

Special Meeting

The Washington State Conservation Commission (Commission/SCC) met virtually on August 12, 2020. Chairman Longrie called the meeting to order at 9:03 a.m.

COMMISSIONERS PRESENT

Dean Longrie, *Chairman and elected west region rep.*
Harold Crose, *Vice-chairman and elected central region rep.*
Perry Beale, *Department of Agriculture*
Larry Cochran, *elected eastern region rep.*
Jeanette Dorner, *Washington Association of Conservation Districts*
David Giglio, *Department of Ecology*
Jim Kropf, *Washington State University*
Sarah Spaeth, *Governor Appointee*
Jennifer Watkins, *Department of Natural Resources*
Daryl Williams, *Governor Appointee*

COMMISSION STAFF PRESENT

Carol Smith, *Executive Director*
Mike Baden, *NE Regional Manager*
Allisa Carlson, *Central Regional Manager*
Stephanie Crouch, *Administrative Assistant*
Kate Delavan, *Office of Farmland Preservation Coordinator*
Bill Eller, *Elections Officer and VSP Coordinator*
Josh Giuntoli, *Southwest Regional Manager*
Lori Gonzalez, *Executive Assistant*
Sarah Groth, *Fiscal Manager*
Alison Halpern, *Policy Assistant*
Laura Johnson, *Communications Coordinator*
Shana Joy, *District Operations Manager*
Ron Shultz, *Policy Director*

PARTNERS REPRESENTED

Ryan Baye, *Washington Association of Conservation Districts*
Mike Kuttel, Jr., *Department of Fish and Wildlife*
Ariel Rivers, *National Association of Conservation Districts*
Tom Seltzer, *Washington Association of Conservation Districts*

GUESTS ATTENDED

Please see "[Attachment A](#)" for full list of attendees.

Budget and Finance

15% Budget Reduction Plan for 21-23 Biennium

Sarah Groth, SCC Fiscal Manager, presents the agenda item pertaining to the 15% Budget Reduction Plan for the 2021-23 Biennium. At the May Commission meeting, approval was provided to submit a 15% budget reduction plan for FY 21, the current fiscal year. In June, OFM provided additional budget instructions for the 2021-2023 biennium starting July 1, 2021, which include a continued 15% reduction for

our operating budget. SCC needs to include this reduction in our budget package submittals to OFM in September, prior to the next regular Commission meeting.

To meet the 15% reduction in the next biennium, SCC seeks approval to submit a plan to continue forward with the same savings that SCC is applying in the current fiscal years. These savings actions include: Shifting staff salaries to other fund sources to the greatest extent possible, not hiring an IT staff person, eliminating personal service contracts, and equipment purchases, and reducing travel.

In the current fiscal year, these actions are enough to provide a 15% reduction without impact to district implementation funds. However, SCC needs more savings to account for a continued 15% reduction in the next biennium, and seeks approval to submit a plan that not only includes the above actions, but that also shows a potential reduction in district implementation funds or adds additional cost-cutting measures.

On July 30, SCC staff held a budget webinar with districts to share information based upon two possible scenarios and present options that can minimize these impacts with the goal to collect district feedback. The webinar was well attended with 28 districts participating. Comments and feedback were taken into account for today’s meeting.

Ms. Groth developed this reduction plan with two priorities in mind: maintaining WSCC staff at current levels and preserving district implementation funds to the greatest extent possible. They used two scenarios to estimate potential budget impacts and develop the reduction plan. Scenario 1 is based upon receiving the full ask of our capital budget packages. Scenario 2 is based upon receiving capital funding levels similar to the recent past. Scenario 1 results in district implementation funding at the same level as allocated prior to the CTA-Salmon/Orca add. Scenario 2 results in a 4.13% decrease in district implementation funds. The scenarios were based upon estimates of capital dollars received because SCC is shifting staff salaries from operating to capital funds to the greatest extent allowed.

To minimize these potential reductions in implementation funding, SCC asked for district feedback on additional cost-cutting measures. The effect of these savings options restores implementation funds to levels similar or above the levels that districts received prior to the CTA-Salmon/Orca add (see table below).

	Scenario #1	Scenario #1 with both additional savings options	Scenario #2	Scenario #2 with both additional savings options
FY20 \$84,489 (unrestricted)	\$84,489.00	\$88,239.00	\$81,000.00	\$84,750
FY20 \$11,111 (Salmon/Orca/CTA)				

Ms. Groth provides clarification to questions regarding exactly what OFM is looking for/requesting. They are not requesting line item budget cuts, but rather a broad, overall request that shows SCC is working to reduce the budget. SCC is currently asking for Commissioner input, and whether or not they want the additional savings options included. Since most things are constantly in flux and uncertain due to COVID-19, SCC will perform all of these budget cuts with no priority, and cuts within the agency will happen regardless of OFM’s funding. The request being submitted to OFM is based on what SCC has been awarded in the past.

Motion by Commissioner Crose to approve the submittal of a WSCC 15% budget reduction plan to OFM that includes:

- *Shifting WSCC staff salaries and district engineering to other fund sources to the maximum extent possible.*
- *Delays hiring an IT staff person.*
- *Reduces personal service contracts, equipment purchases, and other expenses.*
- *Reduces WSCC travel expenses by 50%.*
- *Reduces or eliminates funding of Scholarships and Sponsorships.*
- *Reduces district implementation funds, if necessary, to fill in any remaining needed amount.*

Seconded by Commissioner Williams. Motion carries.

Motion by Commissioner Dorner to amend the previously discussed motion by removing the bullet point reading “Eliminates funding of Orca Days, Sponsorships, WADE Scholarships, and Envirothon.” Seconded by Commissioner Spaeth.

Motion by Commissioner Dorner to amend the previously discussed motion by editing the bullet point to read “Reducing or eliminating funding for Sponsorships and Scholarships.” Seconded by Commissioner Spaeth. Motion carries.

Chairman Longrie adjourns the meeting at 10:28 a.m.