



Idaho Soil Conservation Commission

2270 Old Penitentiary Road • Boise Idaho 83712

Telephone: 208-332-8650 • Fax: 208-334-2386

www.scc.idaho.gov

IDAHO SOIL CONSERVATION COMMISSION

Budget Hearing and Commission Meeting

Wednesday, May 19, 2010

Natural Resource Conservation Service - USDA

USDA Conference Room

9173 West Barnes Drive, Suite C

Boise, Idaho 83709

8:00 a.m. MDT

APPROVED MINUTES

COMMISSION MEMBERS PRESENT:

J. Morgan Evans

Bill Flory

Joe Davidson

Dwight Horsch

Dick Bronson

COMMISSION STAFF PRESENT:

Sara Schmidt

Kristin Magruder

Frank Arana

Bill Lillibridge

Carolyn Firth

Lance Holloway

PARTNERS AND GUESTS PRESENT:

Harriet Hensley

Mark Weatherstone

Wayne Newbill

Kelly Nielsen

Ken Stinson

Kari Schwendiman

Lori Ringel

Chris Simons

Joyce Smith

Karma Bragg

Terry Hoebelheinrich

John Chatburn

Kit Tillotsen

Steve Becker

David Ascuena

Scott Koberg

Steve Miller

Paul Calverly

1 Meeting was called to order by Chairman J. Morgan Evans at 8:00 a.m.

2

3 Welcome and self-introductions followed.

4

5 The Commissioners reviewed minutes from the February 9, 2010 Commission meeting, the
6 April 7, 2010 Teleconference, and the April 22, 2010 Teleconference.

7

8 **Bill Flory, Vice-Chair moved to approve February 9, 2010 minutes as presented. Dwight**
9 **Horsch, Member, seconded. No discussion. Motion passed unanimously.**

10

11 **Flory moved to approve the April 7, 2010 Teleconference minutes as presented. Horsch**
12 **seconded. No discussion. Motion passed unanimously.**

13

14 Discussion about the April 22, 2010 minutes. Questions to staff about whether Commission
15 directions to refund insurance amount of \$323.32 had been disbursed to the districts. Sara
16 Schmidt, Soil Conservation Commission Administrator, affirmed that the refund had been sent
17 immediately following the teleconference.

18

19 **Flory moved to approved April 22, 2010 Teleconference minutes. Joe Davidson, Secretary,**
20 **seconded. No further discussion. Motion passed unanimously.**

21

22 **RESOURCE CONSERVATION AND RANGELAND DEVELOPMENT PROGRAM**

23

24 Evans turned the floor to Frank Arana, Acting Loan Officer for the Resource Conservation and
25 Rangeland Development Program (RCRDP), to discuss the financials for the loan program.

26

27 Arana reviewed the Cash Flow Report for FY 2010 through FY 2014. Current account balance is
28 \$1,702,079 as of April 30, 2010. Pending disbursements total \$332,014, which would leave a
29 balance of \$1,460,805 available to approve for loans. Arana advised that loans have been
30 reconciled through the end of April, but because of the late posting within the state accounting
31 system, STARS, he cannot yet balance the May totals.

32

33 Discussion began about loan contingency reserve. Historically, 3% (three percent) has been set
34 aside for possible loan loss reserve. Schmidt described the legislative process and statutory
35 authority for spending out of the loan fund since it is a dedicated fund. The Commission
36 expressed concerns about setting aside money for the reserve later being swept by the
37 legislature. Schmidt discussed the importance for getting applications from the districts and
38 making good loans based on good information and collateral to protect the loan fund.

39

40 Discussion continued about best way to protect state's interest if a loan defaults. Arana
41 believes that 3% may be a good reserve in order to cover fees or other costs involved in trying
42 to collect a defaulted loan. The reserve is more of an internal control rather than a static
43 number and the Commission should review that number based on the total loan portfolio.
44 Attorney fees are already budgeted in to the overall costs.

