

STATE OF WISCONSIN  
WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In the Matter of Final and  
Binding Arbitration Between

DRIVERS, SALESMEN, WAREHOUSEMEN  
MILK PROCESSORS, CANNERY, DAIRY EM-  
PLOYEES AND HELPERS UNION LOCAL No. 695,  
I.B.T.C.W. & H. of A.

Award  
Case XXVIII  
No. 21213 MIA-292  
Decision No. 15260-A

and

CITY OF ST. FRANCIS (POLICE DEPARTMENT)

HEARING. A hearing on the above entitled matter was held at the St. Francis Municipal Building, 4325 S. Nicholson Ave., St. Francis, Wisconsin on March 30, 1977.

APPEARANCES.

MICHAEL SPENCER, Business Representative, Local No. 695, I.B.T.C.W. & H. of A.

HARWOOD H. STAATS, City Attorney, City of St. Francis.

BACKGROUND. The instant matter has arisen out of a petition filed on January 10, 1977 by the Drivers, Salesmen, Warehousemen, Milk Processors, Cannery, Dairy Employees and Helpers Union Local No. 695, I.B.T.C.W. & H. of A., requesting that the Commission initiate compulsory final and binding arbitration pursuant to Section 111.77(3) of the Wisconsin Municipal Employment Relations Act to resolve an impasse in collective bargaining between Local No. 695 and the City of St. Francis Police Department.

The Commission conducted an informal investigation on February 2, 1977. The investigator advised the Commission on February 11, 1977, that the parties were at an impasse on issues between them. The Commission concluded that an impasse within the meaning of Section 111.77(3) of the Municipal Employment Relations Act existed, and ordered compulsory final and binding municipal interest arbitration to resolve the impasse. The parties selected Frank P. Zeidler, Milwaukee, Wisconsin, as the arbitrator and the Commission appointed him on March 4, 1977. The hearing was held as noted.

THE FINAL OFFERS.

"Final City Position

February 2, 1977

"Article 6 - Wages

1/1/77	5%	1/1/78	5%
10/1/77	2%	10/1/78	2%

"Article 9 LONGEVITY & EDUCATIONAL INCENTIVE

9.02 A Police Officer with an Associate Degree in Police Science and a minimum of three (3) years of full-time service with the city shall be paid \$320.00 in 1977 and \$325.00 in 1978. Said payment shall be made in December of each year. A Police Officer who is eligible for payments under this section shall be required to submit to periodic examination by the city to determine competence in the field of Police Science.

"Article 13 - HEALTH & WELFARE INSURANCE

13.01 The city shall provide and pay the full premium for hospital and surgical care insurance for regular full-time police officers and their families not to exceed one hundred and six dollars (\$106.00) per month for family plan coverage and thirty-eight dollars and twenty-eight cents (\$38.28) per month for single plan coverage in 1977 and one-hundred-twenty-five dollars (\$125.00) per month family plan coverage and forty-five dollars per month single plan coverage in 1978.

"Article 15 - LEAVES OF ABSENCE

"15.02 Funeral leave: Each full-time Police Officer shall receive three (3) consecutive days off with pay in case of death in his immediate family, one day of which shall be the day of the funeral. The immediate family is defined as, spouse, children, parents, sisters, brothers, step-parents, step-children, grandparents and grandchildren.

"Each full-time Police Officer shall receive two (2) consecutive days off with pay in case of the death of his father-in-law, mother-in-law, sister-in-law, and brother-in-law one day of which shall be the day of the funeral.

"15.03 Personal Leave: When practical and consistent with the needs of the department and approved by the Chief, each Police Officer shall be granted eight (8) hours of personal leave in 1977. Said leave must be requested at least twenty-four (24) hours in advance and shall not be used immediately before or after vacation or sick leave."

"UNION FINAL OFFER

"Article VI Wages

	5%	January 1, 1977
Additional	3%	July 1, 1977
Additional	5%	January 1, 1978
Additional	2%	July 1, 1978

"Article XIII Health & Welfare Insurance

13.01 The City shall provide and pay the full premium for hospital and surgical care insurance for regular full-time police officers and their families not to exceed one hundred six dollars (\$106.00) per month for family plan coverage and thirty-seven dollars and nine cents (\$37.09) per month for single plan coverage. The City agrees to pay any increase in the premium for the year of 1978.

"Article XV Personal Leave

15.03 When practicable and consistent with the needs of the department and approved by the Chief, each Police Officer shall be granted eight (8) hours of personal leave with pay. Said leave must be requested at least twenty-four (24) hours in advance and shall not be used immediately before or after vacation or sick leave."

FACTORS TO BE WEIGHED. Section 111.77(6) lists factors which are to be given consideration to an arbitrator in compulsory final and binding final offer arbitration. The factors are listed below and will be given consideration.

Section 111.77(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."

1. **SELECTED CHARACTERISTICS OF ST. FRANCIS.** St. Francis is a City of the Fourth Class in the Southeastern part of Milwaukee County. It had a population of 10,307 in 1976. It has a mayor-council form of government. It has paid fire and police departments. It had a 1976 equalized valuation of \$113,185,650.00 on a valuation of \$10,981. per person. It had a median family income before taxes of \$12,000 (City Exhibit 5). About 75% of the families had a yearly family income in October, 1975, of \$10,000 or more, and about 35% had family income of \$15,000 or more. (City Exhibit 6)

The bargaining unit includes 5 Sergeants and 10 Patrolmen, most of them with more than five years of service.

2. **COMPARABLE COMMUNITIES.** Since the statutes require that consideration of wages and benefits offered by the parties be considered in light of what comparable communities are offering, the matter of what communities are most nearly comparable shall be considered beforehand.

Union Exhibit 6 compares Top Patrolman pay in twenty governmental jurisdictions in the Milwaukee Metropolitan area. Two of these governments are in Waukesha County and one is the Milwaukee County government. Union Exhibit 4, in reporting police settlements, gives the names of Milwaukee, Oak Creek, Greenfield, Bayside, River Hills, Muskego, and Wauwatosa.

City Exhibits 1 to 8 list the following municipalities: Cudahy, Franklin, Greendale, Hales Corners, Oak Creek, South Milwaukee, St. Francis, and West Milwaukee. All these municipalities lie in the south suburban region of Milwaukee County. The Arbitrator believes that this list is a more reasonable list for comparing, than the larger list of the Union, in that the municipalities in the south suburban region interact culturally and economically, and reflect a similar type of relationship with the large central city to the north. The Arbitrator will give some weight to the Union's list, but will give more weight to a list of the south suburban municipalities.

