

December 2018

Unaudited Financial Statements

The Natomas Basin Conservancy 2018 Financial Review

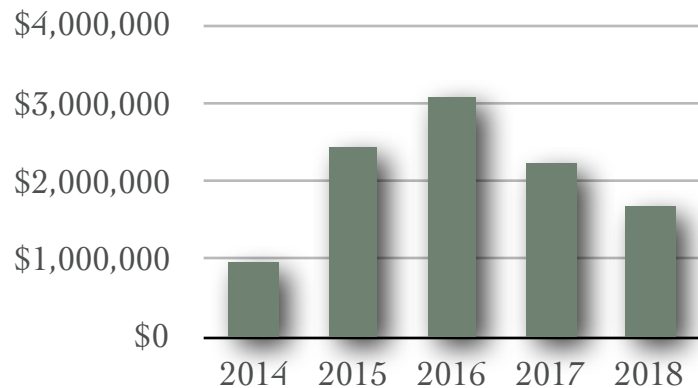
Total Assets

Asset Category	Asset Value
Current Assets	\$34,585,053
Receivables	\$231,283
Fixed Assets	\$33,236,485
Total assets	\$68,052,821

Total Liabilities & Fund Balances

	\$589,300
	\$67,463,521

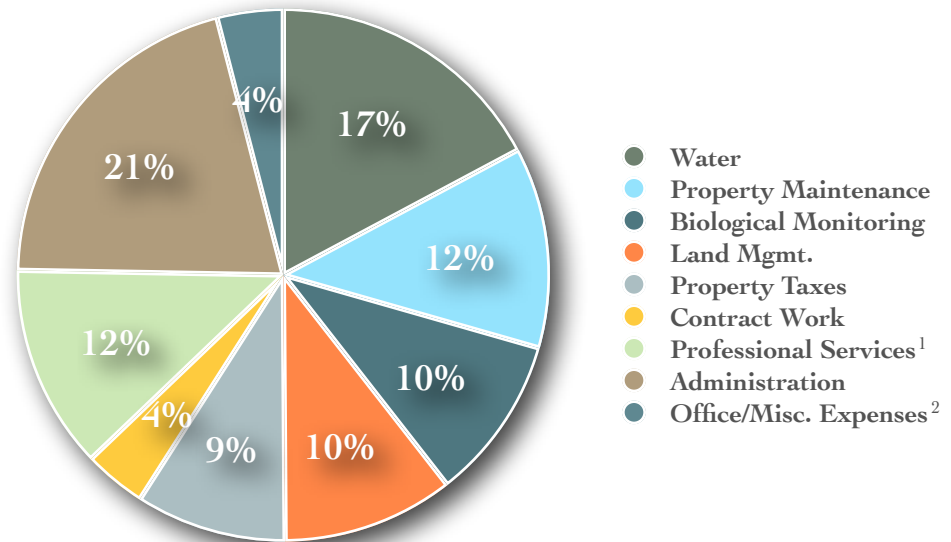
Non-Endowment Revenue Analysis



Total Revenue & Expenditures

Category	2018 Actual	2017 Actual
Total Revenue	\$1,349,452	\$6,025,302
Total Expenditures	\$2,979,942	\$3,007,751
Change in fund balance	-\$1,630,490	\$3,017,551

2018 NBHCP Expenses



¹ Professional Services includes legal and accounting, as well as Endowment Fund management fees.

² Office/Misc. Expense includes Board expense, insurance, office lease and all other office expenses.

The Natomas Basin Conservancy
Statement of Net Assets
Unaudited YTD - December 31, 2018

	NBHCP Funds					Non-HCP Funds	Total
	Administration	Restoration & Enhancement	Land Acquisition	Endowment	Supplemental Endowment	SAFCA NLIP	
ASSETS							
<i>Current Assets:</i>							
Cash	212,987	-	-	-	-	376,338	589,325
Investments	2,721,532	2,032,919	4,335,851	20,705,067	3,300,916	899,443	33,995,728
Subtotal Cash	2,934,519	2,032,919	4,335,851	20,705,067	3,300,916	1,275,781	34,585,053
<i>Receivables:</i>							
Accounts Receivable ¹	161,666	12,071	4,477	-	-	35,949	214,163
Due from other funds	-	-	-	-	-	-	-
Prepaid Items	17,120	-	-	-	-	-	17,120
Subtotal Receivables	178,786	12,071	4,477	-	-	35,949	231,283
<i>Fixed Assets:</i>							
Land	-	-	32,488,567	-	-	-	32,488,567
Land Improvements - Habitat & Bldgs, Net	81,306	-	624,868	-	-	-	706,174
Office Equipment & Machinery, Net	41,744	-	-	-	-	-	41,744
Subtotal Fixed Assets	123,050	-	33,113,435	-	-	-	33,236,485
Total Cash and Assets	3,236,355	2,044,990	37,453,763	20,705,067	3,300,916	1,311,730	68,052,821
LIABILITIES & FUND BALANCES							
<i>Liabilities ²</i>							
Accounts Payable	142,063	-	-	-	-	4,594	146,657
Conditional Deposits	250	-	-	-	-	-	250
Accrued Vacation / Benefits	66,427	-	-	-	-	-	66,427
Deferred Revenue	-	-	-	-	-	375,966	375,966
Due to other funds	-	-	-	-	-	-	0
Subtotal Liabilities	208,740	-	-	-	-	380,560	589,300
<i>Equity:</i>							
Investment in General Fixed Assets	123,050	-	33,113,435	-	-	-	33,236,485
Fund Balances:	-	-	-	-	-	-	-
Reserved for Endowment - Permanent	-	-	-	10,642,714	-	-	10,642,714
Reserved for Endowment - Temporary	-	-	-	10,062,353	-	-	10,062,353
Designated ³	1,448,246	-	2,308,080	-	-	931,170	4,687,496
Undesignated	1,456,319	2,044,990	2,032,248	-	3,300,916	-	8,834,473
Subtotal Fund Balances	3,027,615	2,044,990	37,453,763	20,705,067	3,300,916	931,170	67,463,521
Total Liabilities & Fund Balances	3,236,355	2,044,990	37,453,763	20,705,067	3,300,916	1,311,730	68,052,821

