




LOWER PLATTE SOUTH natural resources district

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Agenda Item #6b

Memorandum

Date: August 15, 2023
To: Each Director
From: Paul Zillig 
Subject: Finance & Planning Subcommittee Meeting Minutes and
FY 2024 Budget Public Hearings

The NRD held the first Public Hearing on the FY'2024 Budget on Wednesday, August 9, 2023 at 5:30 pm in the NRD Office. There were no public in attendance. Directors in attendance were Chelsea Johnson, Gary Aldridge, Bob Andersen, Melissa Baker, Deborah Eagan, Gary Hellerich, Don Jacobson, Christine Lamberty, David Landis, Luke Peterson, Larry Ruth, Susan Seacrest, Stacie Sinclair, Ray Stevens, and Ken Vogel. Others in attendance were Kristin Buntmeyer, David Potter, Mike Sousek, and myself. Introductory comments were made by NRD Treasurer, Chelsea Johnson, I then presented a power point on the proposed FY'24 NRD Budget. There were no public comments and the hearing adjourned at 5:45 pm.

At the conclusion of the August 9th public hearing, the Finance and Planning Subcommittee met to consider recommending approval of the FY'24 Budget Resolution. In attendance were Directors Chelsea Johnson, Ken Vogel, Deborah Eagan, Christine Lamberty, Luke Petersen, Ray Stevens, Bob Andersen, and Melissa Baker. Others in attendance were David Landis and Mike Sousek, Dave Potter, Kristin Buntmeyer, and myself.

The Subcommittee decided to wait until after the August 14th public hearing is held on the FY'24 Budget, before making a recommendation to the Board on the proposed Budget Resolution. Staff reported that a Board Planning Retreat is scheduled for February 2-3, 2024 at the Lied Conference Center in Nebraska City. The meeting adjourned at 6:30 pm.

The NRD held the second Public Hearing on the FY'2024 Budget on Monday, August 14, 2023 at 5:30 pm in the NRD Office. In attendance was Bruce Johnson of 254 W. Lakeshore Drive, Lincoln. Directors in attendance were Chelsea Johnson, Gary Aldridge, Bob Andersen, Melissa Baker, Deborah Eagan, Gary Hellerich, David Landis, Susan Seacrest,

Stacie Sinclair, Ray Stevens, Ken Vogel, and John Yoakum. Others in attendance were Kristin Buntmeyer, Parker Robinson, David Potter, Mike Sousek, and myself. Introductory comments were made by NRD Treasurer, Chelsea Johnson, I then presented the attached power point on the proposed FY'24 NRD Budget. Bruce Johnson provided testimony in support of budgeting funds to do more work with additional tax funds (see attached handout, a copy of the transcript is available upon request) and an email from Todd Paddock of 2335 St. Thomas Drive in Lincoln urging NRD financial support of Lincoln's Local Food System Plan. Paddock intended to provide comments online, but the comments were not received so the Paddock's comments were provided in an email from Director Baker which is attached. The hearing adjourned at 6:03 pm.

At the conclusion of the August 14th public hearing, the Finance and Planning Subcommittee met to consider recommending approval of the attached FY'24 Budget Resolution. In attendance were Directors Chelsea Johnson, Ken Vogel, Deborah Eagan, Ray Stevens, Bob Andersen, and Melissa Baker. Others in attendance were David Landis and Mike Sousek, Dave Potter, Kristin Buntmeyer, and myself.

The Subcommittee discussed the public comments and Vogel stated that he agreed with many of B. Johnson's comments related to the need for more funding for Salt Creek Flood resiliency and funding for other deferred projects for stormwater maintenance, etc. It was moved by Vogel and seconded by Baker to amend the FY'24 NRD Budget and Budget Resolution by increasing the Salt Creek Flood Resiliency Sinking Fund by \$600,000 and increasing property taxes by an additional \$600,000. The Subcommittee discussed the amendment and shared their ideas on the status of the Salt Creek Flood resiliency plan and their desire to have more information on the plan before budgeting additional funds. The motion to amend failed on a vote of 2 "yes" and 4 "no" (Vogel & Baker voting "yes" and Eagan, Stevens, Andersen & Johnson voting "no").

