of disqualified or debarred vendors, see [www.mmd.admin.state.mn.us/debarredreport.asp](http://www.mmd.admin.state.mn.us/debarredreport.asp).

17 **Discrimination Prohibited by Minnesota Statutes §181.59.** Grantee will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

18 **Limitation.** Under this Agreement, the State is only responsible for receiving and disbursing funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Grantee, however, the Grantee will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Grantee's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

19 **Telecommunications Certification** By signing this agreement, Contractor certifies that, consistent with Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232 (Aug. 13, 2018), and 2 CFR 200.216, Contractor will not use funding covered by this agreement to procure or obtain, or to extend, renew, or enter into any contract to procure or obtain, any equipment, system, or service that uses "covered telecommunications equipment or services" (as that term is defined in Section 889 of the Act) as a substantial or essential component of any system or as critical technology as part of any system. Contractor will include this

certification as a flow down clause in any contract related to this agreement.

20 **Title VI/Non-discrimination Assurances.** Grantee agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination Assurances contained in DOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: [https://edocs-public.dot.state.mn.us/edocs\\_public/DMResultSet/download?docId=11149035](https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035). Grantee will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. State may conduct a review of the Grantee's compliance with this provision. The Grantee must cooperate with State throughout the review process by supplying all requested information and documentation to State, making Grantee staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by State.

21 **Additional Provisions**  
[Intentionally left blank.]

**[The remainder of this page has intentionally been left blank.]**

**MnDOT ENCUMBRANCE VERIFICATION**

The individual certifies funds have been encumbered as required by Minn. Stat. 16A.15 and 16C.05.

By:

Date:

SWIFT Contract # \_\_\_\_\_

SWIFT Purchase Order # \_\_\_\_\_

**COMMISSIONER OF TRANSPORTATION, as delegated**

By:

Date:

**MnDOT CONTRACT MANAGEMENT, for form and execution**

By:

Date:

**GRANTEE**

The Grantee certifies that the appropriate person(s) have executed the grant agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: \_\_\_\_\_

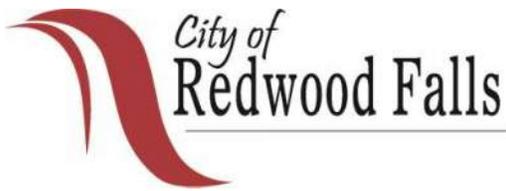
Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Jim Doering  
 Public Works Project Coordinator  
 Phone: 507-616-7400  
 Fax: 507-637-2417  
 jdoering@ci.redwood-falls.mn.us

April 28, 2025

Mr. Luke Bourassa  
 Airport Development Engineer  
 MnDOT Office of Aeronautics  
 395 John Ireland Boulevard  
 St. Paul MN 55155

RE: Grant Application  
 Redwood Falls Municipal Airport (RWF)  
 80' x 80' Multi-Bay Hangar Project **(AIG Funded)**

Dear Mr. Bourassa:

Please find enclosed the bid abstract, pre-construction photos, signed professional service agreements, FAA cost-price analysis, FAA Form SF-424, FAA Form 5100-100, FAA Forms 5100-129-135, and plans and specifications for the aforementioned project to be completed at the Redwood Falls Municipal Airport in Redwood Falls, Minnesota.

The aforementioned project involves construction of an 80-foot long by 80-foot deep hangar. The city has an AIG fund balance of \$585,000. **Therefore, 62.9614% of the project will be funded with a 2025 AIG grant.** The remaining 37.0386% will be funded with a 2026 AIG and AIP grant.

The following is a breakdown of costs associated with this grant request:

| <b>80' x 80' HANGAR COST BREAKDOWN</b>        |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>PROFESSIONAL SERVICES</b>                  | <b>TOTAL</b>        | <b>FAA (95%)</b>    | <b>STATE (2.5%)</b> | <b>LOCAL (2.5%)</b> |
| DESIGN ENGINEERING - BMI                      | \$65,000.00         | \$61,750.00         | \$1,625.00          | \$1,625.00          |
| CONSTRUCTION ENGINEERING - BMI                | \$75,000.00         | \$71,250.00         | \$1,875.00          | \$1,875.00          |
| <b>TOTAL ENGINEERING:</b>                     | <b>\$140,000.00</b> | <b>\$133,000.00</b> | <b>\$3,500.00</b>   | <b>\$3,500.00</b>   |
| <b>CONSTRUCTION</b>                           | <b>TOTAL</b>        | <b>FAA (95%)</b>    | <b>STATE (2.5%)</b> | <b>LOCAL (2.5%)</b> |
| BASE BID: 80'X80' HANGAR - EVERSTRONG CNST.   | \$769,293.00        | \$730,828.35        | \$19,232.33         | \$19,232.33         |
| BID ATL. 1: HYDRAULIC DOOR - EVERSTRONG CNST. | \$5,000.00          | \$4,750.00          | \$125.00            | \$125.00            |
| BID ALT. 2: IN-FLOOR HEAT - EVERSTRONG CNST.  | \$62,749.32         | \$59,611.85         | \$1,568.73          | \$1,568.73          |
| <b>TOTAL CONSTRUCTION:</b>                    | <b>\$837,042.32</b> | <b>\$795,190.20</b> | <b>\$20,926.06</b>  | <b>\$20,926.06</b>  |

| ADMINISTRATION                             | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
|--|---------------------|---------------------|--------------------|--------------------|
| CITY OF REDWOOD FALLS                      | \$1,000.00          | \$950.00            | \$25.00            | \$25.00            |
| <b>TOTAL CITY ADMINISTRATION:</b>          | <b>\$1,000.00</b>   | <b>\$950.00</b>     | <b>\$25.00</b>     | <b>\$25.00</b>     |
|  |                     |                     |                    |                    |
|  | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
| <b>TOTAL PROJECT:</b>                      | <b>\$978,042.32</b> | <b>\$929,140.20</b> | <b>\$24,451.06</b> | <b>\$24,451.06</b> |
|  |                     |                     |                    |                    |
|  | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
| <b>AIG FUNDING SHARE</b>                   | <b>\$615,789.47</b> | <b>\$585,000.00</b> | <b>\$15,394.74</b> | <b>\$15,394.74</b> |
| <b>FAA 2026 AIG FUND PRORATION</b>         | <b>\$137,000.00</b> |                     |                    |                    |
| <b>FAA 2026 AIP FUND PRORATION</b>         | <b>\$207,140.20</b> |                     |                    |                    |
|  |                     |                     |                    |                    |
| <b>2025 AIG FUNDING PARTICIPATION RATE</b> | <b>62.9614%</b>     |                     |                    |                    |

| <b>AIG - 80' x 80' HANGAR</b>                 |                     |                     |                    |                    |
|---|---------------------|---------------------|--------------------|--------------------|
| PROFESSIONAL SERVICES                         | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
| DESIGN ENGINEERING - BMI                      | \$40,924.93         | \$38,878.69         | \$1,023.12         | \$1,023.12         |
| CONSTRUCTION ENGINEERING - BMI                | \$47,221.08         | \$44,860.02         | \$1,180.53         | \$1,180.53         |
| <b>TOTAL ENGINEERING:</b>                     | <b>\$88,146.01</b>  | <b>\$83,738.71</b>  | <b>\$2,203.65</b>  | <b>\$2,203.65</b>  |
|   |                     |                     |                    |                    |
| CONSTRUCTION                                  | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
| BASE BID: 80'X80' HANGAR - EVERSTRONG CNST.   | \$484,357.91        | \$460,140.01        | \$12,108.95        | \$12,108.95        |
| BID ATL. 1: HYDRAULIC DOOR - EVERSTRONG CNST. | \$3,148.07          | \$2,990.67          | \$78.70            | \$78.70            |
| BID ALT. 2: IN-FLOOR HEAT - EVERSTRONG CNST.  | \$39,507.87         | \$37,532.48         | \$987.70           | \$987.70           |
| <b>TOTAL CONSTRUCTION:</b>                    | <b>\$527,013.85</b> | <b>\$500,663.16</b> | <b>\$13,175.35</b> | <b>\$13,175.35</b> |
|   |                     |                     |                    |                    |
| ADMINISTRATION                                | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
| CITY OF REDWOOD FALLS                         | \$629.61            | \$598.13            | \$15.74            | \$15.74            |
| <b>TOTAL CITY ADMINISTRATION:</b>             | <b>\$629.61</b>     | <b>\$598.13</b>     | <b>\$15.74</b>     | <b>\$15.74</b>     |
|   |                     |                     |                    |                    |
|   | TOTAL               | FAA (95%)           | STATE (2.5%)       | LOCAL (2.5%)       |
| <b>TOTAL PROJECT:</b>                         | <b>\$615,789.47</b> | <b>\$585,000.00</b> | <b>\$15,394.74</b> | <b>\$15,394.74</b> |

The city of Redwood Falls requests a **Federal AIG** grant agreement in the amount of **\$585,000.00** for the aforementioned project. If you need any further information or documentation, please feel welcome to contact me at [jdoering@ci.redwood-falls.mn.us](mailto:jdoering@ci.redwood-falls.mn.us) or 507-616-7400.

Sincerely,

James Doering

Digitally signed by James Doering  
DN: cn=J.D. E-doering@ci.redwood-falls.mn.us,  
o=City of Redwood Falls, ou=Public Works  
Project Coordinator, cn=James Doering  
Date: 2023.04.28 11:11:57-0500

Jim Doering  
Public Works Project Coordinator

cc: Kyle Sebesta, FAA  
Jake Martin, FAA  
Brian Conklin, MnDOT Aeronautics  
Silas Parmar, Bolton & Menk, Inc.

Enclosures:

- Bid Abstract
- Pre-Construction Photos
- Signed Professional Service Agreements
- FAA Cost-Price Analysis
- FAA Form 5100-100
- FAA Forms 5100-129-135
- FAA Form SF-424
- Plans and Specifications

MINNESOTA DEPARTMENT OF TRANSPORTATION  
OFFICE OF AERONAUTICS  
395 JOHN IRELAND BOULEVARD, MS 410  
ST. PAUL, MINNESOTA 55155-1800  
airportdevelopment@state.mn.us

Airport Name \_\_\_\_\_

State Project No. \_\_\_\_\_

Federal Project No. \_\_\_\_\_

Mn/DOT Agreement No. \_\_\_\_\_

### CREDIT APPLICATION

TO THE DIRECTOR, OFFICE OF AERONAUTICS:

Itemized statement of cash expenditures for which credit is claimed:

For period beginning \_\_\_\_\_, 20\_\_\_\_; ending \_\_\_\_\_, 20\_\_\_\_.

| Warrant Number     | Date Issued | Name or Description | Unit | Rate | Total Time or Quantity | Amount |
|--------------------|-------------|---------------------|------|------|------------------------|--------|
|                    |             |                     |      |      |                        |        |
| Total Expenditures |             |                     |      |      |                        |        |

**\*FINAL/PARTIAL (CIRCLE ONE)**

NOTE: PLEASE SEPARATE ENGINEERING COSTS FROM OTHER COSTS.

Municipality \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

\*FOR ALL ITEMS INCLUDED IN THIS AGREEMENT

(Complete Form On Reverse Side)

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

\_\_\_\_\_, being first duly sworn, deposes and says that he/she is the \_\_\_\_\_ of the Municipality of \_\_\_\_\_, in the County of \_\_\_\_\_, State of Minnesota; that he/she has prepared the foregoing Credit Application, knows the contents thereof, that the same is a true and accurate record of disbursements made, and that the same is true of his/her own knowledge; and that this application is made by authority of the municipal council (or board) of said Municipality.

