FIREFIGHTERS' RETIREMENT SYSTEM

ORDINANCE NO. 18-18

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF DELRAY BEACH, FLORIDA, BY AMENDING CHAPTER 33 "POLICE AND FIRE-RESCUE DEPARTMENTS" BY AMENDING PROVISIONS OF THE FIREFIGHTERS' RETIREMENT SYSTEM; AMENDING SECTION 33.76, "BENEFIT AMOUNTS AND ELIGIBILITY"; AMENDING SECTION 33.79, ADMINISTRATION"; AMENDING SECTION 33.81, "OTHER PROVISIONS"; CREATING A NEW SECTION 33.92, "SHARE PLAN"; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE.

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

<u>Section 1.</u> <u>Code Amended.</u> That Section 33.76 of the City Code of Ordinances is hereby amended to read as follows:

Sec. 33.76. – Benefit amounts and eligibility.

* * *

(B) Normal Retirement Benefit.

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- (2) Amount.
 - (d) Notwithstanding any other provision of the system, effective October 5, 2016, the maximum annual benefit in the normal benefit form at the time of retirement shall be one hundred thousand dollars (\$100,000.00); provided, in no event shall a member's total benefit be less than two (2) percent of average monthly earnings for each year of continuous service. This maximum benefit amount shall be increased annually by two (2) percent, effective October 1, 2016, and each October 1 thereafter. The maximum annual benefit provided in this paragraph shall not apply to any member who attained the normal retirement date before October 5, 2016.

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<u>Section 2.</u> <u>Code Amended.</u> That Section 33.79 of the City Code of Ordinances is hereby amended to read as follows:

Sec. 33.79. - Administration.

- (A) Effective October 1, 2016, the general administration and responsibility for the proper operation of the retirement system and for making effective the provisions of this subchapter are vested in a board of trustees consisting of five (5) members as follows:
 - (1) Two (2) legal residents of the City to be appointed by the City Commission;
 - (2) Two (2) full-time City firefighters as defined in F.S. § 175.032, to be elected by all active members as provided herein; and
 - (3) A fifth member, who shall be chosen by a majority of the other four (4) members. Such person's name shall be submitted to the City Commission, which shall, as a ministerial act, appoint such person to the board of trustees.
- (B) Each appointed member shall serve as trustee for a period of four (4) years, unless sooner replaced by the City Commission, at whose pleasure he or she serves, and may succeed himself or herself as a trustee. Each elected firefighter member shall serve as trustee for a period of four (4) years, unless he or she sooner leaves the employment of the City as a firefighter, whereupon a successor shall be chosen in the same manner as the original election. Each elected firefighter trustee may succeed himself or herself in office. The fifth member shall have the same rights and duties as the other trustees, shall serve as trustee for a period of <u>four (4)two (2)</u> years, and may succeed himself or herself in office.

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<u>Section 3.</u> <u>Code Amended.</u> That a new subsection (I) is added to Section 33.81, "Other Provisions" of the City Code of Ordinances to read as follows:

Sec. 33.81. – Other Provisions.

* * *

(I) A member who retires and begins to receive retirement income may, following cessation of all City employment for a period of at least thirty (30) days, return to City employment in a part-time capacity and continue receiving retirement income from the plan. In no event shall such reemployment be arranged or agreed to prior to the member's retirement.

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Section 4. Code Amended. That a new section 33.92, "Share Plan", is created to read as follows:

Sec. 33.92. – Share Plan.

A defined contribution plan component ("share plan") is hereby established in accordance with section 175.351(6), F.S. The share plan shall be funded solely by premium tax revenues received by the city pursuant to F.S. Ch. 175, and allocated to the share plan; however, nothing herein shall be construed to require funding of, or guarantee a benefit under this section. The share plan shall not be activated until Ch. 175 premium tax revenues are allocated to the share plan. At such time as the city and union mutually agree to allocate Ch. 175 premium tax revenues to the share plan, the city and union will negotiate the details of the share plan.

<u>Section 5.</u> <u>Severability.</u> The provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

<u>Section 6.</u> <u>Inclusion in the Code.</u> It is the intention of the City Commission, and it is hereby ordained that this Ordinance shall become and be made a part of the City of Delray Beach City Code; that the sections of this Ordinance may be renumbered or relettered to accomplish such intention; and that the word "Ordinance" shall be changed to "Section" or other appropriate word.

<u>Section 7.</u> <u>Effective Date.</u> That this Ordinance shall be effective immediately upon its passage on second and final reading.

| PASSED AND ADOPTED in regular sday of, 2018. | ession on second and final reading on this the |
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| Attest: | M AY O R |
| City Clerk | |
| First Reading Second Reading | |
| Approved as to form and legal sufficiency: | |
| R. Max Lohman, City Attorney | |

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