

STATE OF WISCONSIN  
BEFORE THE WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In the Matter of Final and Binding Arbitration Between

SHOREWOOD FIRE FIGHTERS LOCAL 808,  
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

and

VILLAGE OF SHOREWOOD

Case XV  
No. 21294 MIA-298  
Decision No. 15413-A  
Arbitration Award

HEARING. A hearing on the above entitled matter was held on July 1, 1977 beginning at 9:30 a.m. at the Village Hall, Shorewood, Wisconsin.

APPEARANCES.

Mr. Edward Durkin, Fifth District Vice-President,  
International Association of Fire Fighters  
5606 Old Middleton Road  
Madison, Wisconsin 53705  
representing the Union,

Mr. Roger E. Walsh, Attorney, LINDNER, HONZIK, MARSACK, HAYMAN  
& WALSH, S.C.  
700 North Water St.  
Milwaukee, Wisconsin 53202  
representing the Village of Shorewood

- I. BACKGROUND. On January 27, 1977, the Shorewood Fire Fighters Local 808, International Association of Fire Fighters filed a petition with the Wisconsin Employment Relations Commission requesting the Commission to initiate final and binding arbitration pursuant to Section 111.77(3) of the Municipal Employment Relations Act for a 1977 contract with the Village of Shorewood, Wisconsin. An investigation was made by Amadeo Greco, who found that an impasse existed and so reported on March 22, 1977. The Commission concluded that an impasse within the meaning of Section 111.77(3) of the Municipal Employment Relations Act existed between Local 808, and the Village. It certified that conditions precedent to the initiation of compulsory final and binding arbitration as required by Section 111.77 of the Municipal Employment Relations Act existed, and it ordered that compulsory and final binding interest arbitration be initiated for the purpose of issuing a final and binding award to resolve the impasse. It did so on April 5, 1977. The parties thereafter chose Frank P. Zeidler, Milwaukee, Wisconsin, as the Arbitrator and the Commission appointed him on April 27, 1977.

The parties previously made known their final offers to the Commission through the investigator. They are stated hereafter. All other terms and conditions of the 1976 contract between the parties are remaining in full force and effect except that certain additional benefits as shown in the Village offer have been accepted by the parties.

- II. SELECTED CHARACTERISTICS OF THE SHOREWOOD FIRE DEPARTMENT. This proceedings involves personal of the Village of Shorewood Fire Department. There are seventeen employees in the bargaining unit. These included three (3) Lieutenants, six (6) Equipment Operators, and eight (8) Fire Fighters. There is an Acting Chief who is also the Police Chief, and three (3) Captains. In 1976 there were twenty members in the bargaining unit. According to its December 1976 report, the department had 218 fire runs, and 729 non-fire runs. Loss due to fire was 9,160 for 1976, but it was \$28,695 for 1975.

The Population of the Village is given later.

The budget for the Village in 1976 was \$3,629,686. The 1977 budget was the same. The contingent fund of the Village was \$64,897 in 1976 and \$19,000 in

1977. The Fire Department budget for 1976 was \$437,818 and in 1977 it is set at \$398,900.

The property tax levy was \$1,975,739 and in 1977 it was at \$2,282,950 which was the top of the levy permit under law. The 1976 rate was 18.5% above the rate in 1975. The Village, However, is undergoing a Village-wide reassessment. There has been a hiring moratorium because of fiscal conditions.

Of the North Side Milwaukee County municipalities, Shorewood has 18 employees in the bargaining unit, Brown Deer has 9, Glendale has 20, and Whitefish Bay has 18. Other Milwaukee area municipalities have from 10 to 133 in the bargaining unit.

The department has one station, two pumpers, one ladder and two ambulances.

### III. FINAL OFFERS.

#### A. FINAL OFFER LOCAL 808

Wages: 4 1/2% increase on all rates effective January 1, 1977.

#### Articles 8 - Pension

Amended by striking six and inserting eight and striking (6%) and inserting (8%), effective July 1, 1977.

#### Article 11 - Holidays

Change the second line to read;

In case of an emergency, the Chief shall have the discretion whether or not to cancel any of the four (4) to be given in time off, but in that event the employee shall receive double time for such canceled holiday.

Article 7 - Change 1976 to 1977. No other changes in language.

Article 25 (h) Physical fitness program. No change in present language.

#### B. VILLAGE'S FINAL OFFER

WAGES: Increase of 4 percent across the board.

PENSION: Village to contribute an additional 1/2 percent toward employees' share of pension, making a total of 6 1/2 percent by Village in behalf of employee.

FIRE PATROL: For performance of Fire Patrol duties, the total amount that Village will pay as an additional increment to employees of the Fire Department will be as follows:

For firefighters in steps 3 to 5 and for all equipment operators and lieutenants, ....\$30.00 per month.

No increment will be paid for firefighters in steps 1 and 2.

This provision modifies paragraph 7 on page 5 of the 1976 contract entitled "Fire Patrol Duty", between the Village and members of Firefighters' Local 808.

PHYSICAL FITNESS: The general rules for the government of the Shorewood Fire Department be amended by incorporating under Rule XIII entitled "General Rules" thereof, a section to read as follows:

"Members of the Department are charged with the responsibility of maintaining a state of physical fitness commensurate with the duties which they are required to perform. Periodic testing will be conducted by the Chief or his designee to determine such state of physical fitness of each member of the

Department. Failure to maintain a reasonable standard of physical fitness as determined by the Village shall be subject to disciplinary action described under Rule XX hereof."

The general rules for the government of the Shorewood Fire Department be further amended by incorporating under Rule XX thereof, which is entitled "Offenses and Penalties," the following subsection:

"Failure to maintain a reasonable state of physical fitness."

All other terms and conditions of the 1976 contract between the Village of Shorewood Fire Department and the Village of Shorewood shall remain in full force and effect for the entire year of 1977 commencing January 1st and ending December 31st, except as hereinafter provided:

1. Health Insurance. The Village shall contribute an additional \$9.00 per month under the family plan for health insurance making a total contribution of \$82.33 per month. The Village shall contribute \$36.82 per month towards payment of health insurance premiums under the single plan.

Retiring members of the Fire Department may remain as a member of the Village group under the Village's health insurance plan provided that each such member shall pay the full amount of the premiums due for such health insurance coverage.

2. Assignment to duties of a higher rank. Those of the rank of firefighter through captain assigned to perform duties of higher rank for at least 8 continuous hours of duty shall receive the salary related to such higher rank only for those hours worked in that capacity at the rate of the man replaced.

3. General rules for government of Department. That the general rules for the government of the Shorewood Fire Department be modified by deleting reference to the Deputy Chief, and substituting therefor a reference to the classification of Captain.

IV. FACTORS TO BE WEIGHED BY THE ARBITRATOR. Section 111.77(6) of the Municipal Employment Relations Act says the following:

"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 wages 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."

The issues of this matter will now be considered.

- V. COMPARABLE COMMUNITIES. There was a difference between the parties on the use of experience in other communities for comparing. The Union used an area-wide set of municipalities, and the Village argued that there are too few North Side municipalities to make a valid comparison, and only one of them has reached a settlement for Fire Fighters for 1977. The Village states that the Union itself has developed the dichotomy by comparing South Side municipalities, and the North Side municipalities should be taken because they are homogeneous in character. A review of various issues presented show that data on the North Side municipalities are limited. Where it exists it is given weight. Where it does not exist, the data from South Side municipalities are given consideration.

The issues of this matter will now be considered.

- VI. THE LAWFUL AUTHORITY OF THE EMPLOYER.

There is no issue here of the lawful authority of the employer either to pay or not to pay either offer.

- VII. THE STIPULATIONS OF THE PARTIES.

There are no major stipulations of the parties that need to be reported here, except the stipulation of the parties to agree to certain benefits offered by the Village and reported above in the section, BACKGROUND.

- VIII. THE INTERESTS AND WELFARE OF THE PUBLIC AND THE FINANCIAL ABILITY OF THE GOVERNMENT TO MEET COSTS.

It is the contention of the Village that the Village will have a problem to pay the Union demands, and the Village's last offer therefore should be selected in the interests and welfare of the public and the financial ability of the village to meet the costs. This is disputed by the Union.

The Union Position. The Union says that late in the bargaining the Village asserted that it had a problem financing the Union request. The Union says that there is little direct factual evidence to back this claim. The parties are approximately \$3,700 apart in total costs, (Union Exhibit 13 Amended) and this is one tenth of one percent of the budget of \$3,629,519. This minimal amount can not be critical to the budget.

The Union notes that the Village has put a hiring freeze in effect for 1977 in the Fire Department and it notes that the Fire Department budget was figured at 22 1/2 men, but only 20 1/2 have been on the payroll. At a yearly cost of \$19,500 per employee, every 3 month's delay in hiring one employee saves enough to pay the difference in the demands.

The Union also says that the examination of the budget shows that there was enough money in the budget originally to pay the Union offer. There was over a \$25,000 surplus in the budget, according to Union Exhibit 11. The updated expenditures to the time of the hearing showed that only 26.9% had been used in the first one third of the year. At this, only 79% of the budget would be used. Similarly at the rate the police budget is to be used, over \$75,000 will be available at the end of the year. These figures are supplied in Union Exhibit 11. Though retroactive pay may take a portion, such pay for both police and Fire Fighters will not take anywhere near the amounts available.

The Union says that the extra cost of the Village for unexpected water service cost is legitimate, but the budget is in excellent shape to absorb the expenditure of \$16,000. Other claims of the Village of unexpected costs, however, should be rejected as self-serving and insufficiently supported. They were not documented, but made as verbal claims. If the Village had such documentary evidence, it could have submitted it.

