



AGENDA

Environmental Oversight Committee

Committee Members

*Lori Donchak, Chair
Melanie Schlotterbeck, Vice Chair
Chris Flynn, Caltrans District 12
Dr. David Chapel, Grand Jury
Association of OC
Lisa Bartlett, OCTA Board of Directors
David Mayer, CA Dept. of Fish & Wildlife
Derek McGregor, DMC Engineering
Veronica Li, US Army Corps of Engineers
Dan Silver, Endangered Habitats League
Jonathan Snyder, US Fish & Wildlife
Service
Anthony Villa, Taxpayers Oversight
Committee Representative
John Walsh, CA Wildlife Conservation
Board*

*Orange County Transportation Authority
Conference Room 07
550 South Main Street
Orange, California*

Thursday, August 17, 2017 at 2:30 p.m.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Approval of July 5, 2017 Minutes**
- 4. Regulatory Compliance Funding Needs**
Lesley Hill, OCTA

The construction of the M2 freeway projects are anticipated to result in impacts to jurisdictional waters of the State and United States. These impacts will require that OCTA provide mitigation and obtain Section 401 and 404 Clean Water Act permits from the State Water Resources Control Board (Board) and the United States Army Corps of Engineers (Corps). On a parallel process to the Conservation Plan, staff is finalizing a program-level permit with the Board and Corps. This permit will enable OCTA to maximize a subset of the mitigation included in the Conservation Plan as well as lay out an abbreviated process for project level 401 and 404 permit issuance. An overview of the additional funding needs and the programmatic permit will be presented to the EOC.

Recommendation

- *Endorse the estimated funding needs for the mitigation, as discussed herein.*
-



AGENDA

Environmental Oversight Committee

5. Environmental Mitigation Program Endowment Fund Investment Report

Rodney Johnson, OCTA

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan; acquired conservation properties; and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway projects. California Community Foundation manages the non-wasting endowment required to pay for the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and the performance. Attached is the first quarterly investment report for the Endowment Pool. The report has been reviewed and is consistent with the pool objectives.

6. Public Comments

Members of the public may address the EOC regarding any item. Please complete a speaker's card and submit it to the EOC or notify the EOC the item number on which you wish to speak. Speakers will be recognized by the Chair at the time the agenda item is to be considered. A speaker's comments shall be limited to three (3) minutes.

7. Committee Member Reports

8. Next Meeting – TBD

9. Adjournment



Minutes

Measure M2 Environmental Oversight Committee

Committee Members

*Lori Donchak, Chairman
Melanie Schlotterbeck, Vice Chair
Lisa Bartlett, Board of Directors
Dr. David Chapel, Grand Jury Assoc. of O.C.
Chris Flynn, Caltrans District 12
David Mayer, CA Dept. of Fish & Wildlife
Derek McGregor, DMc Engineering
Dan Silver, Endangered Habitats League
Jonathan Snyder, US Fish & Wildlife
John Walsh, CA Wildlife Conserv. Board*

*Orange County Transportation Authority
600 South Main Street, Room 154
Orange, California*

Wednesday July 5, 2016.at 2:30 p.m.

Member(s) Absent

*Veronica Li, US Army Corp of Engineers
Anthony Villa, Taxpayers Oversight Comm.*

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

1. Welcome

Chairman Lori Donchak called the Environmental Oversight Committee (EOC) meeting to order at 2:37 p.m. Chairman Donchak welcomed Chris Flynn, Caltrans District 12, back to the EOC.

2. Pledge of Allegiance

Chairman Lori Donchak led the Pledge of Allegiance.

3. Approval of July 5, 2017 Minutes

Chairman Lori Donchak asked if there were any additions or corrections to the July 5, 2017 EOC minutes. A motion was made by Melanie Schlotterbeck, seconded by Director Lisa Bartlett, and passed unanimously to approve the July 5, 2017 EOC meeting minutes as presented.

4. June 20, 2017 Commemoration Event

Marissa Espino briefly recapped the June 20, 2017 commemoration event to celebrate the Conservation Plan.

Chairman Lori Donchak said on behalf of the OCTA Board of Directors this Conservation Plan was a very important milestone and component of Measure M. Monte Ward said he was pleased with the turnout. He said the public was there and in support of the work OCTA has done.

5. Restoration Projects Recap

Lesley Hill gave a brief recap of the restoration projects, outlined the progress to date and presented a video summarizing recent restoration efforts at Aliso Creek.

Chairman Lori Donchak said it is an amazing story that \$1 of Measure M money translates to \$5 of commitment. Monte Ward said much good was done because of cost effective measures.

Melanie Schlotterbeck raised the question of how much money will be spent on these restoration projects. Melanie said she wanted, in 30 years, to be able to say Measure M2 spent X amount of money on restoration projects. She said the dollar amount was magnified, because money attracted more money.

