



City of Riverside
Human Resources Department
June 3, 2011



LABOR UPDATES

Tentative Deal Reached with SEIU

SEIU – On Friday, May 6, 2011 the bargaining teams for the City and SEIU reached a tentative agreement on a new memorandum of understanding and on Thursday, May 19, 2011 SEIU was happy to announce that members from both the Refuse bargaining unit and the General Unit bargaining unit voted in favor of the deal. In anticipation of the end of the existing MOU's and recognizing the revenue impacts associated with the downturns in the national and regional economies, as well as extreme increases anticipated in retirement costs, the City and the Union entered into a new 2-year deal that revises CalPERS retirement provisions for new hires. The new deal will require all new hires to pay their own contribution to CalPERS (currently 8% of salary) instead of the City picking it up, and will prevent pension benefit spiking by calculating the retirement benefit based on the average salary of the employee's three highest years instead of the employee's last highest year. The new deal also will require employees to pay their own contribution to the Retiree Medical Trust Fund, which is currently 0.25% of salary per month for members of SEIU.

This is a good, responsible deal that sets in motion adjustments that begin to address a situation in which the City's pension liabilities are projected to skyrocket to unsustainable levels. These adjustments will definitely help the City move towards a more stable position where it can maintain existing numbers of staff and meet the demands placed on it when those employees retire. This deal also shows that the City and the Union are actively taking action to begin to address a serious financial situation before the situation becomes a dire emergency leading to staff reductions and disruptive service cuts. The entire SEIU bargaining team deserves recognition for their efforts, especially Union President Frank Corral and bargaining team Chairperson Lisa Munoz.

Special points of interest

- Bargaining
- Pension
- SEIU

General Information

Address:

3900 Main St. 3rd Floor
Riverside, CA 92522

Phone: (951) 826-5808

Email:

citybargaining@riversideca.gov

Hours

Mon - Fri

8:00am - 5:00pm

**Closed on Weekends and Major
Holidays**