The Union says that the Village submitted heavy information on tax rates for the Village, but showed a vast inconsistency in comparable communities used for this purpose. The Union says that Village Exhibit 18 on comparable tax rates listed only 5 North Side communities, but used the ranking for all 18 Milwaukee area and 11 suburban communities.

This exhibit however shows that full value tax rates for Shorewood have actually gone down for the past two years while in three out of the other four North Side communities the rate went up. Also the Village equalized assessed value has increased over the average for the North Side communities. The per capita equalized value in the Village is less than the average, but the per capita income is well over the average. This is the income which pays for service.

The Union disputes data of the Citizens Governmental Research Bureau used by the Village. It says that the claim that the Fire Department budget increased 10% from 1975 to 1977 is wrong since it actually decreased. Also the population figures used by the Village show that the per capita increase in costs is \$27.85, a slight increase and the lowest in the area. Fire protection is very reasonable for Shorewood and the high rates for citizens are not caused by this service.

The Union also notes that the Village is bringing its assessed valuations up to date, and so in 1978 there will be no problem in meeting the costs.

Union Exhibit 7 is a chart showing that the allowable levy for the Village was \$2,254,869 in 1976. The Village actual levy for 1976 was \$2,007,561, a rise of 17.5 over 1975. The Village took only 54.8% of the total levy increase it might have had. Union Exhibit 8 shows that there was an allowable levy of \$2,529,738 in 1977, and the actual levy was \$2,282,450. This 89.12% of the allowable limit.

Union Exhibit 9 was a portion of a report of the Citizens Governmental Research Bureau, updated, which showed that the local assessment for 1977 budget purposes in Shorewood, was \$114,142,570. The state equalized this at \$226,860,500. This gives an equalized valuation of about \$16,000. The Union says that the Village was assessing at 50% of true value.

Union Exhibit 10 shows that the 1976 budget was \$3,629,686. The contingent fund in this budget was \$64,897. In 1977 the budget was \$3,629,519, and \$19,000 was in the contingent fund.

The Union says that the major costs in government in Shorewood are not services in the Fire Department or municipal services, but school costs, which are about half the Village costs. Shorewood also has a smaller proportion of its population in schools than other municipalities.

The Village Position. The Village provided several exhibits relating to this aspect of the matter. Village Exhibit 5 states that if the Union's last offer is selected and if the Village's last offer is selected in Police arbitration, the cost to the Village will be \$2,946.42 more than the Village's last offer. If the Union's offer and the Police Association's offer in another case are accepted, the cost will be \$5,916.24 more than the Village's last offer.

The Village says that the tax rate picture for the Village is alarming. It says that there are approximately 14,323 citizens and this represents a drop of 3.7% since 1974 and 8.04% since 1970. This later figure represents the fourth largest decline in the State (Village Exhibit 23). The Village has the second highest percentage of population over 65 and the lowest median family income of other North Shore Communities with full time fire departments (Vill. Ex. 22). The Village local tax increased 10% from 1976 to 1977, the highest among North Shore Communities and more than twice the average in the communities (Vill. Ex. 17).

In the matter of full value tax rates based on state equalized assessed values, the Village rate is highest in its area, and third highest in the Milwaukee metropolitan area (Vill. Ex. 5, 15, 18). The same was true in 1975 (Vill. Ex. 9). According to Village Exhibits 14 and 19 Shorewood's 1976 equalized property valuation per capita was second lowest.

The Village says that on the basis of full value, the overall tax rate has not changed much between 1975 and 1977, but when it is broken down, the rate attributable to municipal purposes has increased substantially by 5.7% according to Village Exhibits 9 and 15.

Among North Shore communities with full-time fire departments, Shorewood has the highest percentage of its budget financed by property taxes. In 1977 this was 52% compared to other communities which show 36 1/2% (Vill. Ex. 20). This percent of budget financed by property taxes was the highest among all suburban Milwaukee communities (Vill. Ex. 10 and 16).

The Village also says that the Village's cost per person for budgeted expenditures for Fire Fighters was second highest in the North Shore area and exceeded in the period from 1975 to 1977 the average increase in such costs by 3.4% (Vill. Ex. 21).

The Village says that the foregoing data indicates that the citizens of the Village, many of whom are on fixed incomes, are being taxed out of existence. This year the Village reached the tax levy limitation imposed by Section 61.46(1) Wis. Stats.

The Village says that the 1977 budget will be severely over extended under the property tax limitation. Shorewood levied a tax of \$2,282,450 which was the limit of its levy under Section 61.46. Because of the limits the Village determined that wage increases and benefits together would have to be limited to 4%, and this was put into the budget. An increase of approximately \$2.00 per month was inserted for increases in health insurance premiums. Because of the cost of living index at the time the budget was prepared, this seemed reasonable to the Village officers. The Village also decided not to hire two additional Fire Fighters, but would hire one to begin work in August, 1977. The Village then recomputed the final offer with the following results: if the Village's final offer in the police arbitration is accepted.

TABLE I

VILLAGE'S COMPUTATION OF COST OF FINAL OFFERS

<u>Items</u>	<u>Amount in Budget</u>	<u>Cost Under Union Offer</u>	<u>Cost Under Village Offer</u>
Wages	\$378,000	\$361,017	\$360,082
Pension	63,000	66,665	64,945
Total	\$441,000	\$427,682	\$425,027

This was detailed in an appendix to the Village's brief.

The Village says that the difference between the offers under the foregoing conditions is approximately \$2,655. The Union offer is \$13,318 less than the budgeted figure and the Village's offer is \$15,973 less. If the offer of the Police Association is finally accepted, the cost to the Village would come to \$5,900 a year, and the Union offer would be only \$10,118 less than the budgeted figure and the Village's offer only \$12,773 less.

The Village says that the fact that there is an under-expenditure in the Fire Department budget is based on the fact that the Village elected not to fill positions in an effort to save on total budget expenditures. This budget, a working document, is in trouble and the savings in the Fire Department will be more than offset by other expenditures necessary elsewhere. The additional expenditure currently anticipated are

- A) Water Hydrant Rental, an increase of \$16,949 to \$66,199.
- B) Reassessment Program - \$10,000
- C) Snow Plow Equipment - \$5,000
- D) Fire Fighter with Claim for Disability, possible Village cost - \$7,000 for 1977.
- E) Health Insurance Premium additional cost - \$10,000.

The Village says that these unbudgeted expenditures stand at about \$48,949. This is \$30,000 more than is in the contingency fund. The projected under-expenditures in the Fire Department will still leave a budget deficit. Also the probability of budget overruns is high. The Village has a potential wage liability of \$21,000 in the Police Arbitration matter.

The Village says that all this shows that the budget is in deep trouble and the Village will have a difficult time meeting the cost liability here of its own offer, and it should not be burdened with the additional costs of the Union's offer.

Village Exhibits 8 to 23 related to the issue of interest and welfare of the citizens and their ability to pay. Village Exhibits 9 through 16 were reports of the Citizens Governmental Research Bureau, Milwaukee, Wisconsin, on assessments and tax rates. From these publications the following tables were derived:

TABLE II

SHOREWOOD ASSESSMENTS AND EQUALIZED VALUE PER CAPITA

<u>Year</u>	<u>Local Assessment</u>	<u>State Equalized Assessment</u>	<u>Equalized Value Per Capita</u>	<u>Rank Per Capita 19 Milwaukee Municipalities</u>	<u>% Local of State Value</u>
1974 for 1975	\$111,836,160	\$178,041,700	\$11,970	13	61
1975 for 1976	112,578,470	202,572,040	14,116	13	55
1976 for 1977	114,142,570	226,360,520	15,804	12	50

TABLE III.

SHOREWOOD BUDGETS, EQUALIZED TAX RATES AND RANK

<u>Year</u>	<u>Municipal Budget</u>	<u>Municipal Equalized Rate</u>	<u>Total Equalized Rate</u>	<u>Rank among 19 Milw. Co. Municipalities</u>
1975	\$3,225,249	8.92	\$39.12	14
1976		9.32	38.48	2
1977	3,463,448	9.43	38.05	2

Village Exhibit 17 showed that Shorewood's 1975 Total tax rate was \$58.27 and in 1976 it was \$64.12, a rise of 10.0%. The total assessed valuation went up, as shown in Table 3 above, a rise of 1.4%. The tax rate increase was higher than in any of the other four North Side suburbs of Brown Deer, Fox Point, Glendale, and Whitefish Bay. As to increase in assessment, only Brown Deer exceeded Shorewood.

Village Exhibit 18 showed that in the matter of full value rates Shorewood ranked 3rd in the total Milwaukee area including 18 Milwaukee County and 11 suburban communities. All the other North Shore suburbs ranked lower. In equalized values, from 1974 to 1976 Shorewood rose 27.1%, slightly below Brown Deer and Fox Point.

As to equalized property valuation per capita in the North Side suburbs, Village Exhibit 19 shows that the average for four other suburbs was \$21,332 as compared to Shorewood's \$15,804.

Village Exhibit 20 shows that from 1975 to 1977 the percentage of the budget financed by property taxes in Shorewood rose from 49% to 52%, a relative rise of 6.1%. No other North Side suburb had such an increase, and the suburb in 1977 with the next highest percentage of property taxes used to finance the budget was Glendale with 43%.

The following table is derived from Village Exhibit 21.

TABLE IV.

