

**Job
Classification
&
Compensation
Study**

**City of
Princeton**

August 27, 2021

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™

5201 Eden Avenue Suite 250 Edina, MN 55436
P: (952) 835.9090 • F: (952) 835.3261

100 Warren Street Suite 600 Mankato, MN 56001
P: (507) 625.2727 • F: (507) 389.9139
www.aemcpas.com



AEM Workforce Solutions™

LETTER OF TRANSMITTAL

We are pleased to submit our proposal to the City of Princeton (the City) and are confident you will find AEM Workforce Solutions, LLC (AEMWS) to have the experience and expertise to exceed your expectations.

The primary contact for this engagement will be Leah Davis, CPA, Partner at Abdo Eick & Meyers and President of AEMWS. Leah's contact information is listed below.

Leah Davis, CPA
100 Warren Street, Suite 600
Mankato, MN 56001
leah.davis@aemws.com
507.524.4282

In the event the City selects the AEMWS proposal, AEMWS is prepared to enter into an agreement with the City to provide services outlined in the proposal.

Table of Contents

| | |
|----------------------------|----|
| Executive Summary | 1 |
| Government Experience | 3 |
| Human Resources Experience | 4 |
| Technology | 5 |
| What Our Clients Say | 6 |
| Project Plan and Timeline | 8 |
| Value | 11 |

Appendices

| | |
|-----------------------------|---|
| Agreement for Services | A |
| Your AEMWS Team | B |
| Hay Methodology Information | C |

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



Executive Summary

City of Princeton
Attention: Michele McPherson
705 North 2nd Street
Princeton, MN 56371

Dear Michele,

Thank you for the opportunity to submit this proposal to the City of Princeton (the City) for a Job Classification & Compensation Study. Based on our previous experience with the type of work outlined in the proposal, we are confident our knowledge and expertise will allow us to meet all of your organization's key project objectives and deliver the City with a compensation program that provides you with the structural, compliance and, most importantly, strategic management tools that you require. This proposal is valid for 90 days following the submission date.

Our success has been driven by utilizing staff that are experienced and well trained in human resources management, market wage analysis, and governmental planning and operations. We understand that attention to detail, project approach, management communication, and quality project deliverables are important factors in your selection process. We are confident in our ability to help Princeton achieve its desired project and organizational outcomes.

Our approach to this project is to engage with City staff to ensure we have an exceptional understanding of the project, each leader's role in the project, overall expectations and desires, as well as exceptions to standard operations. Throughout the project there will be periodic meetings, usually by phone or video conference, with City staff to share information, solicit input, and provide updates. Based on our experience, we will structure each phase of the project to emphasize efficiencies and streamline processes.

Ability to successfully complete all requirements - A component of our mission statement is a philosophy that we will assist clients in reaching their maximum potential through open communication and teamwork. This means we will do the following for you:

- Present to you a clear project plan
- Use technology to share and collaborate
- Provide an environment that solicits and welcomes ideas and strategies from the City team
- Present recommendations in clear, concise, and non-technical terms to all members of the City team
- Collaborate with the City team and Council to ensure alignment with City compensation philosophies and practices
- Return phone calls and emails promptly

Experience with similar projects - We believe our experience with similar projects and our expertise in human resources management, governmental accounting, operational effectiveness, analysis, process, and planning is greater than any other CPA or related advisory firm in Minnesota.

**ABDO
EICK &
MEYERS** LLP

AEM Workforce Solutions™



Executive Summary

Understanding of the project and ability of the firm to complete the expected scope of work on schedule and within budget - AEMWS is committed to providing a team environment that gives us the ability to complete projects on time and within budget. We leverage our staff to ensure the work is being completed by the appropriate individuals and reviewed/signed off on by a Partner. We understand the parameters and expectations of this project and will complete the expected scope of work on schedule and within budget.

Provide objective and unbiased findings - as an impartial third party, AEMWS is committed to performing all aspects of the compensation study and analysis objectively and with a focus on factual market wage information and experienced interpretation of position responsibilities. While our team may engage with City staff to answer questions and provide insight, we can guarantee that our final report will be solely intended to provide all stakeholders with accurate and unbiased findings and recommendations.