Melanie Schlotterbeck said, in regards to watershed projects, one must take the larger picture into view. She said one cannot introduce non-natives, because they may impact our restoration projects or reserves.

6. United States Army Corps of Engineers Endowment Needs

Lesley Hill gave a brief update on the United States Army Corps of Engineers and the endowment needs related to OCTA mitigation sites.

Melanie Schlotterbeck asked if this endowment would handle all 13 Measure M freeway projects required by the Army Corps mitigation requirements. Lesley Hill said some of the freeway projects have already been handled. She said this would handle all of the remaining M2 freeway projects. She said OCTA is partnered on this programmatic permit with Caltrans. Melanie recalls Veronica Li, US Army Corps of Engineers, saying this committee would be apprised of when something is released and when comments would be taken. Lesley said before the permit can be issued, they need to make sure it is consistent with the EPA 2008 Mitigation Rule.

Melanie Schlotterbeck asked if the Measure M2 Environmental Cleanup Program funded Dairy Fork project fits in and if that other program ties into the above and beyond requirements for OCTA. Monte Ward said not specifically in this instance. Monte said, in this permitting process instance, OCTA is getting partial credit for the M2 Conservation Plan restoration activities and part of our acquisition commitments which is leveraging off of investments from the Conservation Plan. This is allowing us to get to programmatic permits with these two entities.

7. Release of the Aliso Canyon and Hayashi Resource Management Plans

Lesley Hill presented information about the release of the Aliso Canyon and Hayashi Resource Management Plans.

Chris Flynn asked for clarification and if there were only three comments on the EIR/EIS. Lesley Hill said the public comments being discussed were related to the resource management plans and not the EIR/EIS. She stated that approximately 54 comments were received on those resource management plans. Lesley said, even though it was not required, OCTA released the Resource Management Plan for public comments.

Lisa Bartlett asked if there are signs posted to keep people off of the Aliso Canyon property. Lesley Hill said not yet. She said it is still in development as part of the Resource Management Plan. Lisa asked if there will be dog waste posts with bag dispensers at the parts of the canyon open to the public. Lesley said there are some nearby, but OCTA still needs to look at how to alleviate this problem. Lisa said if the signs do not work, OCTA may have to put fences up. She said we need to be proactive with the public or else the habitat may be destroyed forever. Lesley said OCTA's mission is to get creative with the outreach, so the public will understand what we are trying to achieve. Lisa asked if the area is accessible 24/7. Lesley said yes and it is a challenge.

Public Comment - Penny Elia, Sierra Club, said she would also put her comments in writing. She said the last segment of the arundo removal on the Aliso Canyon preserve starts at the border line of The Ranch and goes to the ocean. She said, due to a number of violations The Ranch has received from the coastal commission, that arundo removal will be part of the mitigation program that piggybacks onto a restoration program tied to all the other destruction by The Ranch to Aliso Canyon and Aliso Creek. The preliminary plans look like they will require ongoing arundo removal in perpetuity.

Penny Elia said part of the problem with the Coastal Development Permit is a plant pallet. She said we are finding that The Ranch is putting in a lot of invasives and they are next to OCTA's property. She said the California Native Plant Society, Audubon Society, the Sierra Club, and Friends of Harbors, Beaches and Parks are going to call the Coastal Commission prior to the hearing to address the invasive plant problem.

Penny Elia said the OCTA property has Big Leaved Crownbeard and she worries about the public trouncing the species. She said she agrees with Director Bartlett that OCTA needs to be really protective of this habitat.

Recommendations

A motion was made by Melanie Schlotterbeck, seconded by Lisa Bartlett and approved unanimously to release the Aliso Canyon and Hayashi resource management plans for public review.

8. Trabuco Canyon Company, LLC: Rose Canyon Residual Parcel Update

Dan Phu gave an update on the Trabuco Canyon Company, LLC: Rose Canyon Residual Parcel.

Chairman Lori Donchak asked if Dan Phu could give the committee any information on the perspective buyer. Dan Phu said his understanding is Saddleback Church is the perspective buyer and they want to make it into a retreat.

Dan Silver said he thought OCTA was really close to closing the deal with the Trabuco Canyon Company. He asked if they got a better offer from the church. Dan Phu said from his understanding it was a better offer by way of the price and less contingencies.

Derek McGregor asked if the land is zoned for a church retreat. Dan Phu said it is zoned for residential under the Foothill/Trabuco Specific Plan. However, whatever plans the property owner has will need to go through the entitlement process with the County of Orange.

9. Additional Conservation Properties Consideration and Established Process

Dan Phu talked about the priorities regarding Additional Conservation Properties Consideration and Established Processes.

