




LOWER PLATTE SOUTH natural resources district

3125 Portia Street | P.O. Box 83581 • Lincoln, Nebraska 68501-3581
P: 402.476.2729 • F: 402.476.6454 | www.lpsnrd.org

Memorandum

Date: December 11, 2020
To: Board of Directors
From: Paul D. Zillig, General Manager
Subject: Executive Subcommittee Meeting Minutes



The Executive Subcommittee met at 1:30 pm on Friday, December 11, 2020 via video/teleconference. Directors participating were Larry Ruth, Deborah Eagan, Bruce Johnson, Ray Stevens, Milt Schmidt, and Dan Steinkruger. Others participating included Corey Wasserburger, Steve Seglin, Kathy Spence, Nathan Kuhlman, David Potter, and myself.

Chair Ruth called the meeting to order and welcomed those participating. Ruth welcomed each of the Subdistrict 3 applicants as they logged on for their scheduled interview. Interviewees included: Melissa Baker, Ron Bottorff, James R. "JJ" Johnson, Harry Muhlbach, and Kenneth Vogel.

Later in the meeting, it was moved by Stevens, seconded by Schmidt and unanimously approved by the Subcommittee to **recommend the Board of Directors appoint Ken Vogel to fill the Subdistrict #3 Board vacancy effective January 7, 2021.** The Subcommittee weighed out the desire to provide information about each of the applicants to the Board/public vs privacy concerns, we have not attached the applications of any of the applicants.

The next item on the agenda was to consider proposed changes to the Operating and Personnel Policies. A summary of the proposed changes are attached and a complete list can be viewed via the link on the Board Meeting agenda located on the NRD Website.

It was moved by Eagan, seconded by Stevens and unanimously approved by the Subcommittee to **recommend the Board of Directors approve the proposed modifications to the District's Operating Policies C-11, C-14.7 & D-1.10, C-10, C-4, Personnel Policies No. 5 and No. 11, and the terminology corrections throughout both the Operating and Personnel Policies, all changes effective January 1, 2021.**

The next item on the agenda was to consider a 1 year extension for the NRD's agreement with the Department of Corrections for the provision of two work crews. I reported that we have not yet received the proposed extension from the Department of Corrections. I provided a copy of last year's extension with pen and ink updates. It was moved by Schmidt, seconded by Johnson, and unanimously approved by the Subcommittee to **recommend the Board of Directors authorize**

the General Manager to approve a 2021 Annual Extension for the Department of Corrections Work Crew Agreement.

The next item on the agenda was to consider continuing the lease of the neighboring Fire Station (1440 Adams) to the City of Lincoln for covid control purposes. I reported that this lease expires just prior to the NRD's January Board Meeting (January 19th) and I've asked the City to let us know if they wish to enter into a new lease or extend the current lease, I haven't hear back from the City at this time.

It was moved by Stevens, seconded by Eagan, and unanimously approved by the Subcommittee to **recommend the Board of Directors authorize the General Manager to approve an agreement extending the City's use of the 1440 Adams Street Fire Station, for up to an additional 6 months.**

The next item was an update from myself on the progress since our last Subcommittee meeting (attached) in determining the future Administrative Assistant replacement needs. I reported the Board will be considering a couple of changes related to software and professional services to help bridge the gap during the transition and prepare a contingency plan. I anticipate that we will advertise to fill the Administrative Assistant position in the near future.

Ruth then updated the Subcommittee on his work on the Open Meetings Act work group.

The next item was to consider a request from NARD for each NRD to approve a resolution ratifying and consenting to the assignment of that NRD's pro rata share of the dividend to the NARD Foundation for the purpose of purchasing the NARD office building. All 23 NRDs are being asked to ratify this resolution (attached). It was moved by Steinkruger, seconded by Stevens, and unanimously approved by the Subcommittee to **recommend the Board of Directors approve the NARD Office Dividend Resolution.**

There being no further business the meeting adjourned at 4:20 pm.

PDZ/pz

Encl. 4

pc: Steve Seglin
Corey Wasserburger

Operating/Personnel Policy Update Considerations

Over the past year, the following suggestions have been mentioned, and are recommended, as updates to our NRD Operating and/or Personnel Policies (Dec).

