

Ouch! Hitting the Brick Wall:

A tale of how we got
here, by the numbers

What We Need, and What We've Got:

○ Total Cost of Operations	\$9,692,677
○ Conservation District Operations	\$7,695,959
○ Conservation Commission Operations	\$1,996,718
○ Our Appropriation for 2014:	\$8,258,365
○ Budget Hole	\$1,434,312

That's a **\$1.4 Million** budget hole!

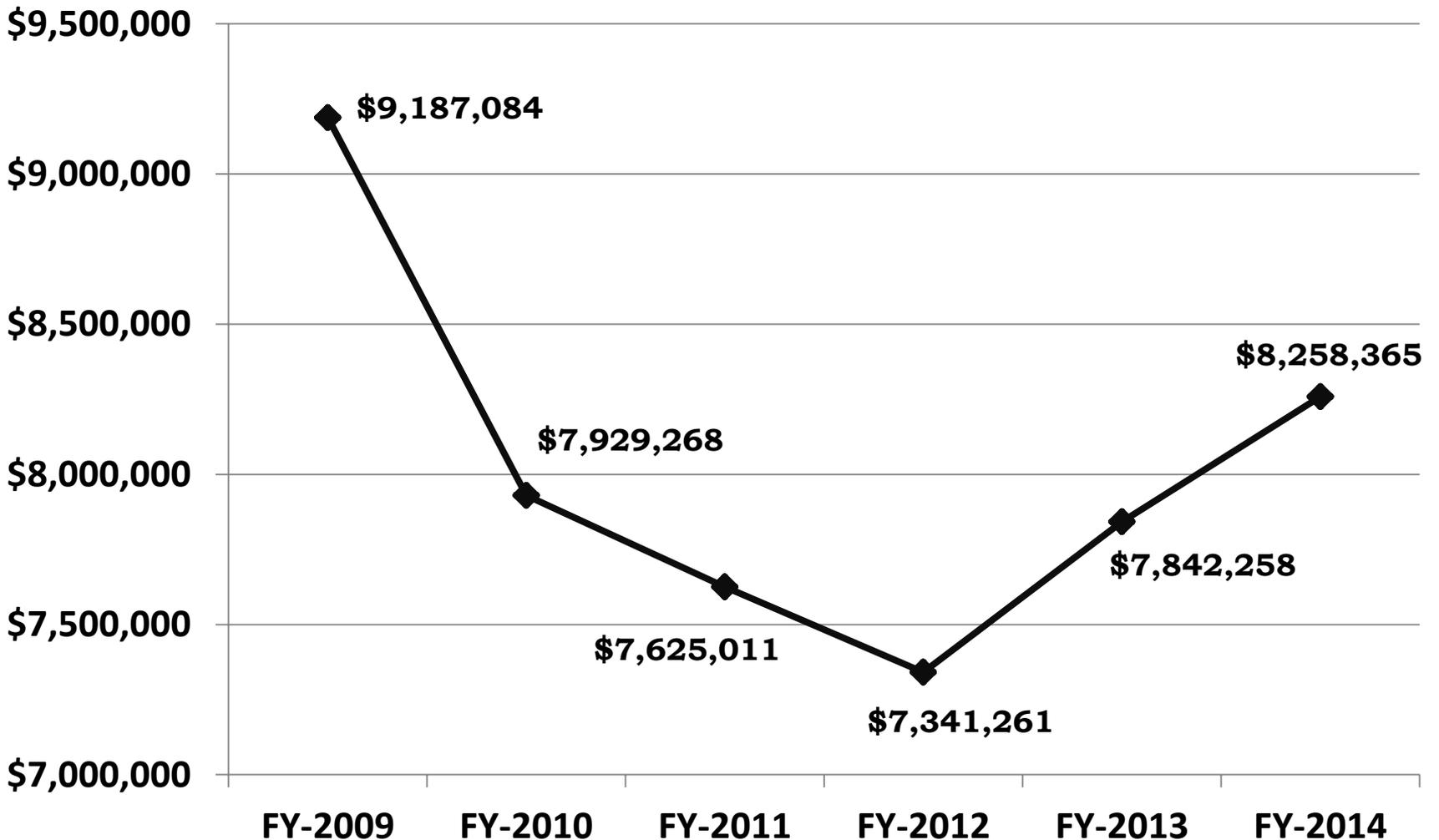
If you look really close, you can see Mike Thralls trying to fill in the budget hole.