Chairman Lori Donchak said she supports getting the endowment funded first due to low Measure M2 funds.

Melanie Schlotterbeck asked OCTA to establish a way to have a record of those who come forward and ask OCTA to purchase their properties/projects. She asked when OCTA is ready to make an official call for projects, these people get noticed.

Dan Silver said OCTA was prepared to spend money on Ferber Ranch Rose Canyon Parcel and if that does not happen he believes the EOC should look at other properties. He said that money could also go to restoration or look at leveraging the money to get matching funds. Melanie Schlotterbeck said her recollection is the money going to the Ferber Ranch Rose Canyon parcel would have been pulled from another area. Dan Phu said he needs to talk to OCTA's finance department to find out how cash flow is affected. He said OCTA is concerned about the sales tax revenue decline and future possible declines of sales tax revenues. Dan Silver said he had forgotten the money was not just sitting there waiting to be used. Melanie said OCTA needs to deal with current commitments before making new commitments.

Monte Ward asked the committee to keep in mind OCTA needs to meet existing, remaining commitments and consider continued weakness in revenue and the high cost of real estate.

Lisa Bartlett said, even if OCTA does not get the Rose Canyon Parcel, OCTA and the County of Orange need to make sure the buyer is a good steward of the property. Dan Silver said the Endangered Habitats League will get on the list and continue monitoring the property. Chairman Donchak said if we get to the buyer early and explain the environmental value of the property, hopefully they would want to respect the land.

Chris Flynn asked, regarding prioritizing, if OCTA has a breakdown of the habitats. Lesley Hill said OCTA is looking good in regards to the conservation plan. She said we have a couple species that we are finishing up on, but we are really close to being complete with satisfying the mitigation needs. Chris suggested finishing up be the focus of the committee

Dan Silver asked if Dan Phu followed up with Jim and Ed Sauls regarding their public comment at the last meeting. Dan Phu said OCTA reviewed the information from Mr. Sauls. Dan said he call Mr. Sauls and explained OCTA is not currently looking to purchase more property, but the properties he represents would be added to a database for when the EOC is looking at properties to purchase.

Chairman Lori Donchak said she is hearing that the committee is interested in doing the most we can with what we have and making sure we can keep the commitments already made.

10. Senate Bill 1 (Road Repair & Accountability Act of 2017) Updates

Adriann Cardoso, provided an update on Senate Bill 1. Chris Flynn provided additional information from the Caltrans, District 12 Office.

Chairman Lori Donchak asked how the predicted \$30 million annual revenue would be divided. Chris Flynn said he does not know the specifics at this point.

Lisa Bartlett said the \$30 million seems to be guaranteed. She hopes this is the case because fees and taxes cannot keep being raised. Lisa said we need to be mindful to make sure mitigation and Orange County gets its fair share. She said gas tax revenue is shrinking every month due to changes in vehicles and modes of transportation as well as people living, working and playing in a smaller area.

Melanie Schlotterbeck asked if OCTA has taken a position on the trailer bill. Adriann said OCTA usually does not take positions on these types of bills. Melanie suggested OCTA send something out saying we have this great program and hopefully it will ensure the funding for Orange County mitigation.

11.Public Comments

There were no public comments.

12.Committee Member Reports

David Chapel asked if the committee could get a map of the Ferber Ranch property and the Rose Canyon property as well as the Aliso Canyon Property to the ocean. Dan Phu said staff would be happy to provide the information.

13.Next Meeting – TBD

14.Closed Session

Closed session was cancelled.

15.Adjournment

The meeting adjourned at 4:07 p.m.

United States Army Corps of Engineers and State Water Resources Control Board Mitigation Funding Needs Summary

Overview: The Orange County Transportation Authority (OCTA) is coordinating with the United States Army Corps of Engineers (Corps) and the State Water Resources Control Board (State Board) to obtain programmatic Clean Water Act (CWA) Section 401 and 404 permits for the Measure M2 (M2) Environmental Mitigation Program (EMP). These permits will provide OCTA with assurances that the mitigation provided to date is acceptable to offset potential M2 freeway project impacts to state and federal jurisdictional waters. OCTA will utilize a subset of the conservation efforts (i.e. mitigation) included in the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP). These mitigation sites are illustrated in Figure 1. Additional funding is being required by the State Board and the Corps to comply with this process.

Background: On April 6, 2015, the Corps released a Special Public Notice regarding the proposed Section 404 Letter of Permission (LOP) Procedures (i.e. program level permit) for the OCTA M2 EMP. These LOPs will establish alternative permitting procedures to address anticipated discharges into waters of the United States (WoUS) associated with constructing the freeway projects over the next 15-20 years. LOP Procedures are expected to be established via issuance of a Clean Water Act Section 404 Individual Permit. The State Board has also committed to issuing an authorization to approve the use of M2 mitigation once the Corps issues the 404 permit. This State Board authorization will provide the needed mitigation assurances and will further streamline the implementation of the M2 freeway projects.