It was moved by Stevens, seconded by Andersen, and approved by the Subcommittee on a vote of 4 "yes" and 2 "no" to recommend the Board of Directors approve the Resolution adopting the final budget for FY 2024 totaling \$37,853,611 with a property tax request of \$10,514,822.

There being no further business the meeting adjourned at 6:27 pm

Enc. 4

pc: Corey Wasserburger
Steve Seglin



Lower Platte South NRD
August 14, 2023

FY 2024 BUDGET PUBLIC HEARING

Lower Platte South NRD NRD

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Sections 13-501 to 13-513, that the governing body will meet on the 14 day of August 2023, at 5:30 o'clock P.M., at 3125 Portia Street, Lincoln, NE 68521 for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the following proposed budget. The budget detail is available at the office of the Clerk during regular business hours.

2021-2022 Actual Disbursements & Transfers	\$ 11,079,177.00
2022-2023 Actual Disbursements & Transfers	\$ 16,631,143.15
2023-2024 Proposed Budget of Disbursements & Transfers	\$ 30,031,387.00
2023-2024 Necessary Cash Reserve	\$ 7,960,831.34
2023-2024 Total Resources Available	\$ 37,992,218.34
Total 2023-2024 Personal & Real Property Tax Requirement	\$ 10,514,822.00
Unused Budget Authority Created For Next Year	\$ 5,774,687.35
Breakdown of Property Tax:	
Personal and Real Property Tax Required for Non-Bond Purposes	\$ 10,514,822.00
Personal and Real Property Tax Required for Bonds	\$ -



FY 2024 BUDGET PUBLIC HEARING

ANTICIPATED REVENUES		
	FY 2023	FY 2024
Cash and Investments (LPRCD)	11,078,583	11,438,328
Cash and Investments (LPRCA)	843,802	808,163
Cash and Investments (OWRA)	431,832	383,882
Deedmore Run Sinking Fund	5,205,370	5,380,388
Infrastructure Sinking Fund	421,484	447,161
Mesaon East Trail Sinking Fund	308,660	371,480
Salt Creek Residency Sinking Fund	800,866	828,317
County Treasurers' Balance	188,000	188,000
Investment Income	188,000	800,000
Federal Funds	1,878,327	1,889,688
State Funds	2,098,600	3,181,100
Local Funds	3,838,803	2,348,900
Miscellaneous	0	0
(County Treasurers' Contributions)	(101,889)	(106,168)
Total	28,827,468	27,338,788
ADB Property Taxes	18,198,370	18,514,832
	36,884,328	37,853,611
PROPOSED EXPENDITURES		
	FY 2023	FY 2024
Program / Project Costs	23,705,819	23,778,577
Operating Costs	2,308,604	2,183,890
Personnel Costs	3,499,857	4,043,620
Cash Reserve (General)	1,400,000	800,000
Deedmore Run Sinking Fund (FY24-2800,000 Additional)	3,205,370	4,690,388
Infrastructure Sinking Fund	421,484	447,161
Mesaon East Sinking Fund	308,660	371,480
Salt Creek Residency Sinking Fund (FY24-2300,000 Additional)	800,866	1,128,317
Reserve (LPRCA)	843,802	0
Reserve (OWRA)	241,868	0
	36,884,328	37,853,611



