

Washington Association of Conservation Districts

Summary of January Board Actions

Motion: Doug Rushton moved to adopt the agenda as presented noting that agenda items may be taken out of order to accommodate participation by WACD's lobbyist. Second by John Preston. Motion carried.

Motion: Amy McKay moved to approve the Board Retreat meeting minutes as amended and the November Business Meeting minutes as presented. Second by Alan Chapman. Motion carried.

Motion: Jeff Schibel moved to accept the treasurer's report. Second by Amy McKay. Motion carried.

Motion: Mark Craven moved to modify the budget as necessary to support a retrospective cash flow analysis, projection of cash needs for next year, and identification of trends by WACD's CPA, not to exceed \$2,000. Seconded by Amy McKay. Motion carried.

Motion: Jack Clark moved to approve the physical board meeting proposal. Seconded by Doug Rushton. Motion carried.

Motion: Mark Craven moved to authorize a 10% increase in salary for Heather Wendt, effective for hours worked on and after February 1, 2024. Seconded by Doug Rushton. Motion carried with an abstention by Cindy Pierce.

Washington Association of Conservation Districts

Remote Connection through Zoom

January 22, 2024

Board Meeting Minutes

Members Remotely Present

Mike Mumford, President (Pend Oreille CD)
Amy McKay, Vice President (Whitman CD)
Barbara Bailey, Secretary (Underwood CD)
Mark Craven, Treasurer (Snohomish CD)
Doug Rushton, National Director (Thurston CD)
Jeanette Dorner, Past President (Pierce CD)
Alan Chapman, Northwest Area Director (Whatcom CD)
David Vliet, Northwest Area Director (Kitsap CD)
Lisa Zaborac, Southwest Area Director (Grays Harbor CD)
Jerry Kolke, Southwest Area Director (Clark CD)
John Preston, North Central Area Director (Columbia Basin CD)
John McLean, North Central Area Director (Foster Creek CD)
Jack Clark, South Central Area Director (Benton CD)
Cindy Reed, South Central Area Director (North Yakima CD)
Jeff Schibel, Northeast Area Director (Lincoln County CD)
John W. Floyd, Northeast Area Director (Pend Oreille CD)
Mary Collins, Southeast Area Director (Palouse CD)
Cindy Pierce, WADE President (Skagit CD)

Others Remotely Present

Tom Salzer, WACD Executive Director
Heather Wendt, WACD Director of Development & Engagement
Jim Brown, WACD Director of Nursery Operations
James Thompson, SCC Executive Director
Mike Tobin, North Yakima CD District Manager
Brynn Brady, Ceiba Consulting, WACD Lobbyist

President Mumford called the meeting to order at 6:03 PM. Heather conducted a roll call to confirm a quorum was present. Doug Rushton moved to adopt the agenda as presented noting that agenda items may be taken out of order to accommodate the participation of WACD's lobbyist. Second by John Preston. Motion carried.

South Central Area Focus

Mike Tobin, North Yakima CD (NYCD) District Manager, provided an update on his district's programs. NYCD is off and running with its Forest Health and Community Wildfire Resiliency Program. So far, they have been able to chip 1,600 cubic yards of material with the chipper they were able to acquire. NYCD is providing support to several other CDs who are looking to start

their own programs. Noting that it is important for communities to have Community Wildfire Protection Plans to help inform their work. NYCD has started working in the Wenass Watershed. The discovery of a new steelhead species will impact a large portion of Upper Yakima River goals. NYCD has a long history of working with conservation easements. Mike Tobin spoke about the importance of CDs having a document to help them through the process and hopes that SCC will help develop one. Tobin also spoke about his district's use of Enterprise Services to aid in capital projects. He is getting various feedback from other CDs who have used their services. He would like to see the Department of Enterprise Services provide support to CDs through the SCC.

Partner Reports

James Thompson, SCC Executive Director, is in his 7th week on the job. James expressed his gratitude to be working with WACD during this legislative session. He has been visiting legislators making sure they know who we are and what we do. James also stated that Brynn Brady, WACD Lobbyist, has been great to work with. The SCC is in the process of restructuring their organization and they should have an organization chart available in a couple of weeks. At the SCC meeting last week, the Riparian Grant Guidelines were discussed. They hope to have the guidelines approved at a special meeting in February after additional tribal engagement. The hope is to have the program up and running by spring. The SCC will be creating a tribal Engagement Program.

Cindy Pierce, WADE President, reported that 75% of the speakers for each track have been secured. Planning for all of the tracks should be completed by the end of the month. There are currently no restrictions on the number of attendees that each CD can send to WADE but in the future, they may need to look at limiting the number of participants who stay on-site from each CD to ensure every CD can participate.

Doug Rushton, WACD's National Director, reported that NACD has hired Kenesha Reynolds, Ph.D. as Director of Conservation Programs. Districts are encouraged to talk to local NRCS offices in case there is a government shutdown. There are 700 attendees registered for the NACD Annual Meeting. WACD has 5 resolutions that will be presented at the meeting. March 20th is the date for the NACD Spring Fly-In. Washington State participants may go early to avoid a conflict with the SCC meeting.

