

BOND&DEVICK

wealth partners

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SRI NEWS & NOTES

SUSTAINABLE, RESPONSIBLE AND IMPACT INVESTING

SUSTAINABLE TRAVEL

Many of us have wanderlust and enjoy traveling for a variety of reasons. It allows us to experience other cultures, explore history and museums and search for unique food experiences. While traveling can be an important part of the human experience it also adds to climate change and can have negative impact on the places we visit. There is a resource available for travelers who would like to reduce their impact and travel in a more sustainable manner.

The Global Sustainable Tourism Council (GSTC) has a website <https://www.gstccouncil.org/for-travelers/> with links to travel providers helping travelers find certified sustainable accommodations, such as [bookdifferent!](#).

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EXECUTIVE COMPENSATION—HELPING DRIVE INCOME DISPARITY IN AMERICA

“...CEO compensation has soared over 900% while the average worker’s pay during the same time has increased by 10%.”

On February 21st we listened to a conference call with Robert Reich, professor of Public Policy at the University of California at Berkeley and former Secretary of Labor under President Clinton. He tracked

the ratio of Chief Executive Officer compensation to the average worker’s salary over several decades and his research confirms what we all assumed, executive compensation in America is out of control. According to Professor Reich, the CEO compensation ratio to average worker pay was 20-1 in the 1950’s, 30-1 in the 1970’s, 120-1 in the 1990’s and is currently almost 300-1. CEO compensation has soared over 900% while the average worker’s pay during the same time has increased by 10%.

Other than a source of inequality, why should the average investor care about CEO compensation? According to As You Sow, a non-profit leader in shareholder advocacy in America, the average stock price of the most overpaid CEO’s in America has lagged the S&P 500 index return by almost 3% per year over the past several years. It appears overpaying CEO’s and other executives is destroying shareholder value. Another problem is that executive compensation is soaring, not because of performance and leadership, but

through compensation incentives that promote the short-term over the long run. For instance, many executive compensation packages are tied to short-term company performance, which can hurt long-term shareholders. According to As You Sow, a large percentage of executives are compensated on the company’s earnings per share. Many large company’s have repurchased billions of dollars of stock over the past few years, which reduces the number of outstanding shares and increases the earnings per share, even though that metric does not track how the company is doing based on cash flow or profits. If profits are flat, but the number of shares outstanding is reduced by 5%, the earnings per share increases by 5% and the executives are richly rewarded. This simply does not make sense. Policy advocates along with a few politicians are trying to change how executives are compensated to bring their incentives more in line with workers and long-term shareholders. Many of the investment firms we use are filing shareholder resolutions to affect change in executive compensation and we fully support their efforts.

Here is a link to As You Sow if you are interested in learning more about the organization: <https://www.asyousow.org/about-us>

Bond&Devick will continue to use investments that help level the playing field between management and workers to try to help reduce the inequality in income that is such an issue in America today.

NEW INCENTIVES FOR THE B&D TEAM

At Bond&Devick we aim to provide superior client service. We do this by hiring and retaining the best of the best to be part of the B&D Team. Our culture along with our commitment to our BCorp Certification is making sure we do everything to keep our clients, employees and community our number one priority. Last year we instituted a 2-week sabbatical for every 5 years of service, in addition to PTO hours. In January we changed our office hours to provide our employees with a better work-life balance. Last month we started 3 new programs. One is a monetary incentive for buying or leasing a hybrid or electric vehicle. Second is a monetary incentive for installing home solar panels. Last is our wellness program, where we reimburse a set amount annually for gym membership, workout equipment, etc. We hope these initiatives help show our employees how valued they are!

SUSTAINABLE TRAVEL—CONTINUED

The GSTC website also has a few interesting resources about becoming a more responsible tourist. They define a Responsible Tourist as someone who:

1. Minimizes negative impacts on the economy, environment and society;
2. Generates economic benefits for local people and enhances well-being of host communities;
3. Involves local people in decisions that affect their lives;
4. Makes positive contributions to the conservation of natural, social and cultural heritage;
5. Provides more enjoyable experiences for tourists through more meaningful connections with local people and greater understanding of local cultures
6. Provides access for people with disabilities and disadvantaged and
7. Is culturally sensitive, engenders respect between tourists and hosts and builds local pride and confidence.

Summer is the busiest time for travel. We hope these resources will help provide you with a few tips to becoming a more sustainable traveler.

Happy responsible traveling!



travel forever



Solarama Crush launch event: a hit for the bees and beer. Last month RJ and Andy attended Fresh Energy's "Beer for Bees". Fresh Energy paired up with the craft beer brewers at 56 Brewing to unveil the 2019 version of Solarama Crush IPA, brewed with honey from pollinator-friendly solar arrays. Over 200 people attended, including Minneapolis's mayor, Jacob Frey!

RAISE ONE FOR THE BEES

TO SUPPORT FRESH ENERGY'S
WORK TO SPEED MINNESOTA'S
TRANSITION TO CLEAN ENERGY.



Coming Soon—SRI Social!

We are hosting a social event sometime this spring at Indeed Brewing Company, voted one of the top sustainable brewers in the country. It will be a time for people with like minds to get together and have some fun while discussing SRI-related topics.

Details to follow.