

**MINUTES OF THE LADY LAKE
REGULAR POLICE PENSION BOARD MEETING
LADY LAKE, FLORIDA
March 9, 2016**

The Police Pension Board Meeting was held in the Town Hall Commission Chambers at 409 Fennell Blvd., Lady Lake, Florida.

MEMBERS PRESENT: Chairperson/Member Capt. Jason Brough; Member Capt. Robert Tempesta; Member John Schmied; and Member Pete Chiasson

MEMBERS ABSENT: Member Leonard Cieciek

TOWN STAFF PRESENT: Kris Kollgaard, Town Manager; Pam Winegardner, Finance Director; Tia O'Neal, Human Resource Director; and Nancy Slaton, Deputy Town Clerk

ALSO IN ATTENDANCE: Scott Christiansen of Christiansen & Dehner, P.A.; David West of Bogdahn Consulting, LLC; Christine O'Neal of Foster & Foster; Peter Hapgood of Intercontinental Real Estate Corporation; Mayor Ruth Kussard; and Commissioner Tony Holden

A. CALL TO ORDER: Chairperson/Member Capt. Jason Brough called the meeting to order at 1:31 p.m.

B. PUBLIC COMMENT: Chairperson/Member Capt. Brough asked if anyone in the audience had any comments or questions. There were no questions or comments.

C. NEW BUSINESS

1. Approval of Minutes: Regular Meeting – December 9, 2015

Chairperson/Member Capt. Brough asked if there were any comments or questions regarding the minutes.

Upon a motion by Member Tempesta and seconded by Member Schmied, the Board approved the meeting minutes of December 9, 2015 as presented by a vote of 4-0.

2. Real Estate Investment Presentation by Peter Hapgood of Intercontinental Real Estate

Peter Hapgood of Intercontinental Real Estate Corporation introduced himself and handed out a presentation booklet to each Board member and to others present that wanted one. He thanked the Board for inviting him. He stated his company was established in the 1960's and has over 60 institutional clients in Florida that they manage funds for. Mr. Hapgood stated his company only deals in bricks and mortar real estate. He stated the majority of their business is with Taft-Hartley and public funds, and their advisory board is made up of all types of volunteers who provide insight.

Highlights of the presentation are as follows:

Mr. Hapgood stated the product they would offer this plan is the US REIF product; an open-ended CORE Plus real estate fund. He gave an overview of this fund, stating it is a multi-

disciplinary investment strategy that targets an average annual income return of 6% and a total return of 10%, and is diversified geographically, but only in the United States/North America.

Member Chiasson clarified that this would include growth.

Mr. Hapgood replied that it would. He stated the fund liquidity is redeemable on a quarterly basis, with no lock-out period and with dividend reinvestment available. He stated this fund is not as liquid as stocks or bonds.

Mr. Hapgood stated the reality of this fund is if interest rates start to go up, then it will be good for the overall portfolio. He explained this further after Member Chiasson questioned this, and also asked for Mr. West's input.

Mr. West stated that interest rates did rise in the December quarter, and as a result, the bond portfolio went down. He stated that if this plan does have a levered real estate fund, it will benefit by getting appreciation if the interest rates rise, and will provide a nice offset to the bond portfolio which will not benefit by rising interest rates.

Member Chiasson stated that everyone he has talked to said interest rates have to go up, and he asked if that is the case, will the real estate fund benefit.

Mr. Hapgood replied that it would because of the debt that is already fixed and established on each of the acquisitions in the portfolio.

Member Chiasson clarified that the fund would then pay more for new acquisitions, but this would somehow balance out.

Mr. Hapgood agreed and continued reviewing the current status of the fund. He stated if this plan chose to join the US REIF, its money would begin to work in two quarters. He stated the firm's AUM, or total assets, is currently \$4.9 billion.

Mr. Christiansen clarified that if the Board decided to invest \$1 million into the fund, the plan would get in line behind other investors and would not pay any fees until the money was called for.

Mr. Hapgood confirmed this and stated his firm would not take any money until they were going to use it and would not charge any fees for any funds that were not called upon yet. He continued with the US REIF overview and explained the risk classes of "Core", "Core-Plus", and "Value-Added".

Member Chiasson asked Mr. Hapgood to talk about general trends in real estate. He asked if it was driven by supply/demand and economic recovery, etc.

