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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

BEFORE THE ARBITRATOR

In the Matter of the Petition of

KENOSHA PROFESSIONAL POLICEMEN'S ASSOCIATION

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

CITY OF KENOSHA

Case LXXX

No. 29056 MIA-627

Decision No. 19379-A

Stanley H. Michelstetter II
Arbitrator

Appearances:

Schroeder, Ventura, Dowse & Wagner, Attorneys at Law, by Mr. Mario J. Ventura, Jr., appearing for the Association.

Lindner, Honzik, Marsack, Hayman & Walsh, S.C., Attorneys at Law, by Mr. Roger E. Walsh, appearing for the Employer.

INTEREST ARBITRATION AWARD

On March 8, 1982, the Wisconsin Employment Relations Commission appointed me as impartial arbitrator pursuant to Section 111.77 (4) (b), Wis. Stats., with respect to a dispute existing between the Kenosha Professional Policemen's Association, herein referred to as the Association, and the City of Kenosha, herein referred to as the Employer. Pursuant to an agreement of the parties to permit me to attempt to mediate the dispute, I conducted mediation in Kenosha, Wisconsin, on June 16, 1982, which proved unsuccessful. Thereafter, I conducted a formal hearing on the same day at the same location.^{1/} Each party submitted a brief and a reply brief, the last of which was received August 10, 1982.

ISSUES

The following is a summary of the issues between the parties:

1. Term: The Association proposes a one year agreement commencing January 1, 1982, and expiring at December 31, 1982. The Employer proposes a two year agreement commencing January 1, 1982, and expiring December 31, 1983.

2. Wages: The Association proposes that the wage rates in effect on December 31, 1981, be increased by five percent effective January 1, 1982, and that the cost of living provision be continued. The Employer proposes for 1982 that the wage rates in effect on December 31, 1981, be increased by \$47.00 per month effective January 1, 1982, and \$20.00 per month effective July 1, 1982, plus continuation of the cost of living provision. For 1983, the Employer proposes that the wage rates in effect on December 31, 1982, be increased by 2.5 percent effective January 1, 1983, and 1.5 percent effective July 1, 1983. The Employer also proposes that

^{1/} During the course of the hearing, the parties stipulated that my tape recordings of the hearings were for my own personal notes, would not be available to either party, and the parties understood that they would be erased after the rendering of the award.

effective January 1, 1982, that any employee below the classification of detective, sergeant, or traffic officer, who has ten (10) or more years of service, will receive an additional fifteen (15) dollars per month.

3. Health Insurance: The Association proposes that the Employer's contribution to health insurance premiums be increased effective January 1, 1982, to \$63.02 per month for single coverage, and \$172.73 for family coverage together with the insertion after the health insurance premium statement of the following sentence: "Dollar equivalent to full paid insurance as negotiated in past years." The Employer proposes to increase its premium contribution effective January 1, 1982, to \$60 per month for single coverage and \$165.00 per month for family coverage and effective January 1, 1983, to \$65.00 per month for the single premium and \$185.00 per month for the family premium. The Employer also proposes to limit the premium paid for certain retirees to the dollar amounts in effect for active unit employees.

4. Clothing Allowance: The Association seeks to increase the annual plain clothes officer's clothing replacement allowance to \$160.00 effective January 1, 1982. The Employer offers to increase the plain clothes officer's annual clothing allowance to \$130.00 effective January 1, 1982, and \$140.00 effective January 1, 1983.

Term

The Association proposed a one year term for calendar 1982 while the Employer proposed a two year term for calendar 1982 and 1983. Two year collective bargaining agreements are common among comparable police units, although most are for 1981 and 1982. Only Kenosha County and its sheriff unit has a one year agreement for calendar 1981. That situation occurred because the circumstances there were unusual and are not the same as presented herein.

The last agreement between the parties was a one year (calendar 1981) agreement which resulted from an arbitration award rendered November 5, 1981, by Arbitrator Zeidler. Both parties had proposed a one year agreement then. There is no other evidence of prior history between the parties. However, major collective bargaining units of the Employer accepted at least two year agreements covering 1982 and 1983. One unit has a 1982-1984 agreement.

The Association initially had proposed a two year agreement with set wage increases and an uncapped cost of living escalator. Final offers in this matter were certified February 8, 1982. At that time, both parties knew or should have known that the process of arbitration would not be completed until later in 1982. Mediation and hearing occurred June 16, 1982.

