SONOMA STATE ENTERPRISES, INC.
FINANCE COMMITTEE
Minutes
April 29, 2014

MEMBERS PRESENT: Ms. Amanda Visser, Mr. Neil Markley,
Dr. Michael Cohen, Mr. Michael Ogg

MEMBERS ABSENT: Mr. Matt Dougherty

OTHERS PRESENT: Mr. Ian Hannah, Ms. Anna Reynolds-Smith

I. Call to Order
The meeting was brought to order at 2:06pm by Ms. Visser.

II. Approval of the March 13, 2014 Minutes
The minutes were approved as submitted.

III. SSE Financial Statement Review
Handouts containing the Schedule of Net Assets and Statement of Activity through March 31, 2014 were provided to the committee. Ms. Visser noted that statements through February 28, 2014 were just reviewed and that there were no significant changes. Ms. Visser reviewed both documents with the committee.

Ms. Visser informed the committee that preliminary projections to year-end have been done and, at this point, she is anticipating $1.2 million net revenue, including unrealized gains.

Preliminary projections for anticipated reserve requirements have also started. Given the increase in revenues/expenses, Ms. Visser is also anticipating increases in Reserve Requirements which are a formula of operating expenses. Given discussion on reserves at the previous committee meeting and these projections, management is recommending to keep this net within the organization to meet anticipated future reserve requirements due to increased revenues/expenses with the opening of the Student Center.

Mr. Markley added that additional increases are anticipated for 2014/2015 which will further increase the reserve requirements because reserve requirements increase as revenues and expenses increase. He is expecting that SSE will be able to meet the liquidity requirement after 2016 given the increases anticipated for the next couple of years.

Given her new role as the Finance Committee Chair, Ms. Visser asked that the committee to let her know if there were other reports or analysis that they would like to see and she would try to provide this information.

V. Review of Investments
Handouts were provided to the committee through March 31, 2014. Mr. Hannah reviewed these handouts in detail with the committee. Mr. Hannah noted that the asset allocations are slightly out of balance from the targets specified in the Investment Policy and therefore he is planning to do some rebalancing to get these in-line with the policy requirements.

VI. Other Non-Action Items
Ms. Visser informed the committee that the Common Financial System (CFS) has been fully upgraded and functioning well.