

**Town of Rockport  
Investment Committee**

**Minutes of Meeting**

**Monday, May 19, 2014 - 4 p.m.  
Finance Director's Office – Rockport Town Office Building**

**In Attendance:**

Committee Members

Robert Campbell, Chair  
William Freeman, Jr., Vice- Chair  
Jerod Cronkite

Finance Director

Virginia B. Lindsey, acting recording secretary

**1. Meeting Called to Order**

Chair Campbell called the May 19, 2014 meeting of the investment committee to order at approximately 4 p.m.

**2. Minutes Approved – October 29, 2013**

Committee members unanimously voted to approve the minutes of October 29, 2013 as presented, after review of some of the issues discussed at that meeting.

**3. Old Business**

**a. Membership Discussion**

The committee acknowledged difficulty in getting new members, but vowed to continue in their efforts to persuade townspeople with an interest in the town's financial investments to join their group.

**b. Equity Investment Discussion (Direction for BHTS)**

The committee discussed the request from Bar Harbor Trust Services for a revised investment policy statement, given that the committee had changed the investments held by BHTS to that of an all equity portfolio. The committee agreed that the investment policy had not changed; rather, the town had opted to manage its own cash accounts and BHTS had been charged with managing the equity portion of the portfolio.

The committee acknowledged that BHTS had made some recent sales in the town's portfolio for which they managed – Verizon Communications and Vodafone Group PLC ADR. Committee members further noted that BHTS had yet to put the cash gained from the sales back into equity funds.

The committee members agreed to recommend that a letter from the town manager should be sent to BHTS reminding them that the town managed its own cash, and BHTS was entrusted to managed the equity portion of the portfolio, and as such the cash should be put back into equities as soon as possible after a sale or sales henceforth, until such time as the town decided otherwise.

#### **4. New Business**

##### **General Discussion**

##### **a. Cemeteries Funds**

Jarod Cronkite stated he would like to look at the funds held in trust for the cemeteries, with the intention of providing the town with money each year to help offset maintenance costs. The committee agreed to review this issue later this year, prior to the town putting its annual budget together.

##### **b. Bonding, Wastewater, Investments**

The committee also enjoyed general conversation about the town's long-term debt, the interest rate on the sewer extension bond, and the town's overall financial health. The committee was impressed with the proposed sewer expansion long-term bonding at a rate of just 1.25% for 20 years; the committee was also complimentary on the relatively small debt the town carried overall. Committee members agreed that in the fall they should review the decision to place the wastewater investment funds into a separate cash account. The wastewater funds had been removed from the investment account in order to provide cash for the sewer project. The finance director explained that the town had been able to borrow short term for the sewer expansion project at a rate of 0.75%, while continuing to invest funds in the bank at a rate of 0.85%. The committee suggested they should look at the wastewater investments later this year to determine if the funds should be put back into the larger investment account, as the need for liquid assets was no longer necessary.

The finance director informed the committee she would have more up to date information regarding the town's bonding later this fall, as the town was most likely to look for additional long term borrowing with the Maine Municipal Bond Bank for a number of infrastructure needs.

##### **c. Weidman Fund**

The finance director informed the committee that there had been some changes made to the Weidman Fund that directly correlated to the town's abilities to use the public administration investments. Mrs. Lindsey indicated she would provide the committee members with a copy of the updated Weidman Fund in the near future.

#### **5. Next Meeting Scheduled**

The committee then scheduled its next quarterly meeting for **Monday, September 15, 2014 at 4 p.m.** The meeting will be held in the Richardson Room at the town office building, 101 Main St., Rockport.

**6. Meeting Concluded**

The May 19, 2014 meeting of the Rockport Investment Committee concluded at approximately 4:32 p.m.

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Virginia B. Lindsey, Acting Recording Secretary