

SPOKANE CONSERVATION DISTRICT
 210 N. Havana, Spokane, WA 99202
BOARD MEETING MINUTES
 Tuesday, December 8, 2015

PRESENT

Supervisors: Jerry Scheele, Randy James, Jaki Shrauger, Wendy Knopp, Tom Miller

Absent:

Associate Supervisors:

SCD Staff: Vicki Carter, Jilla Loan, Erica Johnson, Cori Turntine, Ty Meyer, Garth Davis, Walt Edelen, William Hulings, Pat Munts, Scott Gail, Eric Choker

Guests: Chad Greif, BIAS; Larry Skillestad, USDA APHIS; George Bruno, USDA APHIS; Amy Smith, Senator Patty Murray's Office, Michael J. Cox, WDVA Vet Corps; Terese Palaia, Blue Moon Nursery; Mike Baden, WSCC

Chair Scheele called the meeting to order at 5:00pm and led the pledge of allegiance.

Approval of Agenda

Chair Scheele presented the agenda for December 8, 2015. It was noted that the date should read 2015, not 2016.

Motion Miller/James to accept the agenda with the date correction. Motion carried.

Previous Meeting Minutes

Minutes from the November 10, 2015 board meeting had previously been distributed for review.

Motion James/Shrauger to adopt the November 10, 2015 Meeting Minutes. Motion carried.

TREASURER'S REPORT

Auditor Jaki Shrauger, presented the Treasurer's Report for November, 2015.

ACCOUNT	BEG. BALANCE	DEPOSITS	WITHDRAWALS	END BALANCE	OUTSTANDING BALANCE	ADJ. BALANCE
NW Pipeline Savings Acct	66,224.32	0	0	66,224.32	0	66,224.32
PayPal Merchant Acct	131.64	652.74	784.38	0	0	0
PayPal Transfer Acct	1,272.36	784.38	1,706.74	350	0	350
Bank of Fairfield Checking	-56,085.87	817,250.15	205,068.40	556,095.88	74,067.37	630,163.25
Bank of Fairfield MMA	69,974.63	17.83	0	69,992.46	0	69,992.46
LGIP	3,105,424.45	427.97	0	3,105,852.42	0	3,105,852.42

Prior to the meeting, Shrauger reviewed all of the balances with the bank statements and found a Bank of Fairfield checking difference of \$65.13. Chad Greif noted that he found this discrepancy after the board documents went out, but it has since been reconciled. A statement for the Pipeline Savings Acct was not available, so it has not been verified yet. **Treasurer's Report: Receipts: 12006-12007, 12009-12010, 12012-12038, 12041-12093, 12096; EFT: 2270, 2357-2369, 2378, 2420-2424, 2426-2438, 2466, 2501, 2550; Claims: 43603-43614, 43616-43673; Voids: CLAIMS 43615 (printer error) RECEIPTS 12039 (duplicate entry), 12040 (coding error); Refunds: 2492 – (Manure Spreader Deposit Refund). Accounts Payable updated verbally due to this meeting falling early in the month: \$73, 444.50.**

Motion James/Miller to approve the November TREASURER'S REPORT and December Accounts Payable as presented. Motion carried.

NEW BUSINESS / LINKAGE TO COMMUNITY

Public Comments/Introductions

Board, staff and guests introduced themselves in roundtable format. Vicki Carter announced the award that we are giving the Emtmans for their support of Vets on the Farm. They are unable to be here tonight. Upper Columbia RC&D was also awarded for their support of the program and Jerry Scheele accepted the award on their behalf.

