

## **Nebraska Association of Resources Districts Intergovernmental Risk Management Pool Dividend Resolution**

WHEREAS, the current NARD and NARD Intergovernmental Risk Management Pool (Risk Pool) office was destroyed by a fire on May 30, 2020.

WHEREAS, the NARD Board does not want to ask districts to contribute tax proceeds toward purchasing a building but use reserve funds from three sources instead.

WHEREAS, at the September 29, 2020 NARD and NARD Risk Pool Board meetings, the boards approved the following combination of funds: NARD General Operations (\$200,000), NARD Foundation (\$100,000) and NARD Risk Pool (\$900,000). The funds would be combined in the NARD Foundation to purchase the building. A \$900,000 loan will be obtained for the balance of the building to closing on December 30, 2020.

WHEREAS, there is a current tenant in part of the building with a lease through 2028, which will be transferred to the NARD Foundation upon closing. That lease income will assist in making the payments on the building.

WHEREAS, the NARD staff has been working with the Nebraska Department of Insurance (department) to make sure we are accounting for the proceeds under the Nebraska Intergovernmental Risk Act. Further, the NARD Board wants to properly account for the combination of funds to eventually pay back all three entities for the contribution made toward the purchase. Communication began with the department in July 2020 and was asked if the transfer should be treated as a dividend, loan or donation.

WHEREAS, on December 1, 2020, the department determined the best action to account for the funds would be to treat the transfer of funds from the Risk Pool as a dividend with each district assigning the dividend on the same day to the NARD Foundation for the purposes of buying a building.

THEREFORE, LET IT BE RESOLVED, for the purpose of purchasing an office building. on December 11, 2020 the Board of Directors of the Nebraska Association of Resources Districts Intergovernmental Risk Management Pool Association ("NARD Risk Pool") declared a dividend to be issued December 28, 2020 totaling \$900,000 to be evenly distributed to the 23 Natural Resources Districts ("Districts") with the intention that the Districts will ratify and assign their full portion of the dividend to the Nebraska Association of Resources Districts Foundation ("NARD Foundation")

THEREFORE, LET IT BE FURTHER RESOLVED, that each NARD Risk Pool Board Representative, as a Participating Employer in the NARD Risk Pool, will attest and consent to the assignment of its pro rata share of the dividend to the NARD Foundation.

THEREFORE, LET IT BE FURTHER RESOLVED, that each District Office, as a Participating Employer in the NARD Risk Pool, will ratify and consent to the assignment of its pro rata share of the dividend to the NARD Foundation for the purposes of purchasing an office building.

DATE: December 11, 2020

DocuSigned by:  
By: Jim Eschliman Title: NARD Risk Pool President  
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Jim Eschliman