Discussion: The Corps regulations require compliance with the April 10, 2008, Mitigation Rule. In addition, some M2 Freeway projects may impact the San Diego and the San Juan Creek watersheds. These watersheds are subject to Federal (Corps) regulations that include specific Special Area Management Plan requirements (SAMP). These mitigation requirements are in addition to what the Wildlife Agencies (United States Fish and Wildlife Service and California Department of Fish and Wildlife) require, and what OCTA has committed to in the NCCP/HCP. These regulations also require the development and funding of a long term management plan for all mitigation sites before the Corps or State Board can issue their permits.

In order to satisfy the applicable Clean Water Act compensatory mitigation requirements, OCTA is proposing the following:

1. Freeway project avoidance and minimization measures: Avoidance and minimization measures are a required component of the freeway projects design and construction processes.
2. Two mitigation sites that provide enhancement and rehabilitation of WoUS: The two sites that provide the most appropriate enhancement and rehabilitation of WoUS are the Aliso Creek and Agua Chinon restoration projects (also included in the M2 NCCP/HCP). Both restoration projects are within already managed lands. OCTA has been coordinating with the Corps and the property owners of the Agua Chinon (the Irvine Company and the County of Orange) and Aliso Creek (the

United States Army Corps of Engineers and State Water Resources Control Board Mitigation Funding Needs Summary

County of Orange) projects. Coordination included the review of the existing management plans and land protection documents (i.e. irrevocable offers of dedication). The Corps has determined that additional management tasks and long term protection assurances are required. The additional management tasks require OCTA to provide a one-time payment to a Corps approved finance manager to fund long-term maintenance costs.

One mitigation site that provides preservation of important physical, chemical, and biological aquatic functions: The Ferber Ranch provides preservation of important physical, chemical, and biological aquatic functions. OCTA will record a conservation easement to assure that the Ferber Ranch Preserve is protected. This is also a commitment within the NCCP/HCP. In addition, the Corps is requiring legal defense fees to be set aside in case future conservation easement violations occur at Ferber Ranch. All of the other tasks and funding that OCTA is providing within the NCCP/HCP endowment for Ferber Ranch satisfies the Corps requirements. Management activities are funded through the M2 tax revenue stream and will eventually draw from a non-wasting endowment (previously approved by the OCTA Board of Directors). This endowment(s) is anticipated to take ten to 12 years to be fully established.

Overview of Additional Mitigation Requirements:

Mitigation Project Name	Property Owner	Location	Summary of Management Tasks	Estimated Annual Costs for Tasks	Estimated Amount Needed
Ferber Ranch Preserve	OCTA	Trabuco Canyon	None	None	\$10,000 (Legal Defense Fees)
Aliso Creek Restoration Project	County of Orange (OC Parks)	Aliso and Wood Canyons Wilderness Park	Biological surveys, spot treat weeds, photo documentation and reporting	\$18,000	\$718,000
Agua Chinon Restoration Project	County of Orange (OC Parks) and the Irvine Company	Unincorporated Orange County	Same as above	\$1,700	\$78,000

ESTIMATED ONE-TIME AMOUNT NEEDED \$806,000

Additional funding needs for Corps compliance was anticipated and included in the May 2015 Board Approved EMP Long-Term Funding Strategy and Guiding Principles. The EMP Guiding Principles contained the commitment to responsibly meet the M2 obligations which include complying with regulatory requirements to ensure that freeway project mitigation obligations are met. In addition, the Long-Term Funding Strategy

United States Army Corps of Engineers and State Water Resources Control Board Mitigation Funding Needs Summary