Accomplishing project objectives - Our approach to a project is heavily dependent on communication and technology. We believe that listening to our clients' needs, concerns, and challenges is of utmost importance for a successful project. Our experience in human resources management, internal operations, compensation analysis, processes, procedures, analysis of market conditions, and knowledge of applicable rules and regulations allows us to partner with the City to implement a robust compensation study that will be simple to maintain after initial implementation. We use technology to share and collaborate with management to allow us to expedite our work product, provide answers to staff questions quickly and communicate instantaneously.

We look forward to meeting with you to discuss our proposal and appreciate this opportunity to present AEMWS for your consideration.

Sincerely,

AEM Workforce Solutions, LLC

Leah Davis, CPA
Partner, Abdo, Eick & Meyers, LLP President,
AEM Workforce Solutions, LLC

**ABDO
EICK &
MEYERS** LLP

AEM Workforce Solutions™



Government Experience

For over 50 years, Abdo, Eick & Meyers, LLP has helped local governments throughout Minnesota serve their communities more efficiently. As the leading governmental auditing firm in the state, we provide accounting, financial, and audit services to over 200 governmental entities. In 2016, we established AEM Workforce Solutions, LLC (AEMWS), a company dedicated to providing day-to-day and strategic level human resources management and payroll services for many types of employers, including local governments. With a staff of 11 team members, comprised of CPAs, HR experts, and payroll specialists, and over 100 years of combined experience, AEMWS provides clients with a depth of perspective and experience that is unparalleled, resulting in creative and effective labor solutions.

As an integral part of your team, we work with you to deliver one-of-a-kind solutions for improving best practices in your entire organization. You can expect to work with our partners, managers, and staff to resolve issues ranging from operational effectiveness to long term planning, talent engagement, and workflow.

Partnering with Us

Our governmental client base is composed of cities, municipalities and other public entities. Common governmental HR and payroll related services include:

- Position Classification & Market Compensation Studies
- Compensation Program Development and Implementation Support (Step/Grade, Performance based, etc.)
- HR/Payroll Process Evaluation, Development, and Automation Support
- Effective Performance Management Program Development and Training
- Strategic Workforce and Succession Planning
- HR Compliance Consulting
- Full-Service Payroll Outsourcing
- Integrated HR/Payroll/Timekeeping/Accounting Software Utilization and Implementation Support
- Affordable Care Act Compliance
- Labor and Talent Development Programs and Customized Group Training

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



Human Resources Experience

When it comes to human resources consulting and support, our team of HR experts is laser focused on what really matters – your people. Our dedicated HR team is comprised of experienced professionals with over 55 years of combined experience from a wide variety of public, private, and multi-industry perspectives. The diverse background and experiences of our staff allows us to offer our clients real world, people-focused, and best-in-class HR consulting, compliance, process, and talent management solutions. By advocating the use of technology to efficiently and effectively service your organization, we are able to dedicate our time to personally supporting your team.

AEM is a full-service firm with over 160 dedicated experts experienced in areas ranging from accounting, audit, taxation, payroll, business valuation, to estate planning. Our team is here to help bring your organization to the next level of success.

Partnering with Us

We begin every client relationship with listening to where you are today and where you want to go tomorrow, from this we are able to gain a deep understanding of the needs of your organization. We focus on understanding your culture, your leaders, and your current policies while helping you identify and prioritize your current challenges, blind spots, goals, and opportunities. This phase typically involves review of relevant documents, discussions with your leadership team, and collaboration with your key decision makers. Whenever possible, our team loves the opportunity to meet and connect with your people, face to face, to build the trust and relationships that drive rewarding partnership and project outcomes.

Your organization isn't looking for "one size fits all" solutions and templates, and our team understands that. Our commitment to really knowing your organization and your people, *before* building a solution, allows us to provide you with customized deliverables and outcomes that align with your strategic direction and add value over the long-term.

This people-centric and outcome-focused approach to HR support makes us confident that we're the right partner for your organization. Let us help you transition your HR operations from restrictive and uncertain to intentional and empowering.

Our Human Resources experts routinely provide public and private clients with:

General HR Support

As-needed support to handle challenging and confusing HR issues. We can help translate the rules into real-world solutions.