45
46 **Davidson moved to entered Executive Session pursuant to Idaho Code § 67-2345(d) to review**
47 **pending RCRDP loan applications. Dick Bronson, Member, seconded. Roll call vote was taken**
48 **by Kristin Magruder, Commission Staff, with all voting in the affirmative.**

49
50 Harriet Hensley, Sara Schmidt, Kristin Magruder, Frank Arana, Carolyn Firth, John Chatburn and
51 Terry Hoebelheinrich were invited to stay.

52
53 **Moved into Executive Session at 8:36 a.m. to discuss pending RCRDP loan applications.**

54
55 **Executive session ended at 9:23 a.m.**

56
57 Evans called for a break at 9:24 a.m.

58
59 Meeting reconvened at 9:40 a.m.

60
61 Commissioners discussed the disposition of pending RCRDP loan applications.

62
63 Loan No. 316

64 Amount: \$155,000
65 Term: 5 years
66 Rate: 3%

67 Project description: Purchase of an air drill to improve water and soil quality.

68
69 **Flory moved to approve Loan No. 316 subject to the Loan Officer recommendations including,**
70 **but not limited to, the Loan Conditions as listed on page A-4 of the loan packet. Note that**
71 **this loan is outside of Commission policy of \$125,000 limit. Horsch seconded. Discussion**
72 **followed. Harriet Hensley, Deputy Attorney General, advised that the Commission is within**
73 **its statutory authority to approve this loan. Motion passed.**

74
75 Loan No. 589

76 Amount: \$76,000
77 Term: 5 years
78 Rate: 3%

79 Project description: Installation of 2,100 ft of pipeline, pump, and pivot system.

80
81 **Davidson moved to approve Loan No. 589 subject to the Loan Officer recommendations**
82 **including, but not limited to, the Loan Conditions as listed on page B-4 of the loan packet.**
83 **Flory seconded. No discussion. Motion passed.**

84
85 Loan No. 590

86 Amount: \$55,000
87 Term: 10 years
88 Rate: 4%

89 Project description: Convert 48 acres of flood irrigation to wheel and hand lines.

90

91 **Horsch moved to approve Loan No. 590 subject to the Loan Officer recommendations**
92 **including, but not limited to, the Loan Conditions as listed on page C-4 of the loan packet.**
93 **Flory seconded. Discussion followed on clarification of interest rate. Page C-4 notes interest**
94 **rate at 3% and it should be 4%. Motion passed.**

95

96 Loan #1 from September 22, 2009 Commission Meeting

97 **Flory moved to approve a one-time extension of Loan #1 for an additional six months from**
98 **March 31, 2010, with the commitment term expiring September 30, 2010. Horsch seconded.**
99 **No discussion. Motion passed.**

100

101

ADMINISTRATOR'S REPORT

102

103 Evans gave the floor to Schmidt for the Administrator's Report. Schmidt gave an update on the
104 transition of the Commission out of the Idaho State Department of the Agriculture (ISDA) by the
105 end of the fiscal year. The Commission is transferring the federal programs to the Governor's
106 Office of Species Conservation (OSC) and positions for both Hans Koenig and Janet Hohle, who
107 manage the Upper Salmon Basin Watershed Program (USBWP) and Clearwater Focus programs,
108 have been offered and accepted.

109

110 The Commission is getting an individual agency code with the state and is seeking
111 administrative support with the Department of Administration (Dept of Admin) as they have
112 the resources to contract with the Commission to provide fiscal, IT, and HR support. A
113 Memorandum of Understanding (MOU) is being drafted to cover the scope of services and
114 should be ready in the next couple of weeks. Discussion followed about the potential cost-
115 savings of securing services with the Dept of Admin. Legislature previously authorized
116 approximately \$90,000 of the loan program interest to pay for administrative overhead.
117 Schmidt is hopeful that the Commission can recognize a significant savings after the initial set
118 up with Dept of Admin. Further discussion followed. The staff in the Boise office will be moving
119 out of the ISDA building into an office in the downtown area. Bronson recognized the small
120 window of time left and wants to grant staff the flexibility to take care of this as quickly as
121 possible.

122

123 **Bronson moved to allow the Administrator and Chairman to move forward with signing an**
124 **MOU with the Dept of Admin to secure administrative services for the Commission. Flory**
125 **seconded. Discussion followed and a teleconference was requested to review the final draft.**
126 **Motion passed unanimously.**

127

128 Schmidt notified the Commissioners about the upcoming All Staff Meeting on Monday and
129 Tuesday, May 24 and 25, 2010 and welcomed them to attend if they are interested.