1. Board meeting postponed due to weather conditions (Operating Policy C-11.1.b). Expand due to lack of quorum, etc., and add to postpone and reschedule for the following Wednesday and provide notice. Page 20.
2. Roberts Rules of Order is listed in #C-14.7 “shall govern the conduct of all meetings, unless such rules are superseded by law or these policies” and in D-1.10 “Robert’s Rules of Order shall govern the conduct of the (Subcommittee) meeting”. Robert’s Rules of Order should only provide guidance, not required to follow. Pages 24 & 34.
3. In 1996 the Board authorized the GM to approve “well permits”. Need to add to the GM authorizations the Board’s approval for the GM to approve well permits. [Operating Policy #C-10]. Page 19.
4. Increase the LPSNRD daily Director per diem rate up to the statutory limit of \$70/day (currently at \$60/day), annual maximum remains at \$3,600. [Operating Policy #C-4] Page 10.
5. Update references to “he/she” or “his or her” and replace with “they” or “their” etc. Terminology corrections in Operating Policies: C-3, 5, 7, 8, 10, 16, and D-1. And Personnel Policies: #5, 7, 8, 10, 14, 17, 22, 23, 26, 30, 31, 32, 41, 43, 44, 45, 47, 48, 49, and 52. Pages 9, 12, 13, 15, 16, 19, 26, 33, 91, 93, 94, 96, 102-104, 107, 112-114, 118, 122-124, 134, 136-139, 141-143, and 146.
6. Correct inconsistency for employment contracts, (Personnel Policy #5: Term of Employment) states all employees serve at will. The GM has an employment contract (Operating Policy #10.2). Page 91.
7. Update Personnel Policy #11: Work Breaks. Change “Each employee will receive a one (1) hour lunch break.” to “Each employee may take a lunch break of at least one-half (1/2) hour.” Page 97.

"ANTICIPATED"
FORM HASN'T
BEEN PROVIDED
BY CORRECTIONS.

Renewal Acknowledgement Work Crew Agreement

third

Lower Platte South Natural Resource District (District) agrees to exercise the ~~second~~ one-year renewal option of its *Work Crew Agreement* with the Nebraska Department of Correctional Services/Cornhusker State Industries (NDCS/CSI) for labor performed by inmates on behalf of the District. All provisions of the agreement will remain in effect with no changes. This option will extend the agreement from January 1, 202~~0~~ through December 31, 202~~0~~.

/

/

Paul Zillig, General Manager
Lower Platte South Natural Resources District

Date

Jeremy Elder, Deputy Director
Cornhusker State Industries

Date

Subject: FW: Administrative Assistant Replacement Needs

Subject: Administrative Assistant Replacement Needs

Subcommittee Members:

As we all know Kathy Spence filled an important role at the NRD working on accounting, financials, payroll, auditing and other administrative duties. I've spent a majority of the past month reviewing the needs of the District and considering options to fill those needs. As you will recall in mid-November both the F&P and Executive Subcommittees met and I provided updates on what was a likely path forward utilizing HBE for additional accounting and payroll services. The reasons for exploring that option was that for about the same cost HBE would provide expert professional accounting services, provide new/user friendly software, and their expanded staff would still be able to provide services, should attrition occur.

F&P Chair Steinkruger and NRD Staff met with HBE and heard their draft proposal. It did fill several needs of the District but required several changes that were not positive for the NRD (NRD would "give up" management of our financial records, annual cost of \$90k plus one time software costs, current bookkeeping staff's work would be re-assigned, check/payment processing would be delayed, personalized payment letters wouldn't accompany checks to landowners and participants, and NRD checks would be issued from California). I don't believe this would be in the best interest of the NRD. I decided to re-evaluate our options.

There was agreement that the accounting/financial process we use now is very good, but a few improvements are needed. The biggest concern of the remaining staff is the difficulty of less experienced employees utilizing Microsoft Dynamics GP (Great Plains) software. This NRD has used this software since the 1990s and Kathy Spence is proficient utilizing the software. We do not feel the software is very "user-friendly" to other less experienced users. Small problems still arise and consultants would need to be hired to fix those problems, our experience is that those consultants are not readily available and they are expensive. Currently we are the only NRD that utilizes Dynamics GP software, we feel there is better software for our needs. We then looked into other software options and how our data in Dynamics GP could be transferred over to another software during the staff transition?