HR Assessment Projects

Document current HR policies and procedures, identify potential risk areas, and recommend long-term process and program improvements

Employee Handbook development and manager/employee training

Developing and providing our clients with clear and predictable policies that work in real life

Benefit plan value analysis, enrollment support, and employee education

Ensuring employee benefit investments receive the recognition and appreciation they deserve

Automation Consulting

Helping clients automate the administrative and paper heavy HR functions and improving consistency to free up leadership time to focus on the people

Affordable Care Act

Compliance planning, management, and reporting support

Performance Management Program development and training

Developing and implementing programs that effectively motivate and reward the behaviors that drive organizational success

Manager and leadership training

Including, but not limited to, sexual harassment, disability accommodation, effective communication, goalsetting, change management, and constructive conflict

Total compensation program and marketability analysis

Ensuring compensation programs are competitive, motivating, and focused on retaining the highest performers



Technology

AEM Technology

We believe technology should enhance our service offerings, making our work less intrusive, our time with you more productive and keep everyone's data more secure. Our use of technology in position classification and compensation analysis enables us to streamline our work. It also helps us to automate certain functions of our projects so we are free to spend more time analyzing our results and working directly with you.

AEM takes the security of our data and our client's data very seriously. A number of systems are in place to ensure the safety of your organization's data with us. We operate in a completely remote hosted environment. This not only allows us to 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 a secure data warehouse, not on laptops or local servers.

It also means:

- All firm staff use dual authentication for every login to our remote environment
- Our data is saved on redundant servers so if one server fails, another server immediately takes over
- Our data is backed up continually
- All email and embedded links are scanned for viruses prior to landing in our inbox

Our remote host vendor works exclusively with public accounting firms. Their client base includes approximately 300 firms. They maintain a Service Organization Control 2 (SOC 2) report covering their organizational controls over security, processing integrity, etc. This report is available if you'd like to review it.

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



What Our Clients Say

Client References

We have long-term relationships with many of our clients. The local government clients listed below serve as a sample of references of those that we have successfully partnered with for position classification and compensation analysis engagements. Additional references are available upon request.

City of Rogers, MN

Stacy Scharber, Assistant City Administrator

P: 763.428.2253 E: sscharber@rogersmn.gov

22350 S. Diamond Lake Road, Rogers, MN 55374

2016 Engagement Leader – Leah Davis

City of Orono, MN

Dustin Rief, City Administrator

P: 952.249.4600 E: drief@ci.orono.mn.us

2750 Kelley Parkway, Orono, MN 55356

2015 Engagement Leader – Steve McDonald

2018 Engagement Leader – Leah Davis

City of Dayton, MN

Tina Goodroad, City Administrator/Development Director

P: 763.421.3487 E: tgoodroad@cityofdayonmn.com

12260 S. Diamond Lake Road, Dayton, MN 55327

2019 Engagement Leader – Leah Davis

City of Le Sueur, MN

Jasper Kruggel, City Administrator

P: 507.593.8312 E: jkruggel@cityoflesueur.com

203 South Second Street, Le Sueur, MN 56058

2019 Engagement Leader – Leah Davis



What Our Clients Say

Client References - continued

City of New Prague, MN

Michael Johnson, City Administrator

P: 952.758.4401 E: mjohnson@ci.new-prague.mn.us

118 Central Avenue N, New Prague, MN 56071

2020 Engagement Leader – Leah Davis

Shakopee Public Utilities - Shakopee, MN

Deb Amundson, President, Shakopee Public Utilities Commission

E: deb.Amundson@icloud.com

255 Sarazin Street, Shakopee, MN 55379

2020 Engagement Leader – Leah Davis

City of Chisago City - Chisago City, MN

John Pechman, City Administrator

E: jpechman@ci.chisago.mn.us

10625 Railroad Avenue, Chisago City, MN 55103

2021 Engagement Leader – Leah Davis



Project Plan and Timeline



For most cities it is very important to work with a firm that has a clear implementation process that will provide frequent and consistent progress updates. AEMWS has included update meetings with the City Management team proposed in the project plan. These meetings will be designed to provide project updates, solicit comments, review progress, and address any challenges. The schedule identifies a completion date of 60 - 75 days following the project start date, depending on the City's internal timelines.

| PROJECT PHASE | TIMELINE |
|---------------|----------|
|---------------|----------|

Introduction and Project Orientation

The first step to this project is to review and analyze data provided by the City. This includes the existing job descriptions and current compensation model, existing union contracts, and any other data the City has available. After this review, we will meet with the City Management team to discuss overall project expectations, outcomes, and timelines. We believe it is important to hold a kickoff meeting with the City Management team, either virtually or in-person, to discuss the project timelines and process as well as to identify City expectations, identify current compensation challenges, and define strategic project goals. This is also an opportunity for the City Management team to ask for clarification on the project and address any questions they may have.

