



Ocala

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

Firefighters' Retirement Fund Board of Trustees

Minutes - Final

Monday, June 9, 2025

9:00 AM

Teams Meeting Link: <https://bit.ly/3EWiwXL>

Meeting ID: 231 594 017 324 0

Passcode: dU7wD9pS

Dial in by phone

+1 352-448-0342,,883764803# United States, Gainesville

Find a local number

Phone conference ID: 883 764 803#

1. Call To Order & Attendance

Chairman Davis called the meeting to order at 1:03 pm.

Present: John Dozier
Justin Hardy
Joshua Phillips
Robert Davis

Absent: Glen Fiorello

Others in attendance: Alicia Gaither, Dave West, Anthony Webber, Steve Hearing, Richard Grubbs, Alan Phelps, Donna Tucker, and Kerry Sipe, Lawrence Watts, and Taylor Clary attended through TEAMS.

2. Public Noticed & Public Comments

Meeting was publicly noticed May 28, 2025

During public comment, a retiree, Ms. Donna Tucker, raised a significant tax issue stemming from a 2019 city reporting error that caused IRS penalties, leading to extensive discussion on potential resolutions and systemic impacts on other retirees.

3. Attorney Report

No Attorney's report

Attachments: [222785306 Request Motion For Oral Argument - FILED - 4912-9367-4305.1](#)
[222407157 Appellee's Answer Brief - 4902-6414-3423.1](#)
[Memo regarding 2025 online Form 1 Filing - 4912-2111-0580.1](#)

Tabled until next meeting

Attachments: [Ocala F.SPD 2025 Draft.05-27-25 - 4921-2296-5575.2](#)

Tabled until next meeting

4. Actuary

Attachments: [Ocala Board Meeting 06.09.2025](#)
[Ocala Fire Actuarial Impact Statement - Comp B Incentive Pay \(to Ocala 06052025\)](#)

Lawrence Watts and Kerry Sipe—presented a detailed update on several topics impacting the fund. They began by introducing Taylor Clary joining the team. The discussion then turned to the Deferred Retirement Option Plan (DROP) and the recently revived BackDROP policy. The actuaries explained that DROP participants are not explicitly modeled in valuations, as they are treated similarly to retirees. However, with proposals to extend the DROP period from five to six, seven, or eight years, concerns were raised about how member behavior might change. Specifically, extending the DROP could encourage earlier retirement under the forward DROP or longer service under the BackDROP. They also highlighted the risk of anti-selection, where members might strategically time retirements after promotions to maximize benefits, thereby increasing long-term plan liabilities.

Next, the actuaries reviewed a pending impact statement on making additional incentive pays pensionable under Component B. An initial analysis showed a moderate financial impact, but after realizing that educational incentives had been double-counted, the projected increase in liabilities and city contributions was expected to be lower than initially reported. The discussion emphasized that the financial effect of making incentive pay pensionable varies depending on when in a firefighter's career it is received, with more significant implications during later years.

The actuaries also updated the board on changes to service purchase (buyback) calculations following the recent experience study. They noted that under current methods, newer employees could buy service for significantly less than those closer to retirement, potentially creating inequities. They recommended considering alternative costing methods, such as using the present value of future benefits, to better align costs with actual liability impact and reduce opportunities for members to take advantage of favorable timing.

Finally, the actuaries addressed a key issue regarding how investment returns are credited to the COLA (Cost-of-Living Adjustment) fund. While the ordinance mandates returns be credited between 0% and 7% based on a 10-year average, the board has been administratively crediting actual returns regardless of that range. With the plan now reaching the 10-year mark, the board was urged to decide whether to continue this past practice or realign with ordinance language. The actuaries advised that further legal review and input from both the union and city would be necessary before making a final determination.

5. Consultant Mariner Report

The investment consultant reported on market volatility due to geopolitical and economic uncertainty and reviewed the performance of plan assets. Strategic rebalancing ahead of a market downturn and increased use of cash equivalents proved beneficial. No immediate changes to asset allocation were recommended. Real estate holdings showed positive returns after prior declines. The report concluded with optimism about the fund's resilience amid market fluctuations.

The new Crescent contract was still being finalized, and Mr. West stated that he would follow up with Mr. Levinson regarding the status of the documents.

Attachments: [2025-03-31 Ocala Fire Quarterly Report](#)

6. Expenses & Minutes

Attachments: [Fire Expenses March - April 2025](#)
[Ocala Fire Pension Board Minutes February 24, 2025](#)

A motion to approve the expenses for April and May 2025 was made by Justin Hardy and seconded by Joshua Phillips. The motion passed unanimously.

A motion to approve the minutes from the February 24, 2025, Fire Pension Board Meeting was made by Joshua Phillips and seconded by Justin Hardy. The motion passed unanimously.

7. Other Items For Discussion

7a. DROP Approval

- Clint Welborn

A motion to approve Mr. Clinton Welborn's DROP participation, contingent upon obtaining a corrected wet signature, was made by Joshua Phillips and seconded by Justin Hardy. The motion passed unanimously.

Adjournment

A motion to approve the minutes as printed on this _____ day of _____; _____
was made by _____, seconded by _____,
votes for _____, votes against _____.

Chairman

Secretary