130

131 Schmidt discussed the current staffing plan. Vacancies have gone unfilled in order to save
132 current staff positions and avoiding layoffs. Mike Hoffman has announced his retirement in

133 June 2010 and Janet Hohle and Hans Koenig will be transferring to OSC in June 2010. The
134 Eastern Idaho Program Manager and Water Quality Resource Conservationist positions will be
135 filled in the coming fiscal year.

136

137

SUPERVISOR MANUAL UPDATE

138

139 There have been several changes in federal and state law and in response to several district
140 requests, the Commission will be updating the District Supervisor Handbook. Schmidt has been
141 brainstorming with Jeff Burwell, Natural Resource Conservation Service (NRCS), about the best
142 way to update the manual based on the staffing and budget shortages at the Commission.
143 Priorities were identified and outlined in a basic manner and Schmidt encouraged the
144 Commissioners to consider funding this project this fiscal year. Jeff Burwell committed to
145 additional funding support if needed.

146

147 Scott Koberg, Ada Soil and Water Conservation District (SWCD), was identified as the lead for
148 this project based on proximity to Boise staff, the Deputy AG, and individual expertise. Koberg
149 concurred that this is an important project and the Ada SWCD is on board for offering
150 assistance. Discussion followed about a timeline for project completion. Schmidt advised that
151 to have a draft ready by the Idaho Association of Soil Conservation Districts (IASCD) Annual
152 Conference, a project completion date of March 2011 should be sufficient. Further discussion
153 followed about funding needed to complete the project. Schmidt believes \$10,000 should be
154 adequate for the Commission share of the project.

155

156 **Horsch moved to direct staff to proceed with the MOU with the Ada SWCD to complete the**
157 **update of District Supervisor Handbook. Davidson seconded. No discussion. Motion passed**
158 **unanimously.**

159

160

FY 2010 FINANCIALS

161

162 Kelly Nielsen, ISDA Fiscal Officer, reviewed the current FY 2010 financial position of the
163 Commission. Nielsen advised that the position is excellent, but there is still money available.
164 Personnel Cost (PC) has been moved down to Trustee & Benefits (T&B) and there should be
165 additional funding available as we get closer to the end of the fiscal year. A \$30,000 cushion
166 remains until the end of the year based on current expenses.

167

168 Operating Expense (OE) still has a little over \$200,000 remaining and Nielsen recommended
169 being aggressive with spending and not wait until the last minute. Capital Outlay has been
170 increased to purchased some new computers and recommends getting the equipment as soon
171 as possible so it can be paid before the end of the fiscal year. RCRDP funding is adequate for
172 personnel costs to get through the end of the year.

173

174 Nielsen stood for questions from the Commissioners. Nielsen described the process the state
175 Department of Financial Management (DFM) goes through when they look at usurping or
176 sweeping funds from agencies with dedicated funds. Nielsen further advised that if the

177 Commission has a loan-loss reserve, DFM does not see that as a separate line item and the
178 amount is only listed as a total cash balance.

179
180 Nielsen answered questions about moving money down. Moving money down or up is a state-
181 specific phrase that addresses the line number of each cash category, i.e., Personnel, Operating,
182 or Trustee & Benefits. Agencies must request permission from DFM to move money and it is
183 recommended to make that request sooner rather than later. The closer it gets to the end of
184 the fiscal year, the less likely DFM is to approve a request to move money.

185
186 **Davidson moved to accept the Financial Report as of April 30, 2010. Horsch seconded. No**
187 **discussion. Motion passed unanimously.**

188

189 QUICKBOOKS LICENSE RENEWAL

190

191 Kristin Magruder presented the Memorandum to the Commissioners with the QuickBooks
192 License Renewal Options. A cost-comparison was done to highlight the deep discount Intuit is
193 providing the Commission for the QuickBooks Online accounting and payroll accounts. Three
194 options were presented for the Commission to consider, including 1) no renewal, which would
195 allow the districts to purchase their own accounting software; 2) a one- or two-year renewal for
196 the online access; and, 3) option to allocate a matching cost of \$449.10 to the seven districts
197 currently using the desktop version.