DAY 1 – 10

Depending on City Availability

Comprehensive Job Description Evaluation

Existing City job descriptions will be reviewed for compliance with the Fair Labor Standards Act (FLSA) and the Americans with Disabilities Act (ADA).

DAY 11 - 20

Position Classification

Using the existing job descriptions, the Hay Method pointing methodology, which we have utilized for over 10 years, and in collaboration with City leadership, we will evaluate and assign position point values for each City position and organize positions into hierarchical order, based on point assignment.

DAY 21-30

Market Compensation Analysis

AEMWS will complete a full wage/compensation market survey, utilizing the Minnesota Local Government Salary and Benefit Survey put out by the League of Minnesota Cities as well as private sector compensation resources, where applicable. This analysis will include recommendations for maintaining marketable wage scales into future years as well as best practices for managing multiple union and non-union scales.

DAY 31-50



Project Plan and Timeline



Continued from page 8

| PROJECT PHASE | TIMELINE |
|--|--|
| <p>Market Benefits Analysis</p> <p>AEMWS will solicit employee benefit information from comparable cities as well as data from the League of Minnesota Local Government Salary and Benefit Survey, to complete an analysis of non-wage compensation marketability. Our team will solicit input from City leadership to develop a list of comparable organizations to be used in the benefit review.</p> <p>Employee benefits to be reviewed and compared include health and dental insurance, life insurance, short and long-term disability insurance, retirement, and paid leave time.</p> <p>Comprehensive benefit review outcomes and reporting will include:</p> <ul style="list-style-type: none"> • Summary of benefits, by benefit type, for all comparable cities; and • Analysis of the City’s benefit offering compared to the applicable market, including employee premium costs and plan designs/details; and • Recommendations to increase the marketability and perceived value of the City’s overall employee benefit offering. | <p>DAY 31 - 50</p> |
| <p>Proposed Compensation System Development and Testing</p> <p>The overall structure of the compensation study and system structure will be reviewed and updated according to the compensation and performance management philosophies of the City and will include identification of current or potential pay compression, pay equity, and collective bargaining issues. Once the proposed structure is completed, all data will be tested for compliance with Federal and State regulations, including Minnesota Pay Equity reporting for all municipal entities.</p> | <p>Day 51 - 60</p> |
| <p>Final Documents</p> <p>All documents will be reviewed with the City Management team in draft format before finalization and distribution. Final reporting will include comprehensive project findings, recommendations, description of overall methodology utilized in the project, data analysis, and estimated implementation costs and process. The City will be provided with all updated job description FLSA evaluation documentation, and all tools and resources to administer and maintain the proposed compensation model into the future. Once approved by the City Management team, report findings and recommendations will be presented, in person or virtually, to the City Council for review and discussion.</p> | <p>DAY 61 – 75</p> <p><i>Depending on City availability</i></p> |



Project Plan and Timeline



Continued from page 9

| PROJECT PHASE | TIMELINE |
|---|--|
| <p>Implementation and System Administration Training/Support - <i>Optional</i> Our team will develop and lead a customized compensation system implementation and maintenance program for leadership and staff. Training will include suggestions for appropriately awarding step increases, documented plan administration best practices, and a formal position review and reclassification request policy.</p> | <p>DAY 76 - 100 <i>Depending on City availability</i></p> |
| <p>Post Contract Support Services On an as needed basis, AEMWS will be available to review new or significantly altered job descriptions, including determination of points and salary ranges for the position, as well as provide documentation support for future pay equity reporting to the Minnesota Department of Management.</p> | <p><i>Optional and only as directed by the City</i></p> |



Value

| Project Phase – to be billed as completed | Proposed Investment |
|---|---------------------|
|---|---------------------|

Comprehensive Job Description Evaluation – *assumes 28 individual positions* **\$ 1,800.00**

Position Scoring and Classification – *assumes 28 individual positions* **6,000.00**

Market Compensation Analysis – *assumes 28 individual positions* **3,700.00**

Market Benefits Analysis **3,500.00**

Proposed Compensation System Development and Pay Equity Testing **3,200.00**

Report of Findings and Recommendations **4,200.00**

Implementation and System Administration Training/Support – *Optional Service* **2,000.00**

TOTAL PROJECT INVESTMENT (Lump sum not to exceed) **\$ 24,400.00**

Post Contract Services:

Per Position Scoring/Classification Fee **\$ 325.00/position**

Hourly consulting and post contract services **\$195.00 – \$385.00/hour**
Depending on staff level required



Value

Service Guarantee

Our work is guaranteed to the complete satisfaction of the customer. If you are not completely satisfied with the services performed by AEMWS, we will, at the option of the Client, either refund the price or accept a portion of said price that reflects the Client's level of value received. Upon payment of each of your scheduled payments, we will judge you have been satisfied.

