

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made by and between the Town of Highland Beach, herein referred to as the "Town," and the Palm Beach County Police Benevolent Association, Inc., Chartered by the Florida Police Benevolent Association, Inc., herein referred to as the "Union," and collectively referred to as the "Parties."

WHEREAS, the Union is the Certified Bargaining Agent for the positions identified by the Public Employees' Relations Commission ("PERC") in Certification 1920;

WHEREAS, the Parties entered into a collective bargaining agreement ("CBA") effective through September 30, 2028;

WHEREAS, certain qualified bargaining unit employees are provided with educational incentives in accordance with Article 34 of the CBA;

WHEREAS, the Parties desire to clarify the treatment of such educational incentive payments when calculating overtime compensation;

NOW, THEREFORE, the Parties agree as follows:

1. REGULAR RATE OF PAY

The Parties recognize and agree that the Town presently begins paying overtime after 84 hours in a 14-day work period ("Contractual Overtime"). The parties recognize and agree that the Fair Labor Standards Act ("FLSA"), exemption 7(k), does not require overtime payments until after 86 hours of work, excluding vacation, sick or other paid leave during periods the employee is not working, in a 14-day work period ("FLSA Overtime").

To the extent a qualified bargaining unit employee is receiving education incentive pay, effective with hours worked on August 8, 2026, the Town will begin including such payments in the calculation of the regular rate of pay for calculation of FLSA Overtime, but shall not include the amounts in regular rate of pay for calculation of Contractual Overtime.

2. MANNER OF PAYMENT

Nothing contained herein requires the Town to change the manner in which educational incentives are paid.

3. NO WAIVER OR EXPANSION OF RIGHTS

Nothing contained herein shall constitute a waiver or expansion of any statutory rights or obligations under the FLSA or any other applicable federal or state law.

4. NO PRECEDENT

Nothing contained herein shall establish precedent regarding any other compensation issue.

5. EFFECTIVE DATE

This MOU shall become effective as stated herein and after execution by both parties.

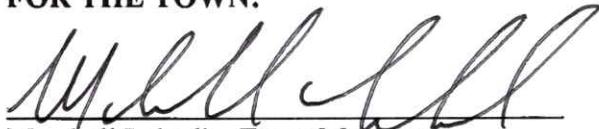
6. ENTIRE AGREEMENT

This MOU constitutes the entire understanding between the Parties and supersedes all communications, negotiations, arrangements and understandings, whether oral or written, between the Parties with respect to the subject matter of this MOU.

The Parties represent that they 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 on the ____ day of _____ 2026.

FOR THE TOWN:

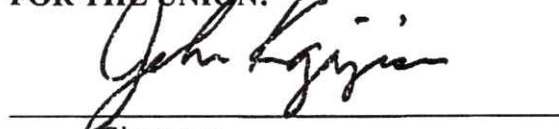

Marshall Labadie, Town Manager

DATE: 9/8/2026

Executed by the Town on the 8th day of
September, 2026.

Attest: Mashin Meenu

FOR THE UNION:


Signature

John Kazanjian, President
Print Name, Title

DATE: 8/25/26

Executed by the Union on the 25 day of
August, 2026.

Attest: Katu Meenu