

MINUTES OF THE NATURAL HERITAGE TRUST
BOARD MEETING

December 10, 2012

ATTENDEES:

BOARD MEMBERS:

Rose Harvey (Chair)	Commissioner NYS Office of Parks, Recreation and Historic Preservation
Dr. Lucy R. Waletzky	Chair, New York State Council of Parks
Anne Reynolds	Designee for Commissioner Joe Martens Assistant Commissioner NYS Department of Environmental Conservation
Peter Walsh	Designee for Secretary Perales Director, Brownfield Opportunity Area Program NYS Department of State

STAFF:

Alexander J. Roth	NHT Executive Director
Sarah Purcell	NHT Program Manager
Michael Caccese	NHT Accounting Manager
Ginny Davis	NHT Secretary (Acting)

OTHER ATTENDEES:

Andy Beers	OPRHP, Executive Deputy Commissioner
------------	--------------------------------------

Commissioner Harvey called the annual meeting of the Natural Heritage Trust (NHT) to order at 2:07 p.m. After brief introductions Commissioner Harvey asked Executive Deputy Beers to continue the proceedings.

Approval of June Meeting Minutes

Executive Deputy Commissioner Beers noted that the date of the draft minutes and the date listed on the meeting agenda were transposed. He asked if there were any edits needed to the minutes, other than verification of the correct meeting date (June 21, 2012).

There were no other corrections to the minutes. Commissioner Harvey moved the motion to approve the minutes and Dr. Waletzky seconded the motion. The motion unanimously carried.

Board Updates- NHT Website

Executive Deputy Commissioner Beers then asked Director Roth to explain the updates regarding the NHT website. Director Roth went on to report that at the end of November the Authorities Budget Office did a review of the NHT website for the purpose of assessing the NHT's compliance with posting certain documents, reports and policies required by the Public Authorities Accountability Act. He explained that the report indicated that while the NHT met the majority of the requirements, there were some areas where the NHT could further improve transparency and compliance.

Director Roth then explained that ABO review coalesced well with the timing of the NHT's development of a new website. He went on to explain that five years ago the NHT had no web presence at all and in the years since the NHT website has largely only been a series of static pages within the State Parks website. He stated that the NHT recently contracted with Burst Marketing to do the new site. Burst Marketing is the company the NHT worked with in the past for development of NHT's online donation form and website blueprint. Executive Deputy Commissioner Beers asked him where the NHT was in the process and about when the new site would be completed. Director Roth stated the project is in the beginning stages and should be done in the next six months.

Mid-Year Fiscal Updates

Director Roth then proceeded to review the mid-year budget figures for NHT operations. He explained that interest income was a little lower than budget as a result of continued low interest rates. Administrative income on the update appeared low, but he explained the difference is largely due to the timing of payments on contracts and gift agreements, which mostly occur in the last quarter. He indicated administrative income should be on target.

Expenditures were reviewed next. He stated salary and most other costs were within target, while fringe benefits and professional fees were somewhat over budget. He explained fringe costs are mostly higher due to the state's assessments of pension charges. Accounting Manager Caccese explained the professional fees were slightly higher because the NHT had to pay for a new actuarial valuation for retirement health costs and these services are only required once every three years.

Assistant Commissioner Reynolds asked Director Roth if he was comfortable with the budget position. Director Roth indicated that he was and would continue to monitor revenue and expenditures closely.

Director Roth then reviewed the balance sheet, noting that the NHT had to make one large disbursement of about \$1.5 million for the Jamaica Bay Dredging project, reducing

the NHT's total assets down to about \$22.8 million. He explained that these were funds the NHT held for approximately 10 years and that DEC advanced the project earlier in the year.

Finally, Director Roth summarized the NHT's investment returns for the first two quarters. The main management account, mostly invested in fixed income had a .84% return; the capital reserve accounts ranged 1.81%-2.58%; and the endowment accounts ranged from 1.76%-2.46%.

There was no further discussion or questions on the mid-year update and Executive Deputy Beers moved on to the next agenda item, the Proposed 2013-14 Budget and Financial Plan. Executive Deputy Beers summarized the budget process required under Public Authorities Law. He pointed out that the resolution for consideration was to allow NHT to publicly post the 2013-14 Proposed Operating Budget and Financial Plan for the required 45 day public notice comment period.

Director Roth then summarized the proposed budget stating the proposed budget supports the same administrative positions as prior years including Executive Director, Counsel, Chief Financial Officer, Program Manager, Accounting Manager, Bookkeeper and Graduate Intern. Projected investment income is budgeted slightly higher than the current year and expenditures remain flat for the upcoming and out years, which should result in slightly less reliance on Reserve funds.

Executive Deputy Beers asked Director Roth if the budget anticipates that any inflationary costs for staff or otherwise would be contained in the budget. Director Roth clarified that it did. There were no other additional questions and Executive Deputy Beers asked for a motion for Resolution 2012-7 (Proposed NHT Budget and Financial Plan for Fiscal Year 2013-14. Commissioner Harvey moved the motion and Dr. Waletzky seconded. Resolution passed unanimously.

Adjournment

There was no new business to discuss. Commissioner Harvey made the motion to adjourn and the meeting ended at 2:34 p.m.

Respectfully Submitted,

Virginia L. Davis,
Secretary