



Idaho Soil & Water Conservation Commission

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IDAHO SOIL & WATER CONSERVATION COMMISSION

Commission Special Teleconference Meeting

June 23, 2011

650 W. State St., Room 145, Boise Idaho

7:30 a.m. MDT

DRAFT MINUTES

COMMISSION MEMBERS PRESENT:

Dick Bronson, Chair

Dave Radford, Vice-Chair

Roger Stutzman, Secretary

Bill Flory

Dwight Horsch

ADVISORS PRESENT:

Randy Purser, Idaho Association of Soil
Conservation Districts

Karma Bragg, Idaho District Employee
Association

COMMISSION STAFF PRESENT:

Teri Murrison, Administrator

Kristin Magruder

Terry Hoebelheinrich

Erin Seaman

PARTNERS AND GUESTS PRESENT:

Harriet Hensley, Deputy Attorney General

Ken Stinson, Latah SWCD

Lori Ringel, Teton SWCD

1 The meeting was called to order by Chairman Dick Bronson, Idaho Soil & Water Conservation
2 Commission (SWC), at 7:39 a.m.

3
4 Welcome and self-introductions followed. There being no amendments to the agenda, the meeting
5 began.

6
7 **TEMPORARY/PROPOSED RULE FOR DISTRICT ALLOCATIONS**

8
9 Teri Murrison, Commission Administrator, advised the Commission that she consulted with Attorney
10 General's Office to review the definition of 'local units of government' within the rule. The previously
11 proposed change could have precluded districts from engaging in formal coordination with potential
12 federal partners. The definition was:

13
14 "A county, city or town."

15
16 The rule was updated to change the definition back to:

17
18 "Any general or special purpose political subdivision of the state which has the power to levy
19 taxes and/or appropriate and spend funds." (page 3)

20
21 Kristin Magruder, Commission staff, provided a review of amendments that were included into this
22 version of the rule as incorporated during the June 8, 2011 meeting.

23
24 The definitions for Local Funds and Local Services removed "Not designated for specific project,
25 designated as required match for specific grants or projects, or received on a fee-for-service basis" to
26 include the language as stated in section 011.02 Match Funding to keep definitions consistent
27 throughout the rule. The rule was updated to:

28
29 "10. Local Funds. Monies received in the previous fiscal year from local units of government
30 and organizations for the general purposes of a conservation district. Funds received for special
31 projects, used as required match for specific grants or projects, or on a fee-for-service basis will
32 not be used to calculate match funding."

33
34 "11. Local Services. Non-cash contributions received in the previous fiscal year from local
35 units of government and organization for the general purposes of a conservation district.
36 Services received for special projects, used as required match for specific grants or projects, or
37 on a fee-for-service basis will not be used to calculate match funding."

38
39 Vice Chair Radford joined the teleconference at 7:47 am.

40
41 Discussion followed on the edits and amendments, the expected publication date of the bulletin and
42 comment period.

43
44 **Vice Chair Radford moved to re-adopt the temporary/proposed rule for district allocations and**
45 **approve for publication in the August 2011 Administrative Rule bulletin. Commissioner Stutzman**
46 **seconded. Further discussion followed about the changes and intent of the rule and policy. The**
47 **bulletin will be published on August 3, 2011 and the 21-day comment period will end on August 24,**
48 **2011. Motion passed unanimously.**

49
50 **ADMINISTRATOR'S REPORT**
51

52 Ms. Murrison presented the Administrator's Report and referred to the memorandum as included in the
53 meeting handouts. She advised the Commissioners on administrative items and provided a brief update
54 on district meetings and tours.
55

56 The Division of Financial Management recently released the Road to Recovery publication which
57 addresses the overall state budget concerns. Ms. Murrison will be reviewing Commission operations
58 and staffing in relation to the strategic plan, budget proposals for FY 2013 and long-term planning and
59 presenting options for Commission consideration. Discussion followed.
60

61 Ms. Murrison turned the floor to Ms. Magruder to present the SWC financial report for May 2011. Ms.
62 Magruder advised that the heading on the report needs to be changed from '2010' to '2011.' May 2011
63 was 92% through the fiscal year and total expenses of \$2,065,479 is on track for 87.88% of total general
64 fund expended. Fund balances as follows:
65

- 66 - Personnel Costs: \$83,852 and 91.61% of funds expended
 - 67 - Operating Expenses: \$15,946 and 89.70% of funds expended
 - 68 - Trustee & Benefits: \$177,483 and 85.06% of funds expended
- 69

70 The Commission is still on track for closing out the end of fiscal year 2011 and there are not any planned
71 or estimated expenses that have not been budgeted for already. Encumbrances have been requested
72 for capital funds and for Trustee & Benefit funds for Water Quality Program for Agriculture (WQPA)
73 projects unable to complete in FY 2011. There is \$27,570 remaining in the Trustee & Benefit fund.
74 Further discussion followed.
75

76 **Vice Chair Radford moved to approve the May 2011 SWC Financial Report. Commissioner Flory**
77 **seconded. Further discussion followed. Motion passed unanimously.**
78

79 **DISTRICT FUNDING REQUESTS**
80

81 Ms. Magruder reviewed district budget funding requests submitted from the June 8, 2011 meeting and
82 provided an overview of requests that the Commission traditionally funds. The funds cannot go to an
83 association but has to go directly to the districts as the funds within Trustee & Benefit are pass-through
84 dollars. Discussion followed. There were several options and scenarios discussed by the Commission to
85 determine the best use of funds that would have the greatest impact overall.
86