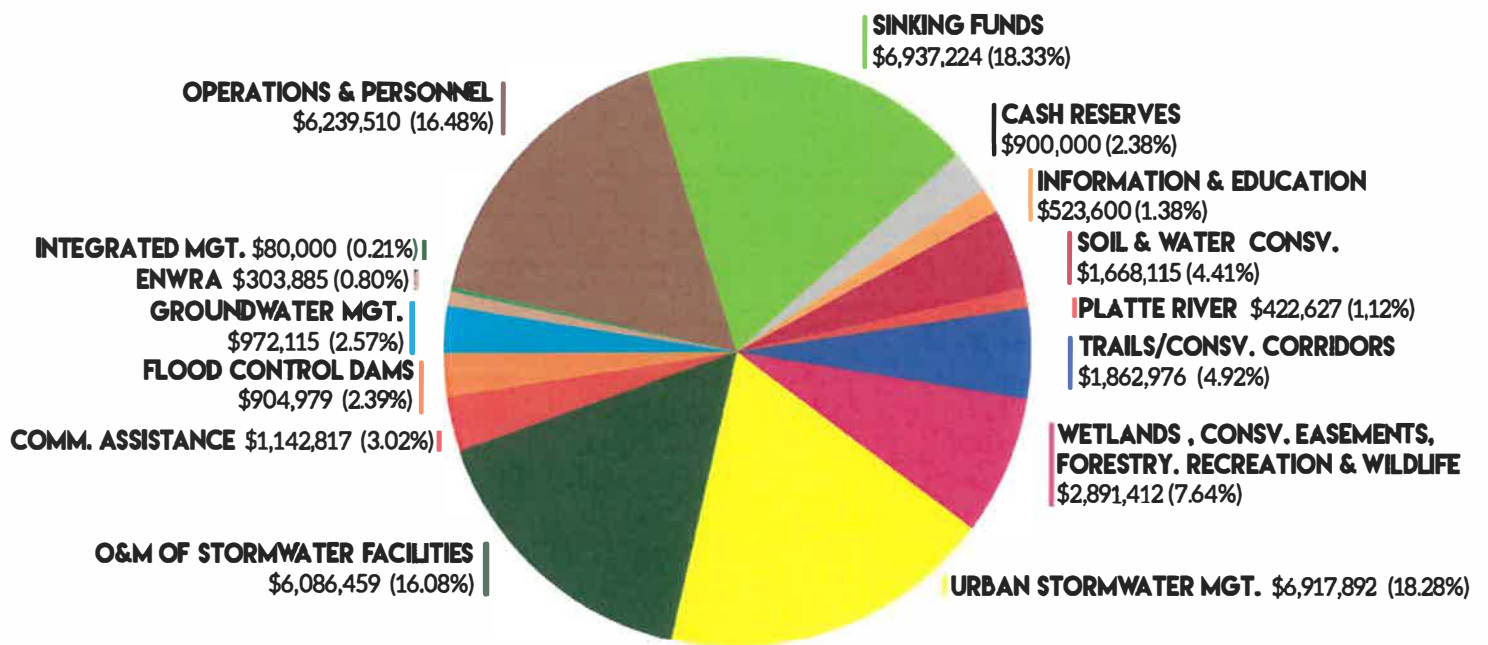
FY 2024 BUDGET PUBLIC HEARING

PROPOSED EXPENDITURES

	FY 2023	FY 2024
Program / Project Costs	23,705,819	23,778,877
Operating Costs	2,309,504	2,185,990
Personnel Costs	3,696,857	4,053,520
Cash Reserve (General)	1,400,000	900,000
Deadmans Run Sinking Fund (FY24-\$900,000 Additional)	3,205,370	4,990,386
Infrastructure Sinking Fund	421,484	447,181
Mopac East Sinking Fund	358,660	371,460
Salt Creek Resiliency Sinking Fund (FY24-\$300,000 Additional)	800,866	1,128,217
Reserve (LPRCA)	543,802	0
Reserve (ENWRA)	241,966	0
	38,884,328	37,653,811



