

**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF LAUDERHILL AND TEAMSTERS LOCAL 769**

This Memorandum of Understanding is entered into this \_\_\_\_\_ day of May, 2020 by and between the City of Lauderhill, Florida (the “City”), and Teamsters Local 769 (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, 2018 to September 30, 2021 (“CBA”), which sets forth the terms and conditions of employment of the City’s civilian employees; and

**WHEREAS**, these civilian employees are members of the City of Lauderhill General Employees Pension Fund (the “Plan”), a defined benefit pension plan sponsored by the City, the terms of which are codified in the City’s Code of Ordinances (“Code”) and the CBA; and

**WHEREAS**, members of the Plan are divided into tiers based on date of hire with the City; and

**WHEREAS**, Section 2-73 of the Code provides that participation in the Plan’s deferred retirement option plan (hereinafter, the “DROP”) is limited to Tier One Plan members and based upon eligibility for normal retirement and, prior to October 1, 2018, was limited to those members who had attained twenty (20) years of service, regardless of age; and

**WHEREAS**, a proposed change to Section 2-73 of the Code provides that, effective October 1, 2018, DROP participation for Tier One Plan members shall be based upon eligibility for normal retirement, the date on which the sum of a member’s age and years of service equals seventy-five (75) (hereinafter the “Rule of 75”); and

**WHEREAS**, Article 20 of CBA, which contains the Parties’ agreement with respect to pension benefits, provides that Tier One Plan members who reach normal retirement age shall be eligible to participate in the DROP and Tier One Plan members who currently have more than twenty (20) years of service are eligible to participate in the DROP; and

**WHEREAS**, the Parties recognize that the proposed change to Section 2-73 of the Code is in conflict with the CBA; and

**WHEREAS**, the Parties wish to modify Article 20 of the CBA such that DROP eligibility is consistent with the proposed changes to the Code; and

**WHEREAS**, the Parties recognize that this Memorandum of Understanding only modifies Article 20 of the CBA and does not modify any other Article contained in the CBA, and that this Memorandum of Understanding will not be used in any way by either Party to constitute or be considered a past practice.

**NOW, THEREFORE**, the Parties agree as follows:

1. The above recitals are true and correct and incorporated herein by reference.

2. Article 20 of the CBA is amended as follows:<sup>1</sup>

**ARTICLE 20 – PENSION PLAN**

\* \* \*

SECTION 11. The City agrees to take the appropriate steps to implement the following Pension Plan benefits as soon as practicable.

- A. Pension buy-back for years of service back to date of hire with total actuarial cost paid by the employee.
- B. Pension buy-forward for up to five years with total actuarial cost paid by the employee.
- C. Effective October 1, 2018, Tier One Employees who reach the date on which the sum of their age and years of service with the city equals seventy-five (75) (the “Rule of 75”) normal retirement age shall be eligible to participate in a Deferred Retirement Option Program (“DROP”) for a maximum of sixty (60) months. When employees attain Tier One members who had attained twenty (20) years of service, regardless of age, on or before December 31, 2018 they may also enter the DROP plan. DROP participants will receive actual investment return whether positive or negative on funds in the DROP.
- ~~D. Tier One Employees who currently have more than twenty (20) years of service, are eligible to participate in the DROP.~~

\* \* \*

- 3. The Parties agree that this Memorandum of Understanding represents the Parties’ entire agreement and it cannot be amended or modified without the express consent of the Parties.
- 4. The Parties have had the opportunity to consult with legal counsel of their choosing.
- 5. The Parties signify their agreement with this Memorandum of Understanding by affixing their signatures below.
- 6. This Memorandum of Understanding shall become effective the date on which it is fully ratified by the Parties.

**TEAMSTERS LOCAL 769,  
LODGE #161**

**CITY OF LAUDERHILL, FLORIDA**

By: \_\_\_\_\_

By: \_\_\_\_\_

Desorae Giles-Smith  
Interim City Manager

\_\_\_\_\_

<sup>1</sup> Proposed additions to the CBA are indicated by underline and deletions indicated by ~~strike~~.