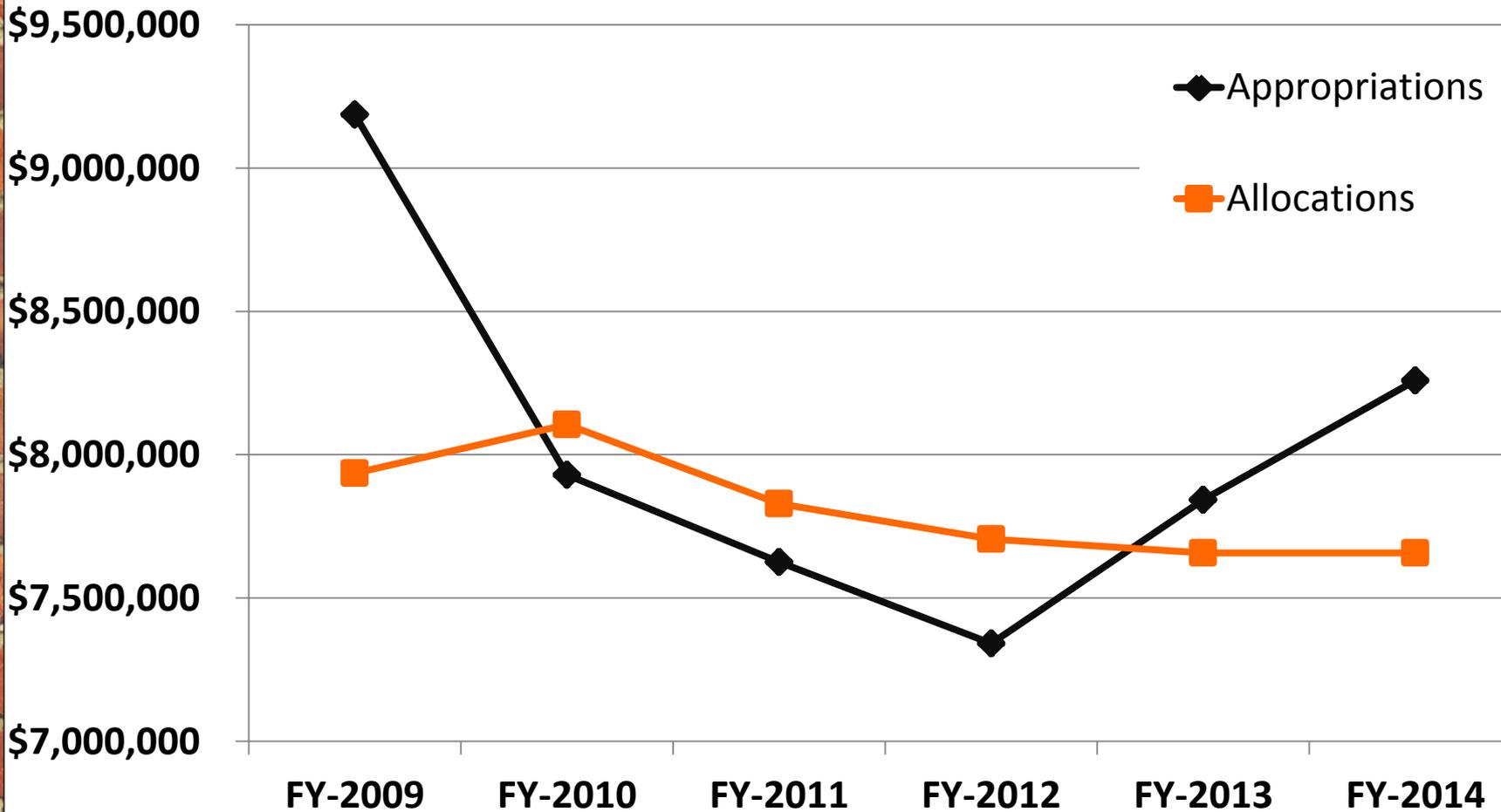
How That Hole is Currently Filled:

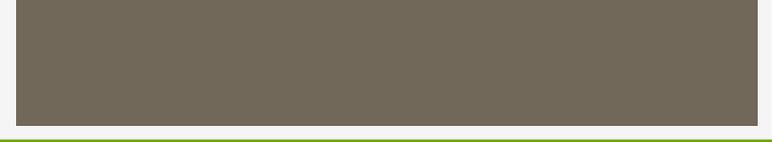
○ Infrastructure Revolving Fund	\$788,310
○ NRCS Contributions Agreement	\$400,000
○ Earnings from Federal Contract Management	\$246,002
Total:	\$1,434,312