Vets on the Farm Intern Year in Review

William Hulings gave a presentation on his year as our Vets on the Farm Intern. His presentation covered activities from March of 2013 and the inception of Vets on the Farm through current day. It included a trailer of Ground Operations: From Battlefields to Farmfields. One of the highlights was the trip to Lynden, Washington to visit the Growing Veterans operation and speak with its organizers. Another highlight was meeting Cathy McMorris-Rodgers in Medical Lake on Memorial Day and again in June at her office in Washington D.C. In June William started working with Terese from Blue Moon Nursery. Summer was full of parades to help raise awareness about our program. The year wrapped up with our partnership with the Tilth Conference; we presented a track of educational classes for Veterans to participate in, including a film screening and directors discussion of Ground Operations: Battlefields to Farmfields. Carter awarded Hulings with a Vets on the Farm challenge coin for his service. She also presented Larry Skillestad with a challenge coin to thank him for his role as mentor and his support of the program.

GOVERNANCE CULTURE

Election Date Announcement

Tuesday, March 8, 2016 is the election date for Jaki Shrauger's position. Jerry Scheele's appointed position will also be open but is not part of the election process.

Proposed 2016 Meeting Schedule

The 2016 meeting schedule has no anomalies and does have the noon start time in July and August. The schedule will be posted on our website and on the front door of the SCD office.

Motion James/Shrauger to approve the 2016 meeting schedule as presented. Motion carried.

WACD Meeting Recap

Scheele gave a brief summary of the meeting and announced that Tom Miller is now the Vice President of WACD. There was a rates and charges session held by the consulting firm that did the work for Pierce and King when they first started using a rates and charges system. Some people think this is a more secure source of funding compared to an assessment. Commissioner Todd Mielke gave a great address at the meeting. Carter will meet with Commissioners Mielke and Shelly O'Quinn regarding the Voluntary Stewardship Program (VSP). Carter also acknowledged Walt Edelen's effort on our scope of work document for VSP which has now become a template for other agencies. There was a lot of discussion at the meeting regarding stable, statewide funding for conservation districts. Larry Cochran was voted in as NE Area Representative, but we will also have to have a special election to replace Tom Miller's area representative position. Miller reported from the by-laws committee that many by-law changes were made and they all took power away from the executive committee and gave more oversight back to the general committee. The new WACD President is Mark Craven. Miller is hopeful that the association will have a productive future.

BOARD/CEO RELATIONSHIP

SRF Year in Review

Ty Meyer presented information on the life of our SRF programs as well as data specific to 2015. In the life of the SRF Rental program, we have invested more than \$1 million. The drill revenues have been substantial. Net income has provided a 16% return on investment (depreciation on equipment and staff time withstanding). Including asset value, we still need to recover \$54,605 to break even over the life of the program. Our next potential drill operators are a father-son duo who found us through the Vets on the Farm program. In SRF loans, we have seen a continued decrease in loan volume and this year we also saw a high number of payoffs. Meyer estimates that 30,000 acres have been direct seeded with our equipment. Scheele and Carter saw a presentation at the recent WSCC meeting regarding a deep furrow drill system. Meyer described this type of equipment as a good interim step to no-till; it helps farmers transition and handle residue.

OSS Year in Review

Walt Edelen distributed a 2015 On Site Septic System Report. The OSS program completed 56 projects with 23 different contractors. A Community Development Building Grant has been applied for and if we receive it, we will implement it this summer to help more hardship customers. Kevin Cook from Spokane County has contacted Edelen to see if they can partner.

Barry Tee is requesting that small value repairs to septic systems be handled with internal loan funds rather than Ecology funds in order to make the internal paperwork more proportional to the project cost and size.

Motion James/Knopp to approve an amendment allowing SCD internal financing of septic repairs under \$1,500, loans only (no grants), 5.6% interest rate, and a maximum of 24 monthly payments, with the term reduced to keep a minimum payment of \$15/month. Motion carried.

Department Review

Garth Davis reported on his activities post-windstorm. There is some truth to the theory that big trees in an urban landscape may have shallow root systems due to their lawn-style irrigation. Tomorrow's windstorm will be exasperated by the moist soils. There are many pines that fell, but it is proportional to the high population of pines in our area. Blue Spruce on the other hand has fallen at a higher rate and could be avoided in urban settings. There is interest in creating city ordinances to prevent planting spruce and pine in urban areas.

