

Item 8.A.
2025 Summary Plan Description

CITY OF DELRAY BEACH GENERAL EMPLOYEES' RETIREMENT PLAN

Summary Plan Description

Plan Name

City of Delray Beach General Employees' Retirement Plan

City/Employer

City of Delray Beach, FL

Plan Administrator

Pension Administrator
City of Delray Beach
Finance Department
100 NW 1st Avenue
Delray Beach, FL 33444

Plan Trustee

Retirement Committee
City of Delray Beach
100 NW 1st Avenue
Delray Beach, FL 33444

Agent for Legal Process

City Attorney
City of Delray Beach
200 NW 1st Avenue
Delray Beach, FL 33444

Plan Anniversary Date

October 1 of each year

Plan/Fiscal Year

October 1 through September 30

Retirement Committee

Thomas MacManus, Chair
Howard Ellingsworth
Adam Frankel
Martin Dorow
Henry Dachowitz

Mailing Address for Retirement Committee

City of Delray Beach
100 NW 1st Avenue
2Delray Beach, FL 33444

Accrued Benefit

Your monthly benefit earned at any point in time equal to a percentage (2.50% or 3.00%) of your Final Monthly Compensation multiplied by your Credited Service starting on your Normal Retirement Date.

Plan Eligibility/Participation

All regular, full-time general employees with at least one year of Credited Service are required to participate in the Plan as a condition of employment. The City Manager, City Attorney, their assistants, and City department heads may participate in the Plan if they submit an irrevocable written election to do so. Firefighters and police officers who participate in another City pension plan are not eligible to participate in this Plan.

Participant

You are a participant if you fulfill the prescribed eligibility requirements (see preceding).

Designated Beneficiary

The person designated by you to receive any benefits that may become payable by the Plan upon your death.

Compensation

Your basic wages paid by the City. Compensation excludes overtime, commissions, bonuses, expense allowances, and all other extraordinary compensation.

Credited Service

Your period of continuous City employment from your most recent date of hire to your date of termination, up to a maximum of 30 years, expressed as years and tenths of year. Periods of paid leave and unpaid leave up to 30 days in any calendar year are included. Years and completed months as a full-time police officer or firefighter after participation in this Plan shall be included only for determining vesting and eligibility for normal retirement. Credited Service will include prior government/military service if you purchase it and such prior service does not form the basis for any other retirement benefit.

Final Monthly Compensation

Hired before October 6, 2010: the average of your highest 36 consecutive months of Compensation out of the final 120 months of Credited Service immediately preceding your retirement or employment separation.

Hired after October 6, 2010: the average of your highest 60 consecutive months of Compensation out of the final 120 months of Credited Service immediately preceding your retirement or employment separation.

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Vesting Schedule

You have a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service based on the following schedule:

<u>Years of Credited Service</u>	<u>Percent of Normal Retirement Benefits</u>
Less than 5	0%
5	50
6	60
7	70
8	80
9	90
10	100

Employee Contributions

3.05% of your Compensation for the Standard Multiplier; additional 3.45% of your Compensation for the Enhanced Multiplier.

Multiplier

Standard: 2.50%; Enhanced: 3.00%.

Normal Retirement Date

Employed on October 5, 2010 and within 10 years of attaining age 60 or completing 30 years of Credited Service: the earlier of the first day of the month coincident with or next following your attainment of age 60 and completion of 10 years of Credited Service or completion of 30 years of Credited Service, regardless of age.

Employed on October 5, 2010 and not within 10 years of attaining age 60 or completing 30 years of Credited Service: the earlier of the first day of the month coincident with or next following your attainment of age 62 and completion of 10 years of Credited Service or completion of 30 years of Credited Service, regardless of age.

Hired on or after October 6, 2010: the first day of the month coincident with or next following your attainment of age 65 and completion of 10 years of Credited Service.

Normal Retirement Benefit

Your Credited Service times your Final Monthly Compensation times your applicable Multiplier.

