

**Town of Kennebunkport
Board of Selectmen Meeting
Village Fire Station – 32 North Street
January 23, 2020 – 6:00 PM**

Minutes of the Selectmen's Meeting of January 23, 2020

Selectmen Attending: Patrick A. Briggs, Edward Hutchins, D. Michael Weston

Selectmen Absent: Allen Daggett, Sheila Matthews-Bull

Others: Ralph Austin, Michael Davis, Jay Everett, Tim Harrington, David James, Yazmin Saraya Jean, Jen Lord, Arlene McMurray, Amy Nucci, Molly Reinfried, Harrison Small, Laurie Smith, Jim Stockman, Kinder Wilson, and others

1. Call to Order.

Selectman Hutchins called the meeting to order at 6:02 PM.

2. Approve the January 9, 2020, selectmen meeting minutes.

Motion by Selectman Briggs, seconded by Selectman Hutchins, to approve the January 9, 2020, selectmen meeting minutes. **Vote:** 3-0.

3. Public Forum (This is an opportunity for anyone who wants to address the Board of Selectmen with any issue that is not on the agenda.).

There were no comments.

4. Consider a new liquor license application submitted by Chez Rosa, LLC, d.b.a. Chez Rosa Bistro, Building D on Cross Street and Union Street.

Motion by Selectman Weston, seconded by Selectman Briggs, to open the public hearing. **Vote:** 3-0.

Selectmen Hutchins opened the public hearing at 6:02 PM.

Yazmin Saraya Jean introduced herself and talked about the Chez Rosa Bistro. She said they will be serving French cuisine and will have a soft opening the last week in March and be open April 2.

Selectman Hutchins closed the public hearing at 6:04 PM.

Motion by Selectman Weston, seconded by Selectman Briggs, to approve the new liquor license and victualer's license application submitted by Chez Rosa, LLC, d.b.a., Chez Rosa Bistro, 2 Ocean Avenue. **Vote:** 3-0.

5. Public hearing to consider a new liquor license application submitted by The Boathouse of Kennebunkport, LLC, d.b.a. The Boathouse Hotel, 21 Ocean Avenue.

Motion by Selectman Briggs, seconded by Selectman Weston, to open the public hearing to consider new liquor license and special amusement permit applications.

Vote: 3-0.

Selectman Hutchins opened the public hearing at 6:05 PM.

Tim Harrington said the services will remain the same, and they hope to continue their hospitality. Attorney Ralph Austin answered questions about ownership.

Motion by Selectman Weston, seconded by Selectman Briggs, to close the public hearing.

Vote: 3-0.

Selectman Hutchins closed the public hearing at 6:10 PM.

Motion by Selectman Briggs, seconded by Selectman Weston, to approve the new liquor licenses and special amusement permits for:

- The Boathouse Hotel
- The Kennebunkport Inn
- Cape Arundel Inn
- The Clubhouse at Cape Arundel
- Hidden Pond
- Tides Beach Club
- Lodge on the Cove
- The Yachtsman Hotel and Marina Club

Vote: 3-0.

6. Public hearing to consider a new special amusement permit renewal application for The Boathouse of Kennebunkport, LLC, d.b.a. The Boathouse Hotel, 21 Ocean Avenue.

This item was addressed in item 5.

7. Public hearing to consider a new liquor license application submitted by The Kennebunkport Inn, LLC for the Kennebunkport Inn, 1 Dock Square.

This item was addressed in item 5.

8. Public hearing to consider a new special amusement permit submitted by The Kennebunkport Inn, LLC, d.b.a. the Kennebunkport Inn, 1 Dock Square.

This item was addressed in item 5.

9. Public hearing to consider a new liquor license submitted by Cape Arundel Inn, LLC, d.b.a. Cape Arundel Inn, 208 Ocean Avenue.

This item was addressed in item 5.

