



SSAFE CASE STUDY REPORT

Responsible Investing with an ESG Focus

Wake Robin Life Care Community in Shelburne, Vt.

Recorder: Carol Jean Sutor, with input from the president of the residents' association and from the chair of our corporate board's investment subcommittee, our Chief Executive Officer (CEO) and Chief Financial Officer (CFO).

Date Submitted: 07/15/2025

Contact Carol Jean Sutor for more information

Keywords: Investment, ESG

Summary

Wake Robin's Resident's Association (WRRRA) and the Wake Robin Corporation's (WRC) Investment Subcommittee investigated and then acted, respectively, on opportunities for investing funds using an ESG (environmental, social, governance) focus.

Objective

The resident association, administration, and corporate board sought to make their investment portfolios more consistent with an ESG investment approach.

General Campus Description

Wake Robin is a non-profit life care community serving about 330 residents who live independently in cottages and apartment buildings, 41 in residential care, 39 in nursing care, and 18 in memory care. Through the resident board, residents work with management to reach decisions that affect the resident community, with the understanding that governing lies with the administration and the corporate board. This project is expected to be applicable to any SSAFE campus with resident involvement in its investment decisions.

Background

Well before Wake Robin became a SSAFE chapter, one resident independently worked to educate the residents' association and administration about a local, low-income credit union whose mission is to create wealth and promote economic development by bringing affordable capital and financial services to low-income and other traditionally underserved populations. His aim was to encourage investment in that institution rather



than in one of the big banks or in a portfolio that was less socially and environmentally conscious. His efforts resulted in the purchase of a certificate of deposit (CD) in this institution for the residents' association and of a larger CD for the corporation. The residents' association has continued to renew CDs in this credit union without further effort. Further support by the Wake Robin Corporation depended on action by the board's investment subcommittee and the corporate board.

Methodology

In 2023, our corporate board appointed a resident for the first time to serve as a member of the board's investment subcommittee. Over the course of nearly two years, the subcommittee investigated 1) additional socially responsible local investment opportunities for a relatively small portion of our capital and later 2) ESG-focused investing. Processes for each are described below.

Process Used by the Subcommittee's Resident Member to Address Socially Responsible Investment

- Select potential financial institutions and review information on their websites.
- Confer with subcommittee chair about contacting key personnel for further information from three financial institutions:
 - A community loan fund that is a mission-driven, community-focused alternative lender,
 - A community foundation, and
 - A state-owned savings bank with a strong philanthropic reputation.
- Conduct three interviews to gather detailed information about the financial institutions.
- Summarize findings at a subcommittee meeting.
- Based on feedback from the subcommittee, invite representatives from the loan fund and savings bank to present to the subcommittee, and manage logistics, including the sharing of informative documents.
- Thank representatives and report decisions to them.

Socially Responsible Outcome

After hearing presentations and reviewing documents, the subcommittee unanimously agreed to obtain an additional certificate of deposit in the low-income credit union despite exceeding the \$250,000 Federal Deposit Insurance Corporation (FDIC) limit and to invest in the community loan fund despite no insurance. Both institutions provide services that could benefit lower-income Vermonters, which would include potential current or future Wake Robin staff members.



Process Used to Address Initiating an ESG-focused Investment Policy

The subcommittee's resident member advocated for consideration of a more environmentally and socially responsible investment strategy with the concurrence of the other subcommittee members. The CFO was eventually able to arrange for a representative of our investment firm to give a slide presentation on ESG options that included data on long-term performance. At a subsequent meeting, the subcommittee discussed the pros and cons of an ESG focus and the value of making gradual changes in the investment portfolio. The data presented on long-term performance was favorable: ESG returns were comparable to the returns we had been receiving. The subcommittee agreed to recommend initiating an investment strategy with an ESG focus, with the understanding that the investment firm was able to apply the ESG lens only to the equity portion, not to fixed income. The recommendation was presented to the WRC Board of Directors, which approved it.

ESG-focused Investment Outcome

The WRC Board agreed to assume a slightly higher level of risk (and equity exposure) while making investments more sustainable, incorporating ESG principles with a broad perspective. Moreover, the subcommittee, through our CFO, has initiated a request for proposal (RFP) process to selected investment firms to determine which one would align with our mission and serve us best financially. With our increased commitment to sustainability, the RFP now prominently requests information about ESG integration and screening on all assets; and the subcommittee will give careful consideration to this as a part of the selection process.

Funding Needed

Assets not required for day-to-day operations or restricted to specific uses.

Involvement or Support of Community Administration:

Administration is not involved in investing by the WRRRA. One Wake Robin resident, the CEO and CFO, and three corporate board members serve on the WRC Investment Subcommittee, and the final decision for corporate investments is made by the WRC Board.

Key Challenges

The subcommittee had discussed ESG investing for many years but was initially hesitant to move forward because of a concern about diminished returns resulting from ESG screens. Progress can be slow when meetings are held only quarterly. The investment firm was slow to respond to the request for an ESG presentation. Not all available funds



can be screened yet since the firm is not prepared to apply an ESG focus to the fixed income portion.

Lessons Learned:

Sharing information from the financial institutions both in writing and in-person enabled informed decision making. Data on risk and financial returns are essential in addition to ESG considerations.

Next Steps or Follow Up

The investment subcommittee tracks portfolio performance quarterly. The subcommittee will consider renewal of the socially responsible investments when the terms are up. Approximately every five to seven years, the CFO sends out requests for proposals to investment firms to enable the subcommittee to consider which firm would serve us best. The firm's ability to apply an ESG lens to our investments will be one element considered in the upcoming review of proposals.

Resources

Investment resources are specific to investment by each life care community.

No Attachments