198

199 Discussion followed. Steve Becker, Nez Perce SWCD, would like the Commission to continue
200 the group discount. Wayne Newbill, Idaho Association of Soil Conservation Districts (IASCD),
201 concurred with Magruder in that switching to another accounting system would be
202 counterproductive. Further comments about the pros and cons of QuickBooks Online.
203 Technical support can be slow and unresponsive and users are sent in and out of an unsecured
204 site in order to access the secured information. Online access can be convenient for more than
205 one user. Some districts are on the top end of the spectrum and QuickBooks will not continue
206 to support them because of the complexity of the accounting practices and they are actively
207 looking for other options.

208

209 Discussion about the requirements for monthly financial reporting from the districts to the
210 Commission. Discussion will continue in the rulemaking session.

211

212 FY 2010 PENDING REQUESTS/ACTION ITEMS

213

214 Schmidt began the discussion of FY 2010 budget items. Reviewed the General Fund Tie-Out
215 spreadsheets for Personnel, Operating Expense, and Trustee and Benefits.

216

217 Personnel: Through April 30, 2010, \$1,066,361 has been spent for Full-Time Positions (FTPs),
218 the board, and temporary employees. Projected to end at \$1,248,500 for this fiscal year.
219 Estimated \$90,000 remaining depending on temporary hours. Already requested \$70,000 to
220 roll down from Personnel to T&B to allocate to the districts.

221
222 Operating Expense: \$279,507 has been spent as of May 3, 2010. Estimated total of \$373,623,
223 which leaves approximately \$163,102 remaining for pending requests.

224
225 Trustee & Benefits: Estimated \$1,795,175 total budget for FY 2010. If all Water Quality
226 Program for Agriculture (WQPA) requests come in, there will be remaining \$14,966 to allocate.
227 Added to the \$70,000 from Personnel and additional OE, Schmidt recommends allocating an
228 additional \$150,000 to districts.

229
230 **Davidson moved to enter Executive Session pursuant to Idaho Code § 67-2345(a) to discuss**
231 **personnel matters. Flory seconded. Roll call vote by Magruder, with all voting in the**
232 **affirmative.**

233
234 Entered Executive Session at 11:55 a.m. to discuss personnel matters. Schmidt and Hensley
235 were invited to stay.

236
237 Executive Session ended at 12:44 p.m.

238
239 Evans called for a lunch break at 12:45 p.m.

240
241 The meeting was reconvened at 1:03 p.m.

242
243 **PARTNER REPORTS**

244
245 **Idaho District Employee Association (IDEA)**

246 Karma Bragg, IDEA President, presented a summary of the IDEA district training activity. The
247 total cost to the Commission was \$1,317, which was \$400 under original budget. Bragg
248 commented on all of the positive feedback received from the participants and appreciated the
249 Commission staff that was able to attend. 49 districts currently have memberships with IDEA.
250 IDEA board members are working on IASCD conference topics, which is likely to be grant
251 writing. Focus will be on conference planning in the coming months. Bragg thanked the
252 Commissioners for the financial support and the ability to provide feedback.

253
254 **Idaho Association of Soil Conservation Districts (IASCD)**

255 Wayne Newbill, Acting Director, presented the partner report for IASCD. Newbill apologized for
256 the short notice for most of their meetings and will try to give more notice. Advised on the
257 current status of the district's selection of commissioner candidates to present to the Governor.
258 Discussion about the best method to submit packets to the Governor's office. Schmidt advised
259 that a representative from the Govenor's office will be here tomorrow for the rulemaking
260 session and can better advise IASCD on that matter.

261
262 Newbill is in discussions with a pesticide company to put together an invasive species
263 eradication program that the districts can earn a rebate on to earn additional funding.

264

265 Kent Foster's retirement party is on Saturday, June 12, 2010 in Meridian at Wayne Newbill's
266 house and invited any interested party to attend.

