

**Lancaster County Conservation District**  
**Budget & Finance Committee Meeting Minutes**  
**Farm & Home Center Room 111, 1383 Arcadia Road, Lancaster, PA**  
**August 14, 2024**  
**10:00 AM to 11:30 AM**

Attendees: Sonia Wasco, Geoffrey Rohrer, Chris Thompson, Matt Kofroth, Stacey Hertz, Thuy Kieu Le  
Guests: Robert Hoffman (Fulton Financial Advisors)

**I. Update/Review Raymond James Investments - Robert Hoffman (Fulton Financial Advisors)**

*\*Bob Hoffman from Fulton Financial joined the Budget Finance Committee virtually to discuss the Raymond James Investment Program the District invested in in May of 2022. Bob explained the current status of the account. After an initial slow investment period, the account is now picking up with interest rates dropping and we are seeing positive returns on our investments of about 4%. Bob reviewed all the District funds' invested and discussed their future outlook.*

*\*Bob did recommend to the committee to potentially switch one of the investments because of an expected downward projection. Bob is suggesting the Committee consider getting out of the First Trust Managed Municipal ETF and moving those funds to a Carillon Reams Unconstrained Bond Fund with a projected growth of 5-6%. This is one recommendation for committee. **ACTION NEEDED***

*\*The other **ACTION NEEDED** item for the committee is whether or not to keep funds in an investment account or pull them out and put them back into the INVEST account at PA Treasury and earn the traditional interest from this account. There is very little risk, but also could result in very low earning potential of 1-2%. These are two decisions the Committee will need to decide upon per email vote.*

**II. Overview**

**a. We are working with a \_\_\_ million overall budget, with \_\_\_ million in General Operations.**

- *We are still working on finalizing these blanks but are projecting around a \$11-\$14 million overall budget and approx. \$3-\$5 million in General Operations.*

**b. For a staff of 41, salary and benefits account for \_\_\_% of General Operations' budget expenses. A 4% COLA is being proposed along with a 7% Benefit cost increase.**

- *We are anticipating a 25-30% of the General Operations would go toward salary and benefits for staff.*
- c. We are maintaining good benefits through the self-funded plan through Eliance Health Solutions. We paid \$331,000 for the 2023-2024 plan and anticipate getting approx. \$15,000 back in “shared savings” in March 2025. We have worked with Eliance to keep our premium competitive and have seen only a 6-7 % increase over the last 2 years.**
- *Eliance Healthcare is working very well for us and we anticipate receiving some shared savings back in 2025 for our current coverage with them. This could decrease slightly with any last-minute claims but we are hopeful for around \$10,000-\$15,000 coming back to the District.*
- d. Revenue for half of the overall budget comes from State and Federal funding, and \_\_\_% comes from fees for services. Less than \_\_\_% of our operations are funded with County dollars.**
- *The administration is still working out how much funding is coming from state and federal funding sources. These totals will then direct what county funding may be requested in 2025.*

**1. Overview of proposed 2025 draft budget with each sub-budget**

**1. 2025 Grants Budget (Ag, Watershed, CAP)**

- *We reviewed the tentative Grants budgets for District Programs. This is funding that is passed through the District to pay contractors and others. The District uses this to see potential cash reserves and for planning purposes throughout the year. (see draft attached)*

**2. 2025 Activities Budget**

- *Next the committee reviewed the Activities budget which is for unique activities within the District. Events like the Banquet, Tree Sale, Envirothon, Program fees and donations, and Healthcare/Employee Support activities. These are committees typically outside the District’s day-to-day work but still have budgets to plan for. The 75<sup>th</sup> Anniversary Committee will probably have a budget for this event next year. (see attached)*

**3. 2025 Program Budgets**

- *Then the committee reviewed the many Program budgets for each District Program (Ag, E&S, DnA, Watershed, Ombudsman, Education, Administration). All of these budgets are combined to make the larger 2025 General Operations Budget. Each program was reviewed and where it stands fiscally in 2025. There are still quite a few program income and expenses not known for each program, along with county funding as well, but the committee was briefed on all issues and where potential deficits may be. (see attached)*

#### **4. 2025 General Operations Budget**

- *Finally, all of the program budgets were shared in one large document that combined them all. Presently there is a projected deficit for the 2025 fiscal year but this is before county funding is known and some additional grants are awarded. District admin staff will continue to work on refining some of the figures that are still missing and will have a report for the committee in Sept/Oct. (see attached)*

#### **2. Significant budget changes projected for 2025**

##### **a. Capital Improvements**

- *Chris then discussed the potential need for a Capital campaign for proposed changes that are anticipated for office space needs. Some reserve funds could be used for this need but additional funds will be needed. These could be District funds, private funds, or Farm & Home funds depending on the potential office needs. Once a mtg is held with the Farm & Home Board and NRCS an approx. budget for these renovations will be narrowed down.*

##### **b. Potential New Positions**

- *New potential positions were discussed during the Program budget section of the conversations. At this point there are only two potential new positions in the 2025 budget. One for Watershed and one for Ag. Both would need to have funding dedicated to them before a call to hire would go out but both positions are actively being looked at along with potential funding opportunities.*

##### **c. Additional funding**

- *The committee was then informed of some possible additional funding that could add to the 2025 budget. This would include county funding, grant funding and private funding. All are being explored by District staff.*

The committee concluded at 11:55am by discussing when the next Budget and Finance Committee mtg should take place. The consensus was to hold another mtg toward the end of Sept so that a draft 2025 budget could be shared with the District Board at the October Board mtg. A final vote on the 2025 budget would come in November then. Please look for a mtg request for this next Committee mtg in late September.