

Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM – January 24, 2024

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on January 24, 2024. The following members were present: Bernie Dardis, Mayor, City of West Fargo; Dr. Tim Mahoney, Mayor, City of Fargo; Susan Thompson, Finance Director, City of Fargo; Lori Johnson, Clay County Auditor/Treasurer; Mike Redlinger, Administrator, City of Fargo; Tony Grindberg, Cass County Commissioner; Dave Piepkorn, Fargo City Commissioner; Shelly Carlson, Mayor, City of Moorhead; Chad Peterson, Cass County Commissioner; Mike Rietz, City of Moorhead Assistant City Manager and Brandy Madrigga, Cass County Finance Director.

Member(s) absent: Rick Steen, Cass County Joint Water Resource District.

1. CALL TO ORDER

Mayor Dardis called the meeting to order at 4:00 PM. Roll call was taken, and a quorum was present.

2. APPROVE MINUTES FROM THE DECEMBER 2023 MEETING

MOTION PASSED

Mayor Mahoney moved to approve the minutes from the December 2023 meeting and Mr. Grindberg seconded the motion. On a voice vote, the motion carried.

3. APPROVE ORDER OF THE AGENDA

MOTION PASSED

Mayor Mahoney moved to approve the order of the agenda as amended to include item 8.e., Interest Earnings Allocations, and Mr. Grindberg seconded the motion. On a voice vote, the motion carried.

4. APPROVAL OF BILLS

Ms. Thompson reported that the bills payable through January 17, 2024, total \$6,725,370 and are payable to the usual vendors, with the City of Fargo being the largest at \$1,828,859.

MOTION PASSED

Mayor Mahoney moved to approve the bills as presented and Mayor Carlson seconded the motion. On a roll call vote, the motion carried.

5. FINANCIAL REPORT

Ms. Thompson reported that the total assets as of December 30, 2023, are \$211,240,524; liabilities total \$56,633, and the current net position is \$211,183,891.

MOTION PASSED

Mayor Mahoney moved to approve the financial report as presented and Mr. Piepkorn seconded the motion. On a voice vote, the motion carried.

6. EXECUTIVE DIRECTOR FINANCIAL REPORT

Mr. Paulsen reported that \$6,561,000 in revenues were received for the month and the 2023 fiscal year total was \$159,984,000. Fiscal year 2023 costs totaled \$144,984,180.

7. DA BOARD APPROVAL CONTRACTING ACTIONS

There were no contracting actions for approval.

8. OTHER BUSINESS

a. Election of Vice Chair for the Finance Committee

Mayor Dardis reported that he visited with Mr. Steen, and he expressed interest in continuing to serve as the vice chair for the finance committee. Mayor Dardis asked for additional nominations, and with none being received, the nominations closed.

MOTION PASSED

Mayor Mahoney moved to re-elect Mr. Steen as the vice chair of the finance committee and Mayor Carlson seconded the motion. On a roll call vote, the motion passed.

b. City of Fargo South University Floodwall Repair

Mr. Paulsen provided feedback regarding the following questions:

- 1) Is the slumping of the floodwall covered by insurance?

No, the slumping of the floodwall is not covered by the existing insurance that is in place.

- 2) Is submitting a request or grant to the ND State Water Commission an option that has been researched?

Additional funding from the ND State Water Commission is not an option as they have given the maximum amount of \$850 million that is allowable for flood protection. This is dictated by HB1020.

MOTION PASSED

Mr. Grindberg made the following motion:

Per the "Resolution Approving the Procedure for Requesting that the City of Fargo Undertake Development of Comprehensive Project In-Kind Work Elements and Authorizing the Reimbursement of Such Development Costs and Expenses" I move to approve adding the South University Floodwall Repair Project (Project #FM-24-A) as a capital maintenance improvement project into the City of Fargo's 2024 LFPAl Project work plan for a total project cost of \$4,895,000, make the appropriate adjustments to the 2024 Cash Budget to include the costs, and track the costs against the LFPAl Projects contingency funds line item.

Mr. Redlinger seconded the motion and on a roll call vote, the motion passed.

c. 2024 Final Cash Budget

Mr. Paulsen gave an overview of the final draft of the 2024 cash budget for consideration and presentation to the board for final approval. Mr. Paulsen noted that the cash balance will increase by \$4,895,000, with the addition of funds for the South University floodwall repair.

MOTION PASSED

Mr. Grindberg moved to approve the draft budget and to present it to the board for final approval and Mayor Carlson seconded the motion. On a roll call vote, the motion passed.

d. Resolution Consenting to the Issuance of CCJWRD SERIES 2024A Bonds

Mr. Shockley provided an overview of the resolution regarding renewal of the temporary improvement bonds SERIES 2024A for another three years.

MOTION PASSED

Mayor Mahoney moved to approve the renewal of the bonds and Mr. Grindberg seconded the motion. On a roll call vote, the motion passed.

e. Interest Earnings Allocations

Mr. Shockley reported that per the Master Indenture of Trust, the City of Fargo is the MFDA fiscal agent that manages the cash funds. There was a significant increase in interest rates which resulted in a \$1,300,000 overallocation of interest to the MFDA. Mr. Shockley will prepare a directive letter to the City of Fargo regarding the calculation of interest funds going forward.

9. NEXT MEETING

The next meeting will be February 21, 2024.

10. ADJOURNMENT

The meeting adjourned at 4:26 PM.