**ROTARY CLUB OF PORTLAND, ME**

Board of Directors Meeting

October 21, 2016

Meeting was called to order at 1:40 pm

**Present:** Laura Young, President; Don Zillman, 1st VP, John Curran, 2nd VP, Scott Blackeslee, Treas., Bowen Depke, Jan Chapman, Bruce Moore,

**Absent:** Kathy Grammer, Justin Lamontagne, Travis Parker, Amy Chipman, Nan Heald

**QUORUM** was established with seven board members present and four proxy votes.

**APPROVAL OF MINUTES**

The minutes of the September 16, 2016 Board of Directors meeting were approved as submitted.

**FINANCIAL REPORT**

Review of the financial reports

**BUSINESS**

**New Member Applications:** Stephanie Joyce-Approved; Ben Millick-Approved

**Leave of Absence**: None

**Resignations:** None

**Changes to the Portland Rotary Charitable Endowment fund Investment Policy and Guidelines**

The board reviewed and approved the following changes to the Portland Rotary Charitable Endowment Fund Investment Policy and Guidelines:

New edits:

III. Investment Policy

The Fund will be managed within a diversified portfolio with broadly allocated assets, understanding that most investments carry market risk. The Fund will be invested in accordance with applicable regulations including the Uniform Prudent Management of Institutional Funds Act adopted by the State of Maine in July 2009.

The investments will be managed for optimum total investment return based on a growth and income portfolio with a moderate risk level. The portfolio will avoid extreme positions and opportunity styles. Management fees will be reasonable and similar to prevailing rates for funds of comparable size.

Original language:

III. Investment Policy

The Fund will be managed within a diversified portfolio with broadly allocated assets, understanding that most investments carry market risk. The Fund will be invested in accordance with applicable regulations including the Uniform Prudent Management of Institutional Funds Act adopted by the State of Maine in July 2009. The investments are managed for optimum total investment return, consistent with the level of risk. Management fees will be reasonable and similar to prevailing rates for funds of comparable size.

The Fund will be invested in a manner that seeks to ensure the preservation of capital in the overall portfolio. Safety of the Fund will take priority over yield. The portfolio will avoid extreme positions and opportunities styles.

**Amendment to the Portland Rotary Club By-Laws**

The board reviewed and approved the following changes to the Portland Rotary Club By-Laws as recommended by the constitution/By-Laws Committee. The amendment will be presented and emailed to the membership on October 28th for a vote on November 11th.

Amendment:

**Article X**

**Portland Rotary Charitable Fund**

 The Portland Rotary Charitable Fund is a separate 501(c)(3) organization.  This charitable fund receives tax-deductible donations from club members, the public and proceeds from fundraising events.  The purpose of the Portland Rotary Charitable Fund is to solicit, receive and distribute gifts for such educational or other worthy charitable purposes except political or religious purposes.

 A separate endowment account designated the Portland Rotary Charitable Endowment Fund has been established as part of Portland Rotary Charitable Fund with the proceeds from the previous Service & Memorial Fund.  The purpose of the Portland Rotary Charitable Endowment Fund is consistent with the purpose of the previous Service & Memorial Fund to solicit, receive and distribute gifts for such educational or other worthy charitable purposes beneficial to the Greater Portland, Maine community, except political or religious purposes. Contributions into the Portland Rotary Charitable Endowment Fund are donor restricted to this permanent endowment conforming to the Uniform Prudent Management of Institutional Funds Act (UPMIFA).  The Board of the Portland Rotary oversees the activities of the charitable fund and approved procedures in the Portland Rotary Charitable Endowment Fund Investment Policy and Guidelines.

**To replace:**

**Article X**

**Rotary Service and Memorial Fund**

**The Rotary Service and Memorial Fund was established in 1927 and is governed by a separate Declaration of Trust as adopted the same year and amended from time to time by the Fund Trustees. The Trustees presently hold and administer a charitable trust in accordance with the laws of the State of Maine. The Trustees shall have the entire management and control of the Fund and shall appoint officers from within the appointed Fund Trustees as they shall deem advisable.**

**Creation of a Schwab account**

The board voted to approve a temporary loan of $41,267 from the operating Portland Rotary Charitable Fund to the endowment fund so a Schwab account can be established with $250,000. This loan will be repaid once the endowment funds exceed $250,000.

The board confirmed that gifts to the charitable endowment fund will not be charged an administrative fee.

**ADJOURNMENT AND NEXT BOARD MEETING SCHEDULE**

Meeting was adjourned at 2:00 pm. The next Board meeting is scheduled for November 18, 2016.

Respectfully submitted,



Laura L. Young, President