

STATE OF WISCONSIN
BEFORE THE WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Petition of

**CITY OF MILWAUKEE FIRE
AND POLICE COMMISSION**

Requesting a Declaratory Ruling Pursuant
To Sec. 111.70(4)(b), Stats., Involving a Dispute
Between Said Petitioner and

**MILWAUKEE POLICE ASSOCIATION
LOCAL NO. 21, IUPA, AFL-CIO**

Case 430
No. 54132
DR(M)-579

Decision No. 29402

Appearances:

Mr. Gregg C. Hagopian and **Ms. Melanie R. Swank**, Assistant City Attorneys, 800 City Hall, 200 East Wells Street, Milwaukee, Wisconsin 53202-3551, appearing on behalf of the City of Milwaukee Fire and Police Commission.

Eggert & Edmonds, S.C., by **Attorney Laurie A. Eggert**, 1840 North Farwell Avenue, Suite 303, Milwaukee, Wisconsin 53202, appearing on behalf of the Milwaukee Police Association.

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND DECLARATORY RULING**

On May 24, 1996, the City of Milwaukee Police and Fire Commission filed a petition with the Wisconsin Employment Relations Commission seeking a declaratory ruling pursuant to Sec. 111.70(4)(b), Stats. as to its duty to bargain with the Milwaukee Police Association, Local No. 21, IUPA, AFL-CIO.

The parties waived hearing and filed written argument, the last of which was received on April 17, 1998.

Having considered the matter and being fully advised in the premises, the Commission makes and issues the following

FINDINGS OF FACT

1. The City of Milwaukee Fire and Police Commission, herein the FPC, is a municipal employer having its principal offices at 809 North Broadway, Room 104, Milwaukee, Wisconsin 53202.
2. The Milwaukee Police Association, Local No. 21, IUPA, AFL-CIO, herein the MPA, is a labor organization having its principal offices at 1840 North Farwell Avenue, Suite 400, Milwaukee, Wisconsin 53202.
3. The FPC and the MPA have a dispute over the FPC's duty to bargain with the MPA over the pre-employment contract attached to this decision as Appendix "A".
4. The pre-employment contract attached to this decision as Appendix "A" is not primarily related to wages and conditions of employment of employees represented for the purposes of collective bargaining by the MPA.
5. The impact of the pre-employment contract on wages and conditions of employment of employees represented for the purposes of collective bargaining by the MPA is primarily related to wages and conditions of employment.

Based upon the above and foregoing Findings of Fact, the Commission makes and issues the following

CONCLUSIONS OF LAW

1. The pre-employment contract is not a mandatory subject of bargaining within the meaning of Sec. 111.70(1)(a), Stats.
2. The impact of the pre-employment contract on employee wages and conditions of employment is a mandatory subject of bargaining within the meaning of Sec. 111.70(1)(a), Stats.

Based upon the above and foregoing Findings of Fact and Conclusions of Law, the Commission makes and issues the following

DECLARATORY RULING

1. The City of Milwaukee Fire and Police Commission does not have a duty to bargain within the meaning of Secs. 111.70(1)(a) and (3)(a)4, Stats. with the Milwaukee Police Association over the pre-employment contract.

2. The City of Milwaukee Fire and Police Commission does have a duty to bargain within the meaning of Secs. 111.70(1)(a) and (3)(a)4, Stats. with the Milwaukee Police Association over the impact of the pre-employment contract on employe wages and conditions of employment.

Given under our hands and seal at Madison, Wisconsin this 26th day of June, 1998.

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

James R. Meier /s/

James R. Meier, Chairperson

A. Henry Hempe /s/

A. Henry Hempe, Commissioner

Paul A. Hahn /s/

Paul A. Hahn, Commissioner

CITY OF MILWAUKEE (POLICE AND FIRE COMMISSION)

**MEMORANDUM ACCOMPANYING FINDINGS OF FACT,
CONCLUSIONS OF LAW AND DECLARATORY RULING**

BACKGROUND

The FPC wishes to adopt a rule regarding selection and appointment of persons to the Milwaukee Police Department which would require job applicants to sign a contract as a condition of being considered for employment. The contract would require the applicant, if hired and retained through Academy training, to repay a portion of the training costs if the employee then leaves the Department before serving at least three years. Payment is due after the employee's departure from the Department.

POSITIONS OF THE PARTIES

The Fire and Police Commission

The FPC contends that it has no obligation to bargain with the MPA over the pre-employment contract.

It argues that because the MPA does not represent the individuals affected by the terms of the contract (i.e. applicants and former employees), the MPA has no right to bargain over the contract's terms. FPC alleges that no employee wages, hours and conditions of employment are affected by the contract.

In the alternative, the FPC asserts that bargaining is prohibited because the contract is an exercise of its exclusive power under Sec. 62.50, Stats. to develop and impose selection and appointment rules.

Should the Commission conclude bargaining is not prohibited, the FPC contends the contract is a permissive subject of bargaining because the public policy and management interests reflected by the contract outweigh any impact on employee wages, hours and conditions of employment.

Should the Commission conclude the contract is a mandatory subject of bargaining, the FPC alleges the existing bargaining agreement with the MPA waives the MPA's right to bargain.

The Milwaukee Police Association

The MPA contends the pre-employment contract is a mandatory subject of bargaining.

It asserts that the contract directly affects employe wages and conditions of employment. Citing the mandatory status of proposals for pensions and other forms of deferred compensation which take effect after the employment relationship has ended, the MPA argues that the absence of a current employment relationship does not automatically remove a topic from the realm of mandatory bargaining. MPA argues that the deferred penalty imposed by the contract arises out of the employment relationship and, as such, is a mandatory subject of bargaining.

The MPA argues that because the impact on employe wages and conditions of employment outweighs any management or public policy interests, the Commission should reject the FPC's argument that the contract is a permissive subject of bargaining. The MPA further asserts that collective bargaining and FPC's statutory rule making powers can be harmonized and thus that bargaining over the contract is not prohibited.

Lastly, the MPA contends that the existing bargaining agreement does not waive its right to bargain over the pre-employment contract and indeed prohibits imposition of such a contract during the term of the agreement.

DISCUSSION

In our view, this dispute is resolved by the fundamental principle that a union cannot compel an employer to bargain over the wages, hours and conditions of employment of individuals who are not in the bargaining unit. CITY OF MADISON, DEC. NO. 16590 (WERC, 10/78); SEWERAGE COMMISSION OF THE CITY OF MILWAUKEE, DEC. NO. 17025 (WERC, 5/79); SCHOOL DISTRICT OF WISCONSIN RAPIDS, DEC. NO. 17877 (WERC, 6/80).

The pre-employment contract would be signed by applicants for employment. The MPA does not and cannot represent applicants for employment. For the purpose of collective bargaining, the MPA only has a statutory right to represent **employees**.

The financial obligations of applicants who sign the contract ripen only once the individual is no longer an employe. Because the MPA does not and cannot represent **former** employes for the purposes of collective bargaining, the financial obligations incurred by the applicant who chooses to sign the contract do not provide a persuasive basis for the MPA to assert bargaining rights.

The MPA cites DRUMMOND SCHOOL DISTRICT, DEC. NO. 15909-A (Davis, 3/78), AFF'D BY OPERATION OF LAW (WERC, 4/78), as supportive of its position. However, as argued by the

City, the liquidated damages provision found to be a mandatory subject of bargaining in DRUMMOND applied to **current** employes - not to applicants for employment. Thus, DRUMMOND is distinguishable from the pre-employment contract before us.

MPA also cites a decision of the New York PERB in CITY OF MOUNT VERNON, Case U-6888 (3/85). In that case, it was concluded that the employer could not unilaterally condition an offer to hire upon the prospective employe's willingness to reimburse the employer for training costs. The PERB found such a pre-hire agreement to be a waiver of the individual's Taylor Law right to have the union bargain for him or her on the issue of training costs once the individual actually becomes an employe.

Clearly, the New York PERB decision interpreting New York's Taylor Law is not binding upon us when we interpret Wisconsin's Municipal Employment Relations Act. We also do not find the logic of the PERB decision to be persuasive. A pre-hire agreement **does not** waive the MPA's right to bargain on behalf of **employes** as to wages, hours and conditions of employment. A pre-hire agreement does not alter the contractually-established wages, hours and conditions of employment of unit employes. A pre-hire training cost reimbursement agreement does not deny the MPA the right to address the impact of the agreement on **employes** at the bargaining table. For instance, the MPA could compel the FPC to bargain over a severance pay proposal which would reimburse the departing employe for any costs incurred under a pre-hire agreement. While the MPA has no right to bargain for **applicants**, once the applicant becomes an **employe** the MPA loses no rights to bargain the impact of any pre-hire agreement when it becomes applicable to such **employe**.

Given all of the foregoing, we conclude that the pre-hire agreement attached to this decision as Appendix "A" is not a mandatory subject of bargaining. However, we further conclude that the MPA has the right to bargain over the impact of the proposed pre-hire agreement on **employes** it represents for the purposes of collective bargaining.

Dated at Madison, Wisconsin, this 26th day of June, 1998.

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

James R. Meier /s/

James R. Meier, Chairperson

A. Henry Hempe /s/

A. Henry Hempe, Commissioner

Paul A. Hahn /s/

Paul A. Hahn, Commissioner

gjc

G0055G.01

ATTACHED

**PREEMPLOYMENT CONTRACT FOR
PROSPECTIVE POLICE OFFICERS AND POLICE AIDES**

FORM NO. 5-6-96

This agreement, by and between _____ ("Employee Candidate"), a potential recruit for employment as a police officer or police aide for the City of Milwaukee (the "City"), and the City, dated this ___ day of _____, 199__.

WITNESSETH

WHEREAS, Employee Candidate is being considered by the Milwaukee Fire and Police Commission (the "FPC") and the chief of the Milwaukee Police Department (the "MPD") for employment by the City as a police officer (or as a police aide (see § 14)); and

WHEREAS, Employee Candidate understands that, pursuant to Wis. Stat. § 62.50, the FPC has adopted a rule that, as a condition to (a) being selected and appointed to the MPD, and (b) being employed by the City as a police officer or police aide, Employee Candidate must execute this agreement; and

WHEREAS, Employee Candidate desires (a) to be employed by the City as a police officer or police aide, as the case may be, and (b) to enter into this agreement so that he/she may be considered for such employment and may have the privilege of serving the City.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Employee Candidate Understands Time, Money and Other Costs. Employee Candidate understands: (i) that if he/she is offered and accepts employment as a police officer, he/she will need training to meet the requirements of the laws and regulations of the State of Wisconsin and the City's requirements to serve as a law enforcement officer; (ii) that the City expends a significant amount of time and money training police officers; (iii) that it is uneconomical for the City to hire and train persons who will not work for the City for at least a certain minimum amount of time; (iv) that when a police officer's employment is terminated (eg if he/she quits or is fired), that the City often has to pay overtime to remaining officers or otherwise incur additional expense to cover the absence created, that the level of law enforcement services provided to the City may suffer as a result, and that the absence created requires hiring and training replacement employees which, in turn, results in additional costs to the City; (v) that beyond the valuable

EXHIBIT
A

training provided by the MPD, an already trained police officer gains valuable work experience that a newly trained officer lacks; and (vi) that as a result, a newly trained officer often cannot replace an experienced officer without some suffering in the level of law enforcement services provided to the City.

Employee Candidate further understands that the City's expenses in training him/her as a police officer are expected to be recaptured by the City through his/her services with the MPD, and that the City will suffer substantial loss if Employee Candidate's employment should be terminated during the periods described herein.

2. Preemployment Contract. This agreement, it is understood, (i) is a preemployment contract, (ii) does not mean or imply that Employee Candidate necessarily will be offered City employment or be trained by the City as a police officer, (iii) is now required by the FPC of all potential police officers as a prerequisite to being considered for appointment to and employment by the MPD, and (iv) is a material inducement to the City's providing any training or extending any offer of employment.

3. City Agrees to Train. City agrees that if Employee Candidate is offered and accepts employment as a police officer, City will provide its basic training to Employee Candidate, at its expense, subject, however, to the terms hereof.

4. Employee Candidate Agrees to Reimburse; Total Cost Definition; Liquidated Damages. Employee Candidate agrees that if he/she is offered and accepts employment as a police officer, and if his/her employment as a police officer terminates for any reason within 36 months after completing police academy training, whether it be a voluntary termination by him/herself or an employer termination, then regardless of the cause of termination, immediately as of the effective date of the termination, Employee Candidate shall owe the City the following:

A. First Year Termination. A sum equal to 100% of the City's Total Cost should such termination take place within the first twelve (12) months following the completion of academy training;

B. Second Year Termination. A sum equal to 66-2/3% of the City's Total Cost should such termination take place in the second twelve (12) month period following completion of academy training; and

C. Third Year Termination. A sum equal to 33-1/3% of the City's Total Cost should such termination take place in the third twelve (12) month period following completion of academy training.

AA. Misconduct/Academy Termination. Notwithstanding the above, Employee Candidate further agrees that if he/she is offered and accepts employment, if he/she is admitted to the police academy, and if, either (i) he/she is removed from or asked or ordered to leave the police academy, at any time, and fired from the MPD due to misconduct, or (ii) he/she quits or leaves the police academy at a time that allows him/her to satisfy the minimum standards for recruit training under Wis. Admin. Code, Chapter LES 3 (or otherwise under Wisconsin law), then immediately as of the effective date of firing (in the case of "i" above) or departure or quitting (in the case of "ii" above), Employee Candidate shall owe the City a sum equal to 100% of the City's Total Cost.

As used herein, "City's Total Cost" equals \$6,793.00 and represents the City's total cost of instruction after rebate as determined by the City Comptroller in the Comptroller's 3/23/95 audit letter attached hereto as Exhibit A.

Employee Candidate agrees that if he/she is offered and accepts employment as a police officer with the MPD, he/she will be paid by the City a salary in addition to receiving training, and he/she understands that there are many costs involved in training which are difficult to allocate with exactitude and that, consequently, the City's Total Cost is difficult to assess. Employee Candidate has reviewed those expenses listed in Exhibit A, understands the sums which may be due and owing the City hereunder, and agrees to pay the same to the extent required hereunder, not as a penalty, but as agreed upon liquidated damages.

5. When Payment Due; Interest.

A. Complete payment of the requisite sum due hereunder shall be immediately due and payable, in full, on the effective date of Employee Candidate's termination of MPD employment. Notwithstanding the foregoing, full payment received within 10 days of that effective date of termination shall be considered timely paid. Any amount not paid on or before the expiration of such 10 day grace period shall accrue interest until paid at the then-prevailing rate of interest being charged by Firststar Bank (or any successor institution thereto) as its prime rate.

B. Appeal Rights: Extension of 36 Month Period. Notwithstanding anything to the contrary contained herein, the 36 month period following completion of police academy training shall be extended to include the actual effective date of firing or termination if (i) Employee Candidate has exercised appeal rights (if any) to the FPC or any court of competent jurisdiction, (ii) Employee Candidate's termination is upheld, and (iii) the initial date of the MPD ordered/mandated termination fell within the original 36 month period.

6. Collection Costs. If the City incurs any legal fees, court costs, attorney's fees, or other costs of collection in an effort to enforce or collect any amounts owing hereunder, Employee Candidate shall owe and pay the same in addition to any other sums due hereunder, and the same shall be immediately due and payable as the same shall, from time to time, be incurred; and shall accrue interest at the rate previously specified until paid.

7. Note. Employee Candidate shall execute and deliver to the City (through the FPC), and cause his/her spouse to execute, the promissory note attached hereto as Exhibit B further evidencing and corroborating his/her payment obligations hereunder.

8. Exceptions to Repayment.

A. Leaves. Notwithstanding anything to the contrary contained herein, an MPD approved leave of absence caused by medical, military, educational, or other reasons shall not be deemed a termination of employment for purposes of this agreement. However, if any such leave of absence is granted, this agreement shall be deemed to be automatically extended accordingly beyond the 36 month period covered hereby to include the period corresponding with the period of leave.

B. Academy Failure; Death; Disabling Illness. Notwithstanding anything to the contrary contained herein, no sums shall be payable or owing hereunder if Employee Candidate fails to satisfactorily complete academy training, or if he/she is required to terminate his/her employment due to death, disabling illness or injury. The above exceptions, however, do not apply if (1) there is evidence that Employee Candidate (a) has been terminated as a result of misrepresenting his/her basic qualifications for employment, or (b) has caused his/her termination, failure, illness, or injury in an attempt to avoid paying sums which would otherwise be due hereunder, or (2) Employee Candidate has been terminated or removed from the police academy and fired from the MPD due to misconduct, or (3) Employee Candidate leaves or has been removed from the police academy at such time that would allow him/her to satisfy the minimum standards for recruit training under Wis. Admin. Code, Chapter LES 3 (or otherwise under Wisconsin law) (see, § 4AA above).

9. Termination of Liability. If Employee Candidate is offered and accepts City employment with the MPD, and if his/her employment does not terminate within the 36 month period following completion of academy training, Employee Candidate shall have no liability hereunder, it being understood that any reimbursement obligation hereunder shall then cease.

10. Information Provided. Employee Candidate warrants and represents that the information he/she has provided on his/her formal application and to any background investigator is accurate and complete to the best of his/her knowledge and belief, and recognizes that any breach of this agreement may be reported by the City to future employers.

11. Wisconsin Law; Severability. This agreement shall be governed by and interpreted in accordance with the laws of the State of Wisconsin. If any provision herein is judicially determined to be invalid or unenforceable, then the remainder of this agreement shall be given full force and effect to the full extent permitted by law.

12. Modification. This agreement may only be modified or amended pursuant to a written instrument executed by all parties, and represents the full understanding and agreement of all the parties hereto concerning the subject hereof.

13. Police Aides If Employee Candidate is being considered for employment by the FPC, the City, and the MPD as a "police aide", Employee Candidate understands (i) that he/she is also required by FPC Rule to execute this agreement as a prerequisite to being considered for employment as a police aide, and (ii) that if he/she is offered and accepts employment as a police aide, and if he/she remains in the police aide program, is promoted to the position of "police officer", and accepts such promotion, then he/she will be bound by the terms hereof. Nothing contained herein, however, shall be deemed to create any reimbursement obligation hereunder if Employee Candidate's employment is terminated while Employee Candidate is ~~only~~ a police aide. Also, this agreement, being a preemployment contract, does not mean or imply that Employee Candidate will be offered City employment as a police aide or police officer.

14. Understanding; Successors and Assigns. Employee Candidate has read this entire agreement, has had the opportunity to consult with his/her attorney or other advisor concerning the same, and fully understands and agrees to the above and to be bound by the same, on behalf of him/herself, and his/her respective successors, personal representatives, and assigns.

In Witness Whereof, the parties hereto have caused this agreement to be made and executed as of the date written above.

CITY OF MILWAUKEE

By: _____
Kenneth Munson
Executive Director
City of Milwaukee Fire and
Police Commission, as
authorized signatory pursuant
to Common Council Resolution

Employee Candidate
Name Printed: _____

CITY OF MILWAUKEE ACKNOWLEDGEMENT

EMPLOYEE CANDIDATE ACKNOWLEDGMENT

Subscribed and sworn to before me
this ___ day of _____, 199_.

Subscribed and sworn to before
me this ___ day of _____, 199_.

Notary Public, State of Wisconsin
My Commission Expires: _____

Notary Public, State of Wisconsin
My Commission Expires: _____

GCH:wt:officer.five



Office of the Comptroller

W. Martin Morics, C.P.A.
Comptroller

Anita W. Parent, C.P.A.
Deputy Comptroller

Anne M. Bahr
Special Deputy Comptroller

Michael J. Daun
Special Deputy Comptroller

1995 MAR 26 11:59 AM
CITY OF MILWAUKEE

March 23, 1995

Ref: Revenue & Cost Division

Chief Philip Arreola
Chief of Police
Milwaukee Police Department
749 West State Street
Milwaukee, WI 53201-0531

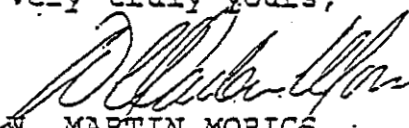
Dear Chief Arreola:

Re: Police Recruit Training Costs

In response to your letter dated February 2, 1995, we have met with your training staff, regarding police recruit training costs. Pertinent training costs were compiled and documented to provide a verifiable cost basis for police recruit training. These costs are presented in the attached summary.

Should you have any questions or require any further information, please direct your inquiries to the attention of Mrs. Anne Bahr or Mr. Paul Tigge of my staff (Extension 2303).

Very truly yours,


W. MARTIN MORICS
Comptroller

WMM:PT

Attachments

cc: K. Munson, Fire & Police Com
✓ G. Hagopian, City Attorney
D. Collins, Police Admin
J. Warren, Training Academy

Ref: RTS38

EMMIT A

CITY OF MILWAUKEE, OFFICE OF THE COMPTROLLER
SUMMARY OF POLICE RECRUIT TRAINING COST

INSTRUCTION PERSONNEL	Schedule: I.	\$3,125
PERSONAL EQUIPMENT	Note	1,819
MATERIALS	Note	442
SPACE USAGE COST	Schedule: III.	218
VEHICLE DEPRECIATION	Schedule: IV.	7
TOTAL COST OF INSTRUCTION PER RECRUIT		\$7,511
STATE REBATE		(\$818)
TOTAL COST OF INSTRUCTION AFTER REBATE		6,793
RECRUIT SALARY	Schedule: II.	\$20,242
TOTAL COST PER RECRUIT		\$27,035

Note: Used costs as provided by the Police Academy.

CITY OF MILWAUKEE, OFFICE OF THE COMPTROLLER

SUMMARY OF POLICE RECRUIT TRAINING COST

I. INSTRUCTION PERSONNEL

UNITS	POSITION	CODE	DIRECT SALARY *	HOURS	COST PER CYCLE	COST PER RECRUIT
ADMIN STAFF						
1	DEPUTY INSPECTOR	842	\$47,946	100 of 1,800	\$2,564	
1	CAPTAIN	839	\$42,624	100 of 1,800	\$2,368	
1	ADMIN SERGEANT	831	\$32,716	100 of 1,800	\$1,818	
RECRUIT STAFF						
1	LIEUTENANT	836	\$37,392	300 of 1,800	\$16,841	
3	SERGEANTS	831	\$32,716	800 of 1,800	\$40,621	
1	DETECTIVE	808	\$32,392	800 of 1,800	\$14,396	
4	POLICE OFFICERS	801	\$28,993	800 of 1,800	\$51,544	
RANGE						
1	SERGEANT	831	\$32,716	60 of 1,800	\$1,091	
3	POLICE OFFICERS	801	\$28,993	60 of 1,800	\$2,899	
OTHER						
1	SERGEANT	831	\$32,716	70 of 1,800	\$1,272	
1	POLICE OFFICERS	801	\$28,993	400 of 1,800	\$6,443	

TOTAL DIRECT SALARY COST - TRAINING		\$144,957	
FRINGE BENEFITS	27.42%	39,747	
INDIRECT SALARY COST	25.55%	37,037	
INDIRECT COST - CITY	59.17%	85,771	
TOTAL SALARY COST - TRAINING		\$307,512	\$5,125

II. RECRUIT SALARY COST

TRAINING CLASS					
60	RECRUITS	801	\$21,470 800 of 1,800	\$572,521	
	FRINGE BENEFITS	27.42%		156,985	
	INDIRECT SALARY COST	25.55%		146,279	
	INDIRECT COST - CITY	59.17%		338,761	
TOTAL SALARY COST - RECRUITS				\$1,214,546	\$20,242

* NOTE: Direct Salary is equal to the '95 Budgeted Gross Salary divided by the sum of the department '95 Indirect Salary Rate of 25.55% and 100%. Overhead rates are calculated by the Comptroller's Office.

CITY OF MILWAUKEE, OFFICE OF THE COMPTROLLER
SUMMARY OF POLICE RECRUIT TRAINING COST

III. SPACE USAGE COST

SPACE USAGE RATE	RATE/SQ FT *
CAPITALIZATION COST	\$2.21
OPERATING COST	3.50

TOTAL COST PER SQUARE FOOT	\$5.71

	SQ FT	RATE	ANNUAL	HOURS	COST PER CYCLE	COST PER RECRUIT
EXCLUSIVE USE - RECRUIT TRAINING						
RECRUIT CLASSROOM #218	2,010					
INSTRUCTORS OFFICE	1,200					
LIEUTENANTS OFFICE	200					

	3,410	\$5.71	\$19,471	800 of 2,400	\$6,490	

MULTIPLE USE TRAINING SPACE						
GYM	22,500	\$5.71	\$128,475	100 of 2,400	\$5,353	
RANGE	7,340	\$5.71	\$44,766	60 of 2,400	\$1,119	
WEIGHT ROOM	900	\$5.71	\$5,139	50 of 2,400	\$107	

TOTAL SPACE USAGE COST					\$13,069	\$218

* NOTE: Space Usage Cost Rate calculated by the Comptroller's Office based on 1993 expenditure experience.

IV. VEHICLE USE ALLOWANCE

SQUAD CAR #16	\$15,000	6.67%	\$1,000	800 of 2,400	\$333	
SQUAD CARS, OTHER - 6	\$90,000	6.67%	\$6,000	40 of 2,400	\$100	

TOTAL VEHICLE USE ALLOWANCE **					\$433	\$7

** NOTE: Vehicle allowance represents portion of new vehicle asset cost used. Vehicle operation and maintenance cost is included in the indirect cost rate application.

EXHIBIT B

PROMISSORY NOTE

The undersigned, _____ ("Employee Candidate"), on behalf of him/herself, and his/her personal representatives, successors and assigns, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby promises to pay to the City of Milwaukee (the "City") all sums required of him/her under that certain Preemployment Contract for Prospective Police Officers and Police Aides, dated _____, 199__, by and between Employee Candidate and the City (the "Preemployment Contract", hereby incorporated herein), in accordance with, and to the full extent required by, said Preemployment Contract, including, but not limited to, interest, collection costs, and that portion of City's Total Cost as defined in and required by said contract.

If Employee Candidate fails to make any payment due under this Note or under the Preemployment Contract when due, or upon any other default here or thereunder, City may accelerate all sums due here or thereunder and declare the same immediately due and payable without notice or demand.

Employee Candidate hereby waives presentment, protest, demand, and notice of dishonor.

Dated this ___ day of _____, 199__.

**EMPLOYEE CANDIDATE
ACKNOWLEDGEMENT**

EMPLOYEE CANDIDATE

Subscribed and sworn
to before me this _____
day of _____, 199__.

Name Printed: _____

Notary Public, State of Wisconsin
My Commission Expires: _____

MARITAL PURPOSE STATEMENT

The undersigned, being the spouse of Employee Candidate, hereby acknowledges Employee Candidate's execution of the Preemployment Contract and of this Promissory Note, and that the obligations and liability evidenced by this note and said contract have been or will be incurred in the interest of the undersigned's and Employee Candidate's marriage and family as those interests are described in the Marital Property Act of the State of Wisconsin.

SPOUSE ACKNOWLEDGMENT

Subscribed and sworn to before me
this ___ day of _____, 199__.

Name Printed: _____

Notary Public, State of Wisconsin
My Commission Expires: _____