Mike Baden from the WSCC reported that the NE Area is looking for another representative and a special meeting will be held to elect the supervisor. An updated pocket reference is available from WSCC for supervisors. Baden awarded Wendy Knopp her official supervisor certificate signed by the Governor.

Scott Gail gave a report of his activities so far in small acreage program development. A state chapter of Farmer Veterans Coalition will be formed. Gail has already scheduled a few small acreage jobs – but we still need the equipment! He and Ty are working on sources and specs and plan to order in early 2016. Pat Munts Cultivating Success Classes are ready for enrollment.

Financial Review

Chad Greif presented the financial documents to the board and allowed Carter to announce the good news that we are \$52,000 ahead of budget on assessment revenue collection. On top of this, we still

have grant vouchers that we are expecting payment on for 2015. We have a great chance to hit 100% of our revenue goals for 2015. Greif is happy that the SRF Rental program is funding itself and noted that the loans in process and loans receivable are broken out separately on the summary sheet in the board packet. Meyer noted that our operating line of credit could really boost our funds if we start to advertise it more.

Leave carry-over

Carter requested approval from the Board to allow 80 hours of annual leave to be carried over for an employee who was unable to take leave due to the amount of exchange time accrued during the firestorm. The leave should be used within the first quarter of 2016.

Motion Knopp/James to approve the 80 hour leave carry over exception for Eric Choker. Motion carried.

2016 Budget

Carter noted the final changes to the 2016 budget. The assessment revenue expectation is now more finely tuned. The 2016 budget has a positive ending balance. This is the fourth time the draft budget has been brought to the board as part of the review process. The 2016 budget anticipates revenues of \$1,683,378 and expenses of \$1,680,450. Salaries and benefits are projected at \$1,374,800, which a 4.9 percent increase over 2015. This includes a contingency for employee termination buy outs. There is no COLA for 2016; however, employees with increases to their job descriptions or responsibilities will be eligible for 1.5-3 percent increases in 2016. Employee evaluation will be held in December and early January. The Board will need to perform the Director's evaluation prior to January 31, 2016.

Motion James/Shrauger to approve the 2016 proposed budget as presented. Motion Carried.

OPERATIONAL EXPECTATIONS

Carter noted at the last meeting that we discussed changing our office hours to be closed to the public on Fridays. The staff has brainstormed potential issues with payments to be received on Fridays; a dropbox is a potential solution. The office would open for special events and workshops on Fridays. James recommends instituting the schedule for a three month trial period, January through March. Throughout the trial we will seek feedback from staff and customers to see if it is boosting productivity, keeping exchange time balances low, and not too great of an inconvenience to the public.

Correspondence & Announcements

Our exit conference for the 2013 single audit and our accountability audit were held today. We had to receive a finding based on our reporting of the Department of Ecology funds that were actually federal funds. We probably won't have to have a single audit for 2015 because we will be under the threshold.

We have received a public records request from a law student at Gonzaga. We believe it is for a research project. Carter forwarded the board an MRSC article on how to avoid costs in handling a public records request.

Dates:

- January 12-13: PNDSA conference in Kennewick
- Winter Quarter: Vets on the Farm Cultivating Success Course at SCC
- January 30 – February 3, 2016: NACD, Reno NV – Vicki will present about Vets on the Farm and sit on a

panel regarding the nation's most successful districts.

- February 2-4: Ag Expo

READING OF THE MOTIONS

Motion Miller/James to accept the agenda with the date correction. Motion carried.

Motion James/Shrauger to adopt the November 10, 2015 Meeting Minutes. Motion carried.

Motion James/Miller to approve the November TREASURER'S REPORT and December Accounts Payable as presented. Motion carried.

Motion James/Shrauger to approve the 2016 meeting schedule as presented. Motion carried.

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Respectfully submitted by: Erica Johnson

Jerry Scheele, Board Chair

Randy James, Vice Chair