

**Pennsylvania Association of Conservation Districts, Inc.**

**APPROPRIATION REQUEST  
FOR  
CONSERVATION DISTRICTS  
2008/09 Fiscal Year**

**A. Legislative Budget and Finance Committee Recommendation Not Addressed**

The Review of the Operation and Structure of County Conservation Districts report, released on June 7, 2005 by the Legislative Budget and Finance Committee (LBFC) concurs with the position of the Pennsylvania Association of Conservation Districts (PACD) – that Pennsylvania’s conservation districts are under-funded. The report provided several conservation district funding recommendations. Of the recommendations beginning on page S-8 of the report, one major funding recommendation has still not been addressed:

Recommendation 3b that:

The General Assembly strive to meet the Commission’s policy for CDFAP funding of the conservation districts.

On page S-6, the LBFC report emphasizes the need for increased State funding for conservation districts:

Despite their importance, many districts are struggling for funds. The primary and most flexible source of district funding is the Conservation District Fund Allocation Program. These funds are intended to cover 50% of the district manager’s salary and benefits (up to a maximum of \$27,000), 50% of a district’s first technician (up to a maximum of \$16,500), 50% of a district’s second technician (up to a maximum of \$9,000), and certain administrative expenses. We found that in FY 2004-2005, the CDFAP was only sufficient to cover, on average, 43 percent of the district managers’ actual salary and benefits and 38 and 24 percent, respectively, of the first and second technicians’ actual salaries and benefits. District managers often cited low salary and uncertain funding as a reason for high staff turnover, particularly for these technical positions.

For the past nine years, from FY 1999-2000 to FY 2008-2009, the Governor has proposed a flat allocation for conservation districts in the DEP budget at \$3.21 million. The rate of inflation between July, 1999 and January, 2007 was calculated at 21%! Clearly, costs have increased during this period and the inadequate funding situation facing conservation districts is becoming more severe.

In addition, the LBFC report notes that the state is no longer funding the Chapter 105 program and states, “The districts see this as an important program for their counties, and 30 districts have continued in their delegation agreement with DEP to administer this program despite the lack of funding.”

During FY 2006-07, the state also ceased funding conservation district participation in the biosolids program, forcing conservation districts to decide if they could continue to offer the services in their county without funding, or if they would have to eliminate these services.

The PACD believes that the LBFC report accurately portrays the financial plight of conservation districts. Adequate funding is essential to maintaining conservation district leadership and the delivery of effective conservation programs at the local level.

## **B. Conservation Districts Need Dedicated Funding**

The PACD believes that it is critical that State funding for conservation districts to administer programs on behalf of the State be predicable and stable. To help provide stable and predictable funding, conservation districts must be provided with a dedicated funding source. This is a high priority for the PACD and we welcome the opportunity to work with the administration and legislators to identify and establish a source of dedicated funding. Once identified, dedicated funds should be deposited into the Conservation District Fund, since it is non-lapsing. The Conservation District Fund is administered by the State Conservation Commission and has administrative advantages, such as its ability to provide advances to conservation districts.

## **C. PACD Request**

PACD members have ranked their priorities for additional funding. In order of priority, the PACD requests that the Commonwealth of Pennsylvania:

1. Appropriate an additional \$ 2,395,723 to meet the CDFAP 50% cost-share policy.

This additional appropriation is needed to meet the Commission's CDFAP 50% cost-share policy for conservation district managers, first technicians, and second technicians. This priority addresses recommendation 3b in the 2005 LBFC report. (See explanation in Appendix, item number 1.)

2. Appropriate an additional \$ 1,659,900 for Administrative Assistance.

This additional appropriation is needed to reimburse conservation districts for the full cost of the limited number of items allowed for administration under the CDFAP. (See explanation in Appendix, item number 2.)

3. Appropriate an additional \$1,650,000 for 50% cost-share for a third technician.

This additional appropriation is requested to provide \$25,000 in cost-share for a third technician for each of the 66 conservation districts (See explanation in Appendix, item number 3.)

4. Appropriate an additional \$ 55,000 for Agricultural Conservation Technicians and Engineers.

The additional funding is the amount needed to support 50 existing and one new ACT position, and to provide technical training. (See explanation in Appendix, item number 4.)

5. Appropriate an additional \$ 358,000 for Farmland Preservation Program Support.

This increase would permit the conservation districts administering the program to supplement their staff to give this important program the attention it deserves. (See explanation in Appendix, item number 5.)