87 **Commissioner Horsch moved to distribute remaining Trustee & Benefit funds of \$27,570 in support of**
88 **district education and outreach funding requests:**

- 89 - **Bonner district: Forestry Contest \$1,500**
- 90 - **Gem district: Outreach & education \$1,800**
- 91 - **Idaho district: Grazing Conference \$1,000**
- 92 - **Jefferson district: Weed Awareness \$1,667.17**
- 93 - **Kootenai-Shoshone: Landowner Training & Outreach \$1,400**
- 94 - **Owyhee district: Weed Management signs \$2,560**
- 95 - **Payette district: 2012 Ag Symposium \$4,500**
- 96 - **Squaw Creek: Living on the Land \$2,750**

- 97 - Training scholarship to each district in the amount of \$50 per district to assist with costs
98 associated to attend proposed IDEA training for district reporting requirements related to the
99 rule for district allocations

100
101 **Commissioner Flory seconded. Discussion followed about whether \$50 per district is sufficient to**
102 **cover travel costs related to training.**

103
104 **Commissioner Horsch moved to amend the motion to fund \$100 per district for training scholarships.**
105 **Commissioner Flory seconded the amendment. Further discussion followed. Vice Chair Radford**
106 **requested that districts report on the use of the training scholarships to ensure that the funds are**
107 **spent on district employees training. Motion passed unanimously.**

108
109 **FY 2013 BUDGET**

110
111 Ms. Murrison noted a request to include a district education and outreach component within the loan
112 program budget for FY 2013 as FY 2012 funds are already fully budgeted. Other items for discussion
113 were covered under the Administrator's Report.

114
115 **RESOURCE CONSERVATION AND RANGELAND DEVELOPMENT PROGRAM (RCRDP)**

116
117 Ms. Magruder presented RCRDP financial report for May 2011.

118
119 May 2011 beginning cash balance was \$3,055,677.93 and ending cash balance was \$3,268,652.53. Total
120 principal payments received were \$240,772.50 and total interest payments received were \$35,933.64.
121 Total expenses for the period were \$259,123.77, including operating expenses of \$233.36 and loan
122 disbursements of \$258,890.41. The 3% contingency is at \$209,220.87 for the period and there is
123 \$731,317.75 in funds held for loans previously approved but not yet disbursed, leaving \$2,068,990.14 in
124 funds available to loan.

125
126 The outstanding principal loan balance currently stands at \$6,974,029.15 as of May 31, 2011. There are
127 185 active loans and nine loans totaling \$200,000 expecting to be funded within three months. There is
128 one pending loan totaling \$81,000 scheduled for the July commission meeting.

129
130 Terry Hoebelheinrich, SWC Loan Officer, discussed the past due report. There are five loans in past due
131 status and loan staff have been in contact with all borrowers with no further action taken. The total
132 past due amount is \$62,541. Commissioners expressed an interest in moving forward with these five
133 loans to bring them current and directed staff to work with the borrowers to determine the next step.

134
135 **Vice Chair Radford moved to approve the May 2011 RCRDP financial report. Commissioner Flory**
136 **seconded. Further discussion followed. Motion passed unanimously.**

137
138 **Vice Chair Radford moved to enter Executive Session pursuant to Idaho Code 67-2345(d) for the**
139 **purpose of discussing pending RCRDP loan business. Commissioner Flory seconded. Motion passed**
140 **unanimously via roll call vote. There will be a two minute break between calls.**

141
142 **Executive session began on a confidential conference call line at 9:16 a.m. to review pending RCRDP**
143 **loan applications.**

145 Teri Murrison, Terry Hoebelheinrich, Harriet Hensley, Kristin Magruder and Erin Seaman were invited to
146 stay.

147

148 **Executive session ended at 9:45 a.m.**

149

150 Commissioners discussed the disposition of pending RCRDP loan applications.

151

152 Loan No. A-649

153 Amount: \$70,000

154 Term: 7 years

155 Rate: 2%

156 Project description: Install two center pivots, one wheel line, hand lines, pump and variable speed drive
157 on 160 acres.

158

159 **Commissioner Flory moved to deny Loan No. A-649 based upon concerns on the past credit history.**
160 **Vice Chair Radford seconded. No further discussion followed. Motion passed unanimously.**

161

162 Loan No. A-650

163 **Vice Chair Radford moved to remove Loan No. A-650 from the table. Commissioner Stutzman**
164 **seconded. No further discussion. Motion passed unanimously.**

165

166 Amount: \$42,000

167 Term: 7 years

168 Rate: 2%

169 Project description: Install center pivot irrigation system on 74 acres.

170

171 **Vice Chair Radford moved to approve Loan No. A-650 contingent upon the terms as stated and the**
172 **loan officer recommendations as listed in the loan packet. Commissioner Stutzman seconded.**
173 **Further discussion and debate followed. Motion passed on a 3-2 roll call vote: Ayes – Radford,**
174 **Stutzman and Bronson; Nays – Flory and Horsch.**

175

176 **There being no further business, Chairman Bronson moved to adjourn at 10:08 a.m. Vice Chair**
177 **Radford seconded. Motion passed.**

178

179 Respectfully submitted,

180

181 Roger Stutzman

182 Commissioner and Secretary,

183 Idaho Soil & Water Conservation Commission