Mr. Hapgood agreed that real estate is a laggard industry relative to the market, and further expounded on past trends in real estate. He stated that retail space is slower and multi-family is hot right now. He stated that the firm's debt is maturing at 12.25% in 2016. Mr. Hapgood reviewed the fund performance since inception to year-to-date 2015, stating that real estate is purchased for its income component. The fund's total appreciation value compared well to the index of ODCE, and he stated it was in a positive flow other than four years since inception.

Mr. West interjected that during the period of time, dividend payout was still constant from an accounting standpoint.

Mr. Hapgood reviewed the investment map illustrating the closed deals, recent acquisitions, and pending acquisitions across the country. He then reviewed the fee structure of his firm which include management fees and performance fees. He explained that their management fee does not go up and is based on the amount invested, and the performance fee is calculated annually and is subject to a high-water mark.

Mr. Hapgood concluded his presentation by stating his firm's objective is to make money for the plan in order to fund the beneficiaries, and he believes this is an asset class that will do that. He stated he will be happy to answer any questions and can be contacted at any time. He stated that his firm has contracts with other plans familiar to Mr. Christiansen, and that he would feel comfortable dealing with his firm. Mr. Hapgood thanked the Board again on behalf of Intercontinental for considering his firm

Chairperson/Member Capt. Brough asked if a motion is needed.

Mr. Christiansen stated that the Board will probably want to hear from Mr. West first. He asked Mr. West about the second real estate investment firm that was going to attend.

Mr. West replied that American Realty chose to decline.

Member Chiasson asked why they declined; on what basis.

Mr. West replied that this fund's allocation of assets that would be funding real estate investments fell below a target they could get excited about. He stated that Intercontinental has been a good firm to work with from their perspective.

Mr. Christiansen asked how much the Board is proposing to invest.

Mr. West replied that per the revised investment policy statement, a target of 10% was set up with an allocation range between zero and 15%. He recommended an investment of 12% of the total fund based on Mr. Hapgood's comments and the forward looking forecast using the investment grade bond allocation as a fund source. He stated the plan should benefit if interest rates do go up as forecasted with an allocation to real estate versus owning the investment grade bond, and it will be a good diversification for the plan for a smoothing effect over time.

Mr. West made a declaration that The Bogdahn Group receives no compensation in any shape or form from any manager, vendor, product or service provider that they bring to the Board for consideration. He stated The Bogdahn Group only receives fees billed quarterly directly to the plan for their services.

Member Schmied commented that he is a recipient of a pension from a Taft-Hartley fund and that he reviewed their performance on the pension fund he is involved in, and they have done very well over the last several years.

Mr. West stated that Intercontinental offers more transparency from a due diligence perspective than most of the other managers.

Member Capt. Tempesta asked Mr. West if this would be a better investment than the current investment in the bonds.

Mr. West stated it would be very beneficial to have a set real estate allocation in a pension plan over time; it has been proven historically, and it should provide more stability and the plan should get a higher return over time than the investment grade bond portfolio.

Member Chiasson asked Mr. West if he believed the interest rates will continue to increase from historic lows, and if they do, will an investment in a real estate investment trust be a better deal than investment grade bonds.

Mr. West replied affirmatively.

Upon a motion by Member Schmied and seconded by Member Tempesta, the Board approved the recommendation to retain Intercontinental Real Estate Corporation for the real estate allocation initial funding at 12% of total plan assets, with the funding to be taken from Baird under Fixed Income, and authorized the plan's attorney to complete the engagement agreement, by a vote of 4-0.

Mr. West stated that his firm will contact Intercontinental and have the appropriate documents sent to Mr. Christiansen for this transaction.

3. Quarterly Report from The Bogdahn Group

David West of The Bogdahn Group reported that there were mixed results this quarter, with the fund net up 2.43% and the three year annualized rate of return at 7.48%. He reviewed other fund figures in the report, and noted that Baird bond funds went down .64% due to interest rates going up, which was in line with the market. Mr. West reviewed cash flow, stating that the market value as of October 1, 2015 was \$6,390,095; with contributions totaling \$83,432, distributions of -\$66,716, expenses at -\$11,018, income of \$200,004, and depreciation of -\$45,948, for an ending market value of \$6,549,849 as of December 31, 2015.

Member Chiasson asked for the definition of All Public Plans as shown on page 17 of the report.

Mr. West replied that those are the public funds universe that Bogdahn is using as a tertiary benchmark, and would include public pensions across the country, from very small to large systems; a broad-based universe.

Member Chiasson clarified that if they looked at the returns from all public pension fund activities, big and small across the United States, their returns FYTD were at 2.84% versus this plan's 2.43%.

