

**EAST LAKE TARPON
SPECIAL FIRE CONTROL DISTRICT FIREFIGHTERS' RETIREMENT SYSTEM
BOARD OF TRUSTEES QUARTERLY MEETING MINUTES
3375 Tarpon Lake Blvd., Palm Harbor, FL 34685
Wednesday, January 21, 2026 – 7:30AM**

TRUSTEES PRESENT: James "James" Scott
John D. "JD" Cattell
Michael Handoga

TRUSTEES ABSENT: Jeffrey Jackson
Christopher Rollins

OTHERS PRESENT: Tiffany Fair, Foster & Foster
Lindsey Garber, Klausner, Kaufman, Jensen & Levinson
John Thinnis, Mariner Institutional
Members of the Public

- I. **Call to Order** -The meeting was called to order at 7:34AM by Michael Handoga. Roll call was taken, and a quorum was determined with three Trustees present.
- II. **Public Comments** – None.
- III. **Approval of Minutes**
 1. October 15, 2025, quarterly meeting

The Board voted to approve the minutes from the October 15, 2025, meeting as presented, upon motion by James Scott and second by John Cattell; motion carried 3-0.

- IV. **New Business**
 1. Update on Trustee terms
 - a. Tiffany Fair provided an update on trustee terms explaining the terms were identified based on information provided by the district and Florida Commission on Ethics website.
 2. Actual expenses as of September 30, 2025
 - a. Tiffany Fair reviewed the reporting requirements and confirmed the actual expenses were under budget.

The Board voted to approve the actual expenses as of September 30, 2025, as presented, upon motion by James Scott and second by John Cattel; motion carried 3-0.

3. Share Plan distribution policy

- a. Lindsey Garber explained that provisions allowed share distribution for retirees and vested terms but there was not a hold back policy.

The Board voted to amend operating rules to include hold back policy for share plan distribution, upon motion by James Scott and second by John Cattel; motion carried 3-0.

4. Fiduciary Liability Policy

- a. Tiffany Fair informed the board that the current policy expires March 14, 2026, and requested board approval to renew policy so it does not lapse before the next meeting. The current policy is for one year and the premium is \$3,479.45.

The Board voted to approve the Fiduciary Liability Policy not to exceed \$5000, upon motion by James Scott and second by John Cattel; motion carried 3-0.

V. **Reports (Attorney/Consultants)**

1. Saltmarsh, Cleveland & Gund, Patrick Smith, Auditor

a. Audit Results

- i. Patrick Smith read the opinion of their firm that the accompanied financial statements present fairly, in all material respects, information regarding the fiduciary net position of the Plan as of September 30, 2025.
- ii. Patrick Smith reviewed the assets comparing 2025 and 2024, and statements of changes in Fiduciary disposition. James Scott asked about the increase in employee contributions.
- iii. Patrick Smith reviewed net appreciation.
- iv. Patrick Smith reviewed the investments at both fair value and cost as of September 30, 2025.
- v. Patrick Smith reviewed the components of net pension liability of the District of September 30, 2025, and compared to what was reported in 2024.
- vi. Patrick Smith reviewed the conclusion audit and commented that there were no issues, and everything looked good.
- vii. John Cattel asked about the funding of the Plan and Patrick Donlan explained how it was determined.

The Board voted to approve of the audit, as presented, upon motion by Michael Handoga and second by John Cattel; motion carried 3-0.

2. Foster & Foster, Patrick Donlan, Actuary
 - a. October 1, 2025, Actuarial Valuation
 - i. Patrick Donlan reminded the Board that contributions presented in the report were applicable to fiscal year ending September 30, 2027.
 - ii. Plan experience was unfavorable overall on the basis of the Plan's actuarial assumptions. Sources of actuarial loss included an average salary increase of 9.54% which exceeded the 5.66% assumption, unfavorable turnover experience, and inactive mortality experience. These losses were offset in part by a gain associated with an investment return of 8.37% (Actuarial Asset Basis) which exceeded the 7.25% assumption.
 - iii. Patrick Donlan reviewed contribution requirements, compared with those set forth in October 1, 2024, actuarial report. District and State required contribution was 40.4% of projected annual payroll compared to 42.6% in 2024. District specifically decreased to 27.8% for 2025 compared to 30.0% in 2024.
 - iv. Patrick Donlan went over the actuarial asset valuation commented that actual net investment earnings were \$2,692,913, beating the assumption from last year with an actuary gain of \$840,390.
 - v. Michael Handoga asked about lowering assumption rate. Patrick Donlan talked about the recommended method but suggested waiting until John Thinness was on the line to give his feedback.
 - vi. Patrick Donlan reviewed participant reconciliation commenting that active employees went from 35 last year to 44 this year.
 - vii. Patrick Donlan reviewed the unfunded liability commenting that the expected UAAL as of October 1, 2025, was \$6,009,631 and the actual was \$7,318,034.