6. Appropriate an additional \$ 135,500 for Leadership Development.

An increase in funding is needed to provide additional leadership training in identified core functions and responsibilities of conservation district directors. (See explanation in Appendix, item number 6.)

7. Appropriate an additional \$ 101,200 for the Ombudsman Program.

Additional funding is requested to expand this program to the agricultural community in additional geographical areas of the state. (See explanation in Appendix, item number 7.)

**D. Conservation District Fund Appropriation**

The table below provides a summary of the funding for conservation districts in the Commonwealth budget identified as Local Soil and Water District Assistance in the budgets of the PA Department of Environmental Protection (DEP) and PA Department of Agriculture (PDA). As a result of Act 110 of 2006, the funds appropriated in these line items will be deposited into the Conservation District Fund.

The first column of the table below identifies the priority of the item as identified in the previous section and the Appendix. The second column identifies the designated category of the funds. The third column provides the amounts allocated to conservation districts by the State Conservation Commission for FY 2007/08. The fourth column identifies the additional appropriation needed; and the last column provides the total appropriation needed for the Conservation District Fund for FY 2008/09. A detailed description of the FY 2008/09 request is provided in the attached Appendix.

**CONSERVATION DISTRICT FUND APPROPRIATION**

<u>Priority</u>	<u>Category</u>	<u>FY 2007/08 Allocation</u>	<u>Additional Funding Needed</u>	<u>FY 2008/09 Total Needed</u>
1	50% Cost-Share District Managers, First Technicians, and Second Technicians	\$ 3,120,100	2,395,723	\$5,515,823
2	Administrative Assistance	534,600	1,659,900	2,194,500
3	50% Cost-Share Third Technicians	0	1,650,000	1,650,000
4	ACT (Technicians, Engineers, and Training)	1,005,000	55,000	1,060,000
5	Farmland Preservation Program Support	387,000	358,000	745,000
6	Leadership Development	64,500	135,500	200,000
7	Ombudsman Program	148,800	101,200	250,000
	<b>Total</b>	<b>\$ 5,260,000</b>	<b>\$ 6,355,323</b>	<b>\$ 11,615,323</b>

## APPENDIX

### CONSERVATION DISTRICT FUND APPROPRIATION NEEDED FOR FY 2008/09

**1. Additional funding is needed to achieve 50% cost-share of district managers and cost-share for technicians.**

The State Conservation Commission has the long established goal of providing 50% cost-share of salary and salary related costs for 66 district managers and cost-share for 114 technicians at 35%, 50% or 65% depending on the program level of the conservation district. Due to inadequate funding, the FY 07/08 maximum cost-share was limited to \$27,000 for a district manager, \$16,500 for a district's first technician, and \$5,800 for a second technician. The total needed in FY 08/09 to provide full cost-share for these staff is \$5,515,823.

	<u>FY 08/09</u>
Conservation District Managers (50%, all state sources)	\$ 2,250,408
1 <sup>st</sup> Technicians (35%, 50%, or 65%)	1,814,502
2 <sup>nd</sup> Technicians (35%, 50%, or 65%)	<u>1,450,912</u>
Total for cost-share	\$ 5,515,823

**2. State funding for mandated administrative expenses is inadequate.**

Administrative Assistance funding helps defray documented district administrative expenses relative to actions required by the Conservation District Law or the State Conservation Commission. According to the State Conservation Commission's Statement of Policy on district funding, Administrative Assistance funds can be used only for directors' official travel, bonding, audit, liability and errors and omissions insurance, postage, publishing an annual report, legal fees, and expenses related to keeping full and accurate records. These funds are important because they can be used to reimburse conservation districts for salary and related expenses for clerical staff utilized for keeping full and accurate records.

In FY 07/08 districts were initially allocated \$8,100 per district for this administration. This is far less than the more than \$1.9 million reported in FY 05/06 in actual costs of these required expenses. Conservation districts have requested that they be reimbursed for the full amount of administration for an estimated total of \$2,194,500 for FY 08/09.