NRD EXPENDITURES, FY 2024 TENTATIVE BUDGET



EXPENDITURES

BUDGET CATEGORIES	FY 2023 BUDGET	FY 2024 BUDGET
Reserve and Sinking Funds	\$6,972,148	\$6,937,224
O&M of Stormwater Facilities	\$5,649,117	\$6,086,459
Operations & Personnel	\$6,006,361	\$6,239,510
Urban Stormwater	\$7,392,000	\$6,917,892
Flood Control Dams	\$1,119,127	\$904,979
Wetlands, Conservation Easements, Forestry & Wildlife	\$2,629,850	\$2,891,412
Soil & Water Conservation	\$1,784,500	\$1,668,115
Trails & Conservation Corridors	\$2,035,200	\$1,862,976
Groundwater Management	\$1,207,309	\$972,115
ENWRA	\$330,314	\$303,885
Information & Education	\$409,500	\$523,600
Community Assistance	\$507,692	\$1,142,817
Platte River	\$441,210	\$422,627
Integrated Management	\$85,000	\$80,000

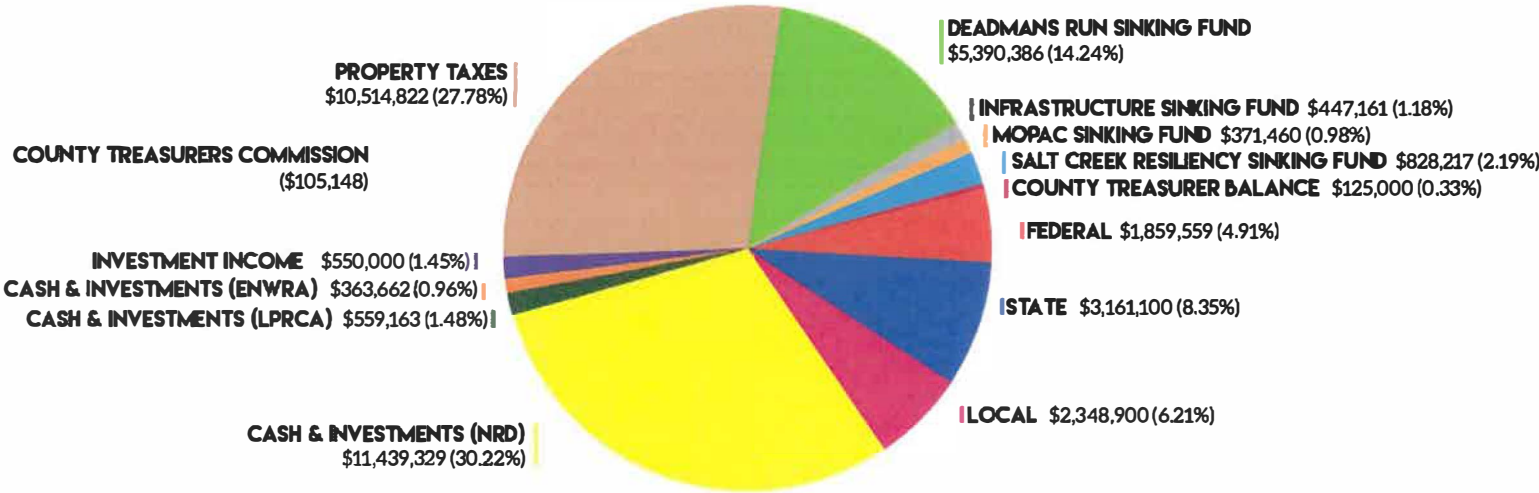


ANTICIPATED REVENUES

	FY 2023	FY 2024
Cash and Investments (LPSNRD)	11,076,583	11,439,329
Cash and Investments (LPRCA)	543,802	559,183
Cash and Investments (ENWRA)	431,532	363,862
Deadmans Run Sinking Fund	5,205,370	5,390,386
Infrastructure Sinking Fund	421,484	447,161
Mopac East Trail Sinking Fund	306,660	371,460
Salt Creek Resiliency Sinking Fund	600,666	629,217
County Treasurers' Balance	125,000	125,000
Investment Income	100,000	550,000
Federal Funds	1,978,327	1,859,559
State Funds	2,998,500	3,161,100
Local Funds	2,838,903	2,348,900
Miscellaneous	0	0
(County Treasurers' Commission)	(101,569)	(105,148)
Total	26,527,458	27,338,789
NRD Property Taxes	10,186,870	10,814,822
	36,664,328	37,853,611



