

**East Lake Fire Rescue-Pension Fund Quarterly Meeting  
Summary of Minutes January 17, 2024**

**Roll Call:** The Administrator called the meeting to order at 7:33 a.m. at 3375 Tarpon Lake Blvd. Palm Harbor, FL 34685.

**Trustees Present:** Chairman Doug Stryjewski, Michael Handoga, Jeff Jackson, JD Cattel and Jim Scott.

**Others Present** Attorney Lindsey Garber of Klausner, Kaufman ETAL, John Thinnes of AndCo Consulting, Patrick Smith of Saltmarsh, ETAL, Patrick Donlan of Foster & Foster, Nick Pluscht, Disability Applicant, Tonya Oliver Attorney for Applicant & Pete Prior of Benefits USA, Inc.

**Approval of Minutes**

**October 18, 2023 Meeting**

Chairman Stryjewski asked if there were any changes or corrections to the minutes. Hearing and seeing none, the Chairman said he would entertain a motion. Trustee Scott moved to approve the minutes as presented and Trustee Jackson seconded the motion and it passed.

**Public Comments:**

There were no public comments at this meeting.

**Unfinished Business:**

There was no unfinished business discussed.

**New Business:**

**9/30/2023 Financial Statements**

Mr. Patrick Smith addressed the board that they audited the financial statements which comprise of the statements of fiduciary net position as of September 30, 2023 and 2022 and the changes in the fiduciary net position and the related notes to the financial statements. In their opinion the statements presented fairly in all material respects, and they have given a clean unmodified opinion which is the best opinion that they can give and are in accordance with the latest accounting principles generally accepted in the United States. He also noted that they are required to be totally independent of the plan and meet other ethical responsibilities in accordance with relevant requirements and they believe that the information obtained is sufficient and appropriate to provide a basis for their opinion.

Mr. Smith reported that the Employer and Employee contributions totaled \$1,010,552 with \$800,107 from the district and \$210,445 from the Employees. The Investment income was \$1,218,902 and the interest and dividends were \$638,248. The benefit payments totaled \$1,057,392, disability payments totaled \$97,350; DROP payments were \$157,024; Share plan payments were \$3,454 and the administrative expenses totaled \$82,809 resulting in a total net position of \$1,763,446.

Mr. Smith reported that the net position at the beginning of the year October 1, 2022 was \$19,182,877 and \$20,946,323 at fiscal year-end 9/30/23 represents the district's net pension liability of \$7,935,022 or 73.53%. The net pension liability is calculated using the discount rate of 1% higher and 1% lower. If the net pension liability was calculated using the current rate of 7.25% the pension liability would be \$7,935,022. At 1 % lower (6.25%), the liability would increase to \$11,414,561 and if calculated using 1% higher (8.25%), the liability would decrease to \$5,035,608.

Finally, Mr. Smith reported on the administrative expenses as follows: Actuary-\$27,462; Administrator-\$19,400; auditing-\$14,500; liability insurance-\$3,357; legal fees \$15,400 and dues and education \$2,650 for a total of \$82,808 represents a decrease from last year of \$87,822. That concluded Mr. Landers report. The Chairman entertained a motion to approve the financial statements. Trustee Scott moved to approve the financial statements as presented and Trustee Handoga seconded the motion and the motion passed.