Price Guarantee

Furthermore, if you ever receive an invoice without first authorizing the service, payment terms, and price, you are not obligated to pay for that service. Please understand, however, that the price that we've quoted considers and relies upon the following:

- The information you agree to provide is on time and complete to the degree indicated in our agreement.
- Your key management, finance, or human resources team members don't change during our service period.
- No undisclosed or newly arising complexities, claims, or significant transactions, occur that impact our service period. This includes emergence of yet unspecified revisions to any prior period work that would need to occur before we can perform our agreed services.
- No new tax, regulatory, or other reporting requirements are introduced between now and the end of our service period.

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



Appendix A

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



Agreement for Services

Agreement for Services

THIS AGREEMENT, is made and entered into on _____, 20___, by and between the City of Princeton, Minnesota (hereinafter referred to as the "Client"), and AEM Workforce Solutions LLC (hereinafter referred to as "AEMWS" or the "Contractor").

Articles of Agreement & Recitals

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

WHEREAS, the Contractor understands and agrees that:

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

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

ARTICLE I

INCORPORATION OF RECITALS

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

ARTICLE II

LIABILITY INSURANCE

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



Agreement for Services

ARTICLE III

DURATION OF THE AGREEMENT

Section 1 Duration: This Agreement shall commence upon date of execution by all parties and will remain in effect until the completion of the consulting engagement unless earlier terminated as provided in Subsections 2 and 3.

Section 2 Client's Termination Rights: The Client may terminate this Agreement upon sixty (60) days written notice in the event the Client determines in its sole discretion that it is not in the Client's best interest to continue using Contractor's services. The Client may terminate upon ten (10) days written notice of the Contractor fails to perform its obligations under this Agreement.

Section 3 Contractor's Termination Rights: Contractor may terminate this Agreement upon thirty (30) days written notice to the Client in the event the Client does not pay Contractor compensation as required under Article 5, Section 9 within fifteen (15) days after invoice is received by the Client. In the event of non-payment within thirty (30) days, Contractor shall give the Client an opportunity to cure the default by giving a notice of such non-payment and an additional five (5) days after the Client's receipt of the notice to remit such payment, prior to giving a notice of termination. Contractor can also terminate the Agreement with sixty (60) days written notice.

ARTICLE IV

RENEWAL OF THE AGREEMENT

Section 1 Renewal Period: Not less than ninety (90) days prior to the expiration of the term of this Agreement, the Client may provide written notice of its intent to renew this Agreement for an additional term of up to three years upon terms and conditions agreed upon by both parties to the Agreement. If no such renewal agreement is executed by the parties, the Agreement terminates without further action of either party on the one year anniversary date, or the completion of the consulting engagement, whichever is longer.

ARTICLE V

GENERAL

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

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

Section 3 Assignability: The Contractor's rights and obligations under this Agreement are not assignable or transferable, but the Client's rights and obligations may be assigned to any successor entity upon ten (10) days notice.



Agreement for Services

ARTICLE V--CONTINUED

GENERAL--CONTINUED

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

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

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

Section 7 Contractor Fiscal Decision Waiver: Contractor is responsible for providing the Client with timely and accurate human resources recommendations and information that allows the Client the ability to make final human resources decisions. Contractor will provide final human resources recommendations, but Contractor is not responsible for the final decisions made regarding human resources matters and Client shall indemnify and hold Contractor harmless from the same.

Section 8 Client Employment of Contractor's Employees; Should the Client desire to employ the Contractor's employee that is assigned to the Client during the term of this Agreement, it must have the written consent of the Contractor to enter into a Client employee contract with the Contractor's employee. Should the Contractor agree to such arrangement, the agreement will include a payment equal to 200% of the annual contracted cost, in addition to the annual contracted cost already paid to the Contractor. This restriction on employment applies only during the term of this Agreement and for a period of six (6) months thereafter.



Agreement for Services

ARTICLE V--CONTINUED

GENERAL—CONTINUED

Section 9 Compensation: The parties agree that the Contractor shall be paid compensation for the services provided hereunder, based on the fees indicated in the proposed client investment schedule and under the attached scope of services. Additional fees will not be incurred without prior approval of the Client.

