

SPOKANE CONSERVATION DISTRICT
 210 N. Havana, Spokane, WA 99202
BOARD MEETING MINUTES
 Tuesday, June 14, 2011

PRESENT

Supervisors: Gerald Scheele, Tom Miller, Jaki Shrauger and Mary Sullivan
Absent: Randy James

SCCD Staff: Jim Armstrong, Rich Baden, Vicki Carter, Garth Davis, Jilla Loan, Ty Meyer, Rick Noll, Rachel Rooks and Barry Tee

Guests: Wade & Connor Rooks; Chad Greif, BIAS Accounting

Chair Scheele called the meeting to order at 5:30 p.m. Chair Scheele opened the meeting by announcing the Employee of the Year award which was given to Rachel Rooks, whose husband and son were in attendance. Reading from her nomination form, Chair Scheele praised Rachel for her work on the overhaul of the District's social media strategy, including the new web site.

PREVIOUS MEETING MINUTES

Minutes from the regular May 10, 2011, Board meeting had been previously distributed for review.

Motion SHRAUGER/SULLIVAN to approve the May 10, 2011, Board meeting minutes as corrected. Motion carried.

TREASURER'S REPORT

Jaki Shrauger presented the Treasurer's Report for May 2011.

ACCOUNT	BEG. BALANCE	DEPOSITS	WITHDRAWALS	END BALANCE	ADJ. BALANCE
Checking	\$199,723.50	\$894,963.53	\$938,237.69	\$156,449.34	\$250,000.00
FCAAP DRG- Acct 1090	\$21,973.74	\$0.00	\$0.00	\$21,973.74	\$21,973.74
Argonne Mit. Fund	\$92,352.06	\$0.00	\$0.00	\$92,352.06	\$92,352.06
NW Pipeline Savings Acct	\$61,224.32	\$0.00	\$0.00	\$61,224.32	\$61,224.32
Sweep Act 6800601091	\$657,884.04	\$551,273.52	\$230,468.99	\$978,688.57	\$978,688.57
Bank of Whitman MMA	\$1,587,898.26	\$1,196.36	\$0.00	\$1,589,094.62	\$1,589,094.62

Chair Scheele reported that prior to the meeting he reviewed the Treasurer's Report, which was reconciled with the bank statements. He noted that check numbers 297057 and 297040 had been signed by two staff members and that check number 29869 had been processed with only one signature. Jaki asked about the claim for Handyman Matters, and Vicki answered that it is a new service that we will be using for small building maintenance jobs.

Motion SULLIVAN/SHRAUGER to approve the May TREASURER'S REPORT CLAIMS# 29861-29958 with VOIDS #29781, 29947, 29958, EFTs# 683, 706-720, 288-800, 814, 846-850, RECEIPTS #708407126 and June ACCOUNTS PAYABLE of \$85,373.01.

NEW BUSINESS/LINKAGE TO COMMUNITY

Public Comments & Introductions

None

Dig It! The Secrets of Soil Exhibit Update

Vicki reported that the NW Museum of Arts & Culture (MAC) has agreed to house the soils exhibit and we are currently waiting for final approval from the Smithsonian Museum. The exhibit is expected to be on display January-June 2012. The classroom activity development workshop is on July 15, and there are currently 69 participants registered including the guest speakers and presenters. We are still accepting registrations.

Groundwater Study Report

Rick Noll showed the Board the presentation he gave at the National Groundwater Conference in Maryland; he worked in conjunction with NW Land and Water, the consulting firm that partnered with the District on the Hangman Creek groundwater monitoring project. The presentation was titled Old Water: New Issues and Challenges, and the goal of the project was to gain a better understanding of the groundwater resources in the Hangman Basalt Aquifer, and to initiate long-term groundwater monitoring in the area. There were seven wells drilled and surface water was gathered from nine sites. The consultants found large vertical gradients and distinct isotopic signatures that indicate hydraulic separation between aquifers. The project also consisted of dating the water, and some of the water in the Hangman aquifer was found to be over 6,000 years old, indicating that the water is not recharging and proving that it is a limited resource.

GOVERNANCE CULTURE

Swearing In

Chair Scheele swore in new Supervisor Tom Miller, who was recently appointed by the Washington State Conservation Commission for a three-year-term, replacing Dixie Riddle who retired from the Board at the May meeting.

Election of Officers

Due to the absence of Randy James, the Board decided to wait until the July meeting to hold the election of officers.

Financial Report to Board

Chad Greif, a professional service account for BIAS Software, gave a report on the financial state of the District, now that we are half-way through the year. He talked about the new reporting standards set forth by the State Auditor's Office, which require a third party reporting system to improve our internal controls. To meet the new requirements the District has signed a professional services agreement for 2011 with BIAS Software.

