

IN THE MATTER OF INTEREST ARBITRATION PROCEEDINGS

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BETWEEN

JAN 11 1983

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

CITY OF FRANKLIN,)	
)	
Employer)	
)	
and)	
)	Case XXVIII No. 29532
TEAMSTERS UNION LOCAL NO.)	
695,)	MIA-668
)	
Union)	Decision No. 19790-A
)	

MEDIATOR/ARBITRATOR: Jay E. Grenig
S56 W23674 Maplewood Terrace
Waukesha, WI 53186

APPEARANCES:

For the Employer: David P. Moore
Moore Management Services, Inc.
2345 N. 70th St.
Wauwatosa, WI 53213

For the Union: Scott D. Soldon, Attorney
Goldberg, Previant, Uelmen, Gratz,
Miller & Brueggeman
PO Box 92099
Milwaukee, WI 53202

I. BACKGROUND

This is a matter of final and binding interest arbitration pursuant to Section 111.77 of the Wisconsin Municipal Employment Relations Act.

Teamsters Union Local No. 695 (Union) is the certified exclusive representative of the law enforcement personnel employed by the City of Franklin (City or Employer).

On March 29, 1982, the Union filed a petition with the Wisconsin Employment Relations Commission (WERC) requesting the WERC to initiate final and binding arbitration with respect to wages, hours and conditions of employment of law enforcement personnel for 1982. An investigation was conducted by a WERC staff member who advised the WERC on July 22, 1982, that the parties were at impasse on the existing issues outlined in their final offers.

On August 23, 1982, Jay E. Grenig was notified the parties had selected him as the the arbitrator to hear the matter and issue a final and binding award. A hearing was held on October 25, 1982, at the Franklin City Hall. The

City was represented by David P. Moore, Moore Management Services Inc. The Union was represented by Scott D. Soldon, Attorney at Law, Goldberg, Previant, Uelmen, Gratz, Miller & Bruggeman; and Michael Spencer, Business Representative.

The parties were given full opportunity to present relevant evidence and arguments at the hearing. The parties' briefs were received on December 4, 1982. On December 17, 1982, the Union submitted a recent mediation/arbitration award involving the City. The Employer responded to this submission on December 28, 1982.

II. FINAL OFFERS

There are four basic issues for the Arbitrator to decide:

1. Length of the agreement and wage rates;
2. Number of holidays;
3. Residency requirement;
4. Health insurance coverage.

The final offer of the Employer is attached to this award as Exhibit A and the final offer of the Union is attached as Exhibit B.

III. STATUTORY CRITERIA

In determining whether to accept the Employer's offer or the Union's offer, the Arbitrator must give weight to the following statutory (Wis. Stats. § 111.77(6)) criteria:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the employes involved in the arbitration proceedings 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 employees, 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 collec-

tive bargaining, mediation, factfinding, arbitration or otherwise between the parties in the public service.

IV. ISSUES

A. WAGES AND LENGTH OF THE AGREEMENT

The Union proposes that effective January 1, 1982, all steps from the 1981 schedule be increased by nine percent and that effective January 1, 1983, the schedule be increased by eight percent. The Employer proposes a one year, six percent across the board increase for all bargaining unit employees, including detectives, effective January 1, 1982.

1. POSITIONS OF THE PARTIES

a. THE UNION

The Union contends that the record is devoid of any proof or compelling evidence to indicate that the Employer is in any way incapable of paying the cost of the Union's offer. The Union says it seems reasonable to assume that, if the Employer truly could not pay the Union's final offer, it would have presented proof that it was incapable of or would be financially harmed by payment of the Union's offer.

According to the Union, Employer Exhibit 1 indicates that the Employer is a young city with a rather low median age as compared to Milwaukee County and the State of Wisconsin. It is a city with an active number of building permits with significantly increased valuations. The number of electric and gas customers is growing. The Employer has a higher per capita adjusted gross income than does Milwaukee as a whole or the State of Wisconsin.