- 10. Public hearing to consider a new special amusement permit renewal application submitted by Cape Arundel Inn, LLC, d.b.a. Cape Arundel Inn, 208 Ocean Avenue.**

This item was addressed in item 5.

- 11. Public hearing to consider a new liquor license application submitted by Ivy One, LLC., d.b.a., The Clubhouse at Cape Arundel Inn, 8 Old Fort Avenue.**

This item was addressed in item 5.

- 12. Public hearing to consider a new special amusement application submitted by Ivy One, LLC., d.b.a., The Clubhouse at Cape Arundel Inn, 8 Old Fort Avenue.**

This item was addressed in item 5.

- 13. Public hearing to consider a new liquor license application submitted by Hidden Pond, LLC., d.b.a. Hidden Pond, 356 Goose Rocks Road.**

This item was addressed in item 5.

- 14. Public hearing to consider a new special amusement permit application submitted by Hidden Pond, LLC., d.b.a. Hidden Pond, 356 Goose Rocks Road.**

This item was addressed in item 5.

- 15. Public hearing to consider a new liquor license application submitted by Tides Beach Club, LLC, d.b.a. Tides Beach Club, 254 Kings Highway.**

This item was addressed in item 5.

- 16. Public hearing to consider a special amusement permit renewal application submitted by Tides Beach Club, LLC, d.b.a. Tides Beach Club, 254 Kings Highway.**

This item was addressed in item 5.

- 17. Public hearing to consider a new liquor license application submitted by Lodge on the Cove, LLC., d.b.a. Lodge on the Cove, 29 South Main St.**

This item was addressed in item 5.

- 18. Public hearing to consider a special amusement permit renewal application submitted by Lodge on the Cove, LLC., d.b.a., Lodge on the Cove, 29 South Main Street.**

This item was addressed in item 5.

- 19. Public hearing to consider a new liquor license application submitted by Yachtsman Hospitality, LLC, d.b.a. the Yachtsman Hotel and Marina Club, 57 Ocean Avenue.**

This item was addressed in item 5.

20. Public hearing to consider a special amusement renewal application submitted by Yachtsman Hospitality, LLC, d.b.a. the Yachtsman Hotel and Marina Club, 57 Ocean Avenue.

This item was addressed in item 5.

21. Presentation of annual Investment Report.

Molly Reinfried of H.M. Payson gave a PowerPoint presentation and answered questions from the Board. See Exhibit A.

Daniel Lay of H.M. Payson invited the Board to attend their meetings for portfolio members every Thursday morning at 9 AM.

Treasurer Jen Lord gave the distribution for the Fire Companies.

Town Manager Laurie Smith mentioned that Bob McCrillis and Selectmen Daggett and Briggs serve on the Investment Committee.

Motion by Selectman Briggs, seconded by Selectman Weston, to accept the annual investment report as written. **Vote:** 3-0.

22. Consider waiving building permit and wastewater impact fees for two homes built by Habitat for Humanity at 36 Mills Road.

Amy Nucci, executive director of Habitat for Humanity, said they split a buildable lot into two parcels. She passed around the architects rendering of both homes. She said the families have not been selected yet.

Motion by Selectman Weston, seconded by Selectman Briggs, to waive the building permit and wastewater impact fees for two homes built by Habitat for Humanity at 36 Mills Road. **Vote:** 3-0.

23. Accept a donation of \$1,000 from the Atlantic Firemen's Association to the emergency fuel fund.

Motion by Selectman Briggs, seconded by Selectman Weston, to accept a donation of \$1,000 from the Atlantic Firemen's Association to the emergency fuel fund. **Vote:** 3-0.

24. Other business.

There was no other business.

25. Approve the January 23, 2020, Treasurer's Warrant.

Motion by Selectman Briggs, seconded by Selectman Weston, to approve the January 23, 2020, Treasurer's Warrant. **Vote:** 3-0.

26. Adjournment.

Motion by Selectman Briggs, seconded by Selectman Weston, to adjourn. **Vote:** 3-0.

