

County works on pension burden

By Peter Felsenfeld
CONTRA COSTA TIMES

Taxpayer advocates and former grand jurors crammed a meeting room Tuesday to criticize county supervisors about their role in Contra Costa's pension crisis.

County leaders responded by pointing out the positive steps they have taken to address the \$1.2 billion problem.

In the end, supervisors on the Finance Committee agreed that a long-term fiscal solution must include statewide policy reforms and holding the line in local labor negotiations.

County supervisors are discussing strategies to reduce pension costs as they head into negotiations next year, said Supervisor John Gioia of Richmond, who sits on the committee with Millie Greenberg of Danville.

"It wouldn't do us any good to blab about the specifics beforehand," Gioia said.

Contra Costa's retirement benefits are a sore topic for former grand jurors. Before supervisors increased pensions two years ago, they dismissed a report from the watchdog group warning that the county could not afford the package.

Some at the meeting Tuesday scoffed at Gioia's promises of fiscal restraint.

"A word of caution: We've heard that before," said Art Ronat, a former grand jury foreman.

The committee met to discuss an analysis of the swelling pension debt. The report lists retirement board policies; a court decision allowing employees to increase their pensions; and new benefits as the top causes.

Supervisors acted irresponsibly when they increased public safety pensions by as much as 50 percent in 2002, said Don Lively, spokesman for the Lafayette Taxpayers Association. The benefit enabled 43 of the 127 public safety workers who retired in the first year to earn more in their first year of retirement than in their last year working, the Times reported last year.

"To allow people to go out at retirement rates that exceed their work rates is obscene," Lively said.

County Administrator John Sweeten emphasized the positive steps county leaders have taken to control the situation. These included replacing two supervisor-appointed members on the retirement board who were voting against the county's interests.

The county also successfully lobbied that board to change its meetings from Tuesday, when supervisors meet, to Wednesday, clearing the way for Gioia to sit on the board. Since then, retirement trustees have adjusted key assumptions to more realistic levels.

Additionally, the county hired its own pension consultant to provide independent information.

"These are bearing fruit," Sweeten said.

Pension reform efforts are taking shape statewide. Assemblyman Keith Richman, R-Northridge, has introduced a bill requiring all levels of California government to adopt a 401(k)-type retirement system.

A legislative committee is scheduled to begin hearings in March.

Closer to home, Sweeten chairs a committee of California county administrators discussing pension solutions.

County Treasurer Bill Pollacek is working on legislative approaches with the State Association of County Retirement Systems.

Peter Felsenfeld covers Contra Costa County. Reach him at 925-977-8506 or pfelsenfeld@cctimes.com.