

**Finance, Expenditure & Legal  
Subcommittee Meeting Minutes  
April 11, 2006**

A meeting of the Papio-Missouri River Natural Resources District’s Finance, Expenditure & Legal Subcommittee was held at the Natural Resources Center, 8901 South 154<sup>th</sup> Street, Omaha, Nebraska, on April 11, 2006. The meeting was called to order by Chairperson Dick Connealy at 8:35 p.m.

**QUORUM CALL:** Quorum call was taken. The following subcommittee members were in attendance.

<b>Subcommittee Members Present</b>	<b>Subcommittee Members Absent</b>	<b>Other Directors Present</b>	<b>Others in Attendance</b>
Dick Connealy	Tim Fowler *	Jansen	P-MRNRD Staff:
John Conley		Tesar	Marlin Petermann
Dorothy Lanphier		Kolowski	Gerry Bowen
Jim Thompson			Dick Sklenar
John Schwope **			Paul Woodward
			Trent Heiser
			Jerry Herbster
			Randy Lee
			Paul Peters. Dist. Legal Counsel
			Jim Rouch, CPA
			See Attached Attendance List

\* Excused Absence

\*\* Alternate Voting Member

**ADOPTION OF AGENDA**

**\* It was moved by Director Thompson and seconded by Director John Conley that agenda be adopted.**

Roll call was taken on the motion. The motion carried on a vote of 5 to 0.

Voting Yea: Lanphier, Schwope, Thompson, J. Conley, Connealy

Voting Nay: None

Abstaining: None

Excused Absence: Fowler

Absent: Fowler

**PROOF OF PUBLICATION:** Public notice of the meeting was posted at all District offices and published in the Omaha World-Herald on April 6, 2006.

**APPOINTMENT OF AN AD HOC SUBCOMMITTEE FOR AUDITING SERVICES:**

Director Dorothy Lanphier spoke at length on the need for an Ad Hoc Subcommittee for the District, explaining the current policy, the state statutes, a model audit example for various types of agencies, and a matrix for use as a model. Director Lanphier then introduced Mr. Jim Rouch (retired CPA) who further explained the purpose and needs for a proper audit in government

agencies. Director Thompson then spoke and stated that he felt the Board was doing the proper procedures concerning the audit as is and felt there was no need to change the current procedure. Director Thompson further stated the current audit procedures met or exceeded the Federal and State requirements for such an activity. Director Neary also spoke on the issue and thanked Mr. Rouch for his input.

❖ **It was moved by Director Lanphier and seconded by Director Schwope that the Subcommittee recommend to the Board that the following resolution be adopted:**

BE IT RESOLVED that an Audit Advisory Committee be established, consisting of three residents of the District, independent of management and the outside auditor, who are appointed by and serving at the pleasure of the Financial, Expenditure and Legal (FEL) Subcommittee of the Papio-Missouri River Natural Resources District. Such members shall possess the technical skills necessary to communicate with, advise and assist the FEL Subcommittee in its independent oversight role regarding the District's financial reporting, and auditing processes.

BE IT FURTHER RESOLVED that a Charter be established by the FEL Subcommittee with the Audit Advisory Committee members to define the responsibilities and duties of the independent Audit Advisory Committee based upon the Papio-Missouri River Natural Resources District's accounting and financial reporting requirements; and

BE IT FURTHER RESOLVED that the Board of Directors of the Papio-Missouri River Natural Resources District be presented with a Charter for the Audit Advisory Committee for the Board's approval in a timely manner. The Charter may be amended as needed by the Board from time to time.

Roll call was taken on the motion. The motion failed on a vote of 1 – yea and 4 - nay.

Voting Yea: Lanphier  
Voting Nay: J. Conley, Connealy Thompson, Schwope  
Abstaining: None  
Excused Absence: Fowler  
Excused Absence: Fowler

**PURCHASE AGREEMENT WITH DIAL REALTY DEVELOPMENT CORP FOR PROPERTY ACQUISITION AT PAPIO DAM SITE 8A:** The Subcommittee decided no action was to be taken, as this was an information item only and will be brought before the Board at the next meeting.

**ADJOURNMENT:** Being no further business, the meeting adjourned by acclamation at 9:35 p.m.