General Revenue Appropriations

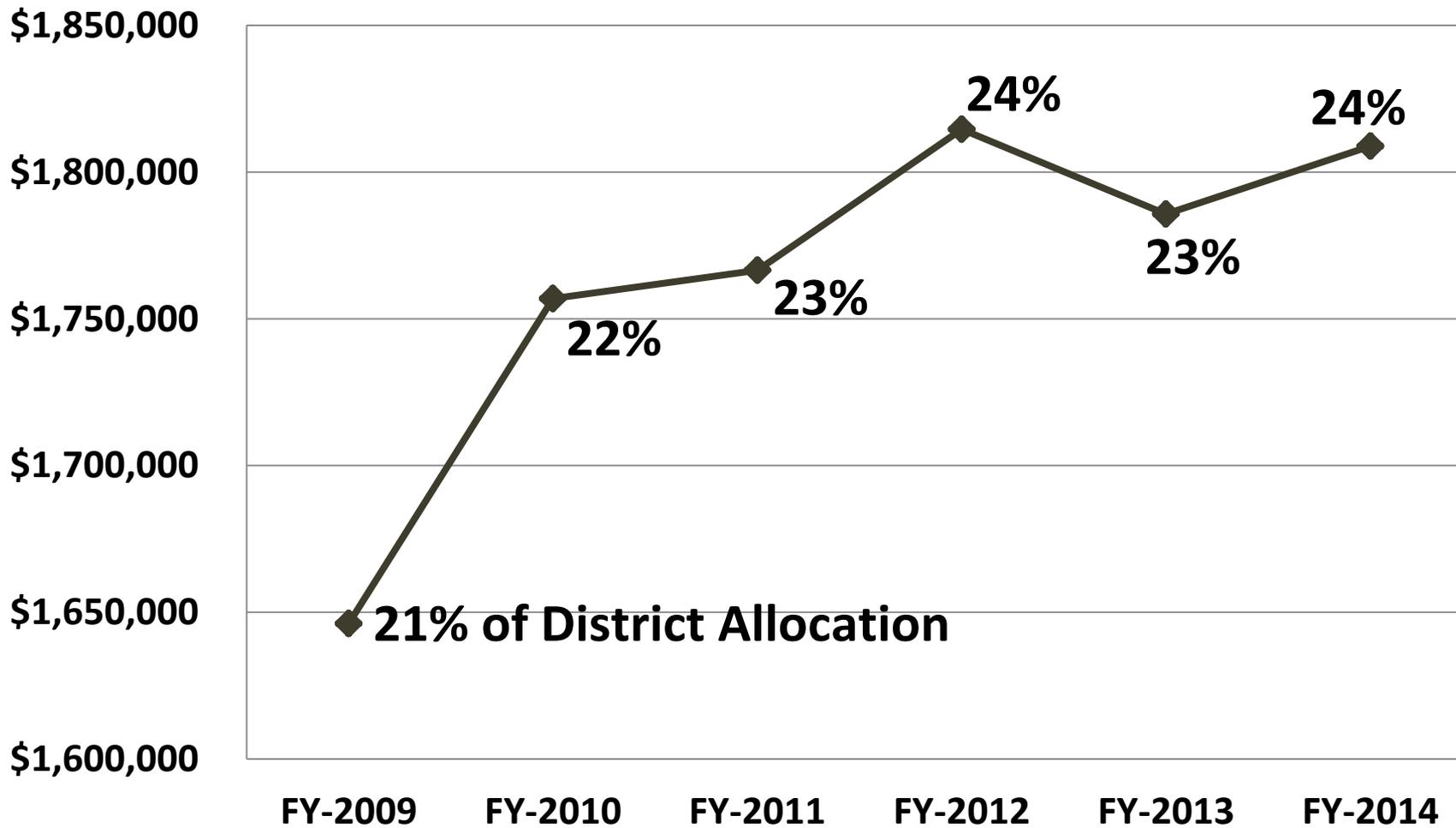


Commission Appropriations and District Allocations





District Employee Health Insurance Costs to the Agency



**Districts in 2010:
170 Benefitted
Employees**



**Now: 140 Benefitted
Employees**

**Commission in 2010:
62 Benefitted
Employees**



**Now: 49 Benefitted
Employees**

Policies Adopted to Address the Budget Hole

1. All District and Commission positions that become vacant are reviewed and require justification before approval to fill the position. Shared positions between 2 or more districts will be considered. Future employee allocations will be dependent on the level of legislative appropriations.

Policies Adopted to Address the Budget Hole

2. When an equipment manager becomes vacant at a district, the position will transition to a non-benefited position with a cash allocation for part-time help.
3. The maximum non-benefitted part-time employment for district positions will remain 1599 hours.