Staff (Zillig, Damrow, Kuhlman, & Potter) then met with Kathy Lewis of KLC Vision to find out more about better software options for the NRD. It was suggested that QuickBooks Advanced would likely meet our needs for accounting and payroll. We felt that Kathy Lewis is very knowledgeable, experienced, and KLC Vision is interested in assisting us evaluate this option. We discussed the services needed from KLC Vision and attached is a proposal for the necessary services to update our accounting/bookkeeping and payroll software. **I recommend the approval of this proposal from KLC Vision.**

Contracting with KLC Vision for software and services would then let us advertise to fill the Administrative Assistant position with a few changes (wouldn't require Dynamics GP experience, would stress importance of budget preparation). Listed below would be how we would move forward with the different accounting/financial responsibilities.

1. Annual Auditing would remain with HBE.
2. Accounts Payable would remain primarily with Connie Damrow, NRD Bookkeeper.

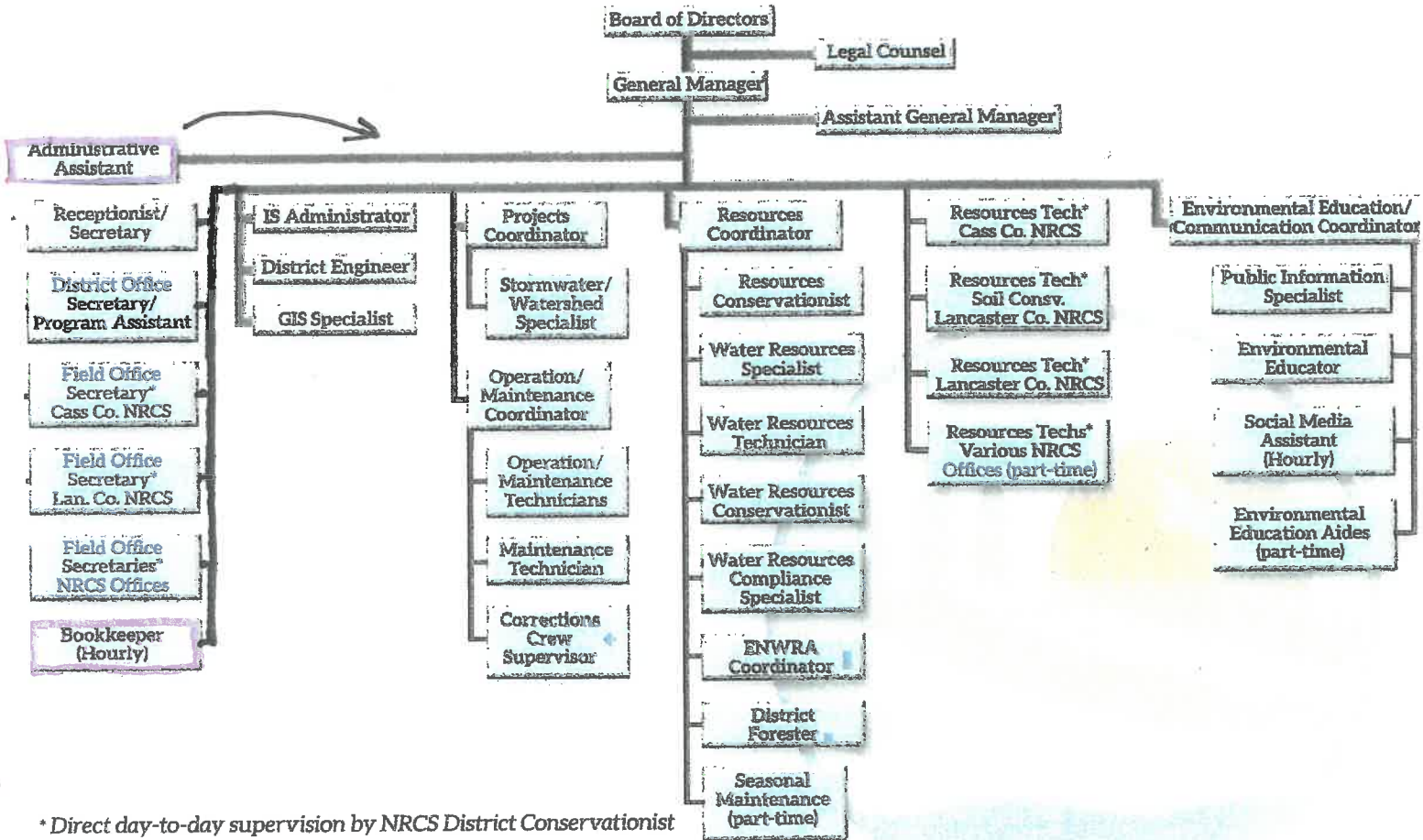
3. Accounting & Accounts Receivable would remain in house with the Bookkeeper and new Administrative Assistant.
4. Software would remain in-house under IT and operated by staff, minimal outside assistance would be required.
5. Payroll data would be compiled in-house in QuickBooks Payroll and outsourced/processed.
6. Budget preparation would remain with the newly hired Administrative Assistant.
7. State Budget form assistance would be coordinated by the Administrative Assistant with assistance from HBE.
8. Human Resources would remain with the Administrative Assistant, with assistance from Kathy Hauschild, NRD Receptionist/Secretary, where identified.
9. Supervision responsibilities in the Administrative Assistant area would be re-assigned during the transition (see NRD Organizational chart).