The meeting adjourned at 6:32 PM.

Submitted by Arlene McMurray
Administrative Assistant

Exhibit A – 1-23-2020

HMPayson

Investment Review

JANUARY 2020

PREPARED FOR

Town of Kennebunkport

Daniel M. Lay, Esq.
PORTFOLIO MANAGER

Molly C. Reinfried, CFP®, EA
PORTFOLIO MANAGER

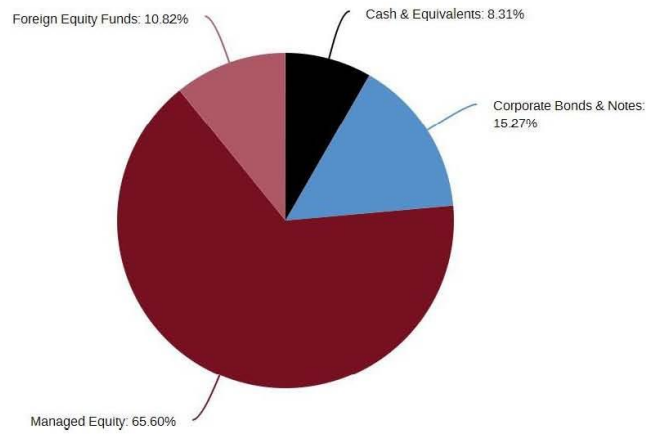
Jenny L Robinson
RELATIONSHIP ADMINISTRATOR

KENNEBUNKPORT, TOWN OF CSU-3630

HMPayson

Asset Allocation by Account

TOWN OF KENNEBUNKPORT



Style Class
Cash & Equivalents
Corporate Bonds & Notes
Managed Equity
Foreign Equity Funds
Total

Current Value	Current Percent
\$127,342	8.31%
\$233,923	15.27%
\$1,004,681	65.60%
\$165,669	10.82%
\$1,531,615	100.00%

As of December 31, 2019

KENNEBUNKPORT, TOWN OF CSU-3630

HMPayson

Individual Account Gross Performance

TOWN OF KENNEBUNKPORT

Description	Fiscal YTD beginning 7/1 Gross Return	Previous 1 Year Gross Return	Previous 3 Years Gross Return	Inception to Date (02/28/2015) Gross Return
Cash & Equiv	0.95%	2.16%	1.65%	1.07%
<i>FTSE USBIG 1 Mo. Treasury Bill</i>	<i>0.97%</i>	<i>2.20%</i>	<i>1.61%</i>	<i>1.04%</i>
Fixed Income	2.04%	7.18%	3.59%	* 2.82%
<i>Bloomberg Barclays US Government / Credit 1 - 5Y</i>	<i>1.40%</i>	<i>5.01%</i>	<i>2.54%</i>	<i>1.95%</i>
Equity	13.32%	31.04%	18.03%	11.86%
<i>75% S&P 500, 25% ACWI ex-US</i>	<i>9.94%</i>	<i>28.95%</i>	<i>13.96%</i>	<i>9.80%</i>
Total	10.51%	23.91%	13.53%	8.93%
<i>70% (75% S&P 500 25% ACWI exUS) 25% BB US Int Gvt/Crd 5% 3MTB</i>	<i>7.42%</i>	<i>21.85%</i>	<i>10.72%</i>	<i>7.64%</i>

* Partial period return

Returns for periods exceeding 12 months are annualized.

