

**Hallandale Beach  
Police Officers and Sergeants Bargaining Unit  
City Proposal Summary**

1. Two contracts:
  - a) Oct. 1, 2018 to Sept 30, 2020 and,
  - b) Oct. 1, 2020 to Sept 30, 2023.
2. Institute a \$100 bi-weekly night shift differential (currently set amount of \$50 bi-weekly).
3. Salary incentives:
  - a. 2.5% Cost of Living Adjustment (COLA) retroactive to October 1, 2020.
  - b. 3% COLA effective Oct. 1, 2021,
  - c. 3% COLA effective Oct. 1, 2022.
4. Incorporate Section 30.3 amendment to require police participant in medical coverage advisory committee be a member of the bargaining unit member, recommended by the representatives and approved by the IUPA president.
5. The following changes to the city pension plan:
  - a) Employee contributions increase to 10.5% effective October 1, 2021 and 11.5% effective October 1, 2022.
  - b) A change in the average final compensation (AFC) period to high four (4) full calendar years. Those members that are within the last four (4) full calendar years before retirement (with 25 years credit) or entry into the DROP program (with 25 years credit), will be grandfathered in and their AFC will be based on the number of full years of service they have remaining, no less than the last 2 full calendar years, before retirement or entry into the DROP program, whichever is first. Members eligible for normal retirement with less than 25 years of service credit that retire or enter DROP prior to 03-30-2024 will be grandfathered and their AFC will be based on the last 2 full calendar years.
  - c) The Pension Cap for Tier I will immediately increase to **\$110,000**; and any such bargaining unit member who reaches the cap and who was otherwise eligible to receive cost of living adjustments on his/her benefit is permitted to earn up to eight (8) 2% pension cost of living adjustments on his/her benefit after reaching the \$110,000 cap. The 80% of AFC cap still applies.
  - d) The Pension Cap for Tier II will immediately increase to **\$110,000**. The 75% of AFC cap still applies.
  - e) During DROP participation, all Tier I members who enter the Deferred Retirement Option Plan ("DROP") on or after ratification date, will earn annual interest credits equal to the net market rate of return on City Plan investments during the preceding plan year, with a minimum of 0% and a maximum of 6%. Any additional funds will remain within the plan.
  - f) Members entering the DROP may elect to receive payment of accrued vacation time into a non-pension plan tax-deferred (i.e. ICMA 457 Plan) account when entering, subject to a cap of 336 hours and IRS regulations. However, members electing to do this will not be allowed to carry over vacation time from year to year.
  - g) DROP plan for Tier II members.

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- a. Must have completed 25 years of credited service, regardless of age (including the purchase of service time)
  - b. Total years of participation in the DROP cannot exceed five (5) years.
  - c. Option must be selected within ninety (90) days of eligibility.
  - d. Decision to participate in the DROP is irrevocable.
  - e. Interest credit is based on net plan earnings on DROP balances. No guarantee of returns.
6. Effective upon the start of the first payroll after ratification date, the City will contribute a 1% salary match to the voluntary 401(a) Match Plan and suspend contributions to the Retirement Health Savings Account. (members will continue to contribute their current rate of 401(a) Match Plan contribution)
7. City will continue to participate in Ch. 185, F.S. subject to approval of the following:
- a) The Union agrees that all Ch. 185 premium tax revenues will continue to be used to offset City pension contributions.
  - b) The Pension Ordinance shall be amended in accordance with Florida Statutes Ch. 175 and 185 to state the following (including c, d, and e, pending drafting of language as indicated in d):

