

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
FINANCIAL STATEMENTS, TOGETHER WITH
ADDITIONAL REPORTS
YEARS ENDED
SEPTEMBER 30, 2024 AND 2023**

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HSC/Tuscan & Company, PA

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Greater Naples Fire Rescue District
Firefighters' Pension Plan
14575 Collier Boulevard
Naples, Florida 34119-9605

Opinion

We have audited the accompanying Statements of Fiduciary Net Position of the Greater Naples Fire Rescue District Firefighters' Pension Plan (the "Plan"), an employee defined benefit plan as of September 30, 2024 and 2023, and the related Statements of Changes in Fiduciary Net Position for the years then ended, and the related notes to the financial statements, which collectively comprise the Plan's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Greater Naples Fire Rescue District Firefighters' Pension Plan as of September 30, 2024 and 2023, and the changes in its fiduciary net position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greater Naples Fire District Firefighters' Pension Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Naples Fire District Firefighters' Pension Plan's ability to continue as a going concern for twelve months beyond the date the financial statements are available to be issued, including any currently known information that may raise substantial doubt shortly thereafter.

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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Auditor's Responsibilities for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence made by management, as well as evaluate the overall presentation of the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Greater Naples Fire Rescue District Firefighters' Pension Plan's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Naples Fire Rescue District Firefighters' Pension Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i - v be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information - management's discussion and analysis (MD&A) in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or

provide any assurance on the required supplementary information - management's discussion and analysis (MD&A) because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Required Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the Greater Naples Fire Rescue District Firefighters' Pension Plan's financial statements. The required supplementary information other than MD&A - schedules of changes in the employer and other contributing entities net pension liability and related ratios - last 10 fiscal years, schedules of contributions by employer and other contributing entities - last 10 fiscal years, schedules of investment returns - last 10 fiscal years and schedule of funding progress and schedule of contributions by employer and other contributing entities are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on this required supplementary information, as noted above, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plan's basic financial statements. The Exhibit - Management's Response to the Independent Auditor's Report to Management is not a required part of the basic financial statements but is required by Government Auditing Standards. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Section 218.415, Florida Statutes

In accordance with Section 218.415, Florida Statutes, we have also issued a report dated March 24, 2025, on our consideration of Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance with provisions of Section 218.415, Florida Statutes. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and to provide an opinion on compliance with the aforementioned Statute. That report is an integral part of an audit performed in accordance with Sections 218.39 and 218.415, Florida Statutes in considering Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance with Section 218.415, Florida Statutes.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2025, on our consideration of Greater Naples Fire Rescue District Firefighters' Pension Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and on compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards, and should be considered in assessing the results of our audit.

HSC/Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 24, 2025

Management's Discussion and Analysis **(Required Supplementary Information)-Unaudited** **September 30, 2024 and 2023**

Our discussion and analysis of the Greater Naples Fire Rescue District Firefighters' Pension Plan (the "Plan") financial performance provides an overview of the Plan's financial activities for the fiscal years ended September 30, 2024 and 2023. Please read it in conjunction with the Plan's financial statements, which follow this discussion.

Financial Highlights

- The Plan's assets exceeded its liabilities at the close of the fiscal years ended September 30, 2024 and 2023, by \$57,287,004 and \$44,571,494, respectively, (reported as net position restricted for pension benefits). The increase/(decrease) of \$12,715,510 and \$5,434,742 for the years ended September 30, 2024 and 2023, respectively, has resulted from significant increases in the fair value of the Plan's investments and routine contributions for the years ended September 30, 2024 and 2023.
- The Plan's assets exceeded its liabilities at the close of the fiscal years ended September 30, 2023 and 2022, by \$44,571,494 and \$39,136,752, respectively, (reported as net position restricted for pension benefits). The increase/(decrease) of \$5,434,742 and \$(6,711,883) for the years ended September 30, 2023 and 2022, respectively, has resulted from significant increases/(decreases), respectively, in the fair value of the Plan's investments and routine contributions for the years ended September 30, 2023 and 2022.
- The Plan's funded ratio, a comparison of the actuarial value of assets to the actuarial accrued pension benefit liability, changed from 82.14% as of the October 1, 2010 to 84.42% as of the October 1, 2011 valuation, to 119.44% as of the October 1, 2012 valuation, to 128.56% as of October 1, 2013, to 120.47% as of October 1, 2014, to 112.72% as of October 1, 2015, to 116.43% as of October 1, 2016, to 114.11% as of October 1, 2017, to 113.91% as of October 1, 2018, to 111.5% as of October 1, 2019, to 117.54% as of October 1, 2020, to 121.41% as of October 1, 2021, to 93.06% as of October 1, 2022, to 84.13% as of October 1, 2023, and to 79.32% as of October 1, 2024.
- The Plan's total Plan assets increased at September 30, 2024 to \$57,316,236 as compared to September 30, 2023, of \$44,598,948, an increase of \$12,717,288 or 29%.
- The Plan's total Plan assets increased at September 30, 2023 to \$44,598,948 as compared to September 30, 2022, of \$39,200,012, an increase of \$5,398,936 or 14%.
- For the year ended September 30, 2024, Plan liabilities increased by \$1,778 to \$29,232, as compared to that of September 30, 2023, primarily due to routine timing of business operations.
- For the year ended September 30, 2023, Plan liabilities decreased by \$35,806 as compared to that of September 30, 2022, primarily due to routine timing of business operations.
- For the year ended September 30, 2024, District contributions to the Plan increased by \$1,605,067 (or 0.52%) based on the actuarial valuation. Actual District contributions were \$1,804,371 and \$897,213 for 2024 and 2023, respectively. The increase in actuarially required District contributions was primarily due to a change in salary rates. The District contributed 100% of its required contribution for the years ended September 30, 2024 and 2023. The Plan used State contributions of \$679,099 and \$679,099 for the years ended September 30, 2024 and 2023, because of the MOU limit of \$679,099 effective June 28, 2018. The Plan received total State contribution of \$2,491,829 and \$1,917,967 for the years ended September 30, 2024 and 2023, respectively. The Plan also had \$0 and \$0 carried forward as unearned revenue of the Plan which represented prepaid District contribution at September 30, 2024 and 2023, respectively.

Management's Discussion and Analysis
(Required Supplementary Information)-Unaudited
September 30, 2024 and 2023

- For the year ended September 30, 2023, District contributions to the Plan increased by \$1,176,154 (or 61%) based on the actuarial valuation. Actual District contributions were \$897,213 and \$790,570 for 2023 and 2022, respectively. The increase in actuarially required District contributions was primarily due to change in salary rates. The District contributed 100% of its required contribution for the years ended September 30, 2023 and 2022. The Plan used State contributions (frozen limit) of \$679,099 and \$679,099 for the years ended September 30, 2023 and 2022, because of the MOU limit of \$679,099 effective June 28, 2018. The Plan received total State contributions of \$1,917,967 and \$1,012,232 for the years ended September 30, 2023 and 2022, respectively, including the \$679,099 frozen limit. The Plan also had \$0 and \$0 carried forward as unearned revenue of the Plan which represented prepaid District contribution at September 30, 2023 and 2022, respectively.
- The Plan initiated a stop/restart in 2009. In addition to an increase in the State frozen limit (noted previously) the Plan initiated a "Share Plan". The Share Plan allocated \$1,217,569 of State Insurance Premium Excise Tax revenue to the Plan participants in addition to the stated benefits from normal retirement. At September 30, 2017, the Share Plan's balance was \$984,198 due to share Plan distributions of \$12,900 during the year. At September 30, 2018, the Share Plan's balance was \$1,093,247 due to Plan contributions of \$109,049 from State contributions in excess of \$679,099. At September 30, 2019, the Share Plan's balance was \$1,213,244 due to Plan contributions of \$119,997 from State contributions in excess of \$679,099. At September 30, 2020, the Share Plan's balance was \$1,384,643 due to Plan contributions of \$171,399 from the State in excess of \$679,099 cap. At September 30, 2021, the Share Plan's balance was \$2,161,027 due to Plan contributions of \$310,220 from the State in excess of the \$679,099 cap. At September 30, 2022, the Share Plan's balance was \$2,070,416 due to Plan contributions of \$333,133 from the State in excess of the \$679,099 cap. At September 30, 2023, the Share Plan's balance was \$3,359,752 due significantly to Plan contributions of \$1,238,868 from the State in excess of the \$679,099 (frozen limit) cap. At September 30, 2024, the Share Plan's balance was \$5,305,202 due significantly to Plan contributions of \$1,812,730 from the State in excess of the \$679,099 (frozen limit) cap.
- For the year ended September 30, 2024, Plan member contributions increased by \$124,047 (or 41%). Actual Plan member contributions were \$423,401 and \$299,354 for 2024 and 2023 respectively. Plan member contributions have fluctuated from year to year, based on the number of active members and pay rates.
- For the year ended September 30, 2023, Plan member contributions increased by \$163,776 (or 120%) because the member contribution rate changed from 3% of compensation to 8.62%. Actual Plan member contributions were \$299,354 and \$135,578 for 2023 and 2022 respectively. Plan member contributions have fluctuated from year to year, based on the number of active members and pay rates.
- For the year ended September 30, 2024, administrative expenses increased by \$25,285 (or 13%) to \$226,022, from that of 2023 due primarily to an increase in administrator fees and actuarial fees.
- For the year ended September 30, 2023, administrative expenses decreased by \$27,690 (or 12%) to \$200,737, from that of 2022 due to various factors including reduced administration fees.

Using the Audited Financial Statements

The financial statements reflect the activities of the Greater Naples Fire Rescue District Firefighters' Pension Plan and are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on a full accrual basis, reflect all trust activities as incurred as well as a snapshot in time of account balances of investments at year end.

Management's Discussion and Analysis
(Required Supplementary Information)-Unaudited
September 30, 2024 and 2023

Statement of Fiduciary Net Position

The following are condensed Statements of Fiduciary Net Position Restricted for Pension Benefits for the Plan at September 30:

	2024	2023	2022
Cash and cash equivalents	\$ 756,982	\$ 884,451	\$ 1,886,580
Receivables/prepays	1,049,526	751,481	30,198
Investments	55,509,728	42,963,016	37,283,234
Total assets	57,316,236	44,598,948	39,200,012
Liabilities	29,232	27,454	63,260
Net position restricted for pension benefits	<u>\$ 57,287,004</u>	<u>\$ 44,571,494</u>	<u>\$ 39,136,752</u>

Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position Restricted For Pension Benefits, displays the effect of pension fund transactions that occurred during the fiscal year, where Additions — Deductions = Net Increase (or decrease) in Net Position. The table below reflects a condensed comparative summary of the changes in net position and reflects the activities of the Plan for the fiscal years ended September 30:

	2024	2023	2022
Additions:			
Contributions			
District	\$ 1,804,371	\$ 897,213	\$ 790,570
Plan members	423,401	299,354	135,578
State of Florida	2,491,829	1,917,967	1,012,232
Total	4,719,601	3,114,534	1,938,380
Net investment income (loss)	9,214,994	2,929,260	(8,049,887)
Total Additions (Reductions)	13,934,595	6,043,794	(6,111,507)
Deductions:			
Benefits Paid to Members	485,172	314,123	217,234
Share distribution	398,741	94,192	72,760
DROP Benefits	109,150	-	81,955
Administrative expenses	226,022	200,737	228,427
Total deductions	1,219,085	609,052	600,376
Net increase (decrease)	12,715,510	5,434,742	(6,711,883)
Net position restricted for pension benefits at beginning of year	44,571,494	39,136,752	45,848,635
Net position restricted for pension benefits at end of year	<u>\$ 57,287,004</u>	<u>\$ 44,571,494</u>	<u>\$ 39,136,752</u>

Management's Discussion and Analysis
(Required Supplementary Information)-Unaudited
September 30, 2024 and 2023

The Plan's investment activity, measured as of the end of any month, quarter or year, is a function of the underlying marketplace for the period measured and the investment policy's asset allocation. Actual returns for the years ended September 30, 2024, 2023 and 2022, affected the Plan's net position as a result of market flux.

