

Commonwealth Terrace Cooperative, Inc.  
Board of Directors  
Meeting Minutes  
October 24, 2017  
6:05 pm – 7:55 pm

Present:

Absent:

<input checked="" type="checkbox"/>	Grace Bell	Board President	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Michael Herrmann	Board Vice President	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Paul Bigwood	Board Treasurer	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Matthew Young	Board Secretary	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Jaddy Yuhong	Board Director	<input type="checkbox"/>
<input type="checkbox"/>	Guisheng Zhang	Board Director	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Dustin Chernick	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Kate Sammons	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Javi Monardez Popelka	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Scott Creer	Housing & Residential Life	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Hadley Adkins	General Manager	<input type="checkbox"/>
<input type="checkbox"/>	Shanea Schmelling	Operations Manager	<input checked="" type="checkbox"/>

Total: 10 Present, 2 absent

Guests Present (Focused on Resident Voices):

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**Meeting Rules**

1. Raise hand to speak
2. Two minutes per person
3. Give everyone a chance to participate
4. Stay calm, be respectful and do not get personal
5. Stay at the meeting (even if you get upset)

**Meeting Preparation**

1. Please read all documents in board packet in advance
2. Please let the group know in advance if you will be late or cannot make it to the meeting

*5:30pm General Manager will be available to discuss any agenda item or call and set appointment if it works better*

**6:05 - 6:07 Welcome, Choose Time Keeper and Process Assistant**

Timekeeper: Kate Sammons

Process Assistant: Michael Herrmann

**6:07 - 6:14 Scott Creer, University project updates**

- I. No Board Update by Capital Project Report Submission Deadline to Submit.
- II. Updates Around Fee-Based Child Care Assistant Program-Help Center (SPHC)
  - a. State of Minnesota Provides Some Child Care Assistant Support
  - b. University of Minnesota Will Cover Additional Support Which State Will Not Cover for International Students
  - c. As Long As Students Are Paying Activities & Student Service Fees, They Are Eligible.
    1. Kate Fills In to Mention that Thee SPHC Only Recently Started Serving Graduate & Postgraduate Families, Beyond Undergraduates.
    2. Jaddy Asks About Coverage for Postdoctoral Candidates & Scott Answers that Postdoctoral Workers Don't Qualify.
    3. Kate & Javi Also Add In About Upwards of \$3,000 Per Year in Child Care Funding Which the University Provides & Scott Confirms.
- III. University Staff Met With Bush Architects to Discuss Next Steps in 2-Bedroom Split Unit Study.

**6:14-6:24 Resident Voices – (2 minutes allotted) No Residents Attend**

- I. Matthew Talks About Series of Produce Thefts among CTC Community Garden Plots from June-October 2017 & Resultant Strategies for Community Education via Emails to "Build Community & Collective Security." Hadley Confirms & Says Future Steps Will Be Included.
- II. Michael Talks About Concerns from Neighbors About Complaints Around Breaking Blinds & Maintenance Process to Repair Said Blinds. Hadley Answers Maintenance Teams Will Prioritize Blind Repairs Among Various Levels of Repair. Kate Talks About Suggestions to Offer Free Drapery Upon Move-In.

**6:24-6:35 House Keeping:**

1. Assign November Terrace Times Article-Due October 31<sup>st</sup>
  - a. Matthew Volunteers to Write Community Garden Outreach Article on Cultivating Security In Lieu of Season's Produce Thefts.
  - b. Grace, Kate, Javi, Hadley, & Others Talk About How to Create More Accessible Communications Between Ward Representatives & Surrounding CTC Community.
  - c. Javi Volunteers to Write "Ward Representatives & CTC Involvement" Article.
2. Second Car Parking Trial – Feedback & Plan
  - a. Hadley Discusses About Policy Proposal to Re-Introduce Limited Second Car Parking Spaces on Select Lots at CTC.
  - b. Dustin Asks About the Implications of Conducting Such a Second Car Parking Trial. Grace & Michael Discuss the Potential for Scattered, Inconvenient Visitor Parking Versus the Interests of Resident Second Car Spaces "Which Never Move."

