



SPECIAL MEETING OF CITY COUNCIL

**City of Birchwood Village
Washington County, MN**

June 29th, 2026 at 6:45 pm

MISSION STATEMENT

The Birchwood Village City Council is dedicated to enhancing the quality of life for all residents by fostering a safe, inclusive, and thriving community. We are committed to responsible governance and transparent decision-making. Through collaboration with residents, businesses, and local organizations, we strive to improve public services and infrastructure while preserving the unique character of our city. Our goal is to make Birchwood Village a better place to live and grow for generations to come.

MEMBERS:

Jennifer Arsenault, Mayor
Bridget Sperl, Council
Kathy Weier, Council
Ryan Eisele, Council
Ryan Hankins, Council

*NOTE: Due to Open Meeting Law restrictions, the City Council may be discussing agenda items for the first time.
Your patience and understanding are appreciated during this process.*

CALL TO ORDER

ROLL CALL

APPROVAL of AGENDA

AGENDA

1.Consider Conditional Use Permit for 309 Wildwood* (pgs. 00-15)

Council will be reviewing the Permit Application and the recommendation of the Planning Commission in making its decision. The Application and Planning Commission Minutes will be provided at the meeting.

2.Consider Bid for Audit Services from Abdo for full audit of City Financials* (pgs. 16-38)

At Council's request, Staff has reached out to Abdo for an estimate of cost for an Audit of the City as it has been a considerable number of years since one was performed and in preparation of//for any bonding that the City may entertain in the future.

ADJOURN

* Denotes item that supporting documentation will be provided



**MEETING OF THE PLANNING
COMMISSION**

**CITY OF BIRCHWOOD VILLAGE
WASHINGTON COUNTY, MINNESOTA
June 3rd, 2026, @ 7 pm**

MEMBERS

Andy Sorenson, Chair
Ben Wikstrom, City Planner
Casey Muhm, Member
Michael McKenzie, Member
Michelle Maiers, Member
Mike Kraemer, Secretary
Jennifer Arsenault, Planning Liaison

CALL TO ORDER

ROLL CALL

APPROVE PRIOR MEETING MINUTES

OPEN PUBLIC FORUM

PRESENTATIONS FOR REVIEW OF PLANNING COMMITTEE

1. CUP-309 Wildwood Ave (memo attached and for review and approval) pgs. 1-10
 - A) Review memo
 - B) Discuss project and options
 - C) Recommend Approval with findings and conditions or Denial with findings
2. 315 Wildwood Ave-Concept Review (concept-review only) pgs. 11-18

ADJOURN

memo

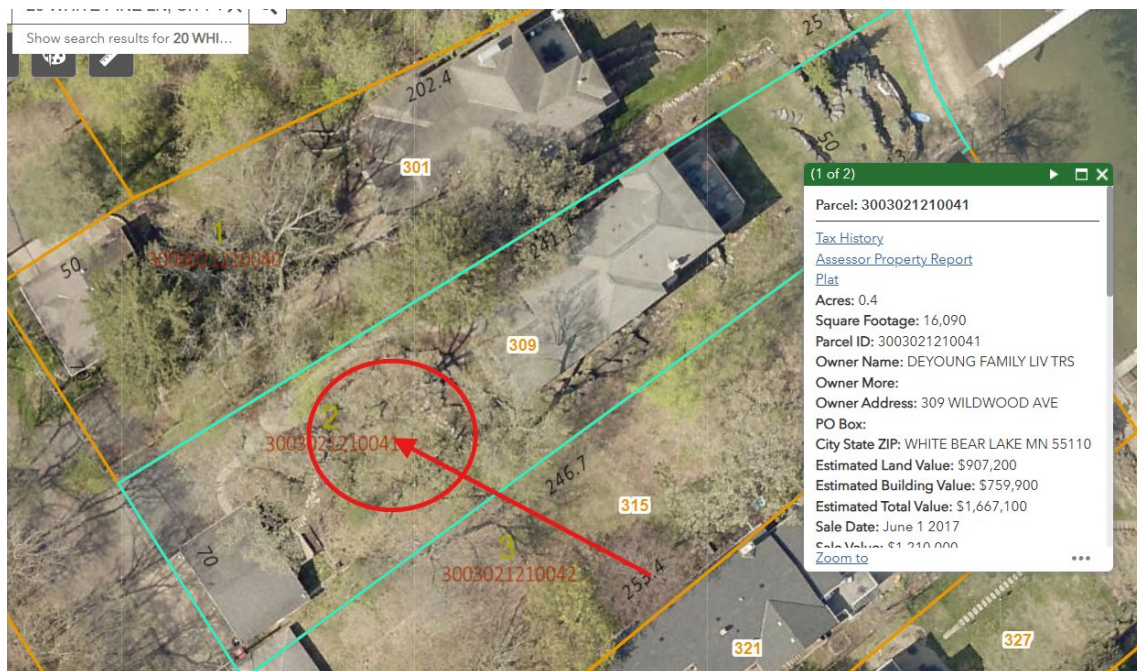
To: Birchwood Village Planning Commission
From: Ben Wikstrom, Planning Consultant
CC:
Date: June 3, 2026 Meeting
Re: Conditional Use Permit Application – **309 Wildwood Avenue**

