



• Giving Back. Moving Forward. •

FINANCE / INVESTMENT COMMITTEE
Thursday – July 22, 2021

MINUTES

PRESENT: John Doskoch, Bob Hoffman, Bill Lorne, Fred Malpass, Lori Meeder (on Zoom),
Tami Vincent
ABSENT: None
STAFF: Chip Hansen, Matt Greer
GUESTS: Jeff Weisker - Fund Evaluation Group
Vel Kammermann – Kammermann & Bascom

Lori Meeder called the hybrid meeting to order at 12:28 p.m.

Motion by B. Lorne, supported by T. Vincent, to approve the minutes of the April 22, 2021 meeting of the Finance Committee. Motion passed, 6-0.

Vel Kammermann of Kammermann & Bascom joined the meeting and reviewed the 2020 Audit with the group and responded to questions. Ms. Kammermann also commented on the 2020 Form 990. Following the reports, it was *moved by J. Doskoch, supported by B. Hoffman, to accept the 2020 Annual Audit and Form 990 reports as presented. Motion passed, 6-0.* Vel Kammermann exited the meeting at this time.

Jeff Weisker from Fund Evaluation Group (FEG) joined the meeting and reviewed CCCF's 2Q-end investment performance report with the group, including the following investment results:

Investment Portfolio

	2Q	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
Total Composite	6.3%	37.0%	14.4%	13.6%	9.0%	9.2%	8.6%
Benchmark	5.9%	34.0%	12.5%	12.4%	8.2%	8.5%	8.8%

ESG Portfolio

	1Q	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
Total Composite	7.0%	30.5%					18.9%
Benchmark	6.3%	32.0%					18.0%

Mr. Weisker noted positive performance across all sectors, despite inflation concerns.

Mr. Weisker shared highlights from FEG's annual survey of community foundations, including spending policy rates and fees, both of which prompted discussion from the group. *Motion by T. Vincent, supported by F. Malpass, to accept the 2Q-end investment performance report as presented by FEG. Motion passed, 6-0.*

Jeff Weisker exited the meeting at this time.

Matt Greer shared the 2Q-end financials, providing informative supplementary comments related to the Statement of Activity and Balance Sheet. Mr. Greer also shared the Operating Fund Revenue/Expense Report. *Motion by J. Doskoch, supported by B. Hoffman, to accept the 2Q-end consolidated financial statements and revenue/expense reports, as presented. Motion passed, 6-0.*

Lori Meeder discussed the annual "Depository Review," which highlights information related to the health of the community foundation's local depositories, which include 4Front Credit Union and Charlevoix State Bank. The group agreed that the financials for each depository were positive and worthy of continued CCCF investment.

Chip Hansen reviewed proposed amendments to the 2021 Operating Fund Budget. Mr. Hansen identified areas of change on the revenue and expense sides of the ledger. The amendments produced revenues of \$783,000 and expenses of 669,622. The projected surplus of \$113,378 may fluctuate prior to year-end, as the growth of the C3F may produce additional revenues. *Motion by B. Hoffman, supported by T. Vincent, to approve amendments to the 2021 Operating Fund Budget, as presented. Motion passed, 6-0.*

Following guidance from the Board of Trustees, as determined at their April 2020 meeting, the Committee took action to grow the Community Reserve Fund and the Community Endowment using excess operational revenues and resources generated by the Robert G. Tambellini Administrative Endowment Fund, authorizing the transfers with the following motions:

- *Motion by J. Doskoch, supported by T. Vincent, to authorize the transfer of \$23,708 from the Operating Fund to the Community Reserve Fund. Motion passed, 6-0.*
- *Motion by T. Vincent, supported by F. Malpass, to authorize the transfer of \$17,832 from the Robert G. Tambellini Administrative Endowment Fund to the Community Reserve Fund. Motion passed, 6-0.*
- *Motion by B. Hoffman, supported by F. Malpass, to authorize the transfer of \$23,168 from the Robert G. Tambellini Administrative Endowment Fund to the Community Endowment. Motion passed, 6-0.*

Chip Hansen shared, consistent with a target embedded in the Strategic Plan, proposed revisions to the payroll and transfer internal control procedures. *Motion by J. Doskoch, supported by B. Lorne, to approve the payroll and transfer internal control procedures as recommended. Motion passed, 6-0.*

Matt Greer exited the meeting at this time.

The group engaged in a preliminary discussion focusing on staff compensation in 2022. Chip Hansen shared information about current levels of compensation, as well as national compensation data from the field. The group will discuss compensation again at their meeting in October, with the goal of finalizing staff increases for 2022 at that time, while also considering additional responsibilities for Sara Ward.

Motion by B. Lorne, supported by T. Vincent, to adjourn the meeting. Motion passed, 6-0. The meeting adjourned at 2:58 p.m.

Matt Greer, Recording Secretary

July 22, 2021
Date