




## LOWER PLATTE SOUTH natural resources district

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### Memorandum

**Date:** July 15, 2020  
**To:** Each Director   
**From:** Paul D. Zillig, General Manager  
**Subject:** Finance & Planning Subcommittee Meeting Minutes

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The Finance & Planning Subcommittee met at 5:30 pm on Tuesday, July 14, 2020. Subcommittee members attending the meeting in the NRD Office included Dan Steinkruger, Greg Osborn, Gary Hellerich, and Luke Peterson. Subcommittee members participating via video/teleconference included Tom Green, Vern Barrett, Bob Andersen, and Ray Stevens. Other Directors participating via video/teleconference included Larry Ruth and Deborah Eagan. Others present included Nathan Kuhlman, David Potter, and myself, while Kathy Spence participated via video/teleconference.

Steinkruger opened the meeting, welcomed all those in attendance and reported that the main purpose of the meeting is to review the current draft of the budget and finalize a budget to be recommended for tentative approval at next week's Board meeting. Steinkruger reported that we did receive public comments from the Lancaster County Farm Bureau, the letter received from Larry Hudkins, is attached. I then reviewed the attached table listing NRD budget totals, valuation, levy rates, and tax revenues for the NRD since 1997.

Steinkruger then requested that I review a couple of typo/corrections to Draft #1.1 and review the other proposed changes/updates included in Draft #1.1. The corrections resulted in a budget decrease of \$20,000 which will be incorporated into the next Draft budget. I then reviewed the Balance sheet of the Draft budget (page 1) and reported that the net result was a decrease of \$468,000 from Draft #1. I reported that on the Revenue side, major reductions were reported for Cash and Investments due to payments made the last month of the fiscal year while increases are anticipated in both State and Federal funds for the Deadmans Run and the Upper Salt 3-A/SW 2<sup>nd</sup> Projects. On the expenditure side there was an increase, primarily to the Deadmans Run project, that was due to the need for all expenditures for the "local" project to be billed to the NRD. The Subcommittee discussed those changes.

I then reported that at the last F&P Subcommittee Meeting there was a request to review with the Subcommittee the budget required to complete the Deadmans Run Flood Reduction Project. I reviewed the attached handout that showed anticipated expenditures and revenues for the \$25M DMR Flood Reduction Project (\$15M Corps Section 205 Project and the \$10M Local Project).

These updated numbers included the \$5.8M grant from the Nebraska Water Sustainability Fund. The Subcommittee discussed the project.

I then reviewed the attached list of 54 changes since Draft #1, that has been incorporated into Draft #1.1. The net result of these changes was an increase in approximately \$200,000 of expenditures, primarily due to updates to existing estimated costs, changes in the Deadmans Run project funding, recently identified funding requirements, and repairs to current NRD projects.

The Subcommittee then discussed the need to balance the budget and weighed the need to increase funding for the Infrastructure Sinking Fund and lower taxes. The Subcommittee discussed the \$127,949 gap between revenues and expenditures. The Subcommittee discussed the need for both, the option of doing some of both, the likelihood of a valuation increase and a reduction in the levy rate, and the need to continue to fund improvements to our aging infrastructure. There was more interest in including more funding for the Infrastructure Sinking Fund in Draft #2 of the Budget. It was moved by Andersen, seconded by Stevens, and unanimously approved by the Subcommittee to **recommend the Board of Directors give tentative approval of Draft #2 of the FY 2021 Lower Platte South NRD Budget, totaling \$33,498,532, and publicize and present the Budget at the public hearing.** Draft #2 of the FY 2021 NRD Budget is attached.

The final agenda item for consideration was a Budget overrun of \$4,067 for Budget Code 447150 – Section 404 Permitting. I reported that we omitted including our share of the cost to inspect several joint City of Lincoln/NRD projects. These inspections are required as part of the 404 Permitting process. It was moved by Osborn, seconded by Hellerich, and unanimously approved by the Subcommittee to **recommend the Board of Directors approve the expenditure and utilize \$4,067 in funds from the cash reserve.**

There being no further business the meeting adjourned at 7:10 pm.

PDZ/pz

pc: Steve Seglin  
Corey Wasserburger