

Up For Discussion: Creative City Budget Solutions

Orange leverages grant to reach historic agreement with firefighter union that rebuilds city workforce



Mayor Eldridge Hawkins during March swearing-in ceremony of previously laid off firefighters of the City of Orange.

department closer to full strength," stated Mayor Hawkins. "This agreement can be a national model for how governments

taxpayers from a crushing tax increase, and increases the on-the-job safety of firefighters. The give-backs include a five-day salary deferral to be paid when an employee leaves the fire department; a give-back of 55 hours of holiday pay; treatment of non-emergency overtime as comp time rather than paid in cash; and a ban on using comp time that would result in overtime payments.

"This agreement can be a national model for how governments and public employee unions might work together in a recession, Mayor Eldridge Hawkins

The layoffs and difficult negotiations with public employee unions in the City of Orange, New Jersey received national attention as emblematic of the plight of U.S. cities and states operating under shrinking budgets.

However, in March, the city was awarded a federal grant which helped Mayor Eldridge Hawkins negotiate a precedent-setting agreement with the firefighters union. This agreement is unique because the city and the union cooperated to leverage the federal grant with work rule changes that, in effect, doubled the benefits of the federal money.

The grant, combined with work rule changes and other give-backs, enabled the city to rehire its 12 laid off firefighters and hire an additional 12 to the fire department.

"I am pleased to announce that the City of Orange Township has signed an agreement with the Orange Firefighters Mutual Benevolent Association Local 10 (FMBA) to rehire all 12 firefighters laid off in January and to hire 12 additional firefighters. This increases our firefighting force by 50 percent and brings our fire

and public employee unions might work together in a recession when cities and states have less money to spend for the most important services."

Last year, knowing that layoffs were looming, Mayor Hawkins applied for a Federal SAFER grant from FEMA to fund the hiring of new firefighters. At the same time, he asked the public employee unions for enough give-backs to avoid layoffs by making up for Governor Christie's cuts in state aid for Orange.

Without such givebacks, property taxes in Orange would have increased beyond a level that citizens could afford. Unfortunately, the parties were not able to reach an agreement by the January 7th deadline for layoffs. Nonetheless, both sides continued talking in the hope of finding common ground.

In late March, Orange received a \$1,238,623 grant from FEMA. The grant by itself permitted Orange to hire 12 new firefighters. The city continued to negotiate with the FMBA. Within a week, Mayor Hawkins and his negotiating team reached an agreement for changes in work rules that enabled the city to bring back the 12 laid off firefighters. The agreement protects

The agreement would not have been possible without the cooperation of the firefighters union and the support of Senators Frank Lautenberg and Robert Menendez as well as Congressman Donald M. Payne for pushing hard for the SAFER grant since last September.

The grant is for two years, but it buys Orange the time to seek new revenues and management efficiencies that will enable the city to keep its fire department adequately staffed.

"Due to tough economic times, this grant could not come at a better time. I applaud the union and the firefighters for sticking things out and continuing to give the City and its citizens protection with less manpower and fewer resources," stated Orange Fire Chief, Robert Manganelli. "For too long we have been responding to fires with the bare minimum staffing and now we can return to a safer level of response. Bringing back 12 firefighters and hiring 12 new firefighters will enable us to put more fire apparatus on the street and more firefighters per apparatus. We will also be able to reopen the Washington Street Fire Station and we will return to a more normal schedule, decreasing our overtime budget."