COMPARISON OF PER PERSON COSTS OF BUDGETED MUNICIPAL  
EXPENDITURES FOR FIREFIGHTERS IN NORTH SHORE SUBURBAN MILWAUKEE  
COUNTY COMMUNITIES

	<u>1975</u>	<u>1977</u>	<u>% Increase</u>
Brown Deer	\$18	\$20	11.1
Fox Point (Combination Fire and Police)	68	75	10.3
Glendale	36	42	16.7
Whitefish Bay	27	29	7.4
Average			11.4
Shorewood	27	31	14.8

Village Exhibit 22 showed that 17.9% of the Shorewood population is 5 years or older as compared to 10.5% for Milwaukee County. This exhibit showed a median Family income in Shorewood for 1970 of \$13,595 which was lower than in the other four suburbs named by 17.7%. The exhibit also shows that the Village had 157 families below the poverty level in 1970 (about 3% of the population). The Village says that this figure is 285% above the average. The arbitrator finds this figure to be 208% above the average.

Village Exhibit 23 shows a population decline in Shorewood of 3.7% from 1974 to 1976. It shows an 8.06% decline since 1970, which is the fourth highest decline in the Milwaukee area since 1970.

DISCUSSION. The following table is useful in this discussion.

TABLE V.

SELECTED POPULATION TOTALS, VILLAGE OF SHOREWOOD

<u>Year</u>	<u>Population</u>	<u>% Change</u>
1960	15,990	
1970	15,576	-2.59
1973(Census Est.)	15,897	
1974	14,874	-4.51
1975(Village Est.)	14,336	-3.62
1975(Census Est.)	15,313	
1976	14,323	0
1977(State Est.)	14,011	-2.17
% Change from 1960 to 1977		-12.38%

This clearly indicates a municipality with a declining population.

Another useful table is derived from Union Exhibit 6 which contains census data.

TABLE VI.

ESTIMATED PER CAPITA MUNICIPAL INCOME, SELECTED NORTH SIDE  
MILWAUKEE COUNTY MUNICIPALITIES (DOLLARS)

<u>Municipality</u>	<u>1974</u>	<u>1972</u>	<u>1969</u>	<u>% Change 1969-1970</u>
Brown Deer	5,923	4,777	3,868	53.1
Fox Point	11,174	9,445	7,631	46.4
Glendale	6,973	5,687	4,688	48.7
Whitefish Bay	8,186	6,925	6,141	33.3
Shorewood	6,980	5,918	5,308	31.5



The above Table shows that Shorewood is not participating in the growth of income per capita which other North Side Suburbs are experiencing except in comparison with Whitefish Bay. To extrapolate the above table to 1977 is to make some assumptions that may not be fully warranted. Yet the above table is something of a warning of the situation of the Village and its citizens' ability to finance government.

The Arbitrator recognizes that the differences between the offers are not very great in monetary terms if the combination of a favorable decision for the City in the police arbitration case were to occur with either of the offers. However, from the foregoing data the Arbitrator believes that there is merit to the contention of the Village that a decline in Village population constitutes a warning.

With respect to budget expenditures exceeding the sum in the contingency fund, the Arbitrator believes that about \$42,000 of such funds out of about \$48,000 are not particularly within the power of the Village to avoid. This too is a warning sign.

The issue developed between the parties in the hearings as to whether or not there was a sufficient cushion in the Fire Department budget to easily pay the increase; or even if there was such a cushion, whether the overall picture of the Village budget was such as to impart the ability to pay sufficiently so as to make the Village offer more reasonable. The Union specifically challenged the Village Exhibit 21, which asserted that the per person cost for the Fire Department budget increased 14.8% since 1975. The Arbitrator using data furnished him in Union Exhibit 10 and using the previous population table here (Table V) has developed the following table.

TABLE VII.

COMPARISON OF PER PERSON COSTS FOR BUDGETED SHOREWOOD  
EXPENDITURES FOR FIRE DEPARTMENTS, 1975 - 1977

<u>Year</u>	<u>Budget</u>	<u>Population</u>	<u>Cost Per Person</u>	<u>% Increase</u>
1975	\$409,785	14,336	28.58	+6.97
1976	437,818	14,323	30.57	
1977	398,900	14,011	28.47	-6.87
Increase, 1977 over 1975:-0.3%				

There thus has been a decrease over the two years.

There also was a dispute over how much of a budget the Village could have levied. The Union says that this figure was \$2,529,738, whereas the Village levied on \$2,282,450. The Village states that the Village could not levy the amount the Union claims, but it was limited to a levy of \$2,282,851, which is 2% of the 1976 assessed value of \$114,142,570. It was so limited by Section 41.46 Village Taxes, Wis. Stats., and it actually levied \$2,282,450. The Arbitrator finds that the Village is correct in its contention that it levied nearly 100%

IX. WAGES, HOURS AND CONDITIONS OF EMPLOYMENT IN PUBLIC EMPLOYMENT. The Union is asking for an increase of 4 1/2% on all rates, effective January 1, 1977. The Village is proposing 4% across the board.

These offers are involved and made complicated by an existing contractual feature which the Union does not want changed and which the Employer does not want changed. This feature is found in Article 7 of the existing Agreement of the parties relating to Fire Patrol Duty in which all members of the Fire Department participate with the exception of the Chief and Deputy Chief. There is a paragraph in this Article which states that

"In consideration of undertaking such assignment and for so long as such assignment is undertaken and performed, members of the Fire Department shall be paid an additional step of increment of 3% over and above their base wage, but no less or more than the wage paid to the members of the Police Department of the Village of comparable rank."

This is a parity clause. For performing duty on fire patrol, the members of the Fire Department shall be paid no less or more than the wage paid to the members of the Police Department of comparable rank.

In effect the true costs of either offer, hinge upon what the Police Officers get, and their wages were in negotiation at the time of the hearing of this case and preparation of this award. The Village proposes to change this parity clause to one which Fire Fighters in Steps 3 to 5 will get \$30.00 per month for Fire Patrol duty.

The following tables were derived from Village Exhibit 26.

TABLE VIII.

SHOREWOOD FIRE FIGHTERS MONTHLY BASE PAY AND EFFECT OF PAY FOR PATROL DUTY FOR TOP FIRE FIGHTER, TOP EQUIPMENT OPERATOR AND TOP LIEUTENANT (DOLLARS)

<u>Classification</u>	1976	1977 Prop. Village Rate			1977 Prop. Union Rate	
	<u>Rate Basic</u>	<u>Basic</u>	<u>Patrol</u>	<u>Basic</u>	Pol. Offer Vill. Prop. <u>Patrol</u>	Pol. Assn. Prop. Offer <u>-Patrol Ave.</u>
Fire Fighter	1192	1239.68	1269.68	1245.64	1277.61	1293.34
Equipment Operator	1263	1313.52	1343.52	1319.84	1349.10	1361.75
Lieutenant	1340	1393.60	1423.60	1400.30	1423.02	1427.49

TABLE IX.

ANNUAL RATES DERIVED FROM TABLE VIII. (DOLLARS)

<u>Classification</u>	1976	1977 Prop. Village Rate			1977 Prop. Union Rate	
	<u>Rate Basic</u>	<u>Basic</u>	<u>Patrol</u>	<u>Basic</u>	Pol. Offer Vill. Prop. (Patrol)	Pol. Assn. Prop. Offer (Patrol)
Fire Fighter	14,304	14,876	15,235	14,948	15,331	15,520
Equipment Operator	15,156	15,762	16,122	15,838	16,189	16,343
Lieutenant	16,080	16,732	17,083	16,803	17,076	17,189

The Union in Exhibit 13 states that bargaining unit salaries were at \$249,196 for 1976. Assuming there are no advancements in increments in 1977, the Union offer for basic wages would cost \$11,213 and the Village offer, \$9,968, a difference of \$1245.

- X. COMPARISON OF WAGES WITH OTHER FIRE FIGHTERS. Union Exhibit 14, shows that Shorewood was ninth in a list of sixteen Milwaukee area Fire Departments in pay in 1976 with a rate of \$14,304 for Fire Fighters. The top was Milwaukee at \$15,469. The highest Milwaukee suburb was Greenfield at \$14,742. The lowest Milwaukee suburb was Brown Deer at \$13,524. The Shorewood Fire Fighters dropped from second to ninth in pay from 1966 to 1977.

The following table is derived from Village Exhibits 24 and 25 and Union Exhibit 22.

TABLE X.

COMPARISON OF ANNUAL WAGE RATES, FOR MILWAUKEE AREA FIRE FIGHTERS, 1976 AND 1977

<u>Municipality</u>	<u>1976</u>	<u>1977</u>	<u>Total Inc.</u>		<u>Top Rate</u>
			<u>\$</u>	<u>%</u>	
Brown Deer	13,524	Not Settled			
Glendale	14,448	" "			
Fox Point	14,688	" "			
Whitefish Bay	14,352	15,168			

(Table X. cont'd)

Shorewood	14,304					
Village Offer			14,876			
Union Offer			14,948			
Brookfield	13,524		Not settled			
Cudahy	14,253		15,163	910	6.4%	
Greendale	13,590	1/1	14,134			
		7/1	14,699	837	6.16	8.2
Oak Creek	14,048		15,172	1,124	8.0	
Greenfield						
(with COLA)	14,742	1/1	15,260			
		4/1	15,404			
		7/1	15,806			
		10/1	?	1,064+	6.8+	
St. Francis	13,680	1/1	14,364			
		7/1	14,652	972	7.1	
South Milwaukee	14,556	1/1	14,928			
(with COLA)		4/1	15,208			
		7/1	15,496			
		10/1	?	940+	6.4+	
Wauwatosa	14,371		Not settled			
West Allis	14,448		15,201	753	5.2	
West Milwaukee	14,442		15,144	702	4.99	

Discussion on basic wages. The matter of discussing basic wages for Shorewood Fire Fighters in comparison with wages paid other Fire Fighters presents a problem in determining just what comparisons can be made because of the special pay for patrol duty. Taken by themselves, the wages of the Shorewood Fighters are tending to fall behind the wages of Fire Fighters in other Milwaukee municipalities. However, with the feature of pay for patrol duty, the cash payments made to Shorewood Fire Fighters at the top range must be judged as not out of line.