Early Retirement Date

Any time after reaching age 55 with 15 years of Credited Service or 20 years of Credited Service regardless of age.

Early Retirement Benefit

Your Early Retirement Benefit is your Accrued Benefit on your Early Retirement Date but reduced 5.0% for each year your Early Retirement Date precedes your Normal Retirement Date.

Standard Form of Benefit

For married Participants within 10 years of attaining age 60 or completing 30 years of Credited Service on October 5, 2010: monthly income for your life with 100% of your benefit continuing to your spouse for 12 months immediately following your death, then decreasing to 60% of your benefit thereafter until your spouse's death or remarriage. Optional forms of payment are available.

For all other Participants: Life Annuity with optional forms of payment available.

Benefits Payable to you after you leave City employment but before your Normal Retirement Date

If you have less than 5 years of Credited Service: return of the contributions you made to the Plan..

If you have more than 5 years of Credited Service: your Accrued Benefit beginning on your Normal Retirement Date OR, if you wish, a refund of your accumulated employee contributions.

Cost-of-Living Adjustment

There are no cost-of-living adjustments of monthly retirement benefits.

Deferred Retirement Option Plan ("DROP")

You are eligible for the DROP when you reach your Normal Retirement Date. Once you enter the DROP, participation in it is irrevocable, you are considered to have retired for Plan purposes, and you agree to separate from City employment within 60 months of DROP entry. Your monthly retirement benefit (equal to your Accrued Benefit on the date you enter the DROP) is deposited in a separate DROP account managed by you.

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Disability Benefits

Service-connected: monthly income if the Retirement Committee determines you are totally and permanently disabled from a disability that occurred in the line of duty while employed by the City. Your service-connected disability benefit: 1) is equal to 60% of your Final Monthly Compensation reduced by amounts payable from Social Security and workers' compensation; 2) will begin 5 months after the date of your disability; and 3) is payable until the earlier of your death, recovery from the disability, or when you reach age 65 (or 5 years after the date of disability if you were disabled after age 60).

Nonservice-connected: monthly income if the Retirement Committee determines you are totally and permanently disabled from a disability that occurred outside of your employment with the City and you have 10 or more years of Credited Service at the time of your disability. Your nonservice-connected disability benefit: 1) is equal to 2.0% of Final Monthly Compensation in effect on the date of your disability with a maximum benefit of 50% of Final Monthly Compensation reduced by amounts payable from Social Security and workers' compensation; 2) will begin 5 months after the date of your disability; and 3) is payable until the earlier of your death, recovery from the disability, or when you reach age 65 (or 5 years after the date of disability if you were disabled after age 60).

Death Benefits payable to your Designated Beneficiary if you die while employed by the City

Service-connected:

- 1) If your Designated Beneficiary is your spouse, they will receive:
 - a) \$10,000 lump sum payment, plus
 - b) Monthly benefit equal to 60% of your Final Monthly Compensation until their death or remarriage
 - 2) If your Designated Beneficiary is not your spouse:
 - a) \$10,000 lump sum payment, plus
 - b) Monthly benefit equal to the actuarial equivalent of your lifetime benefit payable in the amount of 60% of your Final Monthly Compensation
 - 3) Monthly benefit for each child until they reach age 18 (or 22 if a full-time student at an accredited school) equal to 7.5% of your Final Monthly Compensation.
- Maximum benefit for your spouse and children combined will not exceed 75% of your Final Monthly Compensation.

Nonservice-connected:

If you have more than 1 year but less than 5 years of Credited Service: the greater of \$5,000 or the return of the contributions you made to the Plan, plus 3% simple interest.