The Natomas Basin Conservancy
Statement of Activities
Unaudited YTD - December 31, 2018

	NBHCP Funds					Non-HCP Funds	YTD Total	YTD Budget	% Variance	2018 Budget
	Administration	Restoration & Enhancement	Land Acquisition	Endowment	Supplemental Endowment	SAFCA NLIP				
REVENUES										
Mitigation Fees										
City of Sacramento	37,746	4,252	38,916	22,672	1,583	-	105,169	194,651	-46%	194,651
County of Sutter	-	-	-	-	-	-	-	-	0%	-
Metro Air Park	388,097	41,362	23,663	220,566	15,396	-	689,084	1,946,513	-65%	1,946,513
Other	25,094	2,674	24,480	14,262	996	-	67,506	50,000	35%	50,000
Rent Revenue	676,652	-	-	-	-	5,450	682,102	672,265	1%	672,265
Investment Income - Realized	52,917	34,573	80,029	1,481,665	240,422	13,856	1,903,462	850,000	124%	850,000
Investment Income - Unrealized	-2,728	8,797	-9,775	-2,157,089	-348,567	2,957	-2,506,405	-	-8%	-
Other / Reimbursement	249,201	-	-	-	-	159,334	408,535	446,100	-74%	446,100
Total Revenue	1,426,979	91,658	157,313	-417,924	-90,170	181,597	1,349,453	4,159,529	68%	4,159,529
EXPENDITURES - PROGRAM										
Property Tax	254,270	-	-	-	-	-	254,270	197,677	-29%	197,677
Water District & Drainage	477,343	-	-	-	-	-	477,343	470,179	-2%	470,179
Property Maintenance	321,565	-	-	-	-	-	321,565	440,000	29%	440,000
Electricity	17,498	-	-	-	-	-	17,498	36,000	51%	36,000
Biological Monitoring	278,063	-	-	-	-	-	278,063	332,946	16%	332,946
Land Management	289,848	-	-	-	-	-	289,848	308,000	6%	308,000
Contract Work	105,434	-	-	-	-	-	105,434	217,412	46%	217,412
Subtotal Program	1,744,021	-	-	-	-	-	1,744,021	2,002,214		2,002,214
EXPENDITURES - ADMINISTRATION										
Staff & Staff Expenses	574,207	-	-	-	-	-	574,207	568,900	-1%	568,900
Board Expense	6,900	-	-	-	-	-	6,900	10,000	31%	10,000
Office Lease	71,383	-	-	-	-	-	71,383	70,000	-2%	70,000
Telecommunications	11,459	-	-	-	-	-	11,459	30,000	62%	30,000
Office Supplies	34,151	-	-	-	-	-	34,151	42,000	19%	42,000
Office Equipment	18,649	-	-	-	-	-	18,649	25,000	25%	25,000
Vehicle Expense	19,658	-	-	-	-	-	19,658	25,200	22%	25,200
Insurance	46,391	-	-	-	-	-	46,391	48,000	19%	48,000
Professional Services	212,670	-	-	-	-	-	212,670	167,000	-27%	167,000
Fees and Taxes	35,109	-	-	61,595	9,887	-	106,591	128,630	17%	128,630
SAFCA expenses	-	-	-	-	-	133,862	133,862	279,863	52%	279,863
Subtotal Program	1,030,577	-	-	61,595	9,887	133,862	1,235,921	1,394,593		1,394,593
Total Expenditures	2,774,598	-	-	61,595	9,887	133,862	2,979,942	3,396,807	12%	3,396,807
Excess (deficiency) of revenues over (under) expenditures	(1,347,619)	91,658	157,313	(479,519)	(100,057)	47,735	(1,630,489)	762,722		762,722
Fund Balances, beginning of period	4,375,233	1,953,331	37,296,449	21,184,586	3,400,973	883,435	69,094,007			
Fund Balances, end of period	3,027,614	2,044,989	37,453,762	20,705,067	3,300,916	931,170	67,463,518			

Footnotes to December 31, 2018 Unaudited Financial Statements:

1 – **Accounts Receivable** – The funds listed in Accounts Receivable are comprised of:

<u>Accounts Receivable</u>	
Accounts Receivable	186,116
City of Sacramento - Pool A	6,228
Wells Fargo - Investment Management Account	17,896
Wells Fargo - SAFCA NLIP	3,922
Total	214,162

2 – **Liabilities** – As the managed marsh construction component follows and lags acquisition, approximately 3.8% of the 25% managed marsh target remains in process and is not yet completed. Accordingly, the Conservancy will need to construct managed marsh on approximately 162 acres. At an average cost of \$9,000 per acre of managed marsh construction costs, this results in an on-going managed marsh R&E obligation of approximately \$1,461,224.

