

NRCC Finance Committee
Meeting Minutes
October 18, 2023
8:30 am
Zoom Meeting

Agenda

1. Welcome (Rick)
2. Review and approve meeting minutes (Clare)
3. FY24 budget (Clare)
4. FY24 personnel agreement (Clare & Jill)
5. Legislative Update/VACD Update (Jill)
6. FY25 Legislative budget request (Clare)
7. Other business, as required

Attendance: Rick Hopkins, Chris Von Alt, Richard Noel, Jill Arace, Clare Ireland, Jess Miller, Emily Nummer, and Lina Smith

The meeting was called to order at 8:32 am.

Review and approve meeting minutes (Clare)

Clare presented the finance committee meeting minutes for August 16, 2023 and September 6, 2023.

The motion was made by Chris to approve the minutes of August 16, 2023 as presented. Rick seconded the motion. Upon a call for a vote, all were in favor.

The motion was made by Richard to approve the minutes of September 6, 2023 as presented. Chris seconded the motion. Upon a call for a vote, all were in favor.

FY 24 budget (Clare)

Clare presented the FY24 proposed budget.

She noted that in general there were many of the same grant programs as last year with the addition of AgCWIP Capacity Building and the Enhancement Design & Implementation Block Grant. She also noted Pur Projet will not be a funder this year but is in negotiation for future years.

Overview of funding sources:

- 96.8% of funding is from state sources
- 3.2% is from federal sources
- The remaining is from private, nongovernmental fundings sources

Expense:

- 87% is pass through funding to districts
- Personnel is the largest portion of the remainder of the budget

Clare presented the FY24 personnel budget and gave more detail on how positions are funded.

- Trees for Streams – an administrative fee is received
- Tactical Basin Planning – set amount awarded by DEC, supports administration as well as participation in Act 76.
- Project Development and Design & Implementation Block Grants have a set percentage for administration.
- AgCWIP has a set personnel budget that supports both grant administration and some additional capacity building, outreach and education, and technical support activities
- NRCC management is overhead that carried over from AgCWIP and has \$24,000 funded for a new position to support districts.

She noted options to cover the personnel budget:

- Could charge more staff time towards DIBG & PD, but income through Project Development Design & Implementation can be more variable due to the nature of the grants and that it can sometimes cause a cash flow problem.
- Could spend down retained earnings from past grants.

Jill explained that both VACD and NRCC have some of the same problems noting the following:

- There is minimal funding for core functions.
- Council needs staff capacity that's not grant dependent.
- NRCC does not have staff. All are currently VACD employees.
- Payment from NRCC to VACD is dependent on availability.
- Without funding for Council infrastructure, districts won't get the support they need

Clare highlighted the following in the personnel budget:

- DM reps are supported by the Core Services budget. The exact division between Cory and Sarah may change.
- For NRCC personnel, the total is a 9.5% increase in salaries from last year. Raises were given based on a market analysis.
- Jill is stepping back from Council work, so less of her time is budgeted to NRCC
- A retirement plan was implemented in the middle of last year so this year will be a full year.

In addition to the personnel budget, Clare notes that she increased the travel budget for people to attend meetings, such as the NASCA annual meeting, NACD Northeast meetings, etc.

Chris noted that no one is directly responsible for NRCC in the current structure. Rick and Clare acknowledged this is true. Council had an executive secretary who was a full-time state employee, but the position was eliminated at some point. Jill suggested that this conversation might be appropriate for the upcoming meeting with Secretary Tebetts.

Chris made the motion to approve the FY24 budget as presented by Clare. Richard seconded the motion. Upon a call for a vote, all were in favor.

FY24 personnel agreement (Clare & Jill)

Clare presented and reviewed the draft FY24 personnel agreement. She noted that in previous years, Council would pay out a lump sum to VACD, but last year, this changed to VACD billing for actual on a bi-monthly basis. This has been a better financial position for Council. For FY24, Jill has asked that this be changed to billing on a monthly basis.

The total budget is \$369,992 an increase of \$37,317 over last year or a 9.5% increase.

Chris asked that language be added for payment to be contingent on availability of funds.

Chris made the motion to approve the FY24 professional services agreement with the addition of the payment to VACD being contingent on the availability of funds. Richard seconded the motion. Upon a call for a vote, all were in favor.

FY25 legislative budget request (Clare)

Together, the total request for FY25 stands at \$5,589,615:

NRCC Total + NRCDs Totals	FY25 Request	FY24 Request
Operational Expense (Ongoing)	\$3,289,612	\$2,252,000
Capital Items (One-time)	\$1,843,355	\$98,000 (wrapped into general budget)
Flood-related Expense (One-time)	\$79,800	\$0
Community Engagement (Ongoing)	\$379,848	\$450,000
Ag Resource Specialist Training (Ongoing)	\$0	\$200,000
Total	\$5,592,615	\$3,000,000

There are 4 different aspects of the budget:

- Normal operations expense
- Flooding related expense
- Community engagement expense
- Capital items

Clare noted that the above legislative request is preliminary to be discussed with Action Circles to get their feedback on strategy.

Rick noted that he couldn't imagine what the \$80,000 for Flooding related expense could possibly represent given the amount of flooding and that the Environmental Justice piece (community engagement) is distracting and seems to diminish the need and importance of the districts needing the money to do conservation work.

Clare replied that a lot of districts weren't involved in flood response or didn't get involved in response capacity. Some districts that did get involved paid for that expense under existing grants or new grants specifically for flood response. The budget number reflects only unfunded staff time working on flood related issues this year and some equipment to respond to flooding next time around. She also noted that budgeting for community outreach has been happening for several years. Last year's budget was \$450,000 which is actually more than this year's budget. Emily noted the districts are already doing some of this outreach work through tactical basin planning as well as NRCS local funding groups.

Both Rick and Chris expressed reservations for the increase of the budget and Clare reiterated that they will be working with Action Circles to develop this request and that this would be further discussed at the full board meeting being held later that afternoon.

There was no other business.

Chris made the motion to adjourn the meeting, Richard seconded the motion. Upon a call for a vote, all were in favor.

The meeting was adjourned at 10:20 am.

Minutes were approved 11/15/2023 as written.