

ORDINANCE NO. 50-23

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF DELRAY BEACH, FLORIDA, AMENDING CHAPTER 35 "EMPLOYEE POLICIES AND BENEFITS", SUBHEADING "RETIREMENT PLAN", BY AMENDING SECTION 35.089, "DEFINITIONS"; AMENDING SECTION 35.091, "VESTING"; AMENDING SECTION 35.097, "RETIREMENT INCOME; BASIS, AMOUNT AND PAYMENT"; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Delray Beach General Employees' Retirement Plan ("Plan") was established by ordinance of the City Commission many years ago to provide retirement and disability benefits to city employees and their beneficiaries; and

WHEREAS, the City Commission has determined it to be in the best interest of the City and its employees to amend eligibility and benefit provisions of the General Employees' Retirement Plan for Charter Officers, and

WHEREAS, to implement such changes, it is necessary to adopt an ordinance amending the City's Code of Ordinances.

IT IS HEREBY ORDAINED BY THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, AS FOLLOWS:

Section 1. That Section 35.089 of the City Code of Ordinances is hereby amended to read as follows:

**Sec. 35.089. DEFINITIONS**

*Normal retirement date.* For participants who retire or terminate employment with five (5) or more years of credited service prior to October 6, 2010, and for participants who are employed on October 5, 2010, and within ten (10) years of attaining age sixty (60) or thirty (30) years of credited service as of that date, normal retirement date means the first day of the month coincident with or next following the date a participant attains the age of sixty (60) and completes ten (10) years of credited service, or the date on which a participant attains thirty (30) years of credited service, regardless of age, whichever occurs first. Effective October 6, 2010, for participants who are employed on October 5, 2010, and not within ten (10) years of attaining age sixty (60) or thirty (30) years of credited service as of that date, normal retirement date means the first day of the month coincident with or next following the date a participant attains the age of sixty-two (62) and completes ten (10) years of credited service, or the date on which a participant attains thirty (30) years of credited service, regardless of age, whichever occurs first. The normal retirement date for participants hired on or after October 6, 2010, shall be the date a participant attains the age of sixty-five (65) and completes ten (10) years of credited service. A participant who terminates employment with five (5) or more years of credited service prior to October 6, 2010, does not receive a return of participant contributions in accordance with Section 35.095(A), and is subsequently reemployed in a position covered by this plan, shall be entitled to receive a benefit in two (2) parts as follows: the vested accrued benefit based on credited service prior to October 6, 2010, payable on the date the participant attains the age of

sixty (60) and completes ten (10) years of credited service; and the vested accrued benefit based on credited service on or after October 6, 2010, payable on the date the participant attains the age of sixty-five (65) and completes ten (10) years of credited service. A participant may continue in the employ of the City and continue to participate in the plan beyond the normal retirement date. Notwithstanding any other provision of this paragraph, the definition of normal retirement date contained in the first sentence of this paragraph shall continue to apply to participants who are employed in a position included in a bargaining unit on October 5, 2010, until such time as changes to the definition are implemented through the collective bargaining process. Notwithstanding any other provision of this paragraph, effective [effective date] the normal retirement date for a participant who is employed in the position of City Manager, City Attorney, or Internal Auditor, on the last day of employment prior to retirement and retires on or after [effective date], shall be the earlier of the date the participant attains the age of fifty-two (52) with twelve (12) years of credited service, age fifty-eight (58) with six (6) years of credited service, or twenty-five (25) years of credited service regardless of age.

Section 2. That Section 35.091 of the City Code of Ordinances is hereby amended to read as follows:

**Sec. 35.091. VESTING.**

Participants shall become entitled to normal retirement benefits under the plan in accordance with the following vesting schedule:

Complete Years of Credited Service	Vested Percentage
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

Notwithstanding any other provision of this section, effective [effective date], a participant who is employed in the position of City Manager, City Attorney, or Internal Auditor on the last day of employment prior to retirement and retires on or after [effective date], shall be 100% vested upon reaching the normal retirement date applicable to such participant.

Section 3. That Section 35.097 of the City Code of Ordinances is hereby amended to read as follows:

**Sec. 35.097. RETIREMENT INCOME; BASIS, AMOUNT, AND PAYMENT.**

(A) *Normal Retirement Income.*

- (1) *Amount of Normal Retirement Income.* ~~The~~ Except as otherwise provided herein, the amount of retirement income payable to a participant who retires on or after his normal retirement date shall be an amount equal to two and one-half (2.5) percent of final monthly compensation multiplied by credited service, expressed in years and tenths of a year, up to a maximum of thirty (30) years, multiplied by the participant's vested percentage as set forth in Section 35.091. Effective [effective date], the amount of retirement income payable to a participant who is employed in the position of City Manager, City Attorney, or Internal

Auditor on the last day of employment prior to retirement and retires on or after effective date, shall be an amount equal to five (5) percent of final monthly compensation for each of the first seven (7) years of credited service, four (4) percent of final monthly compensation for each of the next three (3) years of credited service, and two (2) percent of final monthly compensation for each year of credited service thereafter.

Section 4. That all ordinances or parts of ordinances in conflict herewith be, and the same are hereby repealed.

Section 5 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 6. Specific authority is hereby given to codify this Ordinance.

Section 7. 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 on this the \_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

\_\_\_\_\_  
Katerri Johnson, City Clerk

\_\_\_\_\_  
Shelly Petrolia, Mayor

Approved as to form and legal sufficiency:

\_\_\_\_\_  
Lynn Gelin, City Attorney

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_