The Board shall not amend the provisions of the Plan without the approval of the Hallandale Beach City Commission. The Board of Trustees will administer the pension plan in accordance with the pension ordinance as written. Nothing in this Agreement shall otherwise diminish or impair the authority of the Board of Trustees to exercise the exclusive authority of the Board to administer the Plan.
  - c) The Board shall provide the City written notice of any action it intends to take that may be reasonably expected to increase the City's contribution thirty (30) days prior to the effective date of any such action. Such notice shall specifically describe the action, the reason for the action and an estimate from the actuary of the anticipated cost. This notice requirement does not apply to 1) board action approving a change to the actuarial assumptions mandated by statute or regulation, 2) investment-related board action, 3) adoption of an assumed rate of return, or 4) board action affecting only one member.
  - d) In the event the City's annual contribution, as determined by the annual actuarial valuation, increases by \$125,000 or more due to an action or directive of the Pension Board, the employee contribution will be increased by up to 5% of pensionable earnings to offset the increase until the issue is resolved. The maximum increase of 5% is cumulative of all increases and in no event shall the total number of increases pursuant to this paragraph exceed 5%. (Pending drafting of language to properly define the method of determining the amount to be allocated to the city and the police union.)
  - e) Paragraph (d) does not apply to increases resulting from changes to actuarial assumptions mandated by statute or regulation the Division of Retirement, increases resulting from investment losses, increases resulting from changes to the assumed rate of return, increases resulting from action of the Pension Board that affects only one member, or adoption of the annual actuarial valuation.
8. A reopener for the purpose of opting out of Ch. 185 if an event in 7(d) is triggered and no resolution is reached.

March 2, 2021

TENTATIVE AGREEMENT REACHED



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9. Article 14.1 - Sergeant rating shall be filled within sixty (60) days ... (currently 30 days). If a Civil Service Board approved Police Sergeant ranking list exists and has an expiration date less than 60 days, but more than 30 days at the time the position becomes vacant, a promotion shall be made prior to the expiration of the list.

10. Sick Leave payout:

There shall be no maximum cap on the accumulation of sick leave for employees, and upon permanent separation from the City, an employee or the employee's designated beneficiary will be paid for accumulated sick leave upon separation as follows:

- a. Death – One hundred percent (100%).
- b. Retirement or resignation after completion of twenty (20) years of service - One hundred percent (100%) of accumulated balance up to 640 hours.
- c. Retirement or resignation after completion of fifteen (15) years of service, but less than twenty (20) years of completed service – Seventy-five percent (75%) of accumulated balance up to 480 hours.
- d. Retirement or resignation after completion of ten (10) years of service, but less than fifteen (15) years of completed service – fifty percent (50%) of accumulated balance up to 320 hours.
- e. Retirement or resignation with less than ten (10) years of service – no payment of accrued sick leave.
- f. Termination by City or Separation Not in Good Standing – no payment of accrued sick leave regardless of years of service. (need definition of "Not in Good Standing")

11. Annual Sick Leave Buy Back

- a. Annual Sick Leave Buy Back will increase to 60 hours (currently 48 hours) for employees that do not use any sick time-off hours during the previous Fiscal Year. Employees that utilize time will continue to be able to sell back up to 48 hours (calculated as sick time hours earned in previous fiscal year minus the sick time hours used, after which the balance is multiplied by 50%)

TENTATIVE AGREEMENT REACHED

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### **Addendum to IUPA Summary Tentative Agreement of 03-01-2021**

The following changes and/or clarifications to the Summary Tentative Agreement were agreed upon pursuant to the Collective Bargaining Session of March 8, 2021:

1. Number 5(b) is replaced with the following:

For Tier I, a change in the average final compensation (AFC) period to high four (4) full calendar years. Members retiring prior to 1/1/2025 with normal retirement will be able to select AFC of either high 4 or last 2.

2. A provision will be added to Number 5 as follows:

(h) Tier I will receive a COLA for pre-2013 service. The prorated COLA will be based on years of service and service time purchased prior to the effective date of the 2013 Pension Ordinance. The pre-2013 COLA will be paid as a percent of the full-benefit after all other current COLA benefits have been paid. For example, any member that earned 12.5 years of service (50% of service credit) prior to the 2013 pension ordinance effective date and retires at the pension cap benefit of \$110,000 will first receive the current 8 COLAs of 2%, after which time the member will continue to receive a 1% COLA (2\* 50% of service credit). [Pending specific drafting of language in CBA]

3. Number 7 will be replaced as follows. However, language will be added to limit the applicability to future decisions of the pension board, to exclude actions required by order of a court of law and to incorporate a reopener for actions resulting from future litigation settlements.