Chad discussed the 2010 Annual Report that he recently completed with Vicki, and he commented that it was one of the most detailed and comprehensive reports he had worked on. He noted that the District had increased its net cash position and revenues and has almost a zero percent risk of loan loss through the direct seed loan program. BIAS Software is currently working on creating a new program for the loan program that will allow for better audit trails and real time reporting; the new program is expected to be operational by September. He stated that all of the District's money is protected and he recommends understanding the nature of the bank you work with to ensure that they are not on the list of the government's "at-risk" financial institutions; neither of the District's banks are on the list.

He discussed long-term debt, including retirement/sick/comp time for employees and said that the District has good internal controls by recommending that employees use their vacation time during the year and by having caps on the maximum number of hours an employee can earn. He also discussed that there is a difference between restricted and unrestricted funds. The money for the State Revolving Fund (SRF) program can be used wherever the District sees fit, whereas some grants specify that the money can only be used for specific projects.

He said that the District stayed within its budget in 2010 and that we earned \$956,000 through the Spokane County assessment. He recommended a change to the way the building payments are reported in BIAS, which would entail cutting a check from one fund to another. Also discussed were the District's existing interlocal agreements with Spokane County for

WRIA and stream gages and the Department of Natural Resources for the tree inventory, and the disclosures of grants and loans. Chad said that no single audit is required unless the District spends at least \$500,000 of federal money in one year.

Authorized Signatures Update

Vicki passed around the signature card for AmericanWest Bank and the Bank of Whitman, which were changed to include Tom Miller and Barry Tee and delete Rich Baden as authorized signors.

BOARD/CEO RELATIONSHIP

Executive Director's Brief

Rich had previously distributed a written copy of his activities to the Board. The topic of the MOU with the Department of Ecology was discussed per the letter in the Board packets from Jim Armstrong that questioned the level of involvement of the Washington State Conservation Commission. It was suggested for Rich to talk with Mark Clark from the Commission and Ted Sturdevant with the DOE, and the discussion among the Board will continue at the July Board meeting.

Rich discussed the meeting he attended with Ty regarding the use of alternative aviation fuels. Both Rich and Ty believe that due to the sheer number of acres required to harvest enough crops to produce the fuel, it is not cost-feasible and that the use of biodiesel for airplanes is unrealistic at this time.

OPERATIONAL EXPECTATIONS

Correspondence & Announcements

- We received a notice stating the new contribution rates for PERS for both employees and employers
- We received a thank you note from the Stevens County Conservation District for supporting the state forestry contest
- Vicki reminded the Board and staff that the meetings for July & August will be held at noon
- Vicki reported that the District hosted an Energizer Station during Bike to Work Week and that we had cyclists other than employees stop by
- Vicki announced that Ed Kuhn, who has served on the Board in some capacity since the District began, has retired from his position of Associate Supervisor

Vicki stated that the IRS now allows for an incentive up to \$20 a month for employees who commute to work by bicycle for at least 50% of their regular schedule during the appropriate biking season, which the District has set as April through October. It was suggested to help promote the use of alternative transportation among the staff to adopt a Bicycle Commuter Reimbursement Policy, which will reimburse cyclists for up to \$20 a month for qualified bicycle-related expenses, such as repairs, helmets, and locks. The employees will keep track of the days they commute and submit a reimbursement card and receipts to receive the incentive.

Motion SULLIVAN/MILLER to accept the policy on the Bicycle Commuter Reimbursement Policy as presented.

Motion carried.

Annual Planning Session

The planning session will be held August 1-2 with the Board meeting during the day with Ray Ledgerwood at the District office, and a dinner banquet on the evening of August 1 at a location to be determined.

READING OF THE MOTIONS

Motion SHRAUGER/SULLIVAN to approve the May 10, 2011, Board meeting minutes as corrected. Motion carried.

Motion SULLIVAN/SHRAUGER to approve the May TREASURER'S REPORT CLAIMS# 29861-29958 with VOIDS #29781, 29947, 29958, EFTs# 683, 706-720, 288-800, 814, 846-850, RECEIPTS #708407126 and June ACCOUNTS PAYABLE of \$85,373.01.

Motion SULLIVAN/MILLER to accept the policy on the Bicycle Commuter Reimbursement Policy as presented. Motion carried.

The regular Board meeting adjourned at 8:08 pm.

Respectfully submitted by: Rachel Rooks

Gerald Scheele, Chair

Jaki Shrauger, Member