267

268 **Natural Resource Conservation Service (NRCS)**

269 Mark Weatherstone sat in for Jeff Burwell to present the partner report. Weatherstone advised
270 about the current staffing issues around the state, with several vacancies being filled and
271 several opening up in the near future. Discussed the federal funding available from various
272 programs within the state.

273

274 The focus next year will be on RC&Ds and to fully engage local workgroups. Conservation
275 planning process will be the first priority to allow for better contracts under the Farm Bill. Will
276 accept applications for next FY funding until August 15, 2010 for an obligation date of March
277 15, 2011. This gap will allow for greater period of time to do conservation planning. Discussion
278 followed.

279

280 **FY 2012 BUDGET HEARING**

281

282 Evans turned the floor to Schmidt to commence the FY 2012 Budget Hearing. Schmidt noted
283 the summary spreadsheet distributed that showed the districts that currently have a 2012
284 letter of intent from their local city or county.

285

286 Evans opened up the floor to district personnel for comments on the feedback they are getting
287 from their local entities. Comments included most counties and cities are planning to keep
288 funding level; counties do not want to give a letter of intent until they know what their
289 revenues are going to be. Discussion followed. Districts believe that most cities and counties
290 are seeing the value in the conservation work being done.

291

292 Evans opened up the floor for budget presentations.

293

294 Karma Bragg, Custer SWCD

295 Bragg reviewed the district staffing, history, priorities, and partnerships. District projects were
296 highlighted including Mosquito Flat 319 Project, Pahsimeroi projects, and small CAFO/AFO's
297 with WQPA and EQIP funding. District has been very successful in coordinating multiple
298 agencies, landowners, and funding sources to complete their conservation projects. State and
299 county money only covers about 5% of office and payroll costs. District expenses are covered
300 by project funding and grants. Education programs are a top priority for the district and are at
301 the heart of many of the district activities including Envirothon, Speech Contest, Poster Contest,
302 Natural Resource Awareness Day, and many others.

303

304 Steve Becker, Nez Perce SWCD

305 Becker presented the FY 2012 estimated budget and does not anticipate any large differences
306 in the coming years. Becker requested special project funding in the amount of \$240,000 in
307 order to develop standard designs for above-the-ground fuel containment facilities that could
308 then be shared across the state with other districts. Believes that this is going to be a huge

309 issue to address in the future and believes this is a worthwhile project. Evans mentioned that it
310 might be possible to partner with the Idaho Transportation Department to develop this project.
311 Mark Weatherstone commented on NRCS's inability to fund fuel containment facilities because
312 the national office decreed there could be no technical assistance could be offered for these
313 types of projects due to liability issues. Schmidt discussed the possibility of districts to take this
314 issue to their NRCS nationally or the congressional delegation to address this issue on a national
315 level.

316
317 No further presentations were made.

318

319 **FY 2010 PENDING REQUESTS/ACTION ITEMS (Continued)**

320

321 Schmidt continued with the FY 2010 budget discussion with Operating Tie-Out. Schmidt
322 identified two new categories, Computer/IT One-Time Items and Other One-Time Moving
323 Expense. Schmidt has requested roll down for funds from OE to Capital Outlay to cover the
324 costs of replacing old and outdated computers. The projection for moving expense is very
325 rough because it was difficult to estimate not knowing where the Commission is moving the
326 Boise office. Schmidt discussed the rent situation for the field staff. NRCS has been
327 instrumental in offering discounted, low-cost office space in the service centers around the
328 state. Nez Perce also offered free rent space to field staff in Culdesac for one year and Schmidt
329 expressed appreciation to Steve Becker for offering this deal to the Commission.

330

331 There is an estimated \$163,000 remaining fund in OE to allocate for pending requests.

332

333 Pending Requests:

334 • Idaho OnePlan for \$14,000. Newbill spoke in support of the pending request. A map
335 program is needed to support the Nutrient Management Planner and the program they
336 had been using is no longer being supported by its manufacturer. The programmer can
337 no longer absorb the \$4,000 cost of the platform. \$10,000 provides the new platform
338 for the Manure Management Planner and is a one-time expense. The \$4,000 is an on-
339 going expense that would cover the annual cost of the license. Discussion followed
340 about project priorities and activities. Newbill answered questions about what the
341 impact would be if the Commission did not fund this request. ISDA is OnePlan's main
342 user and does not have an alternate program to use.

