

Questions and Answers Regarding the Fire Contract

1. Why did the firefighters agree to different benefit standards than the police?

ANSWER: Firefighters and police have slightly different benefits based upon past CIR rulings based upon comparable benefits as well as the negotiated benefits contained in prior contracts. Thus, the City had different starting points in those negotiations.

2. Why are NFPA standards included in the contract?

ANSWER: By using NFPA standards as a guidepost for deployment of personnel and equipment, Fire management has been able to achieve necessary cost reductions. NFPA standards sets minimum criteria for the effectiveness and efficiency of emergency operations to protect the safety of the Public and Fire Department employees.

3. Was this standard put into the contract as a way to counteract the CIR decision on minimum manning that gave management discretion in staffing?

ANSWER: No. all operations run by standards of effectiveness and efficiency. Fire management, in the exercise of its discretion, chose to adhere to certain NFPA standards, which ensure the safety of our citizens and Fire personnel. Management discretion as recently ruled upon by the CIR are guaranteed in the contract as well.

4. Critics of the fire contract believe firefighters could have cut more, is that true?

ANSWER: Someone will always believe that others should make greater wage and benefit concessions. The City is involved in negotiations, which is a “give and take” process. Any negotiated agreement must be both in the best interests of the City and its taxpayers as well as designed to ensure passage by the Fire Association members. The parties have agreed to substantive wage and benefit concessions.

5. Does the contract allow firefighters to retire at 45?

ANSWER: Current employees retain the right to retire at age 45 with 30 years of service, of which there is no one eligible. A handful of employees with 25 years of service may retire at age 45 with a reduced pension. For new hires, the minimum retirement age to retire with a full pension is age 55. Because the average age of Fire employees at the time of hire is approximately 28, the few employees eligible to retire at age 45 is actuarially insignificant.

6. Why not let the Commission of Industrial Relations resolve this issue?

ANSWER: Omaha strives for predictability in labor relations to be able to budget for that department. Letting the CIR resolve the impasse means employees may receive wage increases for 2010-2011, which they have agreed to forego. It injects uncertainty as to the appropriate array of Cities for comparability purposes. In this Agreement, the parties have agreed on the same array as in the CIR's 2009 Opinion, which are more favorable to the City. Under the new CIR rules, we may get different cities which pay higher wages and benefits. Moreover, and just as importantly, the CIR will not fix the underfunded pension, which the parties have done. .

7. How does this contract allow for real pension reform?

ANSWER: This Agreement achieves actuarial balance for the Police/Fire Pension Fund. Omaha Firefighters Association Members contribute additional cash to the Fund. The Agreement stops spiking.

8. Why has it taken 4 years to get to this point?

ANSWER: Negotiations have been difficult at times. To those critics who claim that the City is giving up too much, they should be asked then why it took four years of negotiations to reach a mutual satisfactory labor agreement. In the intervening period, the Union has filed with the CIR for 2009 wages and benefits. They received a wage increase where we had negotiated a wage freeze. Change is never easy and it took quite some time to negotiate provisions restoring management discretion to the Fire Department as well as substantive wage and benefit concessions.

9. Does the City Council support the agreement? If not, why not? If yes, why?

ANSWER: We believe there is support on the City Council for the agreement. Each City Council member will make up his or her own mind with respect to whether this proposed agreement is in the best interests of the City of Omaha. We believe that when all of the facts are examined, the City Council will agree that it is in the best interests of the City.

10. Explain any resistance, by either party, to reach an agreement?

ANSWER: Both parties wanted an negotiated agreement. It is important for our future that the City and its employees reach negotiated settlements rather than relying on unelected state officials to set wages and benefits for Omaha's employees. Of course, neither party was willing to reach an agreement which was contrary to their mutual interests. Both sides negotiated and reached agreement which resulted in concessions on both sides. This agreement, however, achieves most of the City's bargaining objectives and is in the best interests of the City.

11. During the last month, questions were raised about safety by firefighters? Why were those claims made? Are citizens safe?

ANSWER: We believe that the citizens of Omaha are safe. The Fire Department's response times and safety record demonstrate as much. The inclusion of NFPA standards further ensure such safety.

12. Will firefighters vote in favor of this contract?

ANSWER: The Association's Executive Board has recommended approval of the agreement. We believe that when the Association members view this agreement in its entirety, that they will support it.

13. What if firefighters vote in favor of the contract and the City Council does not?

ANSWER: There is no contract without approval by the Omaha City Council. If the Association members vote in favor of the contract and the City Council does not, the Association's 2010 wage case will be decided by the CIR. Moreover, the Association will file for 2011 wages and benefits. The City will receive no operational savings to offset higher pension costs. We also anticipate possible lawsuits by the Association with respect to challenging the underfunding of the pension plan. Such litigation may attempt to assess liability against the City for the unfunded pension liability. Finally, the failure of the City Council to approve this agreement may result in continued years of labor unrest without fixing the pension plan. This could adversely affect the City's bond ratings.

14. Why not wait for the CIR legislation to take effect?

ANSWER: The savings at hand (pension, benefits, staffing) and the "fixing" of the pension system for the future outweighed any potential savings from the "new" CIR bill.