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

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

LIMITATION OF LIABILITY

Section 1 Disputes: If any dispute arises between AEMWS and the Client under this Agreement, the dispute shall first be submitted to mediation. The costs of mediation shall be shared equally by the parties. All disputes between AEMWS and the Client arising out of this Agreement which cannot be settled directly or through mediation shall be resolved through binding arbitration in Mankato, Minnesota in accordance with the rules for resolution of commercial disputes then in effect of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction thereof. It is further agreed that the arbitrator may, in its sole discretion, award attorneys' fees and costs to the prevailing party.

Section 2 Limitation of Liability: AEMWS' entire liability, and the Client's exclusive remedy, for AEMWS' performance or non-performance under this Agreement shall be for AEMWS to reimburse the Client the total charges for related services provided during the previous twelve months. AEMWS WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR LOST PROFITS, SAVINGS OR REVENUES WHICH THE CLIENT MAY INCUR AS A RESULT OF AEMWS' FAILURE TO PERFORM ANY TERM OR CONDITION OF THIS AGREEMENT (EVEN IF IT HAS BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES). The Client shall indemnify AEMWS against, and hold each of them harmless from, any and all liabilities, claims, costs, expenses and damages of any nature (including reasonable attorney's fees and costs) in any way arising out of or relating to disputes or legal actions with Client's employees or any third parties concerning the provision of the services under this Agreement. The Client's obligations under the preceding sentence shall survive termination of this Agreement.



Agreement for the Provision of Professional Services

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

Name _____

Title _____

Date _____

Name *Zeak Dant* _____

Title _____ President _____

Date _____ August 27, 2021 _____

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



Appendix B

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™

Leah Davis, CPA

President, AEM Workforce Solutions
Partner, Abdo, Eick & Meyers

leah.davis@aemws.com
Direct Line: 507.524.2347
www.aemcpas.com



Background

Since joining the firm as President of AEM Workforce Solutions in 2016, Leah has helped employers find creative ways to overcome their HR and payroll challenges. Whether it's developing a motivating employee performance evaluation program, implementing an integrated HR/payroll system, or designing strategies to improve engagement, Leah and her team seek what's best for both the organization and its people.

As an active CPA and after owning and operating an outsourced HR and payroll consulting business for nearly a decade, Leah has worked with employers across all industries. She also has several years of experience in public accounting and these experiences equip Leah with a unique perspective on the complex HR, financial, and strategic planning issues that employers face every day.

Outside of work, Leah spends her time reading, cooking, catching live music wherever she can find it, and enjoying time outside on the southern Minnesota farm where she lives with her husband and their 4 young daughters

Qualifications & Specialties

- Human Resources Management, Consulting, and Compliance, including a focus on leveraging technology to maximize employee experience and streamline administrative HR workflows
- HR and Leadership Team Coaching and Training, focused on building technical and practical skills to improve overall performance and operational effectiveness
- Employee Benefit Plan Administration and Analysis, including Affordable Care Act (ACA) compliance, benefit workflow optimization, and evaluation of benefit plan design options to evaluate costs and maximize employee value recognition
- Employee Incentive and Compensation Plan Development, including position classification and compensation plan design and total compensation analysis

Education

Minnesota State University, Mankato
B.S in Accounting and Business Administration

Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- Minnesota Society of Certified Public Accountants (MNCPA)
- Society for Human Resources Management (SHRM)

**ABDO
EICK &
MEYERS** LLP

AEM Workforce Solutions™

Julie Flaten

Senior Manager, AEM Financial Solutions

julie.flaten@aemfs.com
Direct Line: 952.715-3050
www.aemcpas.com

Background



Julie joined the Firm in 2021 as a Senior Manager in the Financial Solutions group. Julie has over 20+ years of experience working in local government at the State, County, and City levels. Prior to joining AEMFS, Julie spent fourteen years working for a Minnesota City. In this role, she served as interim City Administrator, Administrative Services Director/Human Resources Director for seven years and held the role of Assistant Finance Director for six years. Her other responsibilities included managing elections processes, overseeing financial and payroll functions, as well as managing City Clerk functions.

