

FEB 24 1988

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

* * * * *

* In the Matter of the Arbitration *
 * Between *
 * CITY OF RACINE *
 * and * Voluntary Impasse *
 * LOCAL 2239, AFSCME, AFL-CIO * Procedure *
 * (Police Department Unit) *
 * and *
 * LOCAL 2239, AFSCME, AFL-CIO *
 * (City Hall Unit) *

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APPEARANCES

For the Employer: Mark L. Olson, Esq.
Mulcahy and Wherry, S. C.

For the Union: David Ahrens, Research Analyst and Robert
Chybowski, Staff Representative, Wisconsin Council 40
AFSCME

I. BACKGROUND

The Arbitrator was selected by the Parties and conducted a hearing pursuant to a voluntary impasse procedure for two separate cases which up to that point had proceeded under the jurisdiction of the Wisconsin Employment Relations Commission as Case 272, No. 37760, Arb. No. 4107 and Case 277, No. 38523, Arb. No. 4348. Under the impasse procedure, the Arbitrator was to select one final offer or the other by applying the statutory criteria set forth in Section 111.70(4)(cm), Wis. Stats. The hearing was conducted September 1, 1987. Post hearing briefs and reply briefs were submitted. The final exchange occurred December 16, 1987.

II. ISSUE:

The only issue unresolved between the Parties for the 1987 and 1988 contract year is the amount by which the 1986 wages

should be increased in 1987 and the 1987 wages should be increased in 1988. The offers are summarized below:

	<u>City Hall</u>	<u>Union Offer</u>
1/1/87	Wage Freeze	2.0% + \$.12 per hour across-the board
1/1/88	2.0% across-the-board	4.0% across-the board

It should be noted that the Union estimates the cost of their 1987 offer of 2.0% plus \$.12 per hour is 3.27%.

III. ARGUMENTS OF THE PARTIES

The Union's main argument relates to comparison to other municipal employers. The Union urges that Racine be compared to the following set of cities: Beloit, Janesville, Kenosha, Madison, Milwaukee, Waukesha, Wauwatosa, and West Allis. In support of this comparable group, they note that this particular set of comparable cities has been found to be appropriate by a number of previous interest arbitrators.

Considering the settlements in comparable cities, the Union argues their final offer is more reasonable. In this regard, they focus their analysis on a few of the more common job classifications. They include Clerk Typist II, Account Clerk II, Payroll Clerk, Engineering Technician, Key Punch Operator, Dispatcher and Jailor. Comparing the wage rates in these classifications to wages in the comparable cities, the Union notes that in most cases the City of Racine ranks 6th or 7th out of nine municipalities compared. For instance, the Racine Clerk/Typist II classification ranks 5th, perhaps 6th or 7th if the City's final offer were selected. For 1987, even with the Union's final offer of 2% and 12 cents per hour, the top rate for this classification would be \$8.33; this would be a full \$1.92 less than the 1987 rate paid for this classification in nearby Kenosha, and would leave the Racine rank at 5th out of six, the number of cities for whom 1987 rates are available. Similar comparisons exist for Account Clerk II and Payroll Clerk and Engineering Technician.

Looking at the Police Department classifications, they note the Racine Keypunch Operator classification ranks 7th out of eight and that in 1986 the rate in Racine was \$2.55 less than the top Key Punch Operator in Kenosha. Likewise, they submit the Racine Dispatcher classification is poorly paid compared to comparable cities. Racine Ranks 5th or 6th out of seven or eight. Last, they compare pay for Jailers. Again, they suggest that Racine City jailers rank very low in pay: approximately 7th out of nine, counting Racine County jailers. They also direct attention to the great disparity between the

pay for City of Racine jailers and the (civilian) jailers in Kenosha; and the disparity between Racine City and Racine County jailers. In 1986, the civilian jailer in the City was paid \$9.73 and the top rate for the deputized jailer in Racine County was \$12.25 and the civilian jailer in Kenosha was paid \$10.89.

