

**MINUTES OF THE NATURAL HERITAGE TRUST
BOARD MEETING
March 13, 2019**

ATTENDEES:

BOARD MEMBERS

Erik Kulleseid	Acting Commissioner NYS Office of Parks, Recreation and Historic Preservation (OPRHP)
Dr. Lucy R. Waletzky	Chair New York State Council of Parks
Jeff Stefanko	Designee for Commissioner Basil Seggos Deputy Commissioner for Administration NYS Department of Environmental Conservation
Greg Capobianco	Designee for Secretary Rossana Rosado Director of Development NYS Department of State

STAFF

Allen G. Payne	NHT Executive Director
Sarah Purcell	NHT Deputy Director & CFO
Paul J. Laudato	NHT General Counsel
Andrea Buniak	NHT Development Associate

OTHER ATTENDEES

Jenny O'Neill	NHT Certified Public Accountant (CPA)
Randy Simons	Chief of Staff, OPRHP
Matt Davidson	Deputy Director for Resource Development, OPRHP
Maggie Clements	Senior Attorney, OPRHP

The March meeting of the Natural Heritage Trust (NHT) came to order at 1:31 p.m.

Approval of the December 11, 2018 Meeting Minutes

Allen Payne asked for a motion approving the minutes from the December 11, 2018 NHT board meeting.

- *Moved by Lucy Waletzky, seconded by Erik Kulleseid and unanimously approved.*

Mr. Payne then went on to introduce Erik Kulleseid as the Acting Commissioner of the Office of Parks, Recreation and Historic Preservation, who will also be serving as the Chair of the NHT's board.

Deputy Director & CFO's Report

Sarah Purcell began by outlining the NHT's budget process. The proposed operating budget is developed and presented at the December meeting, and if the proposed budget is approved by the Board, it is posted on the NHT website for at least sixty days for public comment. Any public comments would be shared prior to the budget presented for adoption.

Ms. Purcell then outlined the current year budget to actual through Jan 31, 2019:

- Administrative income will be on target at year-end, it just looks low because most admin income is booked year end on 3/31
- Salary and related costs for administrative staff looks to be below budgeted amount
- All other items seem to be on target with projected budget
- Year-end surplus is projected

Acting Commissioner Kulleseid commented that it would be helpful to add a 'Projected' column in addition to the 'Budgeted' and 'Actuals' columns for the next Budget update.

She then moved to the 2019-20 Operating Budget and Multiyear Financial Plan. She noted that as no public comments were received, the budget presented at this meeting is the same as the budget presented in December. She explained that on the revenue side the only change from last year's budget is a higher anticipated administrative income. Last year was budgeted somewhat conservatively, so the increase is a realistic target. The budgeted expenditures were increased for staff compared to the 18-19 budget in order to fully annualize the 2 positions added last year.

Lastly, Ms. Purcell reviewed the multi-year financial plan, which projects the 2019-20 budget out several years. All assumptions are based on revenue projections with modest cost of living increases of about 2.5% each year and other expenditures remaining relatively flat. The out years also project small budget surpluses.

Allen Payne then asked for a motion to approve Resolution # 2019-1 Adopting the Fiscal Year 2019-20 Annual Budget and Multi-Year Financial Plan:

- *Moved by Jeff Stefanko, seconded by Lucy Waletzky and unanimously approved.*

Review of NHT Investments

Sarah Purcell introduced Janine Otis and Steve Seivold of Wilmington Trust Investment Advisors and provided a review of their relationship with the NHT. NHT has worked with Wilmington for 8 years with the current team assigned to the NHT portfolio for over a year. Within the last year, Wilmington worked with NHT to do some updating of the investment policies.

Mr. Seivold provided the Board an overview of current market conditions and their effect on NHT investments. He explained that the market was recovering from last year's volatility, and while not back to the previous highs, it seems the market will grow moving forward. He also noted that while investments were just below their related benchmarks, this year has started well

and has a better outlook than last year. Mr. Seivold and his team will continue to evaluate the market and monitor the NHT's asset allocations as necessary.

After the portfolio overview the Wilmington team exited the meeting.

Executive Director's Report

Allen Payne noted that his detailed report would follow in June, but provided an update on the NHT's newest partnership.

In December 2018, the Ralph C. Wilson, Jr. Foundation announced that a \$6.5 million grant was awarded to the NHT. The grant will be administered in partnership with the Western New York Parks Region and the Empire State Trail for work on a variety of trail maintenance and improvement projects. The NHT sees an opportunity for managing a large endowment for Western NY trail work in the future.

Adjournment

There being no further business, Allen Payne asked for a motion to adjourn the meeting:

- *Moved by Erik Kulleseid, seconded by Jeff Stefanko and unanimously approved.*

Meeting adjourned at 2:14 p.m.

Respectfully Submitted,

Andrea Buniak,
NHT Secretary