

NRCC Finance Committee  
Meeting Minutes  
February 16, 2022  
8:30 am  
Zoom Meeting

**Present:** Rick Hopkins, Richard Noel, Christopher Von Alt, Clare Ireland, Jill Arace, Emily Nummer, and Holden Sparacino

## **Agenda**

1. Welcome (Rick)
2. Approval of January meeting minutes (Clare)
3. Update on VACD's legislative initiative (Jill)
4. Grant proposals, approvals, and updates
  - a. AgCWIP proposal (Emily)
  - b. Winooski NRCD budget increase request (Holden)
  - c. Others (as needed)
5. Approval of December financial statements (Clare)
6. Review of January financial statements (Clare)
7. Discussion of banking options (Clare)
8. Discussion of NRCC Finance Procedures and signatory authority
9. Other business, as required

## **Welcome**

Rick welcomed everyone and called the meeting to order at 8:32 am.

## **Review of January Meeting Minutes**

Clare presented the minutes from the January meeting. Richard moved to approve the minutes as presented. Chris seconded. Upon a vote, all were in favor.

## **Update on VACD's Legislative Initiative**

Richard reported that they have a new representative up in Franklin: Wayne Laroche. He just got appointed by the governor to fill a vacant seat. He has some relevant experience.

Jill reported on updates from VACD's work with Action Circles. Now that the legislature is in session, there's a lot of activity. Jill sent out the funding request to District Supervisors via email several days ago. This information has gone to the Ag Committee, and DMs and Supervisors have testified on its behalf. VACD will be following up in a meeting with the Agency of Ag to discuss the Core Services budget. Diane Bothfeld is aware of our request to the legislature, and

has been responsive. She is giving testimony to the Ag Committee tomorrow, and while she is not able to ask for funding outside of what's in the governor's budget, she is happy to give general support to the Conservation Districts. Things will be moving quickly in the coming weeks. After the Ag Committee finalizes its budget recommendations, they send a memo to the House Appropriations Committee next week. VACD and Action Circles will then shift focus to the House Appropriations Committee once the request is with them. There has been a positive reception so far.

Chris asked about Action Circles' fees. Jill reports that they will likely charge VACD more next year, probably \$36,000. This will be an ongoing investment. If the request goes through, VACD will have to fight for operational expenses each year. Districts are already a natural part of the water quality work; hopefully Districts will be recognized as natural partners for climate change as well.

We're in the second year of the biennium, but Jill reported that this might still be a good time for an ask given the extra funds available, both from federal funds and state tax revenue. If money comes through, it will be known by the end of April, available in early July. Districts can rebudget at that point.

Richard pointed out that the price of materials for projects have doubled, so this would be a good time to have extra funds available.

Jill reported that in the run-up to both the legislative ask and the AgCWIP proposal, we looked at how NRCC can or should distribute funds among Districts. There are some criteria outlined in our statute, but it would be good to get Supervisor feedback on this in the future.

Jill reported on various other funding sources. EPA and DEC both structure their grants around project stages (scoping, development, implementation), which has been challenging. DEC is adding capacity development into their grants scope, which will be positive. Ideally, we'll be moving away from such a heavy reliance on funding tied to projects and towards more flexible funding sources. Holden reported that we're working with DEC to release capacity development funds soon, even before study is done, and to move quickly with known groups that need capacity funding.

Chris noted that Heather has worked closely with DEC on lakes issues. NEK has some high quality, high priority lakes. There are vacancies being left open at DEC. The Conservation Districts could backfill some of this missing capacity at DEC, particularly around lakes. Jill reported that DEC is batching bids and that they have a very strictly segmented framework. This might favor for-profit organizations, but Districts can jump in, particularly with collaboration between Districts.

Jill noted that we might seek a meeting with Julie Moore and the DEC commissioner to remind them of what we do and to reestablish a working relationship. We will be working to be more on

the radar so we are consulted at earlier stages and higher levels in the future. Districts should be bringing local perspectives into statewide conversations and policy making.

