

STATE OF WISCONSIN

Before the Wisconsin Employment Relations Commission

In the Matter of the Petition of

TEAMSTERS UNION LOCAL NO. 695,
INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS, WAREHOUSE-
MEN AND HELPERS OF AMERICA

AWARD
IN
ARBITRATION

For Final and Binding Arbitration
Involving Law Enforcement Personnel
in the Employ of

Case No. XIII
No. 20008 MIA-206
Decision No. 14487-A

CITY OF WATERTOWN

HEARING. A hearing in the above entitled matter was held at the Municipal Building, Watertown, WI on June 15, 1975, beginning at 10 a.m.

APPEARANCES.

For Local 695:

MICHAEL SPENCER, Business Representative,
Local 695

ROBERT F. KUBE

LYLE SHAIKEN

For the City:

ROGER E. WALSH, Attorney, BRIGDEN, PETAJAN, LINDNER
& HONZIK, S.C.

CARL V. KOLATA, Mayor

GERALD P. DONAVAN, Chief of Police

LARRY SEIBER

BACKGROUND. This is a proceeding under Section 111.77, Wisconsin Statutes, providing for final and binding arbitration in which the arbitrator selects one of the final offers of the parties and issues an award on that offer without modification. The parties involved are the City of Watertown, a city of about 15,700 population, located in Jefferson and Dodge Counties, Wisconsin, and Union Local 695, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, with offices at 1314 N. Stoughton Wood, Madison, Wisconsin 53714. The Union represents officers in the police bargaining unit of Watertown.

The Union petitioned the Wisconsin Employment Relations Commission on January 6, 1976 to initiate final and binding arbitration pursuant to Section 111.77(3) of the Municipal Employment Relations Act. The Commission conducted an informal investigation on March 8, 1976 and concluded on March 30, 1976 that an impasse existed. It then certified that conditions precedent to the initiation of final and binding arbitration existed as required by Section 111.77, and ordered that final and binding arbitration be initiated. The parties were ordered to submit final offers. Subsequently, Frank P. Zeidler, Milwaukee, Wisconsin, was chosen by the parties to be the arbitrator and was appointed by the Commission on May 5, 1976.

The bargaining unit in the City of Watertown Police Department consists of 18 patrolmen, 3 sergeants, and 1 detective.

THE FINAL OFFERS FOR 1976.

Amended Final Offer, Teamsters Union Local #695, City of Watertown Police Department, June 10, 1976

Article X-HOLIDAYS. All day Good Friday (This is an additional half day which is agreed upon.):

Article XII-INSURANCE. 12.01 Health Insurance. Employees shall be provided with medical and hospitalization insurance, provided by the Employer for full-time employees. The Employer shall pay Seventy-Six Dollars and Fifty-Three Cents (\$76.53) per month for a family contract and Twenty-Six Dollars and Sixty-Three Cents (\$26.63) per month for a single contract.

The above family contract includes Two Dollars and Fifty-Two Cents (\$2.52) per month to bring maternity benefits to One Thousand (\$1,000.00) for normal delivery, Two Thousand Dollars (\$2,000.00) for Caesarian section, and Five Hundred Dollars (\$500.00) for a miscarriage.

Premiums that have been deducted from the employee's pay from January 1, 1976 to the signing of the 1976 Agreement shall be refunded to the employees.

Article XXI-DURATION. Change dates to provide for one (1) year Agreement from January 1, 1976 thru December 31, 1976.

Appendix "A". The following salaries, on a monthly basis shall be paid to the employees in the classifications listed below, retroactive to January 1, 1976.

Classifications:

Police Officer	Start	-\$848.00
" "	After one year	-\$919.00
" "	After two years	-\$955.00
" "	After three years	-\$995.00
Police Sergeant and Detective		-\$1,030.00

Final Offer of City of Watertown to Teamsters Local 695 (Police Unit) as of June 10, 1976

The 1975 Agreement between the parties is to be continued except as modified below;

1. Article VII-UNIFORM ALLOWANCE. In Section 8.02, change "\$225" to "\$300" in the first sentence.
2. Article X-HOLIDAYS. In Section 10.01, change "nine and one-half days off" to "ten (10) days off" and delete "(1/2 day)" after Good Friday in line b.
3. Article XII-INSURANCE. A) Revise the second sentence of Section 12.01 to read:
"The employer shall pay up to \$74.01 per month for a family contract and up to \$26.63 per month for a single contract."
B) Add a Memorandum of Understanding to contract to read:

Memorandum of Understanding

"The following understanding is agreed to by the undersigned parties and is applicable during the term of the 1976 contract between the parties:

"In the event that hospital and medical costs for a childbirth which occurs on or after January 1, 1976, exceed the limitations in the Health Insurance Contract of \$600 for a normal childbirth, or \$1,200 for a caesarian section, and such excess costs would have been paid for under such Health Insurance contract but for such \$600 or \$1,200 limitation, the City will pay an amount up to but not exceeding a total of \$400 to the hospital and/or doctor toward such excess costs. Such payment will be made upon receipt of the bills from the hospital and the doctor with a statement of amount paid by the Insurance Company.

Dated this _____ day of _____, 1976.

CITY OF WATERTOWN.

DRIVERS, SALESMEN, WARE-
HOUSEMEN, MILK PROCESSORS, CANNERY,
DAIRY EMPLOYEES AND HELPERS UNION,
LOCAL No. 695.

"

4. Article XXII-DURATION. Revise the first three lines to read:
"This Agreement shall be effective on the 1st day of January, 1976, and shall remain in full force and effect to and including the 31st day of December, 1976, and shall be automatically...."

5. Appendix "A"-SALARY SCHEDULE. Revise to read:

Appendix "A"

Classification:

Police Officer - Start	\$ 9,922
After 1 Year	\$10,833
After 2 Years	\$11,302
After 3 Years	\$11,813
Police Sergeant and Detective	\$12,258

An inspection of the offers shows that issues of Holidays and Duration of the Agreement have been agreed to. The issue of Uniform Allowance is an offer by the City that will be included in the Agreement if the City offer is recognized by the Arbitrator. The remaining issues then are wages, and insurance. The Arbitrator will follow the guidelines set for Section 111.77(6) of the Wisconsin Statutes. These guidelines are as follows:

I. The Lawful Authority of the Unit of Government. There is no question here of the lawful authority of the City to make its own offer effective. There is some question as to the lawful authority of the City to achieve the insurance benefits asked by the Local Union. The reasons for this will be considered later.

II. Stipulations of the Parties. There were no major stipulations between the parties except that they agree that the offers here are to be considered modifications of the 1975 Agreement the other terms of which will remain in effect.

III. The Interests and Welfare of the Public. There was no major discussion on this issue. The Arbitrator recognizes that there is a tension between the issues of a properly paid police force and the ability or willingness of the public to pay for such a force.

IV. The Ability of the Government Unit to Pay. There was no question as to the ability of the City of Watertown to meet the costs of either offer.

V. Comparison with Other Public Employees Doing Similar Work in Other Units of Government-Wages. The Union presented information on wages in its Exhibits 3-7. The Arbitrator has abstracted this chart from it.

TABLE I

TOP WAGES, WORKWEEK, SELECTED UNITS OF GOVERNMENT, 1976

A. Patrolman

<u>Unit of Government</u>	<u>Work Week</u>	<u>Steps to Top</u>	<u>Top</u>	<u>Population</u>
Jefferson County	39.80	5/42 Mo.	1018	
Dodge County	39.66	5/42 Mo.		
January 1			972	
July 1			1007	
average			989	
Sun Prairie	37.5	6/48	1010	10,018
Oconomowoc	40.11	5/48	1123	8,814
Beaver Dam	39.80	4/36	1012	
Fort Atkinson				9,164
Union Offer			1015	
City Offer			1002	
Waupun				15,683
Union Proposal			995	
Watertown	40.00	4/36		
Union Proposal			995	
City Proposal			984	

B. Sergeants and Detectives

Jefferson County	39.90		
Sergeants		5/42	1107
Detective (Dep III)		5/42	1060
Dodge County			
Sergeant	39.66	5/42	
January 1			1027
July 1			1062
average			1044
Sun Prairie			
Sergeant & Detective	37.5	4/48	1075
Oconomowoc			
Sergeant & Detective	40.11	3/24	1177
Beaver Dam			
Police Sgt./Det. Sgt.	39.80	3/24	1112
Patr. Sgt./Det.	39.80	2/12	1055
Watertown			
Sergeant and Detective			
Union Offer			1030
City Offer			1021

The monthly difference for patrolmen at the top is \$11, the Union offer being higher. The Union offer is \$9.00 higher for Sergeant and Detective.

