

CONNECTICUT RIVER WATERSHED COUNCIL

Finance committee meeting

MINUTES

February 14, 2014

Via teleconference

Attendees:

Fred Wainwright, Ledyard

Holly Dustin, Ledyard

Liz Austin

Melody Foti

Raul deBrigard

Andrew Fisk

Phil Girton

AGENDA

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| • Review of endowment performance | INFORMATION |
| • Adoption of annual allocation strategy & investment policy for endowment funds | DECISION |
| • Review of cash flow needs | INFORMATION |
| • Adoption of unrestricted endowment allocation for cash flow purposes | DECISION |

MINUTES

Investment policies

The majority of the meeting was a presentation by Ledyard National Bank staff to review the endowment performance and the details of each funds current composition. Fred and Holly entertained a number of questions from the Committee who were particularly interested in various aspects of each fund's composition, how the investment policies actually performed. The Committee and Ledyard staff sought clarification on how each fund would be used over the next several years, in particular the Spaulding Pond Trust. Since the Trust is expected to have several hundred thousand dollars withdrawn to fund the reconstruction of the Spaulding Pond dam, there was interest in ensuring that fund have the right investment policy.

The Committee deferred adopting an investment policy statement for the endowment funds as they asked Ledyard staff to analyze the actual performance of various asset allocations. They also asked that Ledyard make recommendations on investment policy for each of the three endowment funds for the Committee's consideration at a next meeting.

Cash flow

Andy and Phil reviewed the cash flow report, including the assumptions and variances that may play out over the remainder of the fiscal year. The Committee endorsed the regular use of this report by the Finance Committee in order to understand the specific cash position of the organization on a monthly basis. They did not however choose to act on the recommendation by staff to allocate funds from the Unrestricted Endowment in order to offset the short-term borrowing of temporarily restricted funds that are maintained in a separate account from operating revenue. Instead they asked staff to evaluate several options for meeting cash flow needs and present them at the next meeting. The Committee asked staff to develop options that ensured that the short-term use of temporarily restricted funds not

endanger the fiscal health of the organization and that the income growth of the Unrestricted Endowment be maximized. They asked staff to consider the use of the Council's existing line of credit at Greenfield Savings Bank, which is authorized up to \$100,000.

The Committee elected to hold another meeting once Ledyard provided the requested information and recommendations. That meeting was tentatively proposed for early March.

Prepared by: Andrew Fisk
Reviewed by: Raul deBrigard