

## JENSEN-OLSON ARBORETUM ENDOWMENT SUBCOMMITTEE

Zoom | Wednesday, September 23<sup>rd</sup>, 2020, 5:19 P.M.

**Present:** Rose Evans, Merrill Jensen, Nell McConahey, Ed Buyarski, Paulette Schrimmer,

**Staff Present:** Merrill Jensen, Arboretum Manager; Lauren Verrelli, Staff Liaison;

**Public:** Martin

- Were last subcommittee minutes approved? They seem to be missing.
- Michelle did not have answers to questions we asked at previous subcommittee meeting – hopefully by the next meeting
- Budget for 2021 and actuals from 2019 are available in CAFR
- City is planning on pulling out of the endowment:
  - 2020 = \$90,000
  - 2021 = \$98,000
  - 2022 = \$98,000
- City requires three members on the Finance Subcommittee
  - Paulette, Rose, Nell (Ed no longer in Subcommittee)
- Future subcommittee meetings (2x/year) will be after regular board meetings.
- Merrill: Rental income hasn't been tracked in previous years
- Building maintenance charges for FY21 AND FY22 is \$14,200 available to work on residence
- Budget available at next meeting with breakdown from Merrill

### December meeting important notes to reference:

- Finance wants a clear formula of what JOAAB wants to draw from the endowment each year. It has been changing over the years.
- Per a previous motion from the JOAAB, they want no more than 4% draw per year (Oct 2011)
- Investment strategy is set for the portfolio through the Assembly - conservative strategy.
- The board wishes to grow the endowment - How much risk is the committee willing to take?
  - Could look into investing the funds outside of the endowment principle more aggressively, leaving the endowment in a conservative investment.

### Current strategy:

- Lower Target Upper
- US Equity 26% 30% 34% +/- 4%
- International Equity 16% 19% 22% +/- 3%
- Fixed Income 44% 51% 50% +/- 7%

This strategy is 'self-invested and managed' by CBJ-not an existing 'fund'.

Jeff will be looking into and get back to the JOAAB Endowment Subcommittee with:

1. Will look into a max 4% yearly draw from the endowment and if we can stick with that in the future.
2. Where the \$2 million is at and how much is currently outside of Van Guard.

Board members informed the staff that the board has passed a motion to withhold 25% of the revenues collected during the year (mainly manager's rent) from depositing with the endowment (7.14.19minutes). This would give 'easy' access to some funds for small or quickly needed items.