

Washington Hancock Community Agency  
 Meeting of the Board of Directors, September 27, 2016

<b>Called to Order: 5:14 pm</b>		
I.	Roll call and introductions	<b>Quorum established</b>
II.	Approval of Board Meeting Minutes from August 30, 2016 <b>Discussion:</b> <b>Action:</b> Becky made the motion to accept the minutes as amended, Ruth seconded. Motion passed.	
III.	Presentations	
	<p>1. Bar Harbor Trust Services Presentation – Ruth Dunbar &amp; John Testa – Investment review handed out. What are they looking at in regards to the outcome of the Presidential election? Feel there will be some short-term volatility leading up to the election depending on the outcome of the debates. The market should settle within two months of the election once they get a sense of policy. Most companies are not making capital expenditures due to a lack of clarity on policy. Long-term things will move forward. The Federal Reserve did not raise rates this week, and probably won't in November. Looking to December as the last opportunity. Eight plus years in a Bull Market, would like to see a 20% pull back and then build higher from there.</p> <p>Asset Allocation - Growth with income objective portfolio. Stocks 65%, Cash 6%, Bonds 29%.</p> <p>Equity Diversification – Large Cap US 70%, Small Cap US 7%, International Stocks 19%, Emerging Markets 4%.</p> <p>Fixed Income Diversification – Corporate Bonds 50%, Total Return Bonds 38% (high quality mortgage backed securities with short maturity – 3 years), International Bonds 2%, Preferred Securities 10%.</p> <p>Equity Analysis – Strategy on stock side – companies that pay a dividend and increase its dividend on a regular basis. High conviction portfolio; fully invested is 25 names with roughly 4% held in each name. Stop loss strategy in place – risk reduction on the down side. Look at most recent price on high point, if it falls 25% or more they will sell in order to preserve gains and reduce losses. When choosing the portfolio they look at a bottom up approach. Good management, strong balance sheet, look at a company by company basis.</p> <p>Fixed Income Analysis – Bonds – Outline maturities. Preferred securities are in the greater than 10 year category. Right now prefer investing in corporate bonds due to the higher yield over treasuries.</p> <p>Portfolio Performance Gross of Fees – Total Portofolio is 5.58%, compared to a benchmark of 5.9%. 1 year 7.63% (7.72%), 3 year 6.36% (7.38%), since 2012 6.06% (7.69%). This portfolio will sometimes underperform due to the Bull Market. It really does well when there is a pull back. Spread between performance and benchmark is getting tighter, which is what they are looking for. The 6.06% since inception covers the fee, inflation, and our distribution. Current yield is</p>	

about 1% above where an index (such as S&P) would be.

Fees are based on the current market value of the portfolio, calculated every month and divided by 12. BH manages about \$450M. Dividend growth strategy is about 60% of the funds they manage.

Needs Assessment Presentation – Kathy Beauregard – The presentation has been postponed. Everyone received a copy in their Board packet. This is a requirement of our CSBG contract. Every three years is a large assessment involving the Board and community. The interim two years are smaller groups and the larger assessment is updated. Bobbi read some facts from the Executive Summary. Items include an increase in the aging population in the two counties, despite a reduction in overall population.

**Action:** Martha made the motion that we accept the report as presented, Becky seconded. Motion passed.

#### IV. Reports

1. Development Committee – Barbara Clark – This month the committee reviewed the BBQs; they were a great success with attendance ranging from 22-50. Ellsworth American insert has a target date of October 20 or 27. The advertising list is in and they are working on that for us. Looking for client family stories. Hoping for an interview at Everybody Eats, perhaps at the dinner table. Looking for the Eastport or Bucksport elders to be interviewed because of the bus routes. Betsy has contacted the Editor of the Machias Valley News Observer to try to get an insert in their paper.

Friendship Cottage has two grants out, and purchased a van this month. There is still money owed on it so that needs to be addressed. The committee would like to do another Op Ed letter like we did two years ago with a topic that the Board all signs off on. Last topic was elder insecurity during the winter months. Please bring forward a topic to the committee.

2. President's Report – Betsy Fitzgerald – Enjoyed the picnics. Thanks to the Board members who attended and to Vanessa for all the cupcakes.
3. Executive Director's Report – Mark Green – Thank you to all staff, Board members, and particularly Bobbi, Sarah, and Vanessa. Most attendees were people we serve. It was a good community service outreach event, and we may look at doing something similar next year.

Spoke with the EC about our CSBG budget, which needs to be submitted next week. There will need to be a special EC meeting to approve it before it goes in. The contract is about \$300K and involves funding the Receptionist, Family Advocacy, and some with LiHEAP. This year we would like to add two new initiatives for a Volunteer Coordinator and expanding the Family Advocacy program to include continued working with Veterans and the homeless community.

<p>Annual Meeting is coming up. Kay Rand from Senator King’s office has accepted our invitation to speak. We may have her do a brief talk and then open it up for questions. Invitations will go out this week. It will be held at Big Cats Catering in Trenton.</p> <p>4. Finance Director’s Report – Kevin Bean – Cash has been climbing since we have started to get some billings taken care of and working more diligently with funders to get payment. Cash is around \$600K; ARs have gone up to over \$1M, Maine Housing has an AR of over \$150K. Operations surplus is over \$200K; we have had a really good year with SEED, August was over \$6,000; a couple of good months in billings for Transportation, above what we normally see. HHG is at a \$32K deficit, carrying on from what we saw mid-fiscal year. We have seen better cars being sold but not the volume of sales. Friendship Cottage has a deficit of \$18K. Property rentals went from a high of \$21K to around \$2K this month.</p> <p>Ron made the motion to accept the Finance Report, Ruth seconded. Motion passed.</p> <p>5. Written Reports</p> <p>a. Development and Community Services Grant Report</p>		
<p>V. Items for Board Consideration</p>		
<p>1. Executive Session – Becky made the motion to go into Executive Session at 6:20, Brent seconded. Motion passed.          Becky made the motion to come out of Executive Session at 6:30, Bunny seconded. Motion passed.</p>		
<p><b>VI. Business meeting adjourned at 6:24 pm</b></p>		<p>Martha made the motion to adjourn.</p>
<p>Respectfully submitted, Jennifer Trowbridge, Housing Services Director</p>		