




## LOWER PLATTE SOUTH natural resources district

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Agenda Item #6

### Memorandum

**Date:** July 15, 2022  
**To:** Each Director  
**From:** Paul D. Zillig, General Manager   
**Subject:** Finance and Planning Subcommittee Meeting

The Finance and Planning Subcommittee met on Wednesday, July 13, 2022 at 5:30 pm in the NRD Office in Lincoln. Subcommittee members present were Bob Andersen, Lisa Lewis, Ray Stevens, Susan Seacrest, Chelsea Johnson, Don Jacobson, and Vern Barrett. Also present were Deborah Eagan, Corey Wasserburger, Al Langdale, Kristin Buntemeyer, David Potter, and myself.

Chair Andersen opened the meeting and welcomed everyone. Andersen reported the first item on the agenda was to review and prepare a recommendation on the next Draft of the Fiscal Year 2023 NRD Budget. The Subcommittee was provided the attached list of past budgets, valuations, and tax rates & revenues, I then reviewed the attached July 7<sup>th</sup> memo updating the Subcommittee on staff's work since the June Board meeting to update the District's financial records, update budget amounts, and propose a number of changes to the budget. I then reviewed the attached list of 58 changes from Draft #1 to Draft #1.1 and then an additional three adjustments which were received later (59-61). The Subcommittee discussed many of the adjustments.

I then reported that the budget is currently \$169,679 from being balanced and reviewed the options outlined in the memo for the Subcommittee to consider in order to "balance" the budget. The Subcommittee discussed the current budget and the options available. There was support to not increase taxes and keep the tax revenue the same as last year. Stevens suggested a reduction in the cash reserve and sinking funds with staff making a few modifications to balance the budget. There was not agreement on reductions in sinking funds. It was moved by C. Johnson, seconded by Lewis to direct staff to direct staff to reduce the cash reserve by \$100,000 and make adjustments reducing the total budget by \$69,679. The Subcommittee further discussed this motion and other alternatives. The motion was then approved on a vote of 5 "yes" (Seacrest, Lewis, Barrett, C. Johnson, and Andersen) and 2 "no" (Stevens and Jacobson).

It was then moved by Stevens, seconded by Jacobson, and unanimously approved by the Subcommittee to **recommend the Board of Directors give tentative approval of Draft #2 of the FY 2023 Lower Platte South NRD Budget, totaling \$36,684,328 and publicize and present the Budget at the public hearing.** Attached is Draft #2 of the FY'23 NRD Budget and the list of the additional budget adjustments from Draft #1.1 to #2.

The next item on the agenda was to consider authorizing the General Manager to work with NRD Legal Counsel to make an offer to acquire a storage facility/maintenance yard. I reviewed with the Subcommittee that the District has been searching for a maintenance yard for several years and more recently a storage building (since the NRD's storage building lease expired last year). Langdale reviewed the need for the facility and the benefit to District operations. Staff reported that not many facilities have been available but there is currently a facility available at 6201 Fulton Avenue (see attached information). The Subcommittee further discussed the facility, the location, and how it would meet the current and future needs of the District.

It was moved by C. Johnson, seconded by Stevens, and unanimously approved by the Subcommittee to **recommend the Board of Directors authorize the General Manager to make an offer to purchase the 6201 Fulton Avenue property in an amount to be determined by Board guidance.**

The Subcommittee then discussed the need to go into closed session to discuss negotiations for this real estate purchase at 6201 Fulton Avenue. It was moved by C. Johnson, seconded by Stevens and unanimously approved by the Subcommittee at 6:48 pm to go into closed session to protect the public interest concerning negotiations to purchase a storage building/maintenance facility at 6201 Fulton Avenue, Lincoln, NE.

At 7:05 pm it was moved by C. Johnson, seconded by Stevens, and unanimously approved by the Subcommittee to return to open session.

The final agenda item was to consider three budget overruns that occurred in June. A list of the overruns and explanation is attached. The overruns will be covered by cash reserves. It was moved by C. Johnson, seconded by Stevens, and unanimously approved by the Subcommittee to **recommend the Board of Directors approve the FY'22 Budget Overruns for 470090 BMP Demo Projects, 770221 Upper Salt Master Plan, and 769010 Office Equipment.**

The meeting adjourned at 7:09 pm.

PDZ/pz

pc: Steve Seglin & Corey Wasserburger