UPDATE: Approximately 90 acres of Frazer South and 90 acres of Bianchi West are planned for managed marsh construction in 2021.

3 – **Designated - NBHCP Funds** – The funds in this category may be derived from HCP fees. Board designation is required for use of HCP Designated funds. Source of funding is as follows:

<u>Designated - NBHCP Funds</u>	
GGS	194,809
Supplemental-HCP Donations	14,231
Supplemental-HCP Elderberry Mitigation	69,506
Tree/Shrub Mitigation	53,195
Fixed Assets Reserve	1,116,506
Total	1,448,247

Designated - Non-HCP Funds – The funds in this category are not derived from HCP fees or NBHCP/MAPHCP related sources. Board designation is required for use of non-HCP funds. Source of funding is as follows:

<u>Designated - Non-HCP Funds</u>	
SAFCA NLIP	931,171
Supplemental Mitigation (Land Acquisition)	
SAFCA Settlement - Huffman West	810,110
SAFCA Settlement - Atkinson	229,810
SAFCA Settlement - Natomas Farms	1,268,160
Total	3,239,251

The Natomas Basin Conservancy
NBHCP 2018 Cash Flow Projections

OPERATING INCOME	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Total	Budget Total
Admin - Mitigation fees	-	-	-	-	-	-	-	25,094	388,097	-	37,746	-	450,936	738,856
Admin - Rent revenue	1,443	850	1,290	1,280	3,045	170	-	489,457	-	9,903	41,221	127,993	676,652	652,465
Admin - Investment income	3,740	5,427	4,340	4,304	(1,056)	3,200	4,333	4,282	7,653	5,080	5,708	5,509	52,520	50,000
Admin - Marketable Securities	(2,030)	(5,321)	(263)	(1,382)	8,029	(1,396)	332	1,484	(1,622)	(1,029)	(672)	1,540	(2,331)	-
Admin - Other & Misc.	-	676	652	225	69	1,282	4	52	91,937	2	-	154,302	249,201	150,000
R&E and Land Acq - Mitigation fees	-	-	-	-	-	-	-	27,154	65,025	-	43,168	-	135,347	745,416
R&E and Land Acq - Inv Income	2,947	1,118	11,716	6,026	14,589	4,518	12,187	14,307	5,913	9,371	10,994	19,938	113,624	60,000
Total	6,100	2,749	17,736	10,453	24,676	7,773	16,855	561,832	557,002	23,327	138,165	309,281	1,675,949	2,396,737

USES OF CASH

Administration	72,099	94,577	102,026	86,262	73,614	105,155	74,424	107,085	76,220	85,166	77,327	77,017	1,030,972	1,023,743
Program	54,551	49,652	322,977	64,814	57,934	104,352	143,040	216,027	105,943	91,114	89,203	421,880	1,721,488	1,977,214
SSMP's	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000
R&E	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Acquisition Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	126,650	144,229	425,003	151,077	131,548	209,507	217,465	323,112	182,163	176,280	166,530	498,897	2,752,460	3,025,957
Excess (deficiency) of revenue over	(120,550)	(141,480)	(407,267)	(140,624)	(106,873)	(201,734)	(200,609)	238,720	374,840	(152,953)	(28,365)	(189,616)	(1,076,511)	(629,220)

Budget-to-actual cash balances

Beginning cash balance (Operating)	10,560,384	10,439,834	10,298,354	9,891,087	9,750,463	9,643,591	9,441,856	9,241,247	9,479,967	9,854,807	9,701,854	9,673,489		
Ending cash balance (Operating)	10,439,834	10,298,354	9,891,087	9,750,463	9,643,591	9,441,856	9,241,247	9,479,967	9,854,807	9,701,854	9,673,489	9,483,873		

RESTRICTED INCOME *

	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Total	Budget Total
Endowment - Mitigation Fees	-	-	-	-	-	-	-	15,257	235,962	-	24,254	-	275,474	418,824
Endowment - Investment Income	164,050	25,767	45,452	26,585	28,575	58,892	28,476	33,106	78,725	31,303	32,620	1,168,537	1,722,087	720,000
Endowment - Marketable Securities	686,549	(582,034)	(280,425)	53,954	217,704	85,762	353,780	324,461	(146,271)	(1,235,156)	333,935	(2,317,914)	(2,505,656)	-
Endowment - Investment Mgmt Fees	-	-	(23,118)	-	-	(23,766)	-	-	(24,598)	-	-	(22,747)	(94,229)	90,987
Total	850,599	(556,267)	(258,092)	80,539	246,279	120,887	382,256	372,824	143,818	(1,203,853)	390,810	(1,172,124)	(602,324)	1,229,811

