MEMBERS PRESENT: Sadie Erickson, Holly Jacoby, Troy Stressman

MEMBERS ABSENT: Gilbert Segovia, Angela Sanborn

STAFF PRESENT: Jessica Beeby, Jessica Johnson, Rebecca Long, Karen Monroe, Steve Recker, Dennis Sturtevant, Grace Thuo, Brandon Watson, Mason Lundsted, Sarah Tafelsky, Justin Rhodes, Kim Cross, Chris Bennett

GUESTS: Sam Ellis (Northern Trust), Josh Gibbs (Northern Trust), Jan Winters (Northern Trust), Larissa Van Putten (Beene Garter)

COMMENCEMENT

The meeting was convened at 12:02 pm by Ms. Erickson

APPROVAL OF MAY MINUTES

Minutes of the Finance Committee meeting of May 26, 2021 were approved by motion of Ms. Jacoby, supported by Mr. Stressman and carried unanimously.

NORTHERN TRUST ANNUAL INVESTMENT REVIEW

Sam Ellis (Northern Trust) presented the annual investment review. Overall, both Dwelling Place Foundation and Dwelling Place Non-Profit portfolios have performed well, displaying growth since last year and since inception. During the review of Asset Class Performance for both portfolios, Mr. Ellis pointed out that there was only a 1% difference between the rates of return benchmarks (MSCI ACWI ND 15%) and Equities (14%) since inception. In the review of Dwelling Place Non-Profit's Asset Allocation Profile, Mr. Ellis reported that there was an increase due to funds distributed earlier in the year. He clarified that the 20.6% under international developed represents the ESG investments discussed during Northern Trust's presentation to the Committee in January 2021.

Mr. Ellis concluded with the Economic Commentary, in particular noting that the global equities valuation summary is showing valuations 30x what is currently being seen and advised that increases to the portfolio over time would be more conservative to minimize risk and there wasn't a need to act immediately. He then referred to the Review of the Results, commenting that the report is dated to August 2020 and he expected to receive an updated version in the next month and he would share that information with the Committee. He indicated that no significant changes were anticipated and stated that the Global Aggregate (Global Agg.) benchmark would continue to show a 1-2% return for the bond portion of the portfolio, which would result in more modest growth moving forward.

REVIEW OF 990s (DRAFTS)

Mr. Recker presented the Dwelling Place NPHC 2020 Draft 990. He reviewed each schedule commenting on points of interest and answering questions. He clarified that an extension was filed, due to outstanding K1s, namely Ferguson's. Ms. Jacoby asked when the 990s would be filed and he
responded that it would depend on the completion of the K1s, although Dwelling Place NPHC’s will likely be filed the day before the deadline, due to other extensions. Under Disclosure – Section C, Mr. Recker pointed out that our current policy is to provide a copy of 990 upon request, but the Committee and Board of Directors may review a change in this position, including whether to make it available on our website and align with trends in transparency at other organizations.

There were five other 501(c) properties that were sent to the Finance Committee for review. These included: Community Land Trust (CLT), Elmdale, Heartside, Sawkaw, and Dwelling Place Foundation.

**SALARY STUDY IMPLEMENTATION – PROPOSED DATE CHANGE**

Mr. Recker provided background on the annual salary study. The 2022 was completed by The Employer’s Association in July, working closely with Mr. Recker and Ms. Cross. Typically, any salary increases, either per the recommendation of the salary study or for Cost of Living (COLA) would be implemented January 1st. To stay competitive, attract and retain workers, it was proposed to change the implementation date to go into effect September 26th. Mr. Recker added that the cost of this change in implementation would be approximately $80,000, but that we are currently under budget by about $200,000.

**Recommendation to present the proposed date change for the 2022 salary study implementation to the Board of Directors was approved by motion of Ms. Jacoby, supported by Ms. Erickson and carried unanimously.**

**DEI IMPLEMENTATION AND WORK PLAN REVIEW**

The discussion was tabled for the August meeting to allow for more Committee members to be present. It was noted that the Committee opted to invest $2 million in ESG (Environmental, Social, and Governance) funds, per the recommendation of Northern Trust, which met the goal that was previously set.

**UPDATES AND ANNOUNCEMENTS**

Mr. Sturtevant announced that Genesis NPHC is in the process of becoming a directorship corporation. Beene Garter prepared a recommendation regarding the liquid assets. He added that this information can be sent to the Finance Committee, but it would not be relevant unless Genesis NPHC is merged or dissolved.

**PROPOSED AGENDA AND NEXT MEETING DATE**

The next Finance Committee meeting will be held on Wednesday, August 25, 2021 from 12:00 PM to 1:30 PM.

**ADJOURNMENT**

The Finance Committee meeting was adjourned at 1:30 pm by Ms. Erickson.