The Association opposes a two year agreement because it cannot accurately predict what the impact of the "current economic instability" will be on the cost of living. Further, it argues that in 1982 it will be placed into a shared facility with county sheriff's deputies and this will impact on working conditions. It denies that a multi-year agreement would stabilize employer-employee relations if employees are disenchanted with their wages. It denies comparison to non-police units is appropriate because of differences in working conditions.

The Employer relied on the existence of two year agreements in comparable units and among other units of the City of Kenosha. It contends multi-year agreements lend more stability to the employer-employee relationship and that, under the facts, acceptance of the Association's

proposal would put the parties right back into negotiations. It contends that the economic situation is now predictable and its second year offer is adequate to meet anticipated inflation. Further, it notes the Association initially proposed a two year agreement for 1982 and 1983. It denies that the move to a shared facility with county deputies is new or requires a different result.

The circumstances of this case strongly favor a two year agreement. Contracts ought to be settled before the contract takes effect. If the parties were to enter into a one year agreement at this time, they would have to turn around and immediately begin to negotiate a new agreement. It is clear that the Association would have accepted a two year agreement for 1982 and 1983 had wages been acceptable. Thus, in context, the movement to the new facility is not a reason to reject a two year agreement. We have had sufficient time in 1982 under the applicable consumer price index to determine the effect of this factor on wage increases for 1983. I conclude the facts of this case strongly favor the Employer's offer on this issue.

Wages

i. Rates

a. Position of the Parties.

The Association compares itself to police units in the City of Racine, Kenosha County, and Racine County. The Association compares its initial 1981 wage rate (without cost of living folded into the base) to the 1981 wage rate of the other units. On this basis, it concludes it is the lowest paid of all of these other units.

With respect to internal comparisons, it argues that the police supervisors received a 5% wage increase. It admits that other bargaining units of the city settled for essentially the same proposal the Employer is offering herein, but alleges that because this is phrased in dollar amounts, it is a larger percentage increase to lower paid employees. It argues that its position is needed to keep pace with the cost of living. The Association urges this view on the basis that the effective wage increase exclusive of the cost of living increases and other cost components of the Employer's offer ought to be ignored when comparisons are made to consumer price figures.

The Employer relies primarily on internal comparisons. It notes that all of the major city units accepted offers similar to the one it makes to the Association. It notes that the wage relationship between police officers and fire fighters, who accepted this offer, has been very close. It notes that slightly larger increases for police supervisor's were necessary to restore a sufficient difference between them and unit employees. It argues that its proposal is satisfactory to meet changes in the Consumer Price Index. It argues, also, that the total cost should be used to compare to consumer price change and that its 1982 total package offer is 8.8% with a .5% cost impact in 1983, and its 1983 total package offer is 8.3% with a .7% cost impact in 1984. This it alleges is consistent with the declining rate of inflation. Externally, it compares this unit to Madison, Green Bay, Racine, West Allis, Appleton, Eau Claire, Wauwatosa, Janesville, Waukesha, Oshkosh, LaCrosse, Sheboygan, Fond du Lac, and Beloit. It argues that its 1982 top patrolman rates are \$70.00 per month above the average monthly rate of those units and \$89.00 above their average year end rate. It notes Kenosha is fourth in the group behind Racine, West Allis, and Wauwatosa. Going back seven years, it argues that Kenosha has moved from \$500.00

behind the average annual earners in those units in 1975, to \$1,365 above the average annual earnings in those units. It notes Kenosha's fringe benefits generally compare very favorably to those in the other city's units.

b. External Comparison

I have selected police units in the cities of Racine, West Allis, Wauwatosa, and Waukesha for comparison on the basis of availability of reliable data, stability with a prior award, population, proximity, similarity of urban composition and unit size.

The data offered by the Association excludes cost of living payments and is based on initial 1981 wage rates rather than average or year end rates. Thus, it is not as useful as the information used herein.

Comparison of Wage Rates of Patrolman with 5 Years Service in Selected Cities for 1981 and 1982

City	1981 Average	1981 Maximum	1982 Average	1982 Maximum
Racine	1,882	1,962	2,036	2,073
West Allis	1,794	1,794	1,970	1,979
Wauwatosa	1,757	1,757	1,946	1,951
Waukesha	1,657	1,657	1,826	1,862
Average	1,772	1,792	1,945	1,966
Without Kenosha, Dollar change 1981-2 average is \$173.00 1981-2 maximum is \$174.00 Percent change 1981-2 average is 9.76% 1981-2 maximum is 9.7%				
<u>City of Kenosha</u>				
City	1,706	1,737	1,841	1,880
Association	---	---	1,871	1,900
Difference from Average without Kenosha	(66)	(55)	(104) (74)	(86) (66)
Percent change 1981-2 average	city 7.91%		Association 9.67%	
Percent change 1981-2 maximum	city 8.2%		Association 9.38%	
Dollar change 1981-2 average	city \$135		Association \$165	
Dollar change 1981-2 maximum	city \$143		Association \$163	

Note: C.P.I. assumed increase of 3.6 points per applicable quarter.