I am currently in discussions with another local accounting firm about being on a retainer for additional accounting services (the main focus would be on providing budget preparation assistance to the Administrative Assistant and other accounting/financial needs as they may arise). As you will recall our contract with HBE to conduct our audit limits what other services HBE can provide. I'd like to think we implement this plan and everything goes smoothly. I'm sure that's the case, until something doesn't go smoothly, we need to have some additional assistance readily available. At this point I don't have a proposal for Board consideration. I feel we need an option to quickly acquire additional accounting/budget professional services. **I hope to have this proposal prior to the Board Meeting. If I receive it, I will distribute it to the Board and F&P could Zoom sometime prior to the Board Meeting to prepare a recommendation.**

Some adjustments will be required for the NRD Bookkeeping position, and possibly a few others. Those proposed adjustments will go to the Executive Subcommittee in January.

Paul

ORGANIZATIONAL STRUCTURE OF THE LOWER PLATTE SOUTH NRD



* Direct day-to-day supervision by NRCS District Conservationist

• Administration and supervision by Nebraska Forest Service

■ Administration and supervision by UNL Conservation and Survey Division

◀ Contract with Nebraska Department of Corrections for two crews and two crew supervisors

7/2019

**Resolution of the Board of Directors of the
Natural Resources District**

WHEREAS, the current NARD and NARD Risk Pool office was destroyed by a fire on May 30, 2020.

WHEREAS, the NARD Board does not want to ask districts to contribute tax proceeds toward purchasing a building but use reserve funds from three sources instead.

WHEREAS, at the September 29, 2020 NARD and NARD Risk Pool Board meetings, the boards approved the following combination of funds: NARD General Operations (\$200,000), NARD Foundation (\$100,000) and NARD Risk Pool (\$900,000). The funds would be combined in the NARD Foundation to purchase the building. A \$900,000 loan will be obtained for the balance of the building.

WHEREAS, there is a current tenant in part of the building with a lease through 2028, which will be transferred to the NARD Foundation upon closing. That lease income will assist in making the payments on the building.

WHEREAS, the NARD staff has been working with the Nebraska Department of Insurance (department) to make sure we are accounting for the proceeds under the Nebraska Intergovernmental Risk Act. Further, the NARD Board wants to properly account for the combination of funds to eventually pay back all three entities for the contribution made toward the purchase. Communication began with the department in July 2020 and was asked if the transfer should be treated as a dividend, loan or donation.

WHEREAS, on December 1, 2020, the department determined the best action to account for the funds would be to treat the transfer of funds from the Risk Pool as a dividend with each district assigning the dividend on the same day to the NARD Foundation for the purposes of buying a building.

WHEREAS, on December 11, 2020 the Board of Directors of the Nebraska Association of Resources Districts Intergovernmental Risk Management Pool Association ("NARD Risk Pool") declared a dividend to be issued December 28, 2020 totaling \$900,000 to be evenly distributed to the 23 Natural Resources Districts ("Districts") with the intention that the Districts will ratify and assign their full portion of the dividend to the Nebraska Association of Resources Districts Foundation ("NARD Foundation") for the purpose of purchasing an office building.

WHEREAS, the NARD Risk Pool Representative of the district, as a Participating Employer in the NARD Risk Pool, has attested and consented to the assignment of its pro rata share of the dividend to the NARD Foundation.

THEREFORE, LET IT BE RESOLVED, that the District Office, as a Participating Employer in the NARD Risk Pool, hereby ratifies and consents to the assignment of its pro rata share of the dividend to the NARD Foundation for the purposes of purchasing an office building.

Dated: _____ Natural Resources District

By: _____ Title: _____