

**Soil and Water Conservation Board Audit Subcommittee
Virtual Meeting
April 21, 2021**

TIME AND PLACE

The meeting of the Audit Subcommittee of the Virginia Soil and Water Conservation Board took place at 9:00 a.m. via GoToMeeting on Wednesday, April 21, 2021

SWCB AUDIT SUBCOMMITTEE MEMBERS PRESENT

Adam Wilson, Chair
Charles Newton
Kristen Saacke-Blunk

DCR STAFF PRESENT

Russell W. Baxter, Deputy Director for Soil and Water Conservation and Dam Safety and Floodplain Management
Darryl Glover, Director, Division of Soil and Water Conservation
Wendy Howard-Cooper, Director, Division of Dam Safety and Floodplain Management
Christine Watlington Jones, Policy and Regulatory Coordinator
Michael Fletcher, Board and Constituent Services Liaison
Blair Gordon, SWCD Liaison
Angela Ball, Conservation District Coordinator
David Bryan, Agricultural Incentives Program Manager
Kimberly Freiberger, Policy Analyst
Jaclyn Friedman, Conservation District Coordinator
Stacy Horton, Conservation District Coordinator
Nicole Keller, Program Technician
Marissa Roland, Conservation District Coordinator
Amy Walker, Eastern Area Manager

OTHERS PRESENT

LaVerne Calhoun, Tidewater SWCD
Sheila Jaruseski, Colonial SWCD
Amy Moyer, Thomas Jefferson, SWCD
Dr. Kendall Tyree, VASWCD

ESTABLISHMENT OF A QUORUM

With three (3) members of the Audit Subcommittee present, a quorum was established.

CALL TO ORDER

Mr. Wilson called the meeting to order at 9:00 a.m. and gave the following remarks.

Good morning, I would like to call this virtual meeting of the Virginia Soil and Water Conservation Board Audit Subcommittee to order.

Generally, public bodies are prohibited from meeting electronically under the provisions of the Freedom of Information Act (FOIA). However, language approved by the Governor and General Assembly in Chapter 56 of the 2020 Special Session 1 Acts of Assembly allows us to move forward with certain restrictions that I will outline below.

Before I review those provisions, please let me take a moment to review how this meeting will work. We want to allow for participation by Subcommittee members, staff, and members of the public who wish to comment. However, it is essential that we are able to manage the conversation effectively.

I am chairing this meeting today from my home in Abingdon. In the DCR offices in downtown Richmond are Christine Watlington Jones, Michael Fletcher, and Blair Gordon. They will assist with presentations, responding to comments, and the overall coordination of the meeting.

Please be patient with all of us as we work through this. We understand and appreciate the challenges.

Chapter 56 of the 2020 Special Session 1 Acts of Assembly, also known as the "Budget Bill," includes language addressing the ability of public bodies to conduct electronic meetings without the need for a quorum being present in a single physical location ("Electronic Meeting").

The Budget Bill allows public bodies to hold Electronic Meetings when the Governor has declared a state of emergency pursuant to §44-146.17 if:

- “(i) the nature of the declared emergency makes it impracticable or unsafe for the public body or governing board to assemble in a single location;
- (ii) the purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the public body...and the discharge of its lawful purposes, duties, and responsibilities...” §4-0.01(g).

The Budget Bill also has language regarding recordings and transcriptions of Electronic Meetings. Please be advised that this meeting is being recorded. This recording will be available to the public through the DCR website. The comments in the chat room will also be preserved as a public record. Official minutes of this meeting will be drafted and posted in accordance with regular procedures.

The Budget Bill does not allow the Audit Subcommittee to hold an Electronic Meeting to discuss or transact business for *any purpose*. Rather, they may do so as long as the agenda items that the public body plans to take up are: (a) statutorily required or (b) necessary to continue operations and discharge lawful purposes, duties and responsibilities.

It is the Subcommittee's responsibility to determine whether "the nature of the declared emergency makes it impracticable or unsafe for the public body or governing board to assemble in a single location."

At the conclusion of my remarks, I will ask for a motion for the Subcommittee to make this determination. If that motion fails, this electronic meeting will end at that point.

The Budget Bill requires compliance with the provisions of § 2.2-3708.2. Therefore, in accordance with § 2.2-3708.2.D.2, public bodies must include a telephone number that may be used to notify the public body of any interruption in the telephonic or video broadcast of the meeting.

In the event that a disruption occurs, participants should contact Mr. Fletcher by phone or text at 804-317-8934.

