



September 18, 2016

Dear Fellow East Siders:

I hope you are enjoying this beautiful weekend. This week's letter discusses the distinctive priorities of the Ordinance and Finance Committees, and an initial overview of the City's tentative agreement to settle its legal dispute with the fire fighters.

This past Thursday night, the Ordinance Committee held its first meeting since the City Council returned to work in September. As noted in [last week's letter](#), the Ordinance Committee has refused to hear several pieces of legislation I have introduced or co-sponsored over the last 18 months, and Thursday's meeting was no exception. Instead, the Committee heard and approved an ordinance redesigning a medal the City can award to fire and police officers for heroic service. The original medal ordinance was enacted more than 100 years ago, but no medal was ever issued or awarded, as the City chose to recognize officers in other meaningful ways. Despite this, the Ordinance Committee deferred its backlog of legislation on such unimportant matters as the City's finances, ethical climate and schools to give urgent attention to the medal ordinance, a clear sign of the Committee's priorities. On the other hand, the Ordinance Committee is more productive than the Finance Committee (where the rest of the legislation I introduced continues to languish), as the Finance Committee has not even met this month. If you would like to sign petitions to require these committees to do their job and hold hearings on substantive legislation, you can either [print them up](#), sign them and send them to me, or [send me an email](#), and I will visit your home to explain the petitions and provide them for you to sign. Last week, many of you stepped up to help me collect the first 20-25 of the 75 signatures I will need to submit these petitions. To those who have signed, thank you, and for those of you who wish to help, thank you in advance for assisting me in getting my colleagues to do their job.

On Monday, the City and firefighters' union announced a [tentative agreement](#) to their legal disputes arising from the administration's unilateral action last August to restructure the work arrangements from 4 platoons to 3. The tentative agreement calls for a 5-year contract that will, among other things, (1) restore 4 platoons, (2) remove an 8% pay raise that accompanied the prior change to 3 platoons, (3) reduce minimum manning from 94 to 88 and (4) continue mediation of the "back pay" grievance triggered by the platoon change. The administration announced the new contract will save the City \$3 million per year, but this is less than the \$5 million in year the City predicted when it implemented the platoon change last year. With that in mind, I will now provide a simplified explanation of the finances of the fire fighters pay system, so readers can see how the issues of platoons, minimum manning and pay fit together.

The current contract calls for a minimum of 94 officers (80 fire fighters, 14 rescue) to be on duty at all time. Prior to last year, the City had four platoons of 94 each, with each platoon working an average of 42 hours per week. (A week contains 168 hours, so each platoon handled one quarter, or 42). Thus, the total number of fire fighters needed to fill all four shifts is $94 \times 4 = 376$.

Last August, the administration imposed a new arrangement – three platoons rather than four, with each shift lasting an average of 56 hours rather than 42 (because $56 \times 3 = 168$ hours). The administration gave the fire fighters a 10% pay increase for the extra hours (8% of higher salary plus time and a half for the hours worked beyond 52 per week).

Under the tentative agreement, the fire fighters would revert to four platoons (4 shifts of 42 hours each), but minimum manning would be reduced from 94 to 88, and the 10% pay increase would be removed. Thus the total number of fire fighters per week is $4 \times 88 = 352$.

If you combine these pieces, and assume the average fire fighter is paid \$110, the three scenarios cost the following:

1. (Under old contract): $376 \text{ fire fighters} \times \$110 = \$41,360$.
2. (After platoon change): $282 \text{ fire fighters} \times \$121 \text{ (10\% higher pay)} = \$34,122$,
or 17.5% less than under the old contract
3. (Tentative agreement): $352 \text{ fire fighters} \times \$110 = \$38,720$,
or 6.4% less than under the old contract.

As this example demonstrates, the savings the City will realize from the tentative agreement are smaller than what it expected to receive from the platoon change because the modest from fewer officers per shift is much smaller than what comes from removing a shift and increasing pay by 10%. (In fact, actual savings over the past year were much smaller than the City projected because more fire fighters reported injuries on duty, a circumstance that was much debated.) There are other factors involved (such as the cost of benefits, pension, overtime, supervisory personnel, etc.), but if one adds three zeroes to each figure (i.e. treat the average cost of a firefighter as \$110,000 per year, including salary and benefits), this example gives a general sense of the anticipated savings from the tentative agreement, and how it is substantially less than what the administration projected from the platoon change. Also, it is worth noting that the legal fees from this episode have exceeded \$330,000 to date with the issue of back pay still unresolved.

I will provide you with more information about the fire fighters tentative agreement as it develops.

Sincerely,