### **10/1/2023 Actuarial Valuation**

Mr. Patrick Donlan explained the valuation to the members of the board, noting that the required contribution from the district and state for fiscal year ending 9/30/25 is 40.7% of actual payroll realized in that year. As a budgeting tool the district may contribute 28.8% of each members' salary and then make a one-time payment to account for the State money. The actual contributions made for fiscal year 2023 totaled \$1,381,122 which consisted of member (excluding buyback) of \$210,445; District of \$810,107 and state contribution of \$370,570. Per Resolution #2022-01, all state monies received for calendar year 2021 and after, will be available to offset the district's required contribution unless the plan falls below 75%. The market value of assets totaled \$20,953,899 and the actuarial value of assets was \$23,062,285. The plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of the loss included an investment return of 3.74% which was less than the plan's assumption rate of 7.5%. In the event, all state monies received in excess of \$258,650 will be allocated to a share plan. Due to the smoothing method and losses in 2022, the actuarial loss for the plan is \$780,676. If the plan continues to have good years, the costs will be lower. Mr. Donlan reported that there were no plan changes or assumption/method changes since the last valuation. Mr. Donlan reported on the demographics of the plan noting that the total plan membership is 73. This includes 37 active members, 21 service retirees; 1 beneficiary; 3 disability retirees; 3 DROP retirees and 8 vested terminated members. Trustee Handoga moved to approve the valuation as presented and Trustee Jackson seconded the motion and it passed.

Mr. Donlan noted that the plan's investment return of 7.25% is reasonable for this year, next year, and for the long term. Trustee Handoga moved to accept the 7.25% rate of return for this year, the next year, and the long term thereafter and Trustee Jackson seconded the motion. The motion passed 4-1 with Trustee Cattel opposing.

### **2023 Detail of Administrative Expenses**

The Administrator reported that in 2023 they budgeted \$129,898 and they did not go over budget as the expenses totaled \$112,309. She noted this was informational only and no action is needed.

### **Fiduciary Liability Application (Ratification of Chairman's signature)**

The Administrator noted that the Chairman has already signed the application and that a motion was needed to ratify the Chairman's signature. That being said, Trustee Handoga moved to ratify the Chairman's signature on the application and Trustee Jackson seconded the motion and it passed.

### **Summary Plan Description**

Attorney Garber addressed the board noting that the summary plan description is required to be updated every two years. She reviewed all the changes with the Board and noted that she will update the Trustee Roster page and will add the financial page to it before sending it to Benefits USA. It was noted that Benefits USA should make 75 copies.

**Consent Agenda: For Approval: Warrant #230**

Dana Investment Advisors (Q2-2023 Mgmt. Fee-LC Inv #111600 dated 1/4/2024)	\$8,440.07
Dana Investment Advisors (Q2-2023 Mgmt. Fee-FI Inv #111591 dated 1/4/2024)	\$1,836.47
Foster & Foster (Services Rendered; Invoice #29637 dated 1/9/2024)	\$18,344.00
KKJ&L (Legal Fees Bill #34292 dated 12/31/2023)	\$2,194.20
<b>Total</b>	<b>\$30,814.74</b>

**For Ratification: Warrants #228-229**

Benefits USA, Inc. (Flat Monthly Fee for November 2023)	\$1,600.00
FPPTA (2024 Membership Dues)	\$750.00
KKJ&L (Legal Fees; Bill #33882; Invoice dated 10/31/2023)	\$4,418.47
Salem Trust (Q3-2023 Custodian Fee-Invoice #M28100 dated 10/13/2023)	\$1,750.00
<b>Total</b>	<b>\$8,518.47</b>
Benefits USA, Inc. (Flat Monthly Fee for December 2023)	\$1,600.00
Benefits USA, Inc. (Flat Monthly Fee for January 2024)	\$1,600.00
KKJ&L (Legal Fees; Bill #34083; Invoice dated 11/30/2023)	\$4,055.86
Saltmarsh ETAL (Progress billing for 9/30/2023 audit; Inv #721871 dated 11/27/22)	\$7,500.00
<b>Total</b>	<b>\$14,755.86</b>

**Pension Payment for Ratification:**

Kenneth Kovac (Vested Terminated eligible 1/1/2024)	<b>\$908.80</b>
---	-----------------

Trustee Handoga moved to approve the Consent Agenda and Trustee Jackson seconded the motion passed.

