





Enclosed with this letter is a display of current retirees eligible for benefits from the COLA Fund, their monthly payment to start January 2024 (based on the recommended table), and the increase to their COLA Fund benefit over their previous monthly COLA Fund benefit. If approved, the new benefit should be paid retroactive to January 1, 2024. Please note that the following individuals in the DROP program are assumed to exit the DROP in 2024 to commence receipt of a COLA benefit during 2024:

Member	Assumed Exit from DROP	Start of COLA Fund Benefit	COLA Service	2024 COLA Benefit
Charles Barberie	7/31/2024	8/1/2024	33	\$114
Lawrence Doerffel	7/31/2024	8/1/2024	36	\$124
Edward Floyd	7/31/2024	8/1/2024	28	\$96
Roseanne Moreland	12/31/2024	1/1/2025	35	\$121
David Osteen	12/31/2024	1/1/2025	27	\$93
Wayland Schulz	6/30/2024	7/1/2024	24	\$83

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- Plan experience differing from that anticipated by the economic or demographic assumptions;
- Changes in economic or demographic assumptions;
- Increases or decreases expected as part of the natural operation of the methodology used for these measurements;
- Changes in plan provisions or applicable law.

In preparing these results, Nyhart used ProVal valuation software developed by Winklevoss Technologies, LLC. This software is widely used for the purpose of performing pension valuations. We coded the plan provisions, assumptions, methods and participant data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any weakness or limitations in the software and have determined it is appropriate for performing this valuation.

We did not perform an analysis of the potential range of future measurements due to the limited scope of our engagement. This report has been prepared in accordance with generally accepted actuarial principles and practice.

The undersigned are compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States.

Respectfully Submitted,

**Nyhart**



Lawrence Watts, Jr.  
FSA, CFA, MAAA, EA



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ASA, EA

Enclosure

## COLA Asset Reconciliation

September 30, 2023

Assets, beginning of fiscal year	\$6,769,854
Member Contributions	46,077
State Premium Tax Revenues	246,158
COLA Benefits	(194,863)
Investment Income	665,881
Assets, end of fiscal year	<u>\$7,533,107</u>

### Member Contributions

1 Total Employee Contributions	\$754,044
2 Buyback Contributions	(1,150)
3 Employee Contributions (based on payroll)	<u>\$752,894</u>
4 COLA Fund Contributions [(3) / 8.17% x 0.50%]	\$46,077

### State Premium Tax Revenues

1 Total State Premium Tax Revenues	\$692,315
2 Base Benefit Amount	(200,000)
3 Excess Amount [(1) + (2)]	<u>\$492,315</u>
4 COLA Fund Contribution [50% x (3)]	\$246,158

Rate of Return on Assets 9.95%

**City of Ocala Firefighters Retirement Plan  
2024 COLA Table  
Calculation of Increase/Decrease to Table**

**I. Determination of Available Assets for COLA Fund Distributions**

COLA Fund assets as of September 30, 2023	\$7,533,107
Chapter 175 Reserve Fund Transfer	0
Present Value of Future Member Contributions	850,327
Present Value of Future State Premium Tax Revenue	2,226,700
COLA Assets Available at 9/30/2023	\$10,610,134
COLA Assets Available at 1/1/2024	\$10,791,127

**II. Determination of COLA Table**

1	COLA Assets Available	\$10,791,127
2	Present Value of Existing COLA Benefits (based on \$703 table)	
	(a) Inactive Members	4,781,740
	(b) Reserve for Current Members	3,184,858
	(c) Reserve for Future Members [15% of (b)]	477,729
	(d) Total	\$8,444,327
3	Contingency Reserve [20% of 1.]	\$2,158,225
4	Total Liability [2(d) + 3.]	\$10,602,552
5	Net Reserve [(100% - 2.(d)) / 1.]	21.75%
6	Unallocated Reserve [1. - 4.]	\$188,575
7	Contingency Reserve as % COLA assets available	20.00%

**III. Determination of Potential Increase/(Decrease) to COLA Table  
(to maintain 20% Contingency Reserve)**

1	Unallocated Reserve	\$188,575
2	Increase Ratio [III.1 / II.2(d)]	2.23%
3	Current COLA Table Amount	\$703
4	Potential Table Increase/(Decrease) [2. x 3.] (rounded down)	\$15
5	Potential New COLA Table Amount [3. + 4.]	\$718