The Union asserts that the Employer pays less than every other south side Milwaukee community for police protection, with the exception that it pays the same as the City of South Milwaukee. According to Union Exhibit 6, the Employer pays \$48 per person for police protection whereas every other town pays significantly more. This exhibit establishes that the Employer has a lower operating service total expenditure than every surrounding community with the exception of Greendale; that it has an extremely low debt service ratio; that its total 1981 and 1982 costs are lower than any surrounding community; and that its percentage difference from 1981 to 1982 is approximately 9.5%. Thus, the Union concludes there is no compelling argument that the Employer is in any way incapable of meeting the Union's final offer.

With respect to comparables, the Union asserts that the Union's final offer for the calendar year 1982 would provide a starting salary of \$18,072 and a top salary of \$23,100. The 1983 wage schedule would provide a yearly salary beginning at \$19,512 to a maximum of \$24,948. Detectives would make \$25,092 during the first year and \$27,099 the second. In terms of starting salaries for the year 1982, this would leave the Union behind eight of the eleven comparable communities. In terms of top salaries it would put the Union in the middle of the comparable communities. With regard to detectives, the offer would leave the detectives behind seven of the ten comparable communities.

With regard to wage settlements, the Union's offer is less than ten of the thirteen comparable settlements. It is equivalent to two of the others and approximately equivalent to the third.

With regard to contracts having two-year terms, the Union's 1983 offer is equivalent to that provided in the Germantown contract and less than that provided in the St. Francis police department contract.

If the Employer's offer were accepted, the Union says the employees would make less than eight of the eleven comparable communities. Based upon the average wage settlements, the Union's members would lose significant ground. The Union argues that its offer would put the Employer in the middle of the comparable communities, whereas the Employer's offer would put the City near the bottom. Since the City spends less than other communities on police services and since the City is clearly capable of paying the Union's offer, the Union declares its offer is far superior to the Employer's.

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b. THE EMPLOYER

The Employer contends that its salary offer of six percent will exceed the Milwaukee area cost of living while the Union offer of nine percent would exceed the Milwaukee cost of living by a considerable margin. According to the Employer, an increase in the base pay of employees by nine percent during 1982 would be grossly unfair to the City's taxpayers.

With respect to the Union's 1983 wage proposal, the Employer argues it is unsupported by available facts or reasonable predictions. It says the Union has not cited any 1983 settlements of eight percent and the City is not aware of any such settlements which are the product of recent negotiations. The Employer states that all available cost of living indicators show the rate of inflation and the rise in the cost of living will not approach eight percent during 1983.

Noting it experienced a twenty-nine percent property tax increase for 1982, the Employer declares the increase was necessitated by the 1982 budget which included \$140,000 for a six percent salary increase for all City employees. After completion of the budget and tax levy process the City experienced a \$148,000 shortfall in state shared revenue and a \$3,000 shortfall from the Federal government. The City froze new programs and hiring and it cut all department budgets by ten percent. Funds for the five-year capital plan have been expended; the \$49,000 emergency fund has been depleted through the replacement of a police squad car and fire truck tank. The emergency fund has been reduced to \$29,000 which is encumbered by a law suit. The Employer concludes that there simply are no funds available for a salary increase in excess of six percent. Implementation of a larger increase would create a significant economic crisis for the City necessitating large scale reductions in services and employees.

According to the Employer, the increase in private sector hourly earnings for the total private-sector group from May 1981 through May 1982 was 6.2%. From January 1982 through May 1982 the average hourly earnings have increased .8% which projects to a 1.9% increase for the 1982 calendar year.

Pointing out that the Union's comparability studies do not include any data showing the historical position of City wage rates with other communities, the Employer argues that the Union is now seeking to make substantial gains in the comparable wage position. It states the Union has failed to demonstrate the City has lost ground and does not enjoy the position of comparability once enjoyed.

2. FINDINGS OF FACT

a. **LAWFUL AUTHORITY OF THE EMPLOYER.** There is no contention that the Employer lacks the lawful authority to implement either proposal.

b. **STIPULATIONS OF THE PARTIES.** While the parties were in agreement on a number of facts, there were no stipulations on this issue.

c. **INTERESTS AND WELFARE OF THE PUBLIC AND FINANCIAL ABILITY TO PAY.** In 1982 the Employer's tax rate went up twenty-nine percent from seven dollars per thousand dollars of assessed valuation to \$9.04. From 1980 to 1981 there was no tax rate increase. The 1982 City budget included \$140,000 for wage increases for all City employees. After completion of the tax levy process the Employer experienced a \$148,000 shortfall in state shared revenue and a \$3,000 shortfall from federal funds. The Employer has frozen new programs, frozen hiring, and cut all department budgets by ten percent.