The benefit payments are a function of changing payments to retirees, their beneficiaries (if the retiree is deceased) and new retirements during the period. During the year ended September 30, 2009, the Plan began paying its first benefits to a Plan participant. During the years ended September 30, 2024 and 2023, total benefits (and refunds) were paid in the amount of \$993,063 and \$408,315, respectively, to participants. The Plan incurred legal fees of approximately \$56,497 and \$59,056, respectively, for the years ended September 30, 2024 and 2023, respectively.

Asset Allocation

At September 30, 2024, the domestic equity portion comprised 49% (\$27,848,731) of total assets. The allocation to fixed income securities was 33% (\$19,033,143), while cash and cash equivalents was 1% (\$756,982) and receivables/prepaids were less than 2% (\$1,049,526). The portion of investments allocated to international equity and real estate were \$6,288,677 or 11% and \$2,339,177 or 4%, respectively, of total assets.

At September 30, 2023, the domestic equity portion comprised 39% (\$17,703,152) of total assets. The allocation to fixed income securities was 37% (\$16,768,922), while cash and cash equivalents was 2% (\$884,451) and receivables/prepaids were 2% (\$751,481). The portion of investments allocated to international equity and real estate were \$5,584,125 or 13% and \$2,906,817 or 7%, respectively, of total assets.

The target asset allocations as of September 30 were as follows:

	<u>2024</u>	<u>2023</u>
Domestic equity	40%	40%
International equity	10%	10%
Fixed income (Bonds)	28%	28%
Fixed Income High Yield Bonds	6%	6%
Real Estate	5%	5%
Infrastructure (MLP's)	5%	5%
Cash	1%	1%
Convertibles (Bonds)	<u>5%</u>	<u>5%</u>
	<u>100%</u>	<u>100%</u>

Net Pension Liability

For the years ended September 30, 2024 and 2023, the components of the Plan's net pension liability were:

	Total Pension Liability	Plan's Net Position	Plan's Net Pension Liability (Asset)	Plan's Net Position as a % of Total Pension Liability
9/30/2024	<u>\$ 70,521,762</u>	<u>\$ 57,287,004</u>	<u>\$ 13,234,758</u>	<u>81.23%</u>
9/30/2023	<u>\$ 59,794,832</u>	<u>\$ 44,571,494</u>	<u>\$ 15,223,338</u>	<u>74.54%</u>

Management's Discussion and Analysis (Required Supplementary Information)-Unaudited September 30, 2024 and 2023

Overall Plan Status

- As part of the 2009 Plan stop/restart initiative, the District was granted a credit of \$902,451 to be offset against required District contributions. The District used the entire credit within the fiscal year ended September 30, 2010. The credit was made possible by the State agreeing to allow unapplied State Insurance Premium Excise Tax revenue to be applied therefore creating the credit of \$902,451.
- At September 30, 2017, the Plan had an unfunded actuarial accrued (credit) asset of \$3,322,908 placing the Plan in a position of being actuarially overfunded.
- At September 30, 2018, the Plan had an unfunded actuarial accrued (credit) asset of \$3,662,851 placing the Plan in a position of being actuarially overfunded.
- At September 30, 2019, the Plan had an unfunded actuarial accrued (credit) asset of \$3,375,984 placing the Plan in a position of being actuarially overfunded.
- At September 30, 2020, the Plan had an unfunded actuarial accrued (credit) asset of \$5,536,679 placing the Plan in a position of being actuarially overfunded.
- At September 30, 2021, the Plan had an unfunded actuarial accrued (credit) asset of \$8,085,636 placing the Plan in a position of being actuarially overfunded.
- At September 30, 2022, the Plan had an unfunded actuarial accrued (credit) asset of \$(3,502,890) placing the Plan in a position of being actuarially underfunded.
- At September 30, 2023, the Plan had an unfunded actuarial accrued (credit) asset of \$(9,742,989) placing the Plan in a position of being actuarially underfunded.
- At September 30, 2024, the Plan had an unfunded actuarial accrued (credit) asset of \$(14,674,711) placing the Plan in a position of being actuarially underfunded.
- The Plan experienced a rate of return of 20.16%, 7.32%, (17.56%), 19.25%, 9.21%, 5.06% and 7.24% for the years ended September 30, 2024, 2023, 2022, 2021, 2020, 2019, and 2018, respectively.
- The Plan has an assumed rate of return of 7.00% and 7.20% for the years ended September 30, 2024 and 2023, respectively.

Contacting the Plan's Financial Management

This financial report is designed to provide the Retirement Board of Trustees, our membership, taxpayers, investors, and creditors with a general overview of the Plan's finances and to demonstrate the Plan's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Plan Administrator Christine Stoker, Greater Naples Fire Rescue District Firefighters' Pension Plan, 14575 Collier Boulevard, Naples, FL 34119-9605.

GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
STATEMENTS OF FIDUCIARY NET POSITION
September 30, 2024 and 2023

	2024			
	Salem Trust	American Core Realty	SEI Trust	Total
ASSETS				
Cash and cash equivalents	\$ 756,982	\$ -	\$ -	\$ 756,982
Receivables:				
Contributions - District	-	-	-	-
Contributions - State of Florida	904,744	-	-	904,744
Accrued investment income	67,467	-	-	67,467
Other receivable	75,901	-	-	75,901
Total Receivables	1,048,112	-	-	1,048,112
Prepaid insurance	1,414	-	-	1,414
Investments, at Fair Value:				
Domestic equities	24,906,537	-	2,942,194	27,848,731
International equities	6,288,677	-	-	6,288,677
Fixed income	19,033,143	-	-	19,033,143
Real estate	-	2,339,177	-	2,339,177
Total Investments	50,228,357	2,339,177	2,942,194	55,509,728
TOTAL ASSETS	52,034,865	2,339,177	2,942,194	57,316,236
LIABILITIES				
Accounts payable	29,232	-	-	29,232
Unearned revenue	-	-	-	-
TOTAL LIABILITIES	29,232	-	-	29,232
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 52,005,633	\$ 2,339,177	\$ 2,942,194	\$ 57,287,004

The accompanying notes are an integral part of this statement.

2023			
Salem Trust	American Core Realty	SEI Trust	Total
\$ 884,451	\$ -	\$ -	\$ 884,451
-	-	-	-
675,650	-	-	675,650
2,697	-	-	2,697
71,706	-	-	71,706
750,053	-	-	750,053
1,428	-	-	1,428
15,873,938	-	1,829,214	17,703,152
5,584,125	-	-	5,584,125
16,768,922	-	-	16,768,922
-	2,906,817	-	2,906,817
38,226,985	2,906,817	1,829,214	42,963,016
39,862,917	2,906,817	1,829,214	44,598,948
27,454	-	-	27,454
-	-	-	-
27,454	-	-	27,454
<u>\$ 39,835,463</u>	<u>\$ 2,906,817</u>	<u>\$ 1,829,214</u>	<u>\$ 44,571,494</u>

The accompanying notes are an integral part of this statement.

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Years Ended September 30, 2024 and 2023**

		2024			
ADDITIONS ATTRIBUTED TO:		Salem Trust	American Core Realty	SEI Trust	Total
Contributions (cash):					
District (employer)	\$	1,804,371	\$ -	\$ -	\$ 1,804,371
Plan members (employee)		423,401	-	-	423,401
State of Florida		2,491,829	-	-	2,491,829
Total contributions		4,719,601	-	-	4,719,601
Transfers in (out), net					
		(192,170)	(307,830)	500,000	-
		4,527,431	(307,830)	500,000	4,719,601
Investment income:					
Net appreciation (depreciation) in fair value of investments		7,458,833	(328,483)	612,980	7,743,330
Realized gain (loss)		141,346	9,610	-	150,956
Interest		64,991	-	-	64,991
Dividends		1,255,575	-	-	1,255,575
Partnership income		-	87,264	-	87,264
Less: investment expense		(58,921)	(28,201)	-	(87,122)
Net investment income		8,861,824	(259,810)	612,980	9,214,994
TOTAL ADDITIONS		13,389,255	(567,640)	1,112,980	13,934,595
DEDUCTIONS ATTRIBUTED TO:					
Benefits paid to members					
(includes taxes)		485,172	-	-	485,172
Share Plan Distribution		398,741	-	-	398,741
Benefits paid - DROP/refunds		109,150	-	-	109,150
Administrative Expenses:					
Audit fees		21,000	-	-	21,000
Actuarial fees		46,031	-	-	46,031
Administrator fees		35,060	-	-	35,060
Consulting fees - investment		30,000	-	-	30,000
Bookkeeping		10,975	-	-	10,975
Conferences and dues		17,194	-	-	17,194
Insurance		4,337	-	-	4,337
Investment management fees		4,900	-	-	4,900
Legal fees		56,497	-	-	56,497
Misc. expenses		28	-	-	28
Total administrative expenses		226,022	-	-	226,022
TOTAL DEDUCTIONS		1,219,085	-	-	1,219,085
Net increase (decrease) in net position		12,170,170	(567,640)	1,112,980	12,715,510
Net position restricted for pension benefits:					
NET POSITION BEGINNING		39,835,463	2,906,817	1,829,214	44,571,494
NET POSITION ENDING	\$	52,005,633	\$ 2,339,177	\$ 2,942,194	\$ 57,287,004

The accompanying notes are an integral part of this statement.

2023			
Salem Trust	American Core Realty	SEI Trust	Total
\$ 897,213	\$ -	\$ -	\$ 897,213
299,354	-	-	299,354
1,917,967	-	-	1,917,967
3,114,534	-	-	3,114,534
(662,414)	662,414	-	-
2,452,120	662,414	-	3,114,534
1,713,087	(540,065)	(2,269)	1,170,753
861,916	(5,217)	-	856,699
49,317	-	-	49,317
850,463	-	-	850,463
-	89,551	-	89,551
(51,657)	(35,866)	-	(87,523)
3,423,126	(491,597)	(2,269)	2,929,260
5,875,246	170,817	(2,269)	6,043,794
314,123	-	-	314,123
94,192	-	-	94,192
-	-	-	-
20,000	-	-	20,000
32,056	-	-	32,056
24,321	-	-	24,321
30,011	-	-	30,011
10,975	-	-	10,975
20,023	-	-	20,023
4,138	-	-	4,138
-	-	-	-
59,056	-	-	59,056
157	-	-	157
200,737	-	-	200,737
609,052	-	-	609,052
5,266,194	170,817	(2,269)	5,434,742
34,569,269	2,736,000	1,831,483	39,136,752
\$ 39,835,463	\$ 2,906,817	\$ 1,829,214	\$ 44,571,494

The accompanying notes are an integral part of this statement.