Application and Background

Darren and Amy DeYoung have applied for a Conditional Use Permit to allow landscape work on their property at 309 Wildwood Avenue. Because of the area (volume) of land disturbance proposed, approval of a Conditional Use Permit is required.

A survey from 2002 is attached to this memo for reference, as are the plans for the project.

The aerial image below (from Washington County GIS) shows the property, with the proposed work area limits roughly depicted by the red circle.



Proposed Project

The project narrative has come in the form of emails between the City Engineer and the applicant. From those emails, a description of the proposed work:

I am helping Amy and Darren DeYoung at 309 Wildwood Drive update their landscape around the front yard (between the detached garage and the residence) where they had lost about 3 trees in recent years and are just looking to modify the landscape in that area in the absence of these trees and convert the landscape from full-shade to mostly sun in this area, and establish a useful front yard area for some family activities (area for dog and more leveled space to play bag toss and other activities with a more flattened area).

The work that would be done with the trees removed would entail dropping the grade about 12-18" on the East side of the front yard, grading that soil to the west and add some additional fill and topsoil to make a more gradually sloping yard that can be established with turf grass.

There would be right about 40 CY of soil added as the grades get blended across the front yard with the retaining wall adjusted and the deck stairs removed and re-set to the height toward the deck being raised about 12-18" after the grades are lowered on the Eastern half of the lot.

...In general, there will be less of a slope in this front yard area pitching to the detached garage, as we smoothen the front yard out and further grind down the stumps to remove the mounded areas where the trees had been removed.

I also have a Master Plan for this site that references the contour map from the GIS information on the site. The grading is going to all occur within a 2' contour interval from one end of this area to the other (closest to the house on the top of the terraces goes down in height about 12-18" while we raise the grade on the garage area 12-18" as you can build more soil along the garage foundation to smoothen it all out without the tress in this area).

Photos of the existing site, with notes:

Facing east, toward house/lake (existing conditions)



Facing west, toward garage/street



Facing south, toward 315 Wildwood vacant lot (panoramic view)



Facing east, toward house/lake



Conditional Use Permit – Pertinent Ordinance Language, Requirements, and Standards

301.070

CONDITIONAL USES.

Certain accessory uses permitted within the City have greater than usual chances to present safety hazards, impact on neighboring people and property, and nuisance situations. Because of these greater effects, the City requires these uses to be covered under Conditional Use Permits. Applications for Conditional Use Permits must comply with all provisions of Section 306. **CONDITIONAL USE PERMITS.**

1. A Conditional Use Permit shall be required for the following projects:

b. Any land disturbance activity where such work involves an area greater than four hundred (400) square feet and/or more than fifty (50) cubic yards in volume. See Note at end of Section 301.070.

306.020.

CONDITIONAL USE REQUIREMENTS AND STANDARDS.

Applications for Conditional Uses must include Required Information and demonstrate that the Requirements and Standards for each Conditional Use will be met. See Section 301.070 for uses requiring Conditional Use Permits.

306.030.

CONDITIONAL USE PERMIT FOR LAND DISTURBANCE ACTIVITY.

1. Purpose. The purpose of Section 306.030 is to control or eliminate storm water runoff, soil erosion, and sedimentation in the City and adjacent jurisdictions.

2. No permit for any land disturbance activity shall be granted until the applicant obtains all necessary approvals from the Department of Natural Resources, the Rice Creek Watershed District, the White Bear Lake Conservation District, and any Agency, Department or Government entity which has jurisdiction over the project.

3. Required Information in Application for Land Disturbance Activity

a. Plans: Existing, Construction, and Final Site Plans must include detail on how the applicant intends to control and minimize erosion and storm water runoff and to follow Section 302.050 IMPERVIOUS SURFACES and Section 302.055 LAND DISTURBANCE ACTIVITY STANDARDS. A combination of successive Best Management Practices may be used to achieve the standards and requirements.

