

SAN JUAN ISLANDS CONSERVATION DISTRICT

Regular Monthly Meeting of the Board of Supervisors

March 24, 2023

Location: at 2687 West Valley Road, Friday Harbor, WA 98250, and via Zoom

In Attendance

Supervisors: Vicki Heater, Lynn Bahrych, David Bill,
Carson Sprenger, Claire Crawbuck

Associates: Jim Skoog, Thom Pence (absent)

Staff: Paul Andersson, Tony Fyrqvist, Bruce Gregory, Cathi Winings, Kai Hoffman-Krull,
Laura Pitts, Kelsey Kittleson, Walt Andrews

Partners: Jean Fike, WSCC Puget Sound Regional Manager; Alan Chapman, WACD
NW Region Representative; Kathryn Smith, NRCS; Robin Buckingham, NRCS (absent)

Public: None in attendance

MEETING SUMMARY – Draft

Vicki Heater convened the regular meeting held in person and via Zoom at 9:30am.

1. Welcome and Introductions

2. Agenda Approval:

The agenda was approved by consensus.

3. February 24th, 2023 Regular Meeting Minutes Approval:

Lynn made a motion to approve the 2/24/23 regular meeting minutes. The motion was seconded by Carson.

The minutes were approved without any changes.

4. Financial Officers Report – February 2023 Financials:

The Financial Manager reviewed the February 2023:

- Balance Sheet
- Statement of Revenues & Expenses
- Credit Card Details
- Journal Entries

2/28/23 Balance Sheet

The operating account balances showed some deterioration from the previous month, which was offset by the increase in accounts receivable largely reflecting DNR invoicing for two previous months:

	<u>2/28/23</u>	<u>1/31/23</u>	<u>12/31/22</u>
• Banner Bank Operating	\$198,187.37	\$234,807.25	\$242,804.27
• Liberty Bank Reserve	\$100,000.00	\$100,000.00	\$100,000.00
• Accounts Receivable	\$153,299.82	\$111,761.97	\$160,146.07

It was brought to the attention of the Board that District staff tracks receivables on a separate ageing report and has engaged in additional collection efforts on an \$11,313.13 receivable from DNR representing September 2022 work. DNR has approved the receivable for payment, however, their processing department is currently tracing the funds.

Total DNR receivables at the Board meeting date of 3/24/23 amounted to \$38,155.84.

It was also mentioned that the District has not yet invoiced \$26,491.66 of expenses under Salmon Recovery Funding Grant 23-03-SRF as under the grant terms the funds can be only accessed as a “Capital Advance Payment” prior to completion of the project.

It was also mentioned that the \$50,000 Line of Credit was in process of being renewed by Liberty Bay Bank for an additional 24-month period. It was not accessed during the previous 24 months.

The **current** Banner Bank operating account deposit balance as of the board meeting date of 3/24/23 amounted to \$255,084.22 which was \$60,409.79 higher than at the previous board meeting date of 2/24/23. This was primarily due to:

- 3/6/23 - Recovery of Shellfish Grant Cost Share expense for \$17,299.33.
- 3/9/23 – Receipt of a \$40,000 private donation for the purchase of a van for the District.

2/28/22 Statement of Revenue & Expense.

The following significant “Ordinary Income” items were highlighted:

- \$1,365.21 Assessment receipt was credited to District Account by SJC Treasurer.
- \$13,772.18 Implementation Invoice (\$11,017.73 for Salaries and Benefits, and \$2,754.45 Indirect which is tracked separately) was above the targeted \$9,818.58 expenditure level. With remaining grant funding of \$18,478.50 at current level of invoicing sufficient funds remain to cover March and partially April expenditures prior to District needing to resort to allocating staff time to

Assessment which will directly deplete the District Operating Account.
Reduction in Operating Account Balances is projected for May, June and July.

- \$26,750.50 in ICC income reflected primarily additional DNR invoicing.

Many of the “Expense” items consisted of standard reoccurring line items, however, the following large expense was briefly discussed:

- \$24,415.53 in Cost Share Disbursement under WSCC Shellfish and DNR grants.
The Shellfish Cost share expenditure was promptly recovered in March.

Reflecting regular monthly fluctuations, the net surplus 2023 amounted to \$7,092.22.

Credit Card Detail:

The “Credit Card Details” report displayed standard charges with specially noting the disputed items. District Card #3 has been changed from Zoey Chue to Paul Andersson.

Bank Reconciliation Report

The Bank Reconciliation Report was not reviewed in detail. It is prepared by R&R Accounting and is in compliance with all District and SAO guidelines.

Adjusting Journal Entries Report:

This report is prepared by R&R Accounting and any unusual entries outside of the standard payroll related tax, wage and benefit related entries would require further examination under the District’s double control of finances.

A motion was made by Lynn to approve the financial packages for February 2023 consisting of:

- The Financial Statements
- Journal Entries
- Credit Card Detail
- Bank Reconciliation

The motion was seconded by David and carried.

Grant Progress and Pipeline Report

- The District was ranked 9th of 59 applicants in the RCO-NCLI \$70,000 grant application process. The probability of receiving the award can be substantiated by the fact that in 2021 SJICD was ranked 25th and 32 applications were awarded.
- The District has been awarded approximately \$100,000 from the Puget Sound Partnership Habitat Strategic Initiative Lead (HSIL) for 2 years of continued Regional Forestry programming in partnership with other Puget Sound conservation districts; and approximately \$280,000 from the PSP HSIL for 3

years of continued work on Eelgrass restoration projects in partnership with Friday Harbor Labs.