Further, there is the problem of how to evaluate the fact that there are seven Equipment Operators as compared to eight Fire Fighters in the bargaining unit. The opportunity for Fire Fighters to move into another classification must be considered in the use of the top Fire Fighter classification as a means of comparing base pay.

Also the presence of Patrol Duty pay tied to the rate of pay received by the Police Officers of comparable rank in effect does not mean that the Fire Fighter will receive only Fire Fighter pay, but will be paid at or near the rate of a Patrolman. Hence for comparison purposes, the 4% and 4 1/2% rates as compared to other pay rates in Milwaukee county can be made, but are considerably modified by overall pay.

One, then, is compelled to look to overall compensation to judge the merits of the respective offers.

XI. COMPARISON OF WAGES WITH OTHER PUBLIC EMPLOYEES. The Union supplied two exhibits on settlements by the Village Board with other groups of employees. Union Exhibit 23, a Village Manager's Weekly Memorandum of April 1, 1977, shows that a settlement was made with DPW employees for 4 1/2%. Village contributions to other benefits came to 1/2%. Union Exhibit 24, shows that the Village settlement with 28 non-union employees for 4 1/2%. There was a \$9 increase in health insurance. The exhibit was an undated copy of a news article from an unidentified source.

Village Exhibit 7 states that the Village has offered 4 1/2% across the board in wages to Police, and it settled at a rate of 27¢ per hour for public works employees. This comes to an increase of 4.8% for the lowest paid classification and an increase of 4% in the highest classification. The average increase is 4 1/2%.

During the preparation of this report there was a statement in the August 11, 1977 issue of the SHOREWOOD HERALD that teachers of the Shorewood School District received 4% increase for 1977-1978 and a 4.75% increase for 1978-1979. The same issue reported that police accepted a Village offer of 4 1/2% for 1977 and a 6% increase for 1978 as part of a new two year tentative agreement.

The Union's Position. The Union says that no employees in Shorewood are to receive less than a 4 1/2% increase. The offer of 4% to the Fire Fighters is the lowest to any Village employees and is unreasonable.

Union Exhibit 19, is an exhibit which shows that the increases in benefits enjoyed by Shorewood Policemen from 1974 to 1976 amounted to 19.9% which was above the average increase for other Milwaukee County North Side suburbs, which increase was 18.7%.

The Village Position. The Village notes that it provided a 4.5% increase for Public Works employees and for non-union employees and gave them also a health insurance increase. The Village also contributes a 5% employee pension contribution. In the case of police arbitration the Village is offering a 4.5% increase and to pay a 6% employee pension contribution.

In the case of the Fire Fighters, the Village says it is offering the same health proposal and a 4.5% economic package made up of a 4% wage increase and the payment of an additional 1/2% toward the employee's pension contribution.

The Village rejects the claim of the Union that the Union is being offered less than what other employees have received. The Village says its package is equal to that offered other employees and by making the 1/2% pension contribution. This means more spendable money for the Fire Fighters since the additional pension contribution increases the employees' take home pay and is not subject to income taxes at this time.

The Village stresses that the public works employees, more in number than the police and fire bargaining units, realized the economic plight of the Village and voluntarily agreed to accept the 4.5%. The Village says that the two units are attempting to extract blood from a turnip, and the process of arbitration is being subjected to abuse and disuse by the action of these employees. The Village especially warns the Arbitrator not to substitute his judgment for that of local officials in solving budgetary problems which are solely the prerogative of local officials, when they are not arbitrary, capricious or discriminatory, as is the case.

Discussion. The value of the package being offered by the Village is the same as that which it was offering to the Police for 1977 and has granted to Public works employees. In terms of settlements percentage-wise it is low for most settlements in the Milwaukee area, but internally within the Village it is comparable to what other employees are getting. The big issue then is whether the components of the package are to be divided into a portion for basic wages and a portion for pension increases, or whether all of the package should go for wages, and whether an additional sum should be granted for pensions.

The Arbitrator, referring again to the article in the SHOREWOOD HERALD, notes that part of the tentative Agreement between the Village and its Police Union includes 1.5 more holidays, and a reduction of five minutes a day advance reporting time. These benefits do not necessarily mean more money for the employees, but a value can be imputed to them. 1.5 holidays more out of 255 working days (assuming a 40 hour work week) comes to 0.6% of the total working time, and has a similar value for total wages received. Five minutes less work a day comes to a reduction of about 1.0% of the total working time, and has a similar value for the wages received. These two factors have a value (though not paid in cash) of 1.6% of the wages. The total package value for Police based on the news story is a value of 4.5% increase in wages and 1.6% increase in benefits.

The Top Firefighter under the Village proposal would receive a 4.0% increase in wages, a 0.5% increase in pension, and a 2.5% rate for Patrol Duty pay. However, it must be noted that the Patrol Duty pay was also being paid in 1976, and does not represent any new gain in benefits. The net effect of the Fire Fighters' gain under the Village proposal would be about 4.5% in costs, plus continued Patrol pay.

The Arbitrator believes that the Village offer is not unreasonable when compared to other employees in Shorewood. The package is about the same, and the total is comparable to what others are getting. In view of the declining population and present economic stringency of the Village, the Village offer is in effect equal to what it will be expending for others. The issue of whether the Village ought to be offering more in the total package will be considered under overall costs.

XII. COMPARISON OF WAGES WITH OTHER EMPLOYEES. The Union presented several Exhibits comparing Fire Fighters with Building Tradesmen. In Union Exhibit 31, the Union listed building trades work done by the Fire Fighters. The crafts represented included painter, carpenter, electrician, plumber and auto body worker. Work included staining and painting; painting of entire station; panelling, refinishing furniture, building cases and cabinets, shelving, tiling, and repairing door locks; wiring, changing water cooler, replacing dish sprayers and repairing faucets; and fixing up fire department vehicles.

Union Exhibit 30 listed the 1976 wage rates in building trades in cities of 100,000 or more and also the rates plus benefits. The average wage rate was \$9.54 and the average rate plus benefits was \$11.46. These were hourly rates.

Union Exhibit 2 was an area wage survey of Milwaukee for April, 1977. It showed that the skilled maintenance trades hourly rates had a percentage increase of 9.1 over the previous year.

Union Exhibit 33 was a report on earnings and hours of production workers for March, 1977. It included a figure for average hourly earnings for the Milwaukee area in March, 1977, and this figure was \$6.53.

The Union said that the Fire Fighters had done building work over a period of years, and were not complaining; however, when a building tradesmen is laid off, his workman's compensation is more than a Fire Fighter gets. The Village said that there can be no comparison between Fire Fighters and building tradesmen because of the dissimilarity of conditions of employment.

Discussion. There was no discussion in the briefs of this issue. Fire Fighters generally consider their work related to the construction trades and frequently the comparison is made with the trade of operating engineer. This Arbitrator is of the opinion that comparisons are difficult to make between Fire Fighters and construction trades in that the hours worked are different, regularity of work is different, and type of work is not fully comparable. Therefore, other matters here will have more weight than these comparisons.

The one comparison that has some merit is the rate of increase of wages. In this respect the Village offer is falling behind.

XIII. THE COST OF LIVING. Both parties submitted exhibits on the cost of living, dealing primarily with the Consumer Price Index. Union Exhibit 25, was a report on consumer price indexes as of June 1, 1977. It showed that the All Items index had reached 180.6. It showed that the yearly average for 1976 was 170.5, and the yearly average for 1975 was 161.2. The increase of the annual average from 1975 to 1976 was 5.8%, the percent change from May, 1976 to May, 1977 was 6.7%, and the change from April to May, 1977 was 0.6% or a projected annual average of 7.2%.

The Milwaukee figures from May, 1977 was 178.0, and increase of 7.5% from the previous year and an increase of 2.5% from the last quarter. The Milwaukee increase in annual average from 1975 to 1976 was 6.4%.

Union Exhibit 26 is reduced to this table:

TABLE XI.

COMPARISON, SHOREWOOD FIRE DEPARTMENT ANNUAL PAY INCREASE  
AND MILWAUKEE CONSUMER PRICE INDEX

<u>Year</u>	<u>% CPI Increase</u>	<u>% Pay Increase</u>
1972	2.9	
1973		4.5
1973	6.3	
1974		6.0
1974	9.6	
1975		9.4
1975	9.0	
1976		8.0
1976	6.4	
1977		
Union Offer		4.5
Village Offer		4.0
5/76 to 5/77	7.3% Inc.	

Union Exhibit 27 was a chart showing that while the gross average weekly earnings of the Fire Fighters went from \$210 in 1972 to \$276 in 1976, yet the employees' real spendable earnings went from \$170 per week in 1972 to \$165 in 1976. This chart shows that under the Union 1977 request, the real spendable earnings will drop to \$162 per week.

Union Exhibit 28 shows that the gross average hourly earnings in Milwaukee went from \$4.50 per hour for an average of 41 hours in 1972 to \$6.52 for an average of 40.8 hours in February, 1977.

