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Via Email

Mayor Tom Carney
Vice-Mayor Rob Long
Deputy Vice Mayor Angela Burns
Commissioner Tom Markert
Commissioner Juli Casale
100 NW 1st Avenue
Delray Beach, FL 33444

Re: Palm Beach County Police Benevolent Association and the City of
Delray Beach, PERC Case Numbers SM-2025.008 and SM-2025-009

Dear Honorable Mayor and City Commissioners:

I write pursuant to Section 447.403(4)(a), Florida Statutes to formally provide the City Commission with a copy of the findings of fact and recommended decision issued by Special Magistrate Thomas W. Young, III concerning the above-referenced impasse proceedings and to provide the City Manager's recommendations for settling the following disputed impasse issues:

1. Article 8 Management Rights (both CBAs) – specifically, the City's right to compel employees to undergo psychological fitness for duty examinations.
 2. Article 10 Wages (both CBAs)
 3. Article 12 Pension (Article 12 of both CBAs) – specifically, the length of time an employee can participate in the Deferred Retirement Option Plan ("DROP") and the reallocation of Chapter 185 State Premium Tax revenues.
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4. Article 29 (officers and sergeants); Article 27 (lieutenants) Comprehensive Alcohol and Drug Abuse Policy (both CBAs) – specifically, the right to compel employees to submit to drug and alcohol testing post-accident.

The City Commission will be convening on August 21, 2025 at 10:00 am for the purpose of taking such action as it deems to be in the public interest to resolve the foregoing disputed impasse issues.

Background & History

The City's police department is comprised of approximately 119 officers (131 budgeted positions), 26 sergeants and 9 lieutenants. The South Palm Beach County Police Benevolent Association ("PBA" or the "Union") represents a bargaining unit of police officers and sergeants and a bargaining unit of police lieutenants. The City and the PBA are parties to two collective bargaining agreements ("CBA") with the PBA, one covering officers and sergeants and the other covering lieutenants. Both CBAs expired on September 30, 2024.¹

The City and PBA commenced collective bargaining for successor agreements in June 2024. The parties held approximately seven bargaining sessions. On February 28, 2025, the Union declared impasse as to both CBAs. The parties thereafter selected Special Magistrate Young to hear the labor impasse and to issue non-binding recommendations to resolve the impasse. The hearing before the Special Magistrate occurred on May 14, 2025. Special Magistrate Young thereafter issued his findings of fact and recommended decision on July 4, 2025. By letter dated July 24, 2025, the City rejected each of Special Magistrate Young's recommendations. By letter dated July 25, 2025, the PBA rejected Special Magistrate Young's recommendation only as to Article 10 Wages of both CBAs, and accepted each of Special Magistrate Young's other recommendations.

Under Section 447.403(4)(d), Florida Statutes, the Commission is charged with "conduct[ing] a public hearing at which the parties shall be required to explain their positions with respect to the rejected recommendations of the special magistrate," and thereafter taking "such action as it deems to be in the public interest, including the interest of the public employee involved, to resolve all

¹ The City's police captains were certified by PERC as their own bargaining unit represented by the PBA earlier this year. The parties have not yet negotiated an initial CBA for the captains' unit.

disputed impasse issues.” After the hearing, the Commission’s recommendations on the items at impasse are to be reduced to writing and combined with the other items which are not in dispute and will then be submitted for ratification to both bargaining units.

If the agreements are ratified, they will be the new CBAs for the two bargaining units. If the agreements are not ratified, those issues which the Commission resolves during the hearing will be imposed on both bargaining units and all other items will remain status quo from the expired CBA. An imposed contract is only valid for the first full year following the expiration of the last collective bargaining agreement. Because the last CBAs between the parties expired on September 30, 2024, any imposed contract will expire on September 30, 2025.

City’s Position on the Impasse Items

As set forth above, the parties are at impasse on four articles: (1) Management Rights; (2) Wages; (3) Pension; and (4) Comprehensive Alcohol and Drug Abuse Policy. As will be demonstrated at hearing, the City’s positions on each of the disputed issues are fair and just and should be imposed by the City Commission.

A. The Commission Should Adopt the City’s Management Rights Article.

The City Commission should impose the City Manager’s proposed revisions to the parties’ Management Rights Articles (Article 8 in both CBAs). The parties’ proposals are substantively identical except for one significant distinction. Section 2 of the current CBAs provide that the City has the management right “[t]o require employees to submit to a medical examination by a physician designated by the City.” Although the Union conceded during labor negotiations that the City has the right to conduct psychological fitness for duty testing for its members, the Union has challenged the City’s right to do so in the past. As such, the City proposes to change the language in that provision to state that the City has the right “[t]o require employees to submit to a medical and/or psychological examination by a physician or licensed psychologist designated by the City to determine fitness for duty.”²

² The City’s proposed changes the Article 8 are shown by underlining the proposed new language.

