

**Minutes of the Compensation & Governance Committee Meeting**  
of

**The Natomas Basin Conservancy**

September 18, 2017

Offices of the Natomas Basin Conservancy

2150 River Plaza Drive, Suite 460

Sacramento, CA

4:00 p.m.

**COMMITTEE  
MEMBERS**

**PRESENT:**

Chandra Chilmakuri

Steve Cohn

Jeff Norton

= attended

= did not attend

**STAFF PRESENT:**

John Roberts, Kim Burns and Jennifer Skupic

**OTHERS PRESENT:**

None

**CALL TO ORDER**

Chilmakuri called the meeting to order at 4:10 p.m., noting a quorum was present.

**PUBLIC COMMENT**

There was no public comment.

**ACTION**

Approval of Minutes. Chilmakuri requested approval of the minutes of the April 20, 2017 Compensation & Governance Committee meeting.

On a motion by Norton and a second by Chilmakuri, the committee approved by unanimous vote the minutes of the April 20, 2017 Compensation & Governance Committee.

*Committee members*

Chandra Chilmakuri

Steve Cohn

Jeff Norton

*Vote symbols*

= "aye" vote

■ = "no" vote

= not present

◆ = abstain or recuse

Conflict of Interest Policy. The committee reviewed a draft Conflict of Interest prepared by staff at the request of a Board member. When asked for comment, Roberts explained why previous Boards declined to implement a conflict of interest policy apart from the conflict statement in the Bylaws.

On a motion by Norton and a second by Chilmakuri, the committee agreed by unanimous vote a conflict of interest policy other than the conflict provisions in the Bylaws was not needed. Accordingly, this item would not be moved for consideration by the Board.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Travel and Other Expense Reimbursement Policy. This policy was last updated October 5, 2016 and was presented to the committee for general review including minor revisions.

On a motion by Norton and a second by Chilmakuri, the committee approved by unanimous vote the Travel and Other Expense Reimbursement Policy as revised and recommended Board approval.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Employee Handbook review. This policy was last updated December 7, 2016 and was presented to the committee at this time for revisions regarding Injury and Illness Prevention Program as well as the addition of the Heat Illness Prevention Plan. Both were recommended by legal counsel and are determined to be OSHA compliant.

On a motion by Chilmakuri and a second by Norton, the committee approved by unanimous vote the Employee Handbook as revised and recommended Board approval.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Audit Committee Charter. This policy was last updated December 7, 2016 and was presented to the committee for general review with one revision, the addition of Form 990 review.

On a motion by Norton and a second by Chilmakuri, the committee approved by unanimous vote the Audit Committee Charter as revised and recommended Board approval.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Finance Committee Charter. This policy was last updated December 2, 2015 and was presented to the committee for general review with one revision, the deletion of Form 990 review.

On a motion by Norton and a second by Chilmakuri, the committee approved by unanimous vote the Finance Committee Charter as revised and recommended Board approval.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Internal Controls Policy. This policy was last updated December 7, 2016 and was presented to the committee for general review including minor revisions.

On a motion by Norton and a second by Chilmakuri, the committee approved by unanimous vote the Internal Controls Policy as revised and recommend Board approval.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Health Premium Reimbursement Plan. The Conservancy provides group health coverage for employees. One employee has the option to not be covered by the group policy but rather by Medicare. If so, the savings to the Conservancy would be thousands of dollars a year in premium expense. The Conservancy is bound by contract to cover this employees' health care premium expenses. After conversations with accountants and attorneys, staff has discovered that under the Affordable Care Act (ACA) this type of reimbursement may only be covered by a Health Premium Reimbursement Plan (otherwise known as Health Reimbursement Arrangement). Under this plan, the Conservancy would reimbursement eligible staff for Medicare and Medicare supplement insurance premiums paid. There is no cost to the Conservancy to operate this plan. Staff submitted this plan to the committee for review and discussion. The committee agreed the Conservancy should implement this plan.

On a motion by Chilmakuri and a second by Norton, the committee approved by unanimous vote the Health Premium Reimbursement Plan (or Health Reimbursement Arrangement) presented by staff and recommended Board approval.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

Board assessment & self-evaluation. Former Committee Chair Kay Backer worked extensively on a Board assessment and self-evaluation to be used periodically so that the Board employs good corporate governance practices. A draft form, shared with the committee, constitutes the results of her work. The committee may further refine it or submit it to the Board for acceptance.

If approved for use by the Board, staff recommends it be circulated to the Board with results collected and reported at least once each year by the Committee Chair.

On a motion by Norton and a second by Chilmakuri, the committee approved by unanimous vote the Board assessment and self-evaluation and recommends Board review.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

**ADJOURNMENT**

On a motion by Norton and a second by Chilmakuri, the committee by unanimous vote adjourned the meeting of the Compensation & Governance Committee at 4:32 p.m.

Committee members

- Chandra Chilmakuri
- Steve Cohn
- Jeff Norton

Vote symbols

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

**ATTEST:**

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*Committee member*

\_\_\_\_\_

*Date*