\_\_\_\_\_  
Signature

Subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

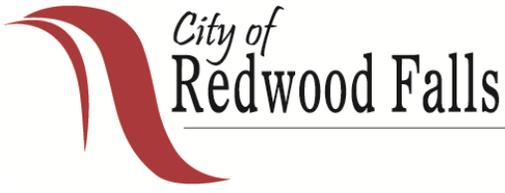
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

EXHIBIT "C"

Airport: REDWOOD FALLS MUNICIPAL AIRPORT  
 Airport Sponsor: CITY OF REDWOOD FALLS, MN  
 Ident: RWF  
 UEI: NR3PLR8CJBR9  
 State Project No.: A6401-61  
 Federal Project No.: AIG 3-27-0083-023-2025  
 Agreement No.:  
 Project Description: 80 X 80 Box Hangar - Multi Bay.  
 Date: 4/10/2025

| Construction          | Description                                    | Total                | Funding Rates  |              | Federal              | State               | Local               |
|-----------------------|--|----------------------|----------------|--------------|----------------------|---------------------|---------------------|
|                       |  |                      | Federal        | State        |                      |                     |                     |
|                       | 80'X80' HANGAR: EVERSTRONG CONSTRUCTION INC.   | \$ 527,013.85        | 95%            | 2.5%         | \$ 500,663.16        | \$ 13,175.35        | \$ 13,175.35        |
|                       |  | \$ -                 | 95%            | 2.5%         | \$ -                 | \$ -                | \$ -                |
|                       |  | \$ -                 | 95%            | 2.5%         | \$ -                 | \$ -                | \$ -                |
|                       | <b>CONSTRUCTION SUBTOTAL</b>                   | <b>\$ 527,013.85</b> |                |              | <b>\$ 500,663.16</b> | <b>\$ 13,175.35</b> | <b>\$ 13,175.35</b> |
| <b>Engineering</b>    | <b>Description</b>                             | <b>Total</b>         | <b>Federal</b> | <b>State</b> | <b>Federal</b>       | <b>State</b>        | <b>Local</b>        |
|                       | DESIGN ENGINEERING - BOLTON & MENK, INC.       | \$ 40,924.93         | 95%            | 2.5%         | \$ 38,878.69         | \$ 1,023.12         | \$ 1,023.12         |
|                       | CONSTRUCTION ENGINEERING - BOLTON & MENK, INC. | \$ 47,221.08         | 95%            | 2.5%         | \$ 44,860.02         | \$ 1,180.53         | \$ 1,180.53         |
|                       |  | \$ -                 | 95%            | 2.5%         | \$ -                 | \$ -                | \$ -                |
|                       | <b>ENGINEERING SUBTOTAL</b>                    | <b>\$ 88,146.01</b>  |                |              | <b>\$ 83,738.71</b>  | <b>\$ 2,203.65</b>  | <b>\$ 2,203.65</b>  |
| <b>Administration</b> | <b>Description</b>                             | <b>Total</b>         | <b>Federal</b> | <b>State</b> | <b>Federal</b>       | <b>State</b>        | <b>Local</b>        |
|                       | CITY ADMINISTRATION                            | \$ 629.61            | 95%            | 2.5%         | \$ 598.13            | \$ 15.74            | \$ 15.74            |
|                       |  |                      | 95%            | 2.5%         | \$ -                 | \$ -                | \$ -                |
|                       | <b>ADMINISTRATION SUBTOTAL</b>                 | <b>\$ 629.61</b>     |                |              | <b>\$ 598.13</b>     | <b>\$ 15.74</b>     | <b>\$ 15.74</b>     |
|                       | Total (before adjustments)                     | \$ 615,789.47        |                |              | \$ 585,000.00        | \$ 15,394.74        | \$ 15,394.74        |
|                       | Adjustments to round Fed amount                |                      |                |              | \$ 585,000.00        | \$ 15,394.74        | \$ 15,394.74        |
|                       | <b>Grant Amounts</b>                           | <b>\$ 615,789.47</b> |                |              | <b>\$ 585,000.00</b> | <b>\$ 15,394.74</b> | <b>\$ 15,394.74</b> |
|                       | <b>Overall Share Percentages</b>               |                      |                |              | <b>95.0%</b>         | <b>2.5%</b>         | <b>2.5%</b>         |



Kari Klages  
Finance Director  
City of Redwood Falls  
Phone: 507-616-7400  
Fax: 507-637-2417  
kklages@ci.redwood-falls.mn.us

---

## AGENDA RECOMMENDATION

**Meeting Date:** September 16, 2025

**Agenda Item:** Resolution No. 55– Resolution Awarding Contract for Audit Services

**Recommendation/Action Requested:** Read the proposed Resolutions or make a motion to waive the reading of the Resolutions. Discuss the proposed Resolutions. If no concerns, adopt proposed Resolutions by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** It is recommended that government entities undertake a full-scale competitive process for the selection of independent auditors at the end of the term of each audit contract. Clifton Allen Larson, LLP (CLA) has provided audit services for the City for the past twenty years. During that time, a formal request for proposal (RFP) process has not been completed. CLA has always provided quality audit services, but due to the length of time since audit services have been competitively bid, staff decided to complete a formal RFP process.

The City received four proposals from qualified firms including CLA, Abdo, BerganKDV, and Oberloh & Oberloh. The all-inclusive five-year costs for audit services ranged from \$261,650 to \$378,530. After a thorough review and evaluation based on criteria including experience, approach, responsiveness, and cost, Abdo was determined to be the highest rated proposer. The cost for audit services in 2026 will be \$47,600, approximately \$30,000 less than 2025.

Staff recommend awarding the audit services contract to Abdo for a term of five years, subject to an annual review by the City.

**Attachments:** Resolution No. 55 of 2025  
Abdo Audit Services Proposal

**RESOLUTION NO. 55 OF 2025**

**A RESOLUTION APPROVING CONTRACT FOR AUDIT SERVICES**

**WHEREAS**, the City of Redwood Falls has historically contracted with Clifton Allen Larson, LLP for audit services over the past twenty years; and

**WHEREAS**, the City has not conducted a formal Request for Proposal (RFP) process for audit services during that time; and

**WHEREAS**, in the interest of transparency, fiscal responsibility, and best practices, the City initiated a full-scale competitive RFP process for audit services; and

**WHEREAS**, four qualified firms submitted proposals which were evaluated based on experience, approach, responsiveness, and cost, with Abdo receiving the highest overall rating.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF REDWOOD FALLS, MINNESOTA, AS FOLLOWS:**

1. The contract for audit services described above is hereby approved in the form submitted to the City Council and awarded to Abdo for a term of five years, subject to annual review by the City.
2. The Mayor and Finance Director are authorized to execute all necessary documents to finalize the agreement with Abdo.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls, Minnesota this 16<sup>th</sup> day of September 2025.

ATTEST:

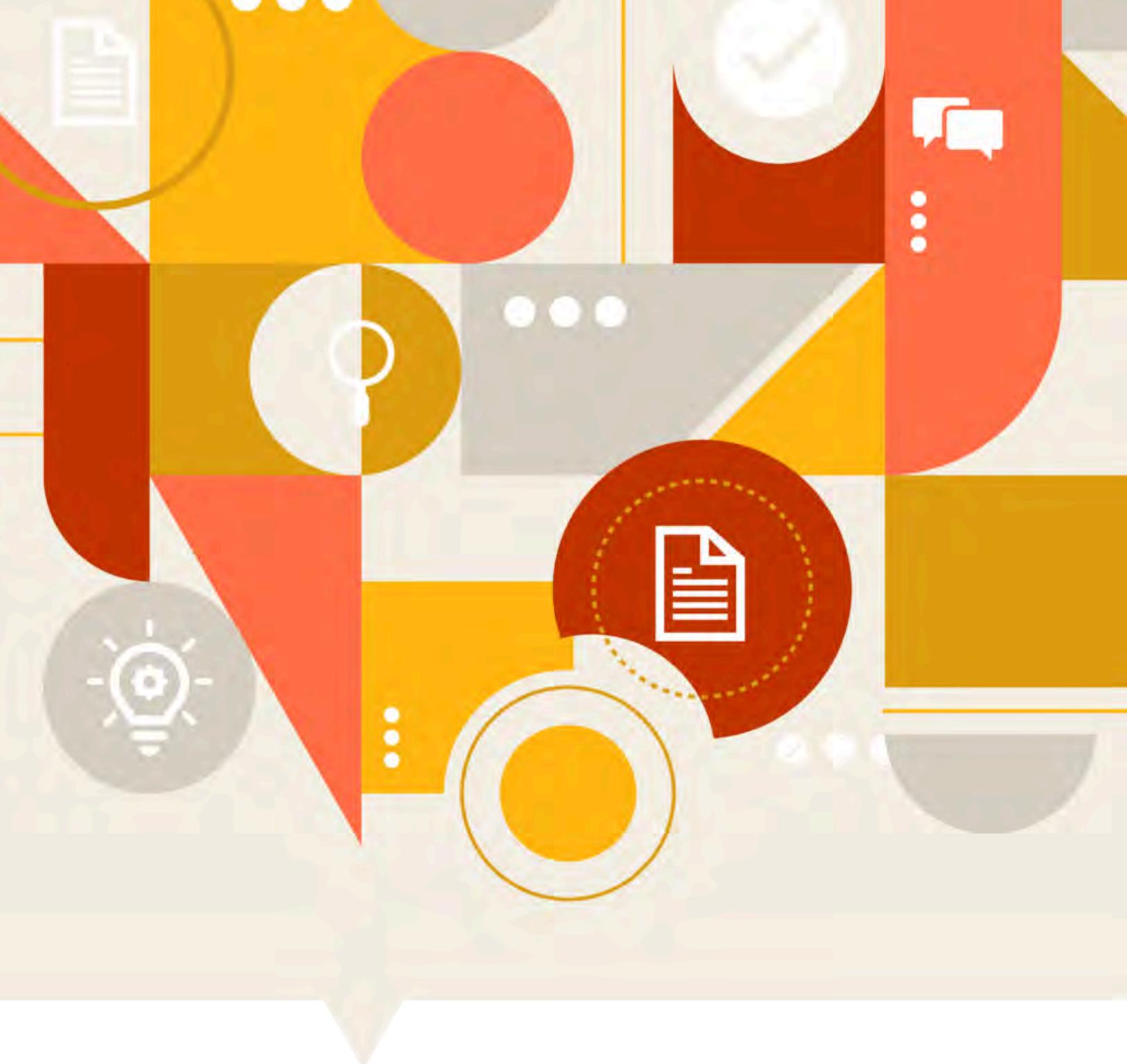
\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
16<sup>th</sup> day of September 2025.

\_\_\_\_\_  
Notary Public



Proposed by

**Bonnie Schwieger, CPA**

Partner | Abdo

[bonnie.schwieger@abdosolutions.com](mailto:bonnie.schwieger@abdosolutions.com)

**P** 952.715.3065

August 27, 2025

**SERVICE PROPOSAL FOR**

# City of Redwood Falls

*333 S. Washington Street, Redwood Falls, Minnesota 56283*

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



Kari Klages, Finance Director  
City of Redwood Falls  
333 S. Washington Street  
Redwood Falls, Minnesota 56283

August 27, 2025

Dear Kari,

Thank you for the opportunity to submit this proposal to the City of Redwood Falls (the City) for audit services. We appreciate the opportunity to work with you. Based on our experience with cities like yours, 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 city, 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 city. 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. This proposal is a firm and irrevocable offer for the five year period 2025 - 2029.