Mr. West agreed. He then reviewed page 27 regarding the fee analyses for the total fund as of December 31, 2015 which showed the estimated annual fees totaled .41% (or \$26,865) of the total fund market value of \$6,549,849. He reminded the Board that real estate investments will be introduced with a fee of 1.1%, which will bring the fees up somewhat.

4. Actuarial Report by Foster & Foster

Christine O'Neal of Foster and Foster reviewed the Actuarial Report for the period ending October 1, 2015. She explained that her firm takes everyone in the pension plan and projects their benefits under the assumptions and methods that were adopted by the Board, and compares that to the asset value as of the valuation date and determine the funding requirements of the fund. She stated that the contribution increased from 18.4% for the period of 1/1/14 to 9/30/16 to 19% for the period of 10/1/15 to 9/30/17 even though the actuarial experience was very favorable. Ms. O'Neal stated this is because the state implemented a rule in 2011 that the Town members and state must contribute at least the Normal Cost rate, and the Normal Cost went up due to changes in demographics of the plan.

Ms. O'Neal stated the main reason for the favorable report was that the actuarial rate of investment return for the year ending 9/30/15 was 8.72% compared to the 7.75% assumption due to investment gains and gains associated with salary increases being less than anticipated. The detailed analysis of these figures was further reviewed, as were the rate of returns for the past few years using the four year smoothing.

Member Chiasson asked what the negative number of -.014% for plan year end 9/30/15 means.

Ms. O'Neal stated that this is the return on a market value basis, but the annualized rate of return is smoothed over the past four years to try to dampen the volatility from year to year and quarter to quarter. She stated the purpose of the pension plan is to provide benefits on a much longer term scale, and the state allows smoothing on asset values to determine to funding requirements.

Member Chiasson commented that makes everything look nice for a period of time because they are borrowing from high years in a downward trend, but it could be a disaster if the reverse situation occurred, particularly on a small fund.

Ms. O'Neal stated that if the plan was not meeting the 7.75% assumption, then more would be involved. She stated the purpose of smoothing and the goal of the funding requirements is to try to set stable funding requirements to prevent a shock to the Town each year; market volatility would have a larger impact on funding requirements.

Ms. O'Neal reported there was good news in that this report shows the actual funded ratio this year, using two different methods – the previous GASB amount and the actuarial value of assets compared to the accrued liability. She stated the resulting ratio of 111.6% for year ending 10/1/15 is great, as it means there is more actuarial value of assets in the fund than would be needed to pay the accrued benefits. She stated the market value of assets for this period end was at 133.2%.

Ms. O'Neal stated that an exciting item is that the state approved legislation that requires that all pension plans in the state use the mortality rate as assumed by one of the two most recent Florida Retirement System valuations. They assume generational improvements for mortality and this will have quite an impact on the costs when the assumption changes to the mandated one starting with valuations on 10/1/16.

Ms. O'Neal stated that SB 172 was passed which deals with how the excess state monies reserve is used and explained how this will be allocated.

Mr. Christiansen commented that this has been discussed before and since the FOP contract is not up until 2017, the Town is not required to comply until they enter into a new contract.

Upon a motion by Member Schmied and seconded by Member Chiasson, the Board approved the Actuarial Valuation as of October 1, 2015 by Foster & Foster by a vote of 4-0.

5. Report by Christiansen & Dehner

Scott Christiansen of Christiansen & Dehner, P.A. stated that two Board members' terms are expiring in April; Pete Chiasson and John Schmied, both Town appointees. He stated there is internal revenue code changes that need to be made to the plan to keep it tax qualified and it will be done in conjunction in compliance with the new legislation to add the share plan (have until 2017 for this), although the internal revenue code changes may be done in a separate ordinance before that.

Mr. Christiansen stated that the Florida legislative session is going on now and although a lot happened last year to effect the plan, there is nothing going on to effect the plan under Chapter 185 this year. He stated the investment policy statement was approved at the last meeting, and it has now been signed and needs to be distributed to the state and copied to him, as well.

Mr. Christiansen stated that an update to the outstanding disability claim is that Ms. Boice has decided to switch attorneys, and as a result, the new attorney is currently reviewing the file to come up to speed on the case. He stated that any disability benefit that may be granted will not be retroactive, so the plan does not lose anything as a result of a delay, and the delay is on the claimant's side as the Board is ready to go at any time. He stated the deposition of Tia O'Neal was not scheduled and it will be up to the new attorney if she wants that completed.