Budget-to-actual cash balances

Beginning cash balance (Restricted)	24,609,160	25,459,759	24,903,493	24,645,401	24,725,940	24,972,219	25,093,106	25,475,362	25,848,185	25,992,003	24,788,150	25,178,960		
Ending cash balance (Restricted)	25,459,759	24,903,493	24,645,401	24,725,940	24,972,219	25,093,106	25,475,362	25,848,185	25,992,003	24,788,150	25,178,960	24,006,836		

Restoration & Enhancement	Acres	Total
Est. funds necessary to balance 25/25/50 - at \$8,750/acre		
Acres planned but not yet constructed	190	\$ 1,662,500

	2018 mitigation		
	Acres	Full fee	Non-Acq fee
City of Sac.	3.24	105,209	-
MAP	31.55	689,084	-
NCMWC	2.04	67,506	-
	37	861,799	-
			861,799

Big events & issues-revenue
1. NBHCP fees received between May-Sep
2. Farm rent is received in August with the second cash rent payment due in December
Big events & issues-expense

Surprise potential
1. Legal expense

These Cash Flow Projections include only NBHCP funds (excludes SAFCA NLIP project funds).
* Restricted income includes the Endowment Fund and the Supplemental Endowment Fund.

The Natomas Basin Conservancy

Register: 1001 · TNBC Checking

From 11/01/2018 through 11/30/2018

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/01/2018			-split-	Deposit		X	11,870.00	430,476.56
11/01/2018	10896	Wells Fargo Advisors	2100.1 · A/P - Admin	Acct # xxxxxx	2,355.33	X		428,121.23
11/01/2018	10897	Ameriprise Financial ...	2100.1 · A/P - Admin	Acct # xxxxxx	1,034.09	X		427,087.14
11/01/2018	10898	Fidelity Investments	2100.1 · A/P - Admin	Acct # xxxxxx	670.18	X		426,416.96
11/01/2018	10899	U.S. Bank	2100.1 · A/P - Admin	Acct # xxxxxx	144.56	X		426,272.40
11/01/2018	10900	Fidelity Investments	2100.1 · A/P - Admin	Acct # xxxxxx	441.57	X		425,830.83
11/01/2018	10901	Optum Bank	2100.1 · A/P - Admin	Nov 18 - HSA ...	1,120.00	X		424,710.83
11/01/2018	10902	Wells Fargo	2100.1 · A/P - Admin	Acct #xxxxxx	1,243.26	X		423,467.57
11/01/2018	10903	Wells Fargo	2100.1 · A/P - Admin	Acct #xxxxxx	1,013.85	X		422,453.72
11/01/2018			1003 · Cash & Inv - W...	Funds Transfer		X	100,000.00	522,453.72
11/02/2018	10904	iGuys Consulting LLC	2100.1 · A/P - Admin	Inv # IN-01632	794.91	X		521,658.81
11/02/2018	10905	New Economics & A...	2100.1 · A/P - Admin	Inv # NB.SPR....	70.80	X		521,588.01
11/02/2018	10906	Optum Bank	2100.1 · A/P - Admin	Inv # 959992876	22.50	X		521,565.51
11/02/2018	10907	Sacramento County ...	2100.1 · A/P - Admin	Acct # xxxxxx	147.02	X		521,418.49
11/02/2018	10908	Best Best & Krieger	2100.1 · A/P - Admin		12,350.07	X		509,068.42
11/02/2018	10909	Sacramento County ...	2100.1 · A/P - Admin	Acct # xxxxxx	10.53	X		509,057.89
11/02/2018	10910	Lor, Jeremy	6422 · Mileage Expense	Oct 18 - Expen...	282.86	X		508,775.03
11/07/2018	10911	Burns, Kimberli S.	-split-	Oct 18 - Expen...	228.73	X		508,546.30
11/07/2018	10912	Berkshire Hathaway ...	2100.1 · A/P - Admin	Policy # NAW...	622.60	X		507,923.70
11/07/2018	10913	Consolidated Comm...	2100.1 · A/P - Admin	Acct # xxxxxx	330.49	X		507,593.21
11/07/2018	10914	Konica Minolta	2100.1 · A/P - Admin	Inv # 254945609	133.65	X		507,459.56
11/07/2018	10915	Lambda Alpha Intern...	2100.1 · A/P - Admin	11/13/2018 Lu...	50.00	X		507,409.56
11/07/2018	10916	Michael J. Arnold an...	2100.1 · A/P - Admin	Inv # 13263	4,000.00	X		503,409.56
11/07/2018	10917	Verizon Wireless	2100.1 · A/P - Admin	Inv # 9140675...	212.38	X		503,197.18
11/09/2018	10918	Lake WebWorks	2100.1 · A/P - Admin	Inv # 2014912	150.00	X		503,047.18
11/09/2018	10919	PNSSNS Subwatersh...	2100.1 · A/P - Admin	2018/2019 PN...	7,444.72	X		495,602.46
11/14/2018			-split-	Deposit		X	29,351.33	524,953.79
11/14/2018	10920	Floyd McLaughlin &...	6140 · Facilities Impro...	Reimbursement...	52.80	X		524,900.99
11/14/2018	10921	Alpine Demolition Co.	2100.1 · A/P - Admin	Inv # 441	950.00	X		523,950.99
11/14/2018	10922	Bastiao Farms, Inc.	2100.1 · A/P - Admin	Inv # 1003	2,200.00	X		521,750.99
11/14/2018	10923	Economic & Plannin...	2100.1 · A/P - Admin	Inv # 182117-2	3,670.00	X		518,080.99
11/14/2018	10924	PG&E	2100.1 · A/P - Admin		5,309.59	X		512,771.40
11/14/2018	10925	Reyna Hernandez	2100.1 · A/P - Admin	Inv # 210	100.00	X		512,671.40
11/14/2018	10926	SMUD	2100.1 · A/P - Admin		169.30	X		512,502.10
11/14/2018	10927	State Water Resource...	2100.1 · A/P - Admin	VOID: Acct # ...		X		512,502.10
11/14/2018	10928	State Water Resource...	2100.1 · A/P - Admin	Acct # WR ST...	244.19	X		512,257.91
11/14/2018	10929	Homesite Insurance ...	2100.1 · A/P - Admin	Policy # SAF3...	640.00	X		511,617.91
11/14/2018	10930	Milton Construction ...	2100.1 · A/P - Admin	Inv # 272	2,100.00	X		509,517.91
11/14/2018	Payroll		[split]	11/15/18 payroll	13,224.65	X		496,293.26
11/14/2018	Payroll		[split]	11/15/18 payroll	5,033.33	X		491,259.93

