

Garrett Soil Conservation District Supervisor's Meeting

June 18, 2024

Garrett Soil Conservation District Board Room

Participants

- Smokey Stanton, Board Chair
- Kristen Enlow, Board Vice Chair, Treasurer
- William Buckel, Board Member
- Butch Helbig, Board Member, Assistant Treasurer
- Nevin Sines, Board Member
- Seth Metheny, District Manager (DM)
- Chad Bucklew, District Conservationist (DC)
- Jeannie Frazee, Administrative Assistant
- John Rose, Edward Jones
- Maggie Robey, Clear Mountain Bank

Meeting Topics

- Certification of Quorum
- Call to Order
- Introduction of Guests: John Rose and Maggie Roby
- Approval/Correction of May 21, 2024, Minutes
- Treasurer's Report
- Chairman's Report
- District Manager's Report
- District Conservationist's Report
- New Business
- Old Business
- Public Comment

Call to Order

Smokey Stanton, Board Chairman, certified a quorum and called the meeting to order at 7:05 pm. All Board members were present. (Nevin Sines arrived late, at 7:21 pm).

Introduction of Guests

The guests were John Rose representing Edward Jones and Maggie Robey, from Clear Mountain Bank. John and Maggie were asked to be at the meeting tonight to give a presentation to the Board about what they would have to offer regarding financial investments for the funds currently in Brinker.

Butch Helbig said that one thing to be noted is that the funds can only be transferred to a brokerage firm in their current profile. If the District uses a bank, the bonds would need to be

cashied to transfer the funds. He said that the Board needs to look at the bonds that the Brinker Account is currently holding.

William Buckel stated that the District needs to get out of a fee base and go to a transaction base. He asked if it should transfer at the same amount if it is moved to a brokerage firm. Smokey replied that he thinks it will.

The Board made the consensus to move out of a fee-based system and move to a fiduciary without fees. This will eliminate some options.

William Buckel said that the Board needs to sell the smaller percentage ones. Smokey stated that the first ones to be moved are the low interest ones.

Butch Helbig said he will contact Preston Sharps and see if he says the same thing about transferring the portfolio without charging a fee as John Rose had stated for Edward Jones. Butch commented tha it would be foolish to lose that good interest which is locked in. Smokey said that the Board needs to come back to this, but not tonight. William Buckel added that in the meantime, the Board needs to check with Preston Sharps. Smokey asked Butch if he will talk to Preston.

Approval and Correction of the May 21, 2024 Minutes

William Buckel said that there is an error on Chad Bucklew's name. It is Bucklew not Buckel. Also, during the meeting, Smokey had asked about Seth being able to work remotely.

Smokey asked if it is a state rule that District Manager's cannot work remotely. Seth answered that it is not a rule but that most District Managers do not have a standard telework schedule. Other employees have a standard telework schedule every week. But rather than having regular telework days, Seth can work remotely if approved by Keith specific to the day.

Chad Bucklew stated that the reason he was not present last month was not a family emergency. He was at his daughter's high school awards ceremony.

Treasurer's Report

There was a Treasurer's Meeting last week. In attendance were Kristen, Butch, Smokey, Seth, and Jeannie. Butch Helbig gave a recap that they had talked about the reports, going through each individually. He felt that there was nothing in question. It was decided to change the format of one of the reports. Butch turned the floor over to Seth to explain the financial statements.

Monthly Income Statement

Seth explained that for the Monthly Income Statement, it was decided to add a column for the variance YTD because the monthly variance can be deceptive. Butch commented that this will present a clearer picture because the monthly variance sometimes spikes because of costs not paid monthly.

Brinker May Statement

Smokey asked Butch to comment on the Brinker Account. Butch stated that he thinks the District is getting the problem worked out. Nevin accessed that the District has more options than it did before.

District Operations Spending Report

Seth Metheny explained the Operations Spending Report. Expenditures included a wiper blade, folders, 4-sided folders, envelopes, and a clipboard. The total of expenses was \$150.64.

May Income Statement

Seth Metheny went over the May Income Statement for the Board. E&S income was more than budgeted. Income from the Drill and Lime Spreader was higher than the monthly average because there is not income from them all year. The Money Market income was lower than expected and Brinker was higher. There was a net surplus of (- \$2559.74), mostly because the rent was paid this month.

FY25 MDA General Fund May Statement

Seth Metheny went over the FY25 MDA General Fund May Statement. Expenses this month were per diems, mileage, office supplies, cell phone, and rent.

Financial Report Quarterly and YTD

Seth discussed the Financial Report Quarterly and YTD the District is in good shape financially right now. Total expenses YTD were \$105,619.81. Income was \$140,395.83. Smokey Stanton commented that this is a big change from last year.

Kristen Enlow made a motion to approve the District Operational Spending Report, the FY24 MDA General Fund May Statement, and the Financial Report Quarterly & YTD. Nevin Sines seconded the motion. The motion passed unanimously.

Chairman's Report Smokey Stanton stated that last month, the Executive Session had several motions.

