

**NORTH RIVERSIDE DECLARES IMPASSE WITH FIREFIGHTERS' UNION,  
WILL MOVE FORWARD WITH PRIVATIZATION, FILING SUIT TODAY;**

**Court Filing Seeks to Affirm Village's Right to Terminate Expired Union Contract**

**Friday, September 12, 2014  
FOR IMMEDIATE RELEASE**

Mayor Hubert Hermanek, Jr. of west suburban North Riverside, after yesterday announcing an impasse after six "good faith" negotiating sessions with Firefighters Union Local 2714, instructed the village's attorneys to file suit today in Cook County Circuit Court asking that court to affirm North Riverside's right to legally terminate the firefighters' contract, which expired on April 30, 2014.

North Riverside, with a population of 6,672 in 2,827 households, derives most of its revenue from sales tax, thanks in large part to North Riverside Park Mall. However, the village is facing a proposed fiscal year 2014-2015 operating budget deficit of \$1.9 million, with \$1.8 million of this deficit being a direct result of the Village's growing annual public pension obligation. All of this and more is evidence that supports the Village's inability to sustain salary and benefits of over \$200,000 per fireman and \$230,000 per Lt. anymore.

Contracting firefighter services from Paramedic Services of Illinois (PSI), which has provided paramedic services to North Riverside for the past 28 years, would save the village more than \$700,000 annually and vastly reduce the adverse impact of future pension obligations imposed by the state. All PSI paramedics are certified as firefighters, as well.

According to Hermanek, the village presented multiple compromise proposals to the union, including a progressive privatization plan based on an 11-year contract, during which 10 of North Riverside's 14 current firefighters would reach retirement age and 25+ years of service. As they retired or normal attrition occurred, firefighters would be replaced with firefighters/paramedics from PSI. As a result, by the end of the 11-year contract, village fire and emergency protection services would be almost fully privatized, maintaining safe and reliable service, while achieving cost-savings necessary if North Riverside is to remain solvent.

"We respect our firefighters and ask that they stay as part of this transition to PSI," Hermanek said. "But, make no mistake about it, there is no silver bullet, no bag of magic tricks, no can to kick down the road here. I don't have a printing press in the basement of Village Hall that allows me to print and spend money we simply don't have. Somewhere this accumulation of ever-more debt must end, and we, as duly elected public officials, must act responsibly."

Hermanek said that Firefighters Union Local 2714 brought three proposals to the table, including one that would have had the union starting its own company to employ the firefighters.

“Ultimately,” Hermanek stressed, “none of their well-intentioned proposals proved to be realistic. They either did not adequately address our village’s significant financial challenges, would have taken much too long to implement, or, in the case of the union setting up its own private company, would have essentially placed the safety of North Riverside residents, businesses and their customers in the hands of a start-up company that doesn’t even exist at present. We’re not going to gamble with public safety—period.”

Hermanek emphasized that, under the village’s privatization plan, all current North Riverside firefighters will be offered employment at their present base salaries, including remaining in the village-offered health insurance plan, and will maintain all pension benefits already earned to date. They will have the opportunity to participate in PSI’s 401K program, with an employer match.

The law firm of Odelson & Sterk, the village’s attorneys, filed the lawsuit today to affirm that, “like any other contract between two parties, there is a beginning and an end,” according to Burt Odelson, the firm’s lead partner. “The union’s contract with North Riverside expired on April 30, 2014; so, after making six good faith efforts to find a way to build a new contract while also maintaining the village’s solvency, the failure to accomplish that requires us to move ahead expeditiously on the privatization plan.”

# # #