1/ I have repeated herein information on these comparables for 1981 as stated by Arbitrator Zeidler in his award between these same parties, Kenosha Professional Policemen's Association and City of Kenosha (Police Dept.), Decision No. 18697-A) 11/81. Although the Employer extensively relied on this award for many other points, neither party placed the award in evidence. While parties should be bound by data findings such as these used herein, they should be afforded an opportunity to present information as to changes occurring after the award affecting that data. I have used this data for information only and it does not affect the result of this case. 1982 figures come from Employer's exhibit 14 A-B.

Although the Employer's offer causes the unit to lose ground to the comparables, the following table shows the changes for the 1975-1982 period.

<u>Annual Earnings of Top Step Patrolman</u> ^{2/}						
<u>City</u>	<u>Rank</u>	<u>1975</u>	<u>Rank</u>	<u>1982</u>	<u>Increase</u>	<u>%</u>
Racine	2	13,542	1	24,432	10,890	80.4
West Allis	3	13,395	2	23,634	10,239	76.4
Wauwatosa	1	13,746	3	23,352	9,606	69.9
Waukesha	4	12,528	5	21,912	9,384	74.9
Kenosha	5	11,856	4	22,089 ^{4/}	10,233	86.3
Average without Kenosha		13,303		23,332	10,030	75.4
Kenosha's difference to		(1,446.75)		(1,243)		

Kenosha has increase its pay 86.3% since 1975 (\$10,233), while the average has risen only 75.4% (\$10,030).

I conclude, the external comparisons favor the Association position.

c. Internal Comparisons

The other major collective bargaining units of the City of Kenosha have all settled on a basis equivalent to that offered to the Union herein. The following is a summary of the settlements.

CITY OF KENOSHA
WAGE SETTLEMENTS
WITH
MAJOR REPRESENTED EMPLOYEE GROUPS ^{3/}

	<u>Approximate No. of Employees in Unit</u>	<u>Settlement</u>
AFSCME	270	Two years, 1982-1983. 1/82 - \$47 mo. 7/82 - \$20 mo. 1/83 - 2.5% 7/83 - 1.5% Plus COLA.

^{2/} Derived from Employer exhibit 16A

^{3/} Employer's exhibit 11.

^{4/} Adjusted to eliminate the \$60.00 average payment for the 10 year program. Other figures do not include similar payments.

Fire	126	Two years, 1982-1983. 1/82 - \$47 mo. plus an additional \$15 mo. for employees below rank of Lieutenant with 15 or more years of seniority. 7/28 - \$20 mo. 1/83 - 2.5% 7/83 - 1.5% Plus COLA.
Amalgamated Transit Union	32	Three years, 1982-1984. 1/82 - \$52 mo. 1/83 - \$52 mo. 1/84 - \$52 mo. Plus COLA.

NOTE: COLA is the same for all units including the Police.

It should be noted that firefighters are presently comparably paid to police officers.

The Employer has adjusted the wages of unrepresented police supervisors for 1982 as follows:

January 1	April 1	July 1	October 1
5% and \$10.00	\$20.00	\$20.00	\$20.00

Unrepresented personnel do not receive cost of living in addition to the above.

While the foregoing may be irksome to unit employees, Employer exhibit 12A demonstrates that separation of the annual earnings of Lieutenants as compared to experienced police officers has steadily declined:

<u>Lieutenant</u> ^{4/}	=	X %	
<u>Police Officer</u>			
1978 = 1.247			1981 = 1.190
1979 = 1.244			1982 = 1.198 (Employer Offer)
1980 = 1.205			

In this case, the larger pay increase for supervisors is warranted to maintain an appropriate distinction between them and the employees they supervise.

Non-represented employees received the following increase:

January 1	April 1	July 1	October 1
5% and \$10.00	\$20 per month	\$20 per month	\$20 per month

^{4/} Derived from Employer exhibit 12A.

Judging from the facts stated in Association exhibit 3-5, the highest paid non-represented employees earned \$909 per month as of December 31, 1981. The resulting increase is essentially the same or less than that received by the instant unit employees under the Employer's offer herein.

