



Trustee Meeting Minutes

Date and time of meeting: December 5, 2016, 8:00am Central Time at Embassy Suites, Rosemont, IL

Attending: Chairman Randall Miller; Chair Elect Brian Sayers (part time, via phone) Vice Chairman Steven Geist; Treasurer Ray Henning. Trustees: Brent Asplundh, Jim Barborinas, Hallie Dozier, Paul Fletcher, George Hudler, Will Nutter, Roger Phelps, Bill Schleizer, Jim Urban, Jeff Wilson, Tom Wolf. Chairman Emeritus Al West. President and Chief Executive Officer J. Eric Smith.

Excused: Trustee Beau Brodbeck

Guests: Steven Manno and Paige Azuma (via phones), CCS (part time).

Meeting call to order: Chairman Miller called the meeting to order at 8:00am.

Endowment Building Campaign: Steve Manno presented CCS's feasibility study report to the Trustees in Executive Session. The Trustees came out of Executive Session with the following open procedural motion on the table:

Vice Chairman Geist made a motion that the Trustees accept the CCS report and authorize President Smith to proceed with implementation. Dr. Dozier seconded the motion.

During discussion, Trustee Schleizer made a friendly amendment to require President Smith to report on 150-day results at the May Trustee meeting before any public phase of the campaign was announced, and Treasurer Henning made a friendly amendment to defer vote until after budget discussion. Both amendments were accepted by acclamation.

Consent Agenda: Following a break, the meeting reconvened in open session at 10:25am. Motion was made by Dr. Dozier to accept the Consent Agenda; seconded by Vice Chairman Geist. With no discussion, the following consent agenda items were approved unanimously by the Trustees:

- Minutes from October 3, 2016 Trustee Meeting
- President and CEO's Report
- Treasurer's Report Including October Financials
- Development and Communications Committee Report
- Research & Education Committee Report
- Governance Committee Report
- Liaison Committee Report

Proposed 2017 Budget Presentation and Vote: Treasurer Henning introduced the proposed budget and requested that President Smith present it to the Trustees. The open motion from Executive Session was called to vote and passed unanimously. Treasurer Henning presented the following proposed motion on behalf of the Finance Committee to the Trustees regarding the 2017 budget:



Pursuant to the Board's approval of a \$3.0 million fundraising campaign atop current operating and endowment building activities, the Finance Committee recommends the Board's approval of a 2017 operating budget containing the following key financial elements:

- *Total revenues of \$1,769,500; which include \$665,000 in permanently or temporarily restricted funds that directly support TREE Fund's programmatic mission;*
- *Total expenses of \$1,192,253; which include \$350,000 in new grant awards, to be issued atop all prior year awards payable in 2017 and beyond;*
- *Total investments in endowment funds of \$565,000; funds raised for existing endowment lines will be invested at Chicago Community Trust (CCT); funds raised for new endowment lines will be reviewed and approved by the Board of Trustees before investment with CCT or other custodians as may be recommended by the President and CEO via the Finance Committee.*

Motion was made by Trustee Phelps to accept the Finance Committee's proposed motion. With second by Trustee Barborinas and no additional discussion, the motion carried unanimously.

Restated Declaration of Trust: Vice Chairman Geist discussed Governance Committee's work over the past year to review the Trust Agreement for compliance with current nonprofit best practices, to ensure that it represented current TREE Fund activities, and to encourage recruitment and engagement of an active strategic board. The result of this process was a restated Declaration of Trust that incorporated all amendments since 2002, and three policy changes requiring Trustee action. Vice Chairman Geist presented the motions for action, with the following results:

- Motion was made by Trustee Phelps that Trustee terms be amended to three consecutive two-year terms, and executive officers terms be amended to one year. Motion was seconded by Trustee Barborinas. Motion carried unanimously following discussion.
- Motion was made by Trustee Wolf to eliminate provision for Trustee compensation and retain reimbursement; motion seconded by Treasurer Henning. Motion carried unanimously without discussion.
- Motion was made by Trustee Schleizer to eliminate 15-year limit on fund restriction, allowing gifts to be managed as endowment in perpetuity; motion seconded by Treasurer Henning. Motion carried unanimously following discussion.
- Motion was made by Trustee Urban to approve all other administrative revisions in the Restated Declaration of Trust; seconded by Trustee Asplundh. Motion carried unanimously without discussion.

The Trustees tasked President Smith to ask legal counsel about how to best handle standing committee structure and changes within the Restated Declaration of Trust (e.g. what is necessary to split Development and Communications Committee into two separate committees, since the former is defined specifically in the Declaration of Trust), and to assess whether other specific positions should be defined for the Board, as is currently done only for the ISA Liaison Committee Chair. The Trustees agreed that they could vote on an additional amendment to the Restated Declaration of Trust in May if President Smith's review indicated that this was necessary.



Research Committee Recommendations and Votes: Committee Chair Dr. Dozier reviewed the Committee's recommendations for John Z. Duling Grants and Jack Kimmel International Grants. Trustee Urban recused himself from the vote and excused himself from the meeting due to the potential appearance of a business conflict related to one application:

- John Z. Duling Grant Recommendations:
 - Dr. Adam Berland, Ball State University, "Evaluating virtual street tree surveys as a tool for municipal forest management for \$23,030.
 - Dr. Justin Morgenroth, University of Canterbury, "Measuring tree response to increasing root removal intensities" for \$24,976.
 - Dr. Brian Kane, University of Massachusetts Amherst, "Measuring forces at multiple locations in rigging systems" for \$25,000.
- Jack Kimmel International Grant Recommendations:
 - Dr. Francesco Ferrini, University of Florence, "Effect of topping on microclimate condition and human comfort for \$10,000.
 - Dr. Camilo Ordonez, Ryerson University, "Investigating street tree decline and mortality in commercial urban spaces revitalized with structural soil cell technology to improve planting and maintenance practices for \$10,068.90.