It must be noted, however, that even in the south suburban region, considerable variations exist between the municipalities named. Some of these variations are shown in the following table:

TABLE I

Characteristics of South Suburban Milwaukee  
County Municipalities

<u>Municipality</u>	<u>1976 Pop.</u>	<u>Sq. Mi. Area</u>	<u>1976 Eq. Valuation</u>	<u>1976 Val. Per Pers.</u>	<u>1976 Net Tax Rate</u>
Cudahy	21,873	4.74	\$324,869,800	\$14,853	\$29.86
Franklin	15,184	34.50	196,092,560	12,914	25.46
Greendale	17,602	5.50	294,746,800	16,745	25.59
Hales Corners	8,935	3.20	124,179,400	13,898	27.32
Oak Creek	16,303	29.50	360,826,000	22,132	23.98
South Milwaukee	23,702	2.60	312,792,600	13,197	27.56
St. Francis	10,307	4.50	113,185,650	10,981	33.12
West Milwaukee	3,657	1.12	258,401,540	70,659	25.42

3. **THE LAWFUL AUTHORITY OF THE EMPLOYER.** There is no question as to the lawful authority of the employer either to pay or not to pay either of the offers.

4. STIPULATIONS. There are no major stipulations of the parties to report except that it is agreed that all other terms of the proposed agreement are settled. The proposals are for a two year agreement, 1977 and 1978.

5. THE INTERESTS AND WELFARE OF THE PUBLIC AND THE FINANCIAL ABILITY OF THE UNIT OF GOVERNMENT TO MEET THE COSTS. There is no issue on the financial ability of the government to meet the costs, which has been stated directly. However, some exhibits of the city raise the issue of whether it is in the interest of the public to meet the costs.

City Exhibit 6, which deals with the subject of yearly family income before taxes in comparative communities in October 1975, shows that St. Francis and Cudahy, among 9 municipalities cited, have the lowest percentage of people earning \$25,000 or over. They are also the third lowest, jointly, for families earning \$15,000 to \$24,999. They also jointly have the largest percentage of people with incomes under \$3000. The two cities in this table are considered as one area.

Also, according to City Exhibit 3, St. Francis has the lowest equalized valuation among 8 south suburban municipalities, and the lowest valuation per person. According to City Exhibit 4, St. Francis has the highest net taxes rate in 1976, equalized, of eight south suburban communities, and the highest dollar amount of taxes on a \$30,000 home (equalized assessment), with a tax of \$994. According to City Exhibit 5, St. Francis had the lowest median income of these eight municipalities in 1974.

Discussion. The City argues that on the basis of the above information in which St. Francis runs consistently below other municipalities in economic status, its wage offer is not out of line with its proportional status with these other communities. The arbitrator believes that the relatively low valuation of the city and the relative low median income are factors which weigh in favor of the City's offer.

6. COMPARISON OF WAGES, HOURS, AND CONDITIONS OF EMPLOYMENT IN POLICE EMPLOYMENT IN COMPARABLE COMMUNITIES. The discussion here will be limited to basic wage of a Patrolman at the top step.

The following information is derived from City Exhibit 15:

TABLE II  
COMPARISON OF INCREASE IN BASE WAGE OFFERS

Item	City Offer	Union Offer
1976 Basic Salary	\$13,764	\$13,764
1977 Offer (cost)	14,520	14,664
Total Increase, 1976-1977	756	900
Per Cent Increase	5.49%	6.54%
1978 Offer (cost)	15,546	15,780
Total Increase, 1977-1978	1,026	1,116
Per Cent Increase	7.07%	7.61%
1976 Basic Salary	13,764	13,764
1978 Basic Salary	15,546	15,780
Two Year Increase	1,782	2,016
Per Cent Increase	12.95%	14.65%
Two Year Average Increase	6.48%	7.33%
Total Increase in Two Steps, 1977	7.00%	8.00%
Total Increase in Two Steps, 1978	7.00%	7.00%

Union Exhibit 6 showed an average for top patrolman pay among 21 Milwaukee area municipalities to be \$1221.00 for patrolmen at the top and \$1346.42 for Sergeants.

Union Exhibit 4 presents the following information:

TABLE III

## 1977 POLICE DEPARTMENT SETTLEMENTS

<u>City</u>	<u>Top Patrolman Rate</u>
Milwaukee	\$1365.13
Oak Creek	1337.75
Greenfield	1316.00
Bayside	1312.00
River Hills	1280.00
Muskego	1269.16
Wauwatosa	1268.35
Average	\$1306.21

City Exhibit 8 is the source of the following table:

TABLE IV

## COMPARISON OF BASIC WAGES, SELECTED MUNICIPALITIES, 1976

<u>Municipality</u>	<u>Basic Wage</u>
St. Francis	\$13,764.00
Cudahy	14,532.00
Franklin	14,609.64
Greendale	14,680.92
Hales Corners	14,465.04
Oak Creek	14,864.04
South Milwaukee	14,856.00
West Milwaukee	14,832.00

The Union in its brief (page 7) presents a chart, which is as follows:

TABLE V

## MONTHLY TOP PATROLMAN BASE WAGES, 1976

<u>Municipality</u>	<u>Top Basic Wage</u>
Cudahy	\$1,211.00
Franklin	1,218.00
Greendale	1,231.00
Hales Corners	1,205.00
Greenfield	1,230.00
Oak Creek	1,239.00
South Milwaukee	1,186.00
West Milwaukee	1,236.00
Milwaukee	1,313.00
St. Francis	1,147.00
Average	1,222.00

The following information was derived from City Exhibit 20:

TABLE VI

MILWAUKEE METROPOLITAN AREA POLICE SETTLEMENTS, 1977-1978  
(INCREASES)

<u>Municipality</u>	<u>1977 Settlement</u>	<u>% Inc.</u>	<u>1978 Settlement</u>	<u>% Inc.</u>
Milwaukee	624	4.0	728	4.4
River Hills	756	5.3		
Menomonee Falls	840	5.5	900	5.6
Muskego	930	6.5		
Butler	948	7.0		
Wauwatosa	810	5.5		
Bayside	816	5.5		

The final offers in terms of monthly rates are derived from City Exhibit 18.

TABLE VII

MONTHLY RATES, LAST OFFERS, PATROLMAN\*

	<u>1976</u> <u>Rate</u>	<u>1977</u> <u>Rate</u>	<u>1978</u> <u>Rate</u>
City Final Offer	\$1,147	\$1,228	\$1,315
Union Final Offer	\$1,147	\$1,240	\$1,328
Difference		12	13

\*Monthly rate is the rate of pay after final increment for each position.

Salary schedules for Sergeant, as proposed by the parties, are shown below as derived from City Exhibit 15:

TABLE VIII

FINAL OFFERS, SERGEANT'S SALARY, TOP

	<u>1977</u> <u>Rate</u>	<u>1978</u> <u>Rate</u>
City Final Offer	1,336	1,431
Union Final Offer	1,349	1,444

THE UNION'S POSITION. A principal concern of the Union on basic wages is the relationship of these wages to the rise in the Consumer Price Index. This will be discussed separately.

The Union states that the officers of the St. Francis department are in a catch-up process with other Milwaukee Area Police Departments. The Union states that its comparison of base wages with all Milwaukee Area Police Departments is justified, as it shows the general picture better and because the departments have close ties with each other.

The Union is critical of the use of just the Southern Milwaukee County municipalities, but states that when top patrolman wage is compared, the St. Francis wage is below the others. The Union states, too, that using what the City calls comparable communities makes the Union's position on base wages the more favorable.