NRD REVENUES, FY 2024 TENTATIVE BUDGET



REVENUES

BUDGET CATEGORIES	FY 2023 BUDGET	FY 2024 BUDGET
Property Taxes	\$10,156,870	\$10,514,822
Cash & Investments (NRD)	\$11,076,583	\$11,439,329
Deadmans Run Sinking Fund	\$5,205,370	\$5,390,386
Federal	\$1,978,327	\$1,859,559
Local	\$2,838,903	\$2,348,900
State	\$2,998,500	\$3,161,100
Cash & Investments (LPRCA)	\$543,802	\$559,163
Infrastructure/ MoPac/ Salt Creek Resiliency Sinking Funds	\$1,331,010	\$1,313,707
Cash and Investments (ENWRA)	\$431,532	\$363,662
County Treasurer Balance	\$125,000	\$125,000
Investment Income	\$100,00	\$550,000
County Treasurers' Commission	(\$101,569)	(\$105,148)



LPSNRD FY 2024 MAJOR PROJECTS & PROGRAMS

- Deadmans Run Flood Reduction Project \$5.9M
- Antelope Creek 40-Scott Repair Project \$1.4M
- Landowner cost-share assistance for Surface Water Quality Practices (terrace systems, buffer strips, cover crops, etc.) \$1.6M
- Groundwater protection, studies, monitoring, testing, mapping & best management practices \$1.0M
- Stream Stability projects on Lynn Creek & Salt Creek \$1.2M
- Prairie Corridor on Haines Branch Project \$1.4M
- Stream stabilization and bridge protection on trail corridors \$1.8M
- Salt Creek Levee repairs \$2.5M
- Community Assistance Program \$1.1M
- Salt Creek floodplain resiliency \$500,000
- Flood control dam repairs and construction \$800,000
- Saline Wetland Partnership projects \$800,000
- MoPac East-Lied Connector trail evaluation \$100,000





PUBLIC COMMENTS

**Thank you for attending the
FY 2024 Budget Public
Hearing. Your interest in the
district's natural resources is
truly appreciated.**

Lower Platte South NRD Fiscal year 2024 Budget #2

Comments for Public Hearing 8/14/2023 by Bruce Johnson

General:

--Lower Platte South NRD has not raised its annual property tax request one dollar over the past four years.

--Meanwhile the U.S. inflation rate rose 20% over those years.

--This year's initial budget deliberations suggested a little over 7% property tax increase but was eventually reduced to a 3.5% increase. So, this converts to a total property tax dollar increase of just 3.5% over five years (annualized increase of 0.6%).

--So, given the national inflation rate of 20% over the past four years, the proposed 2024 Fiscal Year Budget suggests a plan to operate with 16.5% less tax dollars

--In a July 10, 2023 memo to Finance and Planning Subcommittee, Manager Paul Zillig said, "I don't recall the NRD ever experiencing such a large difference between expenditures and revenues in the first draft of the budget!" He went on to say, *"The Subcommittee may wish to reconsider some of these budget adjustments. There are some very worthy projects and programs on this list to be reduced. These reductions will just be deferred to next year and need to be included in future NRD budgets."*

--In his minutes of the July 12th Finance and Planning Meeting, Paul Zillig noted he was asked that he give an update following up on the July 10th memo and a subsequent email to which he replied; *"—My summary was that I felt too much important work was being deferred to the next FY and it would be in the best interest of the NRD to make adjustments so we can continue with these projects."*

--The question: with this proposed budget, is the NRD fulfilling its mission of PROTECTING PEOPLE, PROTECTING PROPERTY, PROTECTING THE FUTURE?

