



*Office of Mayor Lawrence J.
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PRESS RELEASE

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IAFF WAGE AWARD TO COST CITY \$1.8 MILLION

Rockford, IL – June 30, 2011 – Rockford city leaders today expressed their disappointment about yesterday’s arbitration decision which awarded the members of IAFF 413 a 6.1% wage increase for 2011.

The decision awards the wage increase as follows: Retroactive to April 1, 2011 of 2%; effective July 1, 2011 of 2%; and effective October 1, 2011 of 2%. The award is estimated to cost city taxpayers \$618,000 in 2011 and over \$1.2 million in increased wages in 2012 when the 6.1% wage is in effect for a full year.

The ruling was based on the firefighter’s final arbitration demand. The City’s final offer would have provided for a 2% increase as of July 1, 2011 at a cost of \$204,000 for 2011.

The Arbitrator ruled that Aurora, Elgin and Joliet remain comparable communities for arbitration purposes despite the city’s objections that the communities are not comparable due to their higher revenues, stronger economies and higher average income per capita than Rockford.

“In essence, the Arbitrator’s decision allowed the fire union to ‘catch up’ to these communities after they took a wage freeze in 2009 and 2010. This award nullifies the IAFF’s prior claim of giving a wage concession to the taxpayers,” the Mayor stated.

City leaders have already begun to brace for a 2012 budget which could include a \$4 million deficit. The additional financial burden posed by the wage increase will increase the strain to the city's limited resources.

"IAFF has fought to protect their union members, and I understand that. But they seem to be forgetting the sacrifices other departments and employees and citizens are making. The IAFF simply is not sharing the cost of this recession like the members of the PB&PA and AFSCME, our non-represented members, and most importantly, our citizens," Mayor Morrissey pointed out.

"The budget impact of a 6.1% pay increase also makes the city's ongoing EMS analysis and fire staffing even more critical to our budget and operational decisions," City Administrator Jim Ryan pointed out.

Outsourcing the EMS service and reduced fire staffing had been suggestions in 2010 from the citizen-based Budget and Advisory Committee as well as the recent Outsourcing Study conducted by the firm Baker Tilly.

"Ironically, the comparable communities of Aurora, Elgin, and Joliet that were upheld as our peer communities for wages have lower staffing per fire apparatus than Rockford. If we are going to be held to paying comparable wages to these communities, then we certainly need to have staffing that is comparable also. Our current model is simply unsustainable," stated Ryan.

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