Union Exhibit 29 was a report from the Milwaukee Journal showing that as of June 29, 1977 there had occurred an increase in early 70% of 160 items of food price since the last six months.

Union Exhibit 34 A-D was a report from the Bureau of Labor Statistics given in the Autumn of 1975 which covered three different hypothetical levels for annual family budgets. This report stated that the highest cost for the immediate and higher level budgets was in the Milwaukee metropolitan area. The cost in the Milwaukee area for a lower budget was \$9,727; for an intermediate budget, \$16,293, and for a higher budget, \$23,719. Among the items which the Union noted as costing was "homeowner" in which Milwaukee was 5th highest among 39 metropolitan areas.

Village Exhibit 27 gave essentially the same information about the CPI for 1976 as was furnished by the Union.

Village Exhibit 28 was a chart with calculations upon which the chart was based comparing average hourly wages and fringe benefits with the Consumer Price Index. This information reduces to this table:

TABLE XII.

COMPARISON, AVERAGE HOURLY WAGES AND FRINGE BENEFITS OF SHOREWOOD  
FIRE DEPARTMENT EMPLOYEES EXCLUDING CHIEF AND THE CONSUMER PRICE INDEX

<u>Year</u>	<u>Consumer Price Index</u>	<u>Average Wage</u>	<u>Fringes %</u>	<u>% Package</u>	<u>Total W. &amp; F.</u>	<u>Total %</u>
1967 (Base)	100	2.59	.48	18	3.11	100
1969	110	3.05	.92	30	3.97	128
1971	122	3.70	1.18	27	4.88	155
1973	133	4.13	1.32	31	5.45	175
1974	149	4.59	1.11	22	5.70	183
1975	163	5.07	1.37	26	6.44	207
1976	170	5.45	1.56	25	7.01	255

Village Exhibit 28 says in summary that for employees of the Fire Department since 1967 there was a 110% increase in wages, 164% increase in fringes, 125% increase in total employee package, 70% increase in CPI, a 55% difference between total package and the CPI, and a 11% net gain in 1976/1975.

The Union Position. The Union says that the Fire Fighters fall behind the increase in the CPI for Milwaukee for 1976 and even further behind the index for the last 12 months. The 7.3% increase in the Milwaukee CPI from May, 1976 to May, 1977 will erase the 4.5% wage increase requested by the Union. The pay increases for the Shorewood Fire Fighters have not matched the CPI increases of previous years since 1972. Thus the real spendable earnings of the Fire Fighters are 5% below those earnings in 1972.

The Union says that most people in private industry are able to negotiate wages increases and a cost of living clause. Persons in private industry also receive fringe benefits. The Fire Fighters request that wages and fringe benefits together do not match increases in the CPI.

The Village Position. The Village notes that the National CPI for December, 1976 was 4.85% higher than the CPI for December, 1975. The yearly increase for 1976 was 5.8%. The total cost of the economic package offered by the Village comes to 5.6%; therefore the Village's offer is consistent with the increases in the CPI.

The Village also notes that increases in wages and benefits have more than kept pace with raises in the CPI since 1967, and notes the calculations shown in its Village Exhibit 27 (Table XII).

Discussion. This Arbitrator generally compares percentage of wage increases with the percentage of the rise in the CPI for the previous years. Although fringe benefits and costs must not be ignored, it is customary to compare wage rate increases with CPI increases. The comparison of month to month increases, in the view of this Arbitrator, has limited use because of fluctuations. Under the above standard, the Arbitrator concludes that the offer of the Village on basic wages does not meet the changes in the CPI and the more reasonable offer with respect to this factor comes from the Union.

XIV. OVERALL COMPENSATION. Both parties submitted information on the overall compensation for wages and benefits.

Union Exhibit 21 listed fifteen Milwaukee area municipalities, the benefits provided, and the total compensation. In terms of holidays, stated in value of those days or cash, Shorewood was seventh at \$766. In pensions, Shorewood is twelfth. It provides no longevity, whereas 11 other municipalities do. It does not provide social security, and only two municipalities do. It is tenth in the list of municipalities with clothing allowance at \$140. It is seventh in value of vacations. It is tenth in salary and benefits at \$19,876, according to Union Exhibit 21.

In the list of cities used by the Union, Shorewood was 11th in population.

Union Exhibit 20 was information on longevity and vacations. As noted above, Shorewood has no longevity. Of the 14 municipalities listed, only two other municipalities did not offer longevity to Fire Fighters. Vacation equivalents in this report are hard to judge since vacation is measured in either duty days or weeks. The Shorewood vacation system is in weeks. It is comparable to other systems, except that in some cases municipalities offer six week vacations after 30 years, whereas the Shorewood top, is 5 weeks after 24 years.

Union Exhibit 16, was a tabulation of family health insurance paid by municipalities in the Milwaukee area. The 1976 average payment was \$1135, and the Shorewood payment was \$880. In 1977 Shorewood is increasing the payment by \$108. This is below the average increase of \$132, and the Shorewood total payment for 1977 is \$988 as compared to an average of \$1267 for 14 other municipalities.

Union Exhibit 17 listed the sick leave provisions for Milwaukee area Fire Fighters. The average leave provides for 213 hours at a maximum dollar value of \$1059. Shorewood provided 180 hours at a maximum value of \$884.

Union Exhibit 19 was an exhibit dealing with a police arbitration case involving Shorewood Police. This exhibit shows that the Village granted the Police 6% toward their pension in 1976, and thus every group of employees gets their full pension costs paid except the Fire Fighters. Testimony was that both Fire Fighters and Police went from 5% payment made by the municipality to 6% in 1975 and 1976.

There was testimony on holidays afforded Policemen and Fire Fighters. Since 1974 Fire Fighters have had 6 1/2 twenty-four hour holidays, with 4 1/2 off and 2 paid or off. In 1974 and 1975, Police had 5 eight-hour holidays, 3 paid and 2 off or paid. In 1976 they had 8 eight-hour holidays.

Union Exhibit 20 showed that as far as longevity was concerned, only Brown Deer and Shorewood had no plan for longevity payment among 14 municipalities listed. Testimony from Counsel for the Village disclosed that Whitefish Bay, which was not on the list had no longevity plan either.

As to cost comparisons of the Union and Village proposals, the following table is abstracted from Union Exhibit 13.

TABLE XIII.

COST COMPARISONS OF UNION AND VILLAGE PROPOSALS

	<u>Union Offer</u>	<u>Village Offer</u>
Total Salaries, 1976, incl. Barg. unit, Captains, and Chief (1/2 time)	\$311,630	\$311,630
Wage request	14,023	12,465
Holiday	13,788	13,578
Overtime	<u>13,183</u>	<u>13,120</u>
Total	352,624	350,793
Pension	<u>62,972</u>	<u>61,027</u>
Total	415,546	411,820
Difference of offers, \$3,726		

The Village submitted in an appendix to its brief information that the total wages under the Union offer would be \$361,017, and under its offer, \$360,082, which was \$935 dollars. The total cost would be \$27,682 under the Union offer and \$25,027 under the Village offer of the Village's offer to Police was accepted. This latter difference is \$2,655.

Village Exhibit 24, lists five Milwaukee County North Side municipalities, and gives the following overall costs for Fire Fighters.

TABLE XIV.

OVERALL COMPENSATION

Brown Deer	\$16,603
Glendale	19,003
Fox Point	19,228
Whitefish Bay	17,834
Shorewood	18,507

Of these groups, Shorewood is third in population and third in overall benefits. Supporting computations for the above data was given.

Village Exhibit 25, shows overall costs for wages and benefits and makes comparison only with Whitefish Bay, as other North Side municipalities had not settled at the time of the hearing. The following table is derived from this exhibit, for which supporting data was provided.



TABLE XV.

TOTAL 1977 COMPENSATION FOR FIRE FIGHTERS IN  
SHOREWOOD AS PROPOSED AND IN WHITEFISH BAY

<u>Municipality</u>	<u>Cost</u>	<u>Rate</u>
Shorewood		
Village Offer	\$19,496	
Union Offer		
a) If Village police offer prevails	19,678	\$19,838
b) If Police Association offer prevails	19,864	20,026
Whitefish Bay	18,951	18,966

The Union Position. The Union position is that the final offer of 4.5% has to be considered most reasonable because no Fire Fighters in the Milwaukee area received less than 4.5% and no employees of the Village of Shorewood received less than 4.5%. The Union notes that the Village offer of 4% is lowest in the area for Fire Fighters and lowest of any Village employees.

The Union notes that in basic wages, Shorewood Fire Fighters have dropped from second in the list of Milwaukee area Fire Fighters to 9th and, when comparing with raises already granted in 1977 for the Milwaukee area, two municipalities, Oak Creek and Cudahy have now passed Shorewood even if the Union offer is accepted. Thus Shorewood would drop down to 11th in pay in total compensation.

The Village Position. The Village makes comparison with Whitefish Bay. The Village holds the comparisons should be made only with other communities in the North Shore area, because it is relatively homogeneous and the municipalities have similar problems. The Village notes that although top Fire Fighter pay was 4th in the area, the Village also has a rank of equipment operator, to which a substantial percentage of firefighting employees are assigned. These employees get \$852 extra per year. Although Whitefish Bay and Glendale also have this classification, Whitefish Bay pays only \$468 more per year and Glendale pays only an additional \$504. Thus when comparisons are made, the equipment operator pay should be factored in.

The Village also says that other forms of pay and monetary compensation should be included. The Village says that when other regular monetary benefits that are paid by various municipalities are included such as longevity pay, payment for residence, and payment for Fire Patrol, the average Shorewood Fire Fighter's cash payment is highest in the area.