Doing Our Best with Less

Guidance on Filling
Conservation District
Vacancies

When an Employee Leaves the District

1. Board of Directors evaluates the position and determines what the core duties are for the position.
2. Board requests from the Commission that the position be filled, indicating their desire for a full-time position or part-time position.
3. Commission evaluates the position and, based on the current policies, makes an allocation for the position.

How Positions are Filled

- **Administrative Position (Secretary)**

- In a county with multiple districts, position will be filled with a part-time employee.

- **Equipment Manager**

- As per Commission policy, equipment manager positions will be converted to a cash allocation for part-time employees.

What is a Part-Time Position?

- Defined by the number of hours an employee can work without receiving benefits (insurance / retirement).
- Maximum number of hours a PT employee can work is 1599 hours for a 12 month period from their start date.
- **Example:** Employee begins work October 1, 2013. Can work up to 1599 hours until September 30, 2014.

Equipment Manager

- A maximum of \$12,000 will be allocated for part-time employees
- Allocation will be prorated based on the number of months left in the **fiscal** year.

Example: Position filled in October, the allocation will be \$9,000 for the current fiscal year.

How Cash Allocation May be Used

- District can use the funds to hire one person or multiple people.
- District sets the hourly rate and the number of hours to be worked.
- Allocation may be used to pay for the salary and employer-related taxes.
- If main focus of district is to perform flood control structure O&M, funds may be used to hire employee to perform O&M (w/approval).

Example \$12K Allocation Use

PT employee paid only with OCC \$\$

	OCC Reimbursable	District Costs	TOTAL
Salary \$10.00/hr	\$11,150.00	\$0	\$11,150.00
FICA @ 6.2%	\$689.81	\$0	\$689.81
Medicare @ 1.45%	\$161.19	\$0	\$161.19
TOTAL	\$12,000	\$0	\$12,000

\$12,000 from OCC represents about **1115 hours** of salary and employer taxes. At **\$12/hr** equals **929 hours**

Example of \$12K Allocation Use

PT employee paid with OCC & District \$\$

	OCC Reimbursable	District Costs	TOTAL
Salary: \$12.00/hr	\$11,148.03	\$8,040.00	\$19,188.00
FICA @ 6.2%	\$691.60	\$498.48	\$1,190.08
Medicare @ 1.45%	\$161.40	\$116.58	\$276.98
TOTAL	\$12,000	\$8,655.06	\$20,655.06

\$12,000 from OCC represents about **929 hours of** salary and related employer taxes.

Example of \$12K Allocation Use

FT employee paid with OCC & District \$\$

2076 hours/year	OCC Reimbursable	District Costs	TOTAL
Salary: \$12.00/hr	\$11,148.00	\$13,764.00	\$24,912.00
FICA @ 6.2%	\$691.60	\$852.94	\$1,544.54
Medicare @ 1.45%	\$160.40	\$200.82	\$361.22
Retirement @ 16.5%	0.00	\$4,110.48	\$4,110.48
Benefits**	0.00	\$7691.76	\$7691.76
SUB-TOTAL	\$12,000	\$26,620.00	\$38,620.00

**Benefit cost is for EMPLOYEE ONLY

FT Employee Additional Expenses

\$12/hr 2076 hours/year	OCC Reimbursable	District Cost	TOTAL
Benefits	0.00	\$7691.76	\$7691.76
Sub-Total	\$12,000	\$26,619.06	\$38,619.06
TOTAL w/Fam & Longev	\$12,000	\$26k-\$50k	\$38k-\$60k

Family benefit allowance is additional \$10,450 - \$20,000 + per year depending on number of dependents covered.

Districts May Want to Consider

- Sharing allocated positions
- Combining hourly positions
- Adopting the watershed aide model

Doing Our Best with Less...

- The Commission recognizes this is a challenge.
- We also realize that there may be better models out there than the 3 we showed here.
- Our goal is to be as flexible as possible with the cash allocation within the confines of the rules and laws that govern the Commission and Districts.

But there is hope!



Here's the new funding we've asked for:

● Cost of living increase for Current Conservation District and Commission Personnel	\$906,000
● Conservation District Operations	\$760,000
● Upstream Flood Control Infrastructure	\$8,000,000
● Operations and Maintenance	\$4,000,000
● Rehabilitation	\$4,000,000
Total	\$9,666,000

Need to know more?

At the conclusion of all area meetings, this and any other relevant information will be posted on our website:

www.ok.gov/conservation