Member Schmied asked if there is a timeframe for holding a disability hearing.

Mr. Christiansen replied that the Pension Board has a timeframe for a first hearing (within 90 days after completing interrogatories), but the claimant does not, and the delay is due to their request for the new attorney to review the documents.

Mr. Christiansen stated the Board needs to approve an expected rate of return, and typically, the Board receives a recommendation from Mr. West based on the plan's asset allocation.

Mr. West stated The Bogdahn Group targets a 7.75% rate of return based upon a reasonable probability, and even more so with the inclusion of a real estate investment. He stated that this will be achieved over the long term and intermediate term, and they and the trustees understand that in any fiscal year, they may exceed or fall short of this 7.75% requirement.

Mr. Christiansen commented that this is an expectation, not a requirement.

Upon a motion by Member Tempesta and seconded by Member Schmied, the Board declared that it expects to get a 7.75% investment return for the next year, the next several years and the long-term thereafter, based upon the advice of their consultant, by a vote of 4-0.

Mr. Christiansen commented that Pension Letter #1 needs to be completed by the Finance Director.

6. Approval of the Following Invoices Processed for Payment:

Chairperson/Member Capt. Brough asked if there were any questions or comments regarding the list of invoices to be processed for payment for approval by the Board; listed as follows:

- a) Invoice from Salem Trust dated 9/30/15 for \$1,250.00
- b) Invoice from Christiansen and Dehner dated 11/30/15 for \$517.11
- c) Invoice from World Risk Management dated 10/01/15 for \$2,325.00

Mr. Christiansen explained that although these invoices have already been paid, the Board's operating rules and procedures require that, to the extent there is contracts with a vendor, the bills can be paid between meetings as long as they are reviewed and come before the Board to be approved after the fact. In case of an error, an adjustment can be made on the next bill.

Upon a motion by Member Tempesta and seconded by Member Schmied, the Board directed the invoices to be paid as listed by a vote of 4-0.

7. Authorization from the Board to Withdraw and Refund Kevin Thompson's Contributions to the Police Pension Fund

Chairperson/Member Capt. Brough asked if there were any questions or comments regarding this item. There were no questions or comments.

Upon a motion by Member Tempesta and seconded by Member Chiasson, the Board approved the request to withdraw and refund Kevin Thompson's contributions to the Police Pension Fund by a vote of 4-0.

8. Authorization from the Board to Withdraw and Refund Paul Eppley Jr.'s Contributions to the Police Pension Fund

Chairperson/Member Capt. Brough asked if there were any questions or comments regarding this item. There were no questions or comments.

Upon a motion by Member Tempesta and seconded by Member Schmied, the Board approved the request to withdraw and refund Paul Eppley Jr.'s contributions to the Police Pension Fund by a vote of 4-0.

Mr. Christiansen asked the Finance Director if the roll-over paperwork is being completed along with these withdrawal forms.

Ms. Winegardner stated the PF-15 forms are being done and she is having the plan member initial the corner of the forms.

9. Informational Items from Pam Winegardner, Finance Director:

Finance Director Pam Winegardner reviewed and commented on the following informational items as included in the packet:

- a) **Financial Statements for the Quarter Ending December 31, 2015** – Ms. Winegardner stated these figures match with The Bogdahn Group report.

- b) **October through December 2015 Statement from Salem Trust Company** – Ms. Winegardner stated these figures match The Bogdahn Group’s report, as well as her report.
- c) **Copy of FY 2015 Annual Report of Investment with Investment Summary** – Ms. Winegardner stated a copy of this required report from the Chairman of the Board to the Commissioners was supplied to the Commissioners.
- d) **Copy of FY15 Annual Report for the Town of Lady Lake Municipal Police Officers’ Fund** – Ms. Winegardner stated the Town’s auditor has reviewed this and the figures are obtained from the Salem Trust annual report; it will be filed by March 31, 2016. She stated that, hopefully, it will be accepted with no errors as it was last year and she will report on it as soon as she gets word.
- e) **Email Receipt of Impact Statement and Ordinance No. 2015-14 by FL Dept. of Management Services Bureau of Local Retirement Systems**

OTHER BUSINESS:

Chairperson/Member Capt. Brough asked if the members had anything to discuss.

Member Chiasson stated he has some concerns to discuss with the Board. He read these four concerns to the Board as follows and commented further on them:

SMALL SIZE RISK (A major concern) - I am concerned that the small size of the Lady Lake Police Pension Fund (\$6 million) does not allow us to own enough different investment categories nor enough different companies within each category to effectively spread the risk of a major market meltdown.