The Village also makes a specific comparison to Whitefish Bay. It says that although in 1976 and 1977 the salary of the Shorewood Fire Fighter is below that of the Whitefish Bay Fire Fighter, the total economic package in both years in Shorewood was and would be higher. Under the Village offer, the Shorewood package would be \$545 a year more than the Whitefish Bay package. Under the Union offer, the Shorewood total cost would be either \$727 more or \$913 more depending how the Police arbitration is settled. On a rate comparison, the Union offer would cost either \$872 or \$1,060 more, and there is no justification for this spread.

Discussion. From the foregoing the Arbitrator concludes that in basic salary in 1976, the Shorewood Fire Fighters were in about the middle of selected municipalities shown in Table X (9th among 15 municipalities) though 11th in size. The basic pay was close to the pay in two other municipalities which were slightly higher.

In 1977 the offer of the Village in basic wage is lower than that offered elsewhere. This is a point in favor of the Union offer. The fringe benefits in many specific items are less also.

However, the overall compensation of the Shorewood Fire Fighters is improved by the fact of Patrol Duty pay which does not generally exist elsewhere. This

puts the overall pay of the Shorewood Fire Fighters in a position of third place among North Shore suburbs. Two smaller suburbs, Glendale and Fox Point have better overall pay, largely due to better pension payments. However, Fox Point has a larger per capita income.

Weighing the matter of the low offer with the amount of other cash compensation paid the Shorewood Fire Fighters, the balance is in favor of the Village offer. Without the feature of Fire Patrol pay it would not be.

It should also be noted that this Fire Patrol pay is subject to removal by the Village, but its removal also could be grieved.

- XV. CHANGES DURING THE PENDENCY OF THE PROCEEDINGS. The principal matter to be considered here is any change in the cost of living. The CPI for July, 1977, on the national index was set at 182.6. This is 6.7% above July, 1976. "The Wall Street Journal," August 16, 1977, states in a news article that prices are likely to maintain a 6% increase in '78, and are unlikely to go below this. This condition is a factor in favor of the Union offer.
- XVI. OTHER BENEFITS - PENSION. The Union proposes to amend the present Article 8 of the Agreement by striking 6% and inserting 8%, effective July 1, 1977. The effect is a 1% increase for 1977.

The Village proposes to contribute an additional 0.5% toward the employees' share of pension, making a total of 6.5% by the Village in behalf of employees.

The article under consideration is as follows:

8. Pension - The Village contribution of an employee's share of pension under the Wisconsin Retirement Fund shall be six percent (6%) of salary. The Village's contribution of an employee's share of pension under Section 62.13, Wisconsin Statutes, shall be four percent (4%) and an additional one-half percent (1/2%) of annual salary shall be paid to said employees in lieu of further pension contribution, payment to be made the first pay period in December, annually."

Union Exhibit 18 listed fifteen Milwaukee area municipalities and the percent employees and employers pay toward pension funds of the Fire Fighters. In all but two of the municipalities the employer pays 8%. In West Allis and in Shorewood, Fire Fighters pay 2% and the employer pays 6%.

The Union Position. The Union says that the Fire Fighters of Shorewood are seeking equal treatment to other Fire Fighters and points to the fact that the norm in the Milwaukee area is an 8% contribution to the pension fund. All other employees have their payments made in full by the Village and the Village pays 26.5% of the Police Officers' payroll for pension as compared to the Fire Fighters' 2.75 in 1977 and 22.7% in 1978 under the Union proposal. The Union states it delayed the implementation of the plan to July 1 to keep the cost down to the Village during 1977, although the benefit was long overdue and was deserved on January 1, 1977. Also, even with the pension included, the total dollar package is only a 5.5% increase, which is below the average increase for wages alone in Milwaukee.

The Union objected to additional evidence in the form of tables introduced into the Village Brief.

The Village Position. The Village says that the Shorewood Fire Fighters have been demanding wage parity with the Policemen for many years and Shorewood consistently paid the same amount toward the employee's pension contribution for both group of protective employees. This was 5% in 1974, 6% in 1975 and 1976. In 1975, the Shorewood Fire Fighters achieved parity with Policemen in wages through the Fire Patrol program. The Village granted this and continues to pay the same amount toward pension contributions for both firemen and policemen. The Village says that now the Fire Fighters are trying to be one-up on the Police by getting a large payment for pension.

The Village also says that Fire Fighters argue that the Village does not have to pay Social Security taxes for Fire Fighters as it does for Police and other employees. However, the other employees also have to pay this type of taxes, and as a result their take-home pay is reduced. The Fire Fighters chose not to come under this tax, and Counsel for the Village speculates that they did this because they are able to work at other jobs.

The Village supplied an Appendix to its Brief from which the following table is derived.

TABLE XVI.

TAKE HOME PAY, SHOREWOOD POLICEMEN AND FIREFIGHTERS

Item	1976		1977		Union Offer Fire Fighter	
	Patrolman	Fire Fighter	Village Offer Patrolman	Village Offer Fire Fighter	Ave.	End Rate
Total Pay	14,671	14,671	15,331	15,236	15,331	15,331
Deductions						
Soc. Security (5.85%)	858		897			
Pension		293		229	153	---
Total Take Home Pay	13,813	14,378	14,434	15,007	15,178	15,331
Difference		565		573	774	897

The Village also in a part of this table known as Appendix B, says that a Patrolman with 30 years of service and Social Security benefits of \$400 per month in 1977 would be entitled to a pension and social security benefit of \$1,022. This cost him \$75 a month and it would cost him \$7.34 for each \$100 of benefits. Under the Village Offer for Fire Fighters, the Fire Fighter individually would be entitled to \$876 a month benefits, costing him on the average of \$19 a month or \$2.17 per \$100 of benefits.

The Village says that this study shows that the Fire Fighters are better off than the Police in take home pay and pension benefits. If They want wage parity, they should also be satisfied with pension parity.

The Village states that it follows the philosophy of pension parity if wage parity. Then by increasing the pension and decreasing the wage, and making the Fire Patrol pay a fixed amount, the parity continues, but the Fire Fighters gain an advantage in income and savings.

The Village holds that to grant the Union request in this issue would be unfair and amount to a bonanza for the Union. Wage parity does not exist in other communities listed except in West Allis, where there was wage parity up to 1977. West Allis still pays 6%. One can not make a true comparison between municipalities with wage parity and not pension parity.

Discussion. This issue of pension is complicated by the existence of pay parity. The Village, in effect, is making an effort to break the parity linkage it has here, but is moving toward an improved pension. It is doing this also at the expense of basic wage. On the other hand, the Union is holding to parity, and this means either a 5.4% basic wage increase or a higher one, and a full pension payment. The arbitrator, looking at the budget condition of the Village, believes that the more reasonable position here is that of the Village, in that it is beginning to move toward full pension payment in a small increment, and yet, maintains a fair level of overall compensation while facing a budget squeeze for this year.

XVII. OTHER BENEFITS - HOLIDAYS. The Union proposes to change Article 11 on the subject of Holidays to read:

"In case of an emergency, the Chief shall have the discretion as to whether or not to cancel any of the four (4) to be given in time off, but in that event the employee shall receive double time for such canceled holiday."

The Village wants no change in the present provision which reads as follows:

"Holidays - A total number of 6-1/2 holidays shall be granted.

Of the 6-1/2 holidays, 4 shall be given in time off and the remaining 2-1/2 days shall be given as pay. In case of an emergency, the Chief shall have discretion as to whether or not one of the 4 to be given in time off shall be given as time off or as pay."

Union Exhibit 35 was a list of twelve holidays cancelled in 1976. Nine Fire Fighters were involved. One Fire Fighter lost three holidays. Union Exhibit 36 showed five holidays involving three employees cancelled in 1977 (to 6/20/77). No holidays were allowed in January, February and March for the Blue Shift, and no holidays were allowed in February and March for the Green Shift because of lack of manpower.

The Union Position. The Union states that it is asking for a change in Holiday Pay only with respect to cancelled days. Though the Village argues that no other Fire Fighters receive double time for holidays, no other employer can cancel two holidays per man per year.

The Union says that the employees entered into an agreement to allow the cancellation of holidays, but did so at a time when they were not apt to happen except in an emergency. The Union says that in the last three years, the Village has decreased the size of the Fire Department and is more frequently exercising the authority to not only cancel them but to forbid them from selecting them during certain periods of the year. The employees deserve decent treatment in the selection of days when they have to work on regular holidays. Cancellation of planned days off is a hardship, and therefore the request for double time for such days is not out of line.

The Union notes that the Union request does not force the Village to pay double time. The Village has the alternative of putting employees on overtime. This proposal is reasonable and corrects an abuse.

The Village Position. The Village says that the Union is attempting to throw in a "ringer" in its final offer with the proposal of double time for holiday time cancellations. The evidence does not show a massive abuse. Only 12 days out of 68 days available for 17 members were cancelled. Only one employee had more than one holiday cancelled and all the cancellation occurred in the last four months of the year after one employee became disabled. A similar record is shown for 1977.

The Village says it pays employees at straight time for the first of four holidays cancelled. This comes to \$118 a day in 1976. For the second holiday cancelled it pays time and one half which is the sum of \$177. To pay \$236 a day for each holiday cancelled would be preposterous.

The Union is requesting a unique benefit. The Village says that arbitrators generally refuse to grant new unique benefits.

The Village says that holidays are not being cancelled for frivolous or arbitrary reasons but for emergency situations.

