

December 12, 2023

Board of Trustees
Greater Naples Fire Rescue District
Firefighters' Pension Board

Re: Greater Naples Fire Rescue District Firefighters' Pension Plan

Dear Board:

Enclosed is the following material, which has been prepared in support of the proposed changes to the Fund:

1. Three (3) copies of the required Actuarial Impact Statement, which outlines the costs associated with implementing the changes.
2. Draft of transmittal letters to the Bureau of Local Retirement Systems and the Bureau of Police Officers' and Firefighters' Retirement Trust Funds.

It will be necessary for the Chairman to sign each copy of the Actuarial Impact Statement as the Plan Administrator and forward the Impact Statement, along with a copy of the proposed Resolution, to the two Bureaus prior to final reading.

If you have any questions concerning the enclosed material, please let us know.

Sincerely,



Sara E. Carlson, ASA, EA, MAAA

Enclosures

Mr. Steve Bardin
Police Officers' and Firefighters' Retirement Trust Funds
Department of Management Services, Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Re: Actuarial Impact Statement

Dear Mr. Bardin:

The Greater Naples Fire Rescue District is considering the implementation of amended retirement benefits for its Firefighters. The changes are described in the enclosed material.

Pursuant to the provisions of Chapter 175, we are enclosing the required Actuarial Impact Statement along with a copy of the proposed Resolution for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Re: Actuarial Impact Statement

Dear Mr. Brinkman:

The Greater Naples Fire Rescue District is considering the implementation of amended retirement benefits for its Firefighters. The changes are described in the enclosed material.

Pursuant to Section 22d-1.04 of the Agency Rules, we are enclosing the required Actuarial Impact Statement (AIS) and a copy of the proposed Resolution for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN

ACTUARIAL IMPACT STATEMENT

December 12, 2023

Attached hereto is a comparison of the impact on the Minimum Required Contribution (per Chapter 112, Florida Statutes) and the Required District Contribution, resulting from the implementation of the following changes:

1. Extend the maximum DROP participation period from 60 to 96 months.
2. Remove the one-year eligibility window to elect DROP participation. Under the proposed benefits, a Firefighter may enter DROP at any time following their early or normal retirement date.
3. Effective July 1, 2023, DROP account balances shall be credited with interest earnings at 4.0% compounded annually. This is an increase from the current 1.3% crediting rate.
4. For Members retiring on or after July 1, 2023, the Retiree Health Insurance Subsidy benefit is equal to \$7.50 multiplied by all years of service, subject to a \$225.00 maximum. This is an increase from the current \$5.00 multiplier, subject to a \$150.00 maximum.

The cost impact, determined as of October 1, 2022, applicable to the fiscal year ending September 30, 2024, is as follows:

	<u>Proposed</u>	<u>Current</u>
Minimum Required Contribution	\$2,966,300	\$2,937,788
Member Contributions (Est.)	454,318	454,318
District And State Required Contribution	2,511,982	2,483,470
State Contribution (Est.) ¹	679,099	679,099
District Required Contribution ²	\$1,832,883	\$1,804,371

¹ Represents the amount received in calendar 2023. As per a Memorandum of Understanding between the Membership and the District, \$679,098.83 of the State Monies received each year will be available to offset the District's required contribution. Any additional State Monies in excess of \$679,098.83 will be used to fund the Share Plan.

² Assuming a District contribution no later than January 31, 2024.

GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN

ACTUARIAL IMPACT STATEMENT

December 12, 2023

Please note that the following proposed changes do not result in a change in the valuation results:

- Update the definition of “Actuarial Equivalent” to be based upon the PUB-2010 Headcount Weighted Public Safety Healthy Retiree Table (Below Median for males) set forward one (1) year projected to 2023 using the MP-2018 mortality improvement scale (blended 50% male / 50% female for unisex rates) and 7.00% interest.
- Include language for the “25 years of service, regardless of age” Normal Retirement eligibility, to align with current plan provisions. This language was inadvertently excluded from the recent restatement due to a Scrivener’s error.

Unless otherwise noted, all data, assumptions, methods and plan provisions are the same as in the October 1, 2022 actuarial valuation report. Please note that the Board of Trustees approved changing the funding methodology from a percentage of payroll to a fixed dollar amount beginning with the fiscal year ending September 30, 2024. It should be noted that changes to retirement benefits could potentially affect participants’ retirement or termination behavior. We will monitor and advise of any recommended changes with future experience studies.

Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the analysis, we did not perform an analysis of the potential range of such future measurements.

