

City of Arts & Innovation

News Release

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Contact:

Phil Pitchford

Communications Officer

951-826-5975

ppitchford@riversideca.gov

City of Riverside, Firefighters Reach Agreement on 5½-Year Contract

Firefighters will defer a raise and pay into their retirement to help balance City budget

RIVERSIDE, Calif. – The City of Riverside and the Riverside City Firefighters’ Association have reached an agreement on a 5½-year contract that, for the first time, calls for all employees to pay a portion of their pension premiums and ties future raises to the City’s overall financial performance.

Firefighters also agreed to defer a 2.5 percent raise that was to take effect July 1 in order to help the City balance its 2016-18 budget. The agreement calls for raises of varying amounts in years 2-5 of the contract, starting Jan. 1, 2018.

“From the beginning, labor and management came together and collaborated on this process,” Fire Chief Michael Moore said. “I’m grateful that, because of that relationship, we had the opportunity to galvanize trust and demonstrate openness and leadership. We hope to be a model for the rest of the City.”

Contributions to the Public Employees Retirement System (PERS) will start in the third year of the contract and eventually reach a cumulative 8 percent of each employee’s salary. Firefighters who are not already paying such premiums will, starting in the contract’s third year, on Jan. 1, 2019, pay PERS premiums of 2.5 percent, 2.5 percent, 2 percent and 1 percent in each of the following four years.

Raises, starting in the second year of the contract, will range from 2 percent to 5 percent each year, depending on the performance of key financial indicators in the City – property taxes, a portion of the sales taxes, utility taxes and taxes on occupied hotel rooms. Tying raises to the City’s financial performance through such a “Balanced Revenue Index” is part of a new system called the partnership compensation model.

“I greatly appreciate the understanding of our financial situation that the firefighters demonstrated and their willingness to partner with City management to ensure the City’s long-term financial health,” City Manager John Russo said. “These are important concepts as we move forward.”

The range for each year's raise throughout the contract, as determined by the balanced revenue index, is 2-4 percent in years 2 and 5, and 3-5 percent in years 3 and 4. A 1.5 percent incentive is included in years 3 and 4 that is not tied to the financial indicators.

In effect, most firefighters will get a raise each year, and about half that raise will go toward paying their pension premiums.

"The Riverside City Firefighters' Association recognized the budget challenges facing Riverside," President Tim Strack said. "We came together with City leadership to ensure that public safety is minimally impacted and that our members will still enjoy a compensation package that acknowledges the risks they take daily while protecting the citizens of Riverside."

**TENTATIVE AGREEMENT
BETWEEN THE CITY OF RIVERSIDE AND RIVERSIDE CITY FIREFIGHTERS' ASSOCIATION (RCFA)
June 10, 2016**

Contract Period: 7/1/16 through 12/31/21
Section 1: Salaries AND Section 14: Retirement

Date	Salaries	Retirement
Year 1: 7/1/16	0; Defer 2.5% (7/1/16)	0
Year 2: 1/1/18	2-4% (BRI)	0
Year 3: 1/1/19	3-5% (BRI) +1.5% incentive	2.5% Employer Portion
Year 4: 1/1/20	3-5% (BRI) +1.5% incentive	2.5% Employer Portion
Year 5: 1/1/21	2-4% (BRI)	2% Employer Portion
Year 6: 12/30/21		1%

Section 2: Step Progression

All merit increases to be effective upon each 12 months of service (including new hires hired at step 1).

Section 9D: Holidays

Effective January 2019, Cesar Chavez holiday will be added to list of authorized holidays (to be observed on last Monday of March).

Section 11: Health and Dental Insurance

City contribution amounts to remain status quo after December 2016 increase.

Effective the first paycheck in December 2018, any increase in health insurance premiums will be divided equally between the City of Riverside and employees.

Section 12: Health Insurance Waiver Stipend

Amend language to reflect qualified employees "shall receive a stipend of no less than \$2,000 the last pay period in November." Further discussions regarding any increases to the stipend amount will be addressed through the Health Benefits Committee (HBC).

Section 15: Medical Trust Fund

This tentative agreement is pending final agreement between the City and RCFA on revised language on medical trust fund.

DECOUPLING OF RETIREES FROM THE ACTIVE EMPLOYEES HEALTH INSURANCE POOL WILL BE DEFERRED TO THE HBC.

Section 18: Staffing Minimums

Staffing reductions of Training Captain, Arson Captain and Squad 5 will be removed for a period of 2 years effective 7/1/2016 and to be restored effective 7/1/2018. The City reserves the right to reopen based on its financial position. If the City experiences a substantial improvement in financial position, the original staffing levels will be restored effective 7/1/2017. Upon restoration of original levels, the number of Firefighters will increase from 33 to 34 and the overall total from 67 to 68. The Training Division will be restored to 2 Training Captains and the Chief Arson Investigator Fire Captain position will be restored.

Section 26: Labor Relations Leave Time

The labor relations leave time will be changed from 864 hours per contract to 528 hours per year.

Sections: 8(5)(c), 9(5)(c), 10(4)(c) – Mandatory Training

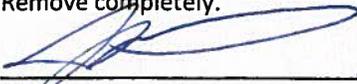
The following statement regarding mandatory training shall be stricken from sections listed here (Vacation Selection, Holidays, Time Exchange): "and any other training deemed appropriate by the Training Division."

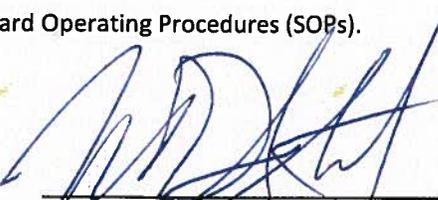
Section 27 Duty Station Assignments

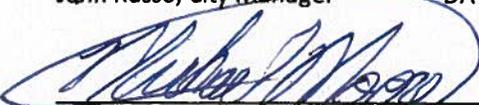
Remove completely. The Fire Department incorporated into Standard Operating Procedures (SOPs).

Section 32: Chief Arson Investigator

Remove completely.


John Russo, City Manager 10 June 2016
DATE


Tim Strack, RCFA President 6/10/16
DATE


Michael Moore, Fire Chief 6-10-16
DATE