The Union objects to considering the wage increases in terms of percentage, as shown in City Exhibit 20. This is misleading and the dollar amount should be considered instead. This shows that the Union's final offer is more comparable to other settlements than the City's offer.

The Union states that the ability of the City to pay is not an issue, and median income in the City has gone up. Attempt to combine Cudahy and St. Francis wages to make area studies is wrong because St. Francis' officer's wages are not equal to the wages of Cudahy officers.

The Union states that when the City shows the average income of people in the community it does not include overtime, but when it shows average income of Patrolmen in its Exhibit 7, it uses overtime, which brings the patrolmen's income to a higher level.

THE CITY'S POSITION. The City states that in making comparisons for base wages it selected communities on the basis of geographic proximity, and excluded the City of Milwaukee because of its size and characteristics. The City states that when the characteristics of the cities selected for comparability are examined, they are somewhat comparable, but also have significant differences. St. Francis is below average in area, population, and equalized valuation per person. Thus, when total compensation of police is considered, though St. Francis is low, it is not out of proportion to comparative communities.

The City states that there is no rationale for the Union to be using municipalities selected in the entire metropolitan area. This selection is not valid, and if the differences in the southern half of Milwaukee County are significant, they would be compounded if the entire metropolitan area is used. Though St. Francis is low in comparison with other communities, that status follows the City's ranking in other criteria. The City is therefore consistent and in line.

Also, despite the lower base salary, the City has not had problems in recruitment or retention of police officers. 240 persons applied for a single job (City Exhibit 12) and fourteen of the fifteen officers have over five years tenure at the end of 1977 (City Exhibit 11). Further, the officers have exceeded the median income of the St. Francis population in 1974, and were near the upper 35% in 1975. The City concludes that police officers compare favorably with the incomes in St. Francis and are in proper proportion to incomes of police in other larger and more economically strong areas.

The City also states that the differences in the last offer on salary does not vary greatly, but the cumulative effects do vary. The City intends to increase the base salary, but through the use of a split increase, intends to defer the full liability in each year of the agreement. The Union has agreed, and this indicates its acceptance of the City's rationale. The difference between the City and the Union is the point in time at which the increase will become effective, and how that will affect other bargaining units and settlements.

DISCUSSION. The use of steps in a wage settlement presents some difficulties in the effort to ascertain exactly what benefits are intended by either party.

A perusal of Table 2 indicates that the City is offering an average monthly increase of \$63 for 1977 and an average monthly increase of \$85 in 1978. This latter amount is added to a starting pay that is \$81 a month higher at the end of 1977 than it was at the end of 1976. The Union is calling for an average monthly increase of \$75 in 1977 and an increase of \$93 per month in 1978, based on a salary that is \$92 per month higher at the end of 1977 than it was in 1976.

The final monthly rate proposed by the Union for 1977 is below the lowest rate shown in Table 3, which is derived from a Union exhibit. The total increase for the year proposed by the Union amounts to \$900, which is a high settlement when compared to settlements shown in Table 6. The City proposal is a low settlement.

An average of percentage increases for seven Milwaukee area police settlements for 1977 shown in City Exhibit 20 is 5.6%. The City's proposed average of 5.49% actual increase for 1977 is closer to this than the Union offer of 6.54%.

The question then arises, as to which of the offers is more reasonable. The matter reduces itself to the question of whether the salary of St. Francis policemen shall be lower than those in other communities because of the smaller economic base upon which to operate a city and its functions.

Looking at Table 9, one can find some justification for the position of the City that its employees are being paid proportionally to the economic status of the people in the municipality. However, the Arbitrator believes that the St. Francis top patrolman rate is a little too far behind the others, based on Table 4. It is too far behind currently, and some narrowing of the gap is needed. The City acknowledges this, and does reach to a 7% total for basic salary. However, in terms of dollar amounts, the Arbitrator believes that the Union offer fits more nearly the statutory guidelines on comparisons of rates of other employees performing similar services in the comparable municipalities.

The matter of a large number of applicants for one vacant city patrolman's position is a factor to be considered. The Union steward testified that for all police openings he knows of there are a large number of applicants. If the St. Francis experience were to be considered by itself, the large number of applicants would testify to the adequacy of the wage. However, since other departments experience the same condition of a large number of applicants, the Arbitrator is reduced to considering comparisons of wages to the wages of other employees in the same classification.

7. COMPARISON OF BASIC WAGES WITH THOSE OF ST. FRANCIS FIREFIGHTERS. The City presented a series of exhibits showing pay of Fire Fighters. The following information is derived from City Exhibits 17 and 18:

TABLE IX

COMPARISON, BASIC MONTHLY RATES,  
MOTOR PUMP OPERATORS AND TOP PATROLMAN,  
ST. FRANCIS

<u>YEAR</u>	<u>MPO BASE SALARY</u>	<u>CITY OFFER TOP PTRLMN.</u>	<u>UNION OFFER TOP PTRLMN.</u>
1976	\$1140	1147	1147
1977			
1/1/77	1197	1204	1204
7/1/77	1221		1240
10/1/77		1228	
1978			
1/1/78	1282	1289	1302
7/1/78	1308		
10/1/78		1315	1308

The following table is also helpful and is derived from City Exhibits 16 and 17:

TABLE X

COMPARISON OF TOTAL WAGES UNDER FINAL OFFERS, 1977-1978  
MPO AND TOP PATROLMAN

<u>YEAR AND ITEM</u>	<u>MPO</u>	<u>TOP PATROLMAN</u>	
		<u>CITY OFFER</u>	<u>UNION OFFER</u>
1977			
Actual Salary	\$14,508	\$14,520	\$14,664
Increase	\$ 828	\$ 756	\$ 900
% Inc.	6.05%	5.49%	6.54%
1978			
Actual Salary	\$15,540	\$15,546	\$15,780
Increase	\$ 1,032	\$ 1,026	\$ 1,116
% Inc.	7.11%	7.07%	7.61%
2 year increase	\$ 1,860	\$ 1,782	\$ 2,016
% Inc.	13.6%	12.95%	14.65%
Average Year Inc.	6.8%	6.48%	7.33%

The City in its Exhibit 18 shows that through its offer, there will be a \$7 difference in favor of top patrolmen between the top patrolman and the motor pump operator in the 1976, 1977, and 1978 rates. If the Union offer were to be accepted, this would produce a differential of \$19 in favor of the Patrolman for 1977, and a \$20 difference per month in 1978.

The City states that in its negotiations with the Fire Fighters, it started with the same type of two-step offer proposed for the police with a 2% increase on October 1. The City states that in the course of negotiations, the City went to a July 1 date for the 2% increase because the Fire Fighters agreed to a work week and



The City also states that while the matter of parity between Police and Fire Fighters was not raised, over the years there has been a kind of parity as shown by City Exhibit 19. This exhibit showed a near parity in percentage increase as between MPO's and Patrolmen since 1971.

UNION POSITION. The Union states that testimony by the City and its Exhibit 19 (which is abstracted in Table 11 above), indicates that there has not been an attempt in previous years to keep the two departments equal with each other. The Union says that the City Manager stated that the City had offered a 2% increase effective July 1, 1977 to the firemen before mediation with the police. The Union states that this was never offered the police.

