

Police Officer and Firefighter Associations Charge City of Hemet With Unilaterally and Illegally Taking Away Health Benefits from Retirees

- City Stalls and Walks Away From Talks with Hemet's Public Safety Employees

IRVINE, Calif. September 4, 2007 – Jackson DeMarco Tidus Petersen Peckenpaugh (“JDTPP”) announced today that, despite attempts to meet and confer with the City of Hemet and the City’s attorneys, the City of Hemet has elected to stall and avoid any meaningful negotiations on retiree health benefits since mid-July when it announced that it was immediately requiring retirees to pay a significantly increased share of their health care premiums. Attorneys for the City refused to present to City officials a request by Police Officers to keep enrollment into the new health plan open for one month so that the parties might try to resolve this dispute without court intervention.

Mr. Roger Franks, Chair of the firm’s Litigation practice group and co-chair of the Employment Law practice group at JDTPP stated, “The City and its legal representatives have repeatedly refused the requests of the City’s Police Officers and Firefighters to meet and hold meaningful discussions on the City’s decision to summarily change the way it provides health benefits to retirees. The City’s plan burdens the retired public safety employees, most of whom are on fixed incomes, with a huge portion of the cost of the coverage. The City’s unilateral reduction in these vested benefits, without an offsetting benefit, is in violation of California and United States Constitutional law, as well as substantial case law.” Mr. Franks concluded, “The City’s continued preference to stall and stubborn refusal to meet will likely lead the City into a costly court battle, which will serve as the only effective way to bring the City to the table and restore the vested benefits conferred on retired Hemet Police Officers and Firefighters.”

According to research on this issue by JDTPP, the plan to reduce health benefits to its employees and retirees was first presented to the Hemet City Council by Mr. Sonny Morkus, Human Resources Director for the City of Hemet. Mr. Morkus’ plan was presented to the Council despite a contrary legal opinion from outside counsel hired by the City of Hemet that determined the City “impliedly agreed to provide full coverage”. The independent legal opinion also advised that should the City look to substantially change the retiree benefits, current case law requires that “the City must offset any disadvantageous reduction in benefits with a comparable new advantage.” Additionally, the City’s unilateral and illegal action violates the current Memorandum of Understanding (“MOU”), which governs the employment relationship between the City and its Police Officers and requires that the City meet and confer with the impacted parties prior to modifying policies effecting employees’ wages and benefits.

About Jackson DeMarco Tidus Petersen Peckenpaugh

Jackson DeMarco Tidus Petersen Peckenpaugh (“JDTPP”), has more than 80 lawyers and is headquartered in Irvine, California, with a second office in Westlake Village. JDTPP provides practical legal advice and representation in a wide range of legal practice areas, encompassing business and corporate law, employment law, litigation, immigration, intellectual property, real estate, common interest subdivision, land use and environmental regulation, and construction law. JDTPP is recognized as a preeminent California full service law firm, providing counsel and representation in all forms of civil litigation, including judicial, arbitration and administrative proceedings. JDTPP represents business and corporate clients in key California industries, including software and technology; life sciences; oil and energy; manufacturing; transportation and distribution; finance; real estate development; agriculture; fitness; and hospitality industries; as well as governmental entities. Learn more at www.jdtplaw.com.

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