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Harney Soil & Water Conservation District Regular Monthly Meeting
January 23, 2025

Present: Board Directors (BD) Ken Bentz, Susan Doverspike, Stacy Davies; Vice Chair (VC) Scott Franklin; District Manager (DM) Jason Kesling; Admin Assist (AA) Barbara Pearson

Guest: Rob Gaslin of Gaslin Accounting

Absent: Board Chair (BC) Jeff Hussey and newly elected BD Sue Ramsay

Item #1: Approval of Agenda
An officer wasn't present at the beginning of the meeting. BD Davies moved and BD Bentz seconded approving the meeting agenda and for BD Dunten lead the meeting until VC Franklin arrived. All present who were eligible to vote were in favor. The meeting was called to order at 3:40 pm.

Item #2: Swearing in of Board Directors
Newly elected and reelected board members present at the time (BD Bentz, Davies, and Doverspike) were sworn in. Copies of the signed Oaths of Office are included in the meeting minutes.

Due to director schedules the meeting order changed.

Item #4: Audit Report (action item)
Rob Gaslin of Gaslin Accounting arrived at approximately 3:40 pm with prepared audit report (copy attached to meeting minutes). He had requested an extension from the state and the audit is in compliance. He reviewed the letter and provided an overview. There were no significant findings; no conflict with management.

Oregon's Secretary of State has a new level of service with agreed upon procedures and Mr. Gaslin reviewed them with the board. He emphasized advertising meetings: poor advertisement (insufficient time prior to the meeting) could invalidate all decisions made at the meeting. The state doesn't specify "reasonable amount of time" but said it should be more than 24 hours prior unless it is an emergency. There needs to be proof the meeting is as advertised. Some districts advertise in the local paper (note: HSWCD provides meeting information to the local Burns Times-Herald newspaper. If the paper has room it publishes it in community section of the paper. The district had been told this meets the requirements of publicizing without purchasing advertising. The district also posts meeting notices on its website, https://www.harneyswcd.org/). Other agencies have personnel take a photo of the meeting being posted to its website that includes date and time or a screenshot that provides this evidence. Mr. Gaslin said if sufficient notification cannot be proven it is better not to have a meeting.

VC Franklin arrived at 3:46 pm.

Mr. Gaslin also recommended there be enough available capital so district purchases be made by the district instead of an employee make a purchase and then be reimbursed.

The district needs a registered agent. This would be for material compliance and regulation. A registered agent could be the District Manager or a Board Director who lives within the district and can receive mail at the district. In the event of an emergency certified mail would be sent to the registered agent. Mr. Gaslin offered to assist in setting this up.

Fidelity bonding is required by the state. Fidelity bonding would cost about 10% of revenue.

Overall the district is in compliance. He said he felt there are better controls in place thanks to the consistency of having a district manager in place for a period of time. There were no questions. BD Davies moved and BD Doverspike seconded approval of the audit as presented. All present who were eligible to vote were in favor and the motion passed. Mr. Gaslin left the meeting at 4:07 pm. The board thanked Mr. Gaslin for his presentation.

Following Mr. Gaslin's departure AA Pearson swore in VC Franklin as he was also recently elected. He then led the meeting.

Commented [JK1]: They did vote on the audit. Can you please add that vote to this section?

Commented [S2R1]:

Item #7: Employee Manual (action item)

BD Doverspike had sent an email earlier in the day indicating questions and concerns about the manual draft. There was a typo and the new board director (Sue Ramsay) needed to be added. She asked for clarity regarding probation and when an employee is eligible for benefits. The DM said 60 days for an employee to be eligible for benefits and a six month probation. DM Davies asked why there is a six month probationary period. Discussion followed. DM Davies felt benefits, time off, and probation should align. Staff was directed to go through the manual and make these adjustments to 60 days. Admin will check with SDIS to see if verbiage should read 60 days or two months.