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
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NOTE A - DESCRIPTION OF PLAN

The following description of Greater Naples Fire Rescue District Firefighters' Pension Plan (the "Plan") provides only general information. As such, these financial statements are not intended to and do not present fairly the financial position of the governmental activities and each major fund of Greater Naples Fire Rescue District as of September 30, 2024 and 2023, and the respective changes in financial position for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a single employer defined benefit pension plan covering all eligible employees (firefighters), as later defined, of Greater Naples Fire Rescue District ("Employer and Plan Sponsor"). The Plan was originally adopted on July 29, 1996, by Resolution 96-03 as amended by Resolution 97-01 dated August 11, 1997, Resolution 98-02 dated May 19, 1998, Resolution 99-001 dated January 12, 1999, Resolution 99-021 dated November 9, 1999, Resolution 2001-02 dated April 18, 2001, Resolution 2003-02 dated April 8, 2003, Resolution 2003-03 dated June 24, 2003, and Resolution 2004-08 dated September 14, 2004. The Plan was then restated as Resolution 96-03 dated July 13, 2005, and further amended by Resolutions 2009-04 and 2009-05 both dated August 11, 2009. During fiscal year 2010, the Plan was amended by Resolution 2010-01 dated March 19, 2010, and subsequently by Resolution 2010-03 dated September 14, 2010, and approved November 10, 2010. The Plan was amended again effective September 2, 2013, by Resolutions 2013-01 and 2013-2. The Plan is intended to provide participants with future retirement benefits. The Plan was established in accordance with the provisions of Florida Statutes Chapters 112 and 175 and by the authority of Chapter 95-338 of the Laws of Florida.

The voters of the East Naples Fire Control and Rescue District and Golden Gate Fire Control and Rescue District elected to merge to form the Greater Naples Fire Rescue District on November 4, 2014. Implementation of the merger was complete on January 1, 2015. The Greater Naples Fire Rescue District has applied for and been accepted to allow (require) all future employees to join the Florida Retirement System (FRS). Therefore, the District, by motion on November 18, 2014, voted to close this Plan to new participants. As such, the Plan was closed to new participants

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NOTE A - DESCRIPTION OF PLAN, CONTINUED

General, continued

effective November 18, 2014. Effective March 1, 2015, FRS issued ballots to Plan members to choose to join FRS or remain in this Plan. On March 10, 2015, the Board of Fire Commissioners officially voted (Resolution 2015-04) to change the name of the Plan to Greater Naples Fire Rescue District Firefighters' Pension Plan, consistent with the District's name change. Also on March 10, 2015, the Board of Fire Commissioners passed Resolution 2015-05 levying an excise tax (State Insurance Premium Tax) on property insurance policies within the District's boundaries to fund this Plan and passed Resolution 2015-06 to implement certain updated IRS requirements for the Plan. The Plan adopted the State mandated change to the definition of disabled as of July 1, 2019. The Plan adopted Resolution 2020-4 on March 10, 2020, which implemented an amendment to the definition of "salary" to include annual leave accrued prior to October 1, 2013; added a "DROP" (deferred retirement option plan); and a "BAC-DROP" option to the Plan. The Plan adopted Resolutions 2024-03 and 2024-04. Resolution 2024-03 clarified certain definitions of terms used in the Plan and changed the period to elect DROP from 1 year to any time and changed the DROP interest compounding from 1.3% to 4% after July 1, 2023. Resolution 2024-04 added the Share Plan 13th check benefit.

Effective October 1, 2022, the Board resolved to increase the benefit accrual rate (multiplier) to 3.5% per credited year of service. Effective March 1, 2023, the employee contribution rate increased from 3% to 8.62% of defined compensation. The Plan also approved its "Repeal and Revise Resolution".

Plan Administration

For the years ended September 30, 2024 and 2023, the administration of the Plan was the responsibility of the Greater Naples Fire Rescue District Firefighters' Pension Plan's Board of Trustees. Specifically, there are generally five (5) Trustees for the Plan including two Trustees which are elected by the Plan Members, two District Resident Trustees appointed by the Fire District (the Plan Sponsor), and one Trustee elected by a vote of the other four Trustees and then appointed by the District's Board of Fire Commissioners as a ministerial duty.

Effective January 1, 2013, the Trustees changed Plan investment custodians to Salem Trust Company. As part of this transition, the investment consultant was changed to Burgess, Chambers and Associates (BCA) and two new investment managers were hired to provide advice on active investments to the Board of Trustees.

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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Plan Administration, continued

The Plan contracts a third-party accounting firm to provide the Plan with bookkeeping services in order to maintain routine accounting records and to report to the Board of Trustees. The Plan also contracts a plan administrator to routinely coordinate Plan activities as well as to advise the Board of Trustees. Effective March 1, 2023, the Plan changed its contracted administrator. The Plan further contracts for other professionals such as legal counsel, actuaries and auditors.

Contributions

Greater Naples Fire Rescue District (Employer) is required to contribute an actuarially determined amount equal to or greater than the difference between the total contributions from all other sources for the year and the actuarially determined cost including any unfunded past service liability. For the years ended September 30, 2024 and 2023, the employer Plan contributions were \$1,804,371 including \$0 recorded as a receivable and contributions of \$897,213 including \$0 recorded as a receivable, respectively. The District's actuarially determined contributions were \$1,804,371 and \$897,213 for the years ended September 30, 2024 and 2023, respectively. The District met its contribution requirement for both years.

During the year ended September 30, 2013, the District began cash funding the actuarially determined underfunded balance in conjunction with the revised October 1, 2008, and the October 1, 2009, actuarial valuation reports which were approved by the Board during January 2011 and State approved as of April 27, 2011. At September 30, 2024 and 2023, the Plan was determined actuarially over(under)funded in the amount of \$(14,674,711) and \$(9,742,989), respectively.

The Plan's participants are required to make regular contributions to the Plan. As the result of Resolution 2013-2, the (employee) participant contribution rate was changed from 1% to 3% of covered salary as defined. This increase was effective September 2, 2013. Previously, Trustees had approved (Resolution 96-03) to reduce the effect of the employee contribution requirement on the Plan's participants. That resolution increased the affected employees salary by 1% as well as the associated FICA tax for a total increase of 1.0765%. The 2013 union contract removed the effect of Resolution 96-03 for union employees and the 1.0765% increase in salary effective September 2, 2013. Therefore, the District is no longer responsible for any portion of the employees' required Plan contribution. These

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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Contributions, continued

contributions are now classified as member (employee) contributions. Effective March 1, 2023 (or the first payroll thereafter), members of the Plan shall be required to make regular contributions of the amount of 8.62% of their salary. Members who terminate employment with less than eight years of credited service, upon election to receive a refund of member contributions, shall receive his or her contributed 8.62%. For the years ended September 30, 2024 and 2023, the total employee contributions were \$423,401 and \$299,354, respectively. The Board approved an increase in the salary of the Fire Chief, at the time, (a non-union employee) in the amount of 3.0765% in order to assume all costs associated with the Plan. On March 8, 2021, this particular Chief retired from the District and began receiving benefits from the Plan starting April 1, 2021.

State of Florida contributions are received each year by the Plan pursuant to Florida Statute Chapter 175. These contributions consist of State Insurance Premium Tax revenue (excise tax) imposed on the insured (1.85% of gross hazard insurance premium receipts) properties within the boundaries of the District. Any state premium excise tax revenues received in excess of the amount that was received for calendar year 1997 must first be used to fund the cost of compliance with minimum benefits. Any additional revenues must be used to provide extra benefits for the firefighters included in the Plan. As of the valuation date, October 1, 2009, there was no minimum benefit requirement outstanding. As of October 1, 2008, the accumulated excess of State Insurance Premium Excise Tax revenue was \$2,120,020. This amount was being held in reserve to fund the Supplemental Retirement Benefit Share Plan in the amount of \$1,217,569 and \$902,451 as a prepaid contribution that the District could have used to offset employer contributions through September 30, 2010.

In August 2009, as a result of District Resolutions 2009-04 and 2009-05, the District and Union agreed that \$902,451 of this State Insurance Premium Tax revenue could be used to offset the District's required contributions to the Plan for the years ended September 30, 2009 and September 30, 2010. During the year ended September 30, 2009, however, none of the \$902,451 credit being held as excess State Insurance Premium Excise Tax revenue was used. The remaining \$902,451 was used to offset District required contribution's for the year ending September 30, 2010.

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Contributions, continued

In addition, the baseline State Insurance Premium Excise Tax revenue referred to as the frozen amount was increased from \$71,067 to \$902,451 as a result of Resolutions 2009-04 and 2009-05. This frozen amount was to be reduced to \$659,404 in accordance with Resolution 2009-05 upon determination of the Plan's actuary. Florida Statute Chapter 175.351 was amended by Chapter 2015-39 which affected the frozen limit amount. As result, any State contribution of Excise Tax receipts over \$679,099 (the frozen limit) are applied to the Share Plan.

Effective October 1, 2009, the remainder of the State Insurance Premium Excise Tax revenue of \$1,217,569 plus any future excess State Insurance Premium Excise Tax revenues received must be used to fund the District's Supplemental Retirement Benefit (Share Plan). At September 30, 2024 and 2023, the Share Plan's net position was \$5,305,202 and \$3,559,752, respectively. During the years ended September 30, 2024 and 2023, Share Plan benefit expenses/distributions were \$506,730 and \$94,192, respectively.

During the year ended September 30, 2024, the District's amount of prepaid (unearned revenue) was \$0. During the year ended September 30, 2023, the District's amount of prepaid (unearned revenue) was \$0.

The Plan was required to have an actuarial valuation every three years. Effective October 1, 2007, the Board resolved to have an actuarial valuation each year.

Forfeitures

Non-vested members of the Share Plan will forfeit their Share Plan balance if they terminate employment with less than eight years of credited service. In the event of a Share Plan forfeiture, the account balance of the terminated non-vested members account would be allocated based on number of shares to each eligible Share Plan participant's account. For the years ended September 30, 2024 and 2023, the Plan had forfeitures in the amount of \$0 and \$0, respectively.

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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Refunds

All members who request a written refund within 5 years after termination of employment before they are vested are refunded their accumulated contributions or paid a monthly early retirement benefit depending on the number of years of credited service. For the years ended September 30, 2024 and 2023, the Plan had \$0 and \$0 in benefits refunded to non-vested terminated employees.

Plan Eligibility

Historically, all full-time firefighters hired by the District on or after January 1, 1996, were eligible for membership into the Plan on the date of their employment. However, as of November 18, 2014, the Board of Fire Commissioners voted to place all newly hired full-time firefighters in the Florida Retirement System (FRS). This effectively closed this Chapter 175 plan (this Plan) to new participants.

Credited Service

Credited service is equal to the qualified employee's total length of service with the Employer. Certain options exist to purchase credited service.

Plan Reserves (Net Position)

All Plan reserves (net position) are held for the exclusive retirement benefit of the Plan's participants and the related administration of the Plan as defined by the Plan documents and/or amended by the Board.

Plan Membership

Employee membership as of October 1, 2024, was as follows:

	<u>Amount</u>
Active plan members:	
Vested	35
Nonvested	<u>-</u>
Total active plan members	35
Non-active plan members:	
Terminated vested (deferred)	8
Disabled - receiving benefits	2
DROP retirees	-
Beneficiaries	1
Service retiree(s) vested - receiving benefits	<u>7</u>
Total non-active plan members	18
Total	<u><u>53</u></u>

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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Plan Membership, continued

Note: Effective November 18, 2014, this Plan was closed to new participants.

Vesting

A member of the Plan vests after completion of eight (8) years of credited service. All Plan members are fully vested at September 30, 2024 and 2023.

Terminated Vested Benefits

At September 30, 2024 and 2023, the Plan held terminated vested benefits but unpaid of \$2,290,159 and \$2,803,521, respectively.

Pension Benefits

Normal Retirement:

Any member who has attained the age of 55 with 8 years of credited service or 25 years of credited service, regardless of age, may retire and become 100% vested with normal retirement benefits for life. Normal retirement date is the month in which the circumstances noted above occur. A member retiring hereunder on or after his normal retirement date shall receive a monthly benefit which shall commence on his retirement date and be continued thereafter during the member's lifetime, ceasing upon death, but with 120 monthly payments guaranteed in any event. The monthly retirement benefit shall equal 3% of average final compensation for each year of credited service if member retired before October 1, 2022, or, if the member retired on or after October 1, 2022, 3.50% of average final compensation for each year of credited service.

