

Downeast Community Partners (DCP)
 Meeting of the Boards of Directors, January 29, 2019

Called to Order: 5:15 pm		
I. Roll Call and introductions		
<p>Roll call: Betsy Fitzgerald, John Harris, Martha Beathem, Jonathan Thomas, Walter Kumiega, Katie Clough, Dorthea Crowley, Becky McKenna, Charles Rudelitch, Barbara Clark, Charles Harrington, Michelle Beal, Charley Martin-Berry, Ruth Sousa, Lori Schnieders Quorum present</p> <p>Staff Present: Mark Green, Kevin Bean, Bobbi Harris, Sarah Nugent, Cheryl Robbins, Stacy Brown, Dale Basher, Melissa Mattes</p> <p>Guests: Jane Thomas, John Testa, Darlene Hawkes</p>		
II. Presentations		
<p>1. Investments – Bar Harbor Trust Services, John Testa, Darlene Hawkes We will talk about the economy, where things are heading, get into specifics, asset allocation, investment performance. Lot of volatility in the market, especially in December. Rallying in January, gained some ground back. Consumers are confident, but federal reserve is causing some concerns, their announcement in late 2018 hurt markets. They have eased back, also concerned that the Chinese economy is slowing down, that will ripple through the global economy, especially US. Fixed investment is coming to end, that will slow the growth. Chinese are working to change their economy to more consumer driven. How they handle the transition can slow the economy.</p> <p>Take a step back from the daily noise, we are in the later stages of the economic cycle, I is time to be more prudent, become more conservative. Don't know when the market will start a decline, but we are at the end of the boom cycle. Need to prepare for a downturn.</p> <p>565 stocks, 28% bonds, remainder cash. Our stop loss policy caused us to get out of 6 stocks in December. It's a way to preserve the value of a declining stock.</p> <p>Majority invested in large cap, had some exposure to smaller cap, but we got stop loss out of the small cap</p> <p>Fixed income 62% corporate bonds, small sliver in preferred securities. They offer a nice yield, but we limit the exposure, more volatile.</p> <p>Equity: top stock holdings – Microsoft is double the size of the next position – held for a long time, continues to perform well. Tighten up the stop loss – Microsoft is at 20% now, not 25%.</p> <p>Don't recommend we change our allocation at this time.</p> <p>This is an active strategy, invest where there is value and where risk is low. Our portfolio compares to the S and P 500 . We are overweight in the information technology sector.</p>		

Part of return comes from price, part from dividends. Dividends are more stable. Dividends go into cash, then are invested as portfolio requires.

Fixed income maturity weighting – shows when bonds will be maturing. Looking for short term bonds, five years or less. Rising interest economy, want to roll them over into higher yields. Very flat yield curve, no value in going longer.

Investment performance in three different sections, with benchmarks.

Put more emphasis on value index, as opposed to growth. Less volatility in stock price.

Since 2/29/2012, equity stocks growth outperformed value, but that will change over next few years.

Overall, outperformed the value bench mark, slightly underperformed the portfolio benchmark. Financial Institutions didn't fare well in the 4th quarter, already rebounding.

Bond portfolio has done very well – keeping it short term, and hand picking individual bonds helped here.

Account holdings: research carefully; get to know each company before investing.

Summarize – in later stages of business cycle, feel it is better to be conservative, have stop loss in effect to help protect portfolio.

Any questions, get them to Kevin, he will get answers and get back to you.

2. Housing – Bobbi Harris, Housing Director and Dale Basher, Operations Manager

Bobbi and Dale are here to talk about two exciting projects going on in the housing division.

The first is the solar project in Franklin that went on line recently.

Maine Solar resources are really strong, on par with Austin Texas

We installed 476 panels, produce 345 watts per panel. Enough to power 20 homes per year.

This is photovoltaic, helps to transition us away from petroleum projects.

Nettable credits do age out after 12 months. Natural Energy Council of Maine is looking to change that.

Panels last at least thirty years, very minimal degradation each year following. Inverters have to be replaced every 12 years. We can keep the agreement as is or buyout at any time, looked at year 7, 8, 9 or 10 for optimal buyout.

How does this compare to what we use? Hard to determine that, but it is reasonably close to what our nine biggest users use. Nine is the number of meters we are allowed to connect to the system, per Maine legislation. No sense in building it bigger at this time.

The second exciting project that Housing is working on is a tiny house. This is an outcome of our CF Adams/Maine Seacoast Mission Home repair program. Some of the volunteers come from Assabet Valley Technical school. All three equal partners, but not rolling out to the public yet, so please keep it quiet.

