

**FINANCE COMMITTEE  
MINUTES  
May 16, 2019**

A meeting of the Finance Committee was held on Thursday, May 16, 2019 at 9:00 a.m. at the District Office, 31717 United Avenue, Pueblo, Colorado.

Chairwoman Nichols announced a quorum was present.

**COMMITTEE MEMBERS PRESENT:**

Ann Nichols-Chairwoman, Kevin Karney-Vice-Chairman, Bill Long, Seth Clayton, Greg Felt, and James Broderick

**COMMITTEE MEMBERS ABSENT AND EXCUSED:**

None

**OTHERS PRESENT:**

Pat Garcia, Board of Directors; Leann Noga, Finance Manager SECWCD.

**APPROVAL OF MINUTES:**

Chairwoman Nichols confirmed that members of the Committee received their copy of the April 18, 2019 minutes and asked if there were any corrections or additions. Hearing none, Mr. Clayton moved, seconded by Mr. Karney, to approve the April 18, 2019 minutes. Motion unanimously carried.

**ACTION ITEMS:**

*Financial Reports and Check Review*

Mrs. Noga summarized the financial statements and check registers for April 2019. Chairwoman Nichols then asked for a motion to accept the both items. Mr. Karney moved, seconded by Mr. Clayton to accept the financial statements and check registers for April 2019. Motion unanimously carried.

**PRESENTATIONS:**

None

**ACTION ITEMS (ADDITIONAL):**

None

**INFORMATION ITEMS:**

*Fryingpan-Arkansas Project Reserve Fund Investment Options*

At the request of the Finance Committee Mrs. Noga investigated other federally insured investment

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options for the Fry-Ark Reserve Funds. Banks and investment pools that were investigated and that are not an investment option for the District include: COLOTrust, Peaks Investment Management, CSafe, Sunflower Bank, and Wells Fargo Bank.

In addition, Mrs. Noga spoke with Wells Fargo Securities and Legacy Bank. Katina Dillion with Wells Fargo Securities will attend the Finance Committee Meeting on June 20, 2019, to provide an update on the District and Enterprise current investments as well as discuss other possible investment options for the Fry-Ark reserve.

Legacy Bank provided information on the CDARS Program (Certificate of Deposit Account Registry Service). The CDARS program places funds into CDs in increments below the standard FDIC insurance maximum (\$250,000).

Currently, the District's Treasury bonds hold a 2.43 percent book yield, compared to CDARS of 1.87 percent book yield to maturity using the same six-month lateral approach over one- and one-half year period. As the Fry-Ark funds continue to grow, ~~over time~~ the District may look into the CDARS option in the future.

**OTHER BUSINESS:**

*2019 Financial Strategy and Sustainability Study Update*

Mrs. Noga provided a written document titled *Workshop 1: Preparing Long-Term Financial Planning Summary* to the committee. She stated that this written summary of Workshop 1 was designed to encompass the meeting for those who were unable to attend.

Mrs. Noga reminded the committee that the Executive Committee would hold the second workshop regarding the Financial Strategy and Sustainability Study at the District office on Thursday, May 23, 2019 from 10:00 a.m. to 2:00 p.m. The subject of Workshop 2 will be *Establishing Appropriate Reserves*. Mrs. Noga stated that on May 15, 2019 a meeting of the Finance Study Advisory Team that consisted Seth Clayton, Curtis Mitchell, Kent Ricken was held to hear feedback related to Workshop 1 and to also provide a Draft presentation for Workshop 2. The advisory team provided positive comments from Workshop 1 and were pleased with the direction of Workshop 2. Mrs. Noga informed the Committee that the Executive Committee agenda and meeting material would be available on Friday and an email will go out to the study advisors at that time. All other meeting attendees will receive a printed copy of the information at the meeting.

Chairwomen Nichols stated that she would like to look into all options including bonding. Mr. Broderick stated that there were a number of questions that came out of Workshop 1 and that the questions had been forwarded to Burns, Figa & Will for adequate responses, in which bonding was listed in the questions.

Mrs. Noga also noted that meeting information is available to the public on the District's website at

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the following web page <https://secwcd.org/content/finance-strategy-and-sustainability-study>.

**NEXT MEETING:**

The next Finance Committee meeting will be June 20, 2019 at 9:00 a.m.

**ADJOURN:**

Chairwoman Nichols adjourned the meeting at 9:30 a.m.

Respectfully submitted,

Leann Noga  
Finance Manager