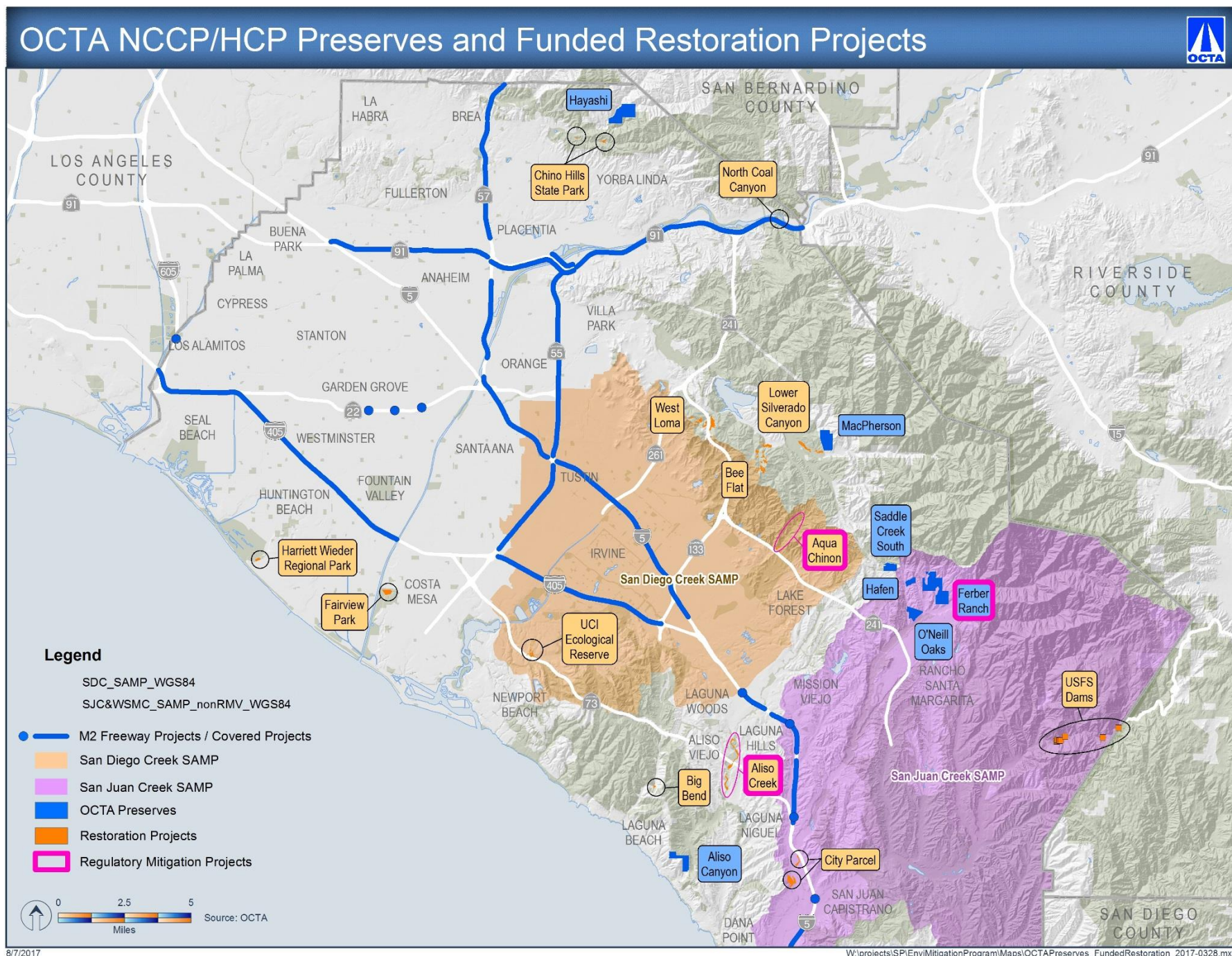
includes the commitment to complete the negotiations with the Corps and State Board, and allocate funding to meet regulatory permit requirements.

If OCTA does not provide this funding, additional mitigation opportunities would need to be explored. Specifically, mitigation would need to be identified within both the San Juan Creek and the San Diego Creek SAMP areas to obtain Section 401/404 permits for the construction of the freeway projects. These watersheds are known to be challenging to locate mitigation opportunities and the same long term funding requirements would apply. This would take additional time and funding that is expected to greatly exceed the amount presented herein.

If the funding amounts are approved, OCTA must complete the following steps to meet the Clean Water Act permit requirements:

1. Issue a letter of commitment to the Corps for the restoration projects
2. Continue coordination with the Corps and State Board to finalize the Habitat and Mitigation Monitoring Plans (i.e. restoration plans)
3. Obtain Section 401/404 authorizations from the State Board (General Order/letter of authorization) and the Corps (LOP procedures)
4. Obtain an Agreement between the Corps and a finance manager (i.e. San Diego Community Foundation, California Community Foundation, etc.). A one-time deposit to the mutually-agreed upon fund manager will be required
5. Execute an agreement between OCTA and finance manager to manage and disperse funds from OCTA to the restoration site land managers
6. Continue to coordinate with the land owners, Corps, State Board and the Wildlife Agencies to finalize or amend the land protection documents for the restoration sites
7. Record a Conservation Easement over the Ferber Ranch Preserve
8. Monitor the restoration projects until they have met their success criteria/performance standards
9. Record the assignment of assumption document with the land manager of the mitigation sites. This will transfer mitigation responsibilities to the land manager
10. Request a letter from the Corps documenting mitigation release once the land protection documents have been recorded and funding for the long-term management has been obtained

FIGURE 1





COMMITTEE TRANSMITTAL

July 10, 2017

To: Members of the Board of Directors

From: Laurena Weinert, ^{MT} Clerk of the Board

Subject: Environmental Mitigation Program Endowment Fund Investment Report

Finance and Administration Committee Meeting of June 28, 2017

Present: Directors Do, Hennessey, Jones, R. Murphy, Spitzer, and Steel

Absent: Director Pulido

Committee Vote

Following the discussion, no action was taken on this receive and file information item.

