

## SOUTHEAST COMPACT COMMISSION

### FINANCE COMMITTEE

JUNE 1, 2021

The Finance Committee meeting was held via a virtual Zoom meeting. Chairman Paul Burks called the meeting to order at 12:00 Noon. A quorum of the Committee was present.

#### **Members present were:**

Paul Burks, Chairman  
David Turberville  
John Williamson  
Donna Hodges  
Steve Harrison

#### **Staff present:**

Ted Buckner

#### **Also present were:**

Bynum Satterwhite  
Karl Frost  
B.J. Smith  
Jack Storton

#### **Public Comment**

Chairman Burks noted that there were no members of the public present for the meeting.

#### **Staff Report**

Ted Buckner, the Commission Executive Director, provided a summary of the items on the agenda for the day.

#### **Approval of Minutes**

Chairman Burks asked for approval of the minutes of the June 24, 2020, committee meeting.

#### **Review of Financial Status and Management of Commission Funds**

Bynum Satterwhite of Raymond James, the Commission's investment firm, provided committee members with report of the current status of the Commission's investments and provided a detailed explanation of the report including:

- The difficulty of meeting the Commission Investment Objectives due to declining rates of return and the impact of Covid on the market;
- Rates of return;

- Duration and yield to worst;
- Callable investments and their impact on yields;
- Laddering of the portfolio using a bell curve approach;
- Asset classes within the portfolio;
- Ratings of investments;
- Duration of investments;
- Current market value of investments;
- Diversification of corporate investments; and
- Cash flow and interest payments.

Mr. Buckner had no further information to add to Mr. Satterwhite's presentation.

**Discussion of Proposed Budget for 2020/ 2021**

**Proposed Budget for 2021/2022** - Ted Buckner presented the proposed budget for 2021/2022 and the supporting documentation to the Committee. He explained the significant differences between the proposed budget and the 2020/2021 approved budget and noted that projected revenues exceed the proposed budgeted expenses. The budget was referred to the Administrative Committee for further review.

**Steve Harrison made a motion to accept the proposed budget and send it to the Administrative Committee for further consideration. David Turberville seconded the motion. The motion passed unanimously.**

**Implications of Financial Support of Generators Disposing of Disused Sealed Sources**

Ted Buckner summarized the work the ad hoc Committee since the last Commission meeting when the ad hoc Committee was created. The major concern of the group was the financial impact on the Commission's funds.

It was decided that the best approach was to look at the financial picture at the end of the June 30 fiscal year and determine the amount of funding that would be available to provide the funding to generators. The ad hoc Committee has not discussed how the mechanics of the program might work.

John Williamson noted that the actual dollar amount of funds from NNSA through the SCATR program is not that significant so that any additional amount of funding the Commission might provide would provide additional incentive for regional generators to participate in the SCATR Program. He also said that CRCP is not interested in handling any of the Commission's funds so that it would be better for the Commission to provide funds directly to interested generators. The ad hoc Committee recommended only allocating annual revenue more than the operating costs.

The Committee further discussed and endorsed the concept of providing financial support for the disposal of disused sealed sources but deferred providing any funding until further work by the ad hoc Committee.

**Donna Hodges moved to endorse the recommendations of the ad hoc Committee and send the issue to the Policy and Planning Committee for further consideration. The motion was seconded. The motion passed unanimously.**

**Future Investments of Commission Funds**

The Committee discussed the process that will be used in the future to have the Bynum Satterwhite to discuss new investment options with the Treasurer and the Chairman of the Commission before making the investments. In the future the Executive Director will not participate in the investment process but will provide logistical support to the officers.

**Public Comment**

There was no public comment.

**Donna Hodges moved to adjourn the meeting and David Turberville seconded the motion.**

The meeting adjourned at 1:30 P.M.