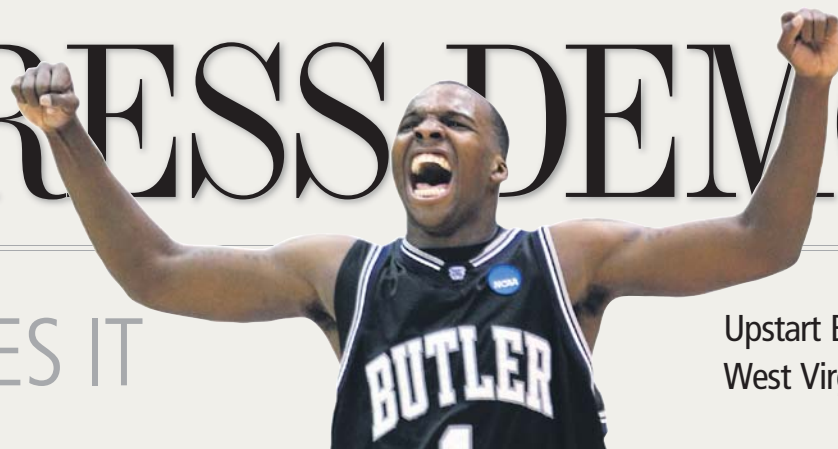


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SANTA ROSA, CALIFORNIA

As specter of bankruptcy looms over Rohnert Park, generous pension plan for public safety officers stands out as major strain on city's budget

## The burden of benefits



CHRISTOPHER CHUNG / The Press Democrat

Rohnert Park Public Safety Officer Jared Malec cites a driver for an illegal left turn Friday. The city's public safety union argues that because of the demanding nature of its work — officers perform both police and fire duties — good benefits are needed to recruit good officers.

### POA: Rohnert Park officers union has grown into political powerhouse

By JEREMY HAY  
THE PRESS DEMOCRAT

No one will discuss what went on in the negotiation room.

But when Rohnert Park officials announced the contract agreements they'd reached with their employee associations in November, one thing stood out. The only one of the city's four unions not to roll back its pension benefits was the Rohnert Park Public Safety Officers Association.

"They didn't agree to that," was all Dan Schwarz, the interim city manager, would say.

The negotiations were the latest instance of muscle displayed by the association, which over the years — while supporting numerous local charity causes — has evolved into the city's most reckoned-with political player.

"If the council's trying to balance competing interests in the budget, you need the help of the POA to make it work," Schwarz said.

TURN TO **POA**, PAGE A11

### DIRE OUTLOOK



**Gina Belforte**  
Rohnert Park vice mayor:  
"If the tax measure doesn't pass, and the economy doesn't improve, then we are in some serious, serious trouble."

### PENSION DIFFERENCES

■ Rohnert Park's expensive employee retirement plans stand out as a major strain on the city's finances. In the case of public safety officers, the difference in contracts means the city has to annually pay the Public Employees' Retirement System an amount equal to 43 percent of each officer's salary. That makes the average salary and benefit package for an officer \$145,492. But for other city employees, the city pays a pension premium amount equal to 25 percent of their annual salary. The average non-sworn employee's wages and benefits cost the city \$83,627.



What do you think about Rohnert Park's woes? Join the online discussion at [pressdemocrat.com](http://pressdemocrat.com)

### PENSIONS: Officers' union rejected rollbacks in fall, says good benefits needed to maintain quality force

By JEREMY HAY  
THE PRESS DEMOCRAT

The shadow of Vallejo — which declared bankruptcy in 2008 under the weight of police and fire pay and pension benefits — looms uncomfortably near Rohnert Park these days.

Falling sales- and property-tax revenues, and the state's decision to take back more than \$4 million in redevelopment funds, have left "The Friendly City" at the edge of a fiscal cliff. It projects it will run out of cash in 14 months.

Against that backdrop, and after a year of service cuts and employee layoffs and buyouts, Rohnert Park's expensive employee retirement plans stand out as a major strain on the city's finances.

While three of the city's unions agreed this year to concessions that will roll back their pensions to 2006 levels, the powerful Rohnert Park Public Safety Officers Association did not.

"It's the 500-pound elephant in the room," Councilman Jake Mackenzie said of the city's pension plan costs.