Sincerely,

**Abdo**

**Bonnie Schwiager, CPA**

Partner | Abdo



# Table of Contents

|  |    |
|--|----|
| <b>Transmittal Letter</b>                                      | 2  |
| <b>Executive Summary</b>                                       | 4  |
| <b><u>The Path Forward</u></b>                                 | 5  |
| <b><u>Your Team</u></b>  | 6  |
| <b><u>Government Experience</u></b>                            | 7  |
| <b><u>Audit Approach</u></b>                                   | 8  |
| <b>Additional Approach Details</b>                             | 11 |
| <b><u>Technology</u></b>                                       | 12 |
| <b><u>Service Timeline</u></b>                                 | 13 |
| <b><u>Value</u></b>  | 14 |
| <b><u>What Our Clients Say</u></b>                             | 15 |
| <b><u>Value Added Services</u></b>                             | 16 |
| <b><u>Why Partner with Abdo</u></b>                            | 17 |
| <b><u>Diversity, Equity &amp; Inclusion</u></b>                | 18 |
| <b><u>License &amp; Independence</u></b>                       | 20 |
| <b><u>Appendix A: Proposer Guarantees &amp; Warranties</u></b> | 21 |
| <b><u>Appendix B: Peer Review Letter</u></b>                   | 23 |
| <b><u>Appendix C: Professional Biographies</u></b>             | 26 |

# Executive Summary

Recently we had the opportunity to discuss the City's needs in more detail with Kari Klages, Finance Director. Based on this conversation and our understanding of the City's needs set forth in the request for proposal, we propose the following solutions for City.

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

- Access to partners and staff for assistance in answering questions throughout the year
- Deliver both concise and informative information to the Council
- Demonstrate familiarity, knowledge and experience in the industry
- Provide a timely and efficient audit, to be started after April 10th and presented to council by June 30th
- Provide timely communication both during the audit and when answering non-audit related questions.

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

- Annual Financial Statement Audit
- Preparation of Annual Financial Report
- Single Audit (if applicable)
- Executive Governance Summary
- Presentation to the Council

Based on our work with more than 100 cities 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.
- We have worked with numerous other entities with Tyler Technologies.
- Our Council 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 60 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!**



**SEE A SAMPLE**

[Click here](#) to see a sample audit presentation for city clients!



# The path forward

## WHAT'S YOUR VISION?

**Let's build it together.** With knowledge and care, Abdo lights your path forward—illuminating opportunity and fueling your confidence to navigate the future. What do you envision for your future? We believe it could look something like this:

- A thorough understanding of the City's operations through process assessment, analysis, and recommendations.
- Implementation of a comprehensive long-term financial plan to guide your City for years to come.
- Strategic direction driven by creative solutions and effective technologies.

## EXPERTISE FOR YOUR CHALLENGES

In the government space, your organization faces unique challenges that require a specific understanding of government regulations and operations. Our team not only has experience working with governmental entities, but many came directly from city administration and finance offices, giving them a unique understanding of the challenges you face.



## Meet Bonnie

**Bonnie Schwiager**  
Partner

Bonnie joined the Firm in 2012 after graduating from Minnesota State University, Mankato. Her work includes assisting in the audits of several local governments, charter schools, schools districts, utility commissions and housing authorities. She also conducts Single Audits for her clients. Bonnie has spoken at several professional events and conferences on a variety of governmental accounting topics, including Governmental Accounting Standard updates, audit preparation best practices and grant compliance. Within our firm, she is a member of the GASB standard implementation committee.



## 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.

[LEARN MORE ON OUR WEBSITE](#)

# Your Team

At Abdo, we believe that trust is a vital component in the success of our partnership. That trust requires an understanding of your needs and confidence in the expertise of your engagement team. That's why we've curated a team with relevant experience and first-hand knowledge of the challenges you face. Many of our advisors have worked in government finance offices for decades, cultivating the same experiences you currently face. This depth of understanding can lead to a comprehensive view of your challenges, potential cost reductions, and a quicker road to results.

## KEY CONTACTS

Key team members are briefly profiled below, with additional staff providing support as needed throughout the engagement.



### BONNIE SCHWIEGER, CPA

**Partner**  
*bonnie.schwieger@abdosolutions.com*  
**P** 952.715.3065



### ABBY SCHMIDT, CPA

**Manager**  
*abby.schmidt@abdosolutions.com*  
**P** 507.344.9282



### MICHELLE THISSEN, CPA

**Senior Associate**  
*michelle.thissen@abdosolutions.com*  
**P** 952.377.8062



### HOPE WINTERS

**Associate**  
*hope.winters@abdosolutions.com*  
**P** 507.304.6847



# 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 250-strong, talented staff, over 70 team members are 100% focused on government clients, including services for over 100 cities and various municipalities. By serving local municipalities across Minnesota and Iowa, we have become experts in the nuances of how to best support your city. 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 city.

## OUR QUALIFICATIONS

- GFOA, MnGFOA, ACMA, and GFOAz 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 15+ EDA's and HRA's
- Audit services for 35+ other governmental entities
- Audit or attestation services for 80+ Fire Relief Association's

# 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 city. We work together to ensure we have a clear understanding of the City'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 cities 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 City, 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 city. 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 city.

## PROCESS

While we will audit the financial statements of your city 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 city.



## 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 city, internal controls, processes and procedures. Our experience with cities 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 city 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 city. 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 City Council (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 city 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 City'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 City Council 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 Assistance Listings (ALN) 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 City to resolve the matter.

# 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 city 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. Through SuraLink, you'll be able to see what documents have been uploaded, what documents are still needed, and keep track of important audit workpapers securely and easily.

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.

# 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.

## OCTOBER

### 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 being on-site for one day.

## APRIL

### Year-end Audit & Fieldwork

We will have our team work on-site and remotely to conduct fieldwork using our outlined audit approach. We estimate being on-site for 1-2 days and working remotely 2-3 days.

## MAY-JUNE

### Reporting

We will provide drafted material and meet with key management in May, followed by a report presented to the Council in a June meeting.

## Hours

| Date/Segment   | Partner   | Manager   | Accounting Staff | Support Staff | Total      |
|--|-----------|-----------|------------------|---------------|------------|
| January<br><i>Preliminary Fieldwork</i>              | 4         | 8         | 16               | 1             | 29         |
| April<br><i>Fieldwork</i>                            | 8         | 32        | 80               | 1             | 121        |
| May<br><i>Report Prep/Review</i>                     | 4         | 8         | 12               | 5             | 29         |
| May<br><i>Exit Conference &amp; Draft Discussion</i> | 1         | 1         | -                | -             | 2          |
| June<br><i>Presentation at Council Meeting</i>       | 1         | 1         | -                | -             | 2          |
| <b>Total Hours</b>                                   | <b>18</b> | <b>50</b> | <b>108</b>       | <b>7</b>      | <b>183</b> |

# Value

Our fees are based upon the experience and level of the individuals to be assigned to perform the work ranging from \$190- \$510 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 encourage our clients to contact their Abdo team when questions arise, when advice or guidance is needed, or to provide updates on project work at any time, and we feel it's important to note that we don't charge for these routine discussions. We want to be a resource for you – without any concerns that our meter is running. Likewise, your Abdo team will proactively reach out periodically as well as keep the lines of communication open and consistent throughout the project. If significant additional time is necessary to perform the agreed upon services, we will be sure to discuss it with you so that we can determine a new fee estimate before additional costs are incurred.

In addition, we'll bill 25% upon signature of the engagement letter, 50% once fieldwork is complete, and the remainder upon completion of the work. If significant additional time is necessary to perform the agreed upon services, we will be sure to discuss it with you so that we can determine a new fee estimate before additional costs are incurred.

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

# 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 audit services. Additional references are available upon request.

|  |   |  |   |   |
|--|---|--|---|---|
| <p><b>CITY OF HUTCHINSON</b></p> <p><i>Andy Reid</i><br/>Finance Director<br/>P 320.234.4244</p> <p><b>Engagement Partner</b></p> <p><i>Andrew Berg</i></p> <p><b>Date of Audit</b></p> <p>2024</p> <p><b>Total Hours</b></p> <p>227</p> | <p><b>CITY OF MONTICELLO</b></p> <p><i>Sarah Rathlisberger</i><br/>Finance Director<br/>P 763.271.3201</p> <p><b>Engagement Partner</b></p> <p><i>Bonnie Schwieger</i></p> <p><b>Date of Audit</b></p> <p>2024</p> <p><b>Total Hours</b></p> <p>187</p> | <p><b>CITY OF ROCKFORD</b></p> <p><i>Viktoriya Montik</i><br/>Finance Director<br/>P 763.477.6565</p> <p><b>Engagement Partner</b></p> <p><i>Bonnie Schwieger</i></p> <p><b>Date of Audit</b></p> <p>2024</p> <p><b>Total Hours</b></p> <p>188</p> | <p><b>CITY OF LUVERNE</b></p> <p><i>Tyler Reisch</i><br/>Finance Director<br/>P 507.449.9918</p> <p><b>Engagement Partner</b></p> <p><i>Thomas Olinger</i></p> <p><b>Date of Audit</b></p> <p>2024</p> <p><b>Total Hours</b></p> <p>231</p> | <p><b>REDWOOD AREA SCHOOL, ISD 2897</b></p> <p><i>Tom Anderson</i><br/>Director of Finance &amp; Support Services<br/>P 507.644.8068</p> <p><b>Engagement Partner</b></p> <p><i>Thomas Olinger</i></p> <p><b>Date of Audit</b></p> <p>2024</p> <p><b>Total Hours</b></p> <p>159</p> |
|--|---|--|---|---|

"Their staff is always available to answer questions promptly. Payroll information is provided in a timely manner."

### CITY OF WATERTOWN

*Maggie Reisdorf | Former Administrative Services Director*

# 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](http://www.abdosolutions.com).

## **ACCOUNTING & FINANCIAL SERVICES OUTSOURCING**

With a staff of experienced professionals, we develop and implement creative solutions for cities of all shapes and sizes. We rely on a proven process to provide your city with the very best quality and value in financial management solutions.

Our outsourced accounting and financial services include:

- Monthly accounting
- Temporary accounting help
- CFO/Finance Director outsourcing

## **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 city 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 cities 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

# 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 over 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 200 professionals and over 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 aim to build a firm that provides opportunities for people that are as diverse as the clients we serve. We believe that when we understand each other better, we grow better together.

Over the past several years, we have increased our efforts to promote diversity, equity, and inclusion within our firm and community through training opportunities, guest speakers, and cultural awareness activities. 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.

Abdo is committed to advancing the interest in accounting careers for students of color at both the high school and college level. In 2022, the firm was chosen as one of just ten firms in the nation to host an ethnic minority accounting student as part of the AICPA's PCPS George Willie Ethnically Diverse Student Scholarship and Internship Program. The recipient of this scholarship remains with the firm today as a senior associate in our tax department.

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.



**59%**

*of our employees  
are female*



**56%**

*of our  
management level  
employees are  
female*



**18%**

*of our interns this  
year are 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

Abdo and its entire CPA staff hold licenses to practice in a variety of states across the country. All licenses are in good standing and each staff member maintains an annual cycle of continued professional education as required by CPA licensure. Our CPAs are all members in good standing with the Society of CPAs in the state in which they live and work. They are also members of the American Institute of Certified Public Accountants (AICPA) which helps our team stay up to date on regulations and industry standards. This commitment to continual improvement mirrors our Firm's core value of growth and development and ensures that the work we are proposing here is held to the highest standards in the industry.

## INDEPENDENCE

Our standards require that we be without bias with respect to your operations. Abdo (the Firm) is independent of City of Redwood Falls 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 2023 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.





# 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 City of Redwood Falls located in Redwood Falls, 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 "Bonnie Schwiager". The signature is written in a cursive, flowing style.