The affiliation with the school is through Scott Shaw and the volunteers.

Gentleman we are doing this for served in the Marine Corps, discharged in 2012, has a severe corn allergy that is service related, difficulty assimilating into society, due to corn being used in everything. He is purchasing his home site, the process is going smoothly.

Shannon Well Drilling is donating the well.

Jeri Spurling is donating the architect and design work.

Assabet Valley is working on a materials list, they will approach Lowe's as they have a connection there, hoping for materials to be donated.

Lot of research involved in the materials list due to corn derivatives being in everything.

Timeline – start date must be no later than March, for completion in school year, transfer the house here in June.

All trades are at school, working on MOU with school, need to get permits.

DCP takes ownership for the house the minute it leaves the building.

Rooftop solar – similar to our off site solar field in how it works. One thing is different; it can provide electricity to the house directly. If production exceeds demand, then excess goes out to the grid, and nettable credits are created to pay electric bills when sun doesn't create enough electricity.

Two point six kilowatt hours on these panels, won't meet all of his needs, but most. Going bigger would add a great deal of expense because the system would have to be ground mounted or on another building.

Due to space limitations, cost limitations, solar limitations, going with propane on-demand hot water.

Grant will not cover the whole cost as now designed. Submitted additional request for grant for solar component. Working on a plan to raise the additional funds.

3. CSBG Training – Stacy Brown

Here tonight and for all future board meetings.

Standards developed in 2016. There are nine standards; one that is required is board education.

We are looking at Standard 4.4 tonight.

DCP is required to submit a plan outlining the improvements we plan to make in our clients lives, then report periodically on progress.

We are funding our Loan program, Tax program, Nurse Home Visiting program, Aging in Place, and Board Training. Have to be serving people at 125% of poverty level or lower. We can start any program that has these income guidelines.

On each page that shows funding, required to tie back to our Community Needs Assessment when we set these goals.

We have set up a CSBG committee to review the CSBG plan, make sure that we hit all of these required standards; the committee consists of Stacy, Bobbi, Sarah N, Melissa, Michelle Beal.

Recently the State purchased Empower for the CAPS to use to track clients and outcomes. This will enable us to make sure that we are accurately counting the people that we serve, and will eventually enable us to track their progress.

Question: What are the NPIs?
National Performance Indicators – each year we create projections for the numbers served under all of the indicators that apply to us, and report on them quarterly.

III Items for Board Action

1. Approval of Meeting Minutes from 12/4/2018

Discussion: Sarah will fix the time meeting convened.

Action: **Martha** made the motion to approve the minutes as amended, **John** seconded. **Motion passed. Ruth abstained, not present at last meeting.**

2. RESOLVED, The Board of Directors hereby approves the following agency policies

1. Participant Rights
2. Blood Borne Pathogens and other Potentially Infectious Materials Exposure Control Plan/Procedure
3. Participant Complaint Policy
4. Hazard Communications
5. Confidentiality Policy and Procedure

Discussion: Stacy has confirmed that they comply with laws, rules and regs for new organization. Stacy will provide Confidentiality Policies for board members signatures.

Action: **Becky** made the motion to approve these policies, **Katie** seconded. **Motion passed.**

3. RESOLVED, to authorize the Finance Director and Treasurer to sign any documents required to allow the transition of CFO and WHCA credit cards to Downeast Community Partners.

Discussion: None

Action: **Walter** made the motion to approve the calendar, **Barbara** seconded.

Motion passed.

4. Resolved to appoint Elaine Abbott of Eastport to a “private sector” member of the Board of Directors representing Washington County.

Discussion: Outgoing city manager in Eastport, moving over to the health sector shortly.

Action: **Becky** made the motion to approve appointment, **Martha** seconded.

Motion passed.

5. Resolved, to recommend that the Hancock County Commissioners appoint Lisa Veazie of Blue Hill as a “public sector” member of the DCP Board of Directors

Discussion: Senior VP Bar Harbor Banking and Trust, very excited to join us.

Action: **Martha** made the motion to approve the request to appoint Lisa Veazie, **Walter** seconded. **Motion passed.**

IV Reports

1. Executive Committee Report on 11/30/18 Meeting (See minutes) and Action by Consent (Sale of Jonesport Property)
Executive committee has met twice, 11/30/18 to work with Melissa on

Head Start grant. Action by Consent – action to sell property in Jonesport did happen, we closed on it, no longer own it. Hope it will get renovated and back in use.

