

**Town of Rockport
Investment Committee**

Minutes of Meeting

**Tuesday – April 30, 2013 – 4 p.m.
Richardson Room – Rockport Town Office**

In Attendance:

Committee Members

Robert Campbell, Chair

William Freeman, Jr.

Art Zur Muhlen, Secretary

John Viehman (new committee member)

Select Board Liaison

William Chapman

Finance Director

Virginia B. Lindsey, acting recording secretary

1. Meeting Called to Order

Chair Campbell called the April 30, 2013 meeting of the investment committee to order at approximately 4 p.m.

2. Minutes Approved

- ✓ By a motion made by William Freeman, the committee's minutes of the meeting held on December 10, 2012 were approved with the word "send", section 2. Line 1, corrected to "sent" – all committee members in favor.

3. Old Business

a. Membership Discussion

Chair Campbell acknowledged the presence of new committee member John Viehman, and welcomed him to the group.

The committee noted the group was still one member short of five. Mr. Freeman agreed to contact John Sherman and ask if he might be interested in serving on the committee. If Mr. Sherman declined, it was decided that Ms. Beth Winters would be contacted about possible service. If not, Art Zur Muhlen said he would contact Barrie Pribyl to find out if Barrie would be willing to serve in Art's place, as Art informed committee members he was moving to Camden and could no longer serve on the committee.

b. Bar Harbor Trust Services Fee Discussion

The group discussed Bar Harbor Trust Services (BHTS) position to assess a fee of 1% on the town's investments. Chair Campbell suggested it would be a good idea to go back to

BHTS and let them know the town was in agreement on the 1% fee for equities; but, suggested the remaining funds (cash and bonds) did not require expertise and careful scrutiny, therefore BHTS should perhaps not be getting a fee on these funds, nor were these types of funds lucrative.

The finance director was asked to contact BHTS with the request to lower or do away with the fees assessment on the cash and bonds portions of the portfolio.

c. RFP Draft to be Reviewed

Chair Campbell explained that the finance director had prepared a draft RFP for the possibility of bidding out the investment services. The chairman suggested committee members take the draft RFP with them, review, and offer suggested changes. The idea being that the RFP could be ready to go out to bid whenever the committee deemed to do so would be in the best interest of the town. Currently, Chair Campbell said, BHTS appeared to be doing a good job with the town's investments. Further, Chair Campbell suggested that once the RFP was adopted it should be reviewed and updated on an annual basis; thereby making it a working document that could be ready for use rather quickly.

4. New Business

a. General Discussion

The group also reviewed the composition and results of the current portfolio. The chairman reported that investing in medical companies currently was a very good bet; anything in healthcare, utilities, and banks could yield big dividends.

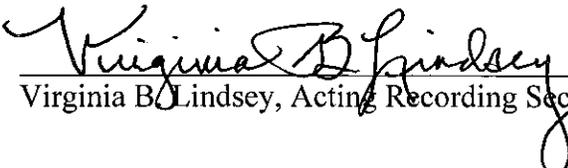
Committee members also discussed how inflation might affect the stock market; and how the global economy also had an impact on how the market reacted.

5. Next Meeting Scheduled

The committee chose to schedule its next quarterly meeting on Monday, July 22, 2013 at 4 p.m. The meeting will be held in the Richardson Room at the town office building, 101 Main St., Rockport.

6. Meeting Adjourned

The April 30, 2013 meeting of the Rockport Investment Committee concluded at approximately 4:30 p.m.


Virginia B. Lindsey, Acting Recording Secretary