

RIVERSIDE: New police contract projected to save millions

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Riverside officials have hammered out a new contract with the city's police union, the last major employee group to agree to money-saving pension changes.

Police have been working on an expired contract for several years. The new three-year agreement, which the City Council will consider Tuesday, covers about 300 officers. A group of about 50 sergeants and a separate police management group still must negotiate their contract.

The agreement with officers would require new police hires to pay the employee's share of pension costs, equal to about 9 percent of salary.

That second pension tier for new employees is similar to provisions approved last year by every other city employee group.

Retirement benefits would be calculated on an average of the employee's three highest years' salary rather than the single highest year, which officials say blunts the effect of vacation payouts and other one-time benefits that can boost pensions.

Police officers would keep their "3 percent at 50" benefit, which allows them to retire as early as 50 and collect 3 percent of their final salary times the number of years they worked. It's a common benefit among public safety agencies, but it has been targeted by elected officials worried about looming pension deficits.

In an agreement reached about a year ago, Riverside firefighters consented to bump the retirement age for new employees from 50 to 55.

Riverside police Sgt. Brian Smith, who is president of the officers' union, said it was especially important to his members to keep the retirement age the same for all employees.

The cost savings of raising retirement age is "really nickels and dimes" compared with having new workers pick up their pension contributions, Smith said.

"I'm not happy that my new guys (will have to) pay their 9 percent, but they know that going into it," he said.

As with other city workers' groups, the police contract doesn't give raises. It also allows the city to reopen talks on pension benefits in 2013 if officials choose to, which Smith called a "safety valve" in case the city's financial picture gets worse than is now predicted.

"I think that our contract has what both sides needed," Smith said.

The city projects the changes would save nearly \$351,000 the first year and more than \$86 million over 20 years.

Although the firefighters' contract includes a "me too" clause ensuring they'll get the same benefits as police, Riverside Firefighters Association President Tim Strack said the clause applies to benefit increases, so the new police contract shouldn't affect what firefighters have agreed to.

As to raising the retirement age for new firefighters but not for new police, "We're disappointed but we also feel like we've done the right thing," Strack said.