The City submitted its Exhibit I, a "Comparison of Wage and Health Insurance Increases." It was a chart which supplies information on another set of cities and counties. Some of the cities are the same, but there is some additional information in the form of dollar increases and percentage increases between 1975 and 1976. From this chart the following information is derived. The population numbers were supplied by the arbitrator.

TABLE II

Governmental Unit	Top Rate 1976	COMPARISON OF WAGE INCREASES, TOP PATROLMAN RATE, 1975-1976		Population*
		Top Rate 1976	Increase \$ %	
Jefferson County	960	1,018	58 6	64,079
Edgerton	896	941	45 5	4,118
Mayville	920	985	65 7.1	4,139
Jefferson City	932	1,007	75 8	5,429
Horicon	926			3,356
January 1		971		
July 1		986		
average		978.50	52.50 5.7	
Beaver Dam	950	1,012	62 6.5	14,265
Fort Atkinson	945	1,015(u)	70 7.4	9,164
Dodge County	922	989.50	67.50 7.3	72,140
		(ave.)		
Lake Mills	886	946	60 6.8	3,556
AVERAGE	926.33	988.00	61.66	
Watertown				16,759
City Offer	920	984	64 7	
Union Offer	920	995	75 8.2	

The City also provided a comparison of work schedules from which the next table is abstracted.

TABLE III

COMPARISON OF WORK DAYS IN THE YEAR

<u>Governmental Unit</u>	<u>Work Days/Year</u>
Jefferson County	258.7
Edgerton	257.8
Mayville	258.7
Jefferson City	258.7
Horicon	257.8
Beaver Dam	258.7

TABLE III (Continued)

Fort Atkinson	258.7
Dodge County	257.8
Lake Mills	252.9
Watertown	252.9

The City in its brief offered a table which compares the City and Union offers with respect to wages at every step. That table is given here.

TABLE IV

COMPARISON OF WAGE OFFERS BY WATERTOWN AND LOCAL 695 FOR 1976

Classification	1975 Wage	1976 Union		1976 City		Increase	
		Offer	Increase \$	Increase %	Offer	Increase \$	Increase %
Police Officer							
Start	772.75	848	75.25	9.7	826.83	54.08	7.0
After 1 Year	843.67	919	75.33	8.9	902.75	59.08	7.0
After 2 Years	880.25	955	74.75	8.5	941.83	61.58	7.0
After 3 Years	920.00	995	75.00	8.2	984.42	64.42	7.0
Police Sergeant and Detective	954.67	1,030	75.33	7.9	1021.50	66.83	7.0

Union Position: The Union notes that the difference between the Union offer and the City offer is \$11.00 a month per officer. The Union says that of all the communities around Watertown, the Union used only cities with a population of over 5,000. Dodge and Jefferson Counties were compared because Watertown is in both counties.

The Union says that what Union Exhibits 3 through 7 shows is the salary range for patrolmen in other departments which are smaller in size and work load. The Union says Union Exhibit 9 shows the City of Watertown to have the largest population and very near the lowest in base salary.

The Union is critical of City Exhibit 1 which shows the percentage increase for patrolmen in various governmental units between 1975 and 1976. It states that the percentage increase in wages is irrelevant because the total package is not listed.

City's Position: The City's position is that its offer is comparable to wage increases granted to Police employees in surrounding communities. The City says that on the basis of City Exhibit 1, the average wage increase granted to top step patrolmen in nine communities in 1976 was \$61.66 per month or 6.6% of the average 1975 wage rate. The City's offer here amounts to an increase of \$64.42 or 7.0%, which is \$2.76 per month, or 0.4% more than the average wage increase granted in surrounding communities.