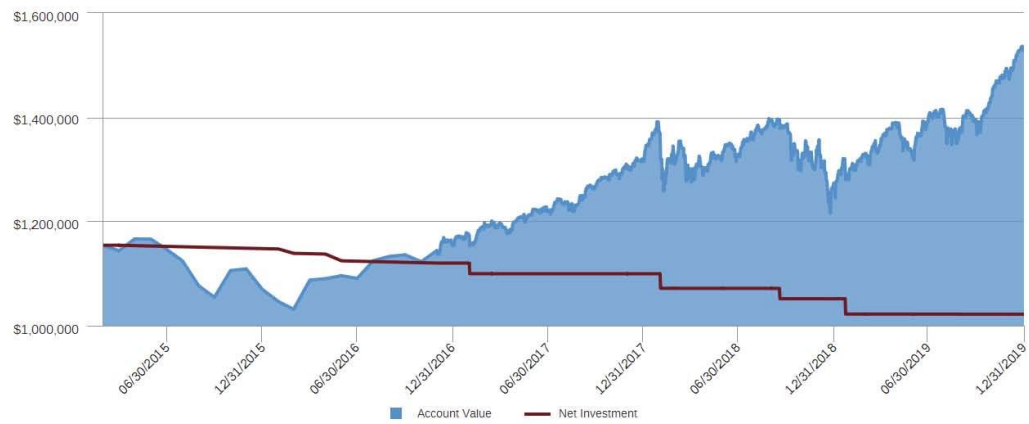
As of December 31, 2019

KENNEBUNKPORT, TOWN OF CSU-3630

HMPayson

Account Value vs. Net Investment

TOWN OF KENNEBUNKPORT



	Fiscal YTD beginning 7/1	Inception to Date (02/28/2015)
Start Value	\$1,391,021	\$1,154,444
Net Contribution	(\$115)	(\$132,285)
Investment Gain/Loss	\$140,710	\$509,456
Ending Value	\$1,531,615	\$1,531,615

As of December 31, 2019

Town of Kennebunkport Distribution Review as of 12/31/2019

	Market Value 12/31/2019	2015	2016	2017	2018*	2019	Since Inception through 12/31/2019
Kittredge Trust	\$901,590.54	\$0.00	-\$12,021.77	-\$14,554.52	-\$27,929.65	-\$29,365.39	-\$83,871.33
Macomber Trust	\$0.00	\$0.00	-\$100.18	-\$5,869.26	\$0.00	\$0.00	-\$5,969.44
Picavet Trust	\$630,024.68	\$0.00	-\$7,914.33	\$0.00	-\$19,811.05	\$0.00	-\$27,725.38
TOTAL		\$0.00	-\$20,036.28	-\$20,423.78	-\$47,740.70	-\$29,365.39	-\$117,566.15

*Began using the 4% spending calculation in 2018

TOWN OF KENNEBUNKPORT

Holdings as of: December 31, 2019

HM Payson

Characteristics Summary	Client	S&P 500
Price to Earnings (x)	18.2	19.1
Dividend Yield (%)	2.0	1.8
Payout Ratio (%)	36	35
Return on Invested Capital (%)	7.7	6.4
Long term Debt to Capital (%)	44	47
V-Ratio	0.53	0.43

$$\text{V-Ratio} = \frac{\text{ROIC} + \text{Dividend Yield}}{\text{Price-to-Earnings Ratio}}$$

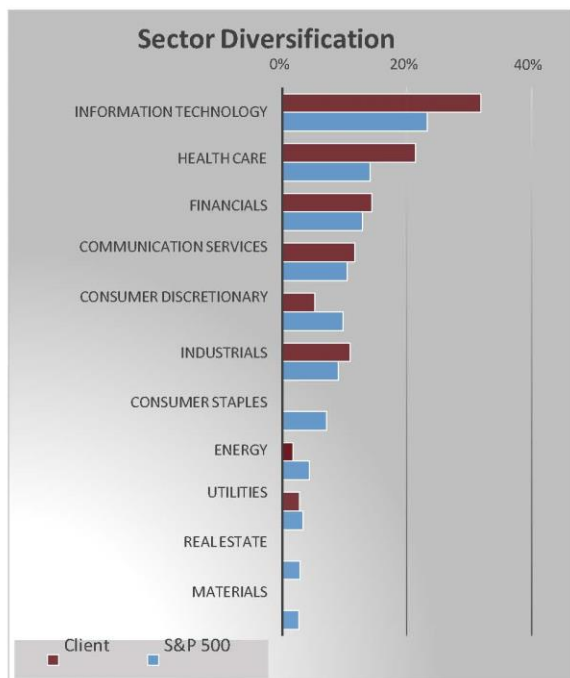
$$\text{ROIC} = (\text{Earnings} - \text{Dividends}) / \text{Total Capital}$$