**Investment Report: Q/E 12/31/2023****AndCo Consulting**

Mr. Thinnes reported on the economy noting that with the new Geo-Political conflicts in the Red Sea, this will probably increase the probability that inflation will not be going down any time soon. Mr. Thinnes reported on the fund performance including real estate was up 9.16% for the quarter vs. the fund policy of 8.95%. The allocation in real estate is 7% invested versus most plans which are 10%. The equity fund returned 12.84% vs. the equity policy of 11.51%. Domestic equity returned 13.52% vs. 12.07%. Dana and Parnassus returned 13.25% and 11.84% respectively vs the S&P 500 of 11.69%. Vanguard returned 15.12% vs. the S&P completion index of 14.90%. International Equity returned 10.63%. American Funds Euro Pacific returned 10.37% vs. the policy of 9.82%. Pear Tree returned 11.69% and Transamerica returned 10.11% respectively vs. the EAFE index of 10.47%. Fixed income returned 6.28% vs. the policy of 6.82%. Dana fixed income returned 5.23% vs. the policy of 5.50%. Dodge & Cox returned 7.32% vs. the Bloomberg US Aggregate index of 6.82%. Real Estate was down -6.65%. Mr. Thinnes noted that the fund is doing well and he has no recommendations at this time.

That being said, Trustee Handoga moved to approve the Consultants' report and Trustee Jackson seconded the motion and it passed.

**Miscellaneous Correspondence**

No Action Required

## **REPORTS:**

### **Attorney:**

#### **HB3 Update**

Ms. Garber reported that at the last meeting, she spoke about HB3 noting that this bill requires that Board to make investment decisions based on the pecuniary factors. Also, there was a comprehensive report that had to be filed with the state in December. They worked out that language with other attorneys in the state and with AndCo and their office took care of that. They sent the information to Benefits USA, Inc. and the report has been filed on your behalf.

With regards to pending legislation, there is an FRS bill pending. They are trying to reinstate the 3% COLA that was taken away in 2011. She does not think it's applicable to this Plan. She will update the Board once she knows more.

Attorney Garber reported on the Form 1, noting that the filing must now be done online by each Trustee no later than July 1<sup>st</sup>. Ms. Garber noted that there are instructions on the Commission's website and each Trustee must create an account with a user name and password.

#### **Nick Pluscht Informal Disability Hearing**

Ms. Garber reported that all reports are going to be considered public record. So, before we begin a motion is in order to move all medical employment documents and the disability application to public record. Trustee Handoga moved to approve the medical reports to public record. The motion was seconded by Jackson and it passed.

Ms. Garber reported that in order for the Board to grant a disability, the claimant must meet the 3 criteria for the disability. It must be total; it must be permanent and the Board must determine if the disability is service connected that occurred while on duty. A total disability can be established by the following: the individual is separated from employment based the medical evidence which indicates the severity of the disability. A permanent disability can be established by finding that the applicant is not likely to ever recover to the point where he can return to work as a firefighter. The standards use to weigh the evidence here is competent, substantial evidence. That means a person of normal intelligence would rely on this evidence when coming to a conclusion. The burden of proof is on the applicant. If after reviewing the medical evidence, the Board determine that the claimant is both totally and permanently disabled, based on substantial and competent evidence, the Board must then determine if this disability is service connected. The Board will have three options: to approve the disability, deny the disability or task counsel's office to gather additional documents and information. Then three motions will be made. The disability is total, the disability is permanent, and whether the disability is service connected. If the Board denies the disability and the applicant is not satisfied with the Board's decision, Rule 14 states that within 90 days, the applicant and his attorney have the right to a formal hearing which is a different process which she will discuss if needed. The applicant's Counsel, Ms. Oliver will have 15 minutes to state her arguments and records that were provided to the Board.

Ms. Tanya Oliver addressed the Board noting that she is representing Mr. Pluscht who is also present for his service-connected disability. She reported that Mr. Pluscht was medically terminated, so the total disability has already been established. She also reviewed some procedural history with the Board noting that Mr. Pluscht is 37 years old.