Meeting Minutes

Barbara Bailey presented the November Business Meeting and the November 27th Board Retreat meeting minutes. Alan Chapman noted that he was not at the board retreat. Amy McKay moved to approve the Board Retreat meeting minutes as amended and the November Business Meeting minutes as presented. Second by Alan Chapman. Motion carried.

Financial Report

Mark Craven reviewed the WACD Financial Report with the board. Jeff Schibel moved to accept the treasurer's report. Second by Amy McKay. Motion carried.

Legislative Update

Brynn Brady, WACD Lobbyist, provided an update to the Board. She reported that next week is the policy cut-off. Any policy bill that costs money will go to a fiscal committee in the House and Senate. There were a record number of bills introduced for a short session. Brynn's primary focus this session has been on CTA funding. Both Natural Resource Committees signed letters of support to the budget chairs. She has been talking to legislators and they are aware of the request.

Cash Flow Forecasting

Tom Salzer presented a request for a budget modification to support utilizing Michael Wittenberg, WACD's CPA, to analyze cash flow patterns over the past three fiscal years and from that data, project cash flow for the next year and identify detectable trends. The purpose of this work would be to help inform the WACD Finance Committee and WACD staff as they develop the proposed budget for the coming fiscal year. While we don't have a firm cost estimate from Mr. Wittenberg, Salzer believes the cost will not exceed \$2,000. If approved, this work would be completed around the middle of February with minimal time required from WACD staff. Mark Craven moved to modify the budget as necessary to support a retrospective cash flow analysis, projection of cash needs for next year, and identification of trends by WACD's CPA, not to exceed \$2,000. Seconded by Amy McKay. Motion carried.

Conference Budget Update

Heather Wendt reported that WACD made \$4,172.12 on the Annual Conference. There was a discussion by the board on the importance of sponsorships. WACD staff and board members are committed to continuing to seek sponsors for the meeting to keep costs down.

Scholarship Program

Staff reached out to WACD's attorney Seth Woolson to ensure that as a 501c6 we were legally allowed to offer a scholarship. Per our attorney, Article II, Part 1, Section 2 of WACD's by-laws is broad enough to authorize establishing a scholarship. That section authorizes the Association to "Deliver such services, programs, and assistance as directed by member conservation districts and supported by available resources." If the Members vote to approve the establishment of a scholarship, then that would be a "program" directed by the member districts, and therefore fall within the authorized purposes of WACD. He recommended that we check with our CPA to determine any IRS implications.

CPA Michael Wittenberg indicated that as long as the scholarship program is in keeping with the organization's charter and mission and doesn't involve a "related party" there shouldn't be a concern about being out of compliance with respect to the IRS's reporting and disclosure rules and requirements, nor would the specifics need to be detailed in the organization's operating documents. The board asked staff to develop scholarship program criteria, and what level of financial commitment would be required as well as to seek clarity on what Mr. Wittenberg meant by "related party."

Review Board Meeting Schedule

Heather Wendt reviewed the board meeting schedule that was approved at last month's meeting, noting that work sessions will be converted to regular board meetings when items needing the board's action are required. Staff anticipates that the February meeting will be a regular board meeting with action items.

Area Focus & Board Meeting Locations

Tom Salzer explained that WACD is required to follow the Open Public Meetings Act per RCW 42.30.030. To comply with this requirement, staff recommend that we move the physical location of the meetings around the state throughout the year. This allows us to better connect with, and serve, our members. The physical location will also serve as the Area Focus for that meeting. Salzer reviewed the proposed meeting schedule with the board. Jack Clark moved to approve the physical board meeting proposal. Seconded by Doug Rushton. Motion carried.

Dependent Health Coverage Update

Tom Salzer presented the board with information regarding spousal and dependent medical coverage provided by WACD to permanent employees. Currently, our policy states that "All WACD permanent, full-time employees are eligible for medical insurance. Annually, each eligible employee will select either inclusion into the WACD Group Policy, or a medical stipend valued at a rate of \$500 a month for each employee who declines to participate in the Association's health insurance program, conditional to medical insurance coverage being provided elsewhere (subject to any legal requirements as identified by general counsel). The stipend shall be prorated based on the percentage of full-time employment." In practice, WACD has always offered PMC full-time permanent employees and their dependents medical insurance. WACD Executive staff are offered medical insurance per the WACD policy or as otherwise negotiated. Staff and the board acknowledged the lack of alignment with Board adopted policies and staff and the board will continue to work on the issue.

Medical Stipend Self Certification Update

Heather Wendt reported that per WACD's attorney, we can offer a stipend in place of health insurance, and we are allowed to ask for proof of coverage as a condition of an opt-out agreement. Staff will develop a self-certification form for staff who elect to take the stipend.

Financial Policies and Procedures Manual

Heather Wendt presented a draft of the Financial Policies and Procedures Manual. Some changes to the manual included: Adding our new Legal Services Fund allocation for local CD issues, updating the language from conducting audits every three years to audits every five as previously approved, and updating the Past Due Accounts section with current action timelines. Heather plans to have a final policy ready for board approval in February.