**City of Ocala Firefighters Retirement Plan  
COLA Fund**

**Plan Provisions**

Established	January 1, 2016
Eligibility	All members, excluding members who retired or left employment prior to the creation of the reserve under 99-1
Initial Funding	COLA Fund assets as of September 30, 2015 (\$1,130,461) Chapter 175 Reserve Fund Transfer (\$2,515,081)
Future Funding	Member contributes 8.17% of pay, of which 0.50% is allocated to the COLA Fund  50% of State Premium Tax Revenues in excess of \$200,000
Investments	The COLA Fund will be comingled with the pension fund assets for investment purposes and will be credited with the same market rate of investment return as the pension fund, net of all investment related expenses. The 10-year average investment earnings on the COLA Fund in excess of 7% shall be applied to reduce the UAAL of the pension fund until the pension fund reaches a funded ratio of 90%.
Form of Benefit	COLA benefits are paid as a single life annuity, regardless of the optional form chosen for Plan benefits, and cease upon the death of the member.
Credited Service	Determined at DROP exit. Therefore, COLA credited service may be greater than credited service used to determine Retirement Plan benefits
Death/Disability	Service-incurred deaths and disabilities are treated as having at least 25 years of credited service
Deferred Vested	Deferred vested members will begin COLA benefits at their normal retirement date.

**City of Ocala Firefighters Retirement Plan  
COLA Fund**

**Assumptions**

Unless otherwise indicated below, additional assumptions are as disclosed in the most recent October 1 annual actuarial funding valuation report.

Discount Rate	7.00%
Future Funding	Member contributes 8.17% of pay, of which 0.50% is allocated to the COLA Fund  50% of State Premium Tax Revenues in excess of \$200,000, plus any additional excess amounts not needed to fund the pension to a 90% funded level.
Future Payroll Growth	1.50% per year
Future State Premium Tax Revenue	The smaller of this year's current premium tax revenue, the 5-year average of premium tax revenue, and the 10-year of average of premium tax revenue.
Liability Reserve for Future Active Members	15%
Asset Contingency Reserve	20%
DROP	Members in DROP are assumed to participate in DROP for five years.

**CITY OF OCALA FIREFIGHTERS RETIREMENT PLAN  
\$718 COLA TABLE**



		Years Since Retirement/DROP Exit															
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Years of Credited Service at Retirement/DROP Exit</b>	<b>10</b>	34	46	57	69	80	92	103	115	126	138	149	161	172	184	195	207
	<b>11</b>	38	51	63	76	88	101	114	126	139	152	164	177	190	202	215	227
	<b>12</b>	41	55	69	83	96	110	124	138	152	165	179	193	207	221	234	248
	<b>13</b>	45	60	75	90	105	119	134	149	164	179	194	209	224	239	254	269
	<b>14</b>	48	64	80	96	113	129	145	161	177	193	209	225	241	257	273	289
	<b>15</b>	52	69	86	103	121	138	155	172	190	207	224	241	258	276	293	310
	<b>16</b>	55	74	92	110	129	147	165	184	202	221	239	257	276	294	312	331
	<b>17</b>	59	78	98	117	137	156	176	195	215	234	254	273	293	312	332	352
	<b>18</b>	62	83	103	124	145	165	186	207	227	248	269	289	310	331	352	372
	<b>19</b>	65	87	109	131	153	175	196	218	240	262	284	306	327	349	371	393
	<b>20</b>	69	92	115	138	161	184	207	230	253	276	299	322	345	368	391	414
	<b>21</b>	72	96	121	145	169	193	217	241	265	289	314	338	362	386	410	434
	<b>22</b>	76	101	126	152	177	202	227	253	278	303	329	354	379	404	430	455
	<b>23</b>	79	106	132	159	185	211	238	264	291	317	343	370	396	423	449	476
	<b>24</b>	83	110	138	165	193	221	248	276	303	331	358	386	414	441	469	496
	<b>25</b>	86	115	144	172	201	230	258	287	316	345	373	402	431	460	488	517
	<b>26</b>	90	119	149	179	209	239	269	299	329	358	388	418	448	478	508	538
	<b>27</b>	93	124	155	186	217	248	279	310	341	372	403	434	465	496	527	558
	<b>28</b>	96	129	161	193	225	257	289	322	354	386	418	450	482	515	547	579
	<b>29</b>	100	133	167	200	233	267	300	333	366	400	433	466	500	533	566	600
<b>30</b>	103	138	172	207	241	276	310	345	379	414	448	482	517	551	586	620	
<b>31</b>	107	142	178	214	249	285	321	356	392	427	463	499	534	570	605	641	
<b>32</b>	110	147	184	221	257	294	331	368	404	441	478	515	551	588	625	662	
<b>33</b>	114	152	190	227	265	303	341	379	417	455	493	531	569	607	644	682	
<b>34</b>	117	156	195	234	273	312	352	391	430	469	508	547	586	625	664	703	
<b>35</b>	121	161	201	241	281	322	362	402	442	482	523	563	603	643	684	724	



