

**FLOOD DIVERSION AUTHORITY
FINANCE COMMITTEE
AGENDA FOR OCTOBER 11, 2011**

Cass County Commission Room
1:30 PM

1. Call to Order
2. Organization and role of the committee
3. Payment of bills
 - a. Individual agency bills
 - b. Flood Diversion Board of Authority
4. Other business
5. Next meeting date
6. Adjournment

cc: Local Media
Flood Diversion Board of Authority

**FLOOD DIVERSION FINANCE COMMITTEE
OCTOBER 11, 2011—1:30 PM**

1. MEETING TO ORDER

A meeting of the Flood Diversion Finance Committee was held on October 11, 2011, at 1:30 PM in the Cass County Commission Room with the following present: Cass County Auditor and Committee Chairman Mike Montplaisir; City of Fargo Finance Director Kent Costin; City of Moorhead Finance Director Harlyn Ault; and Cass County Administrator Keith Berndt. Absent were: Clay County Auditor Lori Johnson; Fargo City Administrator Pat Zavoral and Cass County Commissioner Darrell Vanyo.

2. ORGANIZATION AND ROLE OF THE COMMITTEE

Mr. Costin volunteered to serve as Vice Chairman for the Finance Committee.

Mr. Montplaisir said the role of the Finance Committee is to determine how to organize and handle the accounting and bills for the diversion project.

3. PAYMENT OF BILLS

Mr. Berndt said up to \$15 million for the design of the project will be spent in 2012. Local contractors will be used for in-kind design work. The Corp of Engineers plans to do much or most of their design work with in-house Corps employees.

Mr. Costin explained the process used to pay bills for the Red River Regional Dispatch Center saying the process is basically an arm of the City of Fargo; dispatch bills are approved by the appropriate individuals at the dispatch center and then paid by the city. Payroll is handled through payroll professionals and city accountants make journal entries when reports are received. Implementing a similar process for the diversion project would work well.

The City of Fargo is currently acting as the bill paying agent for the diversion project. The city is willing to continue in this role, however; participating entities would need to wire funds to the city on the day bills go out. The City of Moorhead will not have funding available until the project is established and will pay their portion at that time. When bills are approved for payment by the Flood Board of Authority, the city will contact participating entities for their portion of the payment.

Mr. Berndt said a Flood Diversion website is under construction and a financial page can be added to the site allowing participating entities and the Flood Board of Authority to track and monitor spending. Mr. Montplaisir said smaller bills could remain with individual entities as they are now.

Mr. Montplaisir suggested using payroll professionals to handle payroll needs for the diversion and the personnel policy used for the dispatch center could be used as a model.

4. OTHER BUSINESS

Mr. Montplaisir said Dan Armbrust, Dawson Insurance is exploring options for insurance coverage for the diversion project. Under the Joint Powers Agreement, Cass County's insurance is currently covering any related claims. Mr. Costin said it may be advisable to

do a request for proposals for a brokerage service to handle the insurance for the diversion project. Mr. Montplaisir said it is essential that the insurance lies with the Flood Board of Authority and not the local entities.

Mr. Costin will draft a proposal for the handling of the Flood Diversion Project finances and it will be forwarded to the Flood Board of Authority for approval at their next meeting on October 27th. Financial statement accessibility will also need to be determined.

5. NEXT MEETING DATE

The next meeting of the Finance Committee will be on Tuesday, November 15th at 2:00 PM in the Cass County Commission Room.

6. ADJOURNMENT

The meeting was adjourned at 2:03 PM.

Minutes prepared by Cindy Stoick, Cass County Principal Secretary