

# Environmental Mitigation Program Endowment Fund Investment Report

# Measure M - EMP

- The EMP provides the allocation of 5 percent of Measure M (M) Freeway revenues to environmental impacts resulting from freeway improvement projects
- Currently EMP has acquired 7 properties totaling 1,300 acres along with 11 habitat restoration projects
- Wildlife agencies require an endowment be established to pay for long-term management preserves
  - California Community Foundation was chosen by the Board to provide endowment and investment related services during funding period

EMP = Environmental Mitigation Program

# CCF Endowment Pool

- Funding goal is \$46.2 million during 10-12 year period
- Once fully funded, the Board shall determine if endowment will be managed by a single or multiple entities
  - Properties are non-contiguous and will likely be managed by multiple entities that may offer operational or cost efficiencies
- On February 28, 2017, staff wired \$2.9 million to CCF for deposit in the Endowment Pool

CCF = California Community Foundation

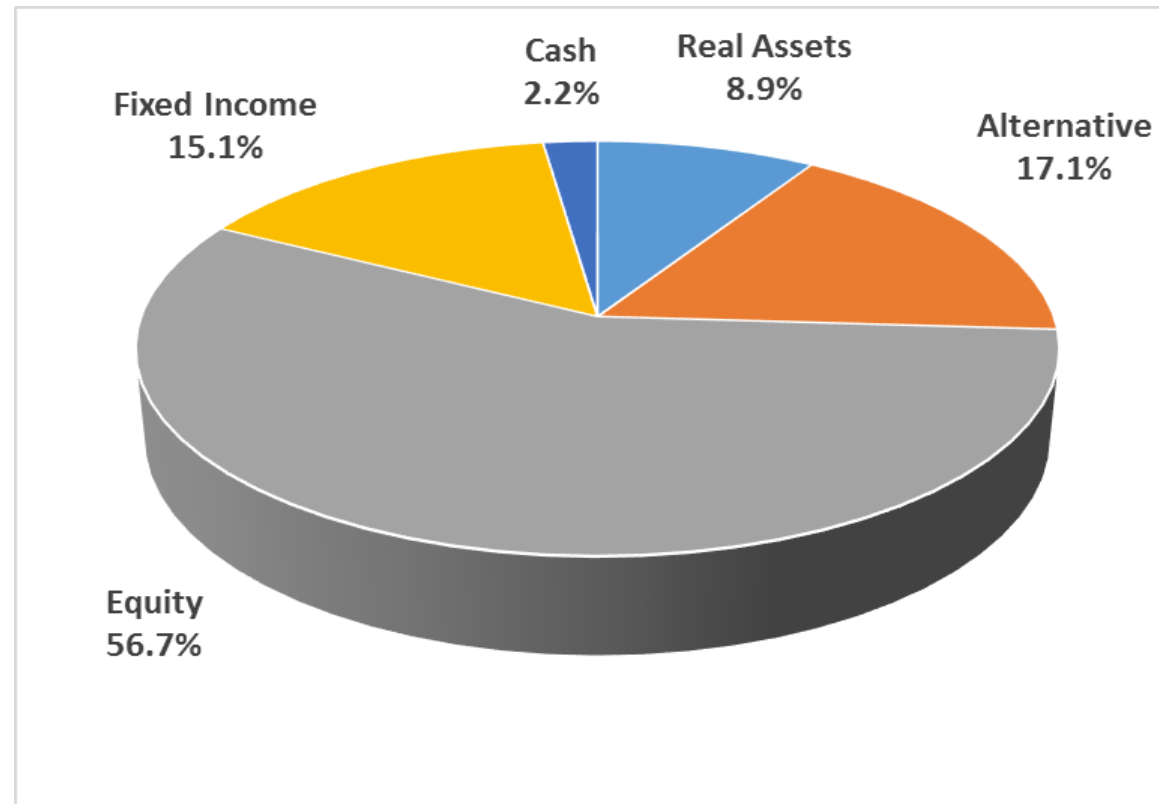
# Endowment Pool

- Pool is a broadly diversified institutional investment portfolio
  - CCF Investment Committee has full discretion over assets
  - CCF Staff performs monitoring, due diligence, and reporting
  - Maketa Investment Group provides investment consulting services
  - OCTA staff has working relationship with Maketa