Please note that contents of this analysis and the October 1, 2022 actuarial valuation report are considered an integral part of the actuarial opinions. In reviewing the results presented in this study, it should be noted that there are risks that may not be inherently apparent to the reader that should be carefully considered. For key risks, please see the Discussion of Risk section of the October 1, 2022 actuarial valuation report.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

The changes presented herein are in compliance with Part VII, Chapter 112, Florida Statutes and Section 14, Article X of the State Constitution. The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the opinions contained herein.



Sara E. Carlson, ASA, EA, MAAA
Enrolled Actuary #23-8546

STATEMENT OF PLAN ADMINISTRATOR

The prepared information presented herein reflects the estimated impact of the proposed Resolution.

Chairman, Board of Trustees

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Benefits <u>10/1/2022</u>	Old Benefits <u>10/1/2022</u>
A. Participant Data		
Actives	38	38
Service Retirees	2	2
DROP Retirees	1	1
Beneficiaries	1	1
Disability Retirees	2	2
Terminated Vested	<u>9</u>	<u>9</u>
Total	53	53
 Payroll Under Assumed Ret. Age	 4,792,509	 4,792,509
 Annual Rate of Payments to:		
Service Retirees	116,325	116,325
DROP Retirees	91,298	91,298
Beneficiaries	60,661	60,661
Disability Retirees	61,822	61,822
Terminated Vested	239,507	239,507
 B. Assets		
Actuarial Value (AVA) ¹	46,962,608	46,962,608
Market Value (MVA) ¹	39,135,506	39,135,506
 C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	51,402,954	51,196,565
Disability Benefits	1,881,784	1,874,530
Death Benefits	118,207	117,631
Vested Benefits	1,412	1,412
Refund of Contributions	0	0
Service Retirees	1,564,701	1,564,701
DROP Retirees ¹	1,569,044	1,569,044
Beneficiaries	1,011,405	1,011,405
Disability Retirees	851,731	851,731
Terminated Vested	2,522,607	2,522,607
Share Plan Balances ¹	<u>2,054,700</u>	<u>2,054,700</u>
 Total	 62,978,545	 62,764,326

C. Liabilities - (Continued)	New Benefits <u>10/1/2022</u>	Old Benefits <u>10/1/2022</u>
Present Value of Future Salaries	26,538,962	26,538,962
Present Value of Future Member Contributions	2,287,659	2,287,659
Normal Cost (Retirement)	1,880,761	1,873,116
Normal Cost (Disability)	144,326	144,009
Normal Cost (Death)	7,096	7,074
Normal Cost (Vesting)	338	338
Normal Cost (Refunds)	<u>0</u>	<u>0</u>
Total Normal Cost	2,032,521	2,024,537
Present Value of Future Normal Costs	11,291,053	11,250,970
Accrued Liability (Retirement)	40,908,439	40,739,983
Accrued Liability (Disability)	1,123,453	1,118,207
Accrued Liability (Death)	80,338	79,904
Accrued Liability (Vesting)	1,074	1,074
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives) ¹	7,519,488	7,519,488
Share Plan Balances ¹	<u>2,054,700</u>	<u>2,054,700</u>
Total Actuarial Accrued Liability (EAN AL)	51,687,492	51,513,356
Unfunded Actuarial Accrued Liability (UAAL)	4,724,884	4,550,748
Funded Ratio (AVA / EAN AL)	90.9%	91.2%

D. Actuarial Present Value of Accrued Benefits	New Benefits <u>10/1/2022</u>	Old Benefits <u>10/1/2022</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	9,574,188	9,574,188
Actives	24,735,330	24,735,330
Member Contributions	<u>1,172,841</u>	<u>1,172,841</u>
Total	35,482,359	35,482,359
Non-vested Accrued Benefits	<u>3,899,072</u>	<u>3,899,072</u>
Total Present Value Accrued Benefits (PVAB)	39,381,431	39,381,431
Funded Ratio (MVA / PVAB)	99.4%	99.4%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Benefit Changes	0	
Plan Experience	0	
Benefits Paid	0	
Interest	0	
Other	<u>0</u>	
Total	0	

Valuation Date	New Benefits	Old Benefits
Applicable to Fiscal Year Ending	<u>10/1/2022</u>	<u>10/1/2022</u>
	<u>9/30/2024</u>	<u>9/30/2024</u>
E. Pension Cost		
Normal Cost ²	\$2,208,729	\$2,200,053
Administrative Expenses ²	219,335	219,335
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 15 years (as of 10/1/2022) ²	538,236	518,400
Minimum Required Contribution ³	2,966,300	2,937,788
Expected Member Contributions ²	454,318	454,318
Expected District and State Contribution	2,511,982	2,483,470

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2022.