The Union further says that if the City wants to keep both departments in a state of parity, it first ought to get them equal with their counterparts, and no showing has been made as to where the St. Francis Fire Fighters are in their standing with other departments.

THE CITY'S POSITION. The City notes that the Fire Department settlement was arrived at after the Police Department negotiations were declared to be at an impasse. The City says that in the past years the percentage and/or dollar settlement with the Fire unit has been very close to the Police settlement, and the 1977-1978 Fire Agreement follows that pattern.

The City states that under the agreement a MPO will receive a salary increase of \$1,860 for two years, which would be \$78 more than the last offer to the Police. However, under the City proposal there would be the \$7 per month differential which existed in 1976, and this will continue in 1977 and 1978. Under the Union offer the patrolman would get \$156 more than the MPO in two years, and the differential would increase to \$20 in favor of the Patrolman. The City states that this would alter the relations which it has maintained between the departments.

DISCUSSION. In considering the relationship of MPO wages and Top Patrolman rates, there is much merit to the idea of maintaining parity, which the City achieves in dollar amount, though not in percentage differences. However, a more weighty factor is the comparison of Police to Police, and when the differences in wages paid to this classification varies widely between comparable municipalities, there is greater justification in considering this factor than considering the matter of parity between the protective services. The statute speaks of comparison with other employes performing similar services first, and this matter must be given the greatest weight. In summary, here, the City's claim of parity considered by itself offers the stronger argument on this issue alone. However, it must be weighed against the comparisons which exist between employees doing similar work in the same job classification.

The Arbitrator is not considering here as a factor for the Union, that the City agreed to a July 1 date for a 2% increase as compared to an October 1 date offered the Police. The July date, according to the City, came as a trade-off for items the Fire Fighters yielded. The main factor here is comparisons with employees in the Top Patrolman classification.

8. COMPARISON OF WAGES INTERNALLY IN ST. FRANCIS CITY GOVERNMENT. Union Exhibit 10 was an exhibit showing compensation increases to various officials and classifications. The exhibit showed a dollar or cents increase and a percentage increase. The following items are abstracted from this exhibit:

TABLE XII  
1976 to 1977 PAY INCREASE, SELECTED OFFICIALS

<u>POSITION</u>	<u>AMOUNT OF INCREASE</u>	<u>PER CENT INC.</u>
City Administrator	\$105.00	6.48%
Building Inspector	91.00	6.52
Fire Chief	95.00	6.51
Police Chief	95.00	6.48
Clerk Dispatcher	.25 per hr.	6.02
City Nurse	69.00	6.53
City Engineer	113.00	6.49
Senior Engineer	83.00	6.04
Engineer Aide	61.00	6.00
Clerk-Treasurer	111.00	11.80
Fire Department		1/1/77 5.00
		7/1/77 2.00

Union Exhibit 9 was a news clipping from the Milwaukee Journal of October 28, 1976, which reported a 9.8% settlement for the St. Francis Education Association for the school year 1976-1977, and a 10.4% settlement for 1977-1978.

UNION POSITION. The Union says that the above information justifies the wage request it is making.

CITY POSITION. The City says that the Union's exhibits on City Officials' increases do not constitute a valid comparison. The majority of positions are of department head status and the duties of the positions are substantially different than those of police officers. The large increase shown for the Clerk-Treasurer covered an expense account previously paid by voucher. Positions of City Attorney, Health Officer, and Plumbing Inspector received no increases.

DISCUSSION. In Union Exhibit 10, the information is only roughly comparable for use in the instant matter. It appears that the City has been settling matters for a range of around 6% to 6.50%. The teacher settlement reported is too remote from the classification involved here.

9. COST OF LIVING. Union Exhibit 8 was a report on the National Consumer Price Index and the Milwaukee Consumer Price Index for February, 1977. This National CPI was up 6.0% from February, 1976, and the Milwaukee CPI was up 6.8% from February, 1976.

City Exhibit 13 reported the same information for the National CPI for February and also reported that the average for the year of 1976 was 5.8%.

City Exhibit 14 made the following comparison:

TABLE XIII

COMPARISON OF POLICE SALARIES WITH CONSUMER PRICE INDEX

<u>YEAR</u>	<u>SALARY</u>	<u>CHANGE</u>	<u>INDEX</u>	<u>CPI</u>
1967	\$ 636		100.0	100.0
1973	918	\$282	144.3	133.1
1974	982	346	154.4	147.7
1975	1,082	446	170.0	161.2
1976	1,147	511	180.4	170.5

THE UNION'S POSITION. The Union states that it is engaged in a catch-up process with other Milwaukee area police departments, and is trying to accomplish this by staying fairly consistent with the immediate cost of living increases. It states that the CPI for the Milwaukee area has increased 6.8% from February, 1976 to February, 1977. The Union, in a contrast with City Exhibits 13 and 14, provides the following table:

TABLE XIV

INCREASES IN MONTHLY SALARIES PAID TO PATROLMEN, 1971 AND 1976 AS COMPARED TO CPI

<u>YEAR</u>	<u>LAST 6 MO.</u>	<u>NEXT 18 MO.</u>	<u>OVER 2 YRS.</u>	<u>OVER 3 YRS.</u>	<u>OVER 4 YRS.</u>	<u>OVER 5 YRS.</u>
1971	688.20	701.57	734.98	755.02	781.75	801.79
1976	<u>868.00</u>	<u>910.00</u>	<u>1000.00</u>	<u>1,090.00</u>	<u>1,123.00</u>	<u>1,147.00</u>
Inc.	179.80	208.43	265.02	334.98	341.25	345.21
% Inc.	26.13%	29.71%	36.06%	44.37%	43.65%	43.05%
If CPI had applied:						
	996.51	1,015.87	1,064.25	1,093.26	1,131.97	1,160.99
Needed to be made whole:						
	128.51	105.87	64.25	3.26	8.98	13.99

THE CITY'S POSITION. The City states that in recent years it has negotiated settlements in line with the National CPI. This was used in preference to the Milwaukee Index because data is available on a monthly rather than a quarterly basis and reflects trends more accurately. The City states that a comparison of the CPI and increases granted to the Union show that salaries have risen at approximately the same level. The City states that in CPI average increase in 1973 was 6.2% and the 1974 base salary went up 7%. In 1974 the CPI increase was 11.0%, and the 1975 base salary then increased 10.18%. In 1975 the average CPI increase was 9.1%, and in 1976 the City increased the base salary 5.99%, and paid \$42.79 per month health insurance premium, which was 4% of the base salary, thus giving an increase of almost 10%. The City says that using the 1967 index, shows that the police salaries have increased at a greater rate than the CPI.

DISCUSSION. The Union in its calculations, as shown in Table 14, has asserted that there are deficiencies in the pay scale owing to the fact that the City did not keep pace in salary with the rise in the CPI. The Arbitrator, in attempting to retrace the calculations of the Union, believes that the Union used a percentage increase in the Milwaukee CPI from 1971 to 1977, February, and used as this figure 44.8%. The increase in the Milwaukee CPI, using the average of 1971 and the February index for Milwaukee, was 44.54%, which would produce a slight variation.