VI. Comparison of Wages with Other Employees in the Public Service in the Same Community.

According to the City Brief, the City of Watertown bargains with three other groups; public works, Fire Fighters, and a clerical and technical group. The clerical and technical group was in negotiations at the time the Brief was sent to the Arbitrator. The City has reached a settlement with the Fire Fighters and Public Works employees as follows:

TABLE V

COMPARISON OF WAGES GRANTED TO OTHER EMPLOYEES IN THE CITY OF WATERTOWN
1976

Classification	1975 Rate	1976 Rate	1977 Rate	Increase	
				\$	%
Fire Fighter (top)	853.75/mo	913.50/mo		59.75	7.0
Public Employees	4.50/hr	4.82/hr		32¢/hr	7.1
" "		4.82/hr	5.16/hr	34¢/hr	7.1

Union Position: The Union notes that the City settled for 7% per year for two years for employees in public works. It notes that this is comparable to what public works employees received in other communities and was made on that basis.

The Union states that Fire Fighters also had their base salary increased 7%, but the City is also making a one half of one per cent increase in the employee's share of the pension payment. To a total of 7% paid by the City must be added \$150 a year granted to Fire Fighters who are certified medical technicians. When the pension payment and emergency medical technician payment is added Fire Fighters get a 8.5% increase.

City's Position: The City states that its wage offer for the Police is consistent with settlements the City made with other bargaining units. The City says it is extremely important for the preservation of harmonious labor relations within the City of Watertown, as well as within other municipalities. It states that arbitrators take special notice of settlements reached with other bargaining units in the same city. If an arbitrator grants more to a group utilizing arbitration, other groups will go to arbitration, or delay settling until the groups with arbitration available, utilize it. This is especially true of Fire Fighters and Policemen.

The City says that the trend has been against widening the differential between Fire Fighters and Police, noting that this arbitrator, himself, has applied that principle. The City states that the differential between Police and Fire Fighters in 1975 was \$66.25 per month or 7.8%. In 1976 the differential would be \$70.92 per month or 7.8%. Under the Union's offer the differential would increase to \$81.50 a month or 8.9%.

If the Police Union's offer were selected, this would make the Fire Fighters extremely upset, according to the City, and would probably involve the City in arbitration proceedings with the Fire Fighters. This would mean a "leap frog" process which the Legislature did not want to occur.

VII. Comparison of Wages and Benefits with Employees in the Private Sector of the Economy. Neither of the parties presented substantial evidence in this matter.

VIII. Comparison of Benefits - Insurance. A major issue between the parties is their position on insurance. The City is offering to pay \$74.01 per month for a family contract and \$26.63 per month for a single contract. The Union is asking that the City contribute the amounts of \$76.53 for a family contract and \$26.63 for a single contract. The \$76.53 includes \$2.52 to bring higher maternity benefits. What these higher maternity benefits are is illustrated in the following table, derived from the City's Brief.

TABLE VI
COMPARISON OF OFFERS ON HEALTH INSURANCE

<u>Procedure</u>	<u>Maximum Amount Paid Under Union Offer</u>	<u>Maximum Amounts Paid Under City Offer</u>
Miscarriage	\$ 500	\$ 300
Normal Delivery	1,000	1,000
Caesarian Section	2,000	1,000

From the Union's Exhibits, the following table is derived:

TABLE VII
COMPARISON OF HEALTH INSURANCE BENEFITS
IN SELECTED GOVERNMENTAL UNITS

<u>Governmental Unit</u>	<u>Family Health Ins. Cost, 1975</u>	<u>Family Health Ins. Cost, 1976</u>	<u>Inc. \$</u>
Jefferson County	67	84.00(85)	17(18)
Dodge County	51	83.22(73 over)	22
Sun Prairie		79.08	
Oconomowoc		69.02	
Beaver Dam	44(over)	82.50(68 over)	24
Edgerton	58	101	43
Mayville	58	70	12
Jefferson City	58	78	26

TABLE VII (continued)

Horicon	58	101	43
Fort Atkinson	60	81	21
Lake Mills	58	69	11
Watertown			
City Offer	46	74	28
Union Offer	46	77	31

Union's Position. The Union notes that the difference is \$2.62, but this is not the real issue. The real issue is the amount of coverage. The Union is using this \$2.62 because the City presented this figure to the Union as the additional premium required for the additional coverage that the Union asked for. The Union expresses the hope that the City was not attempting to mislead the Union on its inability to procure coverage for the Police Department alone at this rate because, as Mayor Kolata testified, the City knew of this condition near the beginning of negotiations.