² Contributions developed as of 10/1/2022 displayed above have been adjusted to account for assumed salary increase and interest components.

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: PubS.H-2010 for Employees, set forward one year.

Male: PubS.H-2010 for Employees, set forward one year.

Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

7.40% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Salary Increases

See table below. These rates are based on results of the August 4, 2014 Experience Study. Additionally, final-year salaries are loaded on an individual basis based on the applicable annual leave balances accrued prior to October 1, 2013 as provided by the District.

<u>Years of Service</u>	<u>% Increase in Salary</u>
Less than 2	15.0%
2-9	7.0
10-14	6.5
15-19	6.0
20 and Higher	5.5

Payroll Growth

0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Administrative Expenses

\$201,837 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Normal Retirement Age

Earlier of 1) Age 55 with 6 years of Credited Service or 2) the completion of 25 years of Credited Service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year.

The above rates are considered reasonable based on Plan provisions.

Early Retirement Age

Attainment of age 50 with 6 years of Credited Service. Members are assumed to retire with an immediate subsidized benefit at the same rate assumed for termination of service.

The above rates are considered reasonable based on Plan provisions.

Termination Rates

See table below. These rates are based on results of the August 4, 2014 Experience Study.

<u>Years of Service</u>	<u>Probability</u>
Less than 6	4.5%
6-9	1.5
10 and Higher	0.0

Disability Rates

See sample rates that follow. 90% of disabilities are assumed to be service-incurred. These rates are consistent with those utilized by other Florida public safety Plans.

<u>Age</u>	<u>Probability of Becoming Disabled in Next Year</u>
20	0.14%
25	0.15
30	0.18
35	0.23
40	0.30
45	0.51
50	1.00
55	1.55

Amortization Method

New UAAL amortization bases are amortized over 15 years.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method

Individual Entry Age Normal Actuarial Cost Method(level percentage of pay). The following loads are applied for determining the minimum required contribution:

Interest - a half year, based on current 7.40% assumption.

Salary - None.

Actuarial Asset Method

All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. Previously, fair market value, net of investment-related expenses.

SUMMARY OF CURRENT PLAN

<u>Eligibility</u>	Full-time employees hired after December 31, 1995 by the East Naples Fire Control and Rescue District who are classified as certified Firefighters participate in the Plan as a condition of employment.
<u>Credited Service</u>	Total years and fractional parts of years of service with the District as a Firefighter.
<u>Compensation</u>	Monthly compensation, including up to 300 hours of overtime annually, but excluding lump sum payments of unused leave accrued after September 30, 2013.
<u>Average Final Compensation</u>	Average Compensation for the best five (5) years of Credited Service.
<u>Member Contributions</u>	8.62% (3.00 % prior to March 1, 2023) of Compensation.
<u>District and State Contributions</u>	Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, over 30 years.
<u>Normal Retirement</u>	
Date	Earlier of 1) age 55 and the completion of 6 years of Credited Service, or 2) the completion of 25 years of credited service, regardless of age.
Benefit Amount	3.50% (3.00% if retired before October 1, 2022) of Average Final Compensation (AFC) <u>times</u> Credited Service, limited to 100% of AFC. In addition, a monthly supplemental benefit of \$5 times Credited Service is payable, with a minimum of \$50 per month and a maximum of \$150 per month.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Date	Age 50 and the completion of 6 years of Credited Service.
Benefit Amount	Accrued benefit, reduced 3% per year retirement precedes the earlier of age 55 and 6 years of service or the date when 25 years of service would have been completed.

Vesting

Schedule	100% after 6 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at age 55 (unreduced), or age 50, reduced as for Early Retirement. Non-vested members receive a refund of member contributions.

Disability

Eligibility	Total and permanent as determined by the Board of Trustees. Members are covered from Date of Employment (Service Incurred), or after 8 years of Credited Service (Non-Service Incurred).
Benefit Amount	Accrued benefit, but not less than 42% of Average Final Compensation (Service Incurred), or 25% of Average Final Compensation (Non-Service Incurred).
Duration	Payable for life with 10 years certain or until recovery (as determined by the Board).

Death Benefits

Pre-Retirement	
Vested	Accrued benefit, actuarially reduced for commencement prior to age 50. The benefit is determined as if the participant had retired immediately prior to death and had chosen the 10 Year Certain and Life Annuity.
Non-Vested	Refund of member contributions.
Post-Retirement	Benefits payable to beneficiary in accordance with option selected at retirement.

Cost of Living Adjustment

Eligibility	Normal and Early service Retirees and Beneficiaries, Disability Retirees and Vested, Terminated Retirees.
Amount	3.0% increase at the beginning of each fiscal plan year.