**Name:** Bonnie Schwiager, CPA

*Title:* Partner

*Firm:* Abdo

*Date:* August 27, 2025



# Appendix B

PEER REVIEW REPORT



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

November 6, 2023

To the Partners of  
Abdo, LLP  
and the Peer Review Committee of the Minnesota Society  
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Abdo, LLP (the firm) in effect for the year ended May 31, 2023. 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, LLP in effect for the year ended May 31, 2023, 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, LLP has received a peer review rating of *pass*.

*Brady Martz*

Brady Martz and Associates, P.C.  
Grand Forks, North Dakota



# Appendix C

PROFESSIONAL BIOS





# Bonnie Schwieger

## CPA

Partner

[bonnie.schwieger@abdosolutions.com](mailto:bonnie.schwieger@abdosolutions.com)

Direct Line 952.715.3065

Bonnie joined the Firm in 2012 after graduating from Minnesota State University, Mankato. Her work includes assisting in the audits of several local governments, charter schools, schools districts, utility commissions and housing authorities. She also conducts Single Audits for her clients. Bonnie has spoken at several professional events and conferences on a variety of governmental accounting topics, including Governmental Accounting Standard updates, audit preparation best practices and grant compliance. Within our firm, she is a member of the GASB standard implementation committee.

### EDUCATION

- Bachelor of Science in Accounting, Minnesota State University – Mankato
- Associate of Arts in Accounting, South Central College - Mankato
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

### PROFESSIONAL MEMBERSHIPS

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

### QUALIFICATIONS

- 13 years of experience auditing local governments and schools in Minnesota
- Several years of experience assisting cities with long term financial planning.
- Over 90 percent of billable time relates to governmental clients
- Certified in Microsoft Excel

ABDO  
CONTINUING PROFESSIONAL EDUCATION ATTENDANCE RECORD  
FOR DOMMIE SCHWIEGER

| Completion Date | Course Title   | Sponsor                       | Govt Audit  | Technical   | Non-Technical | Ethics   | Total CPE |
|-----------------|--|-------------------------------|-------------|-------------|---------------|----------|-----------|
| 01/17/2023      | CDS-MTW08 Work Strategically with B & C Clients  | Upstream Academy              |             |             | 1             |          | 1         |
| 01/26/2023      | ELA Virtual Conference Years 1 & 2 Session 3 2022-2023   | Upstream Academy              |             |             | 3             |          | 3         |
| 06/06/2023      | MNCPA Audits of School Districts Conference  | MNCPA                         | 4           | 1           | 2             | 1        | 8         |
| 06/27/2023      | ABDO 300 Abdo Management Practices: An Introduction  | Abdo                          |             |             | 1.5           |          | 1.5       |
| 06/29/2023      | 2023 Yellow Book Update  | Becker Professional Education | 2           |             |               |          | 2         |
| 06/29/2023      | Accounting for Revenues in Government (Emphasis on Non-Exchange Transactions)                  | Becker Professional Education | 3           |             |               |          | 3         |
| 06/30/2023      | GASB 94 - Public-Private and Public-Private Partnerships and Availability Payment Arrangements | Becker Professional Education | 2           |             |               |          | 2         |
| 08/02/2023      | GOV 100 GASB 96 Training: Part 1 - Audit Workpapers  | Abdo                          | 1           |             |               |          | 1         |
| 08/08/2023      | ABDO 100 - CX 1: Introduction to the Client Experience - Session 2 / Edina + Zoom              | Abdo                          |             |             | 1.5           |          | 1.5       |
| 08/17/2023      | ABDO 400 Abdo Management Practices: Compensation   | Abdo                          |             |             | 1             |          | 1         |
| 09/20/2023      | ABDO 400 Abdo Management Practices: Workforce Compliance                                       | Abdo                          |             |             | 1             |          | 1         |
| 09/20/2023      | ABDO 100 - CX 2: From the Client's Perspective - Session 1 / Mankato + Zoom                    | Abdo                          |             |             | 0.5           |          | 0.5       |
| 09/26/2023      | ABDO 400 - Path to Partner Retreat: Innovation and Strategic Thinking                          | Abdo                          |             |             | 4             |          | 4         |
| 11/07/2023      | ABDO 100 - CX 3: Business Development Discovery & Qualifying Process- Session 2 / Edina + Zoom | Abdo                          |             |             | 1.5           |          | 1.5       |
| 11/08/2023      | GASB Updates: How to Prepare Your Organization   | Abdo                          | 2           |             |               |          | 2         |
| 11/15/2023      | ACT 400 Client Experience: Client Relations  | Abdo                          |             |             | 4             |          | 4         |
| 12/07/2023      | ABDO 100 - CX 4: Let's Get Practical - Session 2 / Mankato + Zoom                              | Abdo                          |             |             | 1.5           |          | 1.5       |
| 12/20/2023      | ABDO 100 New AI Tools Workshop   | Abdo                          |             |             | 1             |          | 1         |
| 01/18/2024      | A&A 200 SAS 145 Training   | Abdo                          |             | 0.5         |               |          | 0.5       |
| 01/24/2024      | Abdo 300 Abdo Management Practices: Abdo Compass as a Management Tool                          | Abdo                          |             |             | 1             |          | 1         |
| 05/23/2024      | ABDO 300 Abdo Management Practices: A Manager's Guide to Mental Health in the Workplace        | Abdo                          |             |             | 1             |          | 1         |
| 06/06/2024      | ACT 500: Mastering Prospect Meetings and Navigating the Buying Cycle                           | Abdo                          |             |             | 3             |          | 3         |
| 06/18/2024      | Yellow Book Update 2024  | Becker Professional Education | 2           |             |               |          | 2         |
| 06/18/2024      | Revenue & Expenses: Proposed Changes for Governmental Entities                                 | Becker Professional Education | 1           |             |               |          | 1         |
| 06/18/2024      | Yellow Book and Single Audit Update 2024   | Becker Professional Education | 2.5         |             |               |          | 2.5       |
| 06/21/2024      | Mastering Audit Evidence Requirements Post-SAS 142 and SAS 144                                 | Becker Professional Education |             | 2           |               |          | 2         |
| 06/21/2024      | Auditing Update 2024   | Becker Professional Education |             | 4           |               |          | 4         |
| 06/26/2024      | Unlocking the Revisions to the Uniform Guidance and Single Audits                              | Becker Professional Education | 1.5         |             |               |          | 1.5       |
| 06/28/2024      | Single Audit Quality: Focus on Risk Assessment, Evaluating Results, and Reporting              | Becker Professional Education | 2.5         |             |               |          | 2.5       |
| 06/28/2024      | Single Audit Quality: Focus on Designing and Performing Test of Control and Compliance         | Becker Professional Education | 2           |             |               |          | 2         |
| 08/27/2024      | ABDO 200 - Excel for Auditors: Common Shortcuts, Formulas, and Functions                       | Abdo                          |             |             | 4             |          | 4         |
| 09/17/2024      | Path to Partner Retreat: The Leader as Coach - Learn and Practice Essential Coaching Skills    | Abdo                          |             |             | 3             |          | 3         |
| 10/29/2024      | On-site for Metro Firm Group: Annual Update for Accountants and Auditors                       | MNCPA                         |             | 4           |               |          | 4         |
| 11/14/2024      | ACT 500 - Leadership: Slowing Down to Speed Up   | Abdo                          |             |             | 3             |          | 3         |
| 11/20/2024      | ABDO 300 Abdo Management Practices: Minnesota's Pay Transparency                               | Abdo                          |             |             | 1             |          | 1         |
| 11/25/2024      | GOV 200 Government Audit Testing Sections - Beyond the Basics                                  | Abdo                          | 7           |             |               |          | 7         |
| 12/18/2024      | Path to Partner Refresh Session  | Abdo                          |             |             | 1.5           |          | 1.5       |
| 03/19/2025      | FIRM 300 Abdo Management Practices (AMP) - Managing your Team during High-Demand Times         | Abdo                          |             |             | 1             |          | 1         |
| <b>TOTAL</b>    |  |                               | <b>32.5</b> | <b>11.5</b> | <b>42</b>     | <b>1</b> | <b>87</b> |



# Abby Schmidt

## CPA

Manager

[abby.schmidt@abdosolutions.com](mailto:abby.schmidt@abdosolutions.com)

Direct Line 507.344.9282

Abby joined the firm in October 2018 after graduating from Minnesota State University, Mankato. Abby works with the firm's government department, auditing cities, school districts and charter schools, as well as housing and redevelopment authorities. She is experienced in new standard implementation, specifically GASB 87 (leases) and GASB 96 (subscription-based information technology arrangements).

### EDUCATION

- Bachelor of Science in Accounting, Minnesota State University, Minnesota
  - *Graduated Summa 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

### QUALIFICATIONS

- 6 years of experience auditing cities, school districts, and HRA's
- Over 90 percent of billable time relates to governmental clients
- Experienced in GASB 87 (Leases) and GASB 96 (Subscription-Based Information Technology Arrangements) implementation