The Union says that assuming the City was not attempting to entrap the Union into an impossible situation, the City and the Union should be able to conclude "between" themselves this matter, as the real issue is the amount of benefits. The Union does not concern itself how the means are developed by the City to meet the Union's request for benefits, whether by purchase of additional policies or by self insurance.

The Union notes that the Police Department had the full payment of maternity costs with \$50.00 deductible. The Union's request now allows lesser benefits by inserting maximum payment numbers. They should not take a lesser benefit.

City's Position: The City offers its policemen the same Health Insurance package accepted by other employees, including the Fire Fighters and Public Works Employees, and is paying full premium for the coverage.

The City notes that it is offering additional medical and hospitalization benefits to its Police employees by a self-funding program apart from the insurance program. The City is offering to pay up to \$400 additional compensation for maternity costs for a normal or caesarian delivery. The City notes that the City and Union offers are identical for normal delivery.

The City states that the special agent for the insurance company testified that the existing health insurance policy cannot be amended to provide this additional maternity coverage only for the Police Department employees.

The City says that to obtain the coverage the Police employees ask for, the City would have to add the coverage to all employees at a cost of \$76.53, or split the employees into two groups, police employees and all others.

If the City were to include all employees under the coverage, since the City agreed to pay only \$74.01 per month, the sum of \$2.52 would have to be paid for by deducting this amount from the paychecks for other employees. If the Arbitrator may make a decision in favor of the Police Union, he would be exceeding his power by imposing conditions on other organized employees.

If the City on the other hand formed two separate groups, then the premium for both groups would rise, because the premium of \$74.01 was set on the basis of the size of the group. A diminished size in both groups would cause the rise. The probable rise in cost to the Police Union would be more than the rise they are asking, for the increased cost would have to be deducted from their paychecks.

The City says its self-funded approach avoids all the difficulties above and is accepted in principle by the Local for another Union it represents.

The issue is not the issue of health insurance but the method of providing additional maternity benefits. The City says that the Union offer is totally impractical and unworkable, will cause turmoil, and requires the Arbitrator to exceed his authority.

IX. Comparison of Benefits - Other Benefits in General. From the exhibits of the Union and the City, the Arbitrator has prepared the following table on other benefits in general.

TABLE VIII

COMPARISON OF FRINGE BENEFITS IN \$

<u>Governmental Unit</u>	<u>Longevity 8 Years</u>	<u>Holidays Days/Cost \$</u>	<u>Vacati Days/Cc</u>
Jefferson County	120	10/472	15/708
Edgerton	0	9/394	12/526
Mayville	236	9/411	15/685
Jefferson City	0	10/467	10/467
Horicon	72	9/410	15/583
Beaver Dam	121	8/376	13/610
Fort Atkinson	96	10/471	18/847
Dodge County	156	9/415	15/691
Sun Prairie			
Oconomowoc			10/-
Watertown, 1976			
City	176	10/467	15/700
Union	176	10/472	15/708

Union's Position: The Union is critical of City's Exhibit 3 on the grounds that the City only has shown provisions which benefit the City. In these fringe benefits the City is only average. When other fringe benefits such as night premiums, sick leave payments at time of retirement, educational incentive, workman's compensation, and overtime payments are compared to surrounding area contracts, Watertown's Police are all paid below the level of officers in small communities.

City's Position: The City listed in its brief benefits obtained in Edgerton, Fort Atkinson, Horicon, Mayville, Jefferson County, the City of Jefferson and Lake Mills as to fringe benefits. The benefits reported included reduced work days, additional holidays, clothing allowance, vacations, maximum sick leave, longevity, terminal pay, and funeral leave.

The City notes that Watertown is increasing the clothing allowance from \$225 to \$300, for new employees.

The City says that an inspection of the benefits received by the employees in other cities shows that they are already enjoyed by the Watertown Police.

X. Overall Costs. With respect to overall costs, the Union prepared Exhibit 12 from which the following table is derived.