Early Retirement:

A member who has attained age 50 and completed eight years of credited service may retire at any time with reduced benefits. Upon early retirement a member will receive a benefit for life based on the accrued benefit reduced by 3% for each year prior to normal retirement if retired prior to October 1, 2022 and 3.5% per year if retired after October 1, 2022..

Late Retirement:

A member may continue to work past the normal retirement date.

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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Pension Benefits, continued

Dollar Limitation:

Annual benefits cannot exceed \$160,000.

Disability Retirement:

If a member becomes totally and permanently disabled as provided by the Plan, the member may retire on a non-service incurred disability and be eligible for benefits only if the member has at least eight years of credited service. If disability is the result of a line of duty injury a member may retire and receive retirement benefits regardless of length of service. At September 30, 2024 and 2023, the actuarial present value of accrued benefits owed to disability retirees was \$862,509 and \$836,655, respectively.

Death Benefits:

Upon the death of a vested member, a survivor benefit will be payable to the designated beneficiary. The accrued benefit is payable for ten years. Upon the death of a non-vested member, the designated beneficiary will receive a refund of the members accumulated contributions.

Vested Retirement Benefit:

Normal retirement benefit is equal to 3% of members Average Final Compensation (AFC) which is one twelfth (1/12) of the AFC of the five (5) best years of credited service multiplied by number of years of credited service plus an additional benefit of an amount per month (health insurance benefit) multiplied by the number of years of credited service (see below). Compensation is defined as cash compensation paid for services rendered including up to 300 hours of overtime excluding lump sum payments for unused leave time, effective October 1, 2012. Any member who terminates employment for reasons other than retirement, disability or death may be entitled to a benefit. If a member has more than eight years of credited service, this benefit will be equal to the members accrued benefit. If a member has less than eight years of credited service, they will receive a refund of their own contributions.

The monthly benefit of each retiree and beneficiary receiving the above benefits under the Plan shall be increased by 3% (COLA) at the beginning of each fiscal year.

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FIREFIGHTERS' PENSION PLAN
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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Pension Benefits, continued

Members who retire prior to July 1, 2023, also receive \$5 times credited service with a minimum monthly benefit of \$50 and a maximum benefit of \$150 per month. 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 \$7.50. However no eligible retiree or their respective beneficiaries may receive a subsidy payment greater than \$225 or less than fifty dollars monthly or more than \$2,700 annually. This benefit is intended to help the retiree pay for health insurance.

Experience Study: Dated August 4, 2014

Deferred Retirement Option Plan (DROP):

Eligibility:

Any participating full-time firefighter may elect DROP at any time after eligibility for normal or early retirement.

Participation:

Not to exceed ninety-six (96) months.

Rate of Return:

1.3% compounded annually less administrative fees prior to July 1, 2023 and 4% after July 1, 2023.

Form of Distribution:

Lump sum or rollover to another qualified plan.

Supplemental Retirement Benefit (Share Plan):

The supplemental retirement benefit was funded solely by State Insurance Premium Excise Tax on homeowners' hazard insurance revenues within the District. The total initial funding was \$1,217,569, which consisted of excess State Insurance Premium Excise Tax. For Plan years beginning after the frozen amount is adjusted to \$659,404, (FY 24 and FY 23 \$679,099) all State Insurance Premium Excise Tax revenues collected in excess of the frozen limits shall be added to the Supplemental Retirement Benefit Plan and then allocated to the individual participant's Share Account including investment earnings/losses thereon.

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FIREFIGHTERS' PENSION PLAN
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NOTE A - DESCRIPTION OF PLAN, CONTINUED

Pension Benefits, continued

Effective September 30, 2008, each member who was employed on or before September 30, 2008, as a firefighter is eligible for this benefit referred to as the Share Plan. Each eligible member in the Share Plan will receive one share for each month of credited service retroactively from date of hire through September 2008 and annually thereafter. Each member's Share Plan account will be annually credited/debited with its share of premium tax revenues, investment earnings/losses and interest. Upon termination, a Share Plan member with six or more years of service will be entitled to a distribution of 100% of the member's Share Plan balance. Share Plan members with less than six years of service will forfeit their Share Plan balance which will then be re-allocated to all remaining Share Plan participant accounts. In November 2011, the Board approved freezing the re-distribution of the non-vested laid off Share Plan Members for a period of two years.

Eligible participants who retire on or after October 1, 2022, shall become eligible for supplemental retirement benefits in the form of a 13th check. Each eligible retiree shall be entitled to a one-time annual allocation to their share account based on their total credited service as of the earlier of either their DROP entry date or normal or disability retirement on or after October 1, 2022.

The share account of each eligible retiree shall be paid to the eligible retiree, or if the eligible retiree is deceased, to the retiree's designated beneficiary, by February 28th of each year (i.e. the "13th check").

Participants retiring on or after October 1, 2022, receiving either a normal or disability retirement shall be eligible for the supplemental retirement benefit. The supplemental retirement benefit shall be funded solely by premium tax revenues received by the District pursuant to Chapter 175, Florida Statutes.

At September 30, 2024 and 2023, the Share Plan's net position balance was \$5,305,202 and \$3,359,752, respectively. The Plan holds DROP option balances of \$0 and \$358,989 at September 30, 2024 and 2023, respectively. These balances are included as part of the Plan's total net position restricted for Pension benefits of \$57,287,004 and \$44,571,494 at September 30, 2024 and 2023, respectively.

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FIREFIGHTERS' PENSION PLAN
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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies used in the preparation of these financial statements:

Basis of Accounting

The Greater Naples Fire Rescue District Firefighters' Pension Plan prepared its financial statements using the accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America and Government Auditing Standards in accordance with the Plan Resolutions. Employer, State Tax Revenues and Plan member contributions are recognized as revenue in the period in which the contributions are due. These financial statements were intended to present the Plan's net position restricted for Pension benefits and changes in the Plan's net position.

These financial statements include the net position (net assets) of the Plan including the State Insurance Premium Excise Tax revenue collected and the net position (net assets) of the Supplemental Retirement Benefit referred to as the Share Plan.

Reclassification

Certain amounts in the prior year financial statements, primarily related to the investment fee categories on the statement of fiduciary net position, have been reclassified to conform with the presentation in the current year financial statements.

Implementation of Governmental Accounting Standards Board Statements

The Plan adheres to the GASB Statement No. 67, "Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25."

Investments

The Plan's investments were reported at fair value including accrued interest using quoted market prices on a trade-date basis to determine fair value. Unrealized gains and losses are presented as part of net investment income on the statements of changes in fiduciary net position along with gains and losses realized on sales of investments. Purchases and sales of securities were recorded on a trade-date basis. Interest and dividend income was recorded on the accrual basis and included as part of net investment income.

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair Value of Financial Investments

The Plan adheres to GASB Statement No. 72, "Fair Value Measurements and Application." This Standard applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. This Standard emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. This Standard establishes a fair value hierarchy which consists of three levels on inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan has the ability to access.

Level 2 – Inputs that include quoted process for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices or securities with similar characteristics or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The table below presents assets and liabilities measured at fair value on a recurring basis by level within the hierarchy at September 30:

<u>September 30, 2024</u>	Total	Level 1	Level 2	Level 3
Domestic Equities	\$ 27,848,731	\$ 27,848,731	\$ -	\$ -
International Equities	6,288,677	5,528,035	760,642	-
Fixed Income:				
High Yield Bond	3,616,560	3,616,560	-	-
US Treasury Obligations	5,654,001	511,649	5,142,352	-
Corporate Bonds	2,044,022	-	2,044,022	-
Convertible Securities	257,838	-	257,838	-
Aggregate Bond	7,460,722	7,460,722	-	-
Real Estate	2,339,177	-	-	2,339,177
	<u>\$ 55,509,728</u>	<u>\$ 44,965,697</u>	<u>\$ 8,204,854</u>	<u>\$ 2,339,177</u>

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair Value of Financial Investments, continued

<u>September 30, 2023</u>	Total	Level 1	Level 2	Level 3
Domestic Equities	\$ 17,703,152	\$ 17,703,152	\$ -	\$ -
International Equities	5,584,125	4,913,248	670,877	-
Fixed Income:				
High Yield Bond	2,647,585	2,647,585	-	-
Convertible Securities	2,145,327	2,145,327	-	-
Aggregate Bond	11,976,010	11,976,010	-	-
Real Estate	2,906,817	-	-	2,906,817
	<u>\$ 42,963,016</u>	<u>\$ 39,385,322</u>	<u>\$ 670,877</u>	<u>\$ 2,906,817</u>

Level 2: Classifications consist of commingled funds where detailed holdings were available and the funds fair value could be determined based on market prices, such as money markets and certificates of deposits.

Level 3: Classifications consist of the following:

Real Estate

A real estate investment fund which holds multiple real estate investments.

A rollforward of the fair value measurements using unobservable inputs (Level 3) as of September 30 were as follows:

	2024	2023
Beginning balance	\$ 2,906,817	\$ 2,736,000
Transfer: Additional Investment	-	1,000,000
Redemptions	(252,719)	(337,586)
Available for Reinvestment/Distribution	(76,664)	-
Net Appreciation (depreciation) in FV	(328,483)	(540,065)
Realized gain(loss)	9,610	(5,217)
Partnership income	87,264	89,551
Distribution/Reinvestment	21,553	-
Less: Investment expenses	<u>(28,201)</u>	<u>(35,866)</u>
Ending balance	<u>\$ 2,339,177</u>	<u>\$ 2,906,817</u>

Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, receivables, statutory deposits, inventory, prepaid expenses, deferred contract acquisition charges, accounts payable, various other payables and accrued expenses. The carrying amounts of these items approximate fair value due to the short term nature of the financial instruments.

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Recognition

Transactions are accounted for using the settlement date. Realized gains or losses are determined on the basis of actual cost. In accordance with the policy of stating investments at fair value, any change in unrealized appreciation or depreciation for the year is reflected in the statement of changes in fiduciary net position. Unrealized gains and losses are reflected as a net investment income. Realized gains and losses are also reflected as net investment income.

Investment Expenses

The Plan pays expenses and administrative charges incurred by the Plan.

Custodial Credit Risk

Throughout the year, the Plan may have cash balances on deposit with a financial institution in excess of FDIC insurance limits of \$250,000 and/or the limits of SIPC insurance per participant. Such investments (amounts in excess of FDIC and/or SIPC limits) are fully collateralized but not insured. Management does not believe the Plan is exposed to undue credit risk. The Plan has incurred no losses due to exposure to credit risk.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

The Plan utilizes the services of individual investment managers for its investments in an effort to mitigate market risk. The investments held by these investment managers are uninsured and unregistered, with securities held by the counterparty's agent in the Plan's name.

There were no Plan losses during the years ended September 30, 2024 or 2023, due to default by counterparties.