**ABDO  
CONTINUING PROFESSIONAL EDUCATION ATTENDANCE RECORD  
FOR ABBY SCHWOT**

| Completion Date | Activity Title  | Sponsor                              | Govt Audit  | Technical | Non-Technical | Ethics   | Total CPE    |
|-----------------|---|--------------------------------------|-------------|-----------|---------------|----------|--------------|
| 01/12/2023      | GASB's Lease and SBITA Standards: Practical Implications and Adoption Challenges                      | AICPA                                | 2           |           |               |          | 2            |
| 03/16/2023      | Evaluating Findings and Reporting in a Single Audit   | AICPA                                | 2           |           |               |          | 2            |
| 06/05/2023      | MNCPA Audits of School Districts Conference   | MNCPA                                | 4           | 1         | 2             | 1        | 8            |
| 06/14/2023      | DFK Leadership Development Program, Pt. 1 - Becoming a World-Class Leader Through Your People         | The Growth Partnership               |             |           | 12.6          |          | 12.6         |
| 06/19/2023      | A&A 100 A&A Update Training Session   | Abdo                                 | 3           |           |               |          | 3            |
| 06/21/2023      | 2023 Yellow Book Update   | Becker Professional Education        | 2           |           |               |          | 2            |
| 06/21/2023      | Housing and Urban Development: An Auditing Introduction   | Becker Professional Education        | 3           |           |               |          | 3            |
| 06/22/2023      | Intermediate Governmental Accounting  | Becker Professional Education        | 2.5         |           |               |          | 2.5          |
| 07/13/2023      | ABDO 300 Abdo Management Practices: Recognition and Appreciation                                      | Abdo                                 |             |           | 1             |          | 1            |
| 08/02/2023      | GOV 100 GASB 96 Training Update   | Abdo                                 | 1           |           |               |          | 1            |
| 08/17/2023      | ABDO 400 Abdo Management Practices: Compensation  | Abdo                                 |             |           | 1             |          | 1            |
| 09/20/2023      | ABDO 400 Abdo Management Practices: Workforce Compliance  | Abdo                                 |             |           | 1             |          | 1            |
| 09/20/2023      | ABDO 100 - CX 2: From the Client's Perspective - Session 1 / Mankato + Zoom                           | Abdo                                 |             |           | 1.5           |          | 1.5          |
| 10/17/2023      | ABDO 400 Abdo Management Practices: Performance Feedback  | Abdo                                 |             |           | 1             |          | 1            |
| 10/23/2023      | MNCPA Audits of Local Governments Conference  | MNCA                                 | 4           |           | 1             |          | 5            |
| 11/02/2023      | ABDO 100 - CX 3: Business Development Discovery & Qualifying Process - Session 1 / Mankato + Zoom     | Abdo                                 |             |           | 1.5           |          | 1.5          |
| 11/02/2023      | Annual Governmental GAAP Update   | GFOA of the United States and Canada | 4           |           |               |          | 4            |
| 11/08/2023      | GASB Updates: How to Prepare Your Organization  | Abdo                                 | 2           |           |               |          | 2            |
| 11/15/2023      | ACT 300 Client Experience: Client Service   | Abdo                                 |             |           | 4             |          | 4            |
| 12/07/2023      | ABDO 100 - CX 4: Let's Get Practical - Session 2 / Mankato + Zoom                                     | Abdo                                 |             |           | 1.5           |          | 1.5          |
| 12/13/2023      | DFK Leadership Development Program, Pt. 2 - Behavioral Selling Skills, Referral Pipeline & Networking | The Growth Partnership               |             |           | 13.2          |          | 13.2         |
| 01/18/2024      | A&A 200 SAS 145 Training  | Abdo                                 |             | 1         |               |          | 1            |
| 01/24/2024      | Abdo 300 Abdo Management Practices: Abdo Compass as a Management Tool                                 | Abdo                                 |             |           | 1             |          | 1            |
| 03/20/2024      | Abdo 300 Abdo Management Practices: Managing a Hybrid Workforce                                       | Abdo                                 |             |           | 1             |          | 1            |
| 05/16/2024      | Current Issues in Business Ethics - 2024  | Froehling Anderson                   |             |           |               | 4        | 4            |
| 05/23/2024      | ABDO 300 Abdo Management Practices: A Manager's Guide to Mental Health in the Workplace               | Abdo                                 |             |           | 1             |          | 1            |
| 06/03/2024      | MNCPA Audits of School Districts Conference   | MNCPA                                | 3.5         | 2         | 1             | 1        | 7.5          |
| 06/05/2024      | ACT 300: Building a Robust Referral Network   | Abdo                                 |             |           | 3             |          | 3            |
| 07/18/2024      | ABDO 300 Abdo Management Practices: How We Hire the Best at Abdo                                      | Abdo                                 |             |           | 1             |          | 1            |
| 09/18/2024      | ABDO 300: Abdo Management Practices: Pricing and Billing at Abdo                                      | Abdo                                 |             |           | 1             |          | 1            |
| 10/21/2024      | MNCPA Audits of Local Governments Conference  | MNCPA                                | 6.5         |           |               | 1        | 7.5          |
| 10/29/2024      | On-site for Metro Firm Group: Annual Update for Accountants and Auditors                              | MNCPA                                | 4           |           |               |          | 4            |
| 11/05/2024      | Audit 200: Reimagining Risk Assessment - AICPA CPEA   | Abdo                                 |             | 4         |               |          | 4            |
| 11/13/2024      | ACT 300: Leadership: Navigating the Unknown   | Abdo                                 |             |           | 3             |          | 3            |
| 11/20/2024      | ABDO 300: Abdo Management Practices: Minnesota's Pay Transparency                                     | Abdo                                 |             |           | 1             |          | 1            |
| 11/25/2024      | GOV 200 Government Audit: Testing Sections - Beyond the Basics  | Abdo                                 | 7           |           |               |          | 7            |
| 12/11/2024      | Client Experience: The Abdo Difference  | Abdo                                 |             |           | 2             |          | 2            |
| 03/19/2025      | FIRM 300 Abdo Management Practices (AMP) - Managing your Team during High-Demand Times                | Abdo                                 |             |           | 1             |          | 1            |
|                 |   | <b>TOTAL</b>                         | <b>50.5</b> | <b>8</b>  | <b>57.3</b>   | <b>7</b> | <b>122.8</b> |



# Michelle Thissen

## CPA

Senior Associate

[michelle.thissen@abdosolutions.com](mailto:michelle.thissen@abdosolutions.com)

Direct Line 952.377.8062

Michelle joined the Firm after having worked for three years in government audit for a mid-size firm in Willmar, Minnesota. Prior to working in public accounting, Michelle worked in accounting for an agricultural company and had completed an internship in the tax department of a smaller public accounting firm.

### EDUCATION

- Bachelor of Accountancy, Bemidji State University
  - *Graduated Summa Cum Laude*
- Masters in Business Administration, Bemidji State University
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

### PROFESSIONAL MEMBERSHIPS

- Minnesota Society of Certified Public Accountants

### AFFILIATIONS

- Women in Business & Network, Willmar, Minnesota

### QUALIFICATIONS

- 3 years of experience auditing cities, school districts, and charter schools in Minnesota
- Over 90 percent of billable time relates to governmental clients
- Works extensively with Microsoft Office and several accounting software

**ABDO  
CONTINUING PROFESSIONAL EDUCATION ATTENDANCE RECORD  
FOR MICHELLE THISSEN**

| Completion Date | Activity Title   | Sponsor                       | Gov't Audit | Technical | Non-Technical | Ethics   | Total CPE |
|-----------------|--|-------------------------------|-------------|-----------|---------------|----------|-----------|
| 10/21/2024      | MNCPA Audits of Local Governments  | MNCPA                         |             | 7         |               | 1        | 8         |
| 11/25/2024      | GOV 200 Government Audit Testing Sections - Beyond the Basics                          | Abdo                          | 5           |           |               |          | 5         |
| 03/16/2025      | Single Audit Quality: Focus on Designing and Performing Test of Control and Compliance | Becker Professional Education | 2           |           |               |          |           |
| <b>TOTAL</b>    |  |                               | <b>7</b>    | <b>7</b>  | <b>0</b>      | <b>1</b> | <b>15</b> |



# Hope Winters

Associate

hope.winters@abdosolutions.com

Direct Line 507.304.6847

Hope joined the Firm as an Intern in the Firm's government department. Upon completion of her internship, Hope joined the Firm full-time as an Associate. She has over a year of experience auditing cities, school districts and charter schools in Minnesota.

## EDUCATION

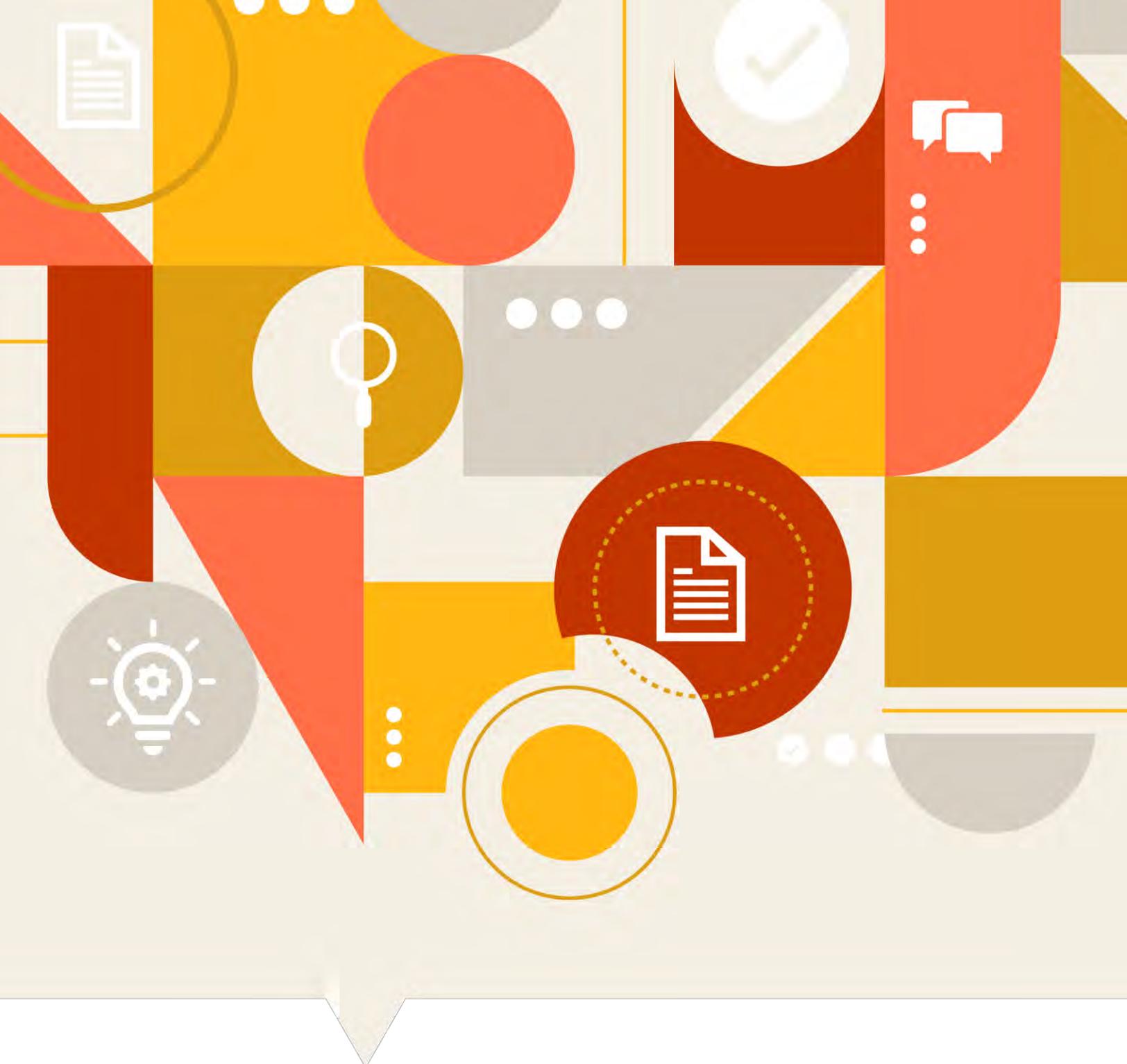
- Bachelor of Science in Accounting, Winona State University
  - *Dean's List*
- Master of Professional Accounting, Winona State University
- Continuing professional education as required by the AICPA and U.S. Government Accountability Office

## QUALIFICATIONS

- Over 1 year of experience auditing cities, school districts, and charter schools in Minnesota
- Over 90 percent of billable time relates to governmental clients

**ABDO  
CONTINUING PROFESSIONAL EDUCATION ATTENDANCE RECORD  
FOR HOPE WINTERS**

| Completion Date | Activity Title   | Sponsor                       | Gov't Audit | Technical | Non-Technical | Ethics   | Total CPE   |
|-----------------|--|-------------------------------|-------------|-----------|---------------|----------|-------------|
| 06/03/2024      | Fraud and Abuse in Nonprofit and Government Environments                               | Becker Professional Education | 2           |           |               |          | 2           |
| 06/04/2024      | ACT 100 - Manage Your Image; Crafting Lasting First Impressions                        | Abdo                          |             |           | 1.5           |          | 1.5         |
| 06/06/2024      | Ethical and Independence Considerations in Yellow Book Engagements                     | Becker Professional Education |             |           |               | 2        | 2           |
| 06/08/2024      | Yellow Book Update 2024  | Becker Professional Education | 2           |           |               |          | 2           |
| 06/09/2024      | FASAB: Federal Accounting and Reporting Annual Update 2023                             | Becker Professional Education |             | 2         |               |          | 2           |
| 06/13/2024      | GASB Statement 87: Leases  | Becker Professional Education | 2           |           |               |          | 2           |
| 06/13/2024      | Annual GASB Update 2023  | Becker Professional Education | 2           |           |               |          | 2           |
| 06/18/2024      | GASB 96 - Subscription-Based Information Technology Arrangements (SBITAs)              | Becker Professional Education | 1           |           |               |          | 1           |
| 06/18/2024      | GASB Other Postemployment Benefits (OPEB)  | Becker Professional Education | 2           |           |               |          | 2           |
| 06/20/2024      | Introduction to Government/Fund Accounting   | Becker Professional Education | 4           |           |               |          | 4           |
| 09/26/2024      | ABDO 100 Leading with an Inclusive Lens  | Abdo                          |             |           | 1             |          | 1           |
| 11/05/2024      | Audit 200: Reimagining Risk Assessment - AICPA CPEA                                    | Abdo                          |             | 4         |               |          | 4           |
| 11/12/2024      | ACT 100 - Leadership: Taking Ownership in Your Role                                    | Abdo                          |             |           | 1.5           |          | 1.5         |
| 11/25/2024      | GOV 200 Government Audit Testing Sections - Beyond the Basics                          | Abdo                          | 5           |           |               |          | 5           |
| 12/11/2024      | Client Experience: The Abdo Difference   | Abdo                          |             |           | 1.5           |          | 1.5         |
| 12/19/2024      | Accountants' Responsibility Regarding Fraud, Part 1                                    | Becker Professional Education |             | 2         |               |          | 2           |
| 12/19/2024      | Accountants' Responsibility Regarding Fraud, Part 2                                    | Becker Professional Education |             | 2         |               |          | 2           |
| 02/25/2025      | Single Audit Quality: Focus on Designing and Performing Test of Control and Compliance | Becker Professional Education | 2           |           |               |          |             |
| <b>TOTAL</b>    |  |                               | <b>22</b>   | <b>10</b> | <b>5.5</b>    | <b>2</b> | <b>39.5</b> |



