

**Finance, Expenditure & Legal
Subcommittee Meeting
March 7, 2006
8:00 p.m.
Agenda**

Finance, Expenditure & Legal Subcommittee Members:

Dick Connealy, Chairperson
Tim Fowler, Vice-Chairperson
John Conley
Dorothy Lanphier
Jim Thompson

Alternate Members: John Schwope
Rich Tesar

Staff Liaison: Jim Becic
Jerry Herbster *
Jack Lawless
Trent Heiser

1. Meeting Called to Order – Chairperson Connealy
2. Quorum Call
3. Adoption of Agenda
4. Proof of Publication of Meeting Notice
5. Review and Recommendation on Appointment of an Ad Hoc Subcommittee for Auditing Services – Director Lanphier
6. Review and Recommendation on Request for Increase in Hourly Rate for Legal Services – Paul Peters, District Legal Counsel
7. Review and Recommendation on NARD Issues – Director Tesar and Steve Oltmans
 - a. NARD By-Law Change
 - b. NARD 457 Deferred Compensation Plan
8. Adjourn

MEMORANDUM

TO: Papio Missouri River Board of Directors

FROM: Jack Lawless - Accountant

SUBJECT: Informational Memo on RFP for Professional Auditing Services

DATE: March 1, 2006

Changes to the Papio-Missouri River NRD Policy Manual concerning District audits were passed at the January 8, 2006 Board of Directors Meeting (see policies 14.3 and 15.2 attached). These changes mandated formal competitive price proposals for the District's Auditing Services be made in accordance with Policy 15.6.C (attached), and obtained at a minimum of every five years.

A Director will bring an item before the March 7, 2006 Finance, Expenditure and Legal Subcommittee Meeting recommending an Ad-Hoc Subcommittee for Accounting Services. Policy 15.6.C does not provide for an Ad-Hoc Committee so this would be a change in policy. To assist Directors in evaluating the need for an Ad-Hoc Committee for Accounting Services, please find enclosed a copy of our Request For Proposals, and a copy of the Selection Schedule, and an RFP Checklist for CPA Services (Governmental Organizations) provided by Director Lanphier.

Unless otherwise directed by the Board of Directors, management's intentions are to proceed with the RFP as written.

Law Offices

TAYLOR, PETERS & DREWS

MONTE TAYLOR (1931-2005)
PAUL F. PETERS, P.C., L.L.O.
RICHARD A. DREWS

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February 13, 2006

Board of Directors and General Manager
Papio-Missouri River Natural Resources District
8901 South 154th Street
Omaha, NE 68138-3621

Via: Mail and e-mail

Dear Clients:

I respectfully request that the Board permit me to increase, to \$145 per hour, my hourly billing rate for legal services furnished to the District.

My present billing rate of \$130 per hour, approved by the Board on October 12, 2000, has become out of sync with the billing rates charged by other attorneys having similar qualifications and experience, and with my own rates for other clients, which I recently increased to \$165 per hour.

Because of my experience and methods, I am able to efficiently provide most legal services the District requires with minimal time expenditures.

As in the past, I would intend to provide detailed monthly billings for time expended and I would intend to bill my expenses, such as court costs, fees for experts and court reporters, out-of-city travel expenses, long distance telephone charges and photocopies, without any markup.

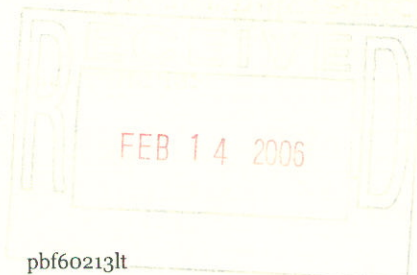
In addition, I would intend to continue my past practice of not charging a fee for attending official Board or subcommittee meetings.

Thank you for considering my request. Please feel free to phone me with any questions you may have.

Respectfully yours,



PAUL F. PETERS





NEBRASKA ASSOCIATION OF RESOURCES DISTRICTS

601 S. 12th St. Suite 201
Lincoln, NE 68508

nard@nrdnet.org
(402) 471-7670

January 27, 2006

TO: NARD Board (via email and mail), NRD Managers(via email)
FROM: Dean E. Edson, NARD Executive Director
RE: Draft BY-LAW Changes for the Insurance and Retirement Committee.

The attached is a draft of the changes to the NARD BY-LAWS to modify the Retirement and Insurance Committee and rename it the NARD/NRD Employee Benefit Committee. The NARD Board approved the draft and requested that it be sent out to the local NRD Boards for consideration. The NARD Board will take final action on this proposal on March 13, 2006 at the Lower Platte South NRD Office. The by-laws require a 30-day prior notice of proposed by-law changes. This memo serves that notice.

Background

Since we changed to a defined contribution plan in 1998, the Committee has not discussed the retirement fund as the investments have been controlled by the employees. Over the last year, we have assigned a special retirement advisory committee to make suggested changes to the retirement program. Also, the committee has only been meeting once a year to make recommendations to the NARD Board on insurance renewals.