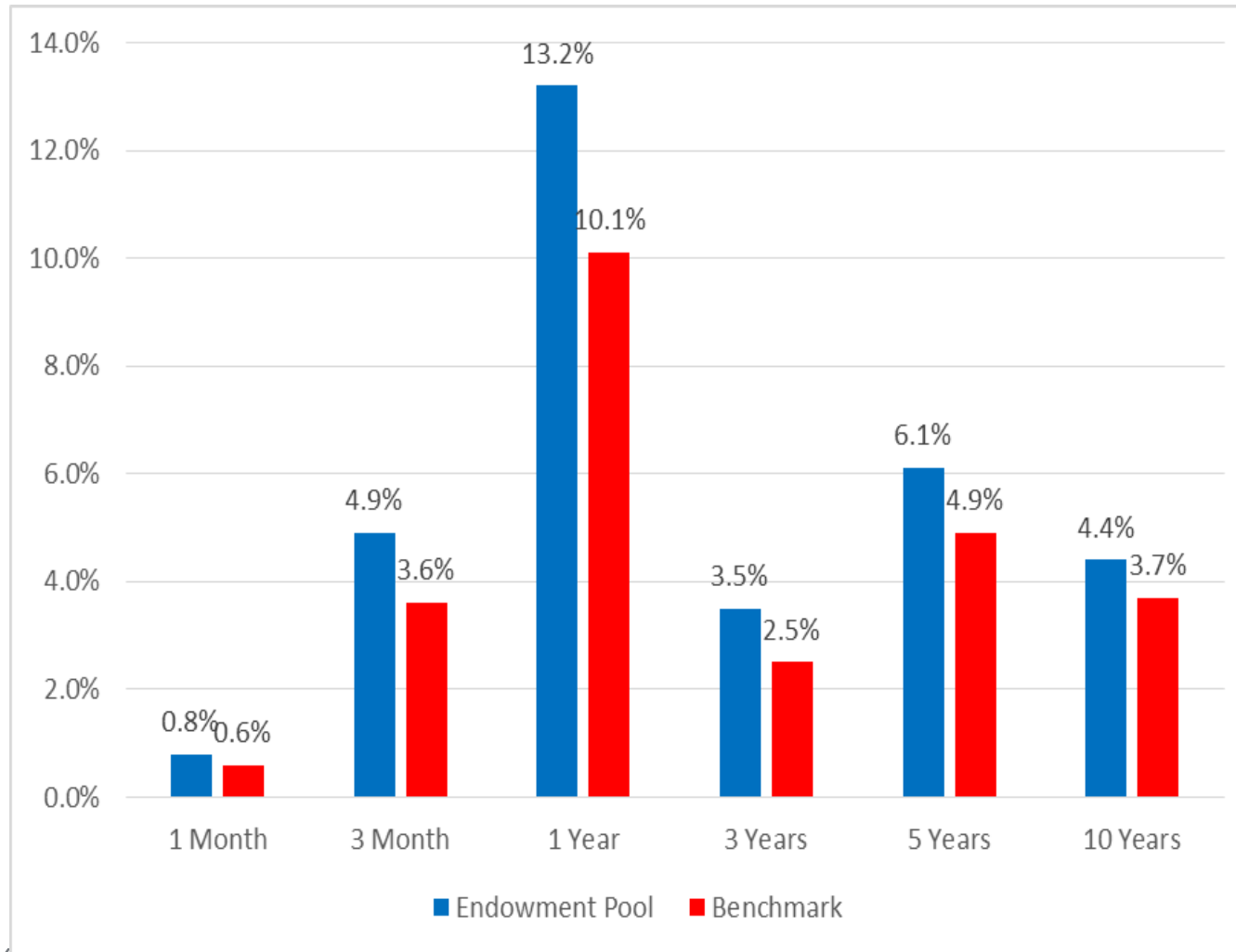
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# Investments – March 2017

- Pool Objective: Preserve real (inflation adjusted) purchasing power of investments
  - Diversified portfolio with 41 investment managers



# Performance History



# Next Steps

- Continue annual deposits of approximately \$2.9 million to fund endowment
- Submit investment reports to Finance and Administration Committee and Board of Directors quarterly
- Work with CCF to create long-term financing plan for OCTA review and approval

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