Qualifications & Specialties

- 20+ years of experience working in Minnesota municipalities
- Experience in Human Resources, including FMLA, COBRA, Worker's Compensation, classifications and compensation, employee investigations, negotiation of union contracts
- Experience in various financial and payroll functions such as annual budget development process and data compliance
- County experience overseeing budget compliance, monitored fiscal performance, preparation of annual audit and acted as the fiscal liaison to County departments
- Knowledge of Microsoft Office Suite, Neogov (for hiring purposes), and Tyler Technologies

Education

- Bachelor of Science, Business Administration – University of Wisconsin - Stout
- Associate Degree, Accounting – Northeast Wisconsin Technical College

Professional Memberships

- Minnesota Public Employer Labor Relations Association (MPELRA)
- National Public Employer Labor Relations Association (NPELRA)

Affiliations

- Serves on the League of Minnesota Cities Human Resource Policy Committee



AEM Financial Solutions™

Brittany Bauer

Senior HR Specialist, AEM Workforce Solutions

Brittany.bauer@aemws.com
Direct Line: 507.304.6836
www.aemcpas.com



Background

Brittany Bauer joined AEM Workforce Solutions in 2017 as a Human Resources Specialist after spending many years in the staffing and recruiting industry as well as providing HR, payroll, and operational support for an agribusiness software development company. Brittany has over 10 years of both HR and payroll experience working with clients from a broad range of industries including agriculture, non-profit and government. She has a passion for leveraging technology to streamline processes, manage compliance, and improve the overall employee experience.

Brittany enjoys spending time with her family and friends, camping, visiting State parks and listening to music. She also enjoys watching Twins baseball with her husband. Brittany has two busy children and resides in Southern MN.

Qualifications & Specialties

- Payroll Processing and Compliance, HRIS/Payroll Software Implementation Support, Maximizing HRIS/Payroll System Utilization, Timeclock, HR, and Payroll Database Integrations
- HR and Payroll Process Review, Improvement, and Training
- Development of Effective Recruiting, Hiring, Employee Onboarding, Engagement and Retention Programs and Policies
- HR/Payroll Compliance, Employee Management and Communication, Unemployment Claim Management, and Employee Off-Boarding Support
- Worker's Compensation Administration, including Carrier Communications, Employee Claim Management, OSHA reporting/filing, and Annual Policy Audit Reporting
- Employee Benefits Administration, including Plan Compliance, COBRA, Benefit Program Analysis, Employee Enrollment/Terminations, and Plan Renewals

Education

- Sales and Business Management Certification
- Continuing Professional Education

Professional Memberships

- Southern Minnesota Human Resource Association
- Greater Mankato Growth Young Professionals

**ABDO
EICK &
MEYERS** LLP

AEM Workforce Solutions™



Appendix C

**ABDO
EICK &
MEYERS_{LLP}**

AEM Workforce Solutions™



Hay Methodology Information

As part of our position analysis and classification, positions will be scored using a plan adapted from the Hay Method. The model assigned each position a score in the following categories (adapted from the State of Minnesota 2009 Hay Manual): Know-How, Problem Solving, Accountability, and Special Conditions. The following information provides a summary of factors and considerations used to apply this classification method.

Know-How represents the knowledge, skills and abilities an employee needs to be successful in a particular job. The Hay evaluation method places the greatest emphasis on Know-How. Know-How is defined as an expert skill, information or body of knowledge that imparts an ability to cause a desired result. The Know-How category is the most heavily weighted category. If a position is more easily learned, the position will point toward the lower end of the scale.

Know-How category is further divided into three parts: Depth and Breadth of Job-Specific Knowledge (aka Technical and Specialized Know-How and Job-Specific Knowledge); Integrating Know-How (aka Managerial Breadth or Know-How); and Human Relation Skills (aka Human Relations Know-How). A number is assigned for total Know-How points by making several separate choices for each of the three elements described and an overall assessment.

Job-Specific Knowledge includes the position's requirements for knowledge and skills related to practices, procedures, specialized techniques and professional disciplines. It also includes basic and job-specific supervisory and managerial KSAs, when appropriate. This aspect of Know-How does not make distinctions among differently-sized managerial jobs nor does it include human relation skills. It is important to remember that this element measures the requirements of the position, not the qualifications of an incumbent.

Integrating Know-How considers the need to integrate and manage progressively more diverse functions and is used to rank managerial breadth and scope, from similar to very different functions. When required, basic and job-specific supervisory and managerial knowledge, skills and abilities are included in the Job-Specific part of a Know-How rating. The overall size of an organization directly influences the number of managerial breadth categories, because the organizational size often reflects requirements for increased managerial complexity and diversity.