Chapter 175 Share Accounts

Allocation

Effective October 1, 2009, the initial accumulated Excess State Monies Reserve of \$1,217,569 shall be allocated to all active members who were employed on or before September 30, 2008 in a pro-rata fashion according to months of Credited Service. For subsequent years after the frozen State contribution is reduced to \$659,404, premium tax monies received pursuant to Chapter 175, Florida Statutes in excess of \$659,404 will be allocated to individual Member Share accounts based on months of Credited Service, determined as of September 30.

Notwithstanding the above, per a Memorandum of Understanding between the Membership and the District effective June 28, 2018, State Monies in excess of \$679,098.83 will be used to the fund the Share Plan.

Investment Earnings

Net rate of investment return realized by the Plan for the preceding Plan Year. Members within 5 years of the Normal Retirement Date have a one-time option of changing the interest crediting as realized by a money market mutual fund selected by the Board. Investment earnings will begin to accrue once the State Monies exceed \$679,098.83.

Vesting Schedule

Same as for other benefits.

Distribution

Lump sum payment at retirement, termination, disability, or death.

Deferred Retirement Option Plan

Eligibility

A firefighter who is in full-time work status may elect to participate in the DROP within one year after eligibility for Normal or Early Retirement.

Participation

Not to exceed 60 months.

Rate of Return

1.3% compounded annually, less administrative fees

Form of Distribution

Cash lump sum or rollover to another qualified retirement plan

BAC-DROP

Eligibility

Eligibility for Early or Normal Retirement.

Benefit

Lump sum not to exceed to sixty months of retirement benefits. Monthly benefits are reduced appropriately.

Rate of Return

No interest is credited on the lump sum.

Board of Trustees

Two Trustees appointed by the Board of Fire Commissioners, two Members of the Plan elected by the membership, and a fifth Member elected by other 4 and appointed by the Board of Fire Commissioners as a ministerial duty.

RESOLUTION 2024 - 03

GREATER NAPLES FIRE RESCUE DISTRICT RESOLUTION AMENDING THE GREATER NAPLES FIRE RESCUE DISTRICT FIREFIGHTERS' PENSION PLAN AS RESTATED IN RESOLUTION 2022-16; PROVIDING FOR CLARIFICATION OF SCRIVNERS ERRORS; PROVIDING FOR ALIGNMENT WITH CHAPTER 2023-193, LAWS OF FLORIDA; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Greater Naples Fire Rescue District ("District") maintains, for the benefit of firefighters employed by the District, a local law pension plan pursuant to Chapter 175, Florida Statutes, known as the Greater Naples Fire Rescue District Firefighters' Pension Plan (the "Plan"), which plan is set forth in the District's Resolution 96-03, as restated in Resolution 2022-16; and

WHEREAS, Chapter 2023-193, Laws of Florida, revised benefits for certain eligible members of the Florida Retirement System ("FRS") and pursuant to the past practice between the District, the Plan, and IAFF Local 2396, Collier Professional Firefighters & Paramedics ("Union"), similar amendments are required to be made in order to align the Plan's benefits with FRS benefits accordingly; and

WHEREAS, an actuarial impact statement has been produced in connection with the amendments to the Plan contained in this Resolution with a copy of such statement attached to this Resolution; and

WHEREAS, public notice of a meeting of the Board of Fire Commissioners for the consideration of the present Resolution was duly effectuated by publication in a newspaper of general circulation in the District as provided by law; and

WHEREAS, a public meeting before the Board of Fire Commissioners was held pursuant to the notice referenced above, at which meeting all interested persons were afforded an opportunity to be heard;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF FIRE COMMISSIONERS OF THE GREATER NAPLES FIRE RESCUE DISTRICT, COLLIER COUNTY, FLORIDA:

Section 1. That the recitals contained in the preamble to this resolution are incorporated by reference herein.

Section 2. That Section 2, Definitions, subsection b., *Actuarial Equivalent*, of Resolution 2022-16 of the Greater Naples Fire Rescue District, is hereby amended by deleting the stricken through language and adding the underlined language, as follows:

Section 2. Definitions.

[...]

- b. "Actuarial Equivalent" means a benefit or amount of equal value, based upon the ~~1983 Group Annuity Mortality Table with a fifty percent blending of male and female mortality rates and an interest rate of seven percent (7%) per annum~~PUB-2010 Headcount Weighted Public Safety Healthy Retiree Table (Below Median for males) set forward one (1) year projected to 2023 using the MP-2018 mortality improvement scale (blended 50% male/50% female for unisex rates) and 7.00% interest for all calculations.