The Board voted to approve the valuation, as presented, upon motion by Michael Handoga and second by John Cattel; motion carried 3-0.

The Board voted to approve the annual return on report of 7.25%, upon motion by James Scott and second by John Cattel; motion carried 3-0.

- b. Vesting and benefit eligibility time
 - i. The Board inquired about aligning the vesting period, currently set at seven years, with the years of service required benefit eligibility, which is 10 years.

- ii. Lindsey Garber outlined the necessary steps to implement such a change, including engaging in collective bargaining negotiations, drafting an ordinance and obtaining an impact letter from the actuary.

Note: John Thinnnes joined 8:29am

- 3. Mariner Institutional, John Thnnnes, Investment Advisor
 - a. John Thinnnes gave an overview of the Market environment.
 - i. The Market value of Assets as of September 30, 2025, was \$28,848,837.
 - ii. John Thinnnes reviewed the asset allocation and does not recommend rebalancing.
 - iii. The total fund net returns for the quarter were 2.21%, overperforming the benchmark of 2.18%. The 1, 3, 5 and 10-year returns were 13.65%, 12.66%, 6.37% and 8.31%, compared to the benchmarks of 15.00%, 13.50%, 7.54%, and 9.07% respectively. Since inception (10/01/2002), total fund gross returns were 7.26%, underperforming the benchmark of 7.86%.
 - iv. John Thinnnes reviewed Manager's performance and commented that all were performing within expectations.
 - v. Michael Handoga asked about lowering rate assumption and what John Thinnnes opinion was on going from 7.25% to 7.20%. John Thinnnes supports the change for next year and what Patrick Donlan's recommendation was.

The Board voted to change assumption rate from 7.25% to 7.20% effective October 1, 2026, upon motion by Michael Handoga and second by John Cattel; motion carried 3-0

- 4. Klausner, Kaufman, Jensen & Levinson, Lindsey Garber, Plan Attorney
 - a. Legislative updates
 - i. Lindsey Garber informed the board that several property tax proposals are in discussion that could affect funding for the Plan and she will update the board at the next meetings of any changes that are approved.
 - b. Summary Plan Description
 - i. Lindsey Garber explained the SPD is due to be updated as the last update was January 2024 and she will bring a draft update to the next meeting.
 - c. 2026 IRS Mileage Rate
 - i. Lindsey Garber informed the Board that IRS has released its update. Standard Mileage Rate for 2026. The new rate was

72.5 cents per mile driven on or after January 1, 2026. This was up 2.5 cents on the rate effective at the end of last year.

VI. Old Business – None.

VII. Consent Agenda

1. Payment Ratification
 - a. Warrant # 13
2. New Invoices for payment
 - a. None
3. Fund Activity Report
 - a. Fund activity report for October 9, 2025 – January 14, 2026

The Board approved the Consent Agenda as presented, upon motion by John Cattel and second by James Scott; motion carried 3-0.

VIII. Staff Reports, Discussion, and Action

1. 2025 annual report update
 - a. Tiffany Fair informed the Board that their office has started collecting the data for the annual report that is due in March.
2. Upcoming educational opportunities
 - a. Tiffany Fair reviewed the upcoming educational opportunities.

IX. Trustees' Reports – None.

X. Adjournment

The meeting adjourned at 8:46AM, upon motion by John Cattel and second by James Scott; motion carried 3-0.

XI. Next Meeting - Wednesday, April 15, 2026, at 7:30AM, Quarterly Meeting

Respectfully Submitted by:

Approved by:



Tiffany Fair, Plan Administrator



Board Secretary

Date Approved by the Pension Board: APRIL 15, 2026