The parties agree that the Pension Plan Documents shall be amended by ordinance in accordance with Florida Statutes Ch. 175 and 185 to state the following:

- a) The Board shall not amend the provisions of the Plan without the approval of the Hallandale Beach City Commission. The Board of Trustees will administer the pension plan in accordance with the pension ordinance as written. Nothing in this Agreement shall otherwise diminish or impair the authority of the Board of Trustees to exercise the exclusive authority of the Board to administer the Plan.
- b) The Board shall provide the City and Union representatives written notice of any action it intends to take that may be reasonably expected to increase the City's contribution sixty (60) days prior to the effective date of any such action. Such notice shall specifically describe the action, the reason for the action and an estimate from the actuary of the anticipated cost. The cost must include the overall change to the UAAL and the dollar impact to the annual contribution for the current year. This notice requirement does not apply to 1) board action approving a change to the actuarial assumptions mandated by statute or regulation, 2) investment-related board action, 3) adoption of an assumed rate of return, or 4) board action affecting only one member.
- c) Should the pension board approve any action contemplated pursuant to paragraph (b), the actuary must identify, in the actuarial valuation, the annual dollar increase attributed to the action. In the event the City's annual contribution, as determined by the annual actuarial valuation, increases by \$125,000 or more due to an action or directive of the Pension Board, the employee contribution will be increased by up to 5% of pensionable earnings to offset the increase until the issue is resolved. The maximum increase of 5% is

*Addendum to Tentative Agreement updated 3/8/21*

*Ben* 3-11-21

*Signed [Signature]*

cumulative of all increases and in no event shall the total number of increases pursuant to this paragraph exceed 5% at any given time.

- d) Paragraph (c) does not apply to increases resulting from changes to actuarial assumptions mandated by statute or regulation the Division of Retirement, increases resulting from investment losses, increases resulting from changes to the assumed rate of return, increases resulting from action of the Pension Board that affects only one member, or adoption of the annual actuarial valuation.
- e) The amount of the Police member contribution increase required pursuant to paragraph (c) shall be calculated in accordance with this paragraph.
  - i. The total amount of the annual increase shall be divided by half, one half to be considered "City's Additional Contribution Total" and one half to be considered "Members Additional Contribution Total," except that City's Additional Contribution Total shall not be less than \$125,000.
  - ii. The Members Additional Contribution Total will be multiplied by the ratio of active Police members to active Fire members of the Plan. For example, if 70% of active plan members are Police, the Members Additional Contribution Total will be multiplied by 0.7. This sum will be the Police Additional Contribution Total.
  - iii. The Police Additional Contribution Total will be divided by 1% of the previous year's active police members' pensionable earnings. The total shall be the percentage of increased employee contribution for the purposes of paragraph (c).

The City may reopen this Agreement for the purpose of opting out of Ch. 185 if an event in paragraph (c), above, is triggered and no resolution is reached within 90 days.

4. Number 10(f) shall be replaced with the following:

Termination by City or Separation Not in Good Standing – no payment of accrued sick leave regardless of years of service. Solely for the purposes of this Section, "Not in Good Standing" is defined as separation:

- (i) With less than fourteen (14) days notice; or
- (ii) While member is on notice that there is a pending criminal investigation or prosecution. However, if member is subsequently cleared in the criminal investigation, acquitted of criminal charges or if the criminal charges are dropped and the investigation closed, the member will then be paid the sums due pursuant to this section; or
- (iii) While member is on notice that there is a pending administrative investigation, having previously received written notification of the investigation; or
- (iv) While member is on notice that the City is considering or has determined member is subject to discipline or termination, having previously received written notice of the potential for discipline. If the City issues discipline, then, for the purposes of this paragraph, member is no longer considered "Not in Good Standing" once the discipline is served.

The term "Not in Good Standing" is defined for the sole purpose of payouts upon separation pursuant to this section and may not be utilized to interpret any other section or provision of this Agreement.

ADDENDUM TO TENTATIVE AGREEMENT UPDATED 3/8/21

 3-11-21

Signed 