

November 27, 2023

VIA E-MAIL

Ms. Alicia Gaither
City of Ocala
General Employees' Retirement System
110 SE Watula Ave.
Ocala, FL 34471

Re: City of Ocala
General Employees' Retirement System

Dear Alicia:

In response to your November 14, 2023 email, we have reviewed the proposed Ordinance amending the City of Ocala General Employees' Retirement System. The following amendment to the pension plan is proposed:

- Section 43-87, Deferred retirement option plan, is being amended to subsection (b) (3), extending the DROP participation period from five to eight years for Members entering DROP after January 31, 2011.

It is our opinion that there is no immediate impact on plan liabilities or funding requirements associated with adoption of the proposed change. To the extent that participant behavior changes as the result of extending the DROP participation period, we will recommend appropriate assumption changes based on future experience studies.

Because the proposed changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to the following office:

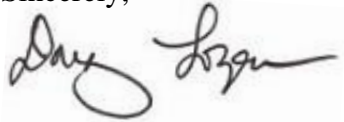
Mr. Keith Brinkman
Division of Retirement
Bureau of Local Retirement Systems
P. O. Box 9000
Tallahassee, FL 32315-9000

Ms. Alicia Gaither
November 27, 2023
Page 2

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein.

If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas H. Lozen", written over a light gray rectangular background.

Douglas H. Lozen, EA, MAAA