

In the Matter of

Arbitration Proceedings

CITY OF BELOIT

and

DISCUSSION & AWARD

POLICE PATROLMEN'S ASSOCIATION
OF BELOIT

Case XXV
No. 18650
MIA-139
Decision No. 13333-A

On February 11, 1975 the Wisconsin Employment Relations Commission issued Findings of Fact, Conclusion of Law, Certification of Results of Investigation and Order Requiring Arbitration pursuant to a petition filed by the Association. From a panel of arbitrators furnished the parties pursuant to said Decision No. 13333-A, the undersigned was chosen and ordered on February 21, 1975 to hear the matter and issue a final and binding award. Pursuant to said Order, a pre-trial conference was held on April 9, 1975; a hearing was held on April 30, 1975; after which counsel for both parties filed post-hearing briefs which were exchanged on July 7, 1975.

Appearing for the Association: Noll, Donovan, Bolgrien & Ruth, by William F. Donovan, counsel.

Appearing for the City: Neil M. Gundermann, counsel; and L. C. Tyler, Jr., Personnel Director.

Section 111.77 of the Wisconsin Statutes, the basic statutory authority under which these proceedings were had makes provision at sub-section (4) for two alternative forms of arbitration. The parties here involved have elected that the arbitration proceeding go forward under Form 2 which requires that: "The arbitrator shall select the final offer of one of the parties and shall issue an award incorporating that offer without modification."

The final offer of the parties reveals that there are five issues which remain in dispute. Those issues are:

- I. Wages
- II. Holidays
- III. Medical-dental-hospitalization insurance coverage
- IV. Personal bereavement leave
- V. City contribution to Wisconsin Retirement Fund.

A comparison of the final offers of the parties reveals the following:

I. WAGES

	<u>ASSOCIATION</u>	<u>CITY</u>
1st year	830.00	813.00
2nd year	915.00	898.00
3rd year	1,000.00	973.00
4th year	1,105.00	985.00
5th year	1,110.00	1,091.00
10th year	1,125.00	1,103.00

II. HOLIDAYS

<u>Association</u>	<u>City</u>
Two additional full holidays	One additional full holiday-making Good Friday and Christmas Eve day full holidays instead of 1/2 holidays as now provided.

III. MEDICAL-DENTAL-HOSPITALIZATION INSURANCE COVERAGE

<u>Association</u>	<u>City</u>
Premium costs for 1975 contract year to be paid in full by City for active patrolmen. Same coverage excluding maternity benefits and children's coverage provided for retired officers and their spouse for maximum of ten (10) years or until both qualify for Medicare coverage.	Payment by City of maximum \$60.00 monthly of total premium cost. Retired members - same coverage as for active officers but retired officers to pay own premium at single rates for officers and their spouse.

IV. PERSONAL BEREAVEMENT LEAVE

<u>Association</u>	<u>City</u>
Four (4) days bereavement leave for officers' immediate family as defined in present contract.	Three (3) days bereavement leave for officers' immediate family as defined in present contract.

V. CITY CONTRIBUTION TO WISCONSIN RETIREMENT FUND

<u>Association</u>	<u>City</u>
City to contribute 5-1/2% of employees' 6% contribution to Wisconsin Retirement Fund.	Offer silent.

The final offer of both parties provides that the wage provisions are to be made retroactive to January 1, 1975 and the remaining provisions to be implemented as soon as practical.

Section 111.77(6) of the Wisconsin Statutes provides as follows:

"(6) In reaching a decision the arbitrator shall give weight to the following factors:

- (a) The lawful authority of the 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 these costs.
- (d) Comparison of the wages, hours and conditions of employment of the employes involved in the arbitration proceeding with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally:
 - (1) In public employment in comparable communities.
 - (2) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) 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 private employment."