1. The Board of Supervisors adopted Procedures and Financial Controls.
2. The Board authorized signatories for the checkbooks. Some names are to come off, and others are to go on. Butch and Smokey will be added as the only signatories. Kristen Enlow will not be added even though she is the Treasurer because Smokey lives closer. Seth will no longer be able to sign checks.
3. The Audit. Smokey met with Bernie at Turnbull, Hoover, and Kahl. He suggested that instead of a full audit, the District have an Agreed Upon Procedures and Engagement, which would have them come in and examine specific income and make sure it is tied with the checkbook as dictated by the agreement. The Board would not get a "Clean Audit" letter from the firm. Instead, they would simply receive correspondence stating the outcome of the Procedure Investigation. They are to give the Board a quote once they know what the Board wants done.

Nevin Sines asked if it would fulfill the State's requirement for the Compilation. Smokey stated that it will. Smokey suggested that the District have a Letter of Engagement with Turnbull, Hoover, and Kahl. William Buckel said he supports changing from Boals to Turnbull, Hoover, and Kahl. Smokey said that he will talk to them and come back to the Board. There is a timeline to get it finished by October to turn the Compilation in to the State. Nevin Sines said that he likes the fact that this option is less expensive. Smokey said that they will give the Board a list of things they can do, and the Board can add or subtract from the items. Seth stated that he thinks the investigation should go back to when Shawn Sanders left or before. That would include FY 19 – FY 24. The District would need to give them the last compilation. Seth stated that Boals had done the FY 19, FY 20, and FY 21 Compilations.

The Board set a Budget Meeting for June 26, at 7:00 PM.

Smokey is not going to go to the MASCD Summer meeting. The Board designated William Buckel as proxy.

District Manager's Report

FY25 MDA General Fund MOU and FY25 MDA CBTF MOU

Seth Metheny asked the Board if they have any questions about the FY25 MDA General Fund MOU and the FY25 MDA CBTF MOU that were presented last month. They are the agreements between the State and the District regarding those funds. There were no questions. Kristen Enlow made a motion to accept the FY25 MDA General Fund MOU and the FY25 MDA CBTF MOU. Butch Helbig seconded the motion. The motion passed.

District Conservationist's Report

Contracts haven't changed much from last month. \$275,000 has been obligated so far. There were 18 contracts last month and 22 this month. There are some larger structure projects in the works.

Jacob Metcalf has taken a position in Allegany County to fill Slater Hafer's position. Slater took the Forestry position. The empty position will be filled in time, but the ad will likely not go out for several months. Chad will be going to the MASCD Summer meeting.

New Business

Activity Report

Several new Conservation Plans have been signed since last month. For some of the ones that have not been signed, outside agencies need to complete reviews. Seth gave an overview of Erosion and Sediment activity. Chad said that there is a final engineering design under review by Brad Michael, who is a Resource Conservationist. Chad expects it to be completed by next month. Chad highlighted some of the projects that stand out or are nearing construction. Allegany County is helping with some of the projects.

Smokey Stanton asked if there are any major issues with any of the projects. Chad stated that there are not. However, the staff vacancies are slowing things down. Butch Helbig asked if Chad is satisfied with progress. Chad said that the District is no where near where he had hoped it would be at this point.

Old Business

Scholarship Rubric

The Board had discussed using a Scholarship Rubric at the June 4th meeting. Since then, the District has put one together. Board members should give a score to each Scholarship applicant using the rubric. This will allow for a fair comparison. Board members can make suggestions and changes to the rubric. Nevin Sines said he thinks the rubric is helpful. Butch Helbig said that William provided the rubric, and he thinks it is great. He said it was helpful to him. William Buckel said it is an ongoing process. He said that he has been on several boards that give out

scholarships. All the applicants are deserving of help. The rubric helps to make the process fair. Seth printed out rubrics for all the Board members.

Chad Bucklew brought up a concern about students that live in Garrett County but who go out of the County to school. The Board determined that, for next year, the wording needs to be changed to "live in Garrett County or attended Garrett County schools". It needs to be added to all print media and the rubric.

Caron East Invoice

Seth asked for the Board's approval to use \$870.00 of MDA carryover funds to pay for the Robotic Equipment GPS Network 100 hours. The options are to not have the service, use local funds, or use carryover funds. Smokey asked Seth why the District received the bill. The State ordered the equipment. Seth said that it is for the equipment that the District uses. Butch commented that the District had no choice. Seth explained that MDA purchased it with 1 year of GPS. Butch Helbig commented that the Board had previously decided that not having it is detrimental to manpower. Seth suggested that the District use CBTF carryover as opposed to General Fund carryover because there is more of it. Nevin Sines made a motion that the district pay \$870.00 from carryover funds from the CBTF account to pay for 100 hours of GPS Network. Kristen Enlow seconded the motion. The motion passed unanimously.

Brinker

The Board has heard four presentations now for options other than Brinker for the funds in the Brinker account. Brinker is a fees-based account, and most of the profit seen from the investments have gone out in fees, leaving the District with very little profit over the span of many years. The Board has decided to move from a fee-based account to a transaction-based account that is a fiduciary.

At this time, the Board is evaluating whether to transfer the funds into a brokerage firm with a non-fees-based account, keeping much of the same portfolio, or to a bank in a mix of CD's and Money Market. Butch Helbig is to talk to Preston Sharps to see if he concurs on the information given by John Rose regarding transfer of the portfolio directly into a brokerage firm account, with no fees associated except fees charged by Brinker for the transfer. Once the Board decides either to transfer the money to a brokerage firm or liquidate, the Board will complete the paperwork necessary to remove the money from Brinker.

William Buckel made a motion to adjourn the meeting. The meeting ended at 8:52 pm.