

**Dean Fund Committee Meeting
November 14, 2017 @ 9:00 a.m.
Guy C. Larcom City Hall – 6th floor Conference Room
301 E. Huron St., Ann Arbor
MINUTES**

Members Present: Edith Bletcher, Merrill Dudley, Ben Muth, Ken Westerman, Don Wortman

Staff Present: Kerry Gray, Matt Waldsmith

Guests Present: Mike Pettigrew (Deputy City Treasurer), Matt Horning (City Treasurer) and Mary Donovan (Insight Investment)

Ben Muth called the meeting to order at 9:10 a.m.

Public Comment: None

Action Item #1: November 14, 2017 Agenda

Don Wortman moved to approve November 14, 2017 agenda, as amended; **Ken Westerman seconded the motion.** Committee unanimously approved.

Action Item #2: Approve August 8, 2017 Meeting Minutes

Mr. Wortman moved to approve August 8, 2017 meeting minutes; **Edith Bletcher seconded the motion.** Committee unanimously approved.

Information Item #1: FY 17 & FY 18 Budget and Project Update

FY17 – \$45,082.19 was spent on Dean Fund Committee projects.

FY18 – No money has been spent on Dean Fund Committee projects this fiscal year.

Information Item #1: Veteran’s Memorial Park Sign and Landscaping Update

Kerry Gray provided an update on the Veteran’s Memorial Park sign. Parks staff will be removing weeds in the late fall and early spring. Tree planting and sign landscaping will occur in spring 2018.

Parks is investigating the cost to create a new sign for the new landscape bed. The Dean Fund can pay to prepare the tree planting bed, plant, mulch and care for the trees. All other work associated with moving the Veteran’s Memorial Park sign and additional landscaping will be paid for by the Parks Millage.

Discussion Item #1: Oak at 2222 Packard Rd.

A quote was received by Guardian Tree Experts to conduct a soil and tissue analysis to determine what is needed to improve the health and condition of the oak tree at 2222 Packard Rd. **Mr. Wortman moved** to approve \$135 for Guardian Tree Experts to conduct this work, **Mr. Westerman seconded.** Committee unanimously approved.

Discussion Item #2: FY2018 Project Ideas

- Look into planting new street trees along Maple Road and Jackson Ave along Veteran's Memorial Park.
- Identify "legacy" trees that need assistance like the Committee is funding for the oak at 2222 Parckard?
- Matt Waldsmith suggested looking at the trees near the canoe rental shelter at the Argo Canoe. The English Walnuts are suffering from severe soil compaction – may want to consider hiring a company to use an air spade to expose the roots and add compost/soil amendments. Can there be benches placed around the trees? Need to discuss with Park and Livery staff.
- Focus on the gateways into the City – the Dean Promenade, Eisenhower Blvd, Huron Parkway, S Seventh, S State Street between roundabout and I-94. Direct attention to Blvd plantings.
- There is a backlog of large stumps on streets that need to be addressed. Matt Waldsmith estimated that staff can remove about 25-30 stumps for approximately \$3,000.
 - o **Merrill Dudley motioned** to budget \$3,000 towards the removal of large stumps along streets throughout the city; **Mr. Wortman seconded**. Committee unanimously approved.
- Need to focus on S. Industrial Blvd – replanting new trees that died and watering. Dean Fund has already allocated money towards watering, but would need to allocate additional funds for new trees to be planted.
- Assistance with the street tree pruning cycle – pruning areas that are later in the cycle, years 9 and 10.

Committee Member Action Item: Each Committee member should identify 2-3 priorities/projects that may be a future Dean Fund Committee project. Visioning process at a future Dean Fund Committee meeting.

Information Item #3: Elizabeth Dean Fund Trust and Investment Update

Mary Donovan from Bank of New York Mellon/Insight Investment discussed the Dean Fund Trust and Investments. **Mike Pettigrew** (Assistant City Treasurer) and **Matthew Horning** (City Treasurer) were also present to answer any questions.

Interest rate environment is changing, historic lows in interest rates are changing. Ms. Donovan anticipates that the Federal Reserve will increase interest rates in December 2017 and two times in 2018.

Portfolio Review. Ms. Donovan stated that it will take some time for the Dean Fund portfolio to adjust to the increase in interest rates and for now, they are keeping the bonds on shorter returns. She is being patient and allowing interest rates to improve before investing in longer term bonds. Average bond duration is 2 years - 50% of portfolio will turn over in the next 2 years and if markets holds the portfolio can be invested at longer durations.

The corpus of the Elizabeth Dean Fund trust is \$1.984 million and it has to remain at that amount. Any money that was appropriated to the Dean Fund Committee budget but not spent

during the fiscal year cannot be re-invested into the Trust. This money gets pooled with other City dollars (~\$250 million) and is invested all together (city's general pool of investments).

Dean Fund money currently invested in the general pool is \$145,000. The Dean Fund Committee can spend money in the general pool of investments, it does however need to be appropriated by City Council. This can be done during the 2-year budget cycle or during the fiscal year with a resolution to City Council.

Information Item #4: December 12, 2017 Meeting

Committee members to identify 2-3 priorities/project ideas

Mr. Wortman moved to adjourn the meeting, **Mr. Westerman seconded the motion.** **Mr. Muth** adjourned the meeting at 11:00 a.m.

DEAN FUND BUDGET	FY 18
Investment Income (Projected)	\$24,00
Prior Year Fund Balance	\$36,000
Total	\$60,000

Project Name	Approved Amount	Status
Post-planting care for trees on S. Industrial, S. Maple, Main Street & Slauson Middle School	\$8,200.00	<i>In progress.</i> Approved at 11/08/2016 meeting
Veteran's Memorial Park Landscaping and Sign	\$10,000.00	<i>In progress.</i> Approved at 08/08/2017 meeting.
Large stump removals	\$3,000.00	Approved at 11/14/2017 meeting
2222 Packard Oak – soil and tissue analysis	\$135.00	Approved at 11/14/2017 meeting
Total	\$21,335.00	
Remaining Unencumbered Budget	\$38,665.00	

2017 Meeting Calendar

January 10, 2017	July 11, 2017
February 14, 2017	August 8, 2017
March 14, 2017	September 12, 2017
April 11, 2017	October 10, 2017
May 15, 2017 (Monday)	November 14, 2017
June 6, 2017	December 12, 2017