The Union also reviews the overall wage increase received by employees in comparable cities. They also include in this the Kenosha Joint Services Board settlement. The increases are as follows:

Kenosha City and County	4%	1987
Joint Services	4%	1988
Kenosha City Hall	4%	1987
	4%	1988
Madison	4%	1987
Milwaukee (In negotiations)		
Janesville (unrepresented)	1.5%	1987
Waukesha (OPEIU, AFL-CIO)	4%	1987
Wauwatosa (Some unrepresented; some represented)	3%	1987
West Allis	3-1/2%	1987
	3%	1988
Average	3.43%	1987

This, in their opinion, compares favorably to the Union's 3.27% increase. Their 4% offer in 1988 is consistent with 2 of 3 settlements for 1988. Therefore, they argue the Union's final offer of 4% for 1988 is also more reasonable than the City's small 2% in 1988, especially considering that the City's 2% comes after a year-long wage freeze.

Next, they address the cost of living factor. They contend the Union's final offer is less than the current rate of inflation as measured by the Consumer Price Index. The September 1987 CPI reports the cost of living for Urban Wage Earners and Clerical Workers in Small Metro Areas (such as Racine) went up 4.7% in the last year; nationwide the increase was 4.3%. For the first six months of 1987, consumer prices nationwide advanced at a seasonally adjusted annualized rate of 5.5%. Either statistic reveals an increase significantly larger than the Union's final offer for 1987 which is equivalent to 3.27% for the average employee. The Union's 4%

position for 1988 is also more reasonably related to current rates of inflation. They suggest the City's 0% and 2% final offer would leave the employees significantly hurt in relation to the cost of living.

The Union acknowledges the Employer's reliance on the internal comparables. Basically, they don't think there is a pattern given the lack of uniformity in the historical settlements. Nor do they think it relevant that some units accepted a wage freeze in 1984 (3 years ago). For instance, Local 67 accepted a freeze after three successive 10% wage increases (in 1981, 1982 and 1983) and there was a highly significant quid pro quo. In exchange for a wage freeze that year, Local 67 won a Side Letter of Agreement in which the City agreed that from 7/16/84 through 12/31/85 there would be no further lay off of Local 67 employees and no additional subcontracting of jobs performed by Local 67 bargaining unit members. This is in contrast to the present arbitration, where the City is offering the Union nothing in exchange for its wage freeze. It is also relevant in its opinion that other City units received pay increases for 1987. They note that Employer Exhibit 13 shows that two other Police Department units, totalling 205 employees, are receiving pay increases in 1987. The crossing guards, a unit of 35 part-time employees, received a voluntary agreement for a 3% pay increase in each year of a two-year contract. Also, the current Local 67 Agreement received brought a 2% pay increase for full-time employees in 1987 and a \$3.00 per hour increase for the 30 long seasonal employees in the bargaining unit effective in 1987.

It is also the position of the Union that the City cannot show an inability to pay for the Union's final offer. Nor, in their opinion, are local conditions nearly as bad as the City is trying to suggest. Most of the Union's argument in this regard came in the form of rebuttal. However, they did note in their original brief that the City has high bond rating and has engaged in extensive capital improvement expenditures such as spending approximately \$1.8 million on the Shoop Park Ramp, spending approximately \$2.8 million to \$3 million on the Racine Harbor Marina, about \$2 million on the Festival Park Site, \$3 million on the Stephen Olson Industrial Park and about \$400,000 on a lighting project downtown.

They acknowledge that at the hearing the Finance Director indicated that he expected Racine to suffer a reduction in State shared revenue next year. However, subsequent to the hearing, the Department of Revenue released information showing that Racine will get a 3.4% increase in state shared revenue, an increase in 1988 of \$649,786 over the amount received by the City in 1987. This will substantially offset the loss of \$920,000 of Federal Revenue Sharing.

They also attack the Employer's other economic arguments. For instance, they ask why wasn't there a wage freeze when the unemployment rate was 50% higher than that currently recorded

in 1985 or when it was more than 100% greater than the existing rate in 1983? Racine County, Kenosha, Milwaukee and Waukesha had an average unemployment rate of 8% in 1986. This is compared to the unemployment rate in Racine of 8.6%. A marginal difference. Yet all of these counties provided wage increases fully comparable to the Union's final offer. All of the municipal jurisdictions of the comparable counties provided wage increases fully consistent to the Union's final offer.