I conclude the internal comparisons favor the Employer's position.

d. Consumer Price Index Comparison

The Urban Wage Earners and Clerical Workers--United States Index (base 1967) is used by the parties in their cost of living provision. The following changes have occurred in the all items index.

	<u>1981</u>	<u>1982</u>	<u>Percent Change</u>	<u>Points</u>
Jan.	260.7	281.1	8.21	21.4
Feb.	263.5	282.9	7.36	19.4
Mar.	265.5	282.5	6.40	17
Apr.	266.3	283.7	6.33	16.9
May	269.1	286.5	6.46	17.4
Average			6.95	

The total cost of the Employer's offer for 1982 is 10.9% (Employer exhibit 8A) with a .5% cost impact of the midterm wage increase occurrence in 1983. The Association's offer is 11.8% with no such impact in 1983. The total cost of Employer's 1983 offer is 10.6% with a .7% impact of deferred wage and benefit increases excluding COLA (Employer exhibit 9A-B). On an annualized salary basis, the Employer's offer would generate 8.2% to a top step police officer while the Association's proposal would generate 9.7% for 1982. The Employer's offer would generate 8.2% for 1983 also. On the basis of the foregoing, I conclude the Employer's offer adequately adjusts for the cost of living.

e. Result, Wage rates

The evidence indicates that the Employer's offer is adequate to keep pace with inflation and is strongly supported by the internal comparisons. Although the unit has been catching up to the averages of the comparables since 1975, the Employer's offer tends to cause it to lose ground in 1982. There is no evidence for 1983. This case presents a difficult balance, but I conclude the balance slightly favors the Employer.

ii. longevity

The Employer proposes to pay any employee below the classification of detective, sergeant, or traffic officer who has ten years or more of service an additional fifteen dollars per month. The Association opposes this proposal.

At the outset of negotiations, the Union proposed the creation of a new rank of corporal with additional pay for that rank. The bargaining history demonstrates that the Association was concerned about formalizing the field training now performed by senior officers. It intended to do this by creating a rank with additional pay which carries the responsibility to train new officers. Conceptually, the Association

believed by increasing the pay and creating a rank, it would encourage the Employer to formally train the corporals in the training process itself and thereby enhance training. In addition, the creation of the higher paid rank would create promotional opportunities for senior officers which do not exist now because of the relative youth of officers holding the higher ranks. The parties negotiation process was very short. It appears that the Employer was unreceptive to this proposal and the Association dropped the proposal in the exchange of final offers. It should be noted, that the Employer and its firefighter's union have agreed upon an equivalent proposal in the fire department.

The Employer takes the position that its proposal is designed to remedy the lack of promotional opportunities for senior patrol officers, which problem was recognized both by the Association and the Employer. The Association's sole objection is that other employees do not receive a similar increase. It would have the money allocated to this subject equally distributed among all the members of the unit.

Clearly, the resolution of problem situation issues ought to be done by the parties themselves prior to initiation of final offer interest arbitration. However, when such an issue is brought to interest arbitration, the issue should be addressed on its merits. In this case, the Employer's proposal reasonably addresses a specific problem which both it and the Association recognize. While there may be many specific reasons why this particular proposal is not appropriate, the argument advanced by the Association simply does not address the specific merits of this proposal. On the basis of the available evidence, I conclude that the Employer's offer is the more preferable one in this issue.

Health Insurance

The Employer proposed paying the full cost of health insurance up to \$165.00 per month for the family plan and \$60.00 per month for the single plan in calendar, 1982, and \$185.00 per month for the family plan and \$65.00 per month for the single plan in calendar, 1983. In addition, the Employer has proposed to change its obligation to pay the full cost of health insurance premiums for various employees on leaves of absences and in retirement to limit the amount it must pay to the limit specified for ordinary active employees. The Association's proposal is to change the 1982 monthly rates to \$63.02 per month for the single plan and \$172.73 per month for the family plan and to "insert as a last line of Section I the following language: Dollar equivalent to full paid insurance as negotiated in past years."

- Under the 1981 agreement, the Employer was required to pay \$44.98 per month toward single health insurance coverage and \$140.72 per month toward family coverage. These amounts were the full premiums for that year. At the beginning of the 1982 calendar year, the health insurance rates were raised to \$63.02 and \$172.73, although the Employer was then attempting to get the rates lowered. During the period prior to the submission of final offers, the Employer was proposing that unit employees bear some or all of the excess over 1981 rates. The parties' final offers were certified February 8, 1982, while then actual rates were still in question. On or about April 6, 1983, the 1982 premiums were reduced to \$60.00 per month for the single plan and \$165.00 per month for the family plan retroactive to January 1, 1982, and effective for the full year of 1982. At the time, 1983 premiums were set at \$185.00 per month for the family plan and \$165.00 per month for the single plan.

