

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF HOLLYWOOD, FLORIDA AND THE
HOLLYWOOD, FLORIDA, CITY EMPLOYEES LOCAL NUMBER 2432
OF THE AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES, A.F.L.-C.I.O. PROFESSIONAL EMPLOYEES**

This Memorandum of Understanding (“MOU”) is entered into this ____ day of _____ 2025, by and between the City of Hollywood, Florida (“City”) and the Hollywood, Florida, City Employees Local Number 2432 of the American Federation of State, County and Municipal Employees, A.F.L.-C.I.O. (“Union” or “AFSCME”) (collectively referred to as the “Parties”), with regard to all City employees whose job classifications are included within the Professional Collective Bargaining Agreement represented by the Union.

WHEREAS, the Parties entered into Collective Bargaining Agreement for the period of October 1, 2022, to September 30, 2025 (“CBA”), which sets forth the terms and conditions of employment of the City’s Professional Employees (the “Bargaining Unit Members”); and

WHEREAS, Article 18 of the CBA, Pension and Pension Plan, collectively constitute the Parties’ agreement with respect to the pension benefit, and incorporates the City of Hollywood Employees’ Retirement Fund (“Retirement Plan”), as is more fully set forth in Chapter 33 of the City’s Code of Ordinances; and

WHEREAS, Section 18.2.b. currently only allows eligibility for “Group One Restored Members” to participate in the Deferred Retirement Option Plan (“DROP”), in accordance with specific terms and conditions; and

WHEREAS, the City wishes to modify the terms and conditions for all members in Group One, Group Two, and Group Three regarding their eligibility to participate in the DROP, including, but not limited to, their ability to continue or otherwise resume work as a City employee after their completion of the DROP; and

WHEREAS, the Parties have met to negotiate such changes, and wish to memorialize their approval of the revised terms and conditions for DROP eligibility, participation, continuation and/or resumption of work after completion of the DROP; and

WHEREAS, the Parties recognize that this MOU only clarifies Article 18 of the CBA regarding DROP eligibility, participation and continuation and/or resumption of work after completion of the DROP, and distribution of DROP account balances for certain members of the Retirement Plan whose job classifications are covered by a CBA entered into and in effect by and between the Parties; and

WHEREAS, the Parties acknowledge that this MOU shall only become effective upon: (1) approval by a majority of members of the bargaining unit in each of the three bargaining units represented by the Union; (2) approval by a majority of the members of the City of Hollywood Employees Retirement Fund; and (3) approval of an Ordinance effectuating these revisions by the City Commission.

NOW, THEREFORE, the Parties agree as follows:

1. The above recitals are true and correct, and incorporated herein by reference.
2. All Bargaining Unit Members shall hereafter be eligible to participate in the DROP upon attainment of normal retirement age.
3. All Bargaining Unit Members who remain employed by the City through the completion of their maximum DROP participation period, who have attained normal retirement age or age 59 1/2, shall, upon completion of the DROP, be entitled to receive their DROP Account Balance by request to the City of Hollywood Employees Retirement Fund, in accordance with the provisions set forth in Article 33 of the City's Code of Ordinances, and shall be eligible to continue employment with the City, upon approval by the City Manager, based upon operational needs and review of the employee's employment record as of that time.

The City Manager's decision shall be final and shall not be unreasonably withheld. If a bargaining unit member is eligible to receive a distribution of his/her DROP account balance, and does not choose to, or cannot receive a distribution of his/her DROP account balance, the DROP account will not be credited with additional interest.

4. All Bargaining Unit Members, who terminate his or her DROP participation, prior to the end of his/her maximum DROP participation period, must resign from City employment in order to receive a DROP distribution, and the DROP account balance will not be credited with additional interest.
5. All currently signed irrevocable decisions to separate from City employment at the conclusion of their DROP participation, signed by bargaining unit members, who are active DROP participants, as of June 18, 2025, will be null and void and of no force and effect.
6. Regardless of age, the member's monthly retirement benefit will not be paid until the member separates from City employment following participation in the DROP.
7. The Parties have had the opportunity to consult with legal counsel of their choosing.
8. Other than as specifically set forth herein, this MOU does not modify any other terms and conditions of employment of the Bargaining Unit Members represented by the Union.
9. The City agrees to draft and present an Ordinance to the City Commission to effectuate the foregoing agreed upon changes. The Ordinance will propose to amend the City's Code of Ordinances to reflect all of the terms and conditions discussed, negotiated and agreed upon by the Parties to effectuate the desired changes to DROP eligibility, participation, and the continuation and/or resumption of work after completion of the DROP, upon the aforementioned approvals by the Bargaining Unit Members and members of the City of Hollywood Employees Retirement Fund.

10. The agreed upon changes appearing within this MOU, and which will appear within the proposed amending ordinance, will go into effect immediately upon approval by Bargaining Unit Members, the City of Hollywood Employees' Retirement Fund members, and the City Commission.
11. The Parties signify their tentative agreement with this Memorandum of Understanding by affixing their signatures below.

**HOLLYWOOD, FLORIDA, CITY
EMPLOYEES LOCAL
NUMBER 2432 OF THE
AMERICAN FEDERATION OF
STATE, COUNTY AND
MUNCIPAL EMPLOYEES, A.F.L.-C.I.O.**

CITY OF HOLLYWOOD, FLORIDA

By: _____

By: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

APPROVED AS TO FORM

Damaris Y. Henlon, Interim City Attorney