	<u>FY 08/09</u>
Total Administrative Assistance Funds Requested	\$ 2,194,500

**3. Cost-share is needed for 66 additional technicians.**

There are approximately 14 conservation districts in urbanizing areas that find it necessary to employ more than two technicians to fulfill their obligations under the Erosion and Sediment Pollution Control (E&S) delegation agreements. These districts receive no state funding or cost-share for these 30 additional staff. The new NPDES Phase II stormwater regulations, which reduce the permit requirement for construction activities to one acre and require post construction stormwater management plans, have created an additional workload for some counties. In addition, approximately 30 conservation districts are still administering the Chapter 105 Program, Dams, Streams and Encroachments, on behalf of the Department of Environmental Protection, with no funding.

Other counties in more rural agricultural areas have a need for additional agricultural technicians and engineers to provide conservation planning services and/or other technical assistance to farmers. Several conservation districts are also providing assistance to farmers who are receiving biosolids on their land under another program that has discontinued funding. Some counties are providing educational services to the regulated community and other audiences on soil and water conservation and related programs.

PACD is requesting that 50% cost-share be provided to each conservation district for an additional technician to work on any program, approved by the State Conservation Commission, that addresses local priorities. Since the estimated salary and benefits cost is \$50,000 for each of these technicians, funding at \$25,000 would be required to provide 50% cost-share.

	<u>FY 08/09</u>
66 Additional Technicians (50% funded)	\$ 1,650,000

#### **4. Conservation districts need increased conservation technician support.**

The Agriculture Conservation Technician/Engineer Program (ACT) provides one-on-one technical assistance and guidance to farmers. In FY 07/08 funding was provided to support 49 existing and one new ACT position. These technicians and engineers provide services to farmers that help them comply with Pennsylvania's environmental regulations. Conservation districts work with farmers to achieve voluntary compliance with these regulations. The funding requested for this category in FY 08/09 is the amount estimated to support 50 existing and one new ACT position, and to provide them with the necessary technical training.

	<u>FY 08/09</u>
50% cost-share and enhancements for ACT Technicians and Engineers	\$ 1,000,000
Technical Training	<u>60,000</u>
Total ACT	\$1,060,000

#### **5. Conservation districts support the Farmland Preservation Program.**

Pennsylvania currently preserves more farmland than any other state in the nation with its county-based farmland preservation programs. Conservation district staff provides direct administrative support for the program in 32 counties. In 21 additional counties, district staff members provide support services such as conservation planning and annual farm inspections, and some administrative support. In FY 07/08 PDA provided \$9,000 per conservation district for reimbursement of expenses for those districts directly administering the program and \$4,500 for districts that perform documented indirect services.

Because of the increased importance placed on preserving farmland, as well as the increased paperwork required to administer this program, funding should be increased to \$20,000 for districts directly administering the program and \$5,000 for the districts that provide indirect services. This increase would permit the 32 conservation districts administering the program to supplement their staff to give this important program the attention it deserves.

	<u>FY 08/09</u>
Farmland Preservation Program Support	\$ 745,000

**6. The professional, managerial, leadership, and accountability skills of district directors and staff must be increased.**

As conservation district programs grow, the challenge and responsibility of developing, planning and managing an effective, locally led natural resource program increases dramatically. The long-term success of a conservation district and its programs is dependent on having competent, well-trained directors and staff. District directors must develop and hone the skills necessary to envision, develop and oversee an effective natural resource program designed to meet the needs of the local community. District managers must be formally trained to effectively operate in increasing complex managerial environments, with greater planning, financial management, and personnel administration responsibilities than ever before. It is critical that both district managers and directors receive formal ongoing training and leadership development.

In FY 07/08, PDA provided \$64,500 toward leadership development. These funds were used to provide training and leadership services and the District Management Summit. An increase in funding is needed to provide additional leadership training in identified core functions and responsibilities of conservation district directors and to track the training completed by each individual under the program.

Leadership Development

FY 08/09  
\$ 200,000

**7. Ombudsman services are needed to address complex agricultural issues.**

The PA Department of Agriculture, in conjunction with the State Conservation Commission, developed the Ombudsman Program to provide specific assistance to agricultural producers and conservation district boards dealing with complex or potentially contentious situations. The program provides an intermediary or ombudsman between agricultural producers, municipalities and special interest groups to resolve issues and protect agriculture's right-to farm. This program also provides education and awareness about production agriculture and related conservation laws and programs. In FY 07/08 the PDA allocation for this program was \$148,800. There is a need to expand this program to the agricultural community in additional geographical areas of the state.

Ombudsman Program

FY 08/09  
\$ 250,000