## **Grant Proposals and Updates**

- AgCWIP proposal. Includes technical assistance (TA), outreach, admin, and surveys. It's more flexible funding than some other grants. This year's process was a little different than last time around. Last time, each District applied on their own. This time, we applied collaboratively. We had a lot of conversations (6 meetings) leading up to the proposal with the goal of coalescing around standard deliverables and goals. We didn't set any upper limits on District request – they initially asked for \$2.8 million. The total funding available is \$3 million, so we had to whittle down budgets. NRCC and VACD also need funds from this grant, and the proposal also included funds for farmers to attend meetings to advocate for themselves. Ultimately, we submitted \$2.3 million through NRCC. VACD submitted a \$700,000 request.
  - Chris asked about the differences between relating to VAAFM and DEC: complexities and constraints. Jill reported that VAAFM funding is mostly for staff time and more flexible projects. DEC funding is for projects. DEC is also cost-reimbursable.
  - Chris asked about the breakdown of the budgets of organizations. Clare and Emily reported that VACD and NRCC worked together in creating the overall budget. Clare noted that the NRCC portion of NRCC's proposal also included funds passed through to Districts for VAWQP Regional Planning, and that VACD's budget includes staffing that will help fill gaps in our overall service coverage.
- Request for approval of Winooski project budget increase. Due to factors including material/time constraints and subcontractor request, Winooski is requesting a one-time increase of \$6K for the Shady Rill Recreation Area Stream Restoration project to finish implementation work. Holden has discussed the project and issue with Remy (Winooski DM), and recommends approving the increase to successfully finish and close out the project. NRCC currently has \$18K unobligated in the 2019 design/implementation block grant award which can cover this cost.
  - Holden reported that he sent a list of questions the Finance Committee had previously requested to Remy as part of this process.
  - Richard noted that this kind of issue might come about more in the future given price cost increases. About half of the cost is for change of design, half is materials cost. Scope didn't change, but some features did.
  - Richard moved to approve. Chris seconded. Rick abstained due to his position with the Winooski District. The motion passed.
  - Richard stressed that designs need to be worked through before implementation, and Chris added there should be a buffer worked into projects too. Holden reported that we've brought up the buffer idea to DEC, 10 - 20%, but we're not allowed. We can only hold a small amount of funds aside for cost overruns.

## **Review of December Financial Statements**

The December financial statements were not approved at the December meeting, so Clare asked for their approval today. Richard made a motion to approve the statements, Chris seconded. All were in favor.

Clare explained that it's difficult for her to get the previous month's statements together in time for these monthly meetings, so for the past few months, approval of financial statements has been deferred to the following month. She proposed making that the standard procedure going forward: each month we will review the previous month's financial statements and approve the statements from the month before that. Chris and Richard approved of this change, which is in keeping with how things have operated recently.

## **Review of January Financial Statements**

- Clare reviewed the January statements, noting receipt of payment of a long-outstanding DEC invoice. She also noted payment of a Trees for Streams invoice and AgCWIP invoices to Districts.

## **Review of Banking Options**

Clare reported on her conversation with People's United Bank. They have several account options that can offer higher interest rates: money market savings and CDs. In terms of the fee, it could potentially be waived "if that's a deal breaker," but they said they'd have to check. Clare's sense is that we'd have to push the issue by having another option lined up that we could switch to. She's done some research into other options, but would like to do more before presenting those to the Committee. Chris and Richard expressed approval for Clare to reach out to other institutions to get more information.

## **Discussion of NRCC Finance Procedures and Signatory Authority**

- Clare recapped previous conversations around this topic, but because she and Holden have not been able to meet to discuss specific changes, it would be best to defer this conversation for another meeting.
- Holden added that the possible areas of clarification include not only sign-off on payments, but also signatures on non-financial items and getting clarification around identifying all signatory authorities, majority vs. unanimous voting, recusal by voting members, and other related topics.

### **NRCC Other Business**

There was no other business.

### **Next Meeting**

There being no further business, the next meeting was scheduled for 8:30 am, March 16, 2022.

### **Action Items for Follow Up**

- Clare and Holden will meet to discuss recommendations for updates to the Finance Policy
- Clare will set up meetings with other banking institutions to learn more about other options
- Clare and Holden will meet to work on streamlining grants approvals and payments
- Clare will pull together aging reports for all outstanding District invoices