Projection of Benefits

To the extent possible the actuaries have incorporated known factors and certain assumptions, as noted, into the projection of benefits. However, the projection of

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Projection of Benefits, continued

benefits does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Income Tax Status

The Plan has received a favorable tax determination letter which was effective through January 31, 2014. The Plan applied with the Internal Revenue Service to renew its determination letter which was received on November 18, 2014. Via IRS Announcement 2015-19, effective January 1, 2017, the IRS has eliminated the staggered 5-year determination letter remedial amendment cycles for individually designed plans. Since the Plan received the November 18, 2014, qualified determination letter, no further update is to be submitted to the IRS. The Plan's Trustees and legal counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Plan Termination

Effective November 18, 2014, the Board of Fire Commissioners and Board of Trustees voted to close this Plan to new participants. Although the District has not proceeded with any formal action to terminate the Plan, the Plan may be terminated at any time by the employer. In the event of such termination, all participants or their beneficiaries would immediately be 100% vested. In the event that the Plan is terminated, the Plan participants are entitled to all accrued nonforfeitable benefits up to the date of Plan termination. The Plan sponsor is required to administer and fund Plan net position sufficient to fund the accrued nonforfeitable benefits per District Resolution 2010-01.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statements of fiduciary net position and the changes to fiduciary net position during the reporting period. Accordingly, actual results could differ from these estimates.

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Subsequent Events

Subsequent events have been evaluated through March 24, 2025, which is the date the basic financial statements were available to be issued.

NOTE C - CASH AND CASH EQUIVALENTS

As of September 30, 2024 and 2023, the carrying amount of the Plan's cash and cash equivalents was \$756,982 and \$884,451, respectively. The Plan considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. The Plan's cash and cash equivalents were held by the Plan's custodian and consist of the following at September 30:

	2024	2023
Cash	\$ -	\$ -
Money Market Funds	756,982	884,451
	<u>\$ 756,982</u>	<u>\$ 884,451</u>

The Plan's cash and cash equivalents, including its depository and money market accounts, are federally insured up to \$250,000 per financial institution through Federal Deposit Insurance Corporation (FDIC) insurance and/or the limits of the Securities Investor Protection Corporation (SIPC) insurance.

NOTE D - INVESTMENTS

Equity-type Investments

The Plan invests in various equity investments. The Plan's investments are recorded at fair market value in accordance with the reporting requirements governing the Plan. All such investments are subject to various market and economic risk factors as well as the national and global economies and may lose value and/or principal.

The Plan's investment policy allows investment in equity securities listed on one or more of the recognized national exchanges or on the National Market System of the NASDAQ or the OTC market. The total of equity-type investments of the Plan is not to exceed 70% of the Plan's total market value. In addition, the equity position in any one company's equities shall not exceed 5% of the Plan's total assets at cost. Foreign securities at market value shall not exceed 25% of the Plan's assets at market value.

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NOTE D - INVESTMENTS, CONTINUED

Equity-type Investments, continued

At September 30, 2024 and 2023, the Plan did not own equities in one company in excess of 5% of total Plan assets, equities in excess of 69% of total Plan Assets or foreign securities in excess of 25% of total Plan assets.

As of September 30, the equity investments consisted of the following:

2024		Market	% of Portfolio
Type	Cost	Value	Market Value
Domestic Equities	\$ 19,475,346	\$ 27,848,731	49%
International Equities	5,238,982	6,288,677	11%
	<u>\$ 24,714,328</u>	<u>\$ 34,137,408</u>	<u>60%</u>
2023		Market	% of Portfolio
Type	Cost	Value	Market Value
Domestic Equities	\$ 16,092,354	\$ 17,703,152	41%
International Equities	5,288,925	5,584,125	13%
	<u>\$ 21,381,279</u>	<u>\$ 23,287,277</u>	<u>54%</u>

Fixed Income Investments

The Plan's investment policy allows investment in fixed income securities. These fixed income securities are limited to 53% of the Plan's total assets. In FY 2013, the Plan moved from investing directly in individual bonds to investing in bond mutual funds. As such, at September 30, 2024 and 2023, the Plan assets included investments in fixed income bond mutual funds. Therefore, the credit ratings below are noted by mutual fund investment if available. The average credit ratings of these fixed income investments are as follows:

	2024		
Fixed Income - Mutual Funds	Fair Value	Percentage of MV	S&P Rating within Fund
		% of assets	
High Yield Bond ETF	\$ 3,616,560	6%	Ba1/BB+ or below
US Treasury Obligations	5,654,001	10%	
Corporate Bonds	2,044,022	4%	
Convertible Securities ETF	257,838	0%	Baa or higher *
Aggregate Core Bond ETF	<u>7,460,722</u>	<u>13%</u>	
Total fixed income securities	<u>\$ 19,033,143</u>	<u>33%</u>	

* - Information not available for fund

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NOTE D - INVESTMENTS, CONTINUED

Fixed Income Investments, continued

As of September 30, 2023, the credit ratings of the fixed income investments are reflected below:

Fixed Income - Mutual Funds	Fair Value	2023	S&P Rating within Fund
		Percentage of MV % of assets	
High Yield Bond ETF	\$ 2,647,585	6%	Ba1/BB+ or below
Convertible Securities ETF	2,145,327	8%	Baa or higher
Aggregate Core Bond ETF	<u>11,976,010</u>	<u>28%</u>	*
Total fixed income securities	<u>\$ 16,768,922</u>	<u>42%</u>	

* - Information not available for fund

Investment Risk

The Board of Trustees has developed an investment policy which has been structured to maximize the Plan's returns while limiting the credit, foreign currency and interest rate risk. Credit risk is the risk that a portfolio will lose value as a result of a real or perceived change in the ability of an issuer to repay its debts. To reduce this risk, the investment policy limits investments in fixed income securities to those rated within the highest four classifications. In addition, investments in fixed income mutual funds rated below investment grade shall be limited to a high yield mandate. To reduce the interest rate risk or the risk that changes in market interest rates will adversely affect the fair value of an investment, the investment policy of the Plan diversifies its investments by security type and limits holdings with any one issuer. The Plan has employed qualified investment managers who specialize in investments within certain asset classes and moved to bond mutual funds from individual bond issues. Plan management believes this diversification will reduce the risk of loss and preserve the Plan's assets.

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NOTE D - INVESTMENTS, CONTINUED

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's fixed income mutual fund investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's fixed income - mutual funds investments by maturity at September 30:

<u>Investment Type</u>	<u>2024 Average Investment Maturities within fund (in years)</u>				
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>Over 10</u>
High Yield Bond ETF	\$ 3,616,560	\$ -	\$ -	\$ 3,616,560	\$ -
US Treasury Obligations	5,654,001	-	-	5,654,001	-
Corporate Bonds	2,044,022	-	-	2,044,022	-
Convertible Securities ETF	257,838	-	257,838	-	-
Aggregate Bond ETF	<u>7,460,722</u>	<u>-</u>	<u>-</u>	<u>7,460,722</u>	<u>-</u>
	<u>\$ 19,033,143</u>	<u>\$ -</u>	<u>\$ 257,838</u>	<u>\$ 18,775,305</u>	<u>\$ -</u>

<u>Investment Type</u>	<u>2023 Average Investment Maturities within fund (in years)</u>				
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>Over 10</u>
High Yield Bond ETF	\$ 2,647,585	\$ -	\$ -	\$ 2,647,585	\$ -
Convertible Securities ETF	2,145,327	-	2,145,327	-	-
Aggregate Bond ETF	<u>11,976,010</u>	<u>-</u>	<u>-</u>	<u>11,976,010</u>	<u>-</u>
	<u>\$ 16,768,922</u>	<u>\$ -</u>	<u>\$ 2,145,327</u>	<u>\$ 14,623,595</u>	<u>\$ -</u>

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NOTE D - INVESTMENTS, CONTINUED

Foreign Currency Risk

Foreign currency risk is the risk that fluctuations in the currency exchange rate may affect transactions conducted in currencies other than US Dollars and the carrying value of foreign investments. The Plan's exposure to foreign currency risk derives mainly from its investments in foreign equity and international equity funds. The Plan's exposure to foreign currency risk related to foreign equity and international equity funds as of September 30 are as follows:

	2024 Market Value	2023 Market Value
Foreign Equity	\$ 993,400	\$ 1,338,148
American Europacific	5,295,277	4,245,977
	<u>\$ 6,288,677</u>	<u>\$ 5,584,125</u>

Real Estate

The Plan changed its investment policy during the year ended September 30, 2013, to allow for investment in real estate. As such, the Plan invested in a real estate investment fund which holds multiple real estate investments to mitigate the related investment risk. At September 30, 2024 and 2023, the Plan's real estate investments totaled \$2,339,177 and \$2,906,817, respectively.

Rate of Return

The Plan's actual annual money-weighted rate of return on Plan investments net of Plan investment expenses for the year ended September 30, 2024 and 2023, was 20.16% and 7.32%, respectively, as compared to the actuarially assumed rate of 7.00% and 7.20% per year, respectively. A money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. Pension plan investment expense is accounted for using the accrual basis of accounting.

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NOTE E - CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following at September 30:

	2024	2023
Greater Naples Fire Rescue District	\$ -	\$ -
State of Florida Insurance Premium Tax	904,744	675,650
	<u>\$ 904,744</u>	<u>\$ 675,650</u>

NOTE F - UNEARNED REVENUE

During the years ended September 30, 2024 and 2023, respectively, the Plan had unearned revenue of \$0 and \$0 which represents District contributions in excess of its required contribution. The amount can be used by the District to offset future required contributions.

NOTE G - FUNDING STATUS AND FUNDING PROGRESS

For the years ended September 30, 2024 and 2023, the components of the Plan's net pension liability were:

	Total Pension Liability	Plan's Net Position	Plan's Net Pension Liability (Asset)	Plan's Net Position as % of Total Pension Liability
9/30/2024	\$ 70,521,762	\$ 57,287,004	\$ 13,234,758	81.23%
9/30/2023	\$ 59,794,832	\$ 44,571,494	\$ 15,223,338	74.54%
9/30/2022	\$ 48,152,484	\$ 39,136,752	\$ 9,015,732	81.28%
9/30/2021	\$ 36,017,322	\$ 45,848,635	\$ (9,831,313)	127.30%
9/30/2020	\$ 32,580,133	\$ 37,093,743	\$ (4,513,610)	113.85%
9/30/2019	\$ 30,272,208	\$ 32,740,846	\$ (2,468,638)	108.15%
9/30/2018	\$ 26,662,304	\$ 29,996,512	\$ (3,334,208)	112.51%
9/30/2017	\$ 22,679,565	\$ 26,866,771	\$ (4,187,206)	118.46%
9/30/2016	\$ 21,209,968	\$ 23,317,766	\$ (2,107,798)	109.94%
9/30/2015	\$ 18,695,947	\$ 20,500,333	\$ (1,804,386)	109.65%

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NOTE G - FUNDING STATUS AND FUNDING PROGRESS, CONTINUED

The funded status of the Plan as of October 1, 2020, the actuarial valuation date, is as follows:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	(Unfunded) Overfunded (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/1/2024	\$ 56,300,390	\$ 70,975,101	\$ (14,674,711)	79.32%	\$ 4,911,847	-298.76%
10/1/2023	\$ 51,639,229	\$ 61,382,218	\$ (9,742,989)	84.13%	\$ 4,788,308	-203.47%
10/1/2022	\$ 46,962,608	\$ 50,465,498	\$ (3,502,890)	93.06%	\$ 4,519,268	-77.51%
10/1/2021	\$ 45,848,635	\$ 37,762,999	\$ 8,085,636	121.41%	\$ 4,461,103	181.25%
10/1/2020	\$ 37,093,743	\$ 31,557,064	\$ 5,536,679	117.54%	\$ 4,008,990	138.11%
10/1/2019	\$ 32,740,846	\$ 29,364,862	\$ 3,375,984	111.50%	\$ 3,937,136	85.75%
10/1/2018	\$ 29,996,512	\$ 26,333,661	\$ 3,662,851	113.91%	\$ 3,876,917	94.48%
10/1/2017	\$ 26,866,771	\$ 23,543,863	\$ 3,322,908	114.11%	\$ 3,734,059	88.99%
10/1/2016	\$ 23,317,766	\$ 20,028,072	\$ 3,289,694	116.43%	\$ 3,583,083	91.81%
10/1/2015	\$ 20,500,333	\$ 18,186,164	\$ 2,314,169	112.72%	\$ 3,787,836	61.09%
10/1/2014	\$ 19,686,635	\$ 16,340,961	\$ 3,345,674	120.47%	\$ 3,685,271	90.79%
10/1/2013	\$ 17,002,054	\$ 13,224,911	\$ 3,777,143	128.56%	\$ 3,333,117	113.32%
10/1/2012	\$ 14,186,654	\$ 11,877,576	\$ 2,309,078	119.44%	\$ 3,369,504	68.53%
10/1/2011	\$ 9,575,689	\$ 11,342,735	\$ (1,767,046)	84.42%	\$ 4,391,782	-40.24%
10/1/2010	\$ 7,934,740	\$ 9,659,572	\$ (1,724,832)	82.14%	\$ 4,353,278	-39.62%
10/1/2009	\$ 5,546,976	\$ 7,970,793	\$ (2,423,817)	69.59%	\$ 4,617,655	-52.49%