Committee Recommendation

Receive and file as an information item.



June 28, 2017

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Environmental Mitigation Program Endowment Fund Investment Report

Overview

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan; acquired conservation properties; and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway projects. California Community Foundation manages the non-wasting endowment required to pay for the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and the performance. Attached is the first quarterly investment report for the Endowment Pool. The report has been reviewed and is consistent with the pool objectives.

Recommendation

Receive and file as an information item.

Background

On September 26, 2016, the Board of Directors approved the selection of the California Community Foundation (CCF) as an endowment fund manager for the Measure M2 Freeway Environmental Mitigation Program. Approximately \$2.9 million on an annual basis will be deposited in the endowment. On February 28, 2017, Orange County Transportation Authority (OCTA) wired \$2,877,000 to CCF to be deposited in the Endowment Pool. These annual deposits are expected to continue for ten to 12 years or until the fund totals approximately \$46.2 million.

Discussion

As of March 31, 2017, total pool assets in the CCF Endowment Pool were \$912.8 million. Total foundation assets were \$1.66 billion. Performance for the Endowment Pool was 0.8 percent for the month, exceeding the benchmark by 0.2 percent; 4.9 percent for the quarter, exceeding the customized benchmark by 1.3 percent. The one year return was 13.2 percent, exceeding the benchmark by 3.1 percent.

Summary

The OCTA is submitting a copy of the CCF Investment Report to the Finance and Administration Committee. The report is for the quarter ending March 31, 2017.

Attachments

- A. California Community Fund Statement - March 31, 2017
- B. California Community Fund Endowment Pool Investments – March 2017

Prepared by:



Rodney Johnson
Deputy Treasurer
Treasury/Toll Roads
714-560-5675

Approved by:



Andrew Oftelie
Executive Director,
Finance and Administration
714-560-5649



Fund Name: OCTA - Measure M2 Environmental Mitigation Program Fund
Fund Start Date: 2/28/2017
Investment Pool(s): Endowment Pool

FUND STATEMENT

OCTA - Measure M2 Environmental Mitigation Program Fund (V398)

1/1/2017 - 3/31/2017

Fund Summary

	This Period 01/01/2017 - 03/31/2017	Calendar YTD 1/1/2017 - 3/31/2017
Opening Fund Balance	\$0.00	\$0.00
Contributions (see attached detail)	2,877,000.00	2,877,000.00
Investment Activity, net	22,059.23	22,059.23
Net Changes to Fund	2,899,059.23	2,899,059.23
Ending Balance	\$2,899,059.23	\$2,899,059.23

Investment Pool Performance as of 03/31/2017

	This Qtr.	1 - Year	3 - Years	5 - Years	10 - Years
Endowment Pool	4.9%	13.2%	3.5%	6.1%	4.4%
Social Impact Endowment Pool	3.6%	9.0%	5.2%	6.7%	4.4%
Conservative Balanced Pool	2.1%	5.5%	3.9%	n/a	n/a
Short Duration Bond Pool	0.5%	0.5%	n/a	n/a	n/a
Capital Preservation Pool	0.1%	0.4%	0.2%	0.2%	1.1%

Endowment Pool - invested for long-term growth and appreciation while providing a relatively predictable stream of distributions that keeps pace with inflation over time. The target asset allocation is 50% equities, 30% alternatives, 10% fixed income and 10% real assets. Investment management fees are 85 basis points.

Social Impact Endowment Pool - invested in a diversified pool aiming for capital growth for long-term grantmaking; underlying instruments undergo rigorous environmental and social analysis, with an asset allocation of approximately 60%-75% equities and 25%-40% fixed income. Investment management fees are 66 basis points.

Conservative Balanced Pool - designed to aim for moderate growth and to offer diversified exposure to the U.S. equity market and to investment grade fixed income with maturities from one to five years and an asset allocation of 70% fixed income and 30% equities investments. Investment management fees are 9 basis points.

Short Duration Bond Pool - invested to offer diversified exposure to investment grade fixed income with maturities from one to five years for the purposes of grants over a near-term one to four year horizon. Investment management fees are 10 basis points.

Capital Preservation Pool - designed to preserve principal and provide liquidity for present grantmaking needs through investment in short-term fixed income and cash instruments. Investment management fees are 10 basis points.