Existing Site Plan: A map of existing site conditions showing the site and immediately adjacent areas, including:

1. The name and address of the applicant, date and scale of drawings, and number of sheets.

2. Location of the tract on map of the City of Birchwood Village.

3. Existing topography with a contour interval appropriate to the topography of the land, but in no case having a contour interval greater than two (2) feet. Include designation of areas that have the potential for serious erosion problems, e.g. slope of greater than twelve (12) percent.

4. A delineation of all streams, public waters, and wetlands located on and immediately adjacent to the site and any classification given to the water bodies by the Minnesota

Department of Natural Resources, The Minnesota Pollution Control Agency, and/or the U.S. Army Corps of Engineers.

5. Location and dimensions of existing storm water drainage systems and natural drainage patterns on and immediately adjacent to the site with delineation of the direction rate at which storm water is conveyed from the site and identification of the receiving streams, public waters, wetland, and/or on-site locations.
6. A description of the soils of the site, including a map indicating soil types of the areas to be disturbed.
7. Location of existing vegetative cover.
8. Locations of highest known water levels of adjoining lakes, ponds, and wetlands.
9. Location and size of existing structures. Site Construction Plan.

A site construction plan including:

1. Locations, dimensions, and volumes of all proposed land disturbance activities including any vegetation proposed for removal.
2. Locations and dimensions of all temporary soil and construction material stockpiles.
3. Locations and dimensions of all construction site erosion control and permanent stabilization measures to meet City and State Codes both during and after the construction process.
4. Schedule of anticipated starting and ending dates of each land disturbance activity and construction site erosion control, storm water runoff control, and inspection and maintenance activity.

Plan of Final Site Conditions. A plan of final site conditions at the same scale as the existing site map showing the site changes including:

1. Finished grading shown at same contour interval as provided above to clearly indicate proposed changes, pre-existing topography, and final conditions.
2. A landscape plan including dimensions, locations, type, and description of all proposed landscape materials which will be on the site.
3. A drainage plan of the developed site including final storm water drainage systems and natural drainage patterns on and immediately adjacent to the site with delineation of the direction in which storm water is conveyed from the site.
4. The proposed size, alignment, and intended uses of all structures to be on the site.
5. Location and sizes of all areas which will be paved or covered with other impervious material including a description of the materials used.
6. Location of any fill or excavation on slopes greater than twelve (12) percent for review for permanent slope stability.
7. Any other information which would help the City in reviewing the plan.

b. Demonstration that the work will not adversely affect the water or wildlife of lakes, ponds, or wetlands into which water from the altered land will drain, or adversely affect adjacent parcels of land.

c. Exception: The Building Official may waive the submission of construction documents and other data if the nature of the work applied for is such that reviewing of this information is not necessary to obtain compliance with the code.

Staff Comments

The proposed work is relatively minor in scope and impact, especially considering its location away from the lake and between the house and garage. The applicant has provided calculations to City staff showing that the impervious surface on the property will not increase, and a condition of approval states that no increase is allowed with this project (additional impervious would require further review and approval).

The City Engineer has worked closely with the applicant to ensure that the drainage on the site will not change with the altered contours, and the contractor is working on a revised grading plan to address the Engineer's concerns about the original plan. A condition of approval recommended by staff is that no construction may commence until the grading plan has been approved by the City Engineer.

The application narrative above outlines the scope of the work, which is within the requirements of the ordinance.

Staff Recommendation

As with any conditional use permit, general findings are laid out based on ordinance requirements. The ordinance criteria for CUPs are as follows:

1. The proposal is consistent with the City's Comprehensive Plan.
2. The proposal is consistent with existing and future land uses in the area.
3. The proposal conforms to the Zoning Code requirements.
4. That the proposed action will not:
 - a. Impair an adequate supply of light and air to adjacent property,
 - b. Unreasonably diminish or impair established property values within the surrounding area,
 - c. In any other respect impair the public health, safety or welfare or the residents of the City.
 - d. Depreciate values in the area.
 - e. Over-burden neither the existing public services nor the capacity of the City to serve the area.
 - f. Alter traffic generation beyond the capabilities of the streets serving the site.

The project meets all of the applicable criteria. Based on the plans and detail provided and pending approval of the grading plan by the City Engineer, staff recommends approval of the Conditional Use Permit for 309 Wildwood Avenue, with the conditions listed below.

Recommended Conditions

1. No construction shall commence prior to the City Engineer's approval of a grading and drainage plan submitted by the applicant.
2. No increase in impervious surface is allowed by this Conditional Use Permit.
3. Prior to construction, the property lines shall be staked to ensure that all construction is contained within the property boundaries.
4. Each CUP issued by the City shall be recorded with the County Recorder (Code Section 306.080.9).
5. A Conditional Use Permit shall become null and void one year after it was granted, unless made use of within the year, or a longer period of time if prescribed by the Council at the time the permit is issued (Code Section 306.090.2).