In the 2003-'04 fiscal year, the city's payments into the California Public Employees' Retirement System were \$1.8 million. In the 2008-'09 fiscal year, CalPERS costs to Rohnert Park were \$5.4 million, a 196 percent increase

TURN TO **PENSIONS**, PAGE A11

## Sharp rise in U.S. casualties in Afghanistan

Number of American dead, wounded has increased dramatically since last year as more troops pour into country

By SEBASTIAN ABBOT  
ASSOCIATED PRESS

KABUL — The number of U.S. troops killed in Afghanistan has roughly doubled in the first three months of 2010 compared to the same period last year as Washington has added tens of thousands of additional soldiers to reverse the Taliban's momentum.

Those deaths have been accompanied by a dramatic spike in the number of wounded, with injuries more than tripling in the first two months of the year and trending in the same direction based on the latest available data for March.

U.S. officials have warned that casualties are likely to rise even further as the Pentagon completes its deployment of 30,000 additional troops to Afghanistan and sets its sights on the Taliban's home base of Kandahar province, where a major operation is expected in the coming months.

"We must steel ourselves, no matter how successful we are on any given day, for harder days yet to come," Adm. Mike Mullen, chairman of the Joint Chiefs of Staff, said at a briefing last month.

In total, 57 U.S. troops were killed during the first two months of 2010 compared with 28 in January and February of last year, an increase of more than 100 percent, according to Pentagon figures compiled by the Associated Press. At least 20 American service members have been killed so far in March, an average of about 0.8 per day, compared to 13, or 0.4 per day, a year ago.

Britain, which has the second largest contingent, has lost at least 33 troops since Jan. 1, compared with 15 for the same period last year.

The steady rise in combat deaths has generated less public reaction in the United States than the spike in casualties last summer and fall, which undermined public support in the U.S. for the 8-year-old American-led mission here. Fighting traditionally tapers off in Afghanistan

TURN TO **AFGHANISTAN**, PAGE A10

## For first time, Vatican could face U.S. courts

Two sex abuse cases may open doors to release of confidential documents

By MICHELLE BOORSTEIN  
WASHINGTON POST

Since the Catholic clergy sexual abuse scandal exploded in the United States more than a decade ago, advocates have been trying to find a way to learn the role the Vatican played. Now they have gotten further than ever in their efforts to holding the Holy See accountable in a U.S. courtroom.

Two federal appeals courts in recent months have allowed sexual abuse lawsuits against the Vatican to proceed in Oregon and Kentucky.

Vatican attorneys have asked the Supreme Court to hear an appeal of the Oregon case. Attorneys for both sides in the Oregon proceeding were in Washington two weeks ago making their arguments before a roomful of U.S. government officials, who could wind up weighing in if the Vatican — considered a foreign country with immunity to lawsuits — is found a liable party in an American case.

If the Supreme Court declines to take up the case this summer and lets the federal appeals ruling stand, attorneys could begin subpoenaing decades of documents and calling Vatican

TURN TO **VATICAN**, PAGE A9

## For Passover, an unlikely Obama tradition

Cultures blend as first family again hosts intimate gathering for traditional Seder meal

By JODI KANTOR  
NEW YORK TIMES

WASHINGTON — One evening in April 2008, three low-level staff members from the Obama presidential campaign — a baggage handler, a videographer and an advance man — gathered in the windowless basement of a Pennsylvania hotel for an improvised Passover Seder.

The day had been long, the hour was late, and the young men had not been home in months. So they had cadged some matzo and Manischewitz wine,

hoping to create some semblance of the holiday.

Suddenly they heard a familiar voice. "Hey, is this the Seder?" Barack Obama asked, entering the room.

So begins the story of the Obama Seder, now one of the newest, most intimate and least likely of White House traditions. When Passover begins at sunset Monday evening, Obama and about 20 others will gather for a ritual that neither the rabbinic sages nor the Founding Fathers would recognize.

TURN TO **SEDER**, PAGE A10



PETE SOUZA/The White House

Last year's Passover Seder hosted by the Obamas was a White House first.



SANTA ROSA  
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FORECAST, B12



**DOWNTOWN JAIL SITE REJECTED**  
Santa Rosa officials seek new option after plan to move county jail to site of post office nixed / B1

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# PENSIONS: City hopes sales tax measure will buy enough time for economy to improve

CONTINUED FROM PAGE A1

over five years. Part of that jump was because the number of people the city employed rose over that period. However, since July, the city has laid off or bought out 27 employees.

The public safety union argues that because of the demanding nature of public safety work, its benefits — which allow officers to retire with up to 90 percent of their salary — are needed to recruit good officers to a city now in dire straits, and where they must be able to perform both police and fire duties.

“Who’s going to come and work here if you cut their benefits,” said Dale Utecht, president of the union. “What kind of officers are you going to get in the future?”