At the outset, it should be observed that the last final offer of the City totals \$116.32 per month increase in wage and fringe benefits which is the equivalent of 11.5%. The Association on the other hand in its final offer proposes an increase equalling \$140.68 or an overall percentage adjustment for both wage and fringe benefits of 15.23%.

As to its proposal for wages, counsel for the Association argues:

"... during the year 1974, the consumer price index increased 12.2%. During the same period, i.e., the year 1974, the members of the Police Patrolmen's Association received income based on a wage contract negotiated under wage stabilization controls in 1973.

"It is submitted that the percentage increase in wages contained in the Police Patrolmen's Association of Beloit amended final offer approximates the cost of living increase its members already experienced during the past year."

Association counsel further argues that the Janesville and Rock County agreements are the most valuable for comparison purposes. He points out that Janesville and Beloit are about fifteen miles apart and that the Rock County Sheriff's Department has legal authority over the entire County which includes both of these cities. He observes that: "Historically, competition between these communities beginning with High School sports and extending into commerce, community development and police activity is a fact of life", and offered the following wage comparisons for the year 1975 for Janesville, Rock County, the offer of the Police Patrolmen's Association of Beloit and the City of Beloit:

	<u>Janesville Police Department</u>	<u>Rock County Sheriff's Department</u>	<u>Association</u>	<u>City</u>
1st year	875.33	838.00	830.00	813.0
2nd year	923.00	887.00	915.00	898.0
3rd year	1,016.17	972.00	1,000.00	973.0
4th year	(1,016.17)	(972.00)	1,015.00	985.0
5th year	1,109.33	1,086.00	1,110.00	1,091.0
10th year	1,138.50	1,111.00	1,125.00	1,103.0

Counsel for the City argues in material part as follows:

"The City contends that its offer is the most reasonable offer for the following reasons:

"1. The communities with whom the City compares itself are reasonable comparisons.

"2. The actual dollar value of its offer is highly competitive with settlements negotiated in comparable communities.

"3. The percentage increase offered by the City is above the average and mean settlements negotiated in comparable communities.

"4. The maximum salary, as well as the time it takes to reach the maximum salary, places the City among the leaders among comparable communities.

While counsel for the City concedes that Janesville and Rock County are geographically situated close to the City, it is his position that "the similarity ends there. In many ways the City is more comparable to other communities, i.e., population, earnings of production workers, type of industry, assessed valuation." He contends that the City of Janesville is considerably wealthier than the City of Beloit and that the 13.6% increase granted by Janesville "is the result of the third year of a three-year contract which included a cost of living clause which automatically increased salaries by the same percentage as CPI with no lid. Of the 13.6%, 12.2% was as a result of the increase in the CPI and 1.4% was attributable to increased insurance premiums without increased coverage." Counsel for the City contends that a more valid comparison may be obtained from comparing Beloit with a number of cities which he contends are more comparable based on population, assessed valuation and the size of the police departments in the several communities compared. The cities he selects are set forth hereafter with the dollar and percentage cost of the 1975 settlements compared with the City's proposed settlement for Beloit:

<u>CITIES</u>	<u>DOLLAR COSTS OF 1975 SETTLEMENTS</u>	<u>INCREASE OF 1975 SETTLEMENTS</u>
Janesville	137.81	13.6
Racine	119.89	12.5
Beloit	116.32*	11.5*
Oshkosh	110.00	12.1
Wausau	110.00	13.5
Fond du Lac	98.19	11.1
Appleton	89.79	10.0
Eau Claire	87.51	9.9
Kenosha	80.50	8.8
LaCrosse	80.00	9.7
Sheboygan	78.50	8.6

*Proposed

Counsel for the Association introduced considerable evidence and numerous exhibits to buttress his argument that the productivity of the Beloit patrolmen merited special consideration. In sum, he argued:

"The productivity of the Union's membership can hardly be disputed upon the evidence and data in the record in this proceeding. While only two of the comparative municipalities used have the same or less officers, Beloit has the largest number of 'Part I arrests' per officer of all these comparative cities. In the category of less serious offenses, Part II Offenses, only one city, Eau Claire, shows a higher number of arrests per officer."