In light of this change, it is appropriate to make changes to the committee structure. The draft proposal attempts to create equal distribution of employee representation by region.

Here is a brief summary of the proposed changes:

- 1) Change the committee name to the NARD NRD Employee Benefits Committee**
- 2) The committee make-up would be the Executive Committee and two employees from each region rather than just three employees statewide. Only one employee per district so that all NRDs have a chance to have representation**
- 3) Allows the Managers Committee to recommend the employee representatives to the Committee.**
- 4) Allows the President to add members.**
- 5) Requires the committee to meet at least twice a year.**
- 6) Clarifies that the NARD Board approves changes to the programs.**
- 7) Sets up staggered 4-year terms for the employee representatives and regional caucus requirement for the NRD Managers to recommend members from the region.**

At the September board meeting , we discussed splitting the committee into two committees. However, after some discussion with managers and others it seems appropriate that we streamline the committee to include both.

If we propose a change, ARTICLE XIII, AMENDMENTS, require that a copy of any proposed amendment shall be mailed to each member natural resources district's headquarters thirty (30) days prior to the date of the meeting where such amendments will be considered.

If you have any questions, please ask.

ARTICLE VI COMMITTEES

Section 7. Insurance and Retirement NARD/NRD Employee Benefits Committee. The ~~Insurance and Retirement NARD/ NRD Benefits Committee~~ shall be comprised of the ~~President, three representatives from the NARD Board of Directors Executive Committee, and three two~~ participating employees of the natural resources districts from each region who shall be appointed by the President of the Corporation. ~~One of the employees shall be a manager, who~~ The employee representatives may be recommended by the Managers Committee. No district may have more than one employee on the committee. The President may appoint additional members to the committee. The Committee shall be responsible for the administration, monitoring and direction of the retirement ~~fund~~ and insurance ~~plans~~ programs, including, but not limited to, investments and investment strategies, and federal or state laws relevant to retirement, pension and insurance funds, and any other relevant issues essential to the management of the ~~pension fund~~ programs. The Committee shall be chaired by the President and shall meet at least twice a year. The committee shall make recommendations to the Board of Directors through the Executive Committee for any changes to the programs.

The initial terms of the employee committee members shall be as follows: For odd Region Number representatives, terms shall begin in March 2006 and shall serve 2 years. In March of 2008, and terms thereafter, employee committee members from odd Region Numbers Regions shall serve a 4 year term. For even Region Number representatives, the term shall begin in March 2006, and shall serve a 4 year term. The NRD managers shall hold region caucuses in March of the even years to recommend the employee committee appointments. The Chairman of the NRD Managers shall report the regional caucus selections to the President of the Association. Any vacancies created shall be refilled by the President of Corporation after receiving recommendation from the regional caucus of the vacated position.

For Reference Purposes -- Article II, Members, of the NARD By-Laws.

Section 8. Regional Representation. The twenty-three (23) natural resources district members shall be divided into the following six (6) regions:

Region 1: Lower Elkhorn
Upper Elkhorn
Lewis & Clark

Region 2: Lower Platte North
Lower Platte South
Papio-Missouri River
Nemaha

Region 3: Little Blue
Lower Big Blue
Central Platte
Upper Big Blue

Region 4: Middle Republican
Tri-Basin
Lower Republican
Upper Republican

Region 5: North Platte
South Platte
Upper Niobrara- White
Twin Platte

Region 6: Middle Niobrara
Upper Loup
Lower Loup
Lower Niobrara

Teer, Pat

From: Jeanne Dryburgh [jdryburgh@nrdnet.org]
Sent: Tuesday, January 31, 2006 10:15 AM
To: Upper Republican; Tom Moser; Oltmans, Steve; Stan Staab; Ron Cacek; Ron Bishop; Rod Horn; Teer, Pat; Mike Onnen; Mike Murphy; Mike Murphy; Mike Clements; Marie Herbek; Lyndon Vogt; Lower Niobrara; Leon Koehlmoos; Kent O. Miller; Kathy Spence; John Turnbull; John Thorburn; John Miyoshi; Helen White; Glenn Johnson; Duane Filsinger; Dennis Schueth; Dave Clabaugh; Dan Smith; Bob Hilske; Nancy Brisk
Cc: Dean Edson; Milt Willnerd
Subject: NARD 457 Deferred Compensation Plan

General Managers,

Attached is the resolution for your local board to adopt, to participate in the new NARD 457 Retirement Program. This is an optional retirement program for NRD employees to voluntarily participate in. This program is in addition to the mandatory 414(h) program. The NARD Board approved the plan document at the January 25, 2006 Board Meeting.

Mail a signed original to our office - NARD 601 So 12th St., Suite 201 Lincoln, NE 68508.

Contact the Association with any questions you may have,
Jeanne Dryburgh
Nebraska Association of Resources Districts
www.nrdnet.org 402-471-7670