Regarding retirement packages, the DM said HSWCD was lacking here compared to other districts. There was information from Vanguard. The proposed change is for employee contribution and employer match. There would not be a pension; it would be either a Simple IRA or 401K. Different amounts for district contribution or employee contributions were discussed for the matching amount to be up to 6%. The DM referred to different times in an employee's life that might cause fluctuation in his or her contribution (purchasing a home, for example). BD Dunten said she liked matching as it would give employees incentive to save. She asked the DM if the other districts he investigated had a tax base. The DM said other districts were "all over the board"—some have PERS, some no benefits, some 9%. His goal was to make working for the district as attractive as a state/federal job.

BD Doverspike asked if $16K was maximum amount. Has there been a simple IRA before? DM answered yes, as long as he has been employed by the district. BD Doverspike asked if it needed to be offered to all full time employees. Yes. She then asked if current employees are contributing. Yes, the amount varies. Some contribute 0% and some 15%. The current policy is for employees to contribute up to 3% to receive the district's match (1 to 1 match). BD Davies asked for clarification: the district pays up to 3% and employees can pay more? DM Yes. BD Doverspike asked what dollar amount was paid by the district. DM Kesling said he didn't have the exact number but thought it was roughly $4K to the IRA and that does include what is deducted from the employee's wages.

BD Bentz said he was fine in changing to a 401K with the district matching up to 6%, 1 to 1 match. BD Doverspike agreed, "There's got to be some skin in the game."

BD Davies said the employee manual, section 8.8 page 17, need to be updated to reflect this change. The wording, "They may elect to have a 401K instead of an Individual Retirement Account, and the District will match up to 6% at a 1 to 1 rate what the employee decides to contribute to the 401K."

In further review, BD Davies noted with sick time, PTO, holidays—it's a lot of time off. Is that normal for a government job? DM Kesling said it's in the middle compared to other agencies; some district offer higher. AA Pearson said it was her understanding that because the building is rented through federal agencies and when federal agencies (FSA, NRCS) aren't in the building that district agencies are not to be as well. DM Kesling agreed, said that was also his understanding, which is why the latest federal holiday of Juneteenth has been added to the list of holidays offered.

BD Davies asked when the most recent update to the employee manual took place. DM Kesling said it was done the first year of his employment as the DM with the district in 2021. BD Dunten said prior to that she and former director Pat Sharp also reviewed and updated it. DM Kesling said the manual requires periodic reviews and updates to reflect new state laws coming into effect.

BD Dunten asked about the staff reference to contacting OWEB's Eric Nussbaum regarding damage to district property by staff. AA Pearson said the question came about if wages could be withheld to an employee if property isn't turned in upon leaving the district or if property is damaged or destroyed. Mr. Nussbaum was contacted. He didn't have the answer and referred us to BOLI. A BOLI representative said pay cannot be withheld.

At the end of discussion BD Davies moved and BD Bentz seconded the district adopt the updated employee handbook with minor changes and update the language of section 8.8 to reflect an IRA to 401K with the district matching 1 to 1 up to 6%. All present who were eligible to vote were in favor and the motion passed.

BD Doverspike departed the meeting at 4:32 pm.

Item #3: Appointment of Board Positions (action item)

The DM said Board positions cans be decided yearly but this hasn't been addressed recently. Former BD Ryan Peila assisted in reviewing small grants and that position will need to be filled. BD Doverspike has been serving on the Watershed Council but DM felt she may not want to continue with this. He also said newly elected BD Sue Ramsay mentioned to the DM the importance of a district representative attend county court meetings.

BD Bentz said he would be happy to continue his current position in the grant approval process. DM Kesling said he has had Board Directors serve in a rotational basis in the hiring process.

Regarding the Watershed Council the DM said the board has the option to have someone serve on the board and that person has voting privileges. BD Dunten said if BD Doverspike is no longer interested in serving she could.

Following discussion it was moved by BD Davies and seconded by BD Bentz the following:

- Jeff Hussey to continue to serve as Board Chair (BC)
- Susan Doverspike to serve as Vice Chair (VC)
- Scott Franklin to serve as Secretary/Treasurer (S/T)

All present who were eligible vote were in favor. Since the newly appointed VC had just left the meeting, S/T Franklin would continue to lead the meeting.

