

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into this 26 day of November, 2014 by the City of Miramar, a Florida municipal corporation (the "City"), and the Broward County Police Benevolent Association, Inc. ("PBA") (collectively referred to as the "Parties").

WHEREAS, the City and PBA are parties to a Collective Bargaining Agreement ("CBA") covering the period October 1, 2012 through September 30, 2015, which sets forth the terms and conditions of employment of members of the PBA bargaining unit; and

WHEREAS, Article 11.2(f) of the CBA provides that PBA bargaining unit members may cash out sick leave hours as follows:

Upon retirement, resignation with two (2) weeks' notice and layoffs [sic], accumulated sick leave will be paid on the basis of the following schedule:

<u>Years of Service</u>	<u>Percent of Sick Leave Paid</u>
0-10 Years	0%
10-20 Years	*50%
Over 20 Years (or upon normal retirement)	*100%

*No employee will be paid more than 1200 hours of sick leave; and

WHEREAS, Chapter 4.25.1 (6) of the City's Administrative Procedures and Directives Policy Manual ("APDP Manual") states that a City employee's cap on sick leave payouts is a "career" cap (i.e., a cumulative cap for all sick leave paid out or transferred to an employee's qualified retirement account such as the Deferred Retirement Option Program ("DROP") throughout the course of a bargaining unit member's City career); and

WHEREAS, the City recently determined that it was unwittingly not counting sick leave hours cashed out or transferred into DROP prior to a PBA bargaining unit member's separation

against the member's 1200 hour "career" sick leave cap and, as such, the City notified the PBA of its intent to apply all hours cashed out or transferred into DROP by PBA bargaining unit members against each such member's 1200 hour "career" cap; and

WHEREAS, the PBA contends that Article 11.2(f) of the CBA only sets forth a cap on sick leave that may be paid out upon separation and that the "career" cap set forth in Chapter 4.25.1 (6) of the APDP Manual does not apply to PBA bargaining unit members; and

WHEREAS, the Parties also disagree as to whether "Years of Service" referred to in Article 11.2(f) of the CBA includes years of "Credited Service" for pension purposes that a bargaining unit employee does not work for the City; and

WHEREAS, the Parties recognize that the resolution of their differences in a manner favorable to their respective interests cannot be reasonably predicted and that litigation and/or administrative action to resolve these differences will require the expenditure of significant funds and resources by both Parties; and

WHEREAS, the Parties hereto prefer to enter into a compromise in order to avoid the uncertainties and expense of further proceedings.

NOW THEREFORE, the Parties agree as follows:

1. The above recitals are true and correct and incorporated herein by reference.
2. **Application of Career Caps to Sick Leave Payouts and Transfers:** The Parties agree that the 1200 hour cap on sick leave payouts referenced in Article 11.2(f) of the CBA is a "career" cap (i.e., a cumulative cap for all sick leave paid out or transferred to DROP throughout the course of a bargaining unit member's City career) that applies to all bargaining unit members regardless of date of hire. As such, bargaining unit members will not be permitted to cash out or transfer into the DROP any hours in excess of 1200 hours

over the course of their careers. Bargaining unit members who, as of the date of ratification of this Agreement, have already received sick leave payouts or DROP transfers that exceed 1200 hours over the course of their career will not be eligible for any further sick leave payout or transfer. However, sick leave payouts made under emergency or extenuating circumstances prior to ratification of this Agreement shall not count against a member's 1200 hour career cap.

3. **Calculation of Years of Service:** The Parties agree that "Years of Service" under Article 11.2(f) of the CBA shall include time spent in compulsory military service for the United States by a bargaining unit member, provided that such time counts as "Credited Service" under Section 15-166 of the City Code and/or time spent in prior law enforcement service that the City's Police Officers Retirement Plan treats as "Credited Service" pursuant to the Plan's Administrative Rules Regarding Buybacks of Military and Prior Police Service.

4. **Cash Out Upon Death.** The Parties further agree that a member's beneficiaries shall receive a payout for a member's accumulated sick leave (up to the 1200 hour "career" cap) upon a member's death.

5. **Minimum Leave Balance.** All members electing to participate in the DROP program shall uniformly be required to transfer any accumulated leave balance above five hundred (500) hours into that member's DROP account on an annual basis, subject to the maximum annual limit set forth by the IRS each year. Members shall also be required to maintain a minimum of three hundred (300) hours of sick leave and eighty (80) hours of vacation leave within the 500 hour total, which shall be ineligible for transfer.

6. The Parties agree that this Memorandum of Understanding represents the Parties' entire agreement and it cannot be amended or modified without the express written consent of the Parties.

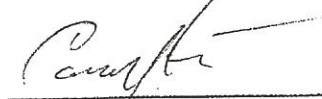
7. The Parties have had the opportunity to consult with legal counsel prior to executing this Memorandum of Understanding.

8. The Parties signify their agreement with this Memorandum of Understanding by affixing their signatures below.

9. The Parties agree and understand that this Memorandum of Understanding will not be effective unless and until it is ratified by the City and PBA. If the Memorandum of Understanding is not fully ratified, it will be null and void.



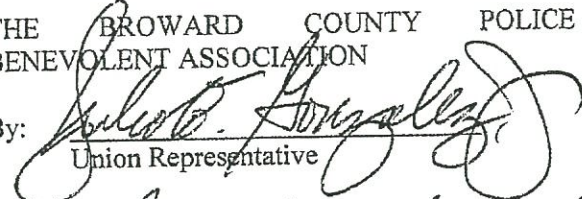
CITY OF MIRAMAR, FLORIDA



Sam Hinojosa
Director of HR

Date: 11/26/2014

THE BROWARD COUNTY POLICE
BENEVOLENT ASSOCIATION

By: 
Union Representative

Date: November 24, 2014

