

August 27, 2009
Nemaha Natural Resources District
Special Meeting
Tecumseh, Nebraska

1. **CALL TO ORDER/ROLL CALL/MOMENT OF SILENCE**

Chair Scott Kudrna called the meeting of the Nemaha Natural Resources District Board of Directors to order at 7:05 p.m. Thursday, August 27, 2009, at the NRD Headquarters in Tecumseh, Nebraska.

DIRECTORS	John Albrecht	Lynn Heng	Steve Sugden
PRESENT:	Lisa Beethe	Ron Heskett	William Umland
	Rob Bohling	Scott Kudrna	Bruce Walker
	Charles Duryea	Jim Rush	Paul Weber
	Orval Gigstad	Don Siske	Tom White
	Ted Godemann	Mike Speece	Jim Wirth
	Wayne Goering	Duane Sugden	

DIRECTORS Dan Watermeier
ABSENT:

STAFF Bob Hilske, Manager
PRESENT: Jane Kuhl, Administrative Assistant
Allison Caspers, Administrative Assistant

Following the Pledge of Allegiance, a moment of silence was observed. Chair Kudrna announced that the Open Meetings Act was posted at the back of the room.

2. **PROOF OF PUBLICATION**

Proof of Publication was presented and is on file.

3. **EXCUSED ABSENCES**

White moved, seconded by Sugden, to approve the excused absence requested by Dan Watermeier. Motion carried.

AYE: Albrecht, Beethe, Bohling, Duryea, Gigstad, Godemann, Goering, Heng, Heskett, Kudrna, Rush, Siske, Speece, D. Sugden, S. Sugden, Umland, Walker, Weber, White, Wirth

NOT PRESENT: Watermeier

4. **OPEN FORUMS**

All directors and NRD staff introduced themselves.

5. **FY 2010 BUDGET**

Hilske reviewed the change in the property valuations, which was about a six percent average increase this year. He also reviewed the different scenarios for property tax requests. When asked by Beethe how this \$8.5 million budget compares to previous years, the response was that it is normally about \$3-\$4 million. The Iron Horse and Duck/Buck project add to both the expense and revenue sides of the budget. Hilske reviewed the major project expenses that are anticipated in the next few years. There was some discussion about the land rights for Duck and Buck Creek and how much grant money could potentially be available for these projects. Godemann asked what the chances are that we will get these grants. Hilske provided the example that NRCS is requesting more funds for this project and that some of those funds might be available for land rights. However, the Board will have to make a plan to address the land rights and potential loan required to fund them until grants can be secured. Godemann also asked about the sources for funds and the interest rates we may have to pay.

Hilske then reviewed the line item budget, which was prepared based upon the same tax levy as last year. He pointed out the changes that were made to the budget since the August 13 meeting. There was some discussion about the cash reserve amount and whether it would be adequate. Duane Sugden questioned what the public feedback would be to this budget. White recommended leaving the levy where it was last year. Beethe felt we won't have the money we need at that rate. Rush pointed out that we are going to owe the money regardless, so why not go to the maximum now so that we don't have to borrow as much. Kudrna asked if there are any places in the budget that we could cut to make up another \$100,000. Duane Sugden agreed with raising the levy to the 4.5 cent limit but also trying to cut some areas. Wirth felt if we raise the levy now, we would be saving on both interest paid on borrowed money and future increases in project costs. Rush questioned if we are at the point of reducing staff to cut the budget. Kudrna clarified that if we are asking the public to come up with more tax money then we need to show that we have done everything we can to reduce the budget. Duryea did not think the general public would see the benefit of these cuts in light of the increased taxes. Heng pointed out the return on every tax dollar that our District generates by obtaining outside grants to help fund projects. Duryea asked if we borrow money for the Duck Creek project, could it be borrowed locally in order to keep the interest within the District. After further discussion it was Board consensus to direct staff to cut the expenditures \$40,000-\$50,000 and raise the levy up to the 4.5 cent limit. Beethe asked for a budget-to-actual report on a quarterly basis to keep the board updated on the budget throughout the year.

6. **ANNOUNCEMENTS, SEPTEMBER MEETING DATE/TIME & AGENDA ITEM REQUESTS**

Kudrna stated the next meeting would be Thursday, September 10, with budget hearings starting at 7:00 prior to the meeting.

7. **ADJOURNMENT**

White moved, seconded by Siske, to adjourn. Motion carried.

AYE: Albrecht, Beethe, Bohling, Duryea, Gigstad, Godemann, Goering, Heng, Heskett,
Kudrna, Rush, Siske, Speece, D. Sugden, S. Sugden, Umland, Walker, Weber, White,
Wirth

NOT PRESENT: Watermeier

The meeting adjourned at 8:10 p.m. The next meeting of the Board of Directors will be
Thursday, September 10, at 8:00 p.m. at the NRD headquarters at 62161 Hwy 136 in Tecumseh.

Approved 9/10/09

Secretary, Nemaha Natural Resources District