Bonnie Schwieger, CPA  
Partner | Abdo  
[bonnie.schwieger@abdosolutions.com](mailto:bonnie.schwieger@abdosolutions.com)  
P 952.715.3065

August 27, 2025

Dollar Cost Bid for

# City of Redwood Falls

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

# Schedule of Professional Fees and Expenses for the Audits of the 2024 – 2026 Financial Statements City of Redwood Falls

| 2025 FINANCIAL STATEMENT AUDIT AND SINGLE AUDIT |       |                         |                         |           |
|---|-------|-------------------------|-------------------------|-----------|
|   | Hours | Standard<br>Hourly Rate | Proposed<br>Hourly Rate | Total     |
| Partners  | 14    | \$510                   | \$383                   | \$ 6,894  |
| Manager/Supervisor                              | 42    | 310                     | 248                     | 12,400    |
| Accounting Staff                                | 96    | 255                     | 204                     | 22,032    |
| Other (Administration)                          | 2     | 110                     | 110                     | 770       |
| Out-of-Pocket Expenses                          |       |                         |                         | -         |
| Rounding  |       |                         |                         | 18        |
| <i>Subtotal – City Audit</i>                    | 154   |                         |                         | \$ 35,600 |
| Annual Financial Report Preparation             | -     | -                       | -                       | \$ 6,500  |
| Single Audit (Per Program)                      |       |                         |                         | \$ 5,500  |
|   |       |                         |                         |           |

| DETAIL OF ALL-INCLUSIVE AUDIT COSTS |  |                                    |  |
|-------------------------------------|--|------------------------------------|--|
|                                     | Audit of Annual<br>Financial Report<br>(Max Price) | Annual<br>Financial<br>Report Prep | Single Audit<br>Cost (Per<br>Program) If<br>Required |
| 2025                                | \$35,600   | \$6,500                            | \$5,500  |
| 2026                                | 37,250   | 6,800                              | 5,750  |
| 2027                                | 39,000   | 7,150                              | 6,000  |
| 2028                                | 40,950   | 7,500                              | 6,250  |
| 2029                                | 43,000   | 7,900                              | 6,500  |
| <b>TOTAL</b>                        | \$ 195,800   | \$ 35,850                          | \$ 30,000  |



Kari Klages  
 Finance Director  
 City of Redwood Falls  
 Phone: 507-616-7400  
 Fax: 507-637-2417  
 kklages@ci.redwood-falls.mn.us

## AGENDA RECOMMENDATION

**Meeting Date:** September 16, 2025

**Agenda Item:** Resolution Nos. 56 & 57 – Resolutions Setting Preliminary Tax Levy and Budget

**Recommendation/Action Requested:** Read the proposed Resolutions or make a motion to waive the reading of the Resolutions. Discuss the proposed Resolutions. If no concerns, adopt proposed Resolutions by motion in accordance with Chapter 4 of the City Charter. Each Resolution needs its own motion.

**Summary/Overview:** State law requires local units of government to adopt the preliminary levy and budget and to certify the proposed tax levy to the County Auditor by September 30<sup>th</sup> of each year. Cities must also provide the county auditor with the date, place, and time of the regularly scheduled meeting at which a final budget and levy will be determined. The preliminary levy can be lowered when setting the final levy, but it cannot be increased.

The proposed budget includes a tax levy increase of 7.6%. Based on preliminary tax capacity calculations provided by the County Assessor, the City's tax capacity has increased 3.95% resulting in an estimated increase in the City's overall tax rate of 2.9%. The attached document provides additional budget highlights for the proposed 2026 budget.

Staff will continue to fine tune the budget over the next few months. The proposed final levy and budget will be reviewed by the budget committee and a recommendation will be presented to the City Council. The date when the final levy and budget will be discussed and approved and at which the public will be allowed to speak will be set for December 16, 2025, at 6:00 p.m. in the City Council Chambers.

**Attachments:** 2026 Budget Highlights  
 2026 Tax Levy Analysis  
 Resolution No. 56 of 2025  
 Resolution No. 57 of 2025

## **2026 PRELIMINARY BUDGET HIGHLIGHTS**

### **Overall Levy Increase: \$286,585 or 7.6%**

- Based on preliminary numbers from the county assessor, the City's net tax capacity will see an increase of 3.95% 2026.
- The 7.6% increase in the City's tax **levy** would result in a projected increase of 2.9% in the City's tax **rate**. (Levy / Net Tax Capacity = Tax Rate)
  - Actual 2025 Tax Rate: 81.468%
  - Projected 2026 Tax Rate: 84.326%

### **Wages & Benefits:**

- Wage increase of 3% plus applicable step increases and 5.4% increase in health insurance premiums.
- Total Increase: \$449,394.90 (5.45%)
  - Levy Portion: \$400,090.15 (7.98%) Increase in wages and benefits.
    - Includes General Fund, Library, Port Authority
  - Non-Levy Portion: \$49,304.75 (1.52%) Increase in wages and benefits.
    - Includes Airport, Utilities, Liquor, Central Garage
- These numbers include approximately \$27,000 in expenses related to the new Minnesota Paid Family Leave program.

### **Local Government Aid**

- The City's certified LGA amount for 2026 is \$2,049,864, an increase of \$5,848.

### **Debt**

- There are no new debt service payments that affect the levy in 2026.
- It is anticipated we will need to issue bonds for the Redwood Area Community Center roof replacement and pool resurfacing projects in 2026. The first levy will occur in 2027 and is estimated to result in annual debt service payments between \$100,000 and \$120,000.
- Abatements
  - The levy includes the same three abatements as last year:
    - Garnette Gardens (2026 is the final year for this abatement)
    - Redwood Property Holdings (old hospital) (Abatement goes through 2040)
    - Snug as a Bug Childcare (Abatement goes through 2039)

### **Other Items to Note in 2026 Budget**

- The budget includes \$1.25 per hour increase for all firefighters, a salary increase of \$50 per month for the Fire Chief and \$25 per month for other all elected and appointed fire positions.
- The budget includes an additional \$10,000 allocated to Emerald Ash Borer (EAB) response. This expense is partially offset by an anticipated \$3,000 contribution to support the City's efforts.
- To better manage rising costs and annual budget fluctuations, the sealcoating schedule has been adjusted from five sections to six more evenly distributed sections.
- As in prior years, the budget contains a \$25,000 reserve / contingency.
- The budget committee met on 9/2/2025 and reviewed the preliminary budget and several funding requests. The budget committee made the following recommendations that were incorporated into the 2026 budget:
  - Redwood Area Animal Shelter: Last fall the Redwood Area Animal Shelter requested an increase in funding from the City. Since the budget had already been approved, it was agreed to review the request

during the 2026 budget process. Currently, the City contributes \$30,000 annually to the shelter, which receives approximately 25 dogs from the City each year, equating to a cost of about \$1,200 per dog. In comparison, Redwood County Sheriff's Department recently approved an agreement with the shelter at a rate of \$300 per dog. Based on the information provided, the budget committee determined the City's contribution was disproportionately high. To ensure fiscal responsibility, the budget committee recommends a 20% reduction in funding, resulting in a revised annual contribution of \$24,000.

- Redwood County Fair: Staff received a letter requesting an increase in the annual donation to the Redwood County Fair. The City currently donates \$5,000 to the fair. The request was to increase that donation to \$10,000. The Redwood County Board recently approved an increase of \$5,000 contingent on the City of Redwood Falls also approving a \$5,000 increase. The budget committee praised the importance and success of the Redwood County Fair, but determined that in a year of budget cuts, they could not approve an increase in funding at this time.
- Discover Downtown: The City previously gave approval to Discover Downtown to create a "pocket park" in the empty lot owned by the Port Authority on Second Street. Discover Downtown has applied for the Main Street / T-Mobile grant twice and has not been selected. They continue to fundraise and apply for grants. The request was for the City to install a sidewalk connecting Second Street to the alley while Discover Downtown continues to seek funding for benches and landscaping. The cost estimate for the sidewalk construction is \$12,000. Considering previously denied requests; the budget committee concluded that they could not support this request at this time.

**CITY OF REDWOOD FALLS  
ANALYSIS OF TAX LEVY**

| Purpose  | 2025<br>Final Levy | 2026<br>Prelim Levy | Increase/<br>(Decrease) | % Change |
|--|--------------------|---------------------|-------------------------|----------|
| <b>General Operations</b>                      |                    |                     |                         |          |
| *General Fund                                  | \$2,857,941        | \$3,082,762         | \$224,821               | 6.0%     |
| *Library Fund                                  | \$503,219          | \$539,130           | \$35,911                | 1.0%     |
| <b>Other Levies:</b>                           |                    |                     |                         |          |
| * Port Authority                               | \$89,232           | \$91,628            | \$2,396                 | 0.1%     |
| <b>Subtotal - General Levy</b>                 | <b>\$3,450,392</b> | <b>\$3,713,520</b>  | <b>\$263,128</b>        |          |
| <b>Debt Service:</b>                           |                    |                     |                         |          |
| 2014A GO Refunding Bonds                       | \$0                | \$0                 | \$0                     | 0.0%     |
| 2021A Fire Equipment Bonds                     | \$145,184          | \$143,819           | (\$1,365)               | 0.0%     |
| 2022A Drew Street                              | \$149,625          | \$146,685           | (\$2,940)               | -0.1%    |
| <b>Abatements:</b>                             |                    |                     |                         |          |
| Garnette Gardens Tax Abatement                 | \$4,256            | \$6,000             | \$1,744                 | 0.0%     |
| Redwood Valley 4th Addition Tax Abatement      | \$0                | \$0                 | \$0                     | 0.0%     |
| Ponderosa Business Park                        | \$0                | \$0                 | \$0                     | 0.0%     |
| Redwood Property Holdings Abatement            | \$13,982           | \$40,000            | \$26,018                | 0.7%     |
| Snug as a Bug Childcare Abatement              | \$8,196            | \$8,196             | \$0                     | 0.0%     |
| <b>Subtotal - Debt / Abatement Levies</b>      | <b>\$321,243</b>   | <b>\$344,700</b>    | <b>\$23,457</b>         |          |
| <b>TOTAL LEVIES</b>                            | <b>\$3,771,635</b> | <b>\$4,058,220</b>  | <b>\$286,585</b>        |          |
| * Included in Operating Levy on Tax Statements |                    |                     |                         |          |
| <b>TAX LEVY SUMMARY</b>                        |                    |                     |                         |          |
| Operating Levy                                 | \$3,361,160        | \$3,621,893         | \$260,733               | 6.9%     |
| Debt Service                                   | \$294,809          | \$290,504           | (\$4,305)               | -0.1%    |
| Abatements                                     | \$26,434           | \$54,196            | \$27,762                | 0.7%     |
| Port Authority                                 | \$89,232           | \$91,628            | \$2,396                 | 0.1%     |
| <b>Total</b>                                   | <b>\$3,771,635</b> | <b>\$4,058,220</b>  | <b>\$286,585</b>        |          |
| <b>Incr (Decr) over prior year</b>             | <b>\$229,085</b>   | <b>\$286,585</b>    |                         |          |
| <b>Percentage Incr (Decr) - Total</b>          | <b>7.0%</b>        | <b>7.60%</b>        |                         |          |