Some Property Tax Basics:

--The LPSNRD's share is 1.31% of the current total property tax in Lancaster County.

--Example 1: Residential property assessed at \$132,000 with total 2022 taxes of \$2,493. NRD portion with existing levy of .0260 is \$32.54. The 3.5% increase proposed in this NRD budget will increase next year's tax by \$1.14.

--Example 2: Residential property assessed at \$264,000 with total 2022 taxes of \$4,976. NRD portion with existing levy of .0260 is \$65.19. So, the 3.5% increase proposed in this NRD budget will increase next year's tax by \$2.28.

(Note: with growth of the taxable property base and higher reassessment, the NRD's tax levy may very well decrease in the future meaning even lower dollar increases than illustrated above.)

--The question: Is raising the NRD dollar requested property tax by just 3.5% for the coming year sending the correct public message of both the urgency and the opportunities before LPSNRD and our citizens today?

The Big Challenge Ahead:

--In 7/4/2023 email to LPSNRD from Dan Steinkruger (former NRD director), he said, "*I strongly urge the District to set aside substantial funding in a flood control sinking fund primarily for the Salt Creek Watershed.*" He notes the 2020 Salt Creek Floodplain Resiliency Study Report that the cost action could be \$140 million as Lincoln grows and our climate changes.

--Lincoln's 2021 Climate Action Plan lists flooding right at the top of the list of threats from our changing climate—primarily from the 500,000+ acre Salt Creek watershed.

--City of Lincoln and LPSNRD Salt Creek Floodplain Resiliency Study has goal of finding a mix of potential nonstructural and structural measures to effectively reduce flooding impacts to local businesses and residences. <https://www.lincoln.ne.gov/city/projects-programs-initiatives/Resilient-Lincoln> .

-Federal dollars for partnering conservation grants are readily available through Inflation Reduction Act (IRA) as well as other sources; and conventional arrangements are for a 50-50 cost share for federal dollars.

--Partnering for watershed grant applications likely to be \$10+ million range, implying local partners must commit \$5 million up front. (Note: a sinking fund in place to make that commitment is essentially a 'boots on the ground' statement within the grant request.)

--Currently the 2024 proposed budget has but one entry that deals with the looming flood threat, to add \$300,000 to the existing Salt Creek Resiliency Sinking Fund of \$800,000.

--A proposal: Increase the Salt Creek Resiliency Sinking Fund allocation from \$300,000 to \$900,000 to reach \$1.7 million and do it with a property tax increase of 9.43%. For the homeowner with assessed value of \$132,000, the additional NRD tax total over last year would be \$3.07 and for the owner with \$264,000 assessment, an increase of \$6.15.

BOTTEM LINE: Both the urgency of the need and the financial opportunities for action today make the Salt Creek Watershed Resiliency Initiative the next bold and visionary project for LPSNRD.

Paul Zillig

From: Melissa Baker <mbaker.nrd@outlook.com>
Sent: Monday, August 14, 2023 4:08 PM
To: Paul Zillig; Mike Sousek
Subject: Fw: Comment on NRD Budget

Caution: This email originated from OUTSIDE the organization. Do not open suspicious links or attachments. Contact IT for assistance.

Hello. I spoke with this gentleman at he Mayor's Environmental task force meeting briefly. The meeting agenda was on the Local Food Systems plan and Todd urged us to look at integrating some funding into this and finding ways to collaborate with the NRD on these efforts.

