

**LUZERNE CONSERVATION DISTRICT
BOARD OF DIRECTORS
325 SMITHS POND ROAD, SHAVERTOWN, PA 18708
November 18, 2021**

Item 1

REGULAR MEETING MINUTES

Tim Ference, Chairman, called the meeting of the Luzerne Conservation District Board of Directors to order at 6:03 PM, noting that the meeting was being held in-person and via video/phone conference and that it was being recorded.

ROLL CALL - BOARD MEMBERS:

Timothy Ference	Chairman	Present
John J. Wilkes, Jr.	Vice-Chairman	Present
Tracey Chonko	Secretary/Treasurer	Excused
Leonard J. Burger, Jr.	Member	Present via phone
Walter Griffith	Member	Present via video
John P. Hanish, Jr.	Member	Present via video
Gary A. Moyer, Sr.	Member	Present via phone

Ference noted Associate Director Tom Herbert was in attendance.

DISTRICT EMPLOYEES:

Hunter Bednarczyk, Conservation Specialist (E&S/NPDES Program)	written report submitted
Heather Graham, E&S/NPDES Program Coordinator	written report submitted
Deborah Josuweit, Office Administrator	Present via video/written report submitted
Jennifer Lauri, Ag Conservation Specialist	written report submitted
John Levitsky, Watershed Specialist	written report submitted
Joshua Longmore, Executive Director	Present/written report submitted
Michael Schlauch, Conservation Specialist (Ag & Roads Programs)	written report submitted

AGENCY REPRESENTATIVES:

Andrew Kearse	NRCS	Present via phone
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ORDER OF BUSINESS

(**Denotes motion or action taken by the district board)

PUBLIC COMMENT: None

MINUTES: Submitted by Josuweit.

****Motion by Griffith, seconded by Hanish to approve the October 21, 2021, meeting minutes as submitted.
The motion carried unanimously.**

FINANCIAL REPORTS: Submitted by Josuweit.

Ference noted the financial reports in the board packet. Griffith asked about being over budget on the E&S Service fee income. Longmore explained the fees are collected for reviewing permits and plans for land development within the county, which has been significantly more than last year. Griffith asked about the Building & Grounds expenses being over budget. Longmore explained that several unanticipated projects and repairs were brought to the board and approved earlier in the year. Griffith asked if adjustments to the budget for 2022 would accommodate these issues. Longmore explained these were all one-time, unexpected expenses that have been completed.

****Ference ordered the Financial Reports to be filed for audit.**

COOPERATING AGENCY REPORTS:

NRCS – Kears provided a written and verbal report. Kears noted he, along with two engineers and Levitsky, will be going out to sites to see if they meet the Emergency Watershed Protection (EWP) program criteria due to damages from Tropical Storm Ida that hit the area in September.

DEP – Ference noted a written report was included in the board packet.

PACD – Ference noted a written report was included in the board packet.

Ference stated staff reports were included in the board packet under Item 4.

BUSINESS ITEMS:

2020 Audit Presentation

Ference noted item 5a in the board packet. Ray Knaub, CPA, of Ray Knaub & Company P.C., thanked the board for the opportunity to work with the district in preparing the 2020 audit and thanked Ference for all his years of service to the district. Knaub noted his son Ray, who will be working with him full-time after graduation next year, was present. Knaub stated he gave Longmore a proposed engagement agreement for the 2021 audit for the board's consideration. It includes an increase of \$200 over the fee for the 2020 audit. He presented the audit to the board and reviewed his findings with no significant issues noted. The report will be on file at the district office for review, and a copy must be submitted to the State Conservation Commission no later than December 31, 2021. Once the 2022 Budget is approved that will need to be forwarded to Karen Books at DEP by March 31, 2022. Griffith thanked Knaub for his detailed work on the audit and the explanations he gave. Knaub left the meeting at 6:30 PM. Ference asked the board if they had any questions on the audit, hearing none he asked for a motion to accept it.

