**SAN JUAN ISLANDS CONSERVATION DISTRICT**

**Regular Monthly Meeting of the Board of Supervisors**

**June 22, 2021**

**Location:** Zoom Meeting

**In Attendance (Via Zoom)**

**Supervisors:** Vicki Heater, Lynn Bahrych, David Bill,

Carson Sprenger, Angie Freeman-Shephard

**Associates:** Deanna Eltinge (absent), Jerry Rasmussen (absent),

Linda Lyshall (absent)

**Staff:** Paul Andersson, Tony Fyrqvist, Kai Hoffmann-Krull, Majen Goitia (SJICD intern)

**Partners:** Jean Fike, WSCC Puget Sound Regional Manager; Alan Chapman, WACD NW Region Representative

**Public:** None

**Location:** Zoom Meeting

**MEETING SUMMARY - Final**

Vicki Heater convened the regular meeting at 10:00 am via Zoom.

1. **Agenda Approval:**

The Agenda was updated correcting a few minor typographical errors during the discussion. It was approved by consensus.

1. **May 25th Meeting Minutes Approval:**

Angie moved to approve the May 25th Regular Meeting Minutes and was seconded by Carson. The discussion included correcting the titles of partner participants which was completed for the Final Minutes. The motion carried.

1. **District Manager’s Report – New Board Member Onboarding Procedures and Welcome Angie Freeman-Shephard.**
* District Manager welcomed Angie to the Board, her information has been posted on the District website. Her knowledge of agriculture and previous experience with the District will be invaluable to the District. The new onboarding process and related checklist for Board Members were discussed.
* The District expressed gratitude for Deanna’s dedication and service.
* The District is ordering “Thank You” cards from a local artist.
* The District has ordered stickers to be placed on equipment.
* We are in process of ordering District logo wear.
* The District Manager and Staff members attended selected training sessions during last week’s WADE Conference.
1. **May 2021 Financial Officers Report:**

Carson made a motion to approve the following items:

* District Financial Statements
* Bank Reconciliation
* Credit Card Detail

The motion was seconded by Angie.

The discussion covered selected financial highlights by the Financial Manager as follows:

5/31/21 Balance Sheet

* The total Deposit account balances amounted to $317,259.16 which was a $53,592.81 improvement over the previous month. Liquidity is a crucial component of the District Financial Health. The liquidity is holding through June as the balance as of 6/21/21 was $301,841.91.
* However, it was mentioned that just the total payroll (covering May hours) amounting to $43,702.76 discloses the speed at which monthly liquidity can be depleted:
	+ Payroll $21,803.97
	+ Payroll Tax $6,144.16
	+ Retirement Payment $6,147.95
	+ State Health Care Authority $9,606.68
* Cost Share payments also will temporarily deplete liquidity until reimbursed by Commission. Several Cost Share payments will be completed during June.
* The Grant Tracking Spreadsheet shows $97,801.27 in CCC prepaid grants from Orcas Island Community Foundation and $2,767.42 from Seacology leaving $216,690.47 for District liquidity.
* Of this balance $10,000 is in District reserve account at Liberty Bay Bank. There was a brief discussion of the benefits of adding funding to the reserve account.

5/31/21 Statement of Revenue and Expenses

* The 5/31/21 Statement of Revenue and Expenses showed a Surplus of $13,422.70 which was largely due to the CCC invoicing of $36,142.69.
* CCC accounted for 55% of total District revenue highlighting the importance of the program balancing District finances as the WSCC grants are being depleted due to completion of the Fiscal Year Ending 6/30.
* Implementation accounted for 16% of total revenues and Assessment for 12%. WRCD Income (WAFAC Fire Adapted Communities) accounted for 5% but that grant is now fully depleted.
* VSP was fully depleted in April 2021 with no invoicing during May.

The discussion also covered the differential on the Grant Tracking Spreadsheet in the total amount of funding available between Quickbooks and SJICD. As shown under the “green section” which is input by R&R Accounting many of the new grants are in process of being uploaded to Quickbooks and are not reflected in the totals. The “blue section” shows the total of all approved grants. This covers a timing differential with migrating the grants from the Grant Pipeline Report to the Grant Tracking Report and ultimately to Quickbooks.

The motion was approved unanimously.

1. **Old Business**

None.

1. **New Business**

Vacation Payout Policy: The Policy Subcommittee consisting of Vicki, Deanna, Paul and Tony have met and analyzed the cost - and all other pros and cons - of the District policy of paying employees the full cost of accrued but unused vacation time upon termination. A memorandum dated June 22, 2021 (enclosed with Board Meeting Documentation) was prepared outlining the reasons of a recommendation to no longer pay for accrued vacation and to approve and update policy language.

Lynn made a motion to adopt the changes to the Policy as recommended. Carson seconded.

The discussion covered items as mentioned in the Memo as well as the impact the change might have on attracting potentially qualified employees to the District. The existing policy was deemed not to be a benefit at the hiring point of new staff.

A brief discussion ensued about potential benefits offered by nonprofits – such as unpaid sabbaticals – which would not present a negative financial impact on the District.

The motion passed and an updated policy will be prepared and distributed to staff members. Updated, signed acknowledgements will be collected.

Reserve Fund Policy: The District has established a reserve fund with $10,000, but as this is the first time a corresponding policy is still under development. A template was provided in the Board packet in Word format and will be available for editing by Board members.

