

ORDINANCE NO. 33-25

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, AMENDING CHAPTER 35, "EMPLOYEE POLICIES AND BENEFITS", OF THE CODE OF ORDINANCES OF THE CITY OF DELRAY BEACH, FLORIDA, BY AMENDING "RETIREMENT PLAN," SECTION 35.095, "CONTRIBUTIONS OF PARTICIPANT AND CITY"; PROVIDING FOR THE REMOVAL OF INTEREST FROM A PARTICIPANT'S REFUND OF CONTRIBUTIONS; PROVIDING A CONFLICTS CLAUSE, A SEVERABILITY CLAUSE, AUTHORITY TO CODIFY, PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

WHEREAS, the Retirement Committee of the City of Delray Beach General Employees' Retirement Plan wishes to eliminate payment and accrual of interest from a Participant's refund of contributions; and

WHEREAS, the City Commission has received, reviewed, and considered an actuarial impact statement describing the actuarial impact of the amendment provided for herein; and

WHEREAS, pursuant to law, ten (10) days' notice has been given by publication in a paper of general circulation in the City, notifying the public of this proposed ordinance and of a public hearing in the City Commission Chambers of the City of Delray Beach; and

WHEREAS, the City Commission deems it to be in the public interest to provide the following changes to the General Employees' Retirement Plan;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA AS FOLLOWS:

Section 1. The recitations set forth above are incorporated herein.

Section 2. Chapter 35, EMPLOYEE POLICIES AND BENEFITS, Section 35.095, "CONTRIBUTIONS OF PARTICIPANT AND CITY", subsection (A), "*Participant's Contribution Account*" of the Code of Ordinances of the City of Delray Beach is hereby amended as follows:

Sec. 35.095. – CONTRIBUTIONS OF PARTICIPANT AND CITY.

(A) *Participant's Contribution Account.*

(1)-(2) (These subsections shall remain in full force and effect as adopted).

(3) *[Total Benefits Payable.]* Anything in the plan to the contrary notwithstanding, the total benefits payable under the plan to, or with respect to, a participant shall not be less than the benefits that can be provided by the participant's contributions, and further provided, if a participant, who is terminated, elects to withdraw participant contributions, the participant will be entitled to the return of participant contributions with interest, if applicable, in lieu of all other benefits payable under the plan. Effective September 1, 1999, if a

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participant has ten (10) or more years of credited service under the plan, a noncompounded simple interest rate of five (5) percent per year shall be applied to the principal balance of the participant's contribution as accrued on December 31 of each year. Effective September 1, 1999, if a participant has less than ten (10) years of credited service under the plan, a noncompounded simple interest rate of three (3) percent shall be applied to the principal balance of the participant's contribution as accrued on December 31 of each year. Effective December 8, 2025, no further interest shall be credited to a participant's respective accumulated contributions. Notwithstanding, all interest, as described herein, credited and accrued as of December 8, 2025, shall remain included, but no additional interest going forward shall be credited to participant contributions. Any participant hired on or after December 8, 2025, shall not be entitled to any interest accrual on their respective accumulated participant contributions. Participant contributions cannot be withdrawn while a participant remains in the employ of the City or after the payment of benefits under the plan has commenced.

(4)-(5) (These subsections shall remain in full force and effect as adopted).

Section 3. All ordinances or parts of ordinances in conflict herewith be and same are hereby repealed.

Section 4. Should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence, or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder hereof as a whole or part thereof other than the part declared to be invalid.

Section 5. Specific authority is hereby given to the City Clerk to codify this Ordinance.

Section 6. This Ordinance shall become effective immediately upon its passage on second and final reading.

PASSED AND ADOPTED in regular session on second and final reading this ____ day of _____, 2025.

ATTEST:

Alexis Givings, City Clerk

Thomas F. Carney, Jr., Mayor

First Reading _____

Second Reading _____

Approved as to form and legal sufficiency:

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Lynn Gelin, City Attorney

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