The Arbitrator, however, believes that a fairer way of measuring changes is to use the average annual index 40.5% for the National CPI for the change in that period. This produces a result more favorable to the City.

A useful method is to apply the principle of "Real Spendable Earnings". The following table illustrates this method:

TABLE XV

REAL SPENDABLE EARNINGS FOR SELECTED YEARS

<u>YEAR</u>	<u>SALARY</u>	<u>CPI</u>	<u>REAL SPENDABLE EARNINGS</u>
1967	\$ 636	100.0	636
1973	918	133.1	689.70
1974	982	147.7	664.86
1975	1,082	161.2	671.2
1976	1,147	170.5	672.72

This chart shows that the Police Patrolman, top rank, gained in real spendable earnings from 1967 to 1976, but lost ground between 1973 and 1976.

Applying the same formula on real spendable earnings back to the year 1971 (Table 14), shows that the starting patrolman dropped in real spendable earnings from \$567.35 to \$509.09, and the Top Patrolman gained, going from \$660.99 to \$672.72.

Looking at Table 2, it can be seen that the City is offering an average rate increase of 5.49% for the first year, and an average rate increase of 7.07% for 1978, an increase based on a basic wage which is increased 7% over 1977. The Union is asking for a 6.54% increase for the first year and 7.61% increased for 1978 based on an 8% increase basic wage in 1977. The CPI national increase was 6.0%. Thus, using the national average, the City rate is low and the Union rate is high. The Arbitrator notes that the rise from February 1976, to February 1977 for the Milwaukee area was 6.8%. However, the Arbitrator is not inclined to use this standard because of its quarterly character, and because of the use of the National CPI for other calculations here.

The Arbitrator believes that on the matter of the CPI, that even though the Union offer is higher than the 1976 average, because of the lag in the Patrolman salaries as compared to other south suburban municipalities, a rate about one half of a percent in advance of the increase in the National CPI for 1976, is justified.

10. COMPARISON OF OVERALL WAGES AND BENEFITS. From Union Exhibits 1 and 2, the following table is derived:

TABLE XVI

## COST OF PROPOSALS FOR 1977

<u>UNION PROPOSAL</u>	<u>1976</u>	<u>1977</u>	<u>INCREASE</u>	<u>% INC.</u>
Wages and cash benefits	\$16,074.98	\$17,158.27	\$1,083.29	6.73
Other Fringes	<u>5,820.93</u>	<u>6,327.34</u>	<u>506.41</u>	
Total	21,895.91	23,485.61	1,589.70	7.26
				(Package)
<u>CITY PROPOSAL</u>				
Wages and Cash Benefits	16,074.98	16,990.00	915.02	5.69
Other Fringes	<u>5,820.93</u>	<u>6,279.18</u>	<u>458.25</u>	
Total	21,895.91	23,269.18	1,373.27	6.27
				(Package)

The next table is derived from City Exhibit 8:

TABLE XVII

## MUNICIPALITY COMPARISONS, 1976 WAGES AND BENEFITS

<u>MUNICIPALITY</u>	<u>TOTAL WAGES</u>	<u>TOTAL BENEFITS</u>	<u>TOTAL W. &amp; B.</u>
St. Francis	\$14,757.09	\$5,280.87	20,037.96
Cudahy	15,368.80	5,231.99	20,600.79
Franklin	15,373.50	5,451.44	20,701.79
Greendale	15,277.48	5,424.31	20,701.79
Hales Corners	15,085.44	5,240.65	20,326.09
Oak Creek	15,496.04	5,201.47	20,697.51
South Milwaukee	15,487.20	5,716.72	21,203.92
West Milwaukee	15,405.36	5,201.71	20,607.07

City Exhibit 9 listed by Officers on the Department the compensatory hours given and the overtime hours paid. A dollar value of \$8,519.80 was imputed for compensatory time, and overtime hours costed \$16,371.45 in dollars paid.

It will be noted that in the total wages and cash benefits, there is a difference between the parties. It is useful to see how they arrived at their differing totals:

TABLE XVIII

## COST, 1977, TOP PATROLMAN

<u>CASH BENEFITS</u>	<u>UNION</u>	<u>CITY</u>
Wages	\$13,764.00	\$13,764.00
Holidays	476.64	476.64
Longevity	100.00	60.00
Shift Differential		240.68
Shift Commander	185.26	215.77
Personal Day	26.48	
OT at 1 1/2 (120 Hr. Av.)	1,191.60	
OT at ST (50 Hr. Av.)	<u>331.00</u>	
Total Wages	\$16,074.98	\$14,757.09

OTHER BENEFITS

Wisconsin Retirement		\$2,921.90
WRF Employee	964.50	
WRF Employer	2,218.35	
Social Security	940.39	895.05
Health Insurance	1,207.92	1,207.92
Clothing Allowance	160.00	160.00
Life Insurance		96.00
Educational Incentive	275.28	
WRF Employee	16.51	
WRF Employer	37.98	
Total Benefits	\$5,820.93	\$5,280.87

UNION'S POSITION. The Union states that the City pointed out that shift premium was excluded in Union Exhibits 1 and 2, and the Social Security benefits listed were incorrect. The Union says that when these factors are changed, the Union package drops to 7.23% from 7.26% and the City offer from 6.29% to 6.27%. Further the Union states that the testimony indicated that Officer Te Kampe was federally funded for about 90% of his cost and another officer was promoted to Sergeant, and his position was not filled, so that the costs are even lower than presented.

CITY'S POSITION. The City states that there are certain omissions in the Union Exhibits on salary. The Union included four hours of personal leave in its table, but in 1977 this will be eight hours. Vacation was likewise excluded from the total compensation. Shift differential was not included, and overtime estimates and security costs were over-stated. Although the City benefits in its presentation from these mistakes, nevertheless they do not reflect an accurate picture.

DISCUSSION. It is difficult, from the information stated above, to determine what the actual cash benefits and actual fringe benefits are of St. Francis Patrolmen. The Union exhibit did not include in the cash benefits the cost of shift differential, and the City and the Union differed on what the benefits would be for a Patrolman acting as shift commander. The City exhibit does not include overtime pay. The Arbitrator has attempted to reconstruct from the most reliable of the figures presented what he believes the benefits to a Top Patrolman are:

TABLE XIX

WAGES AND BENEFITS, PATROLMAN, 1977

CASH BENEFITS

Wages	\$13,764.00
Shift Differential	240.68
Shift Commander	215.77
Longevity	60.00
Holiday Pay	4,764.64
Overtime @ 1 1/2	1,191.60
Overtime @ Straight time	331.80
Total	\$16,280.49

OTHER BENEFITS

Wisconsin Retirement	\$2,921.90
Social Security	895.05
Health Insurance	1,208.92
Life Insurance	96.00
Clothing Allowance	160.00
Educational Incentive	275.28
Total	\$5,554.15
Grand Total	\$22,834.64

This table does not enable one to obtain a true measure of what increases in benefits will occur in 1977 and 1978 under either plan. The Arbitrator, therefore, believes that the basic wage change must be a predominating factor in deciding on the reasonableness of the offers, since true overall costs are in doubt.