If you have more than 5 years of Credited Service:

- 1) If your Designated Beneficiary is your spouse:
 - a) \$10,000 lump sum payment, plus
 - b) Monthly benefit equal to 65% of your Accrued Benefit on your date of death until their death or remarriage
 - 2) If your Designated Beneficiary is not your spouse:
 - a) \$10,000 lump sum payment, plus
 - b) Monthly benefit equal to the actuarial equivalent of your lifetime benefit payable in the amount of 65% of your normal retirement income which has accrued to your date of death
 - 3) Monthly benefit for each child until they reach age 18 (or 22 if a full-time student at an accredited school) equal to 7.5% of your Final Monthly Compensation.
- Maximum benefit for your spouse and children combined will not exceed 50% of your Final Monthly Compensation.

Death Benefit payable to your Designated Beneficiary if you die after you leave City employment

If you leave the City with less than 5 years of Credited Service and die before you receive a refund of your accumulated employee contributions: return of the contributions you made to the Plan, plus 3% simple interest.

If you leave the City with more than 5 years of Credited Service, leave your accumulated employee contributions in the Plan, and die before you start receiving your Normal Retirement Benefit: a monthly benefit payable as a 10 Year Certain & Life Annuity derived from the single-sum value of your Accrued Benefit on the date you left the City.

Source of Plan Funding

The Plan is funded by City contributions, Participant contributions, and investment earnings generated by Plan investments.

Applicable Regulations Governing Establishment, Operation and Administration of the Plan

Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code; Chapter 35, Title 3, City of Delray Beach Code of Ordinances.

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Forfeiture of Pension

If you are convicted of any of the following offenses committed prior to retirement, or if your employment is terminated by reason of your admitted commission, aid or abetment of the following specified offenses, you shall forfeit all rights and benefits under this Plan, except for the return of your accumulated contributions as of the date of termination.

(A) Specified offenses are as follows:

- (1) the committing, aiding or abetting of an embezzlement of public funds;
- (2) the committing, aiding or abetting of any theft by a public officer or employee from the employer;
- (3) bribery in connection with the employment of a public officer or employee;
- (4) any felony specified in Chapter 838, Florida Statutes;
- (5) the committing of an impeachable offense;
- (6) the committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he acts or in which he is employed, of the right to receive the faithful performance of his duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his public office or employment position;
- (7) the committing on or after October 1, 2008, of any felony defined in Section 800.04, Florida Statutes, against a victim younger than sixteen (16) years of age, or any felony defined in Chapter 794, Florida Statutes, against a victim younger than eighteen (18) years of age, by a public officer or employee through the use or attempted use of power, rights, privileges, duties, or position of his or her office or employment position.

(B) Conviction shall be defined as follows: an adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.

(C) Court shall be defined as follows: any state or federal court of competent jurisdiction, which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Member whose benefits are being considered for forfeiture. Said Member shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Member shall be afforded a full opportunity to present his case against forfeiture.

(D) Any employee who has received benefits from the Plan in excess of his/her Accumulated Contributions after the employee's rights were forfeited pursuant to this section shall be required to pay back to the Plan the amount of the benefits received in excess of his/her Accumulated Contributions. The Retirement Committee may implement all legal action necessary to recover such funds.

(E) As provided in the Florida Statutes, it is unlawful for a person to willfully and knowingly make, or cause to be made, or to assist, conspire with, or urge another to make, or cause to be made, any false, fraudulent, or misleading oral or written statement or withhold or conceal material information to obtain any benefit from the Plan. A person who commits a crime is punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

(F) In addition to any applicable criminal penalty upon conviction for a violation described in subsection (E), an employee or beneficiary of the Plan may, in the discretion of the Retirement Committee, be required to forfeit the right to receive any or all benefits to which the person would otherwise be entitled under the Plan. For purposes of this subsection (F) "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

Claims and Procedures

Claims Procedures

Claims for benefits under the Plan must be filed in writing with the Plan Administrator. If you are eligible for any benefits from this Plan, you will be provided a notification form showing the amount of your benefit and options, if any, and the earliest date on which such benefit is payable.