6. If approved, the CUP is subject to the following conditions:
 - a. The Council may require posting of a bond or other guarantee to insure compliance with its conditions (Code Section 306.080.8).
 - b. All application materials, maps, drawings and descriptive information submitted with this application shall become part of the CUP.
 - c. Land alteration may not cause adverse impact upon abutting property.
7. No permit for any land disturbance activity shall be granted until the applicant obtains all necessary approvals from the Department of Natural Resources, the Rice Creek Watershed District, the White Bear Lake Conservation District, and any Agency, Department or Government entity which has jurisdiction over the project.
8. Any other conditions as required by the City Engineer or City Council.

Email from City Engineer to Applicant (05-28-26):

Darren,

Just to recap our phone call conversation from yesterday. We just need a grading plan (also known in the CUP section as a final site conditions). With tomorrow's site visit, I was going to note an issue with sending water between the two garages and make a recommendation of hiring a surveyor or landscaper to finish this out. The landscaping plan does not show an existing retaining wall between your garage and the 315's property. That causes problems with the concept you submitted to send water that way. It will be difficult to manage drainage between the two garages being so close together. Additionally, the distance between your garage and property line is different from the landscaping plan (landscaping plan shows 5.5') and the survey you got from city hall (survey shows 3.2'). Drainage will have to go to the other side of the garage (similar to how it does now just more flat). The city will require the property line be staked out with the wall construction being close to the property line (for verification that the work stays within your property). Ideally, do not touch any impervious (if that has not been mentioned from past conversations) because that will cause a review of that also, which we don't want.

As for the PC meeting next week, Ben's report will recommend to approve conditionally pending my approval of the final site plan. This way, we can get past the public comment period. After that, it will mainly just be my time spent reviewing and a final site visit once construction is complete.

Thanks,

Marcus Johnson, PE (MN)
Municipal Project Engineer | Associate
Bolton & Menk, Inc.

CERTIFICATE OF SURVEY

for:

GREG BARTZ

All additions or deviations must receive prior approval.

WHITE BEAR LAKE

CROSS IN CONCRETE

56.30

50.00

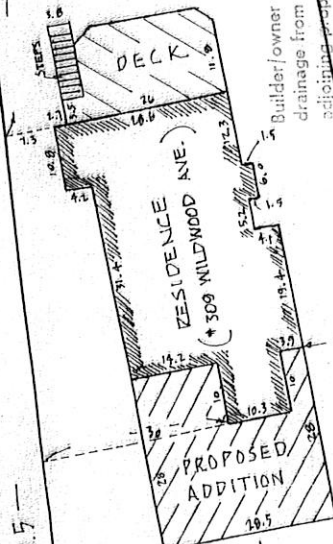
10.00

IRON

N

Builder/owner responsible for positive drainage from entire lot and across all adjoining properties - review drainage easements before starting house construction or yard landscaping.

Separate permits are required for plumbing, heating and electrical installations.



241.5

246.7

14,397[±] OF TOTAL SURFACE

USED NEW SPACE 3490[±]

25% OF 14,397[±] = APPROX 3600

PROVIDE
EROSION
CONTROL

SCALE = 1" = 20'

CHAR-MAR CORPORATION
(651) 704-0823
(651) 426-8750
(612) 237-3811
(612) 237-3812

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly licensed land surveyor under the laws of the state of Minnesota.

Dated this 17th day of AUGUST, 2001.

By: *Greg Bartz*
Surveyor, Minnesota License No. 6122

DESCRIPTION:

LOT 2, BLOCK 6, 1ST
LAKEWOOD PARK
ADDITION

WILDWOOD AVENUE
(BLACK TOP)