B. The Commission Should Impose the City's Wage Articles.

The City Commission should impose the City Manager's proposed Wage articles as to both CBAs. The parties' proposals differ in the following ways:

1. FY25 for officers and sergeants: City front loads wage increases in first year of contract with higher percentage increases to lower steps in Pay Plan; Union allocates 5% across the board to all.³
2. FY26 COLA amount for both units – City proposing 3%; Union proposing 10%.
3. FY27 COLA amount for both units – City proposing 3%; Union proposing 5%.

The cost of the City's wage proposal over the three year term of the proposed agreement is \$15,298,987.65, while the cost of the Union's wage proposal over the same term is \$16,656,327.41.. While the difference over three years is approximately \$1.35 million, the City's proposal allocates approximately \$1.2 million more than the Union's does to wage increases in the first year of the Contract.

C. The City Commission Should Impose the City's Pension Articles.

The City Commission should impose the City Manager's impasse position on pension (Article 12 of both CBAs) – i.e., maintain the status quo as to the City of Delray Beach Police Officers' Retirement System (the "System" or the "Pension Plan"). The two pension issues at impasse relate to the DROP and the use of Chapter 185 State Premium Tax Revenues. The status quo as to the DROP is that employees may enter DROP for a maximum of five years and, while in DROP, participants do not make any contribution to the Plan. The status quo as to the use of Chapter 185

³ The City's wage proposal for both units initially consisted of across the board COLAs for members of both units of five percent in the first year; four and a half percent in the second year and four and a half percent in the third year. However, in or about February 2025, the PBA complained that the City was losing many young officers because the City's starting pay was too low. As a result, the City amended its pay proposal by taking the same total dollars that its prior COLA proposal would cost over three years and reallocating the funds such that there were significant increases (from 7.75% to 18.00% for officers and from 5.9% to 6.9% for sergeants) in the first year of the CBA.

State Premium Tax Revenues is for \$606,595.00 to be used by the City toward its annual required contribution to the Plan each year, and for the excess revenue above that amount (\$507,827.00 in 2024) to be used by the City to pay down the Plan's Unfunded Actuarial Accrued Liability.

The Union proposes changes to both the DROP and the use of Chapter 185 State Premium Tax. With respect to the DROP, the Union proposes that the DROP participation period be extended to eight years, with employees making a three percent pension contribution for any time in the DROP beyond five years, and with the pension COLA not available to an employee while in the DROP.⁴ With respect to the use of Chapter 185 State Premium Tax Revenues, the Union proposes \$606,595.00 per year continues to be used to by the City toward its annual required contribution to the Plan, but that half of any amount per year in excess of \$606,595.00 (\$507,827.00 in year 2024; half of which is \$253,913.00) would be distributed to retirees each year and the other half being used by the City to offset its annual required pension contribution.

D. The City Commission Should Impose the City's Comprehensive Alcohol and Drug Abuse Policy Articles.

The City Commission should impose the City Manager's proposed revisions to the parties' Comprehensive Alcohol and Drug Abuse Policy Articles (Article 29 in officers and sergeants CBA and Article 27 in the lieutenants' CBAs). The parties' proposals are the same except for one distinction. The City proposes an additional ground for drug and alcohol testing following accidents.⁵ In particular, the City proposes the following new language:

H. Post-Accident Testing – If an employee is involved in an accident in which the employee was driving, the employee will be tested for drugs/alcohol if any one of the following occurs: an individual dies, an individual suffers

⁴ The annual pension COLA currently starts the first of the month after a member has reached their 25th anniversary of City employment as a sworn law enforcement officer.

⁵ The current CBA language provides the City with the right to conduct drug and alcohol testing in the following circumstances: pre-employment; annual physical examination; reasonable suspicion; and random.

a bodily injury and immediately receives medical treatment for which a medical report is generated, or one or more vehicles incurs disabling damage as a result of the occurrence. Disabling damage does not include damage that could be remedied temporarily at the scene of an occurrence without special tools or parts; tire disablement without further damage even if no spare tire is available; or damage to headlights, taillights, turn signals, horns, or windshield wipers that make them inoperative.

Conclusion

As will be demonstrated at the August 21, 2025 hearing, the City Manager's recommendations for settling the disputed impasse issues are a fair and just settlement to the disputed impasse items. As such, the City Manager respectfully requests that the City Commission impose his recommendations in their entirety.

Sincerely,



Brett J. Schneider
Special Labor Counsel

Enclosure

cc: Lynn Gelin, Esq.
Terrence Moore
Duane D'Andrea
Paul Weber
Darrell Hunter
Brennan Keeler, Esq.