Discussions. The Arbitrator believes that under the policies of a very stringent fiscal operation announced in the hearing by the Village Manager, there will be a tendency for the chief officers of the Fire Department to cancel holidays. However, the Arbitrator also notes that the Village penalizes itself with a time and one half payment for the second holiday cancelled. He believes therefore that before the provision should be included in the Agreement, another year of experience should be obtained to see what the performance of the employer is. The Arbitrator therefore believes that the Village offer should prevail here.

XVIII. FIRE PATROL DUTY. The Village is proposing the following change in Article 7 of the Agreement:

"For performance of Fire Patrol duties, the total amount that the Village will apy as an additional increment to employees of the Fire Department will be as follows:

"For firefighters in steps 3 to 5 and for all equipment operators and lieutenants.....\$30 per month.

"No increment will be paid for firefighters in steps 1 and 2.

"This provision modifies paragraph 7 on page 5 of the 1976 contract entitled 'Fire Patrol Duty,' between the Village and members of Firefighters' Local 808."

The Union proposes no changes in the language of Article 7 other than to change the date from 1976 to 1977. This full article is stated here:

"7. Fire Patrol Duty - Fire patrol duty shall be continued on a trial basis in the Fire Department through the 31st day of December, 1976. The trial period may be expended by mutual written consent of both parties to this agreement.

"All members of the Fire Department shall participate in the fire patrol in the Village with the exception of the Chief and the Deputy Chief in accordance with the schedule of procedure attached to this agreement, which is incorporated by reference herein.

"In consideration of undertaking such assignment and for so long as such assignment is undertaken and performed, members of the Fire Department shall be paid an additional step or increment of 3% over and above their base wage, but no less or more than the wage paid to members of the Police Department of the Village of comparable rank.

"Further in consideration of the Association assuming duties of fire patrol, members will not longer have to:

- (a) Wash squad cars:
- (b) Attend school corners:
- (c) Perform regular switchboard duties."

The Fire Patrol is a function of Shorewood Fire Fighters who go out for about five hours on patrol. Each day there are two crews functioning. There is an early crew that goes out in the afternoon and evenings and cruises for about three and one-half hours total. There is also a night crew which cruises for about one and one half hours. These cruises are made with a modular ambulance.

Village Exhibit 26 is the source of this table:

TABLE XVII.

IMPACT OF SAFETY PATROL PAY, TOP RANKS, PAST AND PROSPECTIVE PER MONTH

<u>Classification</u>	<u>1975</u>	<u>1976</u>	<u>Village Offer</u>	<u>1977 Union Offer</u>		
				<u>Village Offer to Police</u>	<u>Police Offer Cost</u>	<u>Rate</u>
Fire Fighter	33.50	30.59	30	31.97	44.50	50.91
Equipment Operator	36.99	28.00	30	29.26	38.71	45.12
Lieutenant	35.74	21.74	30	22.72	28.99	35.40

The Union Position. The Union notes that the Patrol was instituted in 1975 by mutual agreement, meeting goals of the Union and the Village. The Union says that the Village wanted to provide more service to citizens and save money on hiring more Police Officers.

Patrol guidelines are seven pages in length and aprt of the contract and no other Fire Fighters in Wisconsin have such duties, which involve many of the duties of routine police patrol. This function has been suggested as a reason for the drop in crime in Shorewood.

The Fire Fighters agreed to this duty because it granted parity with Police. Although the Fire Fighters had their wages cut in 1977 when they settled for 8% and the police for 7.6% with a holiday, they are not asking for a change.

The proposal of the Village was never offered until the final offers were submitted. No reasons were given for changing the formula. The only reasons the Village gave in the hearing is that because the Police opted for arbitration, the clause is not good.

The Union says that the Village argument lacks merit for several reasons. The most important is that this concept of patrol with equal pay can be discontinued by either party as in the contract. The Village could have discontinued it in the past and can discontinue it. The Union says that the Village now wants the pay formula discontinued, but the work continued. This reason is not justified because the Fire Fighters suffered under the parity clause, and not the Village or the Police.

The Union discounts the argument of the Village that the package will be affected by the Police Arbitration. It says this is designed to confuse the arbitration and gain sympathy for an alleged problem of the Village. The Union says that the Village openly expected the Police to lose their arbitration case since the Police are asking for an 11% overall increase, and asking for double time for briefing time prior to the start of a shift.

The Union notes that if the Arbitrator rules against the Union, the Fire Fighters will be worse off than the Police, no matter what outcome of the Police arbitration. The Arbitrator should support the Union here because the principle of parity will be maintained. The Union says that the program is bringing good results to the Village and deserves the strong support of the Arbitrator through continuing the same formula.

The Village Position. The Village says that parity between policemen and firemen is easy to talk about, but it creates all sorts of problems. The chief problem is that the Policemen and Fire Fighters do not bargain as a single group. In past bargaining they have had different and conflicting goals, and binding arbitration throws the parity issue into a shambles, because the Union gets parity one year and loses it the next.

The Village notes that the Fire Fighters gained parity in 1975 when it amounted to approximately 3% for all classifications. In 1976, the Police negotiations resulted in a flat dollar amount rather than a percentage added to all wage rates. The Policemen also took a part of their package in paid holidays. The result was a distortion of safety patrol pay. In 1975 Fire Fighters received a 3% increase for Safety patrol pay, the Equipment Operators, 3.2% and the Lieutenant, 2.9%. In 1976, however, the Fire Fighter received 2.6%, the Equipment Operator 2.2% and the Lieutenant 1.6%. The Village asserts that this situation angered the Union since the Union thought the Police would settle for a straight percentage basis.

The Village says that problems such as this can occur in the future. The Village is critical of the Fire Fighters trying to get more for pension contributions which can not be granted to policemen. Further the Union will get a windfall if the Police Association's offer would win its arbitration proceeding. The Village says that no matter what the Fire Fighters put in for a wage increase, they will get whatever the Policemen get and while they can't lose, the taxpayers of Shorewood can.

The Village says that to avoid these problems it is proposing a flat dollar amount of \$30 a month. This approximates what the top Fire Fighter received in 1976. The work is basically the same for all classifications and there is no reason then why the pay should not be the same.

The Village says that this concept would avoid charges of foul play against the Village which the Fire Fighters lodged in the past, and will prevent efforts of the Policemen and Fire Fighters to gain advantages over each other. It will also prevent the Fire Fighters from letting the Policemen do their bargaining for them and reap the benefit. The Village says that it's proposal is fair and reasonable and will achieve better labor relations.

Discussions. This issue presents a critical problem. The present agreement between the parties provides for pay for Fire Patrol by tying it to a sum which is the difference between the basic rate of a Fire Fighter and the basic rate of a Police Officer of comparable rank. In this case, the original Police offer in its own arbitration called for a 5% basic raise. The overall Police proposal was said to come to a package of 11%. Thus even if the Union offer of parity in basic wage were achieved, there would be no parity in overall package. In view of the budget position of the Employer and the declining population of the Village, a conservative approach is indicated, and therefore although the Village offer is low on basic wages and in the middle on overall compensation, the Village offer seems more reasonable here.

Parity is difficult to achieve with this linkage. The following table is useful in analyzing this particular offer:

TABLE XVIII.

SAFETY PATROL PAY AS A PERCENT OF BASIC WAGES, PAST AND PROSPECTIVE FOR TOP FIREFIGHTER RANKS

I.

Classification	1975			1976			1977 Village Offer		
	Rate	Pay	%	Rate	Pay	%	Rate	Pay	%
Fire Fighter	1104	33.59	3	1192	30.59	2.6	1239.68	30	2.4
Equipment Operator	1168	36.99	3.2	1263	28.00	2.21	1313.52	30	2.2
Lieutenant	1241	35.74	2.9	1340	21.74	1.62	1393.60	30	2.1

II.

Union Offer - 1977

Classification	If Village Offer Accepted			Rate	If Police Association Offer Accepted			Rate	Pay	%
	Rate	Pay	%		Cost	Pay	%			
Fire Fighter	1245.64	31.97	2.56	1290.14	44.50	3.44	1296.55	50.91	3.93	
Equipment Operator	1319.84	29.26	2.21	1358.55	38.71	2.85	1364.96	45.21	3.31	
Lieutenant	1400.30	22.72	1.62	1429.29	28.99	2.03	1435.70	35.40	2.47	

A review of the above tables shows that under the Village offer, the Equipment Operator Classification and the Lieutenant Classification would be somewhat better off percentage-wise for Fire Safety Patrol pay than under the Union offer. However, it must be noted that the norm of 3% as established in the original contract creating fire patrol pay has been eroded. The Arbitrator sees this as another inherent difficulty in the type of linkage here. Thus, although the Arbitrator believes that a close relationship between pay for employees in the protective services should obtain, the linkage here does not seem to be providing it without erosion of the original concepts on which the linkage was created. The value of Patrol duty pay when linked to Police bargaining does not get proper consideration.

In view of the foregoing discussion, the Arbitrator believes that the Village offer is more reasonable on this point.

XIX. PHYSICAL FITNESS. The Village is proposing a change in the rules of the Fire Department. The proposal is as follows:

"The general rules for the government of the Shorewood Fire Department be amended by incorporating under Rule XIII entitled 'General Rules' thereof, a section to read as follows:

"Members of the Department are charged with the responsibility of maintaining a state of physical fitness commensurate with the duties which they are required to perform. Periodic testing will be conducted by the Chief

or his designee to determine such state of physical fitness of each member of the Department. Failure to maintain a reasonable standard of physical fitness as determined by the Village shall be subject to disciplinary action described under Rule XX thereof.