In terms of property values, they note there have been increases in recent years as well as declines. Moreover, they suggest the relationship between property values, tax rates, city revenues and wages is tenuous at best.

Directing their attention to the matter of tax increases, they contend that the increase in taxes has been 21.6% over the last seven years not the 34.4% mentioned in the Employer's brief. They argue this increase is rather moderate when it is compared to the 23.3% increase in CPI over the same period.

They also note that there is a discrepancy between data presented on taxes as a percentage of revenues at the hearing and that reported to the State. Plus, there are no comparisons made to other cities by the Employer. When such comparisons are made they note that the City of Racine raises less money for its own services than virtually any other municipality.

They also offer rebuttal on the following areas of argument by the Employer. Personal Income - they note that City exhibit 16C shows that between years 1981 and 1986, employees received a total increase of 23%. During the five year period of 1980 to 1985, personal income rose 26% in the City. Population - they argue that the City's population has declined to a degree that is common in other jurisdictions in the southeast corner of the State. Manufacturing employment - They acknowledge that while Exhibit 39 does indicate substantial declines in manufacturing-related employment, it does not indicate declines substantially worse than the primary comparables. For instance, Beloit experienced a decline of 37% in this period, Milwaukee-Ozaukee-Waukesha had declines of 22% and Kenosha declined by 43%. Thus, while these other jurisdictions have had as hard if not harder times than Racine City, they have all managed not only to increase the wages of their employees at a rate commensurate with the cost of living but also make those increases on a higher base pay than those of this city. Taxpayer Referendum - They note nothing is said about wages in the referendum and it is only concerned about 1988 and beyond.

Next, they challenge the Employer's selection of comparables noting they have never been accepted by any Arbitrator in a dispute concerning this jurisdiction. Nevertheless, each of the Employer's exhibits indicates (1) that the school district gave their similarly situated clerical

employees a 4% wage increase effective 6/1/86. (2) That the Gateway VTAE settled for a 5% wage increase for all the clerical employees. (3) That the employees in Racine County received a 3% wage increase for 1987. Somewhat in the same vein, they argue the relevance of private sector wages compulsion is negligible.

Last, they contend there are a number of important distinctions between the City of Racine (Waterworks Commission) case issued by Arbitrator Ziedler and in the instant matter. The major point of distinction is that the employees in the water utility were the highest paid in any comparable group. They note that wage and benefits for meter readers were in excess of \$33,000 and wages alone were in excess of \$25,000 per year. Additionally, the decision notes that in addition to the general wage increase, most of the employees in the water works bargaining unit enjoyed an end-of-contract special increase of 3%. The Arbitrator took this into consideration in mandating the wage freeze.

B. The Employer

First, the City argues that circumstances surrounding the finances within the City of Racine support the City's proposal. It must also, in their estimation, be taken into consideration that the City has been more than fair in compensating its employees during the past years.

They also draw attention to Arbitrator Ziedler's recent decision in City of Racine (Waterworks Commission) and Local 63, AFSCME in which they believe he accepted the City's argument relative to its decreasing ability to meet continued wage increases in a time of diminishing local resources.

The City submits that a number of factors demonstrate their financial difficulty. They include:

(1) High unemployment (6.6% which exceeds the "surrounding counties by 2.2%).

(2) Diminishing property values (a 4.05% decline since 1984). Further, in this regard, they note that among those cities with a declining tax base, Racine has experienced the largest decrease in taxable property expressed both in dollar terms (\$36,320,100) and percentage terms (2.29%) versus a 3.25% percent increase in equalized value on average in other cities.

(3) Property tax increases - a cumulative increase in the City tax levy of 34.4% within the period of time between 1980 and 1987. At the same time it is noted that the City is relying on the tax levy as a bigger part of its budget - 34.99% in 1980 to 38.27% in 1987.

(4) Loss of revenues - (there was a loss of \$1.3 million in Federal Revenue Sharing). Although they note this was offset by a one-time disbanded TIF for a total loss of \$920,886. A reduction in interest income will be experienced to the tune of \$300,000.

(5) Loss of Population - The City suffered a loss of population between 1970 and 1980 of 9.92%, and 4.96% between 1980 and 1985, for a total population loss of nearly 15%. The City asserts this is greater than many cities.

