MEMORANDUM OF UNDERSTANDING

Between Southwest Florida Professional Firefighters and Paramedics, IAFF Local 1826
(District 17)
&
Sanibel Fire Rescue District

Subject: Article 26 – Pension and Retirement

WHERAS, Article 26 Sections 3 through 6 of Article 26 presently provide for participation in the Nationwide Retirement Solutions Post Employment Health Plan;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

The full replacement of the following Sections 3, 4, 5 and 6 with

3. Retirement Healthcare Funding Plan

The District shall maintain a Retirement Healthcare Funding Plan ("RHFP") through a governmental trust intended to qualify under Section 115 of the Internal Revenue Code. Each employee covered by this Agreement shall have an individual RHFP account established for District contributions under this Article.

4. Plan Administration

The RHFP shall be funded by District contributions as provided in this Article. Eligibility for reimbursement, qualified expenses, eligible recipients, reimbursement timing, investment options, survivor benefits, and other administrative matters shall be governed by the adopted RHFP plan and trust documents.

5. Sick Leave Contribution Upon Separation

Upon separation from District employment for any reason, the District shall contribute the full value of the employee's sick leave payout to the employee's RHFP account. The payout shall equal twenty-five percent (25%) of the employee's accrued and unused Sick Leave, not to exceed four hundred (400) payable hours, as provided in Article 22.14. The value shall be calculated using the employee's hourly rate plus applicable hourly Additional Responsibility Pay at the time of separation. Notwithstanding Article 22.15, this amount shall be contributed directly to the RHFP rather than paid to the employee on the final paycheck. This contribution replaces, and does not supplement, the sick leave separation payment under Article 22.

6. Annual District Contribution

The District shall contribute three thousand dollars ($3,000.00) per fiscal year to the RHFP account of each employee covered by this Agreement.

All other terms and conditions of Article 26 remain unchanged.

Executed by the bargaining unit this 5th day of November, 2026.

For **Southwest Florida Professional Firefighters & Paramedics, IAFF Local 1826:**

Edward Zarick
District 17 DVP, Edward Zarick

Tim Jones
Local 1826 Vice President, Tim Jones

Henry Garcia
Local 1826 President, Henry Garcia

AGREED to by the Sanibel Fire Rescue District this 14th day of October 2026

Jerry Muench
Commissioner Muench

Commissioner Cochrane

Commissioner McCurry

Chief Kevin Barbot

ARTICLE 26 - PENSION AND RETIREMENT FLORIDA RETIREMENT SYSTEM

1. All employees shall be covered under the Florida Retirement System. The employer and employee will be subject to the Florida Retirement System (FRS) contribution payments and rates as set forth each year by the Florida Legislature. Rates are set prior to and go into effect on July 1st of each year.

DEFFERED COMPENSATION PLAN

2. It is the policy of the District to participate in an IRS 457 Deferred Compensation Plan which is a voluntary program for employees of the District to set aside additional money for retirement pre-tax. The district offers 3 plan administrators: Florida Deferred Compensation Plans, Nationwide, and Ameritas.

~~**POST EMPLOYMENT HEALTH PLAN**~~

~~3. It is the policy of the District to participate in the Post Employment Health Plan, offered by Nationwide Retirement Solutions. The Post Employment Health Plan (PHEP) is Nationwide Retirement Solutions brand name for a 501@ (9) trust plan. A 501@ (9) trust plan is funded by the employer to cover health care costs for employees who either terminate their employment or retire. 501@ (9) trust plans are tax exempt and accumulate reserves to pay medical insurance premiums or uncovered health care expenses for former employees.~~

~~4. The plan is funded by the employer, all contributions, and earnings on investments as well as reimbursements for qualified employee medical expenses incurred after separation of service are received free from federal income and FICA taxes.~~

~~5. Upon termination of employment for any reason, 100% of the Eligible Employee's accumulated sick leave as outlined in article 22.14, shall be contributed to the Plan at 100% of its current value.~~

~~6. The District shall contribute $3000 per fiscal year to each employee's established PHEP account.~~

RETIREMENT HEALTHCARE FUNDING PLAN

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