**6:35 – 6:37 Approve: Packet / Agenda / Consent Agenda**

*-This is add or drop time only leading to an up or down vote. Any concerns or questions with the packet should be attended to during monthly reading of the packet prior to the meeting. (Financial, Management Report, Meeting Minutes, Committee Minutes, etc.) Address questions to Exec Committee or GM.*

***Paul motions to approve the consent agenda, agenda and packet; Javi seconds; 7 approve, 0 opposed.***

**6:37—7:10 Investment Portfolio Management Proposal- Presented by Vista Wealth Management (Jim Lukanich)**

- I. Jim Introduces Himself & Discusses Investment Options, Including Socially-Responsible Investment (SRI) Options & Background of University Interests with Such Investment Options.
  - a. Jim Notes How This SRI Field Has Broadened & Deepened Over the Past 10-15 Years, from "Bill Gates' Investments Among Others" to A Point Where Money Managers Feel More Comfortable with Investing More Money on These Fronts.
- II. Jim Hands Out Wells Fargo Investment Institute Recommended List via a Responsible Investing Funds Grid.
  - a. Responsible Investing Funds Include American Funds Washington Mutual through Wells Fargo Small Cap Core.
  - b. Michael Notes that TIAA Social Choice Bond-Fixed Income Class Fund Addresses Almost All of the Social Screening Criteria Mentioned. Dustin Asks "Fixed Income"

- Nature & Jim Confirms that Such Funds Provide Lower Returns But With Lower Risks.
- III. Jim Discusses About the Opportunities for CTC to Consider a “Public Portfolio Versus Private Portfolio” Route for CTC SRI Investments.
    - a. Jim Estimates that Over A Span of 5 Years Starting from This Year With Jim & His Accompanying Money Managers, Returns of Upwards of 13% Could Be Expected.
    - b. Neuberger-Berman SRI Funds Would Be One Option with 1.25% Charge/Year and Including Additional Fees, It Would Be Closer to 2%; Calvert SRI Funds Would Be Another Option with 1.75% Charge/Year.
    - c. Jim Notes that In His Professional Opinion, to Pursue a “Public Portfolio” or a “Private Portfolio” Route Would Be Wise Investment Choices.
  - IV. Jim Concludes with Willingness to Explore With CTC About Monitoring Investment Dynamics with CTC, Especially if There Should be Corporate Structural Changes to 501(c)(3) or Other Corporate Types.

**7:10—7:36 Review/Approve Draft Audit (FY 16-17) – CTC Auditor Larry Davidson**

- I. Larry Introduces Himself & Inquires About the Status of “Audit Evidence Being Sufficient & Clean” for This Past Fiscal Year.
- II. Larry Continues On to Address Assets, Liabilities, & Other Elements of Balance Sheets, Including Sizeable Increases in Investment Assets.
- III. Larry Continues on To Discuss Decreases in Improvement Reserves, & A Slight Increase in Total Rental Income from 2016 to 2017.
- IV. Larry Also Mentions the +\$100,000 Upward Turnaround in Unrealized Gains on Investments & A +\$50,000 Increase in Cash Reserves.
- V. Kate Asks About “Concentration of Risk” Clause Wherein CTC Was Over FDIC Insurance by More Than \$300,000. Larry Answers that He & Firm See No “Existential Threats” to These FDIC-Uninsured Funds.
- VI. Larry Moves Along to Discuss Static State of Improvement Reserves at \$720,284.
- VII. Larry Explains About Additional “Schedule of Expenses” Segment Breakdowns Among Painting Costs, Utilities, & Other Expenses.

***Michael motions to approve draft audit (FY 16-17); Dustin seconds; 7 approve, 0 oppose.***

**7:36 – 7:55 Informal discussion – Executive Committee- Updates/Suggested future agenda items- policies, future issues, events, community concerns**

- I. Kate Asks About the Status of Pet Policy Task Force Advancements in Proposals & Drafting, Sharing Concerns About “Stale Information” & Next Steps.
  - a. Michael, Grace, & Kate Discuss and Settle with Board on Putting the Task Force “On Hold” With Periodic Email Updates Until All Members Can Convene Again on Newer Proposals & Drafting.
- II. Kate Also Asks About Status of Comparing Creative Planning’s & Vista Wealth Management’s Investment Models.

- a. Dustin, Kate, Michael, & Paul Debate About the Advantages & Disadvantages of Investing in Fixed-Income Bonds Versus Other Market-Connected Equities and Fund Types.
- b. Grace Mentions that There Will Be One More Investment Firm to Listen Back About Future CTC Investment Models.
- c. Matt, Kate, Michael, & Others Raise the Idea of Diverting Bank Account Holdings from Current Bank Setup Towards a Credit Union at SPIRE, Think Mutual, Or Other Institution.
- d. Hadley Mentions the Trends of Closing Out BDS Laundry Contract in Favor of Pre-Paid Contract Done on An Annual Basis; Hadley Also Talks About Taking Segment of Capital Reserves In Order to Avoid An Increase in CTC Monthly Rental Fees, As Well As to Devote Portions of Funds Towards Various Capital Projects on A Gradual Basis.

### **7:55 Close Board Meeting**

**Next Board Meeting: Tuesday November 21<sup>st</sup>, 2017 at 6:00 pm, CTC Community Center Fireplace Room**

### **Enclosures:**

Draft Audit (FY 16-17)