****Motion by Griffith, seconded by Burger to accept and approve payment for the 2020 audit as presented by Ray Knaub, CPA. The motion carried unanimously.**

Emergency Watershed Protection Program Involvement

Ference noted 5b in the board packet. Longmore explained that the USDA Natural Resources Conservation Service has a program called the Emergency Watershed Protection (EWP) Program to address impacts from natural disasters that cause streambank damage. Luzerne County was declared eligible because of the effects of Tropical Storm Ida in September. Project sites must meet certain criteria. Levitsky compiled a list of potential sites. Two of the sites, at the Snowdon Funeral Home and the Butts properties in Kingston Township, are projects that the district has already been working on addressing. To be involved with this program there needs to be a local, public-sector sponsor of the project and a 25% local match. The current Toby Creek Watershed Growing Greener Grant can be used as match for the Kingston Township projects. Another site is Coal Creek in Plymouth Borough which had extensive stream stabilization work done after flooding in 2011. Sections of old floodwalls along the municipal road that were not replaced in 2011 were damaged in the September storm. Levitsky and Longmore are checking with Plymouth Borough to see if they have interest or the ability to be the local sponsor for that site. The last site is downstream of the Glen Oaks stream stabilization project that was completed two years ago. A section of rip rap streambank stabilization that was done in early 2000 by the property owner was damaged in September. This could be a low-cost project if it can be funded through EWP at 75% and matched with some of the remaining funds in the district's Nescopeck Creek Watershed Growing Greener grant. Longmore stated that he wanted to get this item on the agenda so the district can move forward if EWP funding becomes available, as long as the board would like the district to facilitate these projects with existing funding sources or coordinate the work with the local municipalities. Brief discussion was held on the EWP funding, municipalities' eligibility for PEMA grants, and the timeframes involved. Kears explained the process for getting sites eligible for EWP funding, which includes site assessments and project design by NRCS.

****Motion by Wilkes, seconded by Moyer to authorize Longmore to proceed with the process for facilitating EWP funding for projects within Luzerne County as discussed. The motion carried unanimously.**

Kears and Griffith left the meeting at 6:53 PM.

2022 District Budget – Draft Presentation

Longmore provided an overview of the draft for the 2022 budget which will be nearly the same approach as the 2021 budget. District operations would continue the same as 2021 with seven full-time staff members, one part-time staff member, and two seasonal staff members in the MDC program. Programs would generally continue as they are currently run with no intention to add or cut positions, no anticipation of adding new programs or receiving new funding sources, and no significant changes to expense amounts or categories. On the income side, state and federal income amounts are as accounted for in current agreements and grant applications. Included is the Spotted

Lanternfly grant which was approved in 2020 and will be received in the new year. The county allocation this year was \$15,000, but the proposed 2022 budget includes \$20,000 which appears likely to be approved. That funding is directly related to the cost to administer the county's Farmland Preservation Program. The UGWF block grant from the Pennsylvania Utility Commission is budgeted at the same amount as was received this year. Also included is a transfer from the Payroll/Benefits Reserve to offset health insurance reimbursements. Also include is a transfer from the Education Fund to offset reduced funding the NRCS Technical Service Agreement. An increase in budgeted E&S/NPDES Program fee income to \$350,000 is based on the trend over the last 12 months with a conservative adjustment based on the last couple of months. A total income of \$726,116 is anticipated. On the expense side, wages are the biggest expense. A 5.9% COLA is included based on the district's longstanding practice of using the Social Security benefits COLA. Also included are anticipated performance-based step increases on staff anniversary dates. Health Insurance includes an 3.85% increase for the current "grandmothered" pre-ACA high deductible plan, with the continuation of the district's deductible coverage policy. This approach continues to result in considerable savings over the previous plan or transitioning to ACA marketplace plans, and even with the premium increase, the health insurance expense is budgeted at less than the 2021 amount because of savings from employees or their dependents transitioning to Medicare. Payroll tax is budgeted using the average for the last 12 months, which is 9.35%. The retirement plan is 5% of wages. Operational expenses are mostly related to actual 12 month with a few adjustments for reasonable expectations for 2022, such as business insurance was bumped up by \$1,000 in anticipation of purchasing new vehicles; \$1,000 was included for legal fees to have an employment law attorney review a revision to the personnel policy; and slight increases for office supplies, postage, vehicle fuel, conferences, and lodging. With the budgeted operational expenses at \$661,116 there would be a \$65,000 surplus in 2022, which is accounted for by a transfer of \$25,000 into Capital Improvement/Repair Reserve and \$40,000 into the Payroll Liability Reserve accounts to balance the budget. Longmore invited any input or questions from the board. Ference asked if the board wanted to vote on the draft budget or what until the December meeting. A brief discussion was held, and it was agreed to consider the question after the executive session.