(6) Per capita income - In 1980 residents in the City of Racine had fallen from an "above average" income in 1980 to a "below average" income in 1985 vis-a-vis other large Wisconsin cities.

(7) Manufacturing Employment. They draw attention to the fact that since 1979, manufacturing employment has continually declined. For instance, Racine has lost 8,700 manufacturing jobs or 27% of the 1979 workforce. Additionally, the manufacturing earnings of City taxpayers are low--the City of Racine has increased only 28% over 1979 earnings. During this same time period, average weekly earnings of manufacturing employees in neighboring areas have risen by a greater degree.

(8) Taxpayer concerns - In this regard, they note an April 1987 advisory referendum which was adopted by a two-to-one margin that required that the County real estate taxes in 1988 not exceed the levy of the prior year, and that in subsequent years 1989 and 1990, the real estate tax levy be reduced by 2-1/2% in each year.

(9) Revenue Enhancement - The City notes they have taken other measures to enhance revenues including a tax increase of \$.23/1000 of equalized value, reduction in overtime cost, personnel reduction, and no increases for non-represented employees, and perhaps subcontracting.

The Employer next argues that the Employer's offer is more reasonable when viewed in light of the internal pattern of settlements. However, first as background, they note the labor agreements for the eleven bargaining units which are in existence in the City of Racine are not of concurrent duration. Traditionally Police, Police Staff, Fire, Fire Staff, and Local 67 (DPW) employees have had two-year agreements on a concurrent cycle. On the alternate two-year cycle were contracts for three locals of AFSCME 2239, the Police and City Hall clericals, as well as the Crossing Guards, the Water and Wastewater Utilities and Local 1199, Public Health Nurses. Thus, at the time of the 1983-84 recession only the Racine Police, Police Staff, Fire, Fire Staff and DPW contracts were open for negotiations for the period of 1984-85. That round of bargaining (i.e. 1984) resulted in a one-year wage freeze for those five bargaining units. This led the City to seek wage freezes in 1987 from bargaining units who had not accepted

freezes in 1984. Accordingly, the following represents either the settlements or final offers for 1987 and 1988:

		<u>1987</u>	<u>1988</u>
Non-organized		0%	Not Settled
Local 2807/Wastewater	City:	0%	2%
	Un:	3%	3.5%
Local 63/Waterworks		0%	2%
Local 119/Nurses	City:	0%	2%
	Un:	4%	4%
Local 2239/Crossing Guards		3%	3%
Police		1%	Not Settled
Police Staff		1% + COLA	Not Settled
Fire		1%	Not Settled
Fire Staff		0%	Not Settled
Local 67		2%	Not Settled
Local 2239/	City:	0%	2%
Police and City Hall	Un:	3.4%	4%

The City also believes that wages in the private sector should be considered. In fact, they contend that the revision to Wis. Stats. 111.70 were designed to give greater weight to private sector wages. First, they stress there has been a tremendous loss of jobs among several major employers in the Racine area and second, they stress that none of these major Racine employers have been able to extend a 1986 or 1987 wage increase to their respective employees, and a number have required pay cuts and other additional concessions in order to remain in competition.

More significantly, in their opinion, is the fact that the City of Racine clerical wage rates as compared to area private sector employment for similar work, are well above average. This position was chosen for comparability inasmuch as it contains readily comparable job duties and responsibilities, and it represents the single largest category of employees in this bargaining unit. Thus, they assert the average maximum wage for a Clerk Typist II is \$8.23 per hour in the private sector compared to \$8.54 per hour (+.31/3.8%) under the Cities offer and \$8.83 (+.60/7.3%) under the Union's offer.

Regarding the value of external comparables, the City believes they are diminished in this case and should be accorded lesser weight than the internal comparables and private sector comparables within the City of Racine. This is because there is a residency requirement restricting employees to essentially Racine County. Therefore, since the labor pool is restricted the comparison utilized by the City of other local government units, namely the Racine Unified School District, Racine County, and the Gateway Vocational, Technical and Adult Education District, are clearly most appropriate in the instant case. Also, they contend due to the financial

conditions discussed in this brief, internal comparability is the most important criteria to be applied, followed closely with the above-enumerated private sector opportunities and wage rates in the City of Racine. Finally, Arbitrators have found that comparable pools for clerical support employees can appropriately be narrower than those for professional employees, since the radius of recruiting (as testified to by the Personnel Director) and competition for employees is decidedly more localized in nature.