Human Relation Skills is the third element of a job's Know-How rating. It is the active, practicing interpersonal skills typically required for productive working relationships to work with, or through, others inside and/or outside of the organization to get work accomplished. It assumes that each job requires a foundation of basic human relations skills. To be effective, an employee must typically be proficient at the highest level of Human Relations Skill regularly required for the position.

Problem Solving is the process of working through details of a problem to reach a solution. Problem solving may include mathematical or systematic operations and can be a gauge of an individual's critical thinking skills. Problem Solving measures the intensity of the mental process that uses Know-How to: (1) identify, (2) define, and (3) resolve problems. It is a percentage of Know-How, reflecting the fact that "you think with what you know." This is true of even the most creative work. Ideas are put together from something already there. The raw material of any thinking is knowledge of facts, principles and means.



Hay Methodology Information

Problem Solving – continued

Context includes the influences or environment that limit or guide decision-making such as rules, instructions, procedures, standards, policies, principles from fields of science and academic disciplines. Positions are guided by organizational, departmental or functional goals, policies, objectives and practices circumscribed by procedures and instructions. In general, policies describe the "what" of a subject matter, procedures detail the steps needed to follow through on a policy (i.e., how, where, when, by whom) and instructions outline the specific aspects of how to perform the tasks, such as the operation of a machine or how to select the appropriate letters to use in particular situations.

Thinking Challenge includes the nature of the problems encountered and the mental processes used to resolve the problems. The scale ranges from simple problems to very complex issues, with the premise that simple issues recur regularly in the same form and after a while are resolved by rote or instinct, but very difficult issues require substantial thinking and deliberation. The types of situations encountered and the processes involved in identifying, defining or resolving related problems are considered. Thinking Challenge reflects the degree of difficulty in finding improvements and adapting to changes.

Accountability does not mean being responsible for getting one's own work done. Rather, it reflects responsibility for actions and their consequences and the measured effect of the job on end results for the organization. Accountability includes three factors: Freedom to Act/Empowerment, Magnitude, and Job Impact.

Freedom to Act/Empowerment involves the degree of personal or procedural control or guidance exercised over the position. For example, what constraints are put on an employee in this job? How closely supervised is the position? What kinds of decisions are made higher up in the organization?

Magnitude is the portion of the total organization encompassed by the position's primary purpose. It's most typically indicated by the general dollar size of the area(s) most directly affected by the job, i.e., the resources over which the position has control or influence. A variety of factors are considered such as size of budget the employee is responsible for, what degree of influence is held and is this person a decision maker.

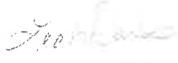
Job Impact is considered to be indirect (indirect or contributory) or direct and measurable (shared or primary). It involves the way in which the position's actions affect end results in the agency. For example, how does the employee influence the business - directly or indirectly? Does the employee provide advisory or interpretive services for others to use in making decisions? Is the job an information-recording one? Does it provide a necessary service with a relatively small effect on the business of the agency? "Contributory" and "primary" are, by far, the most frequently used options."

Special Conditions consider the physical effort, environmental conditions, hazard exposure, and sensory attention demands that an employee is commonly subject to in the position. For example, two positions may be assigned identical points in all other areas but the position that is regularly required to work in extreme outdoor conditions (i.e. heat or extreme cold) would receive additional points for these factors.

Exhibit B
Quote Sheet

| | Consultant Hours | Total Consultant Fees | Cost of Materials, Fees, Bonds, Taxes or Surcharges, if any | Total Not-to Exceed Costs | Identify any work not included in Total Cost, if any |
|---|------------------|-----------------------|---|---------------------------|--|
| Compensation Policy | | | | | |
| Position Analysis | | 1,800.00 | | 1,800.00 | |
| Position Classification Evaluation | | 6,000.00 | | 6,000.00 | |
| Labor Market Employers Criteria and Selection | | | | | |
| Compensation Analysis – Salaries | | 3,700.00 | | 3,700.00 | |
| Compensation Analysis – Benefits | | 3,500.00 | | 3,500.00 | |
| Classification & Compensation System & Compliance Testing | | 3,200.00 | | 3,200.00 | |
| System Presentation, Implementation & Training | | 4,200.00 | | 4,200.00 | |

TOTAL NOT TO EXCEED COST: 22,400.00

Proposal Submitted by  Date: 08/27/2021
Signature

Printed Name Leah Davis Company Name Abdo, Eick & Meyers, LLC