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

Additional information as of the actuarial valuation date of October 1, 2024, applicable to the year ended September 30, 2024 follows:

Valuation Date	October 1, 2024
Applicable to year ended	September 30, 2024
Actuarial Cost Method	Entry Age Normal Actuarial Cost
Amortization Method	Level Dollar Closed 5 years
Mortality Rates	Combined Healthy Table PUB-2010 using MP-2018
Remaining Amortization Method	25 Years
Asset Valuation Method	Fair Market Value
Actuarial Assumptions:	
Current Discount Rate	7.00%
Current Investment Rate of Return	7.00% net of investment related expenses & compounded annually
Projected Salary Increases*	6.5% to 15% based on service
Cost of Living Adjustments	3%
Post Employment COLA	3%
*Includes Inflation at :	2.50%
Mutual Consent	State Plan contribution amounts received over \$679,099 (frozen limit) are applied to the Share Plan
Member Contribution Rate	8.62% (3.00% prior to March 1, 2023) (of comp. as defined)
District Contribution Rate (only)	30.37% (of compensation as defined)
Experience Study	November 7, 2024

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NOTE G - FUNDING STATUS AND FUNDING PROGRESS, CONTINUED

For the year ended September 30, 2024, \$679,099 of the State monies received each year will be available to offset the District's required contribution. Any additional monies in excess of \$679,099 are used to fund the Share Plan.

Actuarial assumption/Method Changes

Pursuant to the provisions of Chapter 2015-157, Laws of Florida, the mortality assumption reflects a change from the rates utilized by the Florida Retirement System in the July 1, 2015, valuation to those utilized in the July 1, 2016, valuation for special risk participants.

As mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019, FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

For measurement date September 30, 2024, amounts reported as changes of assumptions resulted from lowering the future investment return assumption from 7.20% to 7.00%, net of investment-related expenses.

There were no method changes since the prior valuation.

Per District Resolution 2020-04 a DROP and BAC DROP provision were added and a diagnosis of cancer is considered work related and considered permanently disabled effective July 1, 2019, per Laws of Florida Chapter 2019-21.

Trend Information

Year Ending	Actuarially Determined Contribution(*)	Percentage of Annual Pension Cost	(APC) Annual Pension Cost	Net Pension Obligation
9/30/2024	\$ 2,483,470	173%	N/A	N/A
9/30/2023	\$ 1,576,311	179%	N/A	N/A
9/30/2022	\$ 1,469,666	123%	N/A	N/A
9/30/2021	\$ 1,470,826	121%	N/A	N/A
9/30/2020	\$ 1,324,170	113%	N/A	N/A
9/30/2019	\$ 1,257,915	110%	N/A	N/A
9/30/2018	\$ 1,224,718	109%	N/A	N/A
9/30/2017	\$ 1,148,970	100%	N/A	N/A
9/30/2016	\$ 1,107,172	100%	N/A	N/A
9/30/2015	\$ 1,178,777	100%	N/A	N/A

N/A - after implementation of GASB Statement No. 67.

(*) defined as employer and State contributions.

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NOTE G - FUNDING STATUS AND FUNDING PROGRESS, CONTINUED

Actuarial assumption/Method Changes, continued

Year Ending	Actuarial PV of Accrued Plan Benefits Vested	Actuarial PV of Accrued Plan Benefits Other	Actuarial PV of Accrued Plan Benefits Non-Vested	Total Actuarial PV of Accrued Plan Benefits
9/30/2024	\$ 52,357,269	\$ -	\$ 5,842,554	\$ 58,199,823
9/30/2023	\$ 43,779,241	\$ -	\$ 4,779,576	\$ 48,558,817
9/30/2022	\$ 34,722,456	\$ -	\$ 3,813,861	\$ 38,536,317
9/30/2021	\$ 26,236,742	\$ -	\$ 3,290,078	\$ 29,526,820
9/30/2020	\$ 21,639,095	\$ -	\$ 2,663,038	\$ 24,302,133
9/30/2019	\$ 19,094,737	\$ -	\$ 2,259,960	\$ 21,354,697
9/30/2018	\$ 16,380,592	\$ -	\$ 1,865,228	\$ 18,245,820
9/30/2017	\$ 14,129,665	\$ -	\$ 1,617,150	\$ 15,746,815
9/30/2016	\$ 12,184,053	\$ -	\$ 1,257,144	\$ 13,441,197
9/30/2015	\$ 10,366,969	\$ -	\$ 1,299,312	\$ 11,666,281

At October 1, 2024, the actuarially determined present value of accrued benefits including interest at 7.00% was:

	Amount	
Vested Accrued Benefits		
Inactives and share plan balances	\$ 18,852,550	
Actives	31,803,062	
Member Contributions	1,701,657	
	<u>52,357,269</u>	
Total		
Non-Vested Accrued Benefits	5,842,554	
	<u>\$ 58,199,823</u>	
	2024	2023
Funded Ratio (MVA/PVAB)	96.70%	91.80%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:	2024	2023
Plan Amendments	\$ -	\$ -
Assumption Changes	1,530,687	1,317,008
New Accrued Benefits	-	-
Benefits Paid	-	-
Interest	-	-
Other	-	-
Total	<u>\$ 1,530,687</u>	<u>\$ 1,317,008</u>

**GREATER NAPLES FIRE RESCUE DISTRICT
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NOTE G - FUNDING STATUS AND FUNDING PROGRESS, CONTINUED

The target asset allocations were as follows as of September 30:

	2024	2023
Domestic Equity	40%	40%
International Equity	10%	10%
Fixed Income (Bonds)	28%	28%
Fixed Income (High Yield Bonds)	6%	6%
Real Estate	5%	5%
Infrastructure (MLPs)	5%	5%
Cash	1%	1%
Convertibles (Bonds)	5%	5%
	100%	100%

NOTE H - PLAN NET POSITION

At September 30, 2024, the Plan's net position of \$57,287,004 consists of active and retired members' equity of \$51,981,802 and Share plan benefits of \$5,305,202. Share Plan net position increased by \$1,945,450 (State total contribution of \$2,491,829 less frozen limit cap of \$679,099) and interest earnings (loss) of \$531,461. During the year ended September 30, 2024, the Share Plan had distributions of \$398,741. The DROP balance was \$0 at September 30, 2024.

At September 30, 2023, the Plan's net position of \$44,571,494 consists of active and retired members' equity of \$41,211,742 and Share plan benefits of \$3,359,752. Share Plan net position increased by \$1,289,336 (State total contribution of \$1,917,967 less frozen cap of \$679,099) and interest earnings (loss) of \$144,660. During the year ended September 30, 2023, the Share Plan had distributions of \$94,192. The DROP balance was \$358,989 at September 30, 2023.

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NOTE I - SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability (asset), calculated using the future discount rate of 7.00% (FY 24), as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
2024	\$ 24,413,053	\$ 14,223,891	\$ 5,975,792
2023	\$ 24,050,510	\$ 15,223,338	\$ 8,061,118
2022	\$ 16,103,534	\$ 9,015,732	\$ 3,260,210
2021	\$ (4,468,959)	\$ (9,831,313)	\$ (14,194,195)
2020	\$ 516,900	\$ (4,513,610)	\$ (8,603,121)
2019	\$ 2,539,957	\$ (2,468,638)	\$ (6,497,279)
2018	\$ 1,041,608	\$ (3,334,208)	\$ (7,113,594)
2017	\$ (414,474)	\$ (4,187,206)	\$ (7,509,465)
2016	\$ 1,669,202	\$ (2,107,798)	\$ (5,123,819)
2015	\$ 1,296,184	\$ (1,804,386)	\$ (4,332,412)

NOTE J - FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

The deferred outflow and inflow balances at September 30, 2024 were:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,437,922	\$ 1,615,568
Change of assumptions	2,821,548	242,271
Net difference between projected and actual earnings on plan investments	5,312,688	-
Contributions subsequent to the measurement date	4,296,200	-
	<u>\$ 15,868,358</u>	<u>\$ 1,857,839</u>

The outcome of the deferred outflows of resources related to the pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction on the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

Fiscal Years Ending September 30	Amount
2025	\$ 2,539,976
2026	2,640,483
2027	3,488,895
2028	1,044,965
Total	<u>\$ 9,714,319</u>

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024 and 2023**

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**NOTE J - FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES
AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS,
CONTINUED**

Pension expense for the year ended September 30, 2024, was \$7,518,085.

Total pension liability is calculated as follows:

	2024	2023
Total pension liability		
Service cost	\$ 2,242,773	\$ 1,971,582
Interest	4,395,167	3,768,953
Share Plan Allocation	1,812,730	1,238,868
Changes in benefit terms	213,708	-
Differences between expected and actual experience	1,612,426	2,398,922
Changes in assumptions	2,437,377	2,672,338
Benefit payments, including refunds of member contributions	(1,987,251)	(408,315)
Net change in total pension liability	10,726,930	11,642,348
 Total pension liability - beginning	 59,794,832	 48,152,484
Total pension liability - ending	\$ 70,521,762	\$ 59,794,832

SUPPLEMENTARY SCHEDULES

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION - (UNAUDITED)
SCHEDULES OF CHANGES IN THE EMPLOYER AND OTHER CONTRIBUTING
ENTITIES NET PENSION LIABILITY AND RELATED RATIOS - LAST 10 FISCAL
YEARS**

	2024	2023	2022
Total pension liability			
Service cost	\$ 2,242,773	\$ 1,971,582	\$ 1,717,634
Interest	4,395,167	3,768,953	3,240,258
Share Plan Allocation	1,812,730	1,238,868	333,133
Changes in benefit terms	213,708	-	4,807,338
Differences between expected and actual experience	1,612,426	2,398,922	1,776,782
Changes in assumptions	2,437,377	2,672,338	631,966
Benefit payments, including refunds of member contributions	<u>(1,987,251)</u>	<u>(408,315)</u>	<u>(371,949)</u>
Net change in total pension liability	10,726,930	11,642,348	12,135,162
Total pension liability - beginning	<u>\$ 59,794,832</u>	<u>48,152,484</u>	<u>36,017,322</u>
Total pension liability - ending (a)	<u>\$ 70,521,762</u>	<u>\$ 59,794,832</u>	<u>\$ 48,152,484</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 1,804,371	\$ 897,213	\$ 790,570
Contributions - employee	423,401	299,354	135,578
Contributions - State	2,491,829	1,917,967	1,012,232
Contributions - buy back	-	-	-
Net investment income (loss)	9,214,994	2,929,260	(8,049,887)
Benefit payments, including refunds of member contributions	(993,063)	(408,315)	(371,949)
Administrative expenses	<u>(226,022)</u>	<u>(200,737)</u>	<u>(228,427)</u>
Net change in plan fiduciary net position	12,715,510	5,434,742	(6,711,883)
Total fiduciary net position - beginning	<u>\$ 44,571,494</u>	<u>39,136,752</u>	<u>45,848,635</u>
Total fiduciary net position - ending (b)	<u>\$ 57,287,004</u>	<u>\$ 44,571,494</u>	<u>\$ 39,136,752</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 13,234,758</u>	<u>\$ 15,223,338</u>	<u>\$ 9,015,732</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>81.23%</u>	<u>74.54%</u>	<u>81.28%</u>
Covered employee payroll*	\$ 4,911,847	\$ 4,788,308	\$ 4,519,268
Net pension liability (asset) as a percentage of covered employee payroll	269.45%	317.93%	199.50%

Notes to schedule:

* The Covered Employee Payroll figures are based on Pensionable Salary.