343 • Envirothon for \$1,500. Newbill spoke in support of the pending request.

344 • 2010 Idaho State Forestry Contest for \$1,500

345 • 2011 Idaho State Forestry Contest for \$1,500

346 • Supervisor Manual Update for \$10,000

347 • Idaho Counties Risk Management Program (ICRMP) district liability insurance premium
348 allocation of \$43,350

349 • QuickBooks renewal at \$19,760 per year for one or two years

350

351 Discussion and comments from districts about value of ICRMP and district insurance issues.
352 Districts believe it would be an immense help statewide for the Commission to help fund the
353 insurance costs this year.

354
355 Ken Stinson, Latah SWCD, discussed the issue that the state schools are having in finding the
356 funding to transport the kids to the various contests around the state. Further discussion about
357 the importance of continuing the education programs within the state. Believes the long-term
358 benefits are invaluable.

359
360 **Horsch moved to support Envirothon and the State Forestry Contest at the same levels as last**
361 **year. Flory seconded.** Discussion followed. Transportation will be a statewide issue for all of
362 the contests. Evans recommended that district personnel discuss the issue further this evening
363 and come back with a funding amount for the Commission to consider tomorrow morning.
364 Carolyn Firth will contact the East Cassia SWCD to get a request from the Soils Contest in Burley
365 for consideration. Clarification of the pending requests for \$1,500 for Environthon and \$1,500
366 for 2010 State Forestry Contest. Commission not considering the FY 2011 Forestry request at
367 this time. **Motion passed unanimously.**

368
369 Further discussion on the Idaho OnePlan request. Flory suggested taking offer to ISDA to match
370 funding for program support since they are primary user. A suggestion was made about
371 charging user fees but the OnePlan Executive Committee has continued to keep the program
372 free for the producers.

373
374 **Flory moved to support Idaho OnePlan at \$12,000 if ISDA will fund at \$10,000. Motion died**
375 **for lack of second. Discussion followed.** Pros and cons were discussed about trying to
376 negotiate additional funding this late in the fiscal year and value of

377
378 **Flory moved to support OnePlan at \$10,000 and then will match ISDA dollar for dollar after**
379 **that amount up to \$2,500 during FY 2010. Bronson seconded.** Discussion followed about prior
380 funding amounts, which totaled \$34,500 over the last 12 months. **Motion passed**
381 **unanimously.**

382
383 **Bronson moved to support updating the District Supervisor Manual in the amount of \$10,000.**
384 **Flory seconded. No discussion. Motion passed unanimously.**

385
386 Evans called for a break at 3:17 p.m.

387
388 Meeting reconvened at 3:33 p.m.

389
390 Discussion continued about QuickBooks renewal. Schmidt advised that the two-year option
391 was included only because it was unknown what the budget situation would be like at this time
392 next year. Question whether there was an additional discount to pay the second year.

393

394 **Horsch moved not to pay for the QuickBooks Online license renewal fee and send the money**
395 **directly to the districts. Flory seconded.** Discussion followed about pros and cons of the
396 Commission not paying for QuickBooks and sending the money directly to the districts. Schmidt
397 voiced concern over the problems of the timing of such a decision since the subscription expires
398 June 30, 2010 and the boards only meet once per month. Discussion followed in support of the
399 Commission renewing QuickBooks Online for at least one more year. Concerns from the
400 districts on trying to recreate district books within a short period of time. Schmidt advised
401 Commissioners that the original intent of the memo was a staff recommendation to renew
402 QuickBooks Online for a period of one year and to allocate a desktop credit in the amount of
403 \$3,142. Commissioners responded and discussed. **Two voted in favor of motion; Three voted**
404 **against the motion. Motion failed.**

405
406 **Bronson moved to accept the staff recommendation to pay \$19,760 to renew QuickBooks**
407 **Online for one year for the 44 districts that currently use the online version. Flory seconded.**
408 **No discussion. Four voted in favor of motion, one voted against the motion. Motion passed.**

409
410 Schmidt commented on the DFM request process for rolling down additional funds for district
411 allocations and stressed there are no guarantees of approval. Discussion followed.