When comparing its wages to other public employers in the area (Racine Schools, Racine County and Gateway VTAE), they contend that their offer maintains the Cities first-place rank and will continue to easily exceed the hourly average for comparable area public employers. They survey various clerical positions and present a chart which shows even under the Employer offer the rates will continue to exceed the average from 4.41%(\$.33/hour) to 15.63% (\$1.49/hour).

Next, they note, based on detailed analysis, that the City offer will continue the excellent benefit levels these employees currently receive. Moreover, they note that the City of Racine has had no difficulty in attracting qualified applicants for its position.

Last, the City addresses the cost of living factor. They present data which shows that considering wages only, in each and every instance, the cumulative wage increases have far outstripped cumulative cost of living increases for the same period. Averaging this data for five positions, under their offer the cumulative wage increase for 1981-1987 was 42% compared to 23% increase in the CPI over the same period.

In terms of rebuttal the City notes that the increase in State shared revenues of \$649,786 was offset by \$450,369 due to a loss in taxing authority by declining land values. Thus, the total cost of the Union's final offer is \$202,477, \$3,060 over the alleged "surplus."

Also, in terms of the various capital improvement projects such as the parking ramp, marina, industrial park, etc., they note that these are long-term projects which are necessary for the City to survive--not prosper. Furthermore, none of them have any revenue impact in 1988 since a majority of them have been long-term in nature and financed prior to 1987.

IV. OPINION AND DISCUSSION

The case comes to arbitration under the revised statute which eliminated involuntary mediation on the part of the Arbitrator and which rearranged the statutory criteria. The following are the new criteria:

"(7) Factors considered. In making any decision under the arbitration procedures authorized by this paragraph, the Arbitrator shall give weight to the following factors:

"a. The unlawful authority of the municipal employer

"b. Stipulations of the parties

"c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.

"d. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services.

"e. Comparison of the wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees generally in public employment in the same community and in comparable communities.

"f. Comparison of the wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees in private employment in the same community and in comparable communities.

"g. The average consumer prices for goods and services, commonly known as the cost-of-living.

"h. The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holidays and excused time, insurance and pension, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

"i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

"j. Such other factors not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the Parties, in the public service or in the private employment."

Basically, the Union relies heavily on a portion of criteria (e). They dismiss the Employer's comparisons to other public employees in the "same community." In this case, they are other employees internal to the City and employees of the School District of Racine, Racine County and Gateway VTAE. Instead, they emphasize the wage increases in "comparable communities" and the wage level disparities which exist between Racine and these communities. They also dismiss comparisons to private sector employees and the Employer's picture of the City's financial status. Although, they do argue that the cost of living favors their offer.

The Employer, on the other hand, relies heavily on the increases received by other employees within the City, the wage levels at other public employers within Racine and at private employers. All this is painted upon a backdrop of financial difficulty and expressed concerns by the public over taxes. They also believe that the cost of living factor favors their offer.

To a certain extent this case comes down to the classic confrontation of internal comparables versus external comparables. At least it is a central theme. There is little doubt that the external comparables support the Union's proposal for 1987. However, it is noteworthy there are fewer settlements for 1988 than 1987 and thus to a certain extent the Union's 4% is sailing in somewhat uncharted waters with respect to 1988. Only 3 of their 10 comparables are settled for 1988. Two of these are for 4% and one for 3%. There is some wage level disparity as well. This often weighs in favor of the external pattern over the internal pattern.

On the other hand, the internal comparables tend to support the Employer offer for 1987. The Union's 1987 offer amounts to 3.27% compared to 1% settlements in the Police, Police Staff and Fire Units and the 0% for Local 63 (Waterworks Department) under the Ziedler Arbitration award. Unfortunately, the City's offer for 1987 doesn't match the 1% given these other groups. Nor is the Arbitrator convinced by the argument that this is justified on the basis of what occurred in 1984. Yet it can't be ignored that 0% is plainly closer to the existing internal settlements than is 3.27% for 1987. There are no internal settlements for 1988.