As for the remainder of positions to be potentially filled it was tabled for a later meeting.

Item #5: December Financial Report (action item)

The DM said checks have been coming in, reimbursement for the quarter. "Nothing too exciting." The High Desert Partnership payment did come in December. The Oregon Department of Foresty was behind due to fires (there was a three month lag in time between payment requested and received). BD Bentz moved and BD Dunten seconded accepting the financial report as presented All in favor eligible to vote agreed. The motion passed.

Item #6: December Special Meeting Minutes (action item)

Prior to leaving the meeting BD Doverspike had concern with the sentence in the last paragraph on page two, "The biggest benefit would be for employees as the district could change the employee match from 3 to 6%." This was changed to "The biggest benefit would be for employees as the district could change the **employer** match from 3 to 6%."

BD Davies moved and BD Bentz seconded approval of the December Special Meeting Minutes with correction. All in favor who were eligible to vote were in favor.

Item #8: Update Administrative Assistant Pay Schedule (action item)

The DM explained his request for the adjustments. The Admin Assistant will work on the NACD Community Garden Grant. Every future grant obtained by the district will have 5% more for administration (indirect). He felt it would be a good time to increase wages by approximately 17%. The current AA is on step four of the salary scale. BD Dunten asked if the AA was a salaried employee. The DM said she has been but recent information he has received indicate the position could be hourly. The current AA has been and is currently working a 40 hour week.

Following further discussion BD Bentz moved and BD Dunten seconded the pay schedule adjustment. All present eligible to vote were in favor.

Item #9: Contracting Legal Review (action item)

DM Kesling said following the drone incident (note: this was mentioned in previous meeting minutes) he thought it pertinent to contact a law firm to ascertain if the district's contract boilerplate language "holds up." He contacted some law firms and the Local Government Law Group (LGLG)from Eugene, OR was the only one to respond. This law group proposed going through the boilerplate at a cost of $315 hourly, for a total estimate of less than $5K to go through the document line by line. BD Davies said he thought the district needs an attorney. Is there a retainer? The DM answered no, this would just be to review the contract BD Bentz felt the rate proposed was low. DM said SDIS recommended this firm and for now it's the only project he plans for the firm. BD Davies asked if it would only be to review the template and not for every contract. DM Kesling agreed and said this would build a relationship with the firm as suggested by BD Davies. BD Dunten asked about this project with special districts (SDIS) and DM Kesling responded that the agency wouldn't touch this legal review.

DM Kesling said the plan at present would be to use the LGLG for this only, unless otherwise specified by the Board. Discussion followed regarding signatures and not delaying the process. Having LGLG work on boilerplate language is out of scope so the board must review. The District will need to review its Five Year Plan to change this. BD Davies said he would be in favor of tightening up the board scope so not every director can sign but keeping it for officers in the event the BC is unavailable. The DM said Mr. Gaslin also said we need this in place. Future agenda items should include the review of authorities roles and responsibilities

This is an action item. BD Bentz moved and BD Davies seconded the district to go forward with signing the engagement letter with the Local Government Law Group as the only service. All present eligible to vote were in favor.

Item #10: LGIP Investment (action item)

The DM requested permission from the board to move $234,006.00 from the bank account to the LGIP account. It will likely only be for a few months. The funds will be pulled from LGIP as contractors finish up treatments in early spring. Discussion for clarification followed. BD Bentz moved and S/T Franklin seconded approving the funds move. All eligible to vote were in favor and the motion passed.

Item #11: Public Comment
The AA reminded the board the Annual Meeting will take place next month February 27, 2025 at 6pm at the Central Hotel.

BD Davies moved and BD Bentz seconded adjourning the meeting. All were in favor. The meeting ended at 5:18 pm.

Respectfully submitted,

Barbara Pearson, Admin Assist

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District Representative Date