



LOWER PLATTE SOUTH natural resources district

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Item #7

Memorandum

Date: December 10, 2019
To: Each Director
From: Paul D. Zillig, General Manager
Subject: Finance & Planning Subcommittee Meeting Minutes

The Finance & Planning Subcommittee met at 4:00 pm on Monday, December 9, 2019 in the NRD Office. Subcommittee members present included Dan Steinkruger, Greg Osborn, Ray Stevens, and Luke Peterson. Others present included Larry Ruth, Gary Aldridge, Jim Smith of Union Bank, Corey Wasserburger, Kathy Spence, Al Langdale, Bryce Jensen, David Potter, and myself.

Steinkruger opened the meeting and reported that the first item on the agenda was a request by Gary Aldridge to discuss the NRD audit. Gary reported that the audit has been typically considered at the October Board Meeting (3+ months after the end of the Fiscal Year). He shared his concerns with the Subcommittee that, he felt, the audit should be completed sooner.

The next item on the agenda was to discuss FY 2021 and beyond auditing services. I reported that the current contract with HBE is set to expire with the completion of the FY 2020 Audit. I reviewed the past audit arrangements and directions from previous NRD Boards. I reported that staff is very satisfied with HBE's work and would recommend we continue with a new agreement with HBE. It was moved by Stevens, seconded by Osborn and approved by the Subcommittee members present to direct the General Manager to negotiate a new contract with HBE for auditing services and present the new contract to the Subcommittee and Board for consideration. Staff will contact HBE and request a proposal be negotiated before the January meetings.

The next item on the agenda was to consider the future direction for investing NRD savings, sinking funds, and CDARS. Jim Smith from Union Bank & Trust – Treasury Management Services was invited to meet with the Subcommittee, Jim is the NRD's main contact with Union Bank. A copy of NRD investment funds from last month is attached.

Jim discussed our past and current working relationship, and reviewed the NRD's use of checking, sweeping previously thru NPAIT and potentially thru Short Term Federal Investment Trust (STFIT), and CDARS Certificates of Deposit. Jim reviewed the attached diagram showing the Dailey Sweep Investment Option, and a proposed summary of the current NRD investments in checking, Sweep/STFIT, and CDARS Certificates of Deposit (attached). Included on the list of current investments were the interest rates (i.e. 1.67% on STFIT accounts).

The Subcommittee discussed with Smith the guarantees for the different accounts beyond the \$250,000 limit, how the sweeping accounts work and re-balance daily, and that the Trusts and Union Bank are separate entities.

It was moved by Osborn, seconded by Stevens, and unanimously approved by the four Subcommittee Members present to **recommend the Board of Directors approve working with Union Bank & Trust to establish a Short Term Federal Investment Trust (STFIT) account that can be utilized by the Nebraska Federal Investment Trust (NFIT) for the NRD General & Payroll, Lower Platte River Corridor Alliance (LPRCA), and Eastern Nebraska Water Resources Assessment (ENWRA) savings accounts and also all Sinking Fund savings accounts and CDARS Certificates of Deposit.**

The next item on the agenda was to consider two vehicle purchases for this fiscal year. Bryce Jensen, NRD Operation/Maintenance Technician reported that the District is planning on trading in two pickups and purchasing two new pickups. Both vehicles have over 100,000 miles. Jensen reported that proposals were requested from nine local dealers.

Jensen reviewed the attached memo on Diesel Truck Vehicles and reviewed the four proposals received, including the low proposal from Husker Auto Group for \$22,199.

It was moved by Stevens, seconded by Peterson, and unanimously approved by the four Subcommittee Members present to **recommend the Board of Directors accept the Diesel Truck vehicle proposal from Husker Auto Group (Lincoln) for a 2020 2500HD Diesel truck in the amount of \$22,199.00, with trade-in.**

Jensen then reviewed the attached Crew Cab Truck memo and reviewed the four proposals received, including the low proposal from Husker Auto for \$16,488.

It was moved by Stevens, seconded by Peterson, and unanimously approved by the four Subcommittee Members present to **recommend the Board of Directors accept the Crew Cab Truck vehicle proposal from Husker Auto Group (Lincoln) for a 2020 2500HD Crew Cab truck in the amount of \$16,488.00, with trade-in.**

The Subcommittee then discussed holding a Board Planning Retreat in late February. Likely topics will be changes in climate, what to expect and how the NRD can better prepare. Staff will look into location options and report back at the January meeting.

Updates were also provided on completing the Hazard Mitigation Plan this spring after the public input process. Staff is also finalizing the payment from the City for selling the 21st & N property.

There being no further business the meeting adjourned at 5:15 pm.

PDZ/pz

pc: Steve Seglin & Corey Wasserburger