City Exhibit 8 (Table 17) shows that under the City's method of computation of comparable benefits in southern suburban municipalities, St. Francis is low. The City exhibit does not include overtime. The Arbitrator concludes that even with overtime it is likely that St. Francis patrolmen at the top rate are at or near the low end of the list.

11. SPECIAL BENEFITS. In Section 9.02 of the present agreement there is this paragraph:

"A police officer with an Associate Degree in Police Science and a minimum of three (3) years of full-time service with the City shall be paid an amount equal to two (2) percent of his base salary. Said payment shall be made in December of each year. A Police Officer who is eligible for payments under this Section shall be required to submit to periodic examination by the City to determine competence in the field of Police Science."

The City has proposed in its final offer the following:

"A Police Officer with an Associate Degree in Police Science and a minimum of three (3) years of full time service with the City shall be paid \$320.00 in 1977 and \$325.00 in 1978. Said payment shall be made in December of each year. A Police Officer who is eligible for payments under this section shall be required to submit to periodic examination by the City to determine competence in the field of Police Science."

City Exhibit 21, was a table of benefits to be received under the various proposals.

TABLE XX

EDUCATIONAL INCENTIVE COMPARISONS

CITY PROPOSAL	1976	1977	INC.	% INC	1978	INC	% INC.	TOTAL INC
Patrolman	275.28	320.00	44.72	16.2	325.00	5.00	1.56	49.72
Sergeant	299.52	320.00	20.48	6.4	325.00	5.00	1.56	25.52
<u>UNION PROPOSAL</u>								
Patrolman	275.28	293.28	18.00	6.54	315.60	22.32	7.6	40.32
Sergeant	299.52	319.08	19.65	6.53	343.20	24.12	7.56	43.68

The following table is derived from City Exhibit 22:

TABLE XXI

EDUCATIONAL INCENTIVE PAY

<u>MUNICIPALITY</u>	<u>INCENTIVE PAY</u>	<u>BOOKS AND TUITION REIMBURSEMENT</u>
Cudahy	\$600/year	None
Franklin	576/year	None
Greendale	540/year	Tuition only
Hales Corners	None	None
Oak Creek	None	1st \$10 plus 1/2 add. cost to \$15.00/year
South Milwaukee	None	Tuition and books
West Milwaukee	None	None
St. Francis	No limit	Tuition and books

St. Francis pays 2% of base salary and others pay on the basis of credit where incentive pay is given.

THE UNION POSITION. The Union states that the City wants to modify the current educational incentive program when it puts a dollar amount instead of a percent on the program. The Sergeant would be actually taking an \$18.00 cut in educational pay. The City does not want to pay per credit and wants to have a limit. This is clearly a case of wanting the cake and eating it too. The Union says that before an officer of the St. Francis Police Department, under the 2% educational incentive program, could receive educational incentive pay as high as that of a Cudahy officer, he would have to make \$30,000 a year and have a degree.

The Union states that since it takes approximately five years for an associate degree, this means that the City does not have to pay anything until the officer has completed his schooling for an associate degree. There are two patrolmen and one sergeant receiving this type of pay, so the cost is minimal. The City, in this action, is putting a future burden on the Union during negotiations. The arbitration should not take the position of modifying or removing something from the contract that was freely negotiated into it.

THE CITY'S POSITION. The City states that it is proposing to revise the educational incentive program to better reflect its purpose. It is to recognize an accomplishment through an annual payment. The present program, however, pays a greater benefit to those officers with more years of service or greater rank. The City feels that this is not equitable. The course work to earn an associate degree is the same for each person who earns the degree, and it does not distinguish between a Patrolman and Sergeant. The extent to which the learning is applied, depends not on the fact that the course work was completed but on the individual applying it.

The City proposal is that an officer, regardless of tenure or rank, receives the same payment for his degree. The proposal is structured so that no officer receives less in 1977 than he received in 1976. In 1978 the Sergeant would receive about \$20 less. It might be argued that any time a contract is changed some one will argue a benefit loss in the future. The City asks how long it is necessary to insure an individual against a "benefit loss". One year is enough.

The City notes that in each of the communities compared, there is a limitation on the amount received, based on credits earned. No other community uses a percentage payment. The fact that the City does not pay as much does not injure the validity of this point. Also, those that provide for credits earned, do not pay tuition or books. Two Patrolmen and one Sergeant are eligible for benefits. They will all receive more in 1977, and in 1978, the two Patrolmen will receive a greater payment.

DISCUSSION. In reviewing the foregoing material, the Arbitrator believes that the City arguments to provide a steady maximum benefit rather than a percentage benefit for educational incentive is more nearly like the benefits conferred in those other southern suburban communities, and the City has the stronger argument here.

12. SPECIAL BENEFITS - HEALTH INSURANCE. The City offers to pay the full premium for hospital and surgical care insurance for regular full-time Police Officers and their families, not to exceed \$106.00 per month for the family plan and \$38.28 for the single plan in 1977; and \$125.00 for the family plan and \$45.00 per month for the single plan in 1978. The Union asks the same as the City for 1977, but wants the City to agree to pay any increase in the premium for the year of 1978.

THE UNION'S POSITION. The Union supplied its Exhibit 5 which listed 20 municipalities in the Milwaukee area, of which fifteen fully paid health insurance benefits. The Union states that Health and Welfare Insurance is the most important part of the final offer, as the Union views it, and objects to the City wanting a cap of \$125.00 for the insurance premiums in 1978. The Union states that there was a longstanding practice of the City paying the full premium, with only one exception, from September to December, 1976, when the premium was changed for some state reason. The Department of Public Works of the City had a cap of \$120 for the second year of their contract, one and one half years ago. Yet now the City offers a cap of only \$125 to start on January 1, 1978. If they believe that the rate would not go above that, why did they have a cap at all? If the cap is put on, any wage gain in 1978 may well be lost due to higher health premiums. The City position is unreasonable.

THE CITY'S POSITION. The City entered its Exhibit 23 which listed the rise in health insurance for family plan and single plan from 1969 to 1977. The family plan rose from \$28.98 in 1969 to \$57.87 in 1975. Thereafter, it jumped to 100.64 in January, 1976; \$102.65 in September, 1976; and \$104.81 in 1977. The single plan showed a payment of \$10.41 in 1969, changing to \$20.67 in 1975, then to \$35.70 in January, 1976, and to \$37.09 in 1977.

The City asserts that it is prudent and reasonable to place a dollar limit on health insurance, and an agreement should define the maximum costs that the City is to incur throughout the term of the agreement. Although the Union showed a list of cities that will pay full premiums, whether or not a community chooses to negotiate a dollar limit is the option of the community. St. Francis negotiated such a limit in 1975 for the Police, and in the 1977-1978 Fire contract. Further, the Union has agreed to a top limit for 1977, but wants it changed for 1978, and this is inconsistent.

