



Title: Authorizing Contract for Accounting Services

Resolution number: 25-074

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Reviewed by: Name/Title: Deb Johnson, Office Manager

Recommended action: Approval of Resolution 25-074

Budget considerations: Fund name and code: Accounting and Auditing 1-1002-4330
Fund budget for 2026: \$133,750

Past Board action: Resolution 25-055 Authorization to Issue RFP for Accounting Services

Summary:

Minnesota Statute 103B.227 requires watershed districts to solicit interest proposals for professional services at least every two years. At the October 9, 2025 Board meeting, the Board of Managers adopted Resolution 25-055 authorizing the solicitation of proposals for accounting services. A request for proposals was released on October 10 with posting on the District and League of Minnesota Cities websites. Proposals were due on November 7.

The District received eight proposals. These included Abdo Financial Services (the District's current provider), AMM Accounting Solutions, BerryDunn, Eide Bailly, Harshwal & Company LLP, Iuvo Systems, Kairoslytics, and KCM Financial Insights. After careful review of the proposals, which included the proposers' understanding of the District's scope of services, the composition of the team for redundancy purposes, knowledge and/or experience with Minnesota governmental clients, as well as Sage 50, the District's financial software, and finally pricing, two proposals stood out, those of Abdo Financial Services and Eide Bailly.

Both proposals provide a clear understanding of the District's requirements for on-going accounting services, from producing monthly vendor payments, to providing monthly general ledgers and quarterly financial reports, as well as knowledgeable staff to assist in the auditing process.

The Abdo proposal provides for a 22% increase over current accounting rates and came in just over the Eide Bailly proposed rates. As the incumbent Abdo is very familiar with the District's accounting practices and requirements. Additionally, Abdo has a significant presence in Minnesota with government clients.

Staff met with the Eide Bailly team to gain a better understanding of their organization, their transition plan, and how their accounting team might benefit the District. While the District would be Eide Bailly's first Minnesota client for on-going accounting services, Eide Bailly staff are very knowledgeable in government accounting and have several government clients in Minnesota for which they perform audit services. Eide Bailly provides a clear transition plan at no cost, where other firms charge upwards of \$9,000. Eide Bailly pricing is just slightly lower than that of Abdo Financial for the first year and propose lower percentage increases than Abdo Financial in years two and three.

Based on the eight accounting services proposals received, and for the reasons stated above, staff recommends accepting the Eide Bailly proposal and requests authorization to execute a contract for accounting services with Eide Bailly for a term expiring on December 31, 2027.

In accordance with Minnesota Statutes §13.591, subdivision 3(b), the submitted proposals will not be part of the public record until the contract has been executed. A copy of all submitted proposals will be distributed to the Board of Managers, via email, for review prior to the Board meeting.



RESOLUTION

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- WHEREAS, Minnesota Statute 103B.227 requires watershed districts to solicit interest proposals for professional services at least every two years; and
- WHEREAS, at its October 9, 2025 meeting the District Board of Managers approved Resolution 25-055 authorizing the solicitation of proposals for accounting services; and
- WHEREAS, eight proposals were received, from Abdo Financial Services (the incumbent firm), as well as from AMM Accounting Solutions, BerryDunn, Eide Bailly, Harshwal & Company LLP, Iuvo Systems, Kairoslytics, and KCM Financial Insights; and
- WHEREAS, District staff reviewed the proposals for understanding of the District's scope of services, the make-up of the team for redundancy purposes, knowledge and/or experience with Minnesota governmental clients, experience with the District's financial software, and pricing; and
- WHEREAS, based on these evaluative criteria, two proposals stood out, those of Abdo Financial, MCWD's current provider, and Eide Bailey;
- WHEREAS, District staff thereafter met with Eide Bailly representatives to obtain a better understanding of their organization, their transition plan, and how their firm might benefit the District; and
- WHEREAS, Abdo Financial proposal provides for a 22% increase over current accounting rates and proposed rates just over the Eide Bailly proposed rates for the first year; and
- WHEREAS, for these reasons, staff recommends that the Board authorize the execution of an accounting contract with Eide Bailly
- WHEREAS, staff's analysis of the proposals was coordinated with the MCWD Treasurer, and the Board of Managers finds staff review to have been thorough and well-considered;

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby selects Eide Bailly as the accounting firm for the District; and hereby authorizes the District Administrator, on advice of counsel, to execute a contract with Eide Bailly to provide accounting services for 2026 and 2027 at rates not to exceed those set forth in the firm's proposal.

Resolution Number 25- 074 was moved by Manager _____, seconded by Manager _____. Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. December 18, 2025

Secretary

Date: