

MET FINANCE COMMITTEE

Notes

Tuesday, April 27, 2021

12 Noon

Call in Number 1-405-696-0978 pin 956561408#

Committee: Julia Jitkoff, Toby Lloyd, Mary Burke, Mark Hoffman

Staff – John Turgeon, Mona Rudnicki, Kelly Price

Absent Gary Burnett

1. Call to Order.
2. Reviewed and approved notes from 1/25/2021 Finance Committee meeting. Motion Toby, Second Mark.
3. MET Private-side 3rd Q Financial Reports for January- March 2021–
Mona R. reviewed the financials below. There was discussion.
 - a. P and L, for third quarter and for year to date- July 2020 – March 2021.
 - b. MET Balance sheet March 31, 2021
 - c. Profit and Loss Budget vs Actual, for July 2020 – March 2021
Biggest discrepancy was extra cost in Technology. Expenses of monitoring remotely.
 - d. Stierhoff Report from Brown Advisory March 31, 2021
Noted that the current value of the accounts at Brown has gone up since 3/31/21 by over \$100,000 at April 27. The Market is lifting MET accounts.
Upon motion and second the above financial reports were approved by the Committee.
Mark/Toby.
4. FMF
\$300,000 to FMF payment was made in February 2021. Full Commitment to FMF has been completed. MET is due a final payment from them of \$70,000 in June per the original agreement.
5. Budget for 2021-2022
John Turgeon and Mona Rudnicki expect the cash flow needs for MET for the next fiscal year to be similar to this year. Mona will do a calculation for how much can be drawn from the Dillon account using the required formula which we can approve at the June meeting.
 - a. Cash Flow between now and June 30 2021 will most likely be covered by cash in Operating account and payment from FMF.
 - b. Draft Budget for next year is in process and will be sent out for our review before the next meeting.
 - c. Mary asked to include funds for Board events: 1 Social dinner, 1 Retreat, and one Strategic Planning session. Estimates for these three would total about \$22,000. The main expense would be a facilitator for the Planning Session.

6. Committee reviewed and upon motion and second, approved the Compilation report from our auditors. Mona made one correction. There is considerable detail in the report. It will be mailed out to the full board by MET.
7. We have had a request from Ann Jones at the Land Preservation Trust. There were monies put in the Rural Legacy account which were for monitoring easements co-held by LPT and MET about 1999. John, Jon Chapman and Mona will be working on a reconciliation of where these funds came from, what was paid to MET or LPT already, and what is due from either to the other. They will discuss with Ann Jones. We want to be sure the transactions were handled properly and if corrections need to be made that they can be factually supported.

Title policies may be involved because these are purchased easements. That is a separate question.

8. Fundraising: John says FMF is concerned about double dipping with donors FMF is approaching. However, we do not want to lose our connections with our donors/easement owners. We also expect we need to increase our endowment for Accreditation. This was discussed when we first were drafting the original agreement with FMF. The minimum we will need is \$1mm. That will go up as new easements are added at the rate of \$3500 per easement. The topic is one for the Planning Session. The Committee agree a separate letter agreement might be desirable for clarification of how this effort can be coordinated. From the 2019 agreement:

D. Consistent with the terms of its Business Plan for 2019-2021, the Foundation shall begin planning during its first two years of operation for the implementation of a major state-wide comprehensive fundraising initiative to be conducted and completed during the first decade of its operations, the elements of which are expected to include operational, capital, endowment, and other needs of the Foundation as well as operational, capital, stewardship, and endowment needs of the Trust and other private and public sector land trusts operating in Maryland; the details of the operational plans and fiscal goals for this initiative are expected to be developed at an appropriate time by a leadership cabinet to be drawn from interested and available individuals within Maryland's land conservation community and the leaders of the private and public sector land trusts operating in Maryland, including but not limited to the Trust.

9. Fund Review: Could the 4 Funds at Brown Advisory be mostly designated for stewardship endowment as required for LTA accreditation? Stewardship and easement acquisition are MET principal functions today. Mary and John. The designation of the funds at Brown as part of our endowment for Accreditation needs to be approved by the Board. This can be discussed at the Planning Session. For future planning the income generated by our endowment should sustain MET's private side activities.
10. Next Finance Committee meeting, Tuesday, 2 pm June 1, 2021.
Board meeting is June 7th.