BLACK TOP DRIVE

PARKING

CONCRETE

3 STALL GARAGE

DECK

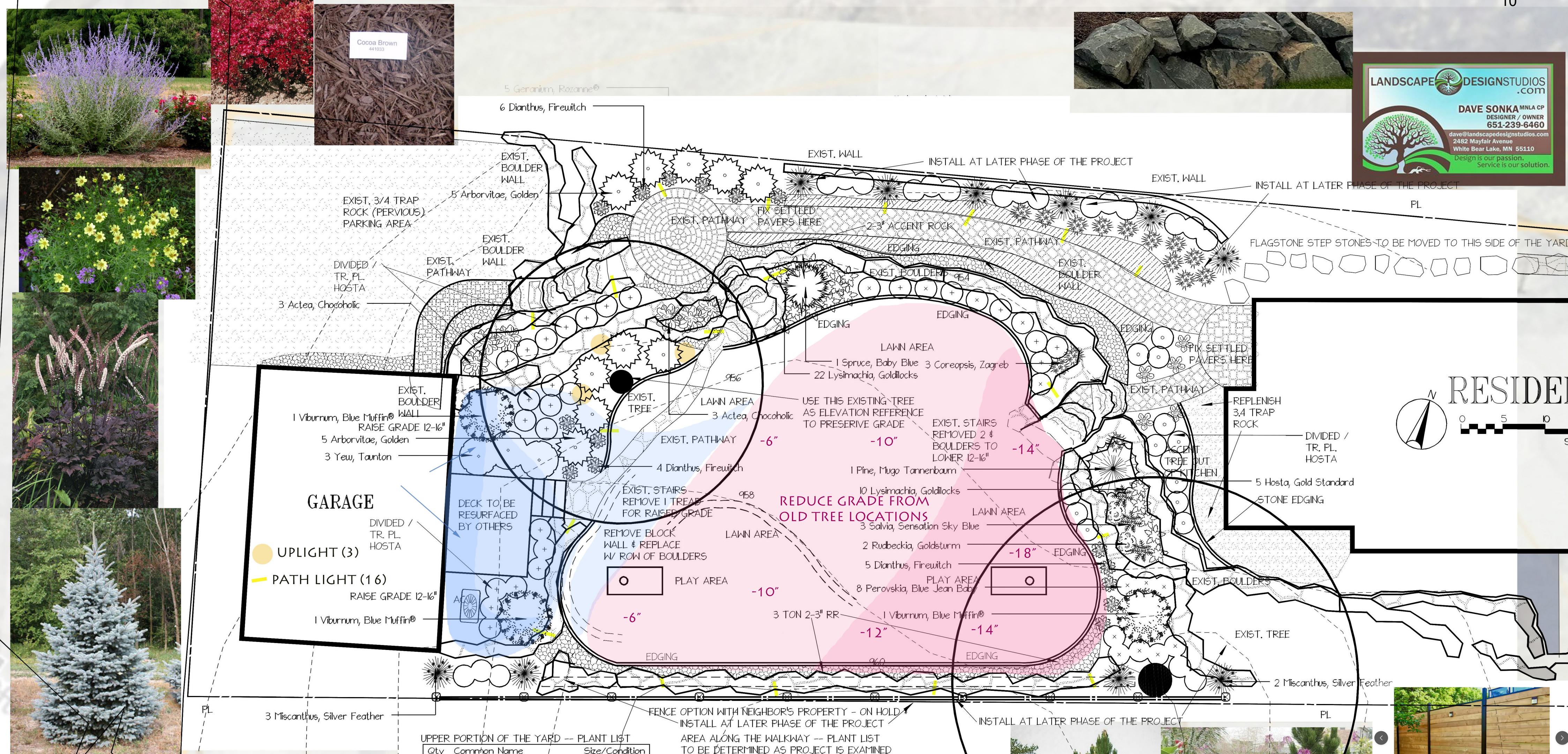
STEPS

RETAINING WALL

IRON

TO DO PLAT
63.50 MEAS.

DRIVEWAY



LANDSCAPE DESIGNSTUDIOS .COM

DAVE SONKA MNLA CP
DESIGNER / OWNER
651-239-6460
dave@landscapestudios.com
2482 Mayfair Avenue
White Bear Lake, MN 55110
Design is our passion.
Service is our solution.



Pro-Trade PTH2 L-Shaped Path Light No Lamp

Brand: Pro-Trade

SKU: PT-PTH2-BZ-NL

Price: \$129.04 \$96.76

Product Inventory

Minnesota 4
Florida 29
NW Regional 2
Distribution Center 33

Finish: Light Aluminum Bronze - PT-PTH2-BZ-NL

In Stock (33)

Quantity: 1

Add to cart

Heavy-duty brass construction
Easy installation
Requires low maintenance

UPPER PORTION OF THE YARD -- PLANT LIST		
Qty	Common Name	Size/Condition
6	Actea, Chocoholic	#1 Cont.
1	Birch, Whitespire	2.5" B&B
16	Calamagrostis brachytricha	#1 Cont.
14	Chamaecyparis, Kirks Gold	#7 Cont.
1	Coreopsis, Zagreb	#1 Cont.
15	Dianthus, Firewitch	#1 Cont.
5	Heuchera, Forever Purple	#1 Cont.
5	Hosta, Gold Standard	#1 Cont.
6	Hosta, Hadsen Blue	#1 Cont.
32	Lysimachia, Goldlocks	4" Cont.
5	Miscanthus, Silver Feather	#1 Cont.
27	Nepeta, Purrson Blue	#1 Cont.
23	Perovskia, Blue Jean Baby	#1 Cont.
1	Pine, Mug Tannenbaum	5' B&B
1	Spruce, Baby Blue	5' B&B
2	Rudbeckia, Goldsturm	#1 Cont.
3	Salvia, Sensation Sky Blue	#1 Cont.
6	Pak	6-Pak
3	Yew, Taunton	#7 Cont.
5	Arboretal, Golden	#5 Cont.
5	Viburnum, Blue Muffin	#10 Cont.

