

Attachment 1
Salary Increases and Employee
PERS Contributions for Active Agreements

Negotiated Raises and PERS Givebacks

The active agreements for the following employee groups include minimum/maximum salary increases and minimum/maximum increases in employee PERS contributions (PERS Givebacks) as listed below. For ranges expressed, the minimum amount is applicable regardless of the BRI and resulting salary increases; the maximum amount is dictated by the BRI. PERS Givebacks are triggered by minimum salary increases for Police groups, and are set amounts for all other groups, offset by minimum salary increases. The effective date of the negotiated terms is the first full pay period in January of each calendar year.

Bargaining Unit	FY 17/18		FY 18/19		FY 19/20		FY 20/21	
	Raise	PERS Giveback	Raise	PERS Giveback	Raise	PERS Giveback	Raise	PERS Giveback
RPOA ^{1, 2}	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%
RPOA Supervisory ^{1, 2}	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%
RPAA ^{1, 2}	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%	0 - 6%	0 - 1.5%
RCFA ²	2 - 4 %	0%	3 - 5% +1.5%	2.5%	3 - 5% +1.5%	2.5%	2 - 4%	2%
RFMG ²	2 - 4 %	0%	3 - 5% + 1.25%	2.5%	3 - 5% + 1.25%	2.5%	2 - 4%	2%
SEIU - General	2 - 4 %	0%	3 - 6%	1%	3 - 5%	1%	N/A	N/A
SEIU - Refuse	2 - 4 %	0%	3 - 6%	1%	3 - 5%	1%	N/A	N/A
Unrepresented	2 - 4 %	2%	3 - 5%	2%	3 - 5%	2%	2 - 4 %	2%

The following groups are excluded from the PCM Impact Analysis because the current agreements do not include a PCM provision. The effective date of the negotiated terms is the first full pay period in November of each calendar year.

IBEW	4%	2%	4%	2%	4%	2%	3.5%	2%
IBEW - Supervisory	4%	2%	4%	2%	4%	2%	3.5%	2%

City-paid PERS Employer Share (Normal Cost) and Employee Share³

Group	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Miscellaneous – Employer Share	12.136%	12.314%	12.866%	13.500%
Miscellaneous – Employee Share	7.910%	7.874%	7.798%	Not Projected
Safety – Employer Share	19.867%	20.436%	21.363%	22.700%
Safety – Employee Share	9.131%	9.174%	9.234%	Not Projected

¹ PERS Giveback will trigger if the salary increase is at least 2%; otherwise, there will be no change.

² PERS Giveback is on the PERS Employer Share (Normal Cost); the City pays the full PERS Employee Share.

³ Source: City of Riverside Annual Valuation Reports prepared by the California PERS Actuarial Office.

Actual Raises and PERS Givebacks to Date

The following table lists the salary increases and PERS Givebacks that were implemented in FY 2017/18 and FY 2018/19, based on the BRI and PERS triggers. For the Police employee groups (RPOA, RPOA – Supervisory, and RPAA), a minimum raise of 2% will trigger a PERS Giveback of 1.5%. In the absence of the minimum raise, no change in employee PERS contributions will occur for these employee groups. All other employee groups have a set PERS Giveback amount each year, offset by a minimum salary increase.

The value of the PERS employee share paid by the City is considered a benefit subject to PERS, in the same manner that base wages are subject to PERS. For all Safety employee groups (Police and Fire), the PERS Giveback is applicable to the employer's normal cost, and the City continues to pay the full employee share. For all Miscellaneous Groups, the PERS Giveback is applied to the employee share. By the end of the active agreements (MOUs and FBSP), all employees in the Miscellaneous Group will be paying their full employee share of PERS.

In FY 2017/18 and FY 2018/19, the maximum salary increases were granted to each employee group due to the 50% BRI exceeding the maximum salary increase ranges. As a result, the maximum PERS Givebacks for those years were also implemented.

Bargaining Unit	Actual FY 17/18		Actual FY 18/19	
	Salary Increase	Increase in PERS Giveback	Salary Increase	Increase in PERS Giveback
RPOA	6%	1.5%	6%	1.5%
RPOA Supervisory	6%	1.5%	6%	1.5%
RPAA	6%	1.5%	6%	1.5%
RCFA	4 %	0%	6.5%	2.5%
RFMG	4 %	0%	6.25%	2.5%
SEIU – General ⁴	4 %	0%	6%	1%
SEIU – Refuse ⁴	4 %	0%	6%	1%
Unrepresented	4 %	2%	5%	2%

⁴ As of FY 2016/17, the employee group pays 6% toward the PERS Employee Share.

Cumulative Raises and PERS Givebacks – Actual and Potential

The following table includes the cumulative percentage of salary increases and PERS Givebacks implemented in the first two years of the active MOUs and FBSP. The Potential Raises and PERS Givebacks represents the minimum and maximum potential cumulative raises and PERS Givebacks through FY 2020/21, based on the negotiated ranges for each item.

Bargaining Unit	Total Actual (FY 2017-2019) ⁵		Potential Raises and PERS Givebacks through FY 2020/21			
	Raise	PERS Giveback	Raise		PERS Giveback	
			Minimum	Maximum	Minimum	Maximum
RPOA	12%	3%	12%	24%	3%	6%
RPOA Supervisory	12%	3%	12%	24%	3%	6%
RPAA	12%	3%	12%	24%	3%	6%
RCFA	10.5%	2.5%	17%	21%	7%	7%
RFMG	10.25%	2.5%	16.5%	20.5%	7%	7%
SEIU – General ⁵	10%	7% ⁵	13%	15%	8%	8%
SEIU – Refuse ⁵	10%	7% ⁵	13%	15%	8%	8%
Unrepresented	9%	4%	14%	18%	8%	8%

City-paid PERS Employer Share (Normal Cost) and Employee Share

The costs to the City for the employee and employer share of PERS will vary depending on the employee group. By FY 2020/21, all Miscellaneous groups will be paying their full employee share (approximately 8%). The PERS Giveback may not be triggered in FY 2019/20 and FY 2020/21 for Police groups, therefore a potential minimum and maximum City cost is shown for Police. As shown in the table above, by January 2021, Police will be paying between 3% and 6% toward PERS; Fire will be paying 7% toward PERS.

Group	Actual FY 17/18	Actual FY 18/19	Potential FY 19/20	Potential FY 20/21
Miscellaneous – Employer Share	12.136%	12.314%	12.866%	13.500%
Miscellaneous – Employee Share – SEIU & SEIU - Refuse	1.910%	0.874%	0%	0%
Miscellaneous – Employee Share – Unrepresented	5.910%	3.874%	1.798%	0%
Miscellaneous – Employee Share – IBEW & IBEW - Supervisory	5.910%	3.874%	1.798%	0%
Safety – Employer Share - Police	18.367%	17.436%	16.863% - 18.363%	16.7% - 19.7%
Safety – Employer Share - Fire	19.867%	17.936%	16.363%	15.7%
Safety – Employee Share	9.131%	9.174%	9.234%	Not Projected

⁵ As of FY 2016/17, the employee group paid 6% toward the PERS Employee Share. That amount has been added to the 1% PERS Giveback implemented in FY 2018/19.