This schedule is presented to illustrate the requirement to show information for 10 years. This information was actuarially determined.

	2021	2020	2019	2018	2017	2016	2015
\$	1,402,260	\$ 1,477,056	\$ 1,446,030	\$ 1,342,939	\$ 1,227,285	\$ 1,229,729	\$ 1,309,059
	2,627,742	2,456,202	2,205,413	1,857,351	1,734,319	1,538,231	1,249,582
	310,220	171,399	119,997	109,049	-	-	-
	-	-	403,334	-	-	-	-
	(1,229,306)	(1,118,760)	(455,419)	786,769	(1,417,628)	(686,689)	1,408,146
	478,370	(565,297)	-	-	43,503	587,813	-
	<u>(152,097)</u>	<u>(112,675)</u>	<u>(109,451)</u>	<u>(113,369)</u>	<u>(117,882)</u>	<u>(155,063)</u>	<u>(170,839)</u>
	3,437,189	2,307,925	3,609,904	3,982,739	1,469,597	2,514,021	3,795,948
	<u>32,580,133</u>	<u>30,272,208</u>	<u>26,662,304</u>	<u>22,679,565</u>	<u>21,209,968</u>	<u>18,695,947</u>	<u>14,899,999</u>
\$	<u>36,017,322</u>	<u>\$ 32,580,133</u>	<u>\$ 30,272,208</u>	<u>\$ 26,662,304</u>	<u>\$ 22,679,565</u>	<u>\$ 21,209,968</u>	<u>\$ 18,695,947</u>
\$	791,727	\$ 645,071	\$ 578,816	\$ 545,619	\$ 449,665	\$ 575,788	\$ 517,177
	133,799	120,304	118,114	116,307	112,022	107,492	113,635
	989,319	850,498	799,096	788,148	699,305	531,384	661,600
	-	-	-	-	43,503	-	-
	7,196,149	3,036,048	1,534,108	1,974,377	2,520,285	1,918,305	(143,891)
	(152,097)	(112,675)	(109,451)	(113,369)	(117,881)	(155,063)	(170,839)
	<u>(204,005)</u>	<u>(186,349)</u>	<u>(176,349)</u>	<u>(181,341)</u>	<u>(157,894)</u>	<u>(160,473)</u>	<u>(163,984)</u>
	8,754,892	4,352,897	2,744,334	3,129,741	3,549,005	2,817,433	813,698
	<u>37,093,743</u>	<u>32,740,846</u>	<u>29,996,512</u>	<u>26,866,771</u>	<u>23,317,766</u>	<u>20,500,333</u>	<u>19,686,635</u>
\$	<u>45,848,635</u>	<u>\$ 37,093,743</u>	<u>\$ 32,740,846</u>	<u>\$ 29,996,512</u>	<u>\$ 26,866,771</u>	<u>\$ 23,317,766</u>	<u>\$ 20,500,333</u>
\$	<u>(9,831,313)</u>	<u>\$ (4,513,610)</u>	<u>\$ (2,468,638)</u>	<u>\$ (3,334,208)</u>	<u>\$ (4,187,206)</u>	<u>\$ (2,107,798)</u>	<u>\$ (1,804,386)</u>
	<u>127.30%</u>	<u>113.85%</u>	<u>108.15%</u>	<u>112.51%</u>	<u>118.46%</u>	<u>109.94%</u>	<u>109.65%</u>
\$	4,461,103	\$ 4,008,990	\$ 3,937,136	\$ 3,876,917	\$ 3,734,059	\$ 3,583,083	\$ 3,787,836
	-220.38%	-112.59%	-62.70%	-86.00%	-112.14%	-58.83%	-47.64%

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION - (UNAUDITED)
SCHEDULES OF CONTRIBUTIONS BY EMPLOYER AND OTHER
CONTRIBUTING ENTITIES - LAST 10 FISCAL YEARS**

	2024	2023	2022	2021	2020
Actuarial determined contribution	\$ 2,483,470	\$ 1,576,311	\$ 1,469,666	\$ 1,470,826	\$ 1,324,170
Contributions in relation to the actuarially determined contribution	2,483,470	1,576,312	1,469,669	1,470,826	1,324,170
Contribution deficiency (excess)	\$ -	\$ (1)	\$ (3)	\$ -	\$ -
Covered employee payroll	\$ 4,911,847	\$ 4,788,308	\$ 4,519,268	\$ 4,461,103	\$ 4,008,990
Contributions as a percentage of covered-employee payroll	50.56%	32.92%	32.52%	32.97%	33.03%
Required contribution percentage (State/District)	44.54%	35.26%	35.52%	35.97%	36.03%

**Reflects excess contribution in FY 17 applied in FY 18. Therefore, District did contribute its required contribution.

Notes to Schedule:

Valuation date: October 1, 2024*

*Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Individual Entry Age Normal Actuarial Cost Method (level percent of pay).

Amortization method: Level Dollar, Closed. 5 years.

Remaining amortization period: 25 years (as of 10/1/2017).

Asset valuation method: Fair market value, net of investment related expenses

Post retirement COLA: 3% per year for all categories of retirement.

Salary increases:	<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%

Experience Study: August 2014

Interest Rate: 7.00% per year, compounded annually, net of related expenses.

Payroll Growth: None.

Post Retirement COLA: 3% per year for all categories or retirement.

Normal Retirement Age: Earlier of 1) Age 55 with 8 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.

Early Retirement Age: Attainment of age 50 with 8 years of Credited Service. Members are assumed to retire with an immediate subsidized benefit at the same rate assumed for termination of service.

Mortality: PUB-2010 Combined Healthy - Sex Distinct. Disabled lives set forward 1 year. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. Using MP-2018

Inflation: 2.50%

Mutual Consent: State Plan contribution amounts received over \$679,099 are applied to the Share Plan.

Member Contribution Rate: 8.62% (3% prior to March 1, 2023)

There were changes to the Plan actuarial assumptions which included investment return rate decrease from 7.20% to 7.00% for FY 2024.

There were changes to the Plan actuarial assumptions which included investment return rate decrease from 7.40% to 7.20% for FY 2023.

2019	2018		2017	2016	2015
\$ 1,257,915	\$ 1,224,718		\$ 1,148,970	\$ 1,107,172	\$ 1,178,777
1,110,202	1,204,513		1,316,888	1,107,172	1,178,777
\$ 147,713	\$ 20,205	**	\$ (167,918)	\$ -	\$ -
\$ 3,937,136	\$ 3,876,917		\$ 3,734,059	\$ 3,583,083	\$ 3,787,836
28.20%	31.07%		35.27%	30.90%	31.12%
34.95%	34.59%		33.77%	33.90%	

GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION - (UNAUDITED)
SCHEDULES OF INVESTMENT RETURNS - LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020
Annual money-weighted rate of return (loss), net of investment expense	20.16%	7.32%	(17.56%)	19.25%	9.21%
Assumed rate of return	7.00%	7.20%	7.40%	7.65%	7.75%

Note: The annual money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested.

This schedule is presented to illustrate the requirement to show information for 10 years.

2019	2018	2017	2016	2015
5.06%	7.24%	10.74%	9.34%	-0.72%
7.75%	7.75%	7.75%	7.75%	7.75%

**GREATER NAPLES FIRE RESCUE DISTRICT
FIREFIGHTERS' PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION - (UNAUDITED)
SCHEDULE OF FUNDING PROGRESS AND SCHEDULE OF
CONTRIBUTIONS BY EMPLOYER AND OTHER CONTRIBUTING ENTITIES
September 30, 2024**

Schedule of Funding Progress						
Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/1/2024	\$ 56,300,390	\$ 70,975,101	\$ (14,674,711)	79.32%	\$ 4,911,847	-298.76%
10/1/2023	\$ 51,639,229	\$ 61,382,218	\$ (9,742,989)	84.13%	\$ 4,788,308	-203.47%
10/1/2022	\$ 46,962,608	\$ 50,465,498	\$ (3,502,890)	93.06%	\$ 4,519,268	-77.51%
10/1/2021	\$ 45,848,635	\$ 37,762,999	\$ 8,085,636	121.41%	\$ 4,461,103	181.25%
10/1/2020	\$ 37,093,743	\$ 31,557,064	\$ 5,536,679	117.54%	\$ 4,008,990	138.11%
10/1/2019	\$ 32,740,846	\$ 29,364,862	\$ 3,375,984	111.50%	\$ 3,937,136	85.75%
10/1/2018	\$ 29,996,512	\$ 26,333,661	\$ 3,662,851	113.91%	\$ 3,876,917	94.48%
10/1/2017	\$ 26,866,771	\$ 23,543,863	\$ 3,322,908	114.11%	\$ 3,734,059	88.99%
10/1/2016	\$ 23,317,766	\$ 20,028,072	\$ 3,289,694	116.43%	\$ 3,583,083	91.81%
10/1/2015	\$ 20,500,333	\$ 18,186,164	\$ 2,314,169	112.72%	\$ 3,787,836	61.09%
10/1/2014	\$ 19,686,635	\$ 16,340,961	\$ 3,345,674	120.47%	\$ 3,685,271	90.79%
10/1/2013	\$ 17,002,054	\$ 13,224,911	\$ 3,777,143	128.56%	\$ 3,333,117	113.32%
10/1/2012	\$ 14,186,654	\$ 11,877,576	\$ 2,309,078	119.44%	\$ 3,369,504	68.53%
10/1/2011	\$ 9,575,689	\$ 11,342,735	\$ (1,767,046)	84.42%	\$ 4,391,782	-40.24%
10/1/2010	\$ 7,934,740	\$ 9,659,572	\$ (1,724,832)	82.14%	\$ 4,353,278	-39.62%
10/1/2009	\$ 5,546,976 (C)	\$ 7,970,793	\$ (2,423,817)	69.59%	\$ 4,617,655	-52.49%
10/1/2008	\$ 3,882,925	\$ 5,751,772	\$ (1,868,847)	67.51%	\$ 3,558,238	-52.52%
10/1/2007	\$ 3,268,290	\$ 4,749,128	\$ (1,480,838)	68.82%	\$ 3,250,844	-45.55%
10/1/2006	\$ 2,179,707	\$ 3,242,879	\$ (1,063,172)	67.22%	\$ 2,639,788	-40.27%
10/1/2005	\$ 1,502,006	\$ 1,881,000	\$ (378,994)	79.85%	\$ 1,829,234	-20.72%