Motion was made by Trustee Barborinas to approve the grants presented by Dr. Dozier on behalf of the committee. With second by Trustee Asplundh, the motion carried unanimously following discussion.

Committee Chair Dr. Dozier presented the following UARF Sponsored Grant Proposal funded in 2016 by Pacific Gas & Electric Corporation via the Utility Arborist Association; this was a non-competitive grant reviewed and vetted by Trustees Dr. Dozier, Dr. Hudler and Miller, and President Smith.

- Dr. Christopher M. Halle, Sonoma State University, "Integrated Vegetation Management on Powerline Rights-of-Ways: Effects of Vegetation Treatment on Plant Communities and Wildlife Diversity for \$175,000.

Motion was made by Vice Chairman Geist to approve Sonoma State University grant for funding. With second by Treasurer Henning, the motion carried unanimously following discussion. Trustee Urban returned to the meeting following these votes.

Committee Chair Dr. Dozier suggested expanding education grants beyond K-12 programs to reach outside the immediate tree care industry. President Smith stated that there is no restriction in the Declaration of Trust barring this. Trustee Wilson suggested recruiting an Education Committee Chair as part of the review into whether currently defined standing committees can be split as needed. It was noted that social science studies on the direct human impacts of trees are under-represented in our research portfolio. President Smith noted that he hopes one outcome of the endowment building campaign would be that new funds would be established to specifically meet these needs.



Committee Highlights Not Discussed Elsewhere: The following reports were provided by Committee chairs on matters not otherwise covered by agenda items:

- Treasurer Henning reviewed the Chicago Community Trust Growth Pool and October statement.
- Vice Chairman Geist stated that Governance Committee will be reviewing Committee Chair succession planning in first quarter.
- Research and Education Committee Chair Dozier had no additional remarks beyond her Committee report.
- Development and Communications Committee Chair Sayers was not in attendance.
- Liaison Committee Chair Brodbeck was in Liaison meeting and not in attendance.
- Audit Committee Chair Nutter noted that the Audit Committee has a call scheduled the first week in January with new Auditor Sassetti. A Liaison has been appointed for Audit/Finance Committee. The Committee has scheduled quarterly meetings in 2017.
- Council of Representatives West had nothing new to report.
- President and CEO Smith had nothing new to address in addition to his report.

Election of Officers: The following elections were held for TREE Fund Fiscal Year 2017, which begins January 1, 2017:

- Motion was made by Trustee Urban to approve Sharon Lilly for her first two-year term as a Trustee. Motion was seconded by Trustee Asplundh and carried unanimously without discussion.
- Motion was made by Trustee Barborinas to approve Paul Fletcher for his second two-year term as a Trustee. Motion was seconded by Trustee Urban and carried unanimously following discussion about the procedures for counting consecutive Trustee terms as their length shifts from three years to two; unless specific Trustee action is taken, Trustees serve the terms to which they were elected, so it is possibly under the shift for a Trustee serving at the time of the shift to serve more than six consecutive years.
- Motion was made by Trustee Urban to approve the following slate of officers for a one-year term:
 - Chairman: Brian Sayers
 - Chairman Elect: Steve Geist
 - Vice Chairman: Tom Wolf
 - Treasurer: Ray Henning

Motion was seconded by Trustee Dozier and carried unanimously following discussion, when it was clarified that officers may be elected to more than one one-year term, a change from prior practice of having but a single two-year officer term.

- Motion was made by Trustee Asplundh to approve the following Committee Chairs for one-year terms:



- Research and Education: George Hudler
- Governance: Steve Geist
- Development and Communications: Vacant; Chairman Sayers will serve until such time as a new chair is identified
- Finance: Ray Henning
- Audit: Will Nutter

Motion was seconded by Trustee Phelps and carried unanimously without discussion.

New Business: Chairman Miller presented outgoing Trustee Dozier with a plaque and thanked her for her service as Trustee and Research and Education Committee Chair. President and CEO Smith presented retiring Chairman Miller with a plaque and thanked him for his service on the board and as Chairman.

Old Business: none

2017 Trustee Meeting Schedule: The Trustees tentatively agreed to the following 2017 meeting schedule:

- Monday, May 8 meeting at The Morton Arboretum.
- Monday, October 18 webinar.
- December 4 and 5 in Chicago, under the following structure, subject to revision should the joint session with the Liaisons so necessitate:
 - Trustees meet Monday, December 4 noon to 6pm, followed by a sponsored Liaison/Trustee dinner with research program.
 - December 5 begins with joint Trustee/Liaison meeting for two hours and follows by Liaison meeting ending by 4pm.

Executive Session: Commenced at 3:30 and ended at 4:00, followed by a joint Trustee/Liaison meeting.

Task	Assigned to	Due
Seek legal counsel input regarding committee structure and need to define other permanent members of the Board similar to Liaison Chair	J.E. Smith	5/9/17
Review Committee Chair succession	S. Geist	5/9/17
Advise Sharon Lilly of vote results	S. Geist	12/15/16

Respectfully submitted by Barbara Duke.