Melissa Baker

From: Todd Paddock <todd100@protonmail.com>
Sent: Friday, August 4, 2023 7:39 PM
To: mbaker.nrd@outlook.com <mbaker.nrd@outlook.com>
Subject: Comment on NRD Budget

Dear Ms. Baker:

It was a pleasure meeting you yesterday. Unfortunately, I will be out of town this Wednesday when the Lower Platte South NRD has their public meeting on the 2024 budget. But I wanted you to know that I used the NRD's online form for submitting a comment on the budget. I urged the NRD to support Lincoln's Local Food System Plan, and that the support should include funding set out in the budget.

Sincerely,

Todd

Todd Paddock
2335 Saint Thomas Dr
Lincoln, NE 68502
507-458-9416
todd100@protonmail.com

Sent with Proton Mail secure email.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
LOWER PLATTE SOUTH NATURAL RESOURCES DISTRICT

Resolution dated August 16, 2023

WHEREAS, the Board of Directors of the Lower Platte South Natural Resources District (“Board of Directors”) is the governing body having the power and authority to develop and adopt an annual budget for the Lower Platte South Natural Resources District (“District”) and to certify the amount to be received from personal and real property taxation to fund the adopted budget; and

WHEREAS, the Board of Directors held, as required by law, a separate public hearing on August 14, 2023, on the proposed Budget for Fiscal Year 2024 that had been tentatively approved by the Board of Directors at its meeting on July 19, 2023; and

WHEREAS, notice of the time and place of such separate public hearing was published on August 7, 2023, at least four days prior to the date set for hearing, in the Lincoln Journal Star, which is the newspaper of general circulation within the jurisdiction of the District. The notice included a summary of the proposed budget statement and information comparing the proposed Fiscal Year 2024 tax request with the prior year's request. A copy of the affidavit of publication for the separate public hearing notice is attached hereto and incorporated herein by this reference; and

WHEREAS, at the separate public hearing, at least three copies of the proposed budget statement were made available to the public; a presentation was made, which outlined the key provisions of the proposed budget, including a comparison with the prior year's budget; and members of the public desiring to speak on the proposed budget statement were given an opportunity to address the Board of Directors, including a reasonable amount of time to do so; and

WHEREAS, the Board of Directors, at its meeting on August 16, 2023, considered the adoption of the proposed budget statement as a final Budget for Fiscal Year 2024, which totals \$37,853,611.00 in expenditures and revenues, and which requires property tax revenue of \$10,514,822.00; and

WHEREAS, *Neb. Rev. Stat.* § 2-3225 provides that the District shall have the power and authority to levy a tax of not to exceed four and one-half cents on each one hundred dollars of taxable valuation annually on all of the taxable property in the District, subject to certain budget limitations provided in *Neb. Rev. Stat.* §§ 13-501 to 13-522, 77-1631 to 77-1634, and 77-3442 to 77-3444; and when the property tax request is set, the Chair of

the Board of Directors, David Landis, shall certify such property tax request and file it with the County Clerk of each county which in whole or in part is included within the District and with the Auditor of Public Accounts.

NOW THEREFORE BE IT RESOLVED, that after the required separate public hearing held on August 14, 2023, the proposed budget statement is hereby adopted and approved as the final Budget for Fiscal Year 2024, which totals \$37,853,611.00 in expenditures and revenues, and which requires property tax revenue of \$10,514,822.00.

BE IT FURTHER RESOLVED that the Chair of the Board of Directors, David Landis, be and is hereby authorized and directed to file the final adopted Budget along with the other required documents, including a certified copy of this Resolution with the County Clerk of each county which in whole or in part is included within the District, and with the Auditor of Public Accounts, on or before September 30, 2023.

CERTIFICATE

The undersigned, being the duly elected and acting Chair of the Board of Directors of the Lower Platte South Natural Resources District, David Landis, hereby certifies that the above and foregoing is a true and correct copy of a Resolution of the Board of Directors of the Lower Platte South Natural Resources District, adopted and approved at its regular Board of Directors Meeting held on August 16, 2023.

Dated this 16th day of August, 2023.

David Landis, Chair