TOWN UNDERWRITING FUND A MAJOR RISK TO OFFICERS & TAXPAYERS - Given the Pension Fund’s guarantee to insure the fund will always be solvent to pay all pension recipients their fully vested benefits, coupled with the small size risk profile of the Pension Fund and the possibility of a market meltdown, it is possible that Lady Lake taxpayers will need to underwrite the fund. This is a risk that is unacceptable as a taxpayer and should be changed to both protect the fund recipients who could face fund bankruptcy if the town goes bankrupt and also to protect the taxpayers who could face massive tax increases in the event of a market meltdown.

TOWN SUPPORT TO ADMINISTER THE FUND IS COSTLY (A significant concern) - In order to properly support the administration of the Police Pension Fund, the Town of Lady Lake spends considerable effort by HR and Finance Dept. employees to research and support the Police Pension Board. In addition, the costs of outside specialists (financial and legal) to provide investment guidance and to administer the fund are significant.

PENSION BOARD IS TOO CLOSE TO PENSION RECIPIENTS: (A minor concern) - Decisions about benefits of the Fund should be made exclusively on data and evidence, but since members of the Pension Board know many (or not all) of the police officers who are the recipients of Board action, it may be impossible to remove all “interpersonal feelings” from decisions that must be made by the Board that can and will impact people who are friends (or enemies) of Board members.

Mr. Chiasson stated he does not know what to do about these stated concerns except investigate alternatives to the plan. He asked if the Board should be looking at a state pension fund as opposed to a Town pension fund. He stated these are worries of his as a taxpayer, and should be a worry to the officers and recipients of the fund.

Chairperson/Member Brough stated that officers are vested in the plan and collecting retirement, and the fund cannot just be shut down.

Mr. Christiansen stated that would not be a choice. He stated it is not this Board's responsibility to review other choices for different types of pension plans; it is the Board's responsibility to administer the pension plan that was adopted by the Town. He stated with regard to the make-up of the Board, it is in accordance with the state statute requiring two police officers, two individuals appointed by the Town, and a fifth individual selected by the other four members. Mr. Christiansen remarked that if they deviated from this, the plan would not receive the funding they receive each year from the state. He stated that in regard to the size of the plan, he and his partner represent 165 plans and a number of them are smaller than this plan. He stated that he would argue that the diversification is there in the plan's current investments, and if a melt-down occurred as it did in 2008, the plan may need a bump up in the required contributions as it did then, and then back down.

Mr. Chiasson asked if there are a number of surrounding towns who have moved from a town pension fund to a state plan or federal plan going forward.

Mr. Christiansen stated the Town always has the authority to move to the Florida Retirement System if they want to do that, although the required contributions for police officers is in the 20% range, while here it is around 12%, and the Town may not be interested for no other reason than the required contribution would be higher.

Mr. Chiasson stated he is raising the issue so that the Town will look at other alternatives.

Mr. Christiansen stated that it is not within the purview of the Board, and when he discussed this with Mr. Chiasson on the phone, he told him if the Town wants to look into it or do studies, that is within their authority, but the Board does not pay for them or participate in them. He stated the trustees of the plan have a fiduciary responsibility to the members of the plan and their beneficiaries, but no fiduciary responsibility to the Town, and in his view, it would not be appropriate for the Board to recommend anything to do with regard to studying other options to the Town.

Mr. Chiasson stated that after his telephone discussion with Mr. Christiansen, he spoke to Town officials as suggested. He stated that Mr. Christiansen told him should he decide to take this issue up with the Town, he should be very careful because he may bear personal fiduciary responsibility in the effect that the Town made changes to the plan. Mr. Chiasson stated he took that as a threat, although Mr. Christiansen may not have meant it as a threat. He stated that he said if it is the case that he will bear fiduciary responsibility for raising issues and concerns with Town officials, then he would be off this Board shortly, and then pursue his concerns as a taxpayer. Mr. Chiasson stated again that he took Mr. Christiansen's words as a threat, and that he (Mr. Christiansen) has a vested interest as he and his firm get money for sitting where he sits. He stated that when he was told that if he should go forward and speak to Town officials that he may be putting his own finances at personal risk, he took it as a direct threat. He stated his reaction to that would be to seek other representation. Mr. Chiasson stated he understands the

legal requirements to have an attorney here to meet the statutes in the State of Florida, and he stated he would recommend that it not be Mr. Christiansen because he did not like being threatened even if it was not meant as a threat as he took it as one.