Your request for Plan benefits shall be considered a claim for Plan benefits and will be subject to a full and fair review. If your claim is wholly or partially denied, the Retirement Committee will furnish you with a written notice of this denial. The written notice will be provided to you within a reasonable period of time after the receipt of your claim by the Retirement Committee (30-45 days). The written notice must contain the following information: 1) the specific reason or reasons for the denial; 2) specific reference to the Plan provisions on which the denial was based; 3) a description of any additional information or material necessary to correct your claim and an explanation of why such material or information is necessary; and 4) appropriate information as to the steps to be taken if you or your beneficiary wishes to submit your claim for review.

If your claim has been denied, and you wish to submit your claim for review, you must follow the Claims Review Procedure. Also, if notice of the denial of a claim is not furnished to you in accordance with the above within a reasonable period of time, your claim will be deemed denied at which point you will then be permitted to proceed to the review stage described in the Claims Review Procedure.

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Claims Review Procedure

1. Upon the denial of your claim for benefits, you may file your claim for review in writing with the Retirement Committee.
2. You must file the claim for review no later than 30 days after you have received written notification of the denial of your claim for benefits.
3. You may review all pertinent documents relating to the denial of your claim and submit any issues and comments in writing to the Retirement Committee.
4. Your claim for review must be given a full and fair review. If your claim is denied, the Retirement Committee must provide you with written notice of this denial within 60 days after the Retirement Committee's receipt of your written claim for review. There may be times when this 60-day period may be extended. This extension may only be made, however, when there are special circumstances which are communicated to you in writing within the 60-day period. If there is an extension, a decision shall be made as soon as possible, but not later than 105 days after receipt by the Retirement Committee of your claim for review.
5. The Retirement Committee's decision on your claim for review shall be communicated to you in writing and will include specific references to the pertinent Plan provisions on which the decision was based.
6. If the Retirement Committee's decision on review is not furnished to you within the time limitations described above, your claim shall be deemed denied on review.

PERTINENT ACTUARIAL INFORMATION		
	10/01/2024	10/01/2023
Number of Members of the Plan		
Active Employees	460	435
Those Receiving or Due to Receive Benefits	472	454
Annual Payroll of Active Members	\$ 30,526,199	\$ 27,695,348
Annual Rate of Benefits in Pay Status	8,957,300	8,382,770
Actuarial Accrued Liability	173,294,308	162,939,300
Net Assets Available for Benefits (Actuarial Value)	172,240,550	159,784,958
Unfunded (Overfunded) Actuarial Accrued Liability	1,053,758	3,154,342
Required Contribution to be made to the Plan Over and Above Contributions by Members of the Plan	3,113,193	3,073,207
Required Contributions as % of Payroll of Active Members	10.20%	11.10%
Required Contribution to be Paid During Year Ending	09/30/2026	09/30/2025

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PENSION FUND INCOME AND DISBURSEMENTS		
	Year Ending 09/30/2024	Year Ending 09/30/2023
Market Value at Beginning of Period	\$ 162,863,000	\$ 146,209,000
Income		
Member Contributions	2,000,000	1,665,000
Employer Contributions	3,024,000	2,529,000
Other Contributions	0	0
Investment Earnings		
Dividends & Interest	5,790,000	4,107,000
Realized & Unrealized Gain (Loss)	32,007,000	17,182,000
Total Investment Earnings	37,797,000	21,289,000
Other Income	<u>0</u>	<u>0</u>
Total Income	42,821,000	25,483,000
Disbursements		
Monthly Benefit Payments	8,716,000	8,239,000
Lump Sum Distributions	0	0
Refunds of Contributions	270,000	124,000
Investment Related Expenses	362,000	335,000
Other Administrative Expenses	156,000	131,000
Insurance Premiums	0	0
Other Expenses	<u>0</u>	<u>0</u>
Total Disbursements	9,504,000	8,829,000
Net Increase/Decrease During Period	33,317,000	16,654,000
Market Value at End of Period	196,180,000	162,863,000

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