

MEMORANDUM OF UNDERSTANDING WITH REGARD TO ALL SWORN LAW ENFORCEMENT OFFICERS AND GENERAL EMPLOYEES WITHIN BARGAINING UNITS CERTIFIED BY THE FLORIDA PUBLIC EMPLOYEES RELATIONS COMMISSION NUMBERED 1236 AND 1807 REPRESENTED BY THE PALM BEACH COUNTY POLICE BENEVOLENT ASSOCIATION, INC. AND PARTICIPATING IN THE CITY OF GREENACRES FIREFIGHTERS AND PUBLIC SAFETY OFFICERS RETIREMENT PLAN AND TRUST AND 401A DEFINED CONTRIBUTION PLAN.

The **CITY OF GREENACRES, FLORIDA** (hereinafter the “City”) and the **PALM BEACH COUNTY POLICE BENEVOLENT ASSOCIATION, INC.** (hereinafter the “PBA”) agree that effective upon this document’s execution by the Parties as follows:

Sworn Law Enforcement Officers

Continued Participation

1. That the **FIREFIGHTERS AND PUBLIC SAFETY OFFICERS RETIREMENT PLAN AND TRUST** (hereinafter the “City Retirement Plan”) shall remain open by mutual consent to all sworn law enforcement officers participating in the City Retirement Plan at the time of this document’s execution, and that said City Retirement Plan shall continue in full force and effect for all sworn law enforcement participants and beneficiaries notwithstanding the City’s Law Enforcement Services Agreement with the Palm Beach County Sheriff’s Office (hereinafter “PBSO”), subject to the contingency in paragraph 6;

2. **Election**

That all sworn law enforcement participants in the City Retirement Plan shall be afforded the option of continuing in the City Retirement Plan or entering the Florida Retirement System (“FRS”); which option shall be exercised at each participant’s discretion as provided by Florida law;

3. **Chapter 185 Funds**

By mutual consent the City shall continue its participation in Chapter 185, Florida Statutes and continue to receive the State premium tax revenue monies pursuant to Chapter 185, Florida Statutes (hereinafter, the “Chapter 185 revenue”), subject to the contingency in paragraph 6 below. By mutual consent it is agreed that the first \$170,000 of Chapter 185 revenue received each year shall be used to reduce the City’s annual contribution to the City Retirement Plan. By mutual consent it is agreed that the next \$57,400 of Chapter 185 revenue (above the first \$170,000) received each year shall be placed in a Contribution Reserve Account, to be maintained and used as provided herein. By mutual consent it is agreed that the Contribution Reserve Account shall be capped at a maximum funding amount of two million dollars (\$2,000,000). It is further agreed between the Parties by mutual consent that the next \$4,200 of Chapter 185 revenue (above the first \$227,400) received each year shall be allocated to law

enforcement officers' share accounts; which \$4,200 shall be divided equally among the existing share accounts.

By mutual consent it is agreed that the Chapter 185 revenues allocated to the sworn law enforcement officers' share accounts shall be applied in the full amount each year to fund said accounts until the death of the last remaining share account participant.

It is understood and agreed that upon sworn law enforcement officer participants' election to participate in the Florida Retirement System ("FRS"), the share accounts of said law enforcement officers who are not vested in the City Retirement Plan shall be applied to the Contribution Reserve Account.

By mutual consent it is agreed that all annual Chapter 185 revenue in excess of \$231,600 shall be used to reduce the City's annual contribution to the City Retirement Plan or placed in the Contribution Reserve Account, as determined by the City.

It is understood and agreed that the Contribution Reserve Account may be used to cover shortfalls occasioned by lower than expected returns on investments, other actuarial losses, or to make up any shortfall resulting from PBSO employer contributions to the City retirement Plan that are less than the required employer contribution amount, as determined by the City.

Employee Contribution

4. It is agreed that by mutual consent all sworn law enforcement officer participants in the City Retirement Plan shall continue to contribute four percent (4%) of their salary to the City Retirement Plan.