How is this conflicting evidence to be reconciled? Often it is held that a clear internal pattern will prevail if there is not too much disparity in the wage levels relative to external comparables. In this case, there is disparity relative to other cities. In some cases, the disparity is great and in other cases there is no disparity or very little. Thus, the disparity isn't as persuasive as is suggested by the Union. Even so, this would favor the Union's package on the basis of 1987.

However, ultimately this tendency cannot be considered to control or override the internal patterns under the unique facts and circumstances of this case. There are other factors that the Arbitrator must consider, which when considered mitigate substantially against the wage level disparities which exist between Racine and comparable communities.

First, in this case, there are other public sector employers within the same community employing some employees similarly situated as those in the City of Racine. This too must be considered under criteria (e). When determining if adherence to the internal pattern would create too much external disparity, it is relevant under criteria (e) not only to consider other cities but other units of local government within the same community. These would be reliable indicators of the appropriate wage for any one position given that there is a readily identifiable local labor market for many, if not most, of the positions in the instant case. This isn't like a teacher, fire or police case where we must go to other cities to observe what the ultimate market price is for certain positions. This case is somewhat unique in that there is a local public employer market for many of these positions reflecting local conditions.

When the wage levels for six different clerical positions (Clerk Typist I, II, Secretary I, II, III and Account/Data Entry Clerk II) are compared between the City and the other local units of government it is noted that even if the Employer's zero percent is accepted for 1987, the City employees will still be paid more than other similar local government employees. This data is set forth in the Employer's brief. These positions, even under a wage freeze, will on average exceed the rates in the county, VTAE and School District by \$.64/hour or 7.5%. It is noted there is some disparity for jailer rates between the City and County of Racine. However, much of this can be explained by the fact the County jailers are sworn officers.

Another factor which diminishes the weight to be given to the settlements in other cities relates to the fact that there is no clear pattern in 1988. Just because the Union is closer to the pattern in other cities in 1987 doesn't mean they will be in 1988. Given the lack of evidence in 1988 on comparable cities, greater reliance would have to be given to other criteria such as interest and welfare of the public which tends to favor the Employer. Moreover, the recent economic developments in southeastern Wisconsin would tend to stress the uncertainty of the appropriate increase for 1988 making 2%, under these unique circumstances, more palatable than 4%.

The other reason the external settlements are lessened in value is the fact that in many respects Racine is distinguished from other cities in the external comparable group. These facts were detailed in the Employer's brief and accepted to be relevant by Arbitrator Zeidler.

Another reason that the internal settlements deserves more weight in this case is the fact they are indicative of some degree of financial stress. When other employee groups go to the bargaining table and agree to a 1% increase and when another Arbitrator is convinced that there is financial distress, it is difficult not to conclude there is a realistic financial problem which needs to be addressed. Perhaps, the situation isn't as bad as the picture painted by the Employer but it was bad enough for the Police and Fire units to accept a minimal increase for 1987 which was no doubt less than comparable cities. It is doubtful, based on this record, that they would have voluntarily accepted such a low increase if they were not convinced that it was necessary for the City's well being.

When the Employer is able to convince several internal units that their economic situation warrants significant modesty in wage settlements and is able to convince another Arbitrator that 0-2% is more appropriate than 3.27%-5% such facts deserve great weight. This is especially true in light of the taxpayer referendum, which likewise can't be ignored.

Thus, all these factors outweigh the settlements in other cities and the cost of living factor even if it were concluded it favored the Union. All things considered, the statutory criteria support the Employer's offer to a greater degree than the Union's. This is not to say that given all the circumstances, including the disparity relative to other cities, that 0-2% over two years is the appropriate increase or is per se a reasonable increase. However, it is to say that it is closer to what could be considered an appropriate increase by this Arbitrator and therefore less unreasonable than the Union's 7.27% proposal.

AWARD

The Final Offer of the City is accepted.



Gil Vernon, Arbitrator

Dated this 19th day of February, 1988 at Eau Claire, Wisconsin.