

Minutes of the Finance Committee Meeting
of
The Natomas Basin Conservancy
June 3, 2015
Offices of the Natomas Basin Conservancy
2150 River Plaza Drive
Sacramento, CA
2:30 p.m.

COMMITTEE MEMBERS PRESENT: William Edgar
 Davin Norene (arrived at 2:45 pm)
 Charee Thurman

= attended
 = did not attend

STAFF PRESENT: John Roberts, Kim Burns
OTHERS PRESENT: Phil Burger, T. Rowe Price (via FaceTime)

CALL TO ORDER

Edgar called the meeting to order, noting a quorum was present.

ACTION

Approval of Minutes. Edgar called for a motion to approve the minutes of the February 4, 2015 Finance Committee meeting.

On a motion by Thurman and second by Edgar the committee approved the minutes of the February 4, 2015 Finance Committee meeting.

Committee members

William Edgar
 Davin Norene
 Charee Thurman

Vote symbols

= "aye" vote
 = "no" vote
 = not present
◆ = abstain or recuse

Bidding Process, BEM RFP & Audit RFP. Audit Request for Proposal (RFP) – The committee reviewed the RFP for auditing services, noting this committee was reviewing the process only and that the Audit Committee would be approving the final RFP, considering any comments or opinions the Finance Committee might have.

Biological Effectiveness Monitoring (BEM) RFP – The committee was advised that the current contract for BEM services would be expiring at December 31, 2015 (monitoring would end December 31, 2015, with the final 2015 report sent to the Board early 2016). Roberts noted a potential cost savings in BEM services if the Conservancy updates/ revises the BEM Program Document. This proposed revision to the BEMP Program Document would require authorization from the federal and state Wildlife Agencies. This type of update/ revision is allowed for and even encouraged in the Natomas Basin Habitat Conservation Plan. Staff recommended a one-year extension of the current contract for BEM and also engage the current BEM contractor to prepare the revised BEMP. Then next year at this time, let the BEM RFP to

bid based on the revised BEMP Program Document. The committee referred this matter to the full Board for discussion.

Committee Charter review. Staff reviewed minor changes to the Finance Committee Charter and requested committee recommend Board approval of the changes.

On a motion by Thurman and second by Norene the committee recommends Board approval of revisions to the Finance Committee Charter.

Committee members

- William Edgar
- Davin Norene
- Charee Thurman

Vote symbols

- = "aye" vote
- = "no" vote
- = not present
- ◆ = abstain or recuse

Corporate Funds Policy review. Staff reviewed minor changes to the Corporate Funds Investment Policy and requested committee recommend Board approval of the changes.

On a motion by Thurman and second by Norene the committee recommends Board approval of revisions to the Corporate Funds Investment Policy.

Committee members

- William Edgar
- Davin Norene
- Charee Thurman

Vote symbols

- = "aye" vote
- = "no" vote
- = not present
- ◆ = abstain or recuse

Endowment Funds Policy review. Staff reviewed minor changes to the Endowment Operations and Maintenance Fund and Supplemental Endowment Fund Investment Policy and requested committee recommend Board approval of the changes.

On a motion by Norene and second by Thurman the committee recommends Board approval of revisions to the Endowment Operations and Maintenance Fund and Supplemental Endowment Fund Investment Policy.

Committee members

- William Edgar
- Davin Norene
- Charee Thurman

Vote symbols

- = "aye" vote
- = "no" vote
- = not present
- ◆ = abstain or recuse

Endowment accounts update. Edgar introduced Phil Burger with T. Rowe Price as the Conservancy's portfolio manager. Burger reviewed with the committee the Conservancy's endowment accounts performance for 1st Qtr 2015. Burger entertained questions from the committee.

Cash sufficiency analysis. A cash sufficiency analysis was presented to the committee that estimates at what point the endowment fund would support a \$2 million annual budget without touching the principal balance. The committee requested another analysis with an assumption of \$3 million and \$3.5 million annual budget. Staff will do a revised run and report back to the committee.

Long-range cash flow. Staff reviewed its long-range cash flows and assumptions with the committee.

SAFCA – Risk vs. Rewards on SAFCA business. Roberts discussed the costs and benefits of continuing land management work with SAFCA. No staff recommendations were made at this time.

PUBLIC COMMENT

There were no members of the public present.

ADJOURNMENT

On a motion by Norene and second by Thurman the meeting was adjourned at 3:58 pm.

Committee members

- William Edgar
- Davin Norene
- Charee Thurman

Vote symbols

- = "aye" vote
- = "no" vote
- = not present
- ◆ = abstain or recuse

ATTEST:

Committee Chair

Date