It is the opinion of the arbitrator, however, that the evidence and arguments with respect to productivity are tenuous to say the least and of little or no value in judging the reasonableness of the respective last proposals of the Association and the City. I agree with the observation made by counsel for the City that, "If cities compensated officers based on the crime rate, the officers employed by the City of Wisconsin Dells would be among the highest paid in the State, which they are not."

On the holiday issue, the City has offered to increase its present 7-1/2 holidays to 8-1/2 which it considers to be generally in line with comparable communities throughout the state. The Association has proposed that there be two additional paid holidays, or a total of 9-1/2. This compares with the 8 paid holidays provided for by the Janesville Police Department. On this issue, the Association appears to be slightly out of line.

On the insurance issue, the Association's proposal appears to be identical with that which is presently in effect for the firefighters in the City of Beloit. However, the City argues that this is an extremely costly proposal and has found its way into the firefighters contract only because of a prior arbitration award. It argues that because of the heavy cost involved "an issue of this magnitude should be negotiated."

Another fringe issue, that of personal bereavement leave, involves a proposal by the Association for four days as against the City's proposed three days. Both the Janesville and Rock County contracts which the Association views as most directly comparable are likewise only three days. The three days proposed by the City appear to be well in line with the prevailing practice in both the public and private sectors throughout the state.

The Association has proposed that the City contribute to the Wisconsin Retirement Fund an additional 1/2% while the City's proposal is that it remain at the current 5% level. The contract in the City of Janesville calls for 5-1/2% and the Rock County Sheriff's Department establishes a rate of 6%. As to this issue, the proposal of the Association appears to be well within the prevailing practice in the state.

It is the conclusion of the arbitrator that neither of the proposals of the City or the Association can be viewed as patently unreasonable. The arbitrator is inclined to view the Janesville and Rock County contracts as most directly comparable not only on geographic grounds but also because there appears to be a well defined and historical community of interests. The arbitrator therefore finds the wage proposal of the Association to be in line with the several guidelines set forth in the Statutes. It also seems that while the City's proposal cannot be viewed as unreasonable, it is somewhat off the mark and that in balance the Association wage proposal appears to be the more reasonable and most directly in line with such factors as are customarily taken into consideration by those at the collective bargaining table. As to the fringe benefit issues, the City's proposal with respect to holidays and personal bereavement leave appear to be the more reasonable resolution of those issues from that proposed by the Association. However, neither of them weighs heavily as to the cost factor and neither can be viewed as determinative of the central issue here involved. The arbitrator is confronted with mixed feelings with respect to the insurance issue. It is undoubtedly a costly item not only for the present contract year but for future years as well and the benefits provided by the Association proposal seem clearly to be in excess of those which would constitute the prevailing practice in both the public and private sectors. However, the precise plan proposed by the Association is already in effect in the City of Beloit in the firefighters' contract and hence it is difficult to view the desire to extend the same benefits to the Police Department as being unreasonable. As to the last fringe issue involved, that concerning the extent of the City's contribution to the Wisconsin Retirement Fund, the Association proposal appears to be reasonable and in line with prevailing practice.

In sum, it is the opinion of the arbitrator that the proposal of the Police Patrolmen's Association of Beloit comes closest to meeting the several criteria set forth in Section 111.77(6) of the Wisconsin Statutes. If the arbitrator were to exercise his independent judgment with respect to the several fringe issues involved, his opinion might well have been different. However, modifications or changes in fringe benefits are more easily dealt with at the bargaining table than is the modification of basic wage or salary levels particularly in an escalating cost of living climate.

A W A R D

The amended final offer of the Police Patrolmen's Association of Beloit is adopted as the award in these proceedings.

Respectfully submitted,

Philip G. Marshall /s/
Philip G. Marshall

September 15, 1975