412
413 Based on decisions made to-date, the amount available to request for a roll down to T&B is
414 \$114,700. Schmidt made a staff recommendation that the Commission make a formal request
415 to DFM to roll down \$114,700 to T&B for an additional allocation to the districts. Discussion
416 followed.

417
418 **Flory moved to request a roll down from OE to T&B for FY 2010 a minimum of \$98,500.**
419 **Horsch seconded. Discussion followed. Motion passed unanimously.**

420 421 **DISTRICT ALLOCATIONS**

422
423 Schmidt projected approximately \$183,000 from T&B for district allocations if approved by
424 DFM. This is in addition to the money set aside for WQPA projects.

425
426 Schmidt reviewed the spreadsheet showing the proposed allocation amounts. These
427 allocations are estimates based on possible roll down scenarios of \$70,000, \$110,000,
428 \$150,000, and \$180,000.

429
430 **Flory moved to set the third district allocation at a minimum of \$150,000 pending DFM**
431 **approval of roll down request. Horsch seconded. No discussion. Motion passed**
432 **unanimously.**

433
434

FY 2011 BUDGET OVERVIEW

435

436

437 Schmidt discussed the blueprint of the FY 2011 budget. Schmidt thanked the districts that
438 provided feedback to draft this overview simply for general review. Offered additional details
439 to the budget upon request.

440

441 The legislature allowed spending authority to allow flexibility in how the Commission allocated
442 its budget to PC, OE, and T&B. Schmidt described the process that staff went through to
443 estimate the numbers for various categories. The WQPA proposed budget at \$314,00 is based
444 on district estimates this winter of current contract commitments. District allocations are
445 reduced to \$700,000 with the hope that a large third allocation is going to be made in FY 2010.

446

447 Schmidt described the operating expense highlights including a 79% decrease from original FY
448 2010 budget. Budget assumes that that FY 2011 expenses are prepaid including the field office
449 rent, CCPI commitments, and QuickBooks Online. The proposed budget of \$135,750 does not
450 include the Commission funding QuickBooks Online for FY 2012, cost-sharing of the district
451 insurance expense, nor the printing of the annual report.

452

453 Personnel highlights includes funding 14 current general fund FTEs and two (2) vacancies in
454 eastern Idaho. This is a decrease from 22 FTEs this year and a decrease of temp hours by 50%.
455 The project budget of \$1,136,062 maintains the current staff and technical support.

456

457 Contingency is projected at \$55,392, which is 2.4% for FY 2011. Schmidt believes that being too
458 cautious next fiscal year could result in less work getting done on the ground.

459

460 Discussion followed. District allocations had to be cut in order to maintain technical support to
461 the districts. Concern was voiced over the potential of additional cutbacks next fiscal year and
462 where the money would come from to cover those costs. Schmidt advised that small
463 adjustments such as furloughs, WQPA holdbacks, and personnel cut backs could add up to the
464 necessary amount needed. Commissioners requested the staffing vacancies be filled as soon as
465 possible so they are not taken away this winter by the legislature.

466

467 **Davidson moved to adopt the working draft of the FY 2011 Proposed Budget. Flory seconded.**
468 **No discussion. Motion passed unanimously.**

469

OTHER BUSINESS

470

471 Schmidt advised that the strategic plan needs to be updated. Distributed the staff draft of
472 possible updates, scheduling changes, and deletions.

473

474 Commission meetings for the summer and fall need to be scheduled prior to ending the
475 meeting tomorrow. RCRDP loan applications need to be in 30 days prior to the meeting and it
476 is helpful to the districts to know when the cut-off date is. Flory suggested scheduling a
477 meeting outside of the Boise area in Eastern Idaho.

478

479
480 **Davidson moved to recess the meeting until tomorrow morning at 8:00 a.m. Horsch**
481 **seconded. Motion passed unanimously. Meeting recessed at 4:42 p.m.**

482
483 Respectfully submitted,

484
485 Joe Davidson
486 Commissioner and Secretary,
487 Idaho Soil Conservation Commission