The City notes that its proposed dollar limit for 1978 increased by \$19.00 a month, which is 18% over the 1977 limit. It does not appear that an insurance contract increase will exceed this figure.

The City also feels that if new mandated benefits are to be proposed, a dollar limit will give both parties a direct interest in minimizing the effects of those proposals, and will work cooperatively to limit them. An employee who may have to pay part of the cost of health insurance will be more concerned about it.

The City also makes other arguments. Paid health insurance is a benefit to the employee and costly to the City, and unless there are limitations, the Union will have no need to recognize these limitations or negotiate to meet new costs. The City asks how far its obligation goes to predict the future, or to pay costs not known at the time of the contract. The City states its offer is reasonable in its increase, and is the same as offered to the Fire unit and agreed to for 1978, a consistent act on the part of the City.

DISCUSSION. Based on the foregoing matters, the Arbitrator feels that the City, having reached an agreement on dollar limits with the Police unit in the prior agreement, and now in the Fire unit agreement for 1977-1978, is reasonable in offering a dollar limit which is \$18 above the current limit for health insurance. It is true that health insurance is capable of substantial jumps, and the jump may be of such magnitude as to wipe out basic wage gains, but the employer has to have some idea of costs to be met also. Having set a pattern in the past agreement and re-established it in the Fire unit agreement, the Arbitrator feels that the City offer is more reasonable here.

13. FUNERAL LEAVE. The City proposes the following provisions:

"15.02 Funeral Leave: Each full-time Police Officer shall receive (3) consecutive days off with pay in case of death in his immediate family, one day of which shall be the day of the funeral. The immediate family is defined as: spouse, children, parents, sisters, brothers, step-parents, step-children, grandparents, and grandchildren.

"Each full-time Police Officer shall receive two (2) consecutive days off with pay in case of the death of his father-in-law, mother-in-law, sister-in-law, and brother-in-law, one day of which shall be the day of the funeral."

The Union proposes retaining the following provisions, which were in the past agreement:

"15.02 Funeral Leave: Each full-time Police Officer shall receive three (3) consecutive days off with pay in case of death in his immediate family, one day of which shall be the day of the funeral. The immediate family is defined as: spouse, children, parents, sisters, brothers, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandparents, grandchildren, step-children, and step-parents.



"Such funeral leave will only be granted upon verification of a death through the Police Officer's immediate supervisor to the Chief of Police."

Thus it can be seen, that the City proposes that a two day leave is proposed for relatives of the wife of the Police Officer.

The City provided an Exhibit 24 from which the Arbitrator has derived this table:

TABLE XXII

DAYS OF FUNERAL LEAVE FOR "IN-LAW", COMPARATIVE MUNICIPALITIES

<u>MUNICIPALITY</u>	<u>MOTHER- IN-LAW</u>	<u>FATHER- IN-LAW</u>	<u>SISTER- IN-LAW</u>	<u>BROTHER- IN-LAW</u>
Cudahy	3	3	3	3
Franklin	3	3	1	1
Greendale	1	1	0	0
Hales Corners	3	3	3	3
Oak Creek	2	2	2	2
South Milwaukee	3	3	3	3
West Milwaukee	3	3	1	1

This exhibit also shows leave to be granted for other relatives, such as grandparents, grandchildren, aunts, and uncles, which vary among the municipalities.

THE UNION'S POSITION. It is the Union position that the City proposal should not be of controlling weight to decide the proposed agreement either in favor of the Union or of the City. The Union wants the language of the previous Agreement, and notes that nobody has used this provision. The Union disputes the contention of the City that there is not so much time needed for the funeral of a mother-in-law, for example, as one's own blood relative. The Union states that sons-in-law are often close to their wife's mother, and the husband has to help the wife at the time of her mother's death. The Union states that the City included this proposal in the hope that if the main award was decided in its favor, this provision would come as a gift, and this is not the intent of arbitration.

THE CITY'S POSITION. The City states that funeral leave is provided to permit a Police Officer to attend the funeral of a family member, and if necessary, to assist in funeral preparation. The current provision authorizes three consecutive days of leave, one of which must be the day of the funeral. The City is proposing that these provisions remain the same, except in the case of a father-, mother-, brother-, or sister-in-law, in which case the leave would be reduced to two days. The City holds that the potential duties of an Officer in the case of the death of such persons is not the same as for other family members. Funeral leave is not and cannot be equated with loss or grief. It is simply a leave granted to participate in the funeral.

The City notes that the City Exhibit 24 shows that all the municipalities mentioned provided for variations in leave depending on the relationship of the Officer to the deceased, and most are not as inclusive as that proposed by the City. The City states that its proposal is reasonable. It does not significantly alter the 1976 provision, but merely distinguishes between a relationship of blood and of law, and the potential involvement of an Officer in funeral preparations.

DISCUSSION. The question here is the reasonableness of the City's proposal in light of practice in other municipalities. An examination of Table 22 shows that five municipalities out of seven provided for three days leave for the death of a father-in-law or a mother-in-law, but only three provided for three days in the event of the death of a brother-in-law or sister-in-law. This probably reflects the view that one is more likely to be close to a father-in-law and mother-in-law in event of death, and is more likely to be involved in arrangements than in the case of a brother-in-law or a sister-in-law. The Arbitrator does not believe that this is a major issue.

The Union says that last year three employees used this provision. The Arbitrator believes that the present provision should be maintained until further experience in this municipality or other municipalities develops reasons for a new pattern.

14. PERSONAL LEAVE. The City is proposing the following provisions for personal leave:

"15.03. Personal Leave: When practical and consistent with the needs of the department and approved by the Chief, each Police Officer shall be granted eight (8) hours of personal leave in 1977. Said leave must be requested at least twenty-four (24) hours in advance and shall not be used immediately before or after vacation or sick leave."

The Union proposes the following:

"15.03. Personal Leave: When practicable and consistent with the needs of the Department and approved by the Chief, each Police Officer shall be granted eight (8) hours of personal leave with pay. Said leave must be requested at least twenty-four (24) hours in advance and shall not be used immediately before or after vacation or sick leave."

DISCUSSION. The City stated that its proposal is defective in that the year, 1978, was omitted by error from its final proposal. The Arbitrator is not in a position to replace the missing year in the language of the offer, and in effect, if the City proposal were to be adopted, some kind of arrangement would have to be made in the form of an ancillary agreement between the parties if they wanted personal leave to continue at the rate of eight hours, instead of four hours as at present, or if at all.

The Union is objecting to including the precise years in the provision because it would put another issue on the bargaining table at the end of 1978, and the Union states that there are enough issues now.

The Arbitrator believes that because of the missing year of 1978 in the City proposal, and because he can not change it, the Union statement more nearly meets the intent of the parties. The Union, however, can not, by including this statement in an agreement, preclude the City from raising the issue again, and support for the Union position here now does not mean that the issue is not bargainable in the future.

For technical reasons then, the Union position is the more reasonable. There was some discussion by the Union that if it was understood that 1978 was meant in the City's provision, the issue would drop out; but the Union brief indicates that the Union does not want the issue reopened at the end of 1978.