The Natomas Basin Conservancy

Register: 1001 · TNBC Checking

From 11/01/2018 through 11/30/2018

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/15/2018		Paychex	6306 · Payroll Fees	11/15/18 payro...	78.65	X		491,181.28
11/15/2018	10931	Lor, Jeremy	6422 · Mileage Expense	Nov 18 - Expe...	458.89	X		490,722.39
11/21/2018	10932	T. Rowe Price - Ven...	-split-	Deposit to End...	253,317.81	X		237,404.58
11/27/2018	10933	AT&T Mobility	2100.1 · A/P - Admin	Inv # 2872579...	73.55	X		237,331.03
11/27/2018	10934	Baker Williams Engi...	2100.1 · A/P - Admin	Inv # 24254	3,400.00	X		233,931.03
11/27/2018	10935	Best Best & Krieger	2100.1 · A/P - Admin		19,190.08	X		214,740.95
11/27/2018	10936	Blue Shield	2100.1 · A/P - Admin	Inv # 1831700...	3,823.81	X		210,917.14
11/27/2018	10937	ICF Jones & Stokes ...	2100.1 · A/P - Admin	Inv # 0134370	49,440.97	X		161,476.17
11/27/2018	10938	Lambda Alpha Intern...	2100.1 · A/P - Admin	2019 members...	400.00	X		161,076.17
11/27/2018	10939	Odell's Pump & Mot...	2100.1 · A/P - Admin	Inv # 19834	38,000.00	X		123,076.17
11/27/2018	10940	Stephen L. Harrington	2100.1 · A/P - Admin	Inv # 111618	1,500.00	X		121,576.17
11/27/2018	10941	TFO Reva LEI Gate...	2100.1 · A/P - Admin	Dec 18 - Rent	5,909.00	X		115,667.17
11/27/2018	10942	Unum	2100.1 · A/P - Admin	Billing # 01447...	455.52	X		115,211.65
11/27/2018	10943	Wells Fargo	2100.1 · A/P - Admin	Acct #xxxxxx	12.00	X		115,199.65
11/27/2018	10944	Wells Fargo	2100.1 · A/P - Admin	Acct #xxxxxx	2,041.63	X		113,158.02
11/30/2018		Paychex	6306 · Payroll Fees	11/30/18 payro...	78.65	X		113,079.37
11/30/2018	10945	Lor, Jeremy	6422 · Mileage Expense	Nov 18 - Expe...	295.39	X		112,783.98
11/30/2018	10946	Burns, Kimberli S.	-split-	Nov 18 - Expe...	332.29	X		112,451.69
11/30/2018	Payroll		6301 · Salaries [split]	11/30/18 payroll	13,176.43	X		99,275.26
11/30/2018	Payroll		6301 · Salaries [split]	11/30/18 payroll	5,015.20	X		94,260.06

The Natomas Basin Conservancy

Register: 1020 · SAFCA NLIP - Checking

From 11/01/2018 through 11/30/2018

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/01/2018			-split-	Deposit		X	5,450.00	266,838.89
11/02/2018	2180	ICF Jones & Stokes ...	2120 · Accounts Payab...	Inv # 0133878	390.00	X		266,448.89
11/09/2018	2181	SMUD	2120 · Accounts Payab...		528.95	X		265,919.94
11/09/2018	2182	Habitat Restoration S...	2120 · Accounts Payab...	Inv # 9687	5,209.00	X		260,710.94
11/14/2018	2183	Bastiao Farms, Inc.	2120 · Accounts Payab...	Inv # 1002	3,700.00	X		257,010.94

