

- a. Target Budget equals 5% percent of total assets.
- b. Under spent in 2022-23

MET FINANCE COMMITTEE  
*Draft Notes for Meeting of*  
Monday, April 24, 2023 at 2 PM

Attending Committee: Julia Jitkoff, Toby Lloyd, Gary Burnett, Mark Hoffman  
*Staff* – John Turgeon, Mona Rudnicki, Kelly Price

2. Upon motion and second, we Approved notes from January 30, 2023.
3. Presentation by Brown Advisory. James Stierhoff introduced Tyler Smith with whom he works. Together they reviewed the investment environment and MET's Asset Allocation by account. They are cautiously optimistic about the coming months. Active management has been a positive factor in our portfolio according to James. He and Tyler endeavor to increase return and reduce risk on an ongoing basis. Assets are managed in blocks for a number of clients. The percentages of those blocks vary depending on the clients' goals for each account managed.
4. Financial reports were presented by Mona. The Balance Sheet and final numbers of the P and L were approved however the recategorization of some of the items in the P and L still needs to be done. Also we don't have a Budget vs Actual. A few days after the meeting Mona sent out updated reports with the recategorizations and a P and L Budget vs Actual through March 2023. That report plus the Balance Sheet were shared with the MET Board along with the 3/31/23 summary from Brown Advisory.
5. In May our Budget is due. It will be sent out to the Pre-Finance Comm meeting by John Turgeon and staff. A target Budget that is no more than 4% of our liquid assets (\$3,382,202) or \$135,288 is a rough guideline for MET Staff to use in calculating the net Budget for 2023-24 due for the May 30 meeting. We are currently well under budget and expect to finish the year spending less than was budgeted. Reassuming some of the tasks handled by Forever Maryland may impact the coming year.
6. The Committee Approved the 2022-23 Dillon draw of \$73,000 to be paid into the Reserve Account in April and moved to the Operating account when needed. It was due last fall but has not yet been drawn. Mona will notify Brown Advisory to make the transfer from the Dillon Account to the Reserve Account.
7. MET has negotiated with the Chesapeake Bay Trust to oversee the administration of the Keep Maryland Beautiful Grants. John Turgeon is working on an MOU with them to be presented at the May Finance Committee meeting. MDA also wants to participate as a separate grant category. This could be a good partnership for MET and CBT. The

Committee approved an admin fee to CBT of about \$500 to be included in the budget. The actual cost will be less than we have been paying Forever Maryland.

8. Easement monitoring –Transferring easements from one Land Trust to another coholder with MET as a continuing partner. We are being asked to provide a one-time payment per easement to the prospective new co-holder for taking over monitoring responsibility from several weaker land trusts. The precedent is of concern. Currently we estimate we should have \$3500 per easement in reserve using Land Trust Alliance rough guidelines for MET. Other Land Trusts are expected to have either \$10,000 for a solely held easement or \$5000 for a co-held. In discussion we decided that several scenarios should be developed and presented first to the Executive Committee and then to the Board. This topic has gone from the Finance Committee to the Land Committee and now back to Finance! We want to have a way to encourage Land Trusts to monitor, but we must steward the funds we have. Which is better, to hire another person in MET to help with stewardship or to pay a Land Trust to do it and have to police them to get reports in? The concern is the financial health of the recipient land trust.

Jon Chapman plans to retire in July. His vast knowledge and experience in Stewardship will be missed.

We did not make a decision. The Executive Committee should be made aware of the issue, and the development of a policy should be done carefully.

9. Next Finance Committee meeting will be May 30, 2023, at 2 PM.  
Board meeting is June 5.  
(Pre Finance will be at 2 pm 22 May with Julia and Mark and staff).

Julia Jitkoff