**RESOLUTION NO. 56 OF 2025**  
**RESOLUTION SETTING PROPOSED CERTIFIED LEVY**  
**AD VALOREM TAXES FOR THE YEAR 2026**

BE IT RESOLVED, by the City of Redwood Falls, Minnesota as follows:

That the following represents the proposed certified levy for Ad Valorem taxes for the year 2026 for the following purposes as shown:

|   |                                       |
|---|---------------------------------------|
| <b>General Tax Levy</b>                   |                                       |
| General                                   | \$ 3,082,762                          |
| Library                                   | \$ 539,130                            |
| Port Authority                            | \$ 91,628                             |
| <b>Subtotal General Levy</b>              | <b><u>\$ 3,713,520</u></b>            |
| <b>Debt Service:</b>                      |                                       |
| 2021A Fire Equipment Bonds                | \$ 143,819                            |
| 2022A Drew Street Bonds                   | \$ 146,685                            |
| <b>Abatements:</b>                        |                                       |
| Garnette Gardens Tax Abatements           | \$ 6,000                              |
| Redwood Property Holdings Tax Abatement   | \$ 40,000                             |
| Snug as a Bug Childcare Abatement         | \$ 8,196                              |
| <b>Subtotal Debt Service / Abatements</b> | <b><u>\$ 344,700</u></b>              |
| <br><b>TOTAL PROPOSED 2025 TAX LEVY</b>   | <br><b><u><u>\$ 4,058,220</u></u></b> |

And that the date when the final levy and budget will be discussed and approved and at which the public will be allowed to speak be set for December 16, 2025 at 6:00 p.m. in the Municipal Building City Council Chambers.

PASSED AND ADOPTED by the City Council of the City of Redwood Falls this 16th day of September 2025.

ATTEST:

\_\_\_\_\_  
Keith T. Muetzel

City Administrator

\_\_\_\_\_  
Tom Quackenbush

Mayor

(City Seal)

## RESOLUTION NO. 57 OF 2025

### RESOLUTION APPROVING 2026 PRELIMINARY BUDGETS

BE IT RESOLVED, by the City of Redwood Falls, Minnesota as follows:

That the 2026 Preliminary Budgets as shown below are approved.

|                                 | <u>Revenues</u>      | <u>Expenditures</u>  |
|---------------------------------|----------------------|----------------------|
| General Fund                    | \$ 8,116,457         | \$ 8,116,457         |
| Library                         | \$ 604,075           | \$ 604,075           |
| Airport                         | \$ 386,812           | \$ 370,291           |
| Park Development                | \$ 250               | \$ -                 |
| Fire Equipment                  | \$ 212,176           | \$ 138,020           |
| Port Authority                  | \$ 145,628           | \$ 109,499           |
| Revolving Loan                  | \$ 8,500             | \$ 3,550             |
| Downtown Loan Program           | \$ 2,750             | \$ 10                |
| Community Development           | \$ 94,936            | \$ 70,871            |
| TIF#10-1 Runnings Redevelopment | \$ 64,891            | \$ 16,132            |
| G.O. Drew Street Bonds 2022     | \$ 146,685           | \$ 146,100           |
| G.O. PIR Fund Bonds             | \$ 20,000            | \$ 28,163            |
| Airport Capital Improvements    | \$ 393,952           | \$ 404,053           |
| Capital Projects                | \$ 3,018,280         | \$ 3,023,390         |
| Water Utility                   | \$ 2,132,104         | \$ 2,164,267         |
| Sanitary Sewer Utility          | \$ 1,459,485         | \$ 1,826,328         |
| Storm Sewer Utility             | \$ 447,218           | \$ 469,712           |
| Electric Utility                | \$ 8,038,773         | \$ 9,914,002         |
| Liquor                          | \$ 2,828,000         | \$ 2,883,224         |
| Central Garage                  | \$ 949,409           | \$ 1,193,015         |
| Self Insurance                  | \$ 1,615,876         | \$ 1,609,375         |
|                                 | <u>\$ 30,686,256</u> | <u>\$ 33,090,535</u> |

PASSED AND ADOPTED by the City Council of the City of Redwood Falls this 16th day of September 2025.

ATTEST:

---

Keith T. Muetzel  
City Administrator

---

Tom Quackenbush  
Mayor

(City Seal)

**Date: September 16, 2025**

**Agenda Item:** Approval of 2026 Pay Plans for Non-union Employees including Part-time, Seasonal, and Independent Contractors – Resolution No. 58 of 2025.

**Recommendation/Action Requested:** Read the proposed Resolution or make a motion to waive the reading of the Resolution. Discuss the proposed Resolution. If there are no concerns, the Resolution needs to be approved by motion in accordance with Chapter 4 of the City Charter, approving the follow items:

1. Approve Non-Union “2026 Pay Plan” for all Part-time, Seasonal, and Independent Contractors.

**Summary/Overview:**

1. **2026 Pay Plans for all Part-time and all other than regular full-time employees (excluding Election Judges).**

It has been recommended to adjust these employees’ base pay by \$.50 per hour for 2026. We feel these changes will keep wages competitive for employees working many nights, weekends, part-time and seasonal positions.

2. **P&R Seasonal Employees Pay Plan for 2026:**

It has been recommended that Seasonal Staff that return will receive a \$.25 an hour increase as returning staff (from 2025) plus a base pay increase of \$.25 per hour for 2026. This pay increase is to keep pay competitive for our seasonal staff who fill a variety of positions and work nights and weekends during our peak seasons at the Pool and RACC.

3. **Part-time Liquor Store Clerk for 2026.**

It has been recommended for 2026 to adjust the minimum of the pay scale by \$.25 per hour and the (max) pay for this pay scale by \$.50 per hour for 2026. For Liquor Store employees their increase from the step pay plan takes place on their anniversary date. We feel this change to the minimum pay and max pay will help us to compete with other part-time positions in the area that work mainly at night and weekend hours.

4. **Part-time Fire Department changes for 2026** – It has been recommended to adjust the hourly wage for firefighters by a \$1.25/hour going from \$10.25/hr. to \$11.50/hr. Also, adding a \$25.00/month increase for any elected fire department positions and a \$50.00/month increase to the Fire Chief position. These changes should help with the variety of hours needed by these employees.

**Attachments:** 2026 City Part-Time Employee Pay Plan  
2026 Parks & Recreation Pay Plan  
Resolution No. 58 of 2025

**CITY OF REDWOOD FALLS 2026 PAY PLAN**

**01/01/2026**

Full-time regular employees shall be compensated in accordance with the appropriate pay scale for their position classification. Initial placement within the respective range and advancement within the range shall be at the discretion of the City. The City reserves the right to re-examine and modify the ranges accordingly. Advancement within the pay range is not automatic and the City reserves the right to withhold, delay, or advance the pay scale movement for an employee.

**Part-Time Regular:** (Regular employees working less than 30 hours per week.)

\*Minimum wage is currently \$11.41/hour as of 1/1/2026.

Federal minimum wage for the Fire Fighters is \$7.25/hr.

City Firefighter pay is \$11.50/hr. for 2026.

**\*Salary Increases: 2026** Part-time regular employees (other than Election, Liquor Store and Fire Department employees) will be eligible for a \$.50 base pay increase on January 1st of 2026. New Hire part-time regular employees other than Liquor or Fire department employees will also be eligible for a \$.25 increase after a 6-month probationary period with a successful evaluation. Evaluations will be done on all part-time regular employees at the end of their 6-month probationary period.

For 2026 part-time Fire Department employees will receive \$1.25/hr. base pay increase and any Fire department elected official position will receive a \$25.00/month increase. The Fire Chief will receive a \$50.00/month increase. Part-time Liquor Store employee's wage scale will be increase by \$.25 at the starting wage and by \$.50 cents at the (max) pay.

| <b>POSITION</b>                             | <b>2026</b>  |
|---|--|
| Library Clerk                               | \$15.25 - \$18.50  |
| Liquor Store Clerk (See page 2 for details) | \$15.25 - \$21.50  |
| After Hours Building Custodian              | \$20.00 - \$30.00  |
| <b>POSITION</b>                             | <b>2026</b>  |
| Firefighters                                | \$11.50/hour   |
| Fire Chief                                  | \$4,800/year   |
| Assistant Fire Chief                        | \$3,000/year   |
| 2 <sup>nd</sup> Assistant Fire Chief        | \$1,500/year   |
| Training Officer                            | \$1,500/year   |
| Secretary                                   | \$1,500/year   |
| Mechanics                                   | \$1,050/year   |
| Treasurer                                   | \$1,080/year   |
| Community Service Officer (CSO)             | \$16.25 - \$20.50/hr.  |
| <b>POSITION</b>                             | <b>2026</b>  |
| Election Judges/Training Rate               | \$14.00  |
| Registrations/HCFMV Judges                  | \$15.00  |
| Head Judges                                 | \$17.00  |
| Seasonal Street Maintenance Workers         | \$16.75 - \$21.00 Yearly<br>Increase: \$.50/hr. over<br>previous year starting rate. |

\*Temporary/Seasonal: Employees may be either full-time or part-time but work only during peak demand periods of the year or for a specific project and should not exceed six continuous months of employment.

Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.

# 2026

| Liquor Store Clerk Pay Plan |               |
|-----------------------------|---------------|
| Months/Years of Service     | Hourly Rate   |
| Starting Wage               | \$15.25       |
| 6 Months                    | \$15.50       |
| 1 Year                      | \$16.00       |
| 2 Years                     | \$17.00       |
| 3 Years                     | \$18.00       |
| 4 Years                     | \$19.00       |
| 5 Years                     | \$20.00       |
| 6 Years                     | \$21.50 (Max) |
|                             |               |

Part-time Liquor Store employees receive their salary increases on their Anniversary date based on years of service.