New Technology Equipment Purchases

Longmore noted the district's significant income surplus this year and the Executive Committee's discussion to move some of the surplus into the Capital Reserve account for the purchases of new vehicles and a copier next year. That will probably equate to about \$50,000. For this year, he requested approval to purchase two new laptops at about \$600 each, a new tablet for E&S field inspections at about \$500, a new larger monitor for E&S plan reviews, and a flat screen TV for the conference room. Longmore estimated a total expense of about \$2,400 for the additional technology purchases for this year. Discussion was held on the amount requested. ****Motion by Wilkes, seconded by Moyer to approve the approve the new technology purchases at an amount up to \$3,000. The motion carried unanimously.**

Alternative Health Insurance Reimbursement Benefit

Longmore explained he continued to research the means of reimbursing employees for alternate health insurance coverages. Based on information he gathered, it seems the district can reimburse costs to employees paying Medicare-related premium costs through a Health Reimbursement Arrangement. He proposed revising the district's current Health Insurance Deductible Reimbursement Policy by renaming it to "Health Reimbursement Arrangement Policy" while retaining the previous deductible expense reimbursement language and including new language provide for the reimbursement of other health insurance premiums, such as Medicare. Longmore read the proposed policy changes to the board. A brief discussion was held.

****Motion by Wilkes, seconded by Hanish to approve the Health Reimbursement Arrangement Policy as outlined during the meeting. The motion carried unanimously.**

Engagement of CPA for 2021 Audit

Ference asked if board wanted to engage Knaub for another year at a \$200 increase or take an alternative action. A discussion was held on the good quality of the current auditor's work and issues related to the timeliness of the audit. Board members expressed the desire to have the audit completed by September to help in the preparation for the next year's budget in a timely manner. It was noted that the 10% penalty is still in place, but it was waived the last two years due to COVID and other issues. Longmore can relay the board's concerns on the timing of the audit to Knaub.

****Motion by Hanish, seconded by Wilkes to engage the services of Ray Knaub for the 2021 audit at a fee of \$7,600. The motion carried unanimously.**

Executive Committee Personnel Recommendations

Ference noted that the Executive Committee met and discussed the budget and personnel considerations, which will be discussed during the Executive Session.

ANNOUNCEMENTS: December LCD Board of Directors Meeting – 12/16/21 at 6:00 PM

PUBLIC COMMENT: Ference noted that there was no public input received by the office and no members of the public in attendance.

EXECUTIVE SESSION:

The Board entered into Executive Session to discuss personnel issues at 7:36 PM.

Josuweit left the meeting at 7:36 PM.

Hanish left the meeting at 7:54 PM.

RETURNED TO REGULAR SESSION:

The Board returned to regular session at 8:12 PM and the following motions were considered.

Ference referred to the personnel recommendations of the Executive Committee that were discussed in the Executive Session:

Promotion of Bednarczyk from Conservation Specialist 1, Step 4 to Conservation Specialist 2, Base Step.

****Motion by Moyer, seconded by Wilkes to approve the promotion of Bednarczyk as recommended by the Executive Committee. The motion carried unanimously.**

Step increase for Longmore from Executive Director, Step 12, to Executive Director, Step 16.

****Motion by Burger, seconded by Wilkes to approve the step increase for Longmore as recommended by the Executive Committee. The motion carried unanimously.**

Bonuses of \$1,000 for regular full-time staff members, \$2,000 for the Executive Director, and \$250 for Semanski for their performance during 2021.

****Motion by Wilkes, seconded by Moyer to approve the performance bonuses as recommended by the Executive Committee. The motion carried unanimously.**

Longmore thanked the board on behalf of the staff and himself for the generosity and vote of confidence.

Ference asked if the Executive Committee's recommended COLA will be covered in the budget when it is approved. Longmore stated that when the board approves the budget it will be included. Ference noted that the board could approve the budget as it was presented, or the board could wait until the December meeting and still meet the deadline set by the SCC. Wilkes asked Longmore if he expected any adjustments. Longmore stated he thinks it is a solid budget and there is a slight chance something could change, but it could be amended next month if needed. A brief discussion was held.

****Motion by Wilkes, seconded by Burger to adopt the 2022 budget as presented by Longmore. The motion carried unanimously.**

****Motion by Moyer, seconded by Wilkes to adjourn the meeting. The motion carried unanimously.**

The meeting adjourned at 8:17 PM.

Respectfully submitted by Deborah Josuweit, Office Administrator.

Approved by action of the Luzerne Conservation District Board of Directors on December 16, 2021



Chair or Vice Chair



Treasurer/Secretary