Additionally, if there is an interruption in the broadcast, the meeting must be suspended until public access is restored.

Those provisions of the Virginia Freedom of Information Act not addressed by the Budget Bill remain in effect.

Before we continue with the business portion of the meeting, I will ask Mr. Fletcher to call the roll for Subcommittee members and anticipated staff. Other participants will be recorded through the chat window. If you are participating by phone and your name is not called, please call or text Mr. Fletcher at 804-317-8934.

In addition, if at any time you lose connection and are unable to reconnect, please contact Mr. Fletcher at the same number.

I will now turn to Mr. Fletcher for the calling of the roll:

ROLL CALL

PRESENT: Adam Wilson
Charles Newton
Kristen Saacke-Blunk

ABSENT: None

SUBCOMMITTEE ACTION

Mr. Newton moved the following:

The Audit Subcommittee of the Virginia Soil and Water Conservation Board certifies that the nature of the declared COVID-19 emergency makes it impracticable or unsafe for the Subcommittee to assemble in a single location and further that the agenda items to be taken up at this meeting are necessary to continue operations and discharge lawful purposes, duties, and responsibilities of the Subcommittee.

Ms. Saacke Blunk seconded and the roll call vote was as follows:

AYE Wilson, Newton, Saacke Blunk
NAY: None

Chairman Wilson continued.

I want to explain further how we will handle participation by Subcommittee members, staff, and the public. Everyone, except the individual presenting materials for an agenda item, will be muted. Once the presentation is completed, the Subcommittee members, and only Subcommittee members, will be unmuted for discussion. Michael, Christine, and Blair will assist me with ensuring Subcommittee members are recognized when they have questions or comments. As needed, staff will be unmuted to address questions or concerns. Members of the public will be able to ask questions and provide input by utilizing the chat box function only. As time allows, we will respond to those questions and comments.

We will now proceed with the business of the Subcommittee as outlined in the agenda.

APPROVAL OF MINUTES FROM DECEMBER 16, 2020

Ms. Saacke Blunk moved that the minutes from the December 16, 2020 meeting of the Virginia Soil and Water Conservation Board Audit Subcommittee be approved as submitted. Mr. Newton seconded and the roll call vote was as follows:

AYE Wilson, Newton, Saacke Blunk
NAY: None

APPROVAL OF DISTRICT AUDIT RESULT NOTIFICATION LETTER – *Christine Watlington Jones, Policy and Regulatory Coordinator*

Ms. Watlington Jones advised the Subcommittee that the Department was aware of the challenges Districts faced over the preceding year, particularly with regard to district audits. She commented that she was pleased to report that there were no major findings within this audit cycle. She also noted the following:

- There were instances where records could have been better maintained; however, they were limited in number or scope.
- In other instances, updates to software created inconsistencies that had previously been reported to the Department or revisions were made to adjust balance sheets or Quickbook records at the recommendation of a CPA or the Department.
- In all cases, the observations were fully addressed during the exit interviews.

Ms. Watlington Jones advised that the draft letter to Districts made districts aware that they should not be paying sales tax, and that the Treasurer’s report should be properly presented at Board meetings. She commented that the electronic meeting format might add some complexity to the budget presentations.

Mr. Wilson applauded the Districts for the results, especially during the pandemic.

SUBCOMMITTEE ACTION

Mr. Newton moved the following:

The Audit Subcommittee of the Virginia Soil and Water Conservation Board directs the Department to send letters to all Soil and Water Conservation Districts (Districts) regarding the results of the audits conducted for the fiscal years that ended on June 30, 2019 and June 30, 2020. The letter must advise the Districts of any issues noted during the audits that must be addressed.

Ms. Saacke Blunk seconded and the roll call vote was as follows:

AYE Wilson, Newton, Saacke Blunk
NAY: None

Mr. Newton asked if there were any updates regarding Henricopolis SWCD.

Ms. Watlington Jones reported that a letter had been received and forwarded to Audit Subcommittee members that morning. The District is implementing the Performance Improvement Plan including providing the attachment reports in advance and running the reports in a different order that provides an additional opportunity to confirm the accuracy of the reports before submission to the Department. These details are outlined in the District letter.

Mr. Newton commented that he was pleased to see that the Conservation District Coordinator and the Department have been supportive of the District.

NEXT MEETING

The Audit Subcommittee will next meet in September 2021 with the date to be determined.

ADJOURN

There was no further business and the meeting adjourned at 9:25 a.m.