Also, union members note, government employees retiring with public pensions do not get the Social Security benefits that people who retire from private industry have earned.

## Fiscal emergency

How dire is Rohnert Park’s fiscal crisis? Even after \$4.8 million was cut from this year’s \$26.5 million budget, it faces a projected deficit of about \$6 million for the next budget year, which begins in July.

City leaders have declared a fiscal emergency and are now seeking voter approval in June of a half-cent sales tax measure, even as they acknowledge it would only cut the deficit by \$2.8 million at most.

The “plan,” such as it is, said finance director Sandy Lipitz, “is to buy enough time so that the economy will improve.”

Vice Mayor Gina Belforte said: “If the tax measure doesn’t pass, and the economy doesn’t improve, then we are in some serious, serious trouble, close to Vallejo, very close — and I’m not trying to do fear-mongering.”

The cost of public employee pensions has emerged in increasingly stark terms as budget crises have deepened for cities around the state. In Rohnert Park — which projects it will spend \$3.8 million of its \$8.9 million in reserves this year — the impact of the plans on city coffers is particularly clear.

“They’re definitely a problem,” said John Neiman, a senior fellow and expert in local government at the San Francisco-based Public Policy Institute of California.

“The main reason is the downturn in the economy. What’s happened, of course, is that over the years we have local officials who are very shortsighted,” Neiman said. They committed “to pension benefits that are overly generous, but didn’t seem to be at the time because the economy (was) humming along.”

## Unforeseen circumstances

Rohnert Park’s current pension plans were approved in 2004. Two of the five councilmembers that signed off on them remain on the dais, Mackenzie and Amie Breeze.

Mackenzie was the sole “no” vote back then; Breeze says she believes she voted correctly, believing that development — including a proposed casino — would have happened by now and would have been producing revenue.

“It was something we needed to do at the time in order to continue the solvency of a good department,” she said. “And unfortunately some of those things we had planned on haven’t come to fruition, and we didn’t have a crystal ball to be able to see that.”



CHRISTOPHER CHUNG / The Press Democrat

Rohnert Park Public Safety Officer Jared Malec talks to Herman Kron about his vehicle’s registration Friday. Rohnert Park has 161 city employees; the POA has 73 members, 61 of them sworn officers.

Representatives of the public safety officers association, or POA, say that the pension improvements were earned in lieu of raises.

“The membership has always felt — with justification — that all PERS enhancements were bought with raises they didn’t get,” said Dave Stubblebine, a retired officer who now consults with the POA and took part in the latest contract negotiations.

The increase took effect in 2007, making Rohnert Park the last city in the county to adopt the increased benefit levels. It was following the lead of cities and counties around the state, which were in turn following in the steps of the state, which approved the increases in 1999.

Remaining competitive was a key at the time, said former Councilwoman Vickie Vidak-Martinez, who supported the benefit increase.

“We were struggling to recruit for our public safety department, and that was during the time that we just began to have a lot of retirements of veteran officers, and we had to fill those positions,” she said.

She said she received assurances from then-City Manager Carl Leivo that the city could afford the increase, based on projected growth and tax revenue.

“It’s a vote I’ve always regretted,” she said last week.

Leivo was out of town and could not be reached for comment, his wife

said Thursday. He also did not return an earlier call seeking comment.

The 2004 contract with public safety employees allows sworn personnel to retire at age 50 with up to 90 percent of their salary. Other city employees got increases allowing them to retire at 55 with up to 81 percent of their salary depending on the number of years they worked. The contracts were similar to those being handed out around the state.

The benefits were retroactive, too, which means the city has had to pay more into the system to cover the cost of increased benefits for people employed for years under a lower-cost retiree plan.

## City pays officers’ entire share

To pay retiree benefits, and to prepare for future retirements, the state’s Public Employees’ Retirement System collects premiums that are a percentage of each employee’s salary from the city and invests them.

While the employee’s share of the premium remains the same from year to year, the employer’s share changes based on factors including the number and age of employees and the rate of return of CalPERS’ investments. Those investments, many of them based on real estate, have tanked since the economy slid into recession.

Under Rohnert Park’s contract with its 61 sworn public safety employees, the city pays the officers’ entire 9 percent employee share.

Santa Rosa, for example, does the same — but the practice isn’t uniform. In Petaluma, public safety personnel pay their own share.

Schwarz said he applauds the POA for the concessions they’ve made to date — furloughs that amounted to 9 percent pay cuts this year and about 6 percent next year, for a total savings of \$592,000.