TABLE IX
MONTHLY OVERALL COST OF UNION PROPOSAL FOR 1976,
TOP PATROLMEN

<u>Item</u>	<u>1975</u>	<u>1976 Union Proposal</u>	
Salary	920.00	995.00	
Longevity	7.31	7.98	
Uniform Allowance	16.85	16.67	
Holidays	33.63	38.27	
Health Insurance (19 Family-3 Single)	40.37	69.73	
Life Insurance	-----	-----	
Pension (6%)	55.20	59.70	
Vacation	43.36	46.98	
	1116.72	1234.33	10.5% Increa

The City provided Exhibits 1 and 2, which are useful for considering overall costs. The following information is abstracted.

TABLE X
COMPARISON OF TOTAL INCREASES OF WAGES AND
HEALTH INSURANCE

<u>Governmental Unit</u>	<u>Wages</u>			<u>Health Ins.</u>		<u>Total Increase</u>	
	<u>1976 Rate</u>	<u>Inc.-1975 \$</u>	<u>%</u>	<u>1976 Cost</u>	<u>Inc.-1975 \$</u>	<u>\$</u>	<u>%</u>
Jefferson County	1,018	58	6	85	18	76	7.9
Edgerton	941	45	5	100	43	88	9.8
Mayville	985	65	7.1	70	12	77	8.4
Jefferson City	1,007	75	8	78	26	101	10.8
Beaver Dam	1,012	62	6.5	68(ave)	24	86	9.1
Horicon (ave)	978.50	52.5	5.7	101	43	95.5	10.3

TABLE X (continued)

Fort Atkinson	1,015	70	7.4	81	21	91	9.6
Dodge County	989.50	67.5	7.3	73(ave)	22	99.5	10.8(sic.)
Lake Mills	946	60	6.8	69	11	71	8
Watertown							
City Offer	984	64	7	74	28	92	10
Union Offer	995	75	8.2	77	31	106	11.5

The next table is derived from City Exhibit 2.

TABLE XI

WAGE AND BENEFIT COMPARISON
(Wages, Longevity at 8 Years, Holidays, Vacation
(8 Years) and Clothing)

<u>Unit of Government</u>	<u>Top Wage 1976</u>	<u>Total Wage And Benefits</u>	<u>Without Cost of Vacation Inclu</u>
Jefferson			
County	12,218	13,701	12,993
Edgerton	11,292	12,412	11,886
Mayville	11,820	13,327	12,642
Jefferson	12,084	13,218	12,751
Horicon	11,742(ave)	13,007	12,424
Beaver Dam	12,144	13,401	12,791
Fort Atkinson	12,180	13,794	12,947
Dodge County	11,674	13,316	12,625
Lake Mills	11,352	12,567	11,894
Watertown			
City	11,808	12,351	12,600
Union	11,940	13,496	12,788

Union's Position: The Union did not comment specifically on overall costs, except as noted before - namely that the city's report of fringe benefits are incomplete as to other communities, but when all fringes paid in other cities are added to base pay, the Watertown Police Officers are paid less than officers in smaller departments. The Union notes, as reported before, the higher benefits obtained by Fire Fighters through compensation for certified medical technicians and increased payment toward pensions.

City's Position: Concerning overall costs, the City points to the combined increase it is offering the Union. It states that this combined increase of \$92.71 per month or 10.1% of the 1975 rate, is \$5.49 per month or 0.7% more than the average wage and health insurance increase granted in the surrounding communities listed by the City.

The City further says that when the total value of wages, longevity, holidays, vacation and clothing allowance of Watertown Police is compared to the similar benefits received in the surrounding communities, the City pays a total of \$13,351 per year, which is \$157.33 more than the average paid in other communities.

The City states that while Watertown Police receive slightly less in wages, they are substantially ahead in benefits. The Watertown Police also work 5 days less than police in other communities.

Thus when the value of their economic package is considered on a per day basis, it is even higher.

XI. Cost of Living. The City supplied City Exhibit 3 which was a document of the Bureau of National Affairs, published 4-20-76, in the Consumers Price Index. This document showed that the change in the CPI from 1975 to 1976 was 7.0% with a year's average of 9.1%.

The report further shows that the rate of increase in the CPI has decreased from 6.8% in January, 1976 to 6.1 in April, 1976. This chart relates to cities.

Union's Position: The Union made no comment on the Consumer Price Index.