2. Strategic Plan Update – Committee

Met in Milbridge to look at draft plan, draft mission, draft vision, work on goal content, strategies under them. Really well informed by management team, feed back around the goals, next steps involved putting in some missing items, putting strategies in sequence. Meeting again soon. Lot of work done on Mission by staff, committee worked on it as well. Very close on that. The goals that have a lot of substance are around programs, ensuring access, internal organizational capacity.

Timeline – work through the month of February, report to you at February meeting. Might be presented in March, at least will report to the board in March, approval in April if time is needed.

3. Development Committee – Barbara Clark No meeting this month, seed is ongoing, Kara has ongoing sponsorship search for At Home Rowing Regatta in June, ideas please send to her. United Way grants submitted. Stacy, Ann, and Gerry Bryan are meeting with a gentleman with long term giving history. Anne has reached \$16,000 in annual appeal contributions.

4. Executive Directors Report - Mark Green

Discovery House – update on the disagreement over 90,000 in fees. Reached agreement today for \$70,000. Had set aside 42,000 for loss reserve. Won't need it all.

Marcia Rogers, employee, city councilor, wants to work to reopen Calais DHHS. Calais sees significantly more people, seems like this is something we should help with, not sure of our role, but support Calais in this effort. Walter: a letter stating that we have a lot of clients in the area who need the services. If we had numbers, that would help. Perhaps a board resolution?

Michelle motioned to authorize the chair to send a letter to the commissioner of DHHS to support the city of Calais efforts to bring DHHS back to the City of Calais, **Ruth seconded**

Motion passed

Spoke to executive committee about the senior housing bond, which is out, and is first come first served. Mark will start working on that and will keep the board in the loop.

Milbridge project is over budget, work on how to pay for that, and report to the full board on how that works out.

Property that DCP owns on Elm Street, lease expires in March,

preliminary work with a group trying to put together a recovery house, seeing if that property will meet these needs, make it work financially.

If that doesn't work, FFD has been awarded some Section 8 housing, difficulty finding housing. Strong need for Section 8 Housing in the area.

Mano en Mano moved back in here yesterday.

Lori Schneiders talking about getting early childhood certificate leading to associates degree at UM Also looking at gerontology certificate in the future.

Is there any more movement on the Hospice building? No, waiting for the 6 months to expire.

5. Finance Directors Report – Kevin Bean

Showing a ¼ million deficit. Head Start contract ended in November, was closed out as overspent, and investment performance in December. \$25,000 expenses went into opening Trenton and Harrington, which was unexpected. Other portion of deficit is Transportation; Logisticare seems to have realized that if they cancel our trips, they get to keep the money. This is a seasonal fluctuation, with holidays and winter storms. Expect that to turn around as we come to spring.

Are looking at a lot of things coming in in January. Got a refund from Workers Comp (\$40,000), and about 120-130 thousand dollars in credits coming back that we should see a drastic reduction to the deficit.

Head Start and Childcare – 106,000 deficit – about 10K more than last year, and we ended the year with a surplus. Reallocation saved us from having double this deficit last year, I think the allocation process we went through is working for us, will see the affect in the next few months.

Cash is good.

6. Head Start Director's Report – Melissa Mattes

Please review the handouts, including excerpt from Head Start legislation, especially the section on board involvement.

Melissa will answer your questions at next meeting.

COLA for Head Start - 1.7 % working with Stacy on how to deal with that, due in March

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7. Minutes of Parent Policy Council for December 2018 and January 2019

8. Member Introductions (Lori Schnieders)

Part of my journey to the board, special ed teacher for number of years, had to get a masters to keep license in Kentucky. Chose Counseling and Psychology. Also did agency work to supplement pay, working with newly verbal and preverbal children who had been sexually abused. Developed Tick Tock to work with children and mothers. Many times the non-offending parent had also suffered abuse, and had trouble establishing boundaries, Led to doctorate. Teaching for 45 years, want to make it to 50 if body allows. I get up everyday excited about going to work. Luckiest person on planet.

Taught at Vanderbilt, University of Missouri at St Louis, USM, working with students here, fell in love with Down East, they called me to see if I would teach in a flipped classroom, have students from Nova Scotia to Florida – Mainers in exile can attend for in-state tuition.

Asked to join the CFO board, and did, fell in love with what this group does, and am here with you. Plan to retire in Down East, and hope that is a long way ahead.

Next Month, Charlie Harrington and Katie Clough will introduce themselves.

9. Tour of Milbridge Project

**V. Business meeting
adjourned at 7:20 pm**

Barbara made the motion to adjourn.

Respectfully submitted, Sarah Nugent, Development Assistant