But, he said, “were our employees to pay for more of their pensions, there’s an immediate relief to the city in terms of our budget challenge.”

Rohnert Park’s 99 other non-sworn employees pay a percentage of their employees’ share; in most cases, 7 percent of a required 8 percent. Twenty-six public works employees, who negotiated a raise in their last contract, pay 7 percent of their 8 percent premium.

Schwarz and Public Safety Director Brian Masterson voluntarily agreed to pay their own share of pension premiums.

## A political bind

The difference between how premiums are paid puts the council, and perhaps the POA, in a political bind.

“I think what people struggle with is that the city pays both employer and employee shares” for POA members, said Belforte. “There’s a disparity between some of the union groups, that’s what people struggle with.”

Utecht said the nature of public safety officers’ work outweighs the pension issue in the public eye.

“I would say that when the majority of the public has an emergency and calls for a police officer, firefighter or emergency medical services, they do not care what our pension benefits are,” he said. “They want someone to run toward the gunshots, into the burning home or to stop the bleeding, and they want that done as quickly as possible.”

*“The membership has always felt — with justification — that all PERS enhancements were bought with raises they didn’t get.”*

**DAVE STUBBLEBINE**, retired Rohnert Park officer who negotiated latest contract and now consults with the POA

# POA: Union has helped topple city manager, police chief, while helping elect council members

CONTINUED FROM PAGE A1

Today, while its toy drives, fundraisers and Explorer youth programs continue, the POA, as the association is usually called, is far more known as a political heavyweight willing to spend big to win elections in this city of 43,000.

The POA has helped topple a city manager and a police chief. It has spent tens of thousands of dollars on political campaigns since 2002, and its willingness to spend, combined with active precinct-walking efforts, has helped elect candidates to the council in every election.

Three of the five current council members were supported by the POA: Vice Mayor Gina Belforte and council members Amie Breeze and Joe Callinan.

From Rohnert Park’s beginnings in 1962, the public safety department has combined both police and fire protection services, an arrangement originally meant to save money and make services more efficient.

Its community activities were “more conspicuous in the early days, because the relationship with the city was much less adversarial than it is now” said Dave Stubblebine, a retired officer who now consults with the POA and took part in the latest contract negotiations.

“As the political winds began to shift, the POA had to shift too,” Stubblebine said. The association gravitated to politics in the mid-1990s when the city’s fast-growing econom-

ic heyday was slowing.

Joe Netter, a city manager with whom the POA often clashed, was at the city’s helm. A council majority formed that supported Netter’s cost-cutting approach and, echoing statewide movements, advocated slower growth policies.

“They were people less interested in bragging about how good the community was than in bragging about how much money they were saving,” said Stubblebine. “And that became a point of high interest to every employee group in the city.”

In 1994, for only the second time, the POA endorsed council candidates — including Armando Flores, who would serve for 18 years — emphasizing economic development as a way to support more city services.

In 1996, the POA raised \$32,000 to fight a ballot measure to cap growth in the city. In an early defeat for the association, the measure won.

The union has remained deeply involved in city elections, putting its mark on issues from the fight over urban growth boundaries to economic development.

In 2000, the association turned on the city’s public safety director, Jeff Miller, publicly expressing a lack of confidence in his ability to lead the department.

Miller resigned after months of turmoil, with POA-backed council members supporting the action. Now police chief in Hollister, Miller declined to comment for this article.

In 2003, Netter was pushed

out by a council majority elected with POA support — including Flores and current Councilwoman Amie Breeze. Netter said in a recent interview that “I was a tough negotiator” and that his approach alienated the “small group” of POA leaders.

In 2004, Carl Leivo, Netter’s successor, negotiated a new contract with the POA that included a benefits increase bringing the agency in line with others in the county. New pension benefits allowed sworn officers to retire at 50 with as much as 90 percent of their pay.

It was those benefits that survived the latest negotiations, while all other non-sworn employees agreed to roll back pension benefits to earlier levels, allowing them to retire at age 55 with 70 percent of their pay. That change will take effect in 2011.

The contrast in concessions produced a rare fissure in the city’s union politics, with leaders of the Rohnert Park Employees Association, which represents 31 office staffers, publicly criticizing the POA at a budget review meeting for not rolling back its benefits.

“The miscellaneous employees saw the financial crisis the city was facing and rolled back the PERS retirement,” employees association President Angie Smith said.

It wasn’t easy to speak against the POA, Smith said.

“We’ve never done that,” she said, but “the cuts are happening everywhere and no one is immune, and we felt it was our

obligation as representatives of our membership to step back and say, these are the facts. It was very difficult to do.”