Contribution Details

Date	Donor Name	Amount
03/01/2017	Orange County Transportation Authority	2,877,000.00
		\$2,877,000.00

Definition of Terms

Opening Fund Balance - Your fund's balance at the beginning of the statement period.

Contributions - Irrevocable financial additions to your fund.

Grants - Grants you recommended to IRS-qualified public charities that have been approved and distributed from your fund. This also includes refunds and voids of grants made.

Administrative Fee - CCF charges administrative fees to cover general operating activities. These activities could include gift establishment, receipt of assets and contributions, grants and fund administration, research on nonprofit agencies and issue areas, and other charitable purposes.

Investment Activity, net – This represents the financial returns from the CCF investment pool(s) in which your fund is invested, including interest, dividends and gains/losses as well as the deduction of any investment-related fees.

Fund Balance Transfer - Money transferred to or from another CCF fund.

Other Expenses - Permissible expenses (i.e., legal, phone charges, etc.) related to the administration of your fund.

Net Changes to Fund - The net amount of your fund after contributions, income, grants, administration and grant management fee, investment managers' fees, fund balance transfers, and other expenses.

Ending Fund Balance - The fund's balance at the end of the statement period reported on this statement. This amount includes any contributions, grant distributions, fund balance transfers, and increase or decrease in market value.

Meet Our Team

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Endowment Pool

March 2017

INVESTMENTS

The Endowment Pool returned 0.8% for the month of March 2017, 20 basis points ahead of its benchmark. For the trailing year, the pool returned 13.2%, 310 basis points ahead of its benchmark.

Total Pool Assets

\$912.80 million (Endowment Pool), \$1.66 billion (total foundation assets) as of March 31, 2017.

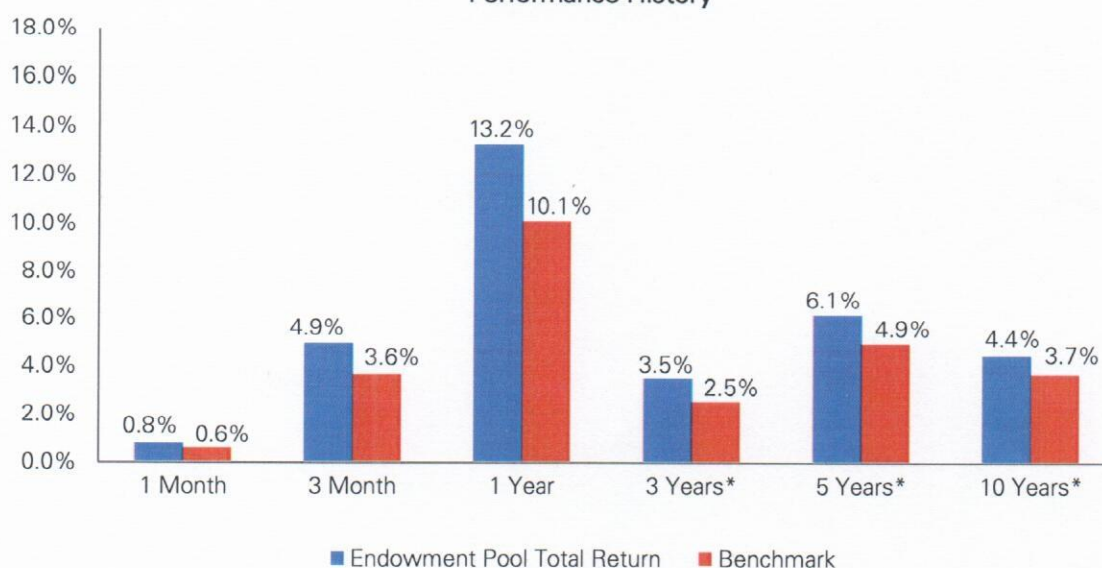
Pool Objective

Preserve the real (i.e., inflation-adjusted) purchasing power of the investment pool net of annual distributions for grants and expenses. An additional objective is to provide a relatively predictable, stable stream of distributions for grants and expenses that keep pace with inflation over time.

