

**MAYORAL VETO MESSAGE
FIREFIGHTERS' UNION CONTRACT**

Let me begin by saying that perhaps my primary problem with the latest firefighters union contract is the way the negotiations unfolded, starting with the cloak of secrecy imposed on those negotiations by the City's own senior management that formed our "negotiating team." Such secrecy is abhorrent to the principles of transparency and accountability which all of us in City government owe the City's taxpayers, and it prevented the taxpayers from being able to let the firefighters and the City's negotiators know what they thought was fair.

I am equally disturbed by the City negotiating team's lack of effective communication about those negotiations to the elected officials, especially in connection with the "wage re-opener" that has been used in other union contracts and would have permitted either the City *or* the firefighters to re-open the wage provision for the final year of the contract's three-year term. Such a provision would allow us to negotiate a wage which reflected the City's economic circumstances as they will exist in 2013 rather than rely on today's highly questionable predictions about our economic future. That lack of communication and transparency essentially resulted in the Council being handed a take-it-or-leave-it deal which seemingly left the City Council with no alternative but to approve it.

Personally, I hold the members of our fire department in very high regard. By every measure of which I am aware, they are competent professionals who provide quality service to the residents and taxpayers who pay their wages. And I am confident that no responsible person in this City begrudges a firefighter's right to receive fair compensation which – we must remember – includes not just current wages but also the guaranteed long-term pension and insurance benefits which exceed what many, and perhaps most, of our taxpayers enjoy.

We also need to remember that fairness cuts both ways: wages received by any employee of the City must be fair not only to that employee but also to the taxpayers who are required to pay them.

I trust that I need not remind you we are living in extraordinarily difficult and challenging times. For years, the City has been rushing headlong toward the edge of a financial cliff, taxing and spending in ways that were not sustainable on a long-term basis. In the past year, through great effort and improved fiscal discipline, we have been able to slow that rush to the edge: preliminary reports for the fiscal year which just ended indicate that the City might post its first General Fund surplus since 2007, and only the second one in the past decade, coming after three straight years of deficits totaling almost \$8 million.

But we are still in danger, especially due to our dependency on funds from a State government that, by some measures, recently surpassed even California in a perverse “race to the bottom” of economic instability, debt and desperation. That is why even good news, like the possibility of a small surplus, must be tempered with the realization that we face substantial and expensive infrastructure demands that can no longer be neglected if we are to reduce and manage the risks which many of our residents seemingly face from every rain or wind storm.

Consequently, I believe it to be irresponsible for the City to enter into a contract that locks in employee wage increases three years down the road when we have no idea what our financial situation in general, and our revenue stream in particular, will be at that time. Sadly, that irresponsibility is compounded by this contract’s no lay-off provision, which takes away from the City its weapon of last resort in dealing with future worst-case economic scenarios.

The locked-in 3% raise in the third year and the no lay-off provision render this contract decidedly against the best interests of Park Ridge taxpayers. Therefore, I am obligated to veto it. In so doing, I also ask the Council to direct the City Manager to offer the union a three-year

contract under the exact same terms as the one I am vetoing, but which substitutes a third year wage re-opener provision, and which eliminates the no lay-off provision.

This veto should not be viewed as anti-firefighters, but as anti-“business as usual.” Most importantly, it should be viewed as a pro-taxpayer veto that prevents the City from unwisely incurring future obligations which could sap our ability to provide the basic city services the taxpayers can and should expect in return for their property tax dollars.

The City *must* do better than this contract, and the City *can* do better, simply by adopting the two changes I have proposed. Doing so will result in a contract based on evolving reality rather than on suspect predictions, a contract that will be fair to both the firefighters *and* the taxpayers.

For all of these reasons, I respectfully ask that you members of this City Council to sustain this veto.