

DWELLING PLACE OF GRAND RAPIDS

FINANCE COMMITTEE

July 31, 2019

*Approved Minutes*

**MEMBERS PRESENT:** David Byers, Michael McDaniels, Angela Sanborn, Holly Jacoby, Sadie Erickson, Gil Segovia

**GUESTS PRESENT:** Brian Hughes, Jan Winters

**STAFF PRESENT:** Karen Monroe, Steve Recker, Scott Page, Laurie Mullennix, Grace Thuo, Jessica Johnson, Justin Rhodes, Brandon Watson, Rebecca Long, Jessica Beeby, Liz Mui, Chris Bennett, Kim Cross

**STAFF ABSENT:** Dennis Sturtevant, Steven Wooden

The meeting was convened at 12:05 pm by David Byers.

**APPROVAL OF JUNE MINUTES**

**Minutes of the Finance Committee meeting of June 26, 2019 were approved by motion of Michael McDaniels, supported by Gil Segovia and carried unanimously.**

**NORTHERN TRUST SEMI-ANNUAL REVIEW**

Mr. Hughes from Northern Trust presented on the Dwelling Place Foundation and Non-Profit Housing Corporation (NPHC) accounts. An updated portfolio and supplement materials were distributed to all in attendance. In terms of the long-term outlook, we can expect and prepare for a mild recession within the next few years. As for the short-term outlook, the U.S. Economic Growth Overview showed that we do not expect a recession to take place within the next 6 months to a year. Mr. Hughes reiterated that the focus should remain on the long-term returns, as he expects economic growth will slow down over the next 5 years.

Mr McDaniels questioned the fluctuation of invested capital on page 6 of the portfolio. Mr. Hughes explained that the negative numbers are due fees used to support programs.

Ms. Jacoby was interested in comparing the growth versus value proposition from the asset list on page 39. Mr. Hughes offered to send additional documents identifying assets as growth or value.

The rate of return for the Foundation account as of June 30, 2019 is 7.59% per year, or 25% cumulative, with a total gain of \$283,128. The rate of return for Dwelling Place NPHC as of June 30, 2019 is 5.34% per year, or 19% cumulative, with a total gain of \$850,125.

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**GROWTH PLAN FOR  
ORGANIZATIONAL  
CAPACITY BUILDING**

Ms. Cross summarized a memo from Mr. Sturtevant regarding the pace of growth at Dwelling Place. Dwelling Place is currently involved in the development and construction of two new apartment communities, Harrison Park Apartments and Pine Avenue Apartments. Three new projects are expected to begin in September, Grandville Apartments, Franklin Apartments and the resyndication and renovation of Ferguson Apartments. To manage this growth, Dwelling Place needs and plans to add 6 new positions: Accountant, Receptionist, Real Estate Development Associate, Compliance Manager, Resident Service Coordinator, and Maintenance Director.

Mr. Recker reviewed a 3-year projection of revenue and expense to demonstrate the sustainability of the plan to add additional staff.

A request was made to have Mr. Rhodes send out a breakdown of positions within each department to have a better understanding of the organization structure.

**UPDATES /  
ANNOUNCEMENTS**

No updates or announcements were discussed.

**PROPOSED AGENDA  
AND NEXT MEETING  
DATE**

The next Finance Committee meeting will be held on Wednesday, August 28, 2019 at 12:00 pm.

**ADJOURNMENT**

The Finance Committee meeting was adjourned at 1:16 pm by David Byers.