15. SUMMARY ARGUMENTS OF THE PARTIES.

THE UNION POSITION. The Union says that considering parity with the surrounding municipalities in wages, the attempt of the City to put undo hardships in future negotiations by changing and adding to previously negotiated articles, and the possibility of losing any gains made in 1977 in wages by high or inflated insurance rates in 1978, the Union believes its position is most favorable.

THE CITY'S POSITION. The City states that it has been consistent and sought to propose alternatives that were fair and equitable to both parties. The fact that the alternatives were not acceptable does not represent a breakdown of a bargaining relationship, but fundamental differences in the concept of what constitutes a mutually acceptable agreement. The Union position is that some provisions should set forth obligations and liability, but some should remain open-ended with a possibility of unnegotiated additional costs for the City. The City position of holding for negotiated costs is not new. In each of the last two contracts with the Police and other bargaining units, the City negotiated definitive cost limits, and the City is extending this concept into 1977-1978.

The City states that its exhibits and arguments show that it compares favorably with other communities in the same geographic area. There are differences between the communities as to salary and total compensation, population, area, and equalized valuation. When the general characteristics of St. Francis as a whole are taken, rather than considering single variations, the City maintains its relative position. The City holds that the Union attempt to compare St. Francis to the entire metropolitan area is not based on any rationale and is not substantiated.

The argument that St. Francis is low on the salary spectrum may be correct, but the parties reached an amicable settlement in each of the previous years, and the City granted raises comparable to the increase in the CPI during this year. Further, the City proposal and its settlement with the Fire unit will maintain the salary relationship between the departments, whereas the Union proposal will alter it.

As to the proposed change in Educational Incentive Pay, the City structured it so that no eligible Officer would receive less in 1977 under the City proposal, and the proposal provides equal treatment and benefits for each Officer, regardless of salary or rank.

The City proposal to retain cost limits on health insurance is a continuation of current provisions that prescribe a maximum cost. The Union agreed to the limits in 1977, but wants to remove them in 1978.

The City proposal on funeral leaves represents a slight change to reflect in a better way the responsibilities that an Officer may incur as a result of the death in his spouse's family.

The City states its position is reasonable and equitable and in line with the agreement negotiated with the Fire unit. The City seeks change to clarify obligations and liability, not just for change's sake, and it continues policies of previous years.

16. SUMMARY DISCUSSION. The Arbitrator considers wages to be the most important issue between the parties, even though the Union considers the dangers of a cap on health insurance greater. The question here is what is equitable and reasonable considering the individual characteristics of St. Francis, which is relatively low in population, assessed valuation, and area, and which has a relatively high tax. Is the offer of the City justified on the basis of the relative status of St. Francis as compared to other communities? This question must be weighed against the fact that St. Francis Police Officer wages are low in comparison with other southern Milwaukee County municipalities. The Arbitrator believes that the difference in the offer of the parties as to wages are not so great as to preclude the Union's proposal. The costs in the first year are about \$144 per Patrolman more for the Union offer, and about \$156 for Sergeants. The cost would roughly be about \$2200 higher for 1977, under the Union offer. The Arbitrator does not consider this amount then to be a bar toward considering the Union offer, which now must be examined with respect to other conditions.

One of these conditions is the relative low status of St. Francis Police Officer as compared to South suburban municipalities. Tables 4 and 5 show that the St. Francis Officers were low in 1976, and considerably lower than the Officers in Hales Corners, which, as to population and size and valuation seems comparable, although Hales Corners may lack the industrial base of St. Francis. There is a justification here of the Union's position in seeking to catch-up, and on this basis its offer is justified when the factor of comparable wages is considered for like work.

The City has stressed that its Fire Fighters settled for a package similar to what it offered Police. This is a matter not to be ignored. Parity of a reasonable type between Fire Fighters and Police Officers is desirable, and an award should not lightly treat this subject. However, the factor of comparing similar work in the same classification in other communities seems more weighty than the comparison between the different protective services in the same community, especially when information on the comparability of Fire Fighter rates in St. Francis with other municipalities was not developed. It may be that these latter rates are also at the low end of the spectrum.

The matter of the relative stability of the Police work force and the number of applicants also must be considered. In an issue like this the Arbitrator is confronted with the question of what weight to give to the principle of fair return for work, and the willingness of others to take that work for whatever pay is offered. The Arbitrator believes that the statutory guidelines put emphasis on what the pay is for like work elsewhere, and therefore considers this issue the more significant than the knowledge that many people seek the positions at the current rate.

As to the percentage increase involved in the Consumer Price Index, the Arbitrator believes that the Union offer is too high to be justified simply by the change in the CPI, but on the basis of a one-time catching-up, the Union position has merit.

On the basis of overall wages, the overall income of the St. Francis Patrolman in wages and benefits is substantial, but in view of the differing standards of calculating what this increase is, the Arbitrator can not base a strong judgment that in overall compensation the St. Francis Patrolmen either are or are not in a range comparable with Patrolmen in comparable communities. Table 17 would indicate that they are low, but from the components of this table derived from City Exhibit 8, there are missing too many elements to base a judgment on this information. Hence principal reliance on determining reasonableness of offers is placed on comparability of basic wages.

The Arbitrator concludes that the information supplied about internal City raises and percentages by the Union is insufficiently applicable to the matter here because of lack of comparability of status of the persons and classifications listed, some being managerial and some being labor.

As to Educational Incentive Pay, the Arbitrator believes that the City is moving in the right direction to place a dollar benefit rather than a percentage benefit, as being more nearly like the benefits conferred in other communities.

As to setting a limit to the dollar amount placed on health insurance, the Arbitrator believes that the City has the more reasonable argument in wanting to know its costs, and in already having set the pattern.

As to funeral leave, the Arbitrator believes that the Union offer is more nearly like the practice in other communities listed, and in view of the limited experience with this kind of benefit, the Union position of keeping the terms of the old agreement is more reasonable.

As to personal days, the Arbitrator sees no objection to the City's position of mentioning 1977 and 1978 in the agreement for granting eight hours of such leave. However, the City neglected to include the year 1978, and the Arbitrator can't change it, so the Union offer is more reasonable.

The Arbitrator thus has concluded as to wages, funeral leave, and personal days, the Union proposal is more reasonable; and the City offer is more reasonable as to educational incentive and health insurance. Of all these issues, the Arbitrator believes that the issue of wages predominates. As to this single issue, the low previous status of St. Francis Patrolman top rates in comparison with rates in comparable municipalities makes the Union offer more reasonable as an effort to reach a more equitable status. The agreement between the parties in 1977 and 1978 should therefore include the terms of the Union's final offer.

AWARD. The 1977-1978 Agreement between the law enforcement personnel of the City of St. Francis, represented by Local 695, I.B.T.C.W. & H. of A., and the City of St. Francis should include the terms of the final offer of the Union as being more reasonable under the guidelines of the Municipal Employment Relations Action, Section 111.77(6) of the State of Wisconsin.

Frank P. Zeidler /s/  
Arbitrator

June 11, 1977