Salvia, Sensation Sky Blue	#1 Cont.
Dianthus, Firewitch	#1 Cont.
animum, Rozanne	#1 Cont.
chena, Forever Purple	#1 Cont.
ta, Gold Standard	#1 Cont.
ta, Hadsen Blue	#1 Cont.
per, Lime Glow	#3 Cont.
ovskia, Blue Jean Baby	#1 Cont.
um, Red Carpet	6-Pak

SiteOne LANDSCAPE SUPPLY

Pro-Trade FL1 Flood Light Aluminum Housing Black Finish No Lamp

Price: \$129.04 \$96.76

Product Inventory

Minnesota 4
Florida 29
NW Regional 2
Distribution Center 33

Finish: Light Aluminum Bronze - PT-PTH2-BZ-NL

In Stock (33)

Quantity: 1

Add to cart

Heavy-duty brass construction
Easy installation
Requires low maintenance

SiteOne LANDSCAPE SUPPLY

Pro-Trade PTH1 Path Light Aluminum Housing Black Finish w/ 180 Lumen 2.5W 2700K T3 LED

Price: \$129.04 \$96.76

Product Inventory

Minnesota 4
Florida 29
NW Regional 2
Distribution Center 33

Finish: Light Aluminum Bronze - PT-PTH2-BZ-NL

In Stock (33)

Quantity: 1

Add to cart

Heavy-duty brass construction
Easy installation
Requires low maintenance



DEYOUNG RESIDENCE
FRONT YARD RENOVATION
LANDSCAPE PLAN CONCEPT -
DRAFT FOR REVIEW
VERS. 5-17-2026 - PLANTING PLAN
309 WILDWOOD DR.,
BIRCHWOOD VILLAGE, MN 55110

MEETING MINUTES (Draft)

Birchwood Planning Commission Regular Meeting

City Hall - 7:00 PM Regular Meeting 6/3/2026

Submitted by Michael Kraemer – secretary

COMMISSIONERS PRESENT: – Andy Sorenson - Chairman, Michael Kraemer, Casey Muhm, Michael McKenzie

COMMISSIONERS ABSENT: Michelle Maiers-Atakpu

OTHERS PRESENT: City Mayor – Jennifer Arsenant, Ben Wikstrom – City Planner, Marcus Johnson – City Engineer, Jeff Welle – Divine Custom Homes, Joe Holka (319 Wildwood Ave), Darren DeYoung (309 Wildwood Ave),

1. CALL TO ORDER: Chairman - Sorenson called meeting to order at 7:00 PM.
2. PUBLIC FORUM
 - a. None
3. REGULAR AGENDA
 - a. Item 1 – CUP 309 Wildwood Ave.
 - i. Introduction of CUP Permit application by City Planner
 - ii. Discuss project and options
 1. City Engineer Johnson indicated that the site layout he had requested was submitted and reviewed.
 - iii. At 7:09 PM Chairman Sorenson opened the meeting to public hearing on the proposed CUP application and invited anyone present who wanted to speak to the topic. With no requests to speak the public hearing on the application was closed at 7:11 PM.
 - iv. Recommend Approval with Findings and Conditions or Denial with findings.
 1. Advisory Motion by Kraemer, 2nd by Muhm: The City Council consider granting the CUP **with conditions as identified in the City Planners report.** Advisory vote: Yes – 4, No – 0.
 - i. **Conditions:** Planning Commission recommendation of approval of the variance is contingent on compliance with the conditions as presented in City Planner’s report.
 - b. Item 2 – 315 Wildwood Ave Concept Plan Review
 - i. City Planner Wikstom introduced the proposed concept building and site plans as presented by the applicant.
 - ii. Discussion

1. The Planning Commission discussion acknowledged City Planner's recommendation for compliance with all City Codes including but not limited to setbacks, retaining wall design, site grading, "Legacy" tree replacement, impervious surface thresholds, etc.
2. The primary point of consideration and discussion was the viability of the structure's concept design meeting the City Code 35' maximum building height threshold.
 - a. On this point Planning Commission discussion acknowledged the following:
 - i.* The pre-existing Lot is long and narrow with challenging topography changes across the site.
 - ii.* This lot's topography creates unique site development challenges. (I.e. The lot has a high elevation in the center one-third of the lot and then severely drops in elevation in both the front (street side) and back (lake side) yards.)
 - iii.* Despite design efforts identified in the concept plans using flatter roof slopes, minimal ceiling heights on each floor, minimal truss depths, and cascading roof lines to mimic the site topography, the severe elevation changes in the lot tends to expose the front (38') and back (39) ends of the house structure, exceeding the City Code max height (35).
 - iv.* The "average" exposed structure height is anticipated to be within the City Code height threshold of 30'.