PMC Report

Jim Brown covered nursery operations; due to the seasonality of the business, this is a negative cash flow time of year. There is a lot of money going out to cover expenses for seasonal labor and other expenses, and most of the revenue does not come in until March and April. On the revenue side, the PMC has been shipping and invoicing for some stock which generated \$38,448 in December for a total of \$102,935 for plant sales this fiscal year to date. That is off from the same time last year when customers were receiving stock at a faster rate. Last December plant sales generated \$102,935 and \$197,757 for the fiscal year to date. Current sales are 82% of the way to meeting the annual plant sale revenue budget of \$1,696,000. It is anticipated that sales will exceed that by the end of the season. This year's sales volume is composed of 295 orders compared to 293 orders for the same time last year. The current cold snap has interrupted harvest for a week so far.

On January 5th an injured juvenile Bald Eagle was found in the field that was not able to fly. We called Sarvey's Wildlife Center in Arlington to see if this is something they could help with. The diagnosis was head trauma and a laceration above her eye. By Monday she was looking much better and, on the 16th, they brought her back to the PMC and released her which has made all involved very, very happy.

Website Updates / Bill Tracker

Tom Salzer updated the board on the work done to move WACD's public-facing website at <https://wadistricts.org> to a new hosting service to make it easier for people with visual, auditory, or motor skill challenges to use the website. WACD also moved the WACD Hub website to a new host. The new Hub site is available at <https://wadistricts.us>.

Tom Salzer also updated the board on our new WACD Bill Tracker 2024. This bill tracker is available via a web page, and if that page is opened on a smartphone or other smart device, it can be installed as an application on the user's device. Ryan Baye, Heather Wendt, and Tom Salzer can edit the spreadsheet that feeds the bill tracker, and changes made in the spreadsheet are reflected in the bill tracker in real time. The bill tracker is available at <https://wacd-bill-tracker-2024.glide.page/> and is linked from the new Advocacy 2024 page on the Hub.

WACD Five-Year Audit

Heather Wendt reported that after this fiscal year, we will be due for a five-year audit. Our last audit was completed in 2019 by Larson Gross. Tom Salzer reached out to Michael Wittenberg CPA for a suggestion of firms. Staff will reach out to potential firms that we are interested in to determine the best fit, as well as proposed fees for the required audit. The staff's goal is to select a firm to conduct the audit by this spring so we can have an audit done in August / September.

WACD Conference Survey Results

WACD staff conducted the annual survey of conference attendees. Survey questions polled virtual as well as in-person attendees. Questions were asked regarding the content and length

of presentations, what attendees enjoyed most, and any changes to future conferences attendees would like to see. Staff received 35 responses which were overall very positive. The attendees gave positive feedback on the length and topics of the presentations. Attendees enjoyed the opportunity to network and hear from legislators, Enduris, and others. In addition to the conference attendees survey, WACD staff also polled sponsors about their experience. Staff received 5 responses. Sponsors had a positive experience and reported that the sponsorship levels were a good value for the engagement opportunities that were provided.

PMC Task Force Update

Mike Mumford, WACD President, updated the board on the status of the newly created PMC Task Force, as directed by Resolution 2023-11. The Task Force will host its first meeting at the end of this month.

Spring Legislative Workshop

Heather Wendt reported that the SCC has announced its intent to host a Funding Priority / Legislative Workshop at the end of March. This will satisfy Resolution 2023-21 which was adopted and called for 1 Legislative Budget Workshop to be held in the spring. Staff surveyed the board to see if there was interest in hosting a WACD-led Legislative Workshop in April with possibly a second one in September to prepare for the legislative session. Potential topics could include changes to Rates & Charges, the work of the Sustainable Funding Committee, and other legislative priorities. This would also satisfy Resolution 2023-18 which calls for yearly in-person meetings that include SCC and Districts. The board thought it was a good idea as long as the meetings were hybrid so all CDs who wanted could participate. It was also suggested to check in with districts to assess their interest in participating.

Board Input on Task Force Assignments

In addition to the PMC Task Force, two other resolutions were approved in November that called for the formation of a Task Force: Resolution 2023-05 Renewable Energy Task Force and Resolution 2023-06 Ag Loan Task Force. If board members have recommendations for task force membership, please reach out to Mike Mumford. Mike will work with WACD staff on developing a slate of participants to serve on each task force.

Employee Compensation

Tom Salzer reported that the beginning of February marks the passage of the first six months of employment for Heather Wendt, WACD Director of Development and Engagement. Per her offer letter, an evaluation of her salary is indicated at this time. Salzer recommended a 10% increase be approved for Heather Wendt, beginning with hours worked on and after February 1, 2024. Mark Craven moved to authorize a 10% increase in salary for Heather Wendt, effective for hours worked on and after February 1, 2024. Seconded by Doug Rushton. Motion carried with an abstention by Cindy Pierce.

The meeting adjourned at 8:43 PM.