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WISCONSIN EMPLOYMENT In the Matter of the Final & * RELATIONS COMMISSION * Binding Arbitration Between * Brookfield Professional Police Case XXXI * Number 25913 Association MIA 492 Decision No. 17826-A -and-City of Brookfield Brookfield, Wisconsin * * * * * * *

INTRODUCTION

The City of Brookfield (hereafter City) and the Brookfield Professional Police Association (hereafter Association) reached impasse in their collective bargaining over the terms and conditions of a new agreement. On February 10, 1980, the Association petitioned the Wisconsin Employment Relations Commission (WERC) for the appointment of an arbitrator to resolve the impasse. On June 12, 1980, the WERC issued an order appointing Arlen Christenson of Madison, Wisconsin, to serve as arbitrator. A hearing was held in Brookfield, Wisconsin, on July 21, 1980, at which time both parties had full opportunity to present evidence and argument. Post hearing briefs were filed by August 15, 1980. By letter dated August 25, 1980, the Association objected to certain portions of the City's brief and the City responded by letter dated August 28, 1980. This dispute was resolved by the arbitrator in a letter dated September 19, 1980. The record was finally completed upon receipt of the last exhibits on September 27, 1980.

APPEARANCES

Tom E. Hayes, Attorney at Law, appeared for the City.

Linda S. Vanden Heuvel, Attorney at Law, appeared for the Association.

FINAL OFFERS

The final offers of the parties, one of which the arbitrator must choose in its entirety, are as follows:

The final offer of the Association:

- 1. 2 year contract
- 2. Wages effective 1/1/80 increased 9.5% above 1979 rates

Wages effective 1/1/81 increased 10.0% above 1980 rates

The final offer of the City:

- 1. 2 year contract
- Wages effective 1/1/80 increased
 8.0% above 1979 rates

Wages effective 1/1/81 increased 7.0% above 1980 rates, subject to reopening if president's guidelines exceed 7.0%

DISCUSSION

In this, as in most interest arbitrations, the criterion emphasized by the parties is that of wages paid for comparable employment in comparable communities. Both parties have used 28 suburban communities in the Milwaukee metorpolitan area as their primary basis for comparison. Some of the Association's exhibits include the City of Milwaukee while the City argues that the City argues that the City of Milwaukee is not comparable. The City also seems to contend that the five communities that border Brookfield evidence that they are more or less comparable in other important respects.

Among the suburban communities, Brookfield currently ranks 7th in base salary for the top Patrolman. The Union's final offer would probably maintain this relative position for 1980 depending on the outcome of an arbitration involving the City of Oak Creek. The City's offer would drop the Brookfield salaries to 12th or 13th depending on the outcome in Oak Creek. The City argues that Brookfield's current salary structure is artificially high having been "arbitrarily" established by an arbitration award in 1976. Brookfield's historical standing among suburban communities, the City contends, has been well below the median. The Association correctly points out, however, that the record contains no evidence supporting this latter assertion. Moreover, although I realize that an arbitrator in a final offer proceeding may be required to choose a final offer higher than he or she would have liked, the mere fact that a salary level was established by an arbitration award does not justify ignoring it.

There seems to be no particular reason why Brookfield police officers should be paid less than the officers. Their duties are essentially similar and the community resources are similar. If anything, community resources would suggest above average salaries in Brookfield. In any event I cannot say that either offer is unreasonable in respect to the salary level established for 1980. Both would result in a salary above the median. Neither would place Brookfield at a competitive disadvantage.

It is a **difficul**t story, however, with respect to the final offers for 1981. There is no way of making comparisons

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among suburban communities due to the lack of data regarding 1981 settlements. The available data show, however, that no settlement in the last three years has exceeded the 10% for 1981 contained in the Association's final offer. The City's offer of 7% on the other hand, would undoubtedly be among the lowest in 1981. There was no settlement below that level in 1980 and with the present rate of inflation it is unlikely that 1981 settlements will be lower than 1980.

It is possible, of course, that the City's offer could result in a 1981 salary increase of more than 7%. It provides for reopening wage negotiations if the "president's guidelines exceed 7.0%." This language, however, creates a very serious problem with the City's final offer. The condition that will trigger the reopener is the establishment of presidential wage guidelines in excess of 7%. But it is by no means certain that such guidelines will be established at all in 1981. The President-Elect is, it appears, unlikely to use such guidelines. Because of this ambiguity regarding a reopener in 1981, the City's final offer is highly problematic. If the lack of presidential guidelines means that the 7% figure prevails for 1981 the wage increase, given the present rate of inflation, is likely to be substantially too low. It is also possible that the lack of presidential quidelines would lead to a dispute between the parties over the consequences and possibly expensive and disruptive litigation. Neither of these prospects is attractive.

In 1979 the cost of living as measured by the Bureau of Labor Statistics Consumer Price Index (CPI) increased by 12.359 nationally. Economist James Giffert testified at the hearing on this matter that the rate for 1980 was expected to be no less than 15%. The City contends, with

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substantial justification, that the CPI overstates the actual impact of inflation because it does not take into account adjustments in buying patterns due to price changes, because of the way it reflects home mortgage interest rates and for other reasons. Nevertheless, the only actual evidence of cost of living introduced at the hearing was the CPI figures. Moreover, even assuming the CPI is overstated, the 10% wage increase provided in the Association's final offer is more appropriate in light of the cost of living criterion than the City's 7%.

In summary I find that the City's final offer is seriously deficient in respect to 1981 salary levels. It could either establish salaries at a level that is substantially too low or lead to conflict over the meaning of its terms. Because of these deficiences I conclude that the Association's final offer is preferable.

AWARD

It is my award that the Association's final offer should be and is hereby adopted and shall be incorporated in the collective bargaining agreement between the parties.

Dated this 10th day of November, 1980.

Arlen Christenson, Arbitrator

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