The POA’s strength comes partly through numbers: Rohnert Park has 161 employees; the association has 73 members (61 of them sworn officers), many of whom are willing to walk precincts for votes.

“Having a police officer that has protected the community knock on your door for a candidate speaks volumes to a voter,” said Rob Muelrath, a long-time Sonoma County political consultant who has run campaigns for several POA-endorsed candidates.

The association is one of the biggest spenders in the city’s biennial elections — its political action committee has spent more than \$100,000 on city elections since 2002.

“They’re the only major funders (of campaigns or candidates) located in the city and they tend to support candidates that will support them. They’re very clear about that,” said Vickie Vidak-Martinez.

A 12-year councilwoman and a former mayor, Vidak-Martinez enjoyed the POA’s support until 2004, losing it after she supported replacing Leivo.

She won that election, despite POA opposition. But in 2008, she, along with another council member who had supported Leivo’s ouster, Tim Smith, lost re-election bids.

It is “hugely” important for (council) candidates to get the association’s endorsement, said Muelrath. “It gives them a

In the case of police officers, the difference in contracts means the city has to annually pay CalPERS an amount equal to 43 percent of each officer’s salary. That makes the average salary and benefit package for an officer \$145,492, said Sandy Lipitz, the city’s finance director.

That amount doesn’t include overtime pay, which the department has cut dramatically this year, Lipitz said.

In contrast, for other city employees, the city pays a pension premium amount equal to 25 percent of their annual salary. The average non-sworn employee’s wages and benefits cost the city \$83,627, Lipitz said.

Here’s what the pensions costs have meant to Rohnert Park in dollar terms:

■ The enhanced plans cost the city an additional \$1.5 million a year starting in 2007.

■ Since 2007, the city’s public safety-related pension costs have risen by 57 percent. Pensions costs for non-sworn, or miscellaneous, employees have jumped 51 percent.

■ As of July 2008, Rohnert Park’s unfunded liability — the difference between what it’s paid into the system and what it will owe based on current actuarial figures — was \$45.5 million, up from \$30.6 million the year before. The latest figures aren’t yet available.

## Something has to give

Without exception, city officials acknowledge that the benefits weigh heavily on the city’s tattered finances.

“They are a burden, no doubt about it,” Councilman Joe Callinan said, speaking specifically about the public safety employees’ pension benefits.

Asked whether the city will press to reopen contract negotiations to try to get benefit concessions, Belforte said: “If the sales tax measure doesn’t pass and the economy doesn’t improve, everything is on the table.”

In that event, pressure likely will be focused on the more expensive public safety department benefits, in part because the other unions’ plans already have been rolled back.

Had the officers association agreed to the same rollback, “That would have been a solution that would have eliminated a lot of other things that we’ve had to deal with in terms of budget problems,” said Mayor Pam Stafford.

Two-year contracts for all the unions were signed only months ago. And any negotiations can only be reopened with the union’s consent. That’s something the POA may be reluctant to do.

“I don’t know how the officers will feel about that,” Utecht said. “Our membership would have to vote on that and agree to it.”

“I don’t know how we’re going to wrestle with it,” said Breeze, who added she is unlikely to support unilateral efforts to enter into negotiations again.

The public safety officers contract “has to be reopened and it has to be looked at,” Mackenzie said.

That’s easier said than done.

“You’re obliged under the contract to serve them out, and unfortunately those aren’t always timed to meet the needs” of a city in a budget crisis, said Neiman, of the public policy institute.

“You just have fewer options in how you manage those things in the short run,” he said.

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to come out of it are going to be used to offset some of the cuts that were made,” Utecht said.

The department made \$3.5 million in cuts this fiscal year, including buyouts and layoffs of eight officers. Now the public safety budget is \$16.5 million, or about 60 percent of the city budget.

Mayor Pam Stafford — who was not endorsed by the association during her 2006 campaign — said when she asked the association for its support for the June tax measure, the answer was, “Well, we’ll see.”

Vice Mayor Gina Belforte, endorsed by the POA in her 2008 campaign, said she, too, has spoken to the association about supporting Measure E, but hasn’t got a firm answer yet.

“My understanding is that they want a guarantee of X percentage of the dollars, but the way the tax measure is written, we just can’t do that,” she said.

Measure E is a general sales tax measure to raise money for the city and is not dedicated to any one purpose.

“It’s a mathematical equation,” Belforte said. “If that tax measure doesn’t pass and the economy does not improve, then we are in a serious world of a hurt and there’s going to have to be drastic changes for us to survive.”

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