

South Florida Sun-Sentinel.com

Police union sues Hollywood over changes to pensions

By Carli Teproff, The Miami Herald

9:44 PM EST, November 8, 2011

Hollywood's police union has filed suit over drastic changes made to its pensions, saying the city violated an agreement going back to 2006 and never should have put the issue to voters this September.

The lawsuit, filed Monday in Broward Circuit Court, is the first of what will likely be several challenges to the legality of the pension changes, said PBA President Jeff Marano.

"It was not legal," Marano said Tuesday. "It should have never gone to a vote."

City spokeswoman Raelin Storey said Hollywood had not received a notification of the lawsuit as of Tuesday evening, and could not comment on the suit.

In September, Hollywood voters approved a referendum that slashed pension benefits for police, fire and general employees.

Facing a \$38 million budget gap, city leaders said pension reform was the only way to balance the budget. If the pension reform did not pass, leaders said taxes could go up as much as 23 percent.

Voters approved the changes with about 55 percent of the vote in favor of the cuts.

The changes included: eliminating the Deferred Retirement Option Program (DROP), increasing the number of years officers had to work before being eligible to retire from 22 years to 25 years, and reducing the multiplier to calculate pension benefits.

But Marano said some of the changes violate a contract the city and union members agreed to in 2006.

Back then, the union agreed to give up a portion of state money intended to fund their pension to the city of Hollywood. In exchange, Hollywood agreed to reduce the number of years an officer had to work before being eligible for retirement, from 25 to 22 years. The city also agreed to allow an officer to be in the DROP program for eight years.

The union's lawsuits contends the city has failed to fulfill its obligations under the 2006 bargaining agreement, since it accepted the state money but has now reneged on its portion of the contract.

The lawsuit also criticized the city for what it called "a hastily called referendum which failed to tell the voters that their vote in effect cancelled out and breached" benefits approved under previous bargaining.

Marano said he hopes the lawsuit makes the city realize it should have never had the September referendum in the first place.

"It was completely unconstitutional," he said.

Both the fire and general employees union also have said that they were looking into legal action after the referendum passed, but have not yet filed.