Pension Funding Calculation

5. It is agreed by mutual consent that the monies within the Contribution Reserve Account created hereby within the City Retirement Plan shall be maintained and accounted for separate and apart from all other monies within the City Retirement Plan, and that said monies shall not be calculated together with the City Retirement Plan monies unless and until Contribution Reserve Account funds have been allocated to the main City Retirement Plan account for sworn law enforcement officers, as provided herein. Accordingly, it is understood and agreed that actuarial calculations shall be based upon the law enforcement officers' funds exclusive of the monies within the Contribution Reserve Account.

Plan Funding

6. By mutual consent the City shall continue to comply with Chapter 185, Florida Statutes pertaining to the funding of the City Retirement Plan and the contribution rates as determined by the City Retirement Plan's annual Actuarial Valuation. The agreement to keep the City Retirement Plan open and continue to comply with Chapter 185, Florida Statutes is contingent on obtaining confirmation from the Florida Division of Retirement that the City Retirement Plan is eligible to receive Chapter 185 premium tax revenues for as long as allocations are made to the share accounts of sworn law enforcement officers or retired law enforcement officers, regardless of the funded status of the City Retirement Plan.

It is agreed by mutual consent, further, that all law enforcement members participating in the City Retirement Plan shall have their retirement funds actuarially calculated separate and apart from all other non-sworn law enforcement officer participants in the City Retirement Plan for the purpose of calculating the law enforcement officer participants' funding rate and share account monies.

7. By mutual consent it is agreed that all sworn law enforcement officers who remain in the City Retirement Plan after the effective date of this Agreement who become PBSO employees shall be eligible to retire and receive benefits from the City Retirement Plan upon attaining the applicable age and/or years of service, and separation from PBSO employment. If a retired law enforcement officer returns to PBSO employment within six (6) months following separation, the City retirement would be suspended, the employee would have to pay back the City retirement benefits received and would not be eligible to receive any more City retirement benefits until they separate from PBSO employment for the required six (6) month period. The City agrees that in the event a DROP program is implemented for City firefighters, the City will consider providing a DROP program for sworn law enforcement officers who are participating in the City Retirement Plan at that time.
8. It is understood and agreed that all certified firefighters and their beneficiaries participating in the City Retirement Plan shall have no rights with regard to, and/or receive any benefits funded from, Chapter 185, Florida Statutes revenue received by the City. It is understood and agreed that all sworn law enforcement officers and their beneficiaries participating in the City Retirement Plan shall have no rights with regard to, and/or receive any benefits funded from, Chapter 175, Florida Statutes revenue received by the City.

General Employees

9. That the City of Greenacres 401A Defined Contribution Plan (hereinafter the "City DC Plan") shall be closed to general employees in bargaining units represented by the PBA on the date such employees become PBSO employees, such employees shall be fully vested in their City DC Plan accounts on that date, and no further employer or employee contributions shall be made to the City DC Plan on behalf of such employees on or after that date. The general employees who are participating in the City DC Plan on the date such employees become PBSO employees shall be able to keep their account in the City DC Plan, or transfer their account balance to an IRA or other qualified retirement plan in accordance with the provisions of the City DC Plan and applicable law.
10. That all general employees in bargaining units represented by the PBA and participating in the City DC Plan at the time the Law Enforcement Services Agreement with PBSO takes effect shall be able to join the Florida Retirement System upon becoming a PBSO employee, in accordance with applicable law.

THE CITY AND THE PBA AGREE FURTHER

11. That this Memorandum of Understanding shall be effective from its full execution and ratification by the Parties; and,

12. That the Parties have full legal authority to enter into this Memorandum of Understanding.

IN WITNESS THEREOF, the Parties have caused this Memorandum of Understanding to be signed by their duly authorized representatives this _____ day of January, 2016.

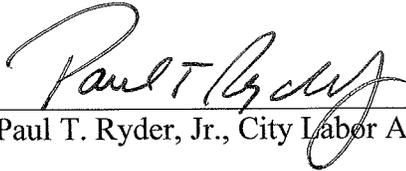
FOR THE CITY

FOR THE PBA



Thomas J. Lanahan, Acting City Manager

John Kazanjian, President



Paul T. Ryder, Jr., City Labor Attorney

Gary Lippman, General Counsel