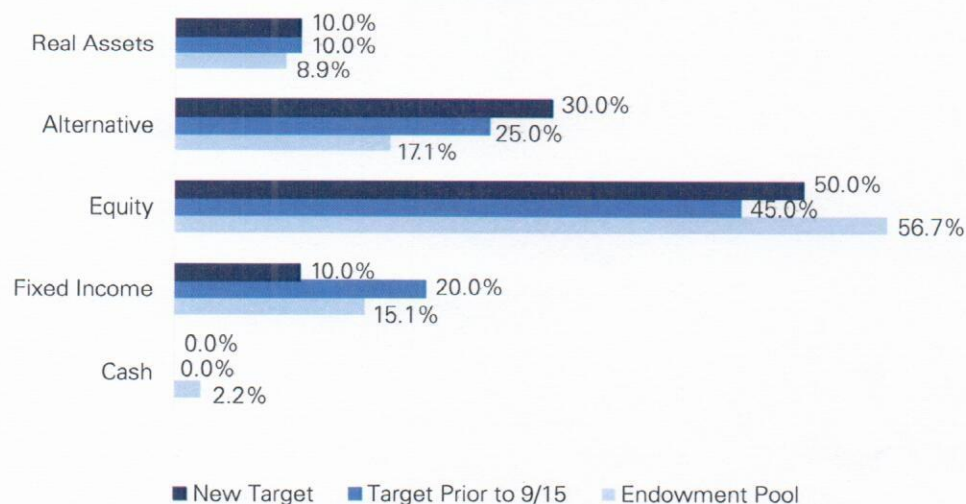
Investment Consultant

Meketa Investment Group

Performance History



Asset Allocation



*Represents annualized returns.

1) Investment performance is presented net of investment management fees. These fees vary across investment managers and asset classes, amounting to an annual average range of approximately 0.77% to 0.81% for the Endowment Pool. This includes fees paid to Meketa for investment consulting and portfolio advisory services. (Hedge fund manager incentive fees are not included.)

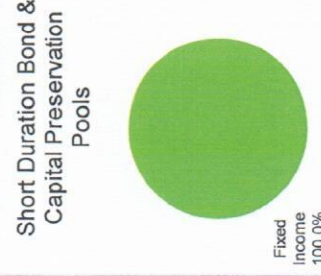
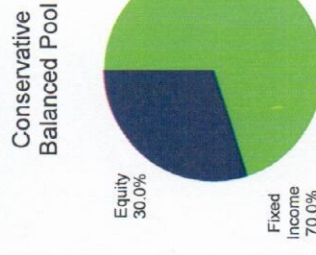
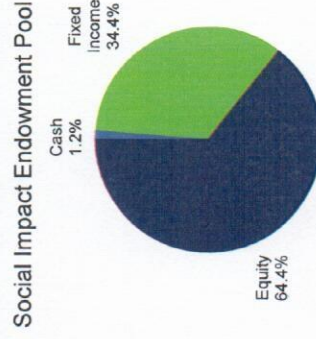
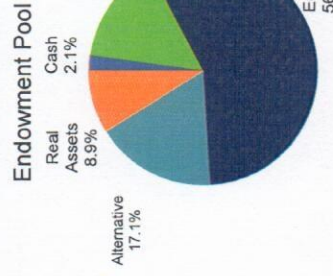
2) Total Fund Benchmark is a combination of: 45% MSCI ACWI / 25% HFR FOF Index / 10% Custom Asset Wtd. Inflation Hedge Benchmark / 10% BC Interm Gov't. / 5% BC Agg / 5% Citi Non-US\$ GBI.

Updated 04/24/2017

Performance History	1 Month	3 Month	1 Year	3 Years*	5 Years*	10 Years*
Endowment Pool Total Return <i>Benchmark</i>	0.8%	4.9%	13.2%	3.5%	6.1%	4.4%
Social Impact Endowment Pool Total Return¹ <i>Benchmark</i>	0.6%	3.6%	10.1%	2.5%	4.9%	3.7%
Conservative Balanced Pool Total Return <i>Benchmark</i>	N/A	3.6%	9.0%	5.2%	6.7%	4.4%
Short Duration Bond Pool Total Return² <i>Benchmark</i>	N/A	4.0%	10.3%	7.4%	9.0%	5.9%
Capital Preservation Pool Total Return <i>Benchmark</i>	0.1%	2.1%	5.5%	3.9%	NA	NA
	0.1%	2.0%	5.4%	3.9%	NA	NA
	0.1%	0.5%	0.5%	NA	NA	NA
	0.1%	0.6%	0.5%	NA	NA	NA
	0.0%	0.1%	0.4%	0.2%	0.2%	1.1%
	0.0%	0.1%	0.3%	0.1%	0.1%	0.6%

*Annualized returns ¹Returns assessed quarterly ²July 1, 2014 inception date

Asset Allocation



Investment Managers

Endowment Pool

- Diversified Portfolio with 41 Managers as of 3/31/2017

Social Impact Endowment Pool

- PAX World Balanced (PAXIX)

Conservative Balanced Pool

- U.S. Equity: Vanguard Total Stock Market Index (VTSAX)
- Fixed Income: Vanguard Short-Term Bond Index (VBITX)

Short Duration Bond Pool

- Vanguard Short-Term Bond Index (VBITX)

Capital Preservation Pool

- City National Bank
- Broadway Federal Bank
- ProAmerica Bank