## 2026 PAY PLAN

*Updated: 9/4/2025*

### EMPLOYEES OTHER THAN REGULAR, FULL-TIME STATUS

**Part-time Regular** (Regular employees working less than 40 hours per week.)

Part-time regular wages (employees) will be eligible for a \$.25 base pay increase and a \$.25 Cola increase for 2026. Part-time regular employees will also be eligible for a \$.25 increase after a 6-month probationary period with a successful evaluation. Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.

| POSITION                                 | 2026            |
|--|-----------------|
| Community Center CSR/Building Supervisor | \$15.50-\$20.50 |
| Community Center Building Maintenance    | \$16.00-\$21.00 |
| Personal Fitness Trainer                 | \$20.00-\$30.00 |

| Fitness Instructors  | Flat Rate Per Class<br>(2026)                      |
|--|--|
| Fitness Instructor* Silver Sneakers<br><i>*Independent contractor – flat fee per class</i> | \$18.00/Class                                      |
| Group Fitness Instructor   | <u>Starting Pay – Max Pay</u><br>\$16.00 - \$20.00 |
| Group Fitness Contracted Instructor – % Split of Program Fee                               | 80% Contractor<br>20% Parks & Rec Dept             |

**Temporary/Seasonal** (Temporary employees may be either full-time or part-time but work only during peak demand periods of the year or for a specific project and should not exceed 6 continuous months of employment.) Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.

| POSITION                                | HOURLY RATE RANGE OR STEPS                           |                   |
|---|--|-------------------|
| Parks & Recreation Maintenance Workers  | <b>2026</b>  | \$16.75 - \$21.00 |
|   | <i>Yearly Increase: \$.50/hr. over starting wage</i> |                   |
| Parks Ranger                            | <b>2026</b>  | \$16.75 - \$21.00 |
| Parks & Recreation Landscape Technician | <b>2026</b>  | \$16.75 - \$21.00 |

## Redwood Falls Parks & Recreation Department-Rec Program

**Temporary/Seasonal** (Temporary employees may be either full-time or part-time but work only during peak demand periods of the year or for a specific project and should not exceed 6 continuous months of employment.) Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.

| Position Level  | Pay Range/Hour 2026  |
|---|--|
| Program Leader<br><i>Figure Skating Instructors</i><br><br>Camp Instructors-<br>Independent<br>Contractors<br>(H.S. Sports Coaches) | \$15.25 - \$20.00<br>\$25.00/private lessons<br>\$25.00/group lessons<br><br><i>The Rec Dept. retains<br/>                     \$4.50/participants. Camp Instructor<br/>                     gets remaining amount of participation<br/>                     fees.</i> |
| Program Assistant/Staff<br>Person (Rink Attendants)<br>Soccer Coach-<br>Independent Contractor                                      | \$13.75 - \$18.00<br><br>\$300/season coached  |
| Soccer Referee  | \$32/hour  |

City Employees will receive a \$.25 per hour increase as returning staff (from 2025) plus a base pay increase of \$.25. Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.

| League Officials – Independent Contractors | Pay Range/Game or Match<br>2026 |
|--|---------------------------------|
| Softball Umpire                            | \$32.00/Game                    |
| Basketball Official                        | \$35.00-\$40.00/Game            |
| Volleyball Official                        | \$33.00/Match                   |

## Redwood Falls Aquatic Center

**Seasonal** (Seasonal employees may be either full-time or part-time but work only during peak demand periods of the year or for a specific project and should not exceed 6 continuous months of employment.) Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.

|  |      | <b>Starting Pay</b>  | <b>Max Pay</b> |
|--|------|--|----------------|
| Manager                                | 2026 | \$17.25/hr (or adjusted according to qualifications and experience)  | \$21.00/hr     |
| Assistant Manager (s)                  | 2026 | \$16.25/hr (or adjusted according to qualifications and experience)  | \$21.00/hr     |
| Water Safety Instructor                | 2026 | \$15.25/hr (or adjusted according to qualifications and experience). | \$20.00/hr     |
| Lifeguard/Maintenance/Lap Swim/WSI Aid | 2026 | \$14.50/hr (or adjusted according to qualifications and experience)  | \$17.50/hr     |
| Customer Service                       | 2026 | \$13.75/hr (or adjusted according to qualifications and experience)  | \$17.50/hr     |

|  | <b>Starting Pay</b>   |
|--|---|
| Lifeguard Instructor<br>CPR/First Aid Instructor | Contracted Employee: pending registration amount- % basis<br>Dependent on class taught. |

|  |
|--|
| <p>Note: If a staff member is hired as both a Lifeguard and Water Safety Instructor, he/she will receive the same pay rate for both jobs (he/she will be paid the higher wage of the two).</p>   |
| <p>Staff will receive a \$.25 per hour increase as returning staff (from 2025) plus a base pay increase of \$.25. Management wages will be adjusted based on experience and needs. Returning staff that were not in management roles in 2025 should start at the designated starting pay set for 2026. Employee hourly pay will not be allowed to exceed the range maximums unless approved by the City Administrator.</p> |

**RESOLUTION NO. 58 OF 2025**

**A RESOLUTION SETTING AND ADOPTING THE  
2026 PAY PLANS AND PAY STEP STRUCTURE FOR PART-TIME & SEASONAL NON-  
UNION EMPLOYEES**

**WHEREAS**, per Section 5.1 of the City Personnel Policy, the policy of the City of Redwood Falls is to maintain a wage and salary schedule sufficient to fairly compensate the employee for work performed; to treat employees fairly in all cases; and to keep the City as an employer in a competitive position for recruiting and to maintain top quality and well-motivated personnel to provide the necessary functions and services required of a local government; and

**WHEREAS**, the City of Redwood Falls is conscious of the inflationary factor within our region as well as keeping in sight occurrences within Redwood Falls and other cities in determining their Pay Plan.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDWOOD FALLS, AS FOLLOWS:**

1. The attached schedules shall be made a part of this Resolution by reference and shall constitute the updated compensation schedules to be implemented in 2026 as indicated for the employee groups.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls this 16<sup>th</sup> day of September 2025.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this \_\_\_\_ day of  
September 2025.

\_\_\_\_\_  
Notary Public

## AGENDA MEMO

**Meeting Date:** September 16, 2025

**Agenda Item:** Proposed Ordinance No. 99, Fourth Series – An Ordinance Amending Redwood Falls City Code of Ordinances §10.46 Pertaining to Animal Licensing and Regulation.

**Recommendation/Action Requested:** Read the proposed ordinance or make a motion to waive the first reading of the ordinance. Discuss the proposed ordinance. If there are no concerns, the proposed ordinance will be discussed again at the next Council Meeting on October 7, 2025, and approved by motion in accordance with Chapter 4 of the City Charter.

**Summary/Overview:** Section 10.46 of City code was last amended on April 18, 2023, when the Council passed and adopted Ordinance No. 84, Fourth Series, Titled “An Ordinance Amending Redwood Falls City Code of Ordinances §10.46 Pertaining to Animal Licensing and Regulation.” Ordinance No. 84, Fourth Series did not address the issues of the use of a City provided suspension form for owners of dogs no longer being kept in the City nor the eligibility requirements for members of the community to serve on potentially dangerous and dangerous dog review panels.

Proposed changes to §10.46 include a requirement that dog owners with a conditional lifetime license that no longer reside within the corporate limits of the city or no longer keep or maintain a dog within the corporate limits of the city request suspension of the conditional lifetime license through the use of a city provided dog license suspension form. This practice has been in place at city hall but has not been made part of ordinance. One of the reasons for the requested change is to be able to hold dog owners accountable for providing false information on these suspension forms. The ordinance amendment will make it a violation of city ordinance to do so.

The other change to §10.46 addresses eligibility requirements for citizens to serve on potentially dangerous and dangerous dog review panels. The ordinance currently requires the panel to consist of council members and electors who reside in the city. It has become increasingly difficult to find citizens who reside within the city limits to serve on these panels. The requested change is to allow anyone who is able to vote in the State of Minnesota to serve on a review panel.

**Attachment:** Proposed Ordinance No. 99, Fourth Series

**ORDINANCE NO. 99, FOURTH SERIES**

**AN ORDINANCE AMENDING REDWOOD FALLS CODE OF ORDINANCES § 10.46 PERTAINING TO ANIMAL LICENSING AND REGULATION**

**FINDINGS AND PURPOSE:**

**WHEREAS**, pursuant to Minn. Stat. § 412.221 Subd. 21 and § 347.53, the City Council of Redwood Falls has broad authority through its police powers to regulate the keeping of animals, to restrain their running at large, to authorize their impounding and sale or summary destruction, to establish pounds, and to regulate potentially dangerous and dangerous dogs; and

**WHEREAS**, the City Council of Redwood Falls finds that limiting the number of dogs per household is substantially related to controlling the problems of dog noise and odor, and the health and general welfare of the community as affected by dogs; and

**WHEREAS**, on April 18, 2023, the City Council of the City of Redwood Falls, Minnesota Passed and Adopted Ordinance No. 84, Fourth Series, Titled “AN ORDINANCE AMENDING REDWOOD FALLS CODE OF ORDINANCES §10.46 PERTAINING TO ANIMAL LICENSING AND REGULATION;” and

**WHEREAS**, Ordinance No. 84, Fourth Series did not address the issues of the use of a City provided suspension form for owners of dogs no longer being kept in the City nor the eligibility requirements for members of the community to serve on potentially dangerous and dangerous dog review panels; and

**WHEREAS**, the City Council finds that in order to better track and regulate the keeping of dogs in the City, §10.46 is in need of amendment to require the use of a City provided suspension form and to punish criminally any false statements made by owners on said form; and

**WHEREAS**, the City Council of Redwood Falls finds that to effectively regulate potentially dangerous and dangerous dogs and address designation appeals, §10.46 is in need of amendment to allow for wider availability of citizens to serve on review panels; and

**WHEREAS**, the City Council of Redwood Falls finds that it is necessary to amend Redwood Falls City Code of Ordinances §10.46 to address these public health and safety concerns.

**NOW THEREFORE, THE CITY OF REDWOOD FALLS DOES ORDAIN:**

**SECTION 1.** That Redwood Falls City Code of Ordinances §10.46, Subd. 5, shall be amended to read as follows:

Subd. 5. *Suspension of Conditional Lifetime License*

A. Conditional lifetime licenses may be suspended by the city or any entity designated by the city, without refund of fees paid if proof of current rabies vaccination is not provided to the city or any entity designated by the city prior to expiration of the vaccination. It is unlawful to possess a dog within city limits with a suspended conditional lifetime license.

B. When a conditional lifetime license has been suspended, a new conditional lifetime license application shall be completed by the owner pursuant to Subd. 3.C. Upon completion of the application and remittance of a fee as established by the city fee schedule, the conditional lifetime license shall be reinstated.

**C. When the owner of any dog with a conditional lifetime license no longer resides within the corporate limits of the city or no longer keeps or maintains a dog within the corporate limits of the city, within 30 days of the occurrence of either event, the owner must request suspension of the conditional lifetime license. The request for suspension shall be made on a dog license suspension form provided by the city upon owner's request, and shall require, at a minimum: the owner's name and current address, the dog's name, breed, and license number, and the reason for the license suspension request. The form shall be submitted to the city administrator. Providing false information or making a false statement on a dog license suspension form submitted to the city administrator is unlawful.**

**SECTION 2.** That Redwood Falls City Code of Ordinances §10.46, Subd. 16, Paragraph D shall be amended to read as follows:

Subd. 16. *Dangerous Dogs.*

D. *Hearing Procedure.* This Review Panel will consist of two Council members as they become available, and an elector who resides within the city **State of Minnesota**. The Panel will schedule a hearing and may call witnesses and review documents as needed to make a determination on the issue. Owners shall have the right to present evidence on their behalf and to cross-examine any witnesses. A simple majority of the members of the Panel is necessary for a finding that the dog is either dangerous or potentially dangerous. The burden of proof is on the Police Department. A finding supporting a designation of dangerous or potentially dangerous dog must be proven by a preponderance of the evidence. The decision of the Panel shall be in writing and shall indicate the reasons for the findings. A copy of the findings shall be provided to the Police Department and the dog owner.

**SECTION 3.** Effective Date. This Ordinance becomes effective from and after its passage.

**PASSED AND ADOPTED** by the City Council of the City of Redwood Falls,  
Minnesota this \_\_\_ day of October, 2025.

ATTEST:

\_\_\_\_\_  
Keith Muetzel  
City Administrator

\_\_\_\_\_  
Tom Quackenbush  
Mayor

(City Seal)

Subscribed and sworn to before me this  
\_\_\_ day of October 2025.

\_\_\_\_\_  
Notary Public

**Introduction:**           09/16/2025  
**Posting:**  
**Adopted:**  
**Approval Published:**