- The District was not awarded either of the Community Wildfire Defense Grants (CWDG) which were listed on the Pipeline Report: \$97,970 for Planning and \$1,009,250 for Implementation. No agencies in Western Washington received funding under this program.

5. Old Business:

2023 Supervisor Election updates

- An election volunteer has been secured to complete assigned duties at the 3/30/23 elections - such as issuing ballots to registered voters, confirming registered voter status, monitoring the voting equipment, explaining how to mark the ballot, and counting votes.
- Ballots are provided for registered voters at the Board meeting.

SJICD job compensation study – a discussion of hiring a consultant to perform a comparative wage analysis of public employees in San Juan County in order to align SJICD staff wage rates accordingly. Other conservation Districts, such as Snohomish and Whidbey, have engaged a private consultant to perform a comparative wage study.

The cost of the study are thought to be between \$3,500 and \$5,500. Some concerns regarding the cost and necessity of the report were voiced.

SJICD will request a copies of the reports from the other districts, which will be examined prior to engaging the consulting firm to complete the study. As wages are traditionally adjusted for COLA and performance in July, this would be an important consideration as to the timing of the delivery of the report.

Some of the benefits of the study mentioned included:

- Improvement in the efficiency of District Manager communications when responding to staff wage inquiries and when posting open position.
- Relieve the District Manager from the pressure of continuing to develop wage tables, which are currently considered relatively accurate.

There was a mention of using King County as region with comparable cost of living. It was also mentioned that the federal government is currently considering a compensation study covering pay scales for local employees.

6. New Business:

Complete WSCC Authorized Signatures Form

This was signed by all authorized signers at the meeting.

Approve District Manager increase from 36 to 40-hour work week.

Lynn made a motion to increase the District Manager's work week from 36 hours to 40 hours. The motion was seconded by Carson and passed.

OPALCO Board of Directors election – discussion of candidates and motion to authorize official ballot voting on behalf of SJICD.

As a member of OPALCO the Conservation District has received a ballot for voting in their 2023 Board of Directors Election. The discussion ranged from voting for the incumbents to the awkwardness as a governmental entity voting for candidates. The decision by consensus was to abstain from voting.

7. Upcoming Trainings/Webinars/Events:

Terrestrial Manager's Group Retreat – March 28-29; 2-day retreat at Moran State Park for Multi-agency staff and board members.

- The event will be attended by District Manager, several staff members and some members of ICC.
- Several agency partners will be providing updates:
 - Land Bank
 - San Juan Preservation Trust
 - SJC Parks, Recreation and Fair
 - Bureau of Land Management – Resource Management Plan
 - Friends of San Juans
 - WA State Parks
 - WA Department of Natural Resources
 - WA Department of Fish and Wildlife
 - SJC Environmental Stewardship
 - SJC Climate and Sustainability – Regional Tourism Management Plan
- There will be a tour of the new North Shore Preserve.

March 2023 – WSCC Conservation Month

June 12-14 – WADE Annual Conference, Leavenworth

8. Partner Reports:

Kathryn Smith from NRCS:

- Discussed Conservation Stewardship Program (CSP):
 - Renewals due by March 31.
 - New applications due some time (not announced yet) in October for fiscal year 2024.
- Desire to work with Conservation District and obtain funding for shared goals.
- Currently providing technical and financial assistance to 27 agricultural producers through Environmental Quality Incentives Program (EQIP).
- Potential hiring of new staff working from Conservation District Offices.
- Briefly discussed communication and outreach grants.

Alan Chapman from WACD:

- Discussed last board session – finances were deemed to be in good shape.
- Due to recent bank failures they have internally discussed the \$250,000 limit on insured deposits.
- Current investment portfolio divided 65-35% between stocks and bonds.
- Discussed investment rates of return.
- Plant Materials Center (PMC):
 - Sales at 17% above projections
 - Expenses up by \$150,000
 - Skagit Conservation District is interested in moving to the 60-acre site of PMC in Skagit Valley.
- Legislature will institute a proviso in general budget for riparian funding.
- Livestock Committee:
 - Discussed agriculture and cattle grazing and water rights.
 - Conservation Districts prioritize water quality over water rights.

Jean Fike from WSCC:

- Provided updates on recent legislative events impacting the operating and capital budgets.
- The \$10 million requested by SCC for Riparian Grant program (which was increased to \$100 million in the Governor's budget) is not in the Senate's proposed budget but is included in the Governor budget proviso language to run a voluntary riparian grant program for priority riparian restoration and protection with Washington Department of Ecology, Recreation and Conservation Office, Department of Fish and Wildlife and tribes to identify critical areas within watersheds to prioritize project investments and set a minimum standard for riparian buffers.
- The \$3 million in Voluntary Stewardship (VSP) Funding request was included in the Governors and Senate proposed budgets.
- A mention was made of the recent termination of the SCC Executive Director and the naming of Ron Shultz first as the short-term Interim Director, with Kirk Robinson being voted on 3/24/23 for a third time as the regular Interim Executive Director.

9. Public Comments:

None.

10. Adjourn:

Meeting adjourned by Vicki Heater at 10:30am.

Next Regular Monthly Meeting: Friday, April 28, 2023 from 8:30 am to 4:00 pm.