Mr. Christiansen stated that he told Mr. Chiasson that he is a fiduciary to the plan as a trustee, and his responsibility with regard to the plan is to the members of the pension plan and to their beneficiaries, not to the Town. He stated he told Mr. Chiasson if it became known by the police officers that he was suggesting to the Town that they perhaps move out of the defined benefit plan and into a defined contribution plan, or some other program that would be much less advantageous to the police officers, that he might well be accused of breaching his fiduciary responsibilities.

Mr. Chiasson commented, then therefore, he should not raise those concerns.

Mr. Christiansen stated that he should not raise his concerns to the Board as a trustee of the Board. He stated he told him he represented the Pension Board and as Mr. Chiasson is one of the trustees, he does not want him to be breaching his fiduciary responsibility. He stated he has the same fiduciary responsibilities as do the trustees; to the members of the plan and their beneficiaries. Mr. Christiansen stated that for the Town to make a decision to go to some other cheaper plan that is less advantageous to the police officers, he would be breaching his fiduciary responsibilities if he did not make that known. He stated he was looking out for Mr. Chiasson when he told him that, and he obviously took it the wrong way.

Town Manager Kris Kollgaard stated that Mr. Chiasson has not suggested that the Town switch plans or that they go to a cheaper plan for the officers, or something that is not beneficial to them. She stated he has just suggested looking at other options to make sure that this is best for the members of the plan. She stated that Mr. Christiansen has phrased it that Mr. Chiasson wants something cheaper for the officers, and that is not the case for either him or the Town. Ms. Kollgaard stated they want what is best for the officers and to ensure that the money is sustainable, and when they retire, it will be there. She stated this decision is up to the Board.

Mr. Christiansen stated that it is not up to the Board; it is up to the Town, and the Town does not need anything from this Board to do so.

Ms. Kollgaard stated she understands that and it can be taken to the Commission, and Mr. Chiasson was looking for input from the Board. She stated the concern for the pension plan is a concern of this Board, and that is all he is saying.

Chairman/Member Capt. Brough stated he has heard the concerns as a Board member and understands what Mr. Chiasson is saying. He stated that as far as the make-up of the Board, the statute requires two members of the plan be on the Board.

Mr. Chiasson stated he did not say police officers; there are other members on the Board who know others in the police department, and this was a minor concern. His major concern is the risk profile of a small fund and if, in fact, there is an issue. He suggested looking to see if there is a better alternative that will protect both the Town, and mostly the police officers. He stated his issue is risk profile, and if this fund is the best way to guarantee that the officers are protected downstream in the best possible way. Mr. Chiasson stated that it was suggested to him by Town staff that perhaps he should raise it at this level. He stated these concerns will now be in the meeting minutes and he thought to make a motion as follows:

“Based on concerns about Police Pension Fund risk profile, Pension Fund Board proximity to Fund participants, local costs to support the Pension Fund administration and possible negative impacts on taxpayers and/or police officers in the event of a market meltdown, I make a motion that the Pension Board ask for a complete review and analysis of the existing Police Pension Fund details by all appropriate Town of Lady Lake staff.” He stated he does not now think a motion is required as the Town can take whatever action it wants, but that was his intention in raising it.

Chairperson/Member Capt. Brough stated that it will be in the minutes and the Town has heard his concerns. He stated that Mr. Chiasson is welcome to speak to his commissioners as a taxpayer and to make the motion if he wants. He stated he would not vote for it on advice of counsel.

Mr. Christiansen responded that in regard to the issue of him giving advice based upon the fact that he will lose a client if this plan moves to another plan, he has 165 clients and is 67 years old; and he stated his advice has nothing to do with losing a client and that his job is to look out for the members of this pension plan, and that is exactly what he is doing. He stated he takes great offense to the fact that Mr. Chiasson interpreted his comments as being self-serving, as they were far from that.

Mr. Chiasson stated he was shocked and dismayed when Mr. Christiansen suggested he would be at personal fiduciary responsibility.

Chairperson/Member Capt. Brough stated this appeared to be a misunderstanding by both parties, and with no further discussion, adjourned the meeting.

D. ADJOURN: *With no further business to discuss, the meeting was adjourned at 3:28 p.m.*

Kristen Kollgaard, Town Clerk

Chairperson/Captain Jason Brough

Transcribed by Nancy Slaton, Deputy Town Clerk