The main purpose of the fund is to protect the District from unanticipated liquidity depletions. In the past these consisted of paying out accrued vacation. This has also been addressed with the establishment of the $50,000 Line of Credit.

Reserve fund conversation included:

* Investing funds. Currently the funds are in an account at Liberty Bank paying 0.30%. The funds are liquid and the investment risk is minimal. The rate is higher than the LGIP (local government investment pool) rate.
* Investing in real estate. Spokane Conservation District has purchased a rock quarry which is used to highlight District Activities.
* Establishing a socially responsible low interest loan fund.
1. **Subcommittee Updates**

Forest Health Collaborative: Discussion centered around the District working on a $50,000 DNR Grant, emphasizing “shovel ready” projects with the timeline being by the end of summer.

1. **Staff and Program Reports**

Information about Staff and Programs was provided to the Board with a Report dated June 22, 2021 (Enclosed). The following items were covered in detail:

* Voluntary Stewardship Program (VSP)
* Cost Share (CS)
* Farm Planning – VSP and Livestock Technical Assistance (TA)
* Youth Conservation Corps (YCC)
* No-till Drill Grant Project
* Civilian Conservation Corps (CCC)
* Forestry Research and Education
* Island Marble Butterfly (IMB) – US Fish and Wildlife (USFW)
* Eelgrass – Salmon Recovery Board and Seacology Grant
* Regional Forest Stewardship Pilot Program (Puget Sound Caucus of CDs)
* NPS Historical Park Forest Assessment
* Agricultural Resources Committee (ARC)
* DOH – NEP Shellfish Strategic Initiative
* Planning Internship
* Farm Tours 2021
* Other ongoing Commitments such as:
	+ Coffelt Ag Resource Team (CART)
	+ SJC Solid Waste Advisory Committee (SWAC)
	+ Puget Sound Caucus of CDs

Other subjects of conversation included Solid Waste Committee and plans for composting facilities in the County with each island developing their own approach. Discussion also covered ongoing “coffee and chips” social gatherings.

Staff Presentation by Kai Hoffmann-Krull on Biochar

Kai Hoffmann-Krull presented the Board with a detailed slide presentation covering:

* Forest Carbon Cycle: 30% of annual carbon emissions are captured by global net forest growth; and Pacific Coast forests absorb the highest rate of carbon in the US.
* Forest Restoration: Due to drought conditions 85,000 acres are in need of restoration in SJC. However, timber extraction is deemed to be expensive in the County.
* Pile Burning: This sterilizes the soil, creates invasive weed habitat and off-gasses the stored carbon.
* Carbon Sequestration: Biochar sequesters between 56-65% of the biomass’s dry weight in carbon dioxide – and the carbon is stable for thousands of years.
* A comment was made on biochar effects on soil nutrient transformation (DeLuca et al 2015): Biochar increases soil water holding capacity, alters gas exchange, increases cation exchange capacity and base saturation of acidic mineral soils and alters soil pH. Historical evidence points to Coast Salish People performing after harvest burns.
* Soil research with Dr. Tom DeLuca and Si Gao show that wood biochar additions to sandy agricultural soil increased:
	+ Soil moisture retention by 35%
	+ Reduced soil nitrogen leaching by 30%
	+ Phosphorus leaching by 40%
	+ Soil Nitrogen and Phosphorus bioavailability were increased.
1. **Upcoming Trainings/Webinars/Events.**

Discussed event calendar on the website and upcoming No-till Drill training.

Several staff members attended WADE training last week.

1. **Idea Pot**

Lynn Bahrych presented the Shaw Island Fuel Break Project along a public road:

* Kirk Hanson from NNRG completed the initial Forest Plan.
* The project consisted of 6.1 acres – 100 feet in dept along the road.
* Greenstone Excavation from Shaw Island completed.
* Funding was assisted by EQIP Grant from NNRG.
* Fuel break was certified by Natural Resources Conservation Service (NRCS). Forester Kathryn Smith as required on June 11, 2021.
* Properties for fuel break are not required to be in Designated Forest Land.
* In addition to providing fire protection the fuel break provides greater visibility for traffic around a blind corner, healthier forest, and is more attractive.
1. **Partner Reports**

Jean Fike had to attend another meeting and emailed her report containing the following information:

* She joined in welcoming Angie to the District.
* “With WADE behind us we are in the throes of end of one biennium/beginning of the next. One set of allocation - the IM, engineering and IE funds came out this week, I haven’t seen it officially but the number should be solid, NRI will be $78,666 / CD/Biennium. The livestock TA numbers are not out yet and I don’t have something I can share other than expect it to be down significantly from last biennium. The good news is really the implementation up to 117, 823 /year from 96,500. There was more that we’d hoped for in the legislative session but some progress on those core operations dollars is not bad”.

Alan Chapman stated that the WACD budget was approved last week and includes more travel by executive staff.

Plant Material Center (PMC) demonstrated record earnings last year.

Due to the surplus WACD will be reducing dues by $400/District.

Elections and Diversity, Equity, Inclusion (DEI) workgroups did not demonstrate substantial progress.

1. **Public Comments**

None.

1. **Adjourn**

Meeting adjourned at 12:00 Noon.

**Next General Meeting via Zoom: Tuesday, July 27, 2021.**

**From 10:00AM to 12:00NOON**