Although the Employer was at one time seeking a contribution from employees, that issue is now permanently moot because the premiums are permanently set at the amount specified in the Employer's final offer. The Association is now interpreting its ambiguous language proposal as requiring the Employer to pay the full premium in this agreement year and, should the agreement be extended to a subsequent year or its terms be continued in a hiatus period between agreements, as requiring the Employer adjust the premium payment to whatever is the full premium amount. I can not agree with the Association's interpretation that the language presented requires the Employer to pay the full premium in every subsequent contract year. The Association's language merely adjusts the rates in the agreement to a set dollar amount equal to the full amount of the premium in 1982 and not again in subsequent years. I am therefore satisfied that the entire issue of health insurance premiums for active employees is moot.

Finally, the Employer's proposal to change the benefit for certain retired employees and employees on maternity leave is a substantial reduction in the benefit enjoyed by retired employees. The Employer has established no particular reason or need for this proposal. I am satisfied that on balance the health insurance issue favors the Association.

Clothing Allowance

The 1981 clothing benefit for unit employees is that the Employer pays the full clothing initial outlay and replacement cost for all uniformed employees and the full clothing replacement cost up to \$115.00 for plain clothed employees. Plain clothed employees who have clothing damaged on duty receive full replacement. The Association seeks to change the \$115.00 limit to \$160.00 per year for 1982. This is a 39% increase. The Employer seeks to change the \$115.00 per year benefit to \$130.00 per year for 1982, a 13% increase, and \$140.00 per year in 1983, a 7.7% increase. The current contract also provides all unit employees with a \$180 cleaning allowance. From January, 1981, to January, 1982, the Urban Wage Earners and Clerical Workers clothing component changed 3.2%. The Association compares the \$115.00 annual limit to the total clothing allowance afforded other police departments for 1981, but ignores its cleaning allowance. The Employer would include the cleaning allowance and uses 1982 data. The following is a comparison derived from Employer exhibit 21-A and the provisions of relevant collective bargaining agreements of other municipalities.

<u>City</u>	<u>Annual Replacement Allowance</u>	<u>Annual Cleaning Allowance</u>
Racine	\$250.00	\$0
West Allis	From fund	\$280.00
Wauwatosa	\$200.00 (up to)	\$55.00
Waukesha	\$240.00	\$0
Kenosha	(Employer offer--1982) \$130.00 (Association offer) \$160.00	\$180.00 (Employer Offer) \$180.00 (Association Offer)

Only the city of Racine has settled for 1983, and it increased its clothing allowance by \$10.00 from 1982 to 1983.

The Association urges that its position be adopted because the cost of clothing has inflated substantially and because its plain clothes officers are allegedly receiving far less than comparable officers in comparable municipalities. In this calculation, the Association ignores the cleaning allowance received by its plain clothes employees.

The Employer contends its offer is consistent with the effects of inflation and that plain clothes employees receive a benefit comparable to that of similar employees in comparable departments. It concludes that the cleaning allowance is better than that in comparable communities.

In comparing benefits where there are significant variations among the municipalities, it is better to compare the total benefit. Comparing the total plain clothed officer's benefit to the total clothing benefit of plain clothed officers in other departments establishes the Employer's offer is adequate both by comparison and to meet inflation. Therefore, the Employer's offer is preferable on this subject.

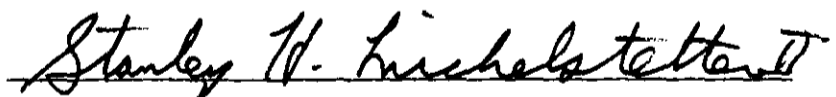
Section 111.77 (4)(b), Wis. Stats. requires that I adopt the entire final offer of one party or the other without compromise based upon an application of the statutory criteria.

In my view, the wage rate issue is far more important than the others. That very close result in favor of the Employer on that issue is buttressed by the result of the term issue and together they heavily outweigh the results of the other issues. Accordingly, I conclude the final offer of the Employer is the more preferable.

AWARD

That the final offer of the City of Kenosha be adopted for the parties' 1982 - 1983.

Dated at Milwaukee, Wisconsin, this 28th day of October, 1982.



Stanley H. Michelstetter II
Arbitrator