Section 3. That Section 7, Benefit Amounts and Eligibility, subsection a., *Normal Retirement Date*, of Resolution 2022-16 of the Greater Naples Fire Rescue District, is hereby amended by adding the underlined language as follows:

Section 7. Benefit Amounts and Eligibility.

- a. Normal Retirement Date. A Member's normal retirement date shall be the first day of the month coincident with or next following the attainment of age fifty-five (55) and the completion of eight (8) years of Credited Service or upon attaining twenty-five (25) years of credited service, regardless of age. A Member may retire on his normal retirement date or on the first day of any month thereafter, and each Member shall become one hundred percent (100%) vested in his accrued benefit on the Member's normal retirement date. Normal retirement under the Pension Plan is retirement from employment with the District on or after the normal retirement date.

Section 4. That Section 23, Deferred Retirement Option (DROP), subsections a., *Eligibility*; f., *DROP account earnings*; and g., *Maximum period of participation*, of Resolution 2022-16 of the Greater Naples Fire Rescue District, is hereby amended by deleting the stricken through language and adding the underlined language, as follows:

Section 23. Deferred Retirement Option (DROP).

A DROP, as set forth below, is established and shall be administered by the Board of the Greater Naples Fire Rescue District Firefighters' Pension Plan. Participation shall be subject to the following terms and conditions:

a. *Eligibility.*

- i. A Firefighter of the Plan who is in full-time work status may elect to participate in the DROP at any time ~~within one year~~ after the first day of any month coincident with or next following the Firefighter's early retirement date, or, in the alternative, ~~within one year~~ after the first day of the month coincident with or next following the Firefighter's normal retirement date. The effective date of the Firefighter's participation shall be the first of the month after the date of such election.

[...]

- f. *DROP account earnings.* Each DROP account shall be credited with interest earnings at a rate of one and three-tenths percent (1.3%) compounded annually, less administrative fees as set forth in subparagraph h. Effective July 1, 2023, DROP account balances shall be credited with interest earnings at a rate of four percent (4%) compounded annually, less administrative fees as set forth in subparagraph h.

- g. *Maximum period of participation.* A Firefighter may elect to participate in the DROP only once. The maximum participation period shall be ~~sixty (60)~~ninety-six (96) months. At the conclusion of the maximum period of DROP participation, the crediting of benefit payments to the DROP account shall cease and the Firefighter's termination from employment with the District shall become effective pursuant to the executed irrevocable letter of resignation. The distribution of DROP benefits shall commence as set forth in subparagraph i below. There shall be no minimum period of participation in the DROP.

Section 5. That Section 24, Retiree Health Insurance Subsidy, of Resolution 2022-16 of the Greater Naples Fire Rescue District, is hereby amended by deleting the stricken through language and adding the underlined language, as follows:

Section 24. Retiree Health Insurance Subsidy.

Each eligible retiree; or Beneficiary who is a Spouse, domestic partner, or financial dependent shall receive a monthly retiree health insurance subsidy payment equal to the number of years of Credited Service completed at the time of the Member's retirement multiplied by five dollars (\$5.00); however, no retiree or Beneficiary may receive a subsidy payment of more than one-hundred fifty dollars (\$150.00) or less than fifty dollars (\$50.00). Notwithstanding the foregoing, each "Eligible Retiree," defined herein as a Member retiring on or after July 1, 2023, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of Credited Service completed at the time of the Member's retirement multiplied by seven dollars and fifty cents (\$7.50). However, no Eligible Retiree or their respective beneficiaries may receive a subsidy payment greater than two hundred and twenty five dollars (\$225.00) or less than fifty dollars (\$50.00).

Section 6. All Resolutions or parts of Resolutions in conflict with this Resolution are hereby repealed to the extent of such conflict.

Section 7. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared severable.

Section 8. This Resolution shall become effective immediately upon adoption by the Board of Fire Commissioners. Such ratification shall only be after negotiations and agreement which is required by Article 58 of the collective bargaining agreement to which the District and the Union are parties.

We, the undersigned hereby certify that the Greater Naples Fire Rescue District Board of Fire Commissioners is comprised of five members, of whom __, constituting a quorum, were present at a meeting duly and regularly called, noticed, convened and held this 20th day of February, 2024, and that the foregoing Resolution was duly adopted at said meeting by the affirmative vote of __ members, and opposed by __ members, and that said Resolution has been duly recorded in the Official records and is in full force and effect.

Duly passed and adopted by the Board of Fire Commissioners of the Greater Naples Fire District on this 20th day of February, 2024.

Nick Biondo, Chairman