"The general rules for the government of the Shorewood Fire Department be further amended by incorporating under Rule XX thereof, which is entitled 'Offenses and Penalties,' the following subsection:

"Failure to maintain a reasonable state of physical fitness."

The Union proposes no change in Article 25(h) on the physical fitness program. Article 25(h) is as follows:

"25. Duties to be Continued - In consideration of the benefits to be received under this contract by the Association, the membership of the Association agrees to continue to perform the following duties and responsibilities during the year 1976:.....

"(h) Engage in a physical fitness program for members of the Department."

The Union provided its Exhibit 37, which was a proposed physical fitness program for the Fire Department personnel, prepared by A.R.M. This proposal called for charging the members of the Department to maintain a state of total physical fitness, which would be tested three times a year. The test would include sit-ups, pull-ups, push-ups, squat-thrusts and a mile and a half run. Failure to complete tests would subject the employees to discipline. The Village objected to this exhibit on the grounds that it has no status and the provisions are not in effect.

It was reported that one fire fighter had suffered a heart attack recently and was on disability.

Union Exhibit 15 was a chart of the use of sick leave in Fire Departments in the Milwaukee area. The average for fourteen municipalities was 3.7 days per employee. For Shorewood it was 7.2 days per person. However, this latter average included 1 absence at 18 days and 1 at 77 days. The short term average for Shorewood was 1.6 days as compared to the short term absences for the other municipalities at 2.8 days.

The Union Position. The Union says that the Village of Shorewood is asking the Arbitrator to insert into a Union contract rules and regulations unlike any in Wisconsin, or possibly the United States. The Village did not show that any such contract language existed anywhere else and it gave no proof that the Fire Fighters are not in good physical condition. There is a present physical fitness clause, and there is a voluntary program which works well as the men exercise evenings. The Union says that the contract language goes so far as to have the Fire Chief and Village Board make a medical determination of fitness. This would allow elected officials who have conflicts with members of the Department to file charges under the rules alleging lack of physical fitness. The Union says that this is unreasonable.

The Union notes that the Village, while saying it felt this equally important for the Police, did not include a similar clause in the Final Offer to the Police. It is the opinion of the Union that the Village is upset because they have to pay a disability pension to a Fire Fighter who had a heart attack at a fire. Heart attacks are so common that there is legislation calling heart attacks an occupational disease.

As to back injuries, this is common for Fire Fighters who carry people, and who have to extend their bodies in positions which are not normal. If the Village wants to reduce back injuries, it should assign four employees to an ambulance.



The Union strenuously objects to a proposal by the Village to discipline an employee who gets hurt on the job. Nothing in the statutory guidelines justifies this. On this issue alone, the Union says that the Village's final offer should be judged unreasonable and unfair.

The Village Position. The Village notes that traditionally changes to rules and regulations for the Shorewood Fire Department have been negotiated rather than unilaterally put into effect by the Village. They are incorporated by reference into the labor agreement and they can not be revised or amended except by mutual agreement. The Village is perplexed at the Union opposition to the proposed rule revision. Fire Fighters have told Village officials that their profession is physically demanding and requires members to be in top condition, and the Union has agreed to a contract provision that its members will engage in physical fitness programs. The Village has provided a facility for such programs.

The Village says the rule is not onerous, and finds it hard to believe that the Union would object to periodical testing. The Village says that there should be no objection to a member being subjected to disciplinary action if he fails to maintain a reasonable standard of physical fitness which the Village determines.

The Village says that the rule is loaded with safeguards against arbitrary, capricious, discriminatory or unreasonable action by the Village. If the Union thinks the standards are unreasonable, it can grieve.

The Village disagrees with the Union contention that the present rule on fitness is adequate. The Village Manager testified that this provision applies only to the time the employee is on duty. His concern is that the employees engage in a physical fitness program off duty as well to achieve and maintain proper fitness. The Village Manager says that the rule change is not for punitive or retaliatory practice, but to have a lever for corrective action. The rule is reasonable, not obnoxious, and the chief beneficiaries will include the employees. The Village Manager says he has observed Fire Fighters who are not in condition.

Discussion. It is the opinion of the Arbitrator that the Village did not make a compelling case for this new provision in view of the existing provision in the agreement. There is also the danger that, despite management claims, the physical fitness rule can be used in a retaliatory fashion. The Union case is more reasonable here. However, it must be noted that even if the Village rule were to prevail, the Union has protection against its exercise in a punitive and retaliatory fashion by use of the grievance procedure.

XX. OTHER MATTERS. The Village offer contains certain provisions for additions which are not in contention here. These are the offer of the Village to pay additional sums under the health insurance plan, the paying of employees assigned out of classification at the higher rate after 8 continuous hours of duty, and a changing of the rules by deleting reference to "Deputy Chief" and substituting the word "Captain" therefore. All other terms of the 1976 contract between the parties shall remain in effect for the entire year of 1977 from January 1, to December 31.

XXI. SUMMARY ARGUMENTS OF THE PARTIES.

The Union Position. The Union contends that on each and every issue of the five before the Arbitrator, the Union position is the most reasonable. On the issues of Wage, Fire Patrol and Physical Fitness, the Village position is unreasonable, and therefore the Union should receive the award.

The Village Position. The Village believes that its offer more nearly meets the statutory guidelines of Section 111.76(6) of the Wisconsin Statutes.

XXII. SUMMARY DISCUSSION. The Arbitrator holds the following opinions based on the analysis of the materials presented to him:

1. On the matter of the ability of the Village to pay, the Village, facing a drop in population and a tight budget, has the stronger argument for its offer. This is its strongest position.

2. On the matter of basic wages, the picture of what compensation the Shorewood Fighters receive is not fully clear when comparison of basic wages alone is made. The existence of Fire Safety Patrol pay, increases the compensation. Hence overall pay is a better base on which to make a judgment.

Further, the existence of a large percentage of the work force in a classification above the rank of Fire Fighter, also does not permit ready comparison with the effort made by other municipalities to compensate their fire fighting personnel. This, too, is an argument for using overall compensation as the criterion for judging comparability.

The percent increase offered by the Village on basic wages is low.

3. On the matter of comparison with other public employees, the Village is offering essentially the same package to its Fire Fighters, as it did to other employees, but is providing a different mix by reducing the basic wage offer increase to 4% and putting 1/2% into a pension payment. The Arbitrator does not consider this unreasonable in view of the economic and population situation of the Village. The Village offer, however, is less in value than its settlement with Police in the value of some fringe benefits.

4. On the matter of comparing wages to other employees, the Arbitrator does not find that comparisons can readily be made between the Fire Fighters and other classes of employees in private industry, such as the building trades. In the rate of increase in wages offered in private industry, the Village is falling behind.

5. As to the changes in the Consumer Price Index, the Village is not meeting the increases reflected in this index.

6. As to overall compensation, the Village offer with the feature of Fire Patrol pay produces an overall rate of compensation which is comparable to the rates offered in other North Shore suburbs, but is deficient in pension contributions, which the Village in its proposal is moving to catch-up.

7. As to changes in conditions pending the proceedings, the continued inflation is the most important. Inflation continues. The Union offer is more reasonable in light of this. Also there has been announced a tentative Police settlement, the relation of which has been included here.

8. On the issue of pension, the issue is complicated by the existence of pay parity through patrol duty pay. The Village is endeavoring to break this link; it is moving toward an improved pension payment, which it cannot offer Police. The Village is doing this at the expense of a basic wage offer. The Arbitrator, looking at the fiscal condition of the Village, believes that the Village position is reasonable in that it is moving toward increased pension payments, but offering the same package as it has to other employees.

9. On the matter of holiday pay at double time for cancelled holidays, there should be more experience under the present rule before a change is proposed to see if there is an abuse of the right to cancel. This recommendation for further experience is reinforced by the fact that the Village pays time and one-half for the second holiday cancelled.

10. On the matter of Fire Patrol Duty pay. The Arbitrator finds that there has been an erosion of the original principles on which this pay was established, and on the original rate. The linkage with police pay made with this device has led to contention in the past and to awkward arrangements. The independent value of this pay has declined. It may be better for future negotiations to free this pay plan and to have it independently determined as to its own worth. The Village, while seeking to break parity, nevertheless is opening itself to independent claims for the value of this work which is over and above other duty,

and therefore the Arbitrator does not find its offer unreasonable. It is not the persuasive factor here for determining the merits of total offers.

The value of the pay offered, taken by itself, will be about the same for the classification of Fire Fighter, but better for Equipment Operators and Lieutenants under the Village offer.

11. As to the proposal on physical fitness, the Arbitrator finds that the Union offer is more reasonable. The Village offer presents an opportunity for use of the program as a punitive measure, and the Union may be compelled to resort to grieving.

In viewing all of the foregoing, with some factors weighing in favor of the Union and some in favor of the Village, the Arbitrator believes that the two more important factors are the declining population of the Village and its current budgetary condition on the one hand, and the compensation being offered Fire Fighters and Equipment Operators on the other. In these factors, the Village offer is more reasonable and they outweigh the factors which are in favor of the Union. Also, the Union offer proposing continuing contingency on the outcome of future Police negotiations, the Arbitrator thus believes that a more flexible approach is called for. Hence, he believes that the Village offer should be incorporated in the agreement between the parties in 1977.

XXIII. AWARD. The final offer of the Village of Shorewood to its Fire Department Personnel for 1977 should be embodied in the agreement between the Village and Local 808, Shorewood Fire Fighters, International Association of Fire Fighters.

Frank P. Zeidler /s/  
Arbitrator

September 27, 1977