ADJOURN 8:46 PM

- c. Motion by Muhm, 2nd by Mc Kenzie to adjourn meeting. Vote: Yes - 5, No – 0.
Motion passed.

RESOLUTION 2026-10

**CITY OF BIRCHWOOD VILLAGE
WASHINGTON COUNTY, MINNESOTA****APPROVING CONDITIONAL USE PERMIT
309 WILDWOOD**

At the regular meeting of the City Council of the City of Birchwood Village held on Tuesday, June 9, 2026, with the following members present: Mayor Arsenault and Council members, Sperl, Eisele, Hankins and Weier; the Birchwood Village City Council resolved:

WHEREAS, The City is has received an Application for a Conditional Use Permit for land-disturbance activity, and

WHEREAS, The City of Birchwood Village Planning Commission has reviewed the matter and sought input from neighbors by invitation/mailing of meeting notification, and

WHEREAS, The City of Birchwood Village Planning Commission has unanimously recommended that the City Council approve the Permit and with the conditions set forth from the City Planner and,

WHEREAS, The City of Birchwood Village City Council has reviewed the file, including the application and memo from staff and is prepared to make a decision on the Permit request and,

WHEREAS, The City of Birchwood Village adopts the following findings as made by its Planning Commission:

1. The proposal is consistent with the City's Comprehensive Plan.
2. The proposal is consistent with existing and future land uses in the area.
3. The proposal conforms to the Zoning Code requirements.
4. That the proposed action will not:
 - a. Impair an adequate supply of light and air to adjacent property,
 - b. Unreasonably diminish or impair established property values within the surrounding area,
 - c. In any other respect impair the public health, safety or welfare or the residents of the City.
 - d. Depreciate values in the area.
 - e. Over-burden neither the existing public services nor the capacity of the City to serve the area.
 - f. Alter traffic generation beyond the capabilities of the streets serving the site.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Birchwood Village hereby approves a Conditional Use Permit for the property at 309 Wildwood Avenue as requested and recommended with the following conditions:

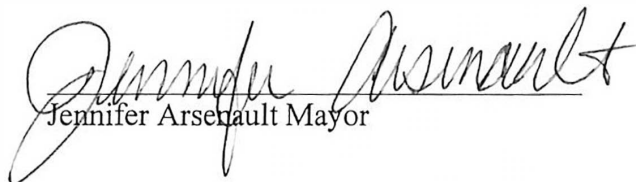
1. No construction shall commence prior to the City Engineer's approval of a grading and drainage plan submitted by the applicant.
2. No increase in impervious surface is allowed by this Conditional Use Permit.
3. Prior to construction, the property lines shall be staked to ensure that all construction is contained within the property boundaries.
4. Each CUP issued by the City shall be recorded with the County Recorder (Code Section 306.080.9).
5. A Conditional Use Permit shall become null and void one year after it was granted, unless made use of within the year, or a longer period of time if prescribed by the Council at the time the permit is issued (Code Section 306.090.2).
6. This CUP approved subject to the following conditions:
 - a. The Council may require posting of a bond or other guarantee to insure compliance with its conditions (Code Section 306.080.8).
 - b. All application materials, maps, drawings and descriptive information submitted with this application shall become part of the CUP.
 - c. Land alteration may not cause adverse impact upon abutting property.
7. No land disturbance activity shall be conducted until the applicant obtains all necessary approvals from the Department of Natural Resources, the Rice Creek Watershed District, the White Bear Lake Conservation District, and any Agency, Department or Government entity which has jurisdiction over the project.

Voting in Favor:

Voting Against:

Abstaining Vote:

Resolution duly seconded and passed this 9th June, 2026.


Jennifer Arsenault Mayor

Attest:

H. Alan Kantrud City Clerk



Proposed by

Brad Falteysek, CPA

Partner | Abdo

brad.falteysek@abdosolutions.com

P 952.715.3004

June 25, 2026

SERVICE PROPOSAL FOR

City of Birchwood Village

207 Birchwood Avenue, Birchwood, Minnesota 55110

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



Allen Kantrud, City Administrator
 City of Birchwood Village
 207 Birchwood Avenue
 Birchwood, Minnesota 55110

June 25, 2026

Dear Allen,

Thank you for the opportunity to submit this proposal to City of Birchwood Village (the City) for audit services. We appreciate the opportunity to work with you. Based on our experience with similar cities, we are confident that Abdo will be a great fit for you.