Schedule of Contributions by Employer and Other Contributing Entities								
Year	(A) Annual Required Contribution	Annual Required Contribution Percentage	Actual Contribution			District Covered Payroll %	Required Contribution vs Actual	(B) Percentage Contributed
	Contribution	Percentage	District	State	Total			
2024	\$ 2,483,470	44.54%	\$ 1,804,371	\$ 2,491,829	\$ 4,296,200	36.74%		172.99%
2023	\$ 1,576,311	35.26%	\$ 897,213	\$ 1,917,967 *	\$ 2,815,180	18.74%		178.59%
2022	\$ 1,469,666	35.52%	\$ 790,570	\$ 1,012,232 *	\$ 1,802,802	17.49%		122.67%
2021	\$ 1,470,826	35.97%	\$ 791,727	\$ 989,319 *	\$ 1,781,046	17.75%		121.09%
2020	\$ 1,324,170	36.03%	\$ 645,071	\$ 850,498 *	\$ 1,495,569	16.09%		112.94%
2019	\$ 1,257,915	34.95%	\$ 578,816 (N)	\$ 799,096 *	\$ 1,377,912	14.70%		109.54%
2018	\$ 1,224,718	34.59%	\$ 545,619 (M)	\$ 788,148 *	\$ 1,333,767	14.07%		108.90%
2017	\$ 1,148,970	33.77%	\$ 449,665 (L)	\$ 699,305 *	\$ 1,148,970	12.04%		100.00%
2016	\$ 1,107,172	33.90%	\$ 575,788 (K)	\$ 531,384 *	\$ 1,107,172	16.07%		100.00%
2015	\$ 1,178,777	31.12%	\$ 517,177 (J)	\$ 661,600 *	\$ 1,178,777	13.65%		100.00%
2014	\$ 1,226,090	33.27%	\$ 506,016 (I)	\$ 720,074 *	\$ 1,226,090	13.73%		100.00%
2013	\$ 1,713,798	55.32%	\$ 1,034,699 (H)	\$ 679,099 *	\$ 1,713,798	31.04%		100.00%
2012	\$ 1,507,286	50.79%	\$ 893,128 (G)	\$ 614,158 *	\$ 1,507,286	26.51%		100.00%
2011	\$ 1,873,992	46.40%	\$ 1,283,171 (F)	\$ 590,824 *	\$ 1,873,995	29.22%		100.00%
2010	\$ 1,897,616	46.40%	\$ 1,413,291 (E)	\$ 484,325 *	\$ 1,897,616	32.46%		100.00%
2009	\$ 1,440,040	41.79%	\$ 902,000	\$ 538,040 *	\$ 1,440,040	21.20%		100.00%
2008	\$ 1,358,522	N/A	\$ 1,184,866	\$ 142,134 **	\$ 1,327,000	33.50%		97.68%
2007	\$ 722,327	N/A	\$ 722,327	\$ - (D)	\$ 722,327	22.20%		100.00%
2006	\$ 500,240	N/A	\$ 429,173	\$ 71,067 **	\$ 500,240	16.30%		100.00%
2005	\$ 444,823	N/A	\$ 373,756	\$ 71,067 **	\$ 444,823	N/A		100.00%
2004	\$ 319,386	N/A	\$ 248,319	\$ 71,067 **	\$ 319,386	N/A		100.00%

(A) Actuarially determined contribution requirements from State and Employer only

(B) Total actual contributions as a percentage of annual required contributions

(C) Pursuant to Resolution 2009-05 and the actuarial report for September 30, 2009, the excess State premium tax revenue collected by the Plan was allocated to the Share Plan in the amount of \$1,217,569, and the one-time allowable District contribution of \$902,451 for the fiscal year 2010. Therefore, the actuarial value of the assets is reduced by \$2,120,020 at September 30, 2009. In addition, Plan net assets include a \$379,791 prepaid District (deferred revenue) contribution. (A reduction was also noted in the amount of \$2,695 for accrued interest.) At September 30 2011 and 2010 the only excess State premium tax revenue held by the Plan was the \$1,217,569 Share Plan balance.

(D) State Contribution withheld released in 2008 (2x \$71,067)

* Frozen limit pursuant to the provisions of Chapter 175, Florida Statutes was \$902,451. However per MOU effective 6/28/18 State contributions received over \$679,099 will fund share plan. No investment earnings go to the Share Plan until frozen limit changed to \$659,404

** Frozen limit pursuant to the provisions of Chapter 175, Florida Statutes was \$71,067

(E) Includes amounts from the \$379,791 District prepaid contribution, developed as of September 30, 2009, in addition to \$902,451 made available from Resolution 2009-05 plus actual District cash contributions of \$260,124. However, only \$131,048 contributions were required. Therefore \$129,076 was recorded as deferred revenue by the Plan at September 30, 2010.

- (F) Includes \$20,959 that was a reduction of deferred revenue, leaving a balance of \$108,117 as deferred revenue at September 30, 2011
- (G) Includes \$83,193 that was a reduction of deferred revenue, leaving a balance of \$24,924 as deferred revenue at September 30, 2012.
- (H) Contributions are reduced by \$64,957, which is recorded as an addition to the deferred revenue, leaving a balance of deferred revenue of \$89,881. at September 30, 2013.
- (I) Contributions are reduced by \$112,028, which is recorded as an addition to the deferred revenue, leaving a balance of deferred revenue of \$201,909 at September 30, 2014.
- (J) Contributions are reduced by \$130,342, which is recorded as an addition to the deferred revenue, leaving a balance of deferred revenue of \$71,568 at September 30, 2015.
- (K) Contributions are increased by \$71,568 which is recorded as a reduction to the deferred revenue, leaving a balance of \$0 of unearned revenue at September 30, 2016.
- (L) Contributions are reduced by \$167,918, which is recorded as an addition to the deferred revenue, leaving a balance of deferred revenue of \$167,918 at September 30, 2017.
- (M) Contributions are increased by \$20,205, which is recorded as an reduction to the deferred revenue, leaving a balance of deferred revenue of \$147,713 at September 30, 2018.
- (N) Contributions are increased by \$147,713, which is recorded as an reduction to the deferred revenue, leaving a balance of deferred revenue of \$0 at September 30, 2019.

ADDITIONAL REPORTS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Greater Naples Fire Rescue District
Firefighters' Pension Plan
14575 Collier Boulevard
Naples, Florida 34119-9605

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, the basic financial statements of Greater Naples Fire Rescue District Firefighters' Pension Plan (the "Plan") as of and for the year ended September 30, 2024, and the related notes to the financial statements which collectively comprise the Plan's basic financial statements as listed in the table of contents and have issued our report thereon dated March 24, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented or detected and

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corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

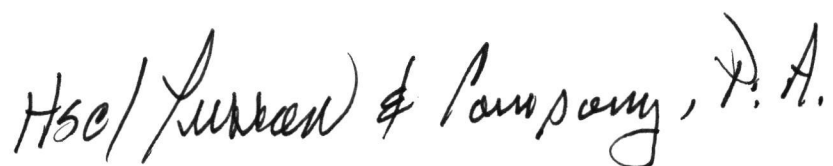
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined previously. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Naples Fire Rescue District Firefighters' Pension Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "HSC/Tuscan & Company, P.A." The signature is written in a cursive, flowing style.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 24, 2025

HSC/Tuscan

& Company, PA

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

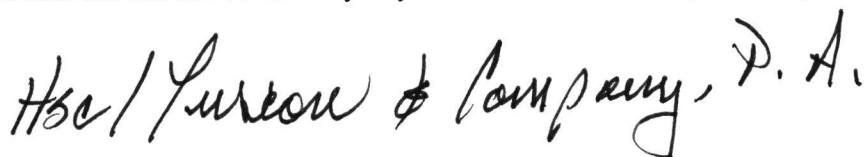
Board of Trustees
Greater Naples Fire Rescue District
Firefighters' Pension Plan
14575 Collier Boulevard
Naples, Florida 34119-9605

We have examined Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management is responsible for Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance with those requirements. Our responsibility is to express an opinion on Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Greater Naples Fire Rescue District Firefighters' Pension Plan's compliance with specified requirements.

In our opinion, Greater Naples Fire Rescue District Firefighters' Pension Plan complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of the Greater Naples Fire Rescue District Firefighters' Pension Plan and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 24, 2025

INTEGRITY SERVICE EXPERIENCE

HSC/Tuscan & Company, PA

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INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT

Board of Trustees
Greater Naples Fire Rescue District
Firefighters' Pension Plan
14575 Collier Boulevard
Naples, Florida 34119-9605

We have audited the accompanying basic financial statements of Greater Naples Fire Rescue District Firefighters' Pension Plan (the "Plan") as of and for the year ended September 30, 2024, and have issued our report thereon dated March 24, 2025.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with Government Auditing Standards and Chapter 10.550, Rules of the Florida Auditor General. Disclosures in that report, which is dated March 24, 2025, should be considered in conjunction with this Report to Management.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter included the following information, which is not included in the aforementioned auditor's report:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no financially significant prior year comments noted that continue to apply in the current year.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. There were no such prior year comments noted.

INTEGRITY SERVICE EXPERIENCE

- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not note any such findings.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Plan and District disclosed this information in the notes to its financial statements.
- Section 10.554(1)(i)5.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. This item does not specifically apply to the Plan.
- Pursuant to Sections 10.554(1)(i)5.b.1 and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Plan's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we determined that the Plan did not meet any of the criteria of a deteriorating financial condition described in Auditor General Rule Section 10.554(1)(i)(5).a.
- Pursuant to Section 10.554(1)(i)5.b.2, Rules of the Auditor General, if a deteriorating financial condition(s) is noted then a statement is so required along with the conditions causing the auditor to make such a conclusion. No such conditions were noted.
- Pursuant to Section 10.554(1)(i)5.c., Rules of the Auditor General, requires a statement indicating a failure, if any, of a component unit to provide financial information necessary to a proper reporting of the component unit within the audited financial statements of this entity (F.S. Section 218.39(3)(b)). There are no known component units required to report within these financial statements.
- Section 10.556(10)(a), Rules of the Auditor General, requires that the scope of our audit to determine the Plan's compliance with the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Plan complied with Section 218.415, Florida Statutes as reported in our Independent Accountant's Report on Compliance with

Section 218.415, Florida Statutes dated March 24, 2025, included herein.

- Section 10.557(3)(m), Rules of the Auditor General, requires a notarized affidavit, related to impact fees, signed and sworn to by the Chief Financial officer be included in the audit report. No such affidavit is included as the Plan does not have the authority to implement impact fees.
- Sections 10.554(1)(i)7-9 do not apply to the Plan.

PRIOR YEAR COMMENTS THAT CONTINUE TO APPLY:

No financially significant prior year comments noted.

CURRENT YEAR COMMENTS:

No financially significant comments noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the Board of Trustees, Board of Fire Commissioners, management, Plan members, the Auditor General of the State of Florida and other federal and state agencies. This report is not intended to be and should not be used by anyone other than these specified parties.

HSC/Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 24, 2025

EXHIBIT



GREATER NAPLES FIRE RESCUE DISTRICT FIREFIGHTERS' PENSION PLAN

May 6, 2025

Mr. Jeffrey Tuscan, CPA
HSC/Tuscan & Company, PA
1470 Royal Palm Square Blvd.
Fort Myers, FL 33919

Dear Mr. Tuscan,

The following is management's response to the Financial Statements, together with additional reports, for the years ended September 30, 2023, and 2024:

PRIOR YEAR COMMENTS THAT CONTINUE TO APPLY:

No financially significant prior year comments noted.

CURRENT YEAR COMMENTS:

No financial significant comments noted.

On behalf of the Greater Naples Fire Rescue District Firefighters' Pension Plan Board of Trustees, I am pleased to sign this management letter to acknowledge a clean audit with no comments.

Sincerely,

A handwritten signature in cursive script, reading "Christine Stoker", is written over a horizontal line.

Christine Stoker
Plan Administrator