



Commonwealth Terrace Cooperative

Board Meeting – Tuesday, March 27, 2018

Meeting was called to order at 6:05PM at the CTC Community Center Building, Kitchen

Directors Present:

Grace Bell, Chair
Michael Herrmann, Vice Chair
Matthew Young, Secretary
Paul Bigwood, Treasurer
Kate Sammons
Javi Monardez Popelka

Also Present were:

Scott Creer, University of Minnesota HRL
Hadley Adkins, General Manager
Shanea Schmelling, Operations Manager
Alix Magner, Morgan Stanley Financial Advisor
Kelsi Rahm, Morgan Stanley Financial Advisor

Directors Absent

Dustin Chernick
Guisheng Zhang
Jaddy Yuhong

Time Keeper: Shanea Schmelling

Process Assistant: Grace Bell

Accomplished

Packet / Agenda / Consent Agenda

Kate motions to approve packet, agenda, consent agenda. This collection includes additional documents such as:

BOD February Financial Report

BOD Management Report

BOD February 2018 Meeting Minutes

*Javi seconds the motion. **Motion carried unanimously.***



Scott Creer, University project updates

- Working on an addendum to the 2015 Management Agreement, which would include prioritization of eligibility and occupancy limits;
- Data has been gathered by CTC to give back to HRL as follow up from HRL;
- April should mark the start of construction phase for capital projects around CTC.

Resident Voices

- One of the Board members says that there should be more plantings of trees that are good for tree climbing with a natural playground. This will be passed on to the Landscape Environmental Design Task Force for consideration.

House Keeping

Assign Terrace Times article due April 2nd:

-Matthew will write a paragraph focused on Board of Directors candidate recruitment pre-Annual Members meeting on April 19th.

-Paul will write a paragraph focused on the latest activities and developments of the first quarter of CTC's investments with Morgan Stanley.

Annual Members Meeting – Task assignments/ April Executive Meeting

-Grace and others discuss and decide to reserve Annual Members Meeting delegation of duties for the April 12th Executive Committee meeting;

-Shanea will show logistics and tasks will be assigned there;

-Members meeting is in place of Board Meeting for April;

-Executive Meeting will be April 12th 6:00 pm.

Morgan Stanley- Alix Magner & Kelsi Rahm

What's Happened- Actions We've taken

-Transferred assets at the end of January 2018, starting February 1, 2018.

Investments include

- Rent Deposit Account
- Operations Enhancement Account

Where We Are Now:

Investment Policy Statement (IPS) Review (First Time Since 2010)

1. Reviewing mission- aligned investing, including incorporating ESG principles;
2. Determining investment objectives, including utilizing CPA Foundation and other resources to guide the determination of objectives and avoiding direct investing;
3. Discussing how to structure asset allocation and other sections within IPS editing;
4. Describing how investment performance would be optimized and contextualized via a preference for more positive, general versus less negative, absolutist criteria.



There also will be metrics for financial performance and impact investing to be considered.

Investment portfolio update-

Recent U.S. stock market volatility during the past 1-2 months has led to a 0.3% decrease in value across investment accounts, but projections remain for increased value as the stock market stabilizes.

Questions and next steps

After broad Board discussion, a de facto consensus emerges for Paul and the Finance Committee with invited Board members to dedicate one meeting towards reviewing and editing a 2018 IPS, with considerable updates from the 2010 IPS. From there, the rest of the Board will review the work of the Committee, offering recommendations and final edits.

A general timeline of the 2018 IPS drafting will include the Finance Committee meeting in April-May 2018, with Board recommendations to the Committee's IPS draft between May-June 2018, and final approval of the 2018 IPS by July 1, 2018.

Informal Discussion: Executive Committee

Meeting adjourned at 7:35PM