The Natomas Basin Conservancy

Register: 1001 · TNBC Checking

From 12/01/2018 through 12/31/2018

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
12/01/2018			1003 · Cash & Inv - W...	Funds Transfer		X	100,000.00	194,260.06
12/04/2018			-split-	Deposit		X	128,936.66	323,196.72
12/04/2018	10947	Wells Fargo Advisors	2100.1 · A/P - Admin	Acct # xxxxxx	2,128.48	X		321,068.24
12/04/2018	10948	Ameriprise Financial ...	2100.1 · A/P - Admin	Acct # xxxxxx	996.67	X		320,071.57
12/04/2018	10949	Fidelity Investments	2100.1 · A/P - Admin	Acct # xxxxxx	617.50	X		319,454.07
12/04/2018	10950	U.S. Bank	2100.1 · A/P - Admin	Acct # xxxxxx	412.28	X		319,041.79
12/04/2018	10951	Fidelity Investments	2100.1 · A/P - Admin	Acct # xxxxxx	378.47	X		318,663.32
12/04/2018	10952	Optum Bank	2100.1 · A/P - Admin	Dec 18 - HSA ...	1,120.00	X		317,543.32
12/04/2018	10953	Best Best & Krieger	2100.1 · A/P - Admin		6,606.60	X		310,936.72
12/04/2018	10954	Michael J. Arnold an...	2100.1 · A/P - Admin	Inv # 13282	4,000.00	X		306,936.72
12/04/2018	10955	Sacramento Business...	2100.1 · A/P - Admin	2019 subscripti...	90.00	X		306,846.72
12/04/2018	10956	Sopwith Farms	2100.1 · A/P - Admin		61,175.00	X		245,671.72
12/04/2018	10959	Skupic, Jennifer	-split-	Nov 18 - Expe...	123.04	X		245,548.68
12/04/2018	10960	Roberts, John R.	-split-	Dec 18 - Expen...	2,565.38	X		242,983.30
12/06/2018	10957	Sacramento County ...	2100.1 · A/P - Admin		72,486.69	X		170,496.61
12/06/2018	10958	Sutter County Tax C...	2100.1 · A/P - Admin		55,336.92	X		115,159.69
12/06/2018	10961	PG&E	2100.1 · A/P - Admin	Acct # 840069...	395.77	X		114,763.92
12/06/2018			1003 · Cash & Inv - W...	Funds Transfer		X	100,000.00	214,763.92
12/11/2018	10962	Burns, Kimberli S.	6383 · Office Supplies	Dec 18 - Expen...	56.00	X		214,707.92
12/11/2018	10963	Consolidated Comm...	2100.1 · A/P - Admin	Acct # xxxxxx	330.49	X		214,377.43
12/11/2018	10964	Konica Minolta	2100.1 · A/P - Admin	Inv # 255514037	86.58	X		214,290.85
12/11/2018	10965	Milton Construction ...	2100.1 · A/P - Admin	Inv # 332	4,044.00	X		210,246.85
12/11/2018	10966	New Economics & A...	2100.1 · A/P - Admin	Inv # NB.SPR....	223.80	X		210,023.05
12/11/2018	10967	PG&E	2100.1 · A/P - Admin		176.51	X		209,846.54
12/11/2018	10968	Real Pest Management	2100.1 · A/P - Admin		120.00	X		209,726.54
12/11/2018	10969	Sills Ag Consulting, ...	2100.1 · A/P - Admin	Inv # 655	8,900.00	X		200,826.54
12/11/2018	10970	SMUD	2100.1 · A/P - Admin		166.28	X		200,660.26
12/11/2018	10971	Sopwith Farms	2100.1 · A/P - Admin		17,110.00	X		183,550.26
12/14/2018	10972	Lor, Jeremy	6422 · Mileage Expense	Dec 18 - Expen...	397.30	X		183,152.96
12/14/2018	10973	Anthony J. Van Ruiten	2100.1 · A/P - Admin	4Q18 Board At...	100.00	X		183,052.96
12/14/2018	10974	Chandra S. Chilmakuri	2100.1 · A/P - Admin	4Q18 Board At...	200.00	X		182,852.96
12/14/2018	10975	David B. Christophel	2100.1 · A/P - Admin	4Q18 Board At...	300.00	X		182,552.96
12/14/2018	10976	Glenn Michael Johns...	2100.1 · A/P - Admin	4Q18 Board At...	200.00	X		182,352.96
12/14/2018	10977	Jeffrey Helm	2100.1 · A/P - Admin	4Q18 Board At...	100.00	X		182,252.96
12/14/2018	10978	Jeffrey Norton	2100.1 · A/P - Admin	4Q18 Board At...	200.00	X		182,052.96
12/14/2018	10979	Jill Anita Hollier Leal	2100.1 · A/P - Admin	4Q18 Board At...	300.00	X		181,752.96
12/14/2018	10980	John F. Shirey	2100.1 · A/P - Admin	4Q18 Board At...	200.00	X		181,552.96
12/14/2018	10981	Michael Kevin McRae	2100.1 · A/P - Admin	4Q18 Board At...	200.00	X		181,352.96
12/14/2018	10982	Steven M. Cohn	2100.1 · A/P - Admin	4Q18 Board At...	200.00	X		181,152.96
12/14/2018	10983	Aerospeed, Inc.	2100.1 · A/P - Admin	Inv # 2008178	38.94	X		181,114.02