His date of birth is June 14, 1986 and he was hired to be employed as a firefighter EMT with East Lake Fire Rescue on August 21 2017, which provides him about five years and 11 months of service with the East Lake Fire Rescue. Prior to that, Mr. Pluscht worked for the City of Largo, where he was also a firefighter.

Beginning in February of 2022. Mr. Pluscht experienced three events on February 21 2022. He was on duty and felt a pop or sharp pain in his back while performing CPR. He reported it to his supervisors and he tried working through the pain but sought treatment through workers compensation. On June 30 of 2022. Mr. Pluscth was again on duty felt a sharp pain after lifting a patient and continued treatment. And then on July 9 of 2022. He was pulling a five-inch diameter hose and felt some increased pain. There were three events that occurred in a short period of time and sought treatment through workers compensation and was authorized for treatment with Dr. Cronin.

Dr. Cronin tried conservative care and treatment at first, then recommended ESI treatment and physical therapy for which he did. Mr. Pluscht submitted himself to a functional capacity evaluation. A functional capacity evaluation is an evaluation that evaluates what he is capable of doing. And that functional cap capacity evaluation shows that he put forth a maximum effort and the maximum effort, he can no longer perform the job duties of a firefighter due to his back injury. Ms. Oliver also addressed the fact that while the applicant was at City of Largo, firefighter Pluscht had a significant wedge fracture to his back while serving as a firefighter in 2016. However, he was cleared to return back to work full duty as a firefighter. He underwent the District's pre-employment physical process and his orthopedic doctor returned him to work as a firefighter. He underwent a CPAT test (which is a physical fitness test) as indicated by Dr. Befeler the workers compensation treating physician just to ensure that he could perform all the duties that East Lake Fire required him to perform. This board sent firefighter Pluscht to an independent medical evaluation with Dr. Kimball. Dr. Kimball indicated in his report that this injury is permanent. As it was stated earlier it is and it is permanent which 2 of the requirements have been met. She also noted that Dr. Cronin's report states that worker's comp paperwork showed that his injuries is permanent and that he will not reach medical improvement. Ms. Oliver stated that she believes Mr. Pluscht meets all the criteria in order to find a total and permanent disability and that it was service-connected based upon the events that occurred on February 21 2020 to June 30 2022 and July 9 of 2022.

Mr. Pluscht was asked if he was working anywhere and Mr. Pluscht said he was not. He was also asked if he would require surgery in the future. Ms. Oliver said there is a possibility of a surgery in the future. However, even with that surgery, he would not be able to return to the full duties of a firefighter. She noted that his injuries not only affected his career, as a firefighter, it also affected his business, he is no longer able to engage in that business because of the lifting requirements and can no longer lift his five-year-old daughter.

It was noted that Mr. Pluscht bought back 2.87 years of service and asked if that would have made him vested. Mr. Donlan noted that the buyback does not count towards vesting, it would just increase his benefit in the end. She asked the Board to make a motion that it was total as he was medically terminated. That being said, Attorney Garber noted that the Board must make 3 motions for the disability being total, permanent and service-connected

Trustee Handoga moved that the disability was total and it was seconded by Trustee Jackson and passed. Trustee Handoga moved that the disability was permanent and it was seconded by Trustee Jackson and passed. Trustee Jackson moved that the disability was service connected and Trustee Handoga seconded the motion and it passed.

**Administrator:**

The Administrator had nothing further to report.


**Trustees:**

**NEXT MEETING DATE:**

The Administrator reported that the next meeting is April 17, 2024 @ 7:30 am.

**ADJOURNMENT:**

Trustee Handoga moved to adjourn and Trustee Jackson seconded the motion. The meeting was adjourned at 9:05 a.m.

  
\_\_\_\_\_  
Chairman or Secretary