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The Platte Institute strongly believes in the importance of citizens participating in the public dialogue on issues important to Nebraska. Writing a letter to the editor is an outstanding way to partake in the discussion and have your voice heard by thousands of people. To make the process easier, the Platte Institute has assembled a list of links which allow you to submit a letter to the editor to nearly all Nebraska newspapers. Simply [CLICK HERE](#) for a listing of the newspapers and follow the

PLATTE CHAT

OMAHA IS AT A CROSSROADS

GUEST PLATTE CHAT

By Bob Zabawa
Former President of
Nebraska Taxpayers Association

Omaha is at a crossroads. Our City leaders can take the easy pathway and raise property taxes or honestly deal with some obvious long-term employment issues.

The City of Omaha employs about 2,800 individuals and some historical context illustrates some rather disturbing trends. In 1994, 52.1% of the city operating budget was for employees, and in 2009 that had grown to 65.9%. Furthermore, the average pay and fringe benefits in 2009 for all employees, from mail clerk to Mayor, was \$79,000. For sworn police and fire employees, the average figure was just over \$95,000. Nationally, the average pay and benefits for federal workers in 1991 totaled \$46,164 and it is currently \$119,982. For private sector workers, the average pay and

appropriate link to submit your letter.

Contact Us

If you would like to contact someone at the Platte Institute, you are always welcome to give us a call, drop us an email or stop by the office. Our telephone number is 402.452.3737. We are located at 10050 Regency Circle – Suite 120 – in Omaha. Below is a list of staff email address:

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benefits in 1991 was \$31,789 and is currently \$59,909.

The Police Union contract is now in the City Council's hands for approval, while the Fire Union contract is still being negotiated. Based on the demands being made by both unions, the City Council needs to send a clear message to both the Mayor and the Unions to start over in light of an increasing deficit in the city budget, and tough economic conditions. Actions taken this spring will not only impact the city's ability to borrow money for capital needs at reasonable interest rates, but will saddle Omaha taxpayers with an unacceptable tax burden for years to come.

The Mayor's plan to tax garbage collection to provide more funding for pension plans is not only misguided, but does not address unsustainable personnel issues. Retiring at 75% of eligible pay and retiring at age 45 with 25 service years must be reworked in the current contract negotiations to no more than 50% of eligible pay with retirement at age 55 or 25 years of service, whichever occurs first. Finally, accumulation of unlimited unused sick leave, vacation, and personal days must be switched to a use it or lose it basis, just like the private sector.

Our police and fire departments in Omaha constitute a significant cost center. The recent "out of the box" idea of merging the two public safety departments may seem ridiculous but has been implemented successfully by smaller cities throughout the country. The idea originators claim a savings of \$100 million with enhanced levels of service. If the city was able to save only 25 percent of that amount, the

proposed venture would have great value. Perhaps the newly approved Professional Services Agreement between the City of Omaha and Weidner Inc. of Austin, Texas would be better directed to impartially evaluate the merger of the two departments.

The City should also support efforts to reform the Commission on Industrial Relations (CIR) in the Legislature. According to the Platte Institute, the “CIR fails to take into account the city’s ability to pay before setting new and generally higher city employee salaries.” Other problems with the CIR include the lack of a Nebraska orientation with regard to comparability and the “lack of meaningful legislative oversight or appellate review.” Our city employees provide valuable service to Omaha citizens, but reforming the CIR would rebalance the countervailing financial interests of city government, city employees and Omaha taxpayers.

Moreover, the changing composition of employment in Nebraska and the country is of grave concern. The national number of employees at all levels of government totaled 21,446,000 as of July 30, 2009, up from 18,554,000 at the end of 1991. At the end of last year, government workers throughout the entire country increased by 238,000 while the workers in the private sector dropped by 5,227,000. The productive engine of our economy is the private sector - the public sector acts like a braking system and restricts long-term growth.

To draft this article, I used The Bureau of Labor Statistics, The Free Enterprise Nation, American Legislative Exchange Council and

the Congressional Research Service of the Library of Congress as sources which have been helpful in presenting this overview of public sector pay and benefits.

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