

MEMORANDUM OF UNDERSTANDING  
BETWEEN CITY OF HALLANDALE BEACH  
AND  
FRATERNAL ORDER OF POLICE, Lodge 196

This Memorandum of Understanding is entered into this \_\_\_\_ day of \_\_\_\_\_, 2026 by and between the City of Hallandale Beach (the “City”) and the Fraternal Order of Police (FOP), Lodge 196 (the “Union”). The City and the Union are collectively referred to as the “Parties.”

**WHEREAS**, the Parties entered into a collective bargaining agreement for the period of October 1, 2023 to September 30, 2026, which sets forth the terms and conditions of employment of the City’s police officers and police sergeants (collectively, the “sworn members”), including retirement benefits; and

**WHEREAS**, the City maintains a defined benefit pension plan for its sworn members as stated in Chapter 21, Article IV of the City Code of Ordinances, known as the Hallandale Beach Police and Fire Pension Plan (“Plan”); and

**WHEREAS**, the Plan provides a two-tier retirement benefit for sworn members, with Tier One members’ normal retirement benefit calculated using 3.20% of Final Average Compensation for all years of Credited Service (i.e., a 3.20% multiplier), and Tier Two members’ normal retirement benefit calculated using 3.00% of Final Average Compensation for all years of credited service (i.e., a 3.00% multiplier); and

**WHEREAS**, the City desires to amend the Plan to base normal retirement benefits using a 3.2% multiplier for Tier Two members; and

**WHEREAS**, the Plan calculates Final Average Compensation using the police members’ average monthly rate of pensionable earnings for the highest four full calendar years or the highest five most recent calendar years for Tier One and Tier Two, respectively; and

**WHEREAS**, the City desires to amend the Plan to calculate Final Average Compensation using the monthly rate of pensionable earnings for the highest two full calendar years for both police tier one and tier two members; and

**WHEREAS**, the Plan permits sworn members to participate in a Deferred Retirement Option Plan (“DROP”) for up to five (5) years; and

**WHEREAS**, the City desires to amend the Plan to provide for an eight-year DROP and to permit an extension for those sworn members currently in DROP; and

**WHEREAS**, to implement the changes related to the Tier Two multiplier, the Average Final Compensation calculation, and extension of the DROP participation period, it is necessary for the parties to collectively bargain the subject in accordance with the requirements under Chapter 447, Florida Statutes; and

**WHEREAS**, the City and the Union desire to memorialize their agreement regarding the change in the police Tier Two multiplier, the calculation for the Final Average Compensation, and the DROP participation period, as provided in this Memorandum of Understanding (“MOU”).

**NOW, THEREFORE**, in consideration of the promises and the mutual covenants contained in this Agreement, the Parties hereby agree to the following:

1. The above recitals are true and correct and incorporated herein by reference.
2. The Parties agree that the following terms of this MOU will be incorporated into the Settlement and Pension article in the next successive collective bargaining agreement.
  - a. Effective February 15, 2026, police tier two members’ normal retirement benefit will be based on using 3.2% of final average compensation for all years of credited service; and
  - b. Effective February 15, 2026, the Final Average Compensation shall be calculated using the police members’ average monthly rate of pensionable earnings for the highest two full calendar years; and
  - c. For police members who enter the DROP on or after February 15, 2026, the maximum DROP participation period shall be eight (8) years. For those members who entered DROP prior to February 15, 2026, the maximum DROP participation period is five (5) years, except that, effective February 15, 2026, members who are participating in the DROP on that date may extend their DROP participation period for up to three (3) years beyond the five (5) year maximum DROP participation period.
3. The Parties will direct the Plan’s professional, technical, or other advisors to effectuate the DROP extension in accordance with the Code of Ordinances.

**For:**

FRATERNAL ORDER OF POLICE,  
LODGE 196

\_\_\_\_\_  
NAME

FOP President, Lodge 196

Dated: \_\_\_\_\_

**For:**

**HALLANDALE BEACH**

\_\_\_\_\_  
Dr. Jeremy Earle  
City Manager

Dated: \_\_\_\_\_

**APPROVED TO LEGAL FORM**

By: \_\_\_\_\_  
City Attorney Attorney