**CITY OF OCALA FIREFIGHTERS RETIREMENT PLAN  
\$718 COLA TABLE**



		Years Since Retirement/DROP Exit															
		16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
<b>Years of Credited Service at Retirement/DROP Exit</b>	<b>10</b>	218	230	241	253	264	276	287	299	310	322	333	345	356	368	379	391
	<b>11</b>	240	253	265	278	291	303	316	329	341	354	366	379	392	404	417	430
	<b>12</b>	262	276	289	303	317	331	345	358	372	386	400	414	427	441	455	469
	<b>13</b>	284	299	314	329	343	358	373	388	403	418	433	448	463	478	493	508
	<b>14</b>	306	322	338	354	370	386	402	418	434	450	466	482	499	515	531	547
	<b>15</b>	327	345	362	379	396	414	431	448	465	482	500	517	534	551	569	586
	<b>16</b>	349	368	386	404	423	441	460	478	496	515	533	551	570	588	607	625
	<b>17</b>	371	391	410	430	449	469	488	508	527	547	566	586	605	625	644	664
	<b>18</b>	393	414	434	455	476	496	517	538	558	579	600	620	641	662	682	703
	<b>19</b>	415	437	458	480	502	524	546	568	589	611	633	655	677	698	720	742
	<b>20</b>	437	460	482	505	528	551	574	597	620	643	666	689	712	735	758	781
	<b>21</b>	458	482	507	531	555	579	603	627	651	675	700	724	748	772	796	820
	<b>22</b>	480	505	531	556	581	607	632	657	682	708	733	758	783	809	834	859
	<b>23</b>	502	528	555	581	608	634	661	687	713	740	766	793	819	846	872	898
	<b>24</b>	524	551	579	607	634	662	689	717	744	772	800	827	855	882	910	937
	<b>25</b>	546	574	603	632	661	689	718	747	775	804	833	862	890	919	948	976
	<b>26</b>	568	597	627	657	687	717	747	777	806	836	866	896	926	956	986	1,016
	<b>27</b>	589	620	651	682	713	744	775	806	837	868	900	931	962	993	1,024	1,055
	<b>28</b>	611	643	675	708	740	772	804	836	868	901	933	965	997	1,029	1,061	1,094
	<b>29</b>	633	666	700	733	766	800	833	866	900	933	966	999	1,033	1,066	1,099	1,133
<b>30</b>	655	689	724	758	793	827	862	896	931	965	999	1,034	1,068	1,103	1,137	1,172	
<b>31</b>	677	712	748	783	819	855	890	926	962	997	1,033	1,068	1,104	1,140	1,175	1,211	
<b>32</b>	698	735	772	809	846	882	919	956	993	1,029	1,066	1,103	1,140	1,176	1,213	1,250	
<b>33</b>	720	758	796	834	872	910	948	986	1,024	1,061	1,099	1,137	1,175	1,213	1,251	1,289	
<b>34</b>	742	781	820	859	898	937	976	1,016	1,055	1,094	1,133	1,172	1,211	1,250	1,289	1,328	
<b>35</b>	764	804	844	885	925	965	1,005	1,045	1,086	1,126	1,166	1,206	1,246	1,287	1,327	1,367	