Consistently profitable companies with shareholder-friendly capital allocation tend to outperform over time. We believe that portfolios constructed around these characteristics, combined with a disciplined approach toward valuation, offer enhanced potential long-term returns. HM Payson's V-Ratio captures these features by weighing an approximation of quality against a measure of price.



TOWN OF KENNEBUNKPORT

Holdings as of: December 31, 2019

HM Payson

Sector	Client	S&P 500	+/-
Information Technology	31.9%	23.3%	+8.5%
Health Care	21.4%	14.1%	+7.2%
Financials	14.4%	12.9%	+1.5%
Communication Services	11.7%	10.4%	+1.3%
Consumer Discretionary	5.2%	9.8%	-4.6%
Industrials	10.9%	9.1%	+1.8%
Consumer Staples	0.0%	7.2%	-7.2%
Energy	1.7%	4.4%	-2.7%
Utilities	2.8%	3.3%	-0.5%
Real Estate	0.0%	2.9%	-2.9%
Materials	0.0%	2.7%	-2.7%

TOWN OF KENNEBUNKPORT

Holdings as of: December 31, 2019

HMPayson

Stock Characteristics - 10 Largest Holdings

Company	Sector	Weight	Yield	Payout	5 Yr Div Growth	5 Yr EPS Growth	P/E	ROIC	LT Debt to Capital
Amgen Inc	Health Care	4.9%	2.7%	41.6%	22.9%	13.7%	15.7	13.8%	72.0%
Berkshire Hathaway Cl B	Financials	4.6%	0.0%	0.0%	NM	-27.1%	21.3	5.1%	21.5%
Amazon.com Inc	Consumer Discretionary	4.1%	0.0%	0.0%	NM	102.6%	77.4	10.4%	51.3%
Broadcom Limited Shs	Information Technology	4.0%	4.1%	53.4%	56.5%	45.4%	13.0	8.6%	54.6%
Johnson & Johnson	Health Care	3.9%	2.6%	42.7%	6.4%	3.1%	16.4	15.8%	32.2%
Mastercard Incorporated	Information Technology	3.6%	0.5%	19.1%	30.1%	16.9%	35.7	52.7%	62.1%
Microsoft Corp	Information Technology	3.5%	1.3%	35.6%	10.4%	14.0%	27.5	15.2%	43.3%
Alphabet Inc Class C Capital Stock	Communication Services	3.4%	0.0%	0.0%	NM	19.5%	26.5	16.9%	6.6%
Cisco Systems Inc	Information Technology	3.3%	2.9%	42.2%	13.6%	11.9%	14.4	16.8%	29.6%
Apple Inc	Information Technology	3.3%	1.0%	22.1%	10.6%	13.0%	21.1	26.9%	50.4%
Top 10 Stocks		38.8%	1.5%	31.7%	18.6%	9.4%	20.7	11.4%	36.8%
Total Stock Portfolio			2.0%	35.6%	13.4%	8.7%	18.2	7.7%	43.6%
S&P 500 Index			1.8%	35.3%	8.0%	6.3%	19.1	6.4%	47.4%

KENNEBUNKPORT, TOWN OF CSU-3630

HMPayson

Disclosures

Account data is on a trade date basis and income is included in the account returns on an accrual basis.

Account returns can be gross or net of management fees. Past performance is not indicative of future results.

All returns include the effects of all principal change and income, and returns for longer than one year are annualized.

Any Gross returns do not reflect the deduction of investment advisory fees, which will reduce investment returns. Advisory fees are described in Part 2 of our SEC Form ADV.

As of December 31, 2019