The Natomas Basin Conservancy

Register: 1001 · TNBC Checking

From 12/01/2018 through 12/31/2018

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
12/14/2018	10984	Alpine Demolition Co.	2100.1 · A/P - Admin	Inv # 484	800.00	X		180,314.02
12/14/2018	10985	American River Fence	2100.1 · A/P - Admin		4,500.00	X		175,814.02
12/14/2018	10986	Economic & Plannin...	2100.1 · A/P - Admin	Inv # 182117-3	14,340.00	X		161,474.02
12/14/2018	10987	Knutsen Pump Testing	2100.1 · A/P - Admin	Inv # 919	2,600.00	X		158,874.02
12/14/2018	10988	Marketing by Design	2100.1 · A/P - Admin	Inv # 5796	125.00	X		158,749.02
12/14/2018	10989	TFO Reva LEI Gate...	2100.1 · A/P - Admin	Jan 19 - Rent	6,028.00	X		152,721.02
12/15/2018		Paychex	6306 · Payroll Fees	12/15/18 payro...	78.65	X		152,642.37
12/15/2018		Paychex	6306 · Payroll Fees	12/15/18 payro...	138.65	X		152,503.72
12/15/2018	Payroll		6301 · Salaries [split]	12/15/18 payroll	12,642.88	X		139,860.84
12/15/2018	Payroll		6301 · Salaries [split]	12/15/18 payroll	5,285.66	X		134,575.18
12/15/2018	Payroll		6301 · Salaries [split]	12/15/18 payroll	1,200.80	X		133,374.38
12/18/2018			6337 · Flood Insurance	Deposit		X	201.50	133,575.88
12/18/2018	10996	Skupic, Jennifer	-split-	Dec 18 - Expen...	257.56	X		133,318.32
12/19/2018	10997	Murphy Austin Ada...	6392 · Legal Expense	Roberts, John -...	7,000.00	X		126,318.32
12/19/2018			1003 · Cash & Inv - W...	Funds Transfer		X	300,000.00	426,318.32
12/20/2018	10990	iGuys Consulting LLC	2100.1 · A/P - Admin	Inv # IN-01642	1,229.82	X		425,088.50
12/20/2018	10991	Marketing by Design	2100.1 · A/P - Admin		3,330.00	X		421,758.50
12/20/2018	10992	Milton Construction ...	2100.1 · A/P - Admin		15,627.25	X		406,131.25
12/20/2018	10993	Natomas Mutual Wat...	2100.1 · A/P - Admin		166,984.74	X		239,146.51
12/20/2018	10994	Reclamation District ...	2100.1 · A/P - Admin	4Q18 Security	4,500.00	X		234,646.51
12/20/2018	10995	AT&T Mobility	2100.1 · A/P - Admin	Inv # 2872579...	74.71	X		234,571.80
12/21/2018	10998	Blue Shield	2100.1 · A/P - Admin	Inv # 1834800...	3,823.81	X		230,747.99
12/31/2018		Paychex	6306 · Payroll Fees	12/31/18 payro...	78.65	X		230,669.34
12/31/2018		Simplot Grower Solu...	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018		Salaries	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018		Natomas Mutual Wat...	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100 · Accounts Payable	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100 · Accounts Payable	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100 · Accounts Payable	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018		Wash	2100 · Accounts Payable	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100 · Accounts Payable	QuickBooks ge...		X		230,669.34
12/31/2018		Salaries	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018		Reconciliation Discre...	2100.1 · A/P - Admin	QuickBooks ge...		X		230,669.34
12/31/2018	10999	Lor, Jeremy	6422 · Mileage Expense	Dec 18 - Expen...	292.12	X		230,377.22
12/31/2018	Payroll		6301 · Salaries [split]	12/31/18 payroll	11,893.74	X		218,483.48
12/31/2018	Payroll		6301 · Salaries [split]	12/31/18 payroll	6,167.38	X		212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...		X		212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...		X		212,316.10

The Natomas Basin Conservancy

Register: 1001 · TNBC Checking
 From 12/01/2018 through 12/31/2018
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
12/31/2018	GAIAud...		-split-	VOID: To get t...	X			212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...	X			212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...	X			212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...	X			212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...	X			212,316.10
12/31/2018	GAIAud...		-split-	VOID: To get t...	X			212,316.10
12/31/2018	GAIAud...		1002 · Cash & Inv - Ci...	To get trial bal...	X			212,316.10
12/31/2018	GAIAud...		1002 · Cash & Inv - Ci...	To get trial bal...	X			212,316.10
12/31/2018	2315		2100.1 · A/P - Admin	To adjust for N...	X	166,984.74		379,300.84