City's Position: The City points out that in the first third of 1976, the CPI went up to a total of 1.1%, which would project an annual increase of 3.3%. The City also states that the City's offer of 7% in wages alone exceeds the increase on an annual basis for the month of January, February, March, and April.

When the offer of the City for health insurance is included, the offer of the City is twice as much as the CPI rise. When roll-up costs are included, the City offer is even better.

XII. Changes in the Pendency of the Proceedings. The press announcements of July 22, 1976 stated that the CPI for June, 1976, stood at 170.1 which was a 0.9 point change upward from May, 0.5% change from May, and a 5.9% change from June 1975. It projects an annual rate of increase of 6%.

XIII. Other Factors. There are no other principle factors here.

DISCUSSION. One of the first matters to be considered here is which are the proper communities for comparison. The Arbitrator believes that comparison of cities of like population, without including counties, and their Sheriffs and Traffic Officers, is best. A list of the populations of cities cited by the parties is this:

Beaver Dam	14,200
Edgerton	4,118
Fort Atkinson	9,164
Horicon	3,356
Jefferson	5,429
Lake Mills	3,556
Mayville	4,129
Oconomowoc	8,741
Sun Prairie	13,300
Watertown	16,400
Waupon	7,946

The most comparable cities in population accordingly are in the opinion of the Arbitrator, Beaver Dam, Fort Atkinson, Oconomowoc, Sun Prairie, Watertown and Waupon. Oconomowoc and Sun Prairie are included even though there is some metropolitan economic influence on both. This metropolitan influence is not dominant enough to distort comparable pattern.

Reviewing Tables I, II, and IV above shows that considering the wage rates alone, the wage offer of the Union more nearly meets the guidelines of the statutes as to comparability with other cities.

However, when the matter of days worked (Table III) and fringe benefits, including general fringes, (Table VIII and Table X) the offer of the City, though lower than many, approaches the payments made by other communities more nearly.

When the matter of comparison with other employees in the local government is considered, the norm is 7% for wages, with the Fire Fighters having a fringe of 0.5% for pension and the possibility of additional pay for rating emergency medical technician of about \$12.50 a month. However the disparity between the Fire Fighters rates and Police rates are considerable and a slight reduction of this disparity, does not militate against the judgment that the City meets the guideline on comparability within the Watertown government.

To resolve the offsetting conditions of wages which are low with respect to comparable communities, but are internally comparable, one must look at the overall costs, the comparability to the CPI, and at the issue of insurance.

As to wage costs, offered by the City, they are more nearly comparable to the rise in the Consumer Price Index from January, 1975 to January, 1976. There is a discrepancy in what the Union states is the overall percentage rise of costs to the City namely 10.5% (Table IX) as compared to the City assertion that the rise is 11.5% overall for the Union offer. It is the Arbitrator's belief that the Union offer more nearly reflects the correct overall rise on the average, but the Union figure of 10.5% is still well in excess of the rise of the CPI.

The issue remaining which has important bearing on this matter, then, is the matter of insurance for health and maternity benefits. As the City pointed out in its brief the matter comes to one of considering maternity benefits; health benefits are the same under both offers.

The problem for the Arbitrator is that the Union has embodied in its offer a proposal which can not be made an actuality, according to the testimony of the insurance carrier's agent. The City has pointed out the difficulty in effecting this type of coverage, and warns that the Arbitrator may exceed his powers by accepting the Union offer. The Union states that the City could achieve the results it wants by granting the benefits, since the Union is not interested primarily in the increased premium but in the coverage it wants.

The Arbitrator, in view of the serious problems posed for the City by the Union offer, and in view of the fact that the Arbitrator can not modify the offer of any of the parties to make the offer more workable, concludes that the offer of the City on this issue more nearly meets the statutory guidelines.

In light of all of the foregoing discussion, the Arbitrator believes that the total City offer more nearly meets the statutory guidelines, and the City offer should be included in the agreement between the parties for 1976.

AWARD. The Offer of the City of Watertown with respect to the Agreement for 1976 between itself and Local 695, International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, shall be included in the Agreement.

It shall be included because it more nearly meets the statutory guidelines with respect to overall costs, comparability to other employees in the same government, adequacy in reflecting the Consumer Price Index under change, and is within the lawful authority of the City to accomplish.

Frank P. Zeidler
Arbitrator

August 16, 1976