We work hard for those who matter most - clients, employees, family, and community - and celebrate their successes alongside them. Our process is centered on meeting your needs, exceeding your expectations, and incorporating technology to deliver creative solutions.

In our initial conversations with you, we heard you say that the following factors are important in our relationship, and you will see these addressed in the following proposal:

- Having a service provider with industry experience and knowledge so that you have confidence that your City audit is completed timely and accurately to support any future debt issuances.

We look forward to discussing any additional factors with you as we continue our conversations and encourage you to let us know how we can better partner with you throughout our engagement.

The enclosed proposal will demonstrate to you that we will be a great service provider and partner. 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 to answer any questions or concerns you may have and to provide any further information you may need.

Sincerely,

Abdo

Brad Falteysek, CPA

Partner | Abdo

Executive Summary

Recently we had the opportunity to discuss the City's needs in more detail with Mr. Kantrud. 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

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

- Annual Financial Statement Audit
- 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 CTAS fund accounting.
- Our Council presentation uses ratios and comparisons of trends that give snapshots of metrics for your City 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 current state

WHAT WE HEARD

We understand the challenges you face as an organization with ever-changing regulations, financial standards, staffing changes, and strategic vision. Through our conversations, we understand these challenges to include:

- **Challenge 1** – The City will likely be issuing debt to fund projects in the near future and an audit can be required once you issue long-term debt.
- **Challenge 2** – The City has not been able to build fund reserves to support future projects.

CONSIDERATIONS AS YOU MOVE FORWARD

Given these challenges you're facing, we know that it can become overwhelming to grasp all the factors at play. Our team wants to ensure you have a pulse on all of these factors as you begin your search for solutions. Have you considered the following:

- **Consideration 1** – Completing an audit for the 2025 calendar year will demonstrate the City is preparing to have the ability to issue long-term debt in the future.
- **Consideration 2** – Preparing a five year long-range financial plan (separate from the audit) that incorporates changes in tax levies and financial impacts on residents based on the City's future operating and capital plans

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 your operations through process assessment, analysis, and recommendations.
- Implementation of a comprehensive long-term strategic plan to guide your organization for years to come.

EXPERTISE FOR YOUR CHALLENGES

Your City faces unique challenges that require a specific understanding of regulations and operations. Our team has experience working with similar entities giving us a unique understanding of the challenges you face.



Meet Brad

Brad Falteysek, CPA
Partner

Brad joined the Firm in 1998. He graduated Cum Laude from Winona State University, and worked for two years with the Minnesota Office of the Legislative Auditor's Office. He is registered and licensed to practice as a CPA in Minnesota. His work includes audit and accounting for many of the Firm's governmental clients, including audits regulated under Uniform Guidance.



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.

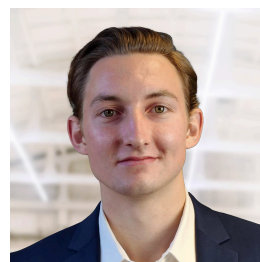


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Government Experience

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 the United States, 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



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CITY, TOWN & COUNTY CLIENTS

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 dialogue, 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. We will also deliver an 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 Catalog of Federal Domestic Assistance (CFDA) and the U.S. Office of Management and Budget (OMB) Compliance Supplement.

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

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

Identification of Anticipated Potential Audit Problems

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

JULY

Client Understanding:

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

JULY

Planning & Interim Fieldwork

We will select our sample and provide information requests to management.

JULY/AUGUST

Year-end Audit & Fieldwork

We will have our team on-site to conduct fieldwork using our outlined audit approach. We estimate that the fieldwork will take 2-3 days.

AUGUST

Reporting

We will provide drafted materials and meet with key management, followed by a report presented to the City Council.



Value

Our fees are based upon the experience and level of the individuals to be assigned to perform the work ranging from \$200- \$535 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.

In addition, we'll bill 25% upon your fiscal year end, 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.

SUMMARY SCHEDULE OF PROFESSIONAL FEES

	2025
Audit - Regulatory Basis	\$17,000
Total	\$17,000

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

DEI Initiatives



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.



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.

CEO **ACT!ON** FOR
DIVERSITY & INCLUSION

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 Birchwood Village 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 Birchwood Village located in Birchwood, 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:



Name: Brad Falteysek, CPA

Title: Partner

Firm: Abdo

Date: June 25, 2026

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