The Natomas Basin Conservancy

Register: 1020 · SAFCA NLIP - Checking

From 12/01/2018 through 12/31/2018

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
12/04/2018	2184	Habitat Restoration S...	2120 · Accounts Payab...		31,942.00	X		225,068.94
12/11/2018	2185	SMUD	2120 · Accounts Payab...		522.62	X		224,546.32
12/14/2018	2186	Knutsen Pump Testing	2120 · Accounts Payab...	Inv # 918	400.00	X		224,146.32
12/18/2018	2187	Baker Williams Engi...	2120 · Accounts Payab...	Inv # 24296	7,142.00	X		217,004.32
12/21/2018			-split-	Deposit		X	159,334.11	376,338.43
12/31/2018	GAIAud...		1001 · TNBC Checkin...	To get trial bal...		X		376,338.43
12/31/2018	GAIAud...		1001 · TNBC Checkin...	To get trial bal...		X		376,338.43
12/31/2018	GAIAud...		1002 · Cash & Inv - Ci...	To get trial bal...		X		376,338.43
12/31/2018	GAIAud...		1002 · Cash & Inv - Ci...	To get trial bal...		X		376,338.43

T.Rowe Price®

INVEST WITH CONFIDENCE

Philip J. Burger, CFA

Vice President
Portfolio Manager



RECEIVED
JAN 22 2019

January 09, 2019

Ms. Kimberli Burns
The Natomas Basin Conservancy
2150 River Plaza Drive
Suite 460
Sacramento, California 95833

Re: Natomas Basin Conservancy Supplemental Endowment; Natomas Basin Conservancy Endowment

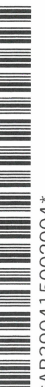
Dear Kim:

We are pleased to forward the Portfolio Valuations as of December 31, 2018.

Despite a partial rebound in late December, U.S. stocks fell in the fourth quarter of 2018, dragging all the major indexes into the red for the year. It was the U.S. market's worst annual performance since 2008, with several major indexes ending the year in or very close to bear market territory -- down at least 20% from recent highs. Stocks fell sharply due to factors such as expectations for additional Federal Reserve interest rate increases in 2019 following an anticipated rate hike in December; forecasts for slowing corporate earnings growth in 2019, as the tailwinds from the late-2017 tax reform that boosted earnings in 2018 subside; signs of slowing economic growth in different parts of the world; and increased U.S. tensions with China.

For the full year, large-cap shares declined but held up better than their smaller peers. The large-cap S&P 500 Index returned -4.38% versus -11.08% for the S&P MidCap 400 Index and -11.01% for the small-cap Russell 2000 Index. For the fourth quarter, as measured by various Russell indexes, value stocks held up better than growth across all market capitalizations. In the large-cap universe, as measured by the S&P 500, most sectors declined. Energy stocks fared worst as U.S. oil prices briefly fell below \$43 per barrel -- an 18-month low -- late in the month. Information technology shares also did poorly, surrendering significant gains from earlier in the year. Financial stocks also fell sharply, as a drop in long-term interest rates reduced banks' ability to make profitable loans. Stocks in the utilities sector, which are often viewed as proxies for the bond market due to their relatively high dividend yields, produced a slight gain for the quarter. The real estate and consumer staples sectors declined but held up much better than the broad market.

Domestic bonds produced mostly positive fourth-quarter returns -- the Bloomberg Barclays U.S. Aggregate Bond Index returned 1.64% -- as increased demand for the relative safety of Treasuries pushed long-term yields lower and bond prices higher. The 10-year Treasury yield declined to 2.69% by the end of the year after reaching seven-year highs above 3.20% in early October. In the investment-grade bond universe, long-term Treasuries performed well as long-term yields declined during the quarter. Corporate bonds, both investment grade bonds and high yield bonds, were flat to slightly negative as credit spreads -- the difference between yields of bonds with higher and lower credit risk -- widened. Municipal bonds were mostly in line with taxable securities.



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Ms. Kimberli Burns
January 09, 2019
Page 2

The S&P 500 Index gave back its entire year-to-date gains and then some in the fourth quarter ending the year down -4.38%, which was its weakest performance since 2008. As highlighted in previous letters, stocks experienced an astonishing lack of volatility in 2017. This reversed in 2018 as the stock market reminded investors that volatility is a normal feature of investing in stocks. For example, not a single month in 2017 had a negative return; in 2018; we had four such months. While volatility may be worrisome in the short-term, it is the reason stocks offer superior long-term returns as a way to compensate investors who are willing to stick with stocks during bouts of short-term volatility. In addition, volatility can present excellent investment opportunities for those focused on the long-term. While it is not possible to predict when stocks will regain their footing, valuations are attractive and corporate earnings continue to expand and should continue to do so in the long-run which should help drive future stock gains.

As always, we thank you for your continued confidence in T. Rowe Price. Please call us with any questions or comments, and please contact us if there are any changes to your financial situation or investment objectives, or if you wish to impose or modify restrictions concerning the management of your portfolio, any of which may require adjustments to your investment guidelines.

Best regards,



Philip J. Burger

Enclosures