In addition to the \$140,000 for salary increases, the employer's contingency fund includes \$49,000 for emergency items and \$30,000 for the five-year capital plan. Funds for the five-year capital plan have been expended. The \$49,000 emergency fund has been depleted through the replacement of a police squad car and fire truck tank. As a result, the emergency fund has been reduced to \$29,000 which the Employer says is encumbered by a law suit.

While the Employer has experienced a revenue shortfall, it has not demonstrated the shortfall was any different than that experienced in other communities, that the shortfall actually affected its ability to provide services, or that the shortfall was unique for the City.

Although the City has a higher per capita adjusted gross income than does Milwaukee County or the State of Wisconsin, it pays only \$48 per person for police protection whereas every other municipality in Milwaukee County pays more. The per person costs for police ranges from a high of \$216 to a low of \$48 in the City and South Milwaukee.

The City's debt service is only \$10 per person. The municipality with the next lowest per person debt service is Cudahy with a debt service of \$15 per person. The average per person debt service of eighteen suburban municipalities in Milwaukee County is \$42.

The total budgeted municipal expenditures of the City for 1982 are \$242 per person. This is the lowest of the nineteen municipalities in Milwaukee County. The average per person 1982 budgeted municipal expenditures for the eighteen suburban municipalities in Milwaukee County is \$386. The

percentage difference in the City's budgeted municipal expenditures from 1981 to 1982 is 9.5%.

d. COMPARISON OF WAGES, HOURS AND CONDITIONS OF EMPLOYMENT. The Arbitrator is required to give weight to the comparison of wages with other public and private employees in "comparable communities." Both parties presented lists of comparable communities, but neither questioned the other's selection or any evidence establishing which set of comparables is appropriate. Accordingly, a combined list of comparables will be examined. However, because the City of Milwaukee is so obviously dissimilar to the Employer and the other comparable communities in population, number of employees and full-value taxable property, it is not included in the list of comparables.

CHART NO. 1 PATROLMAN MONTHLY SALARY		
Community	Start	Top
Oak Creek	\$1,589.00	\$1,998.00
Glendale		1,974.93
Mequon		1,969.74
West Allis	1,597.44	1,969.33
Menomonee Falls		1,960.00
Whitefish Bay		1,953.50
Fox Point		1,951.83
Wauwatosa		1,946.18
Greenfield	1,605.00	1,945.50
Greendale	1,470.00	1,945.50
St. Francis	1,465.00	1,936.00
Brown Deer		1,929.58
Brookfield		1,920.36
River Hills		1,917.39
New Berlin	1,574.08	1,912.17
Shorewood		1,901.67
Cudahy	1,638.00	1,924.00
Elm Grove		1,893.10
West Milwaukee	1,380.00	1,853.00
Muskego	1,534.00	1,889.00
Waukesha		1,826.00
Hales Corners	1,509.00	1,787.00
West Bend		1,785.02
Butler		1,765.00

Average Starting Salary \$1,536.15
 Median Starting Salary 1,554.04

Average Top Salary \$1,910.58
 Median Top Salary \$1,924.37

Union Offer Starting Salary \$1,506.00
 City Offer Starting Salary \$1,465.00

Union Offer Top Salary \$1,925.00
 City Offer Top Salary \$1,872.00

The starting salary under the Union's offer would be \$30.15 less than the average starting salary and \$48.04 less than the median starting salary. The starting salary under the City's offer would be \$71.15 less than the average starting salary and \$89.04 less than the median starting salary. The Union's offer would place the City eighth out of eleven

communities. The City's offer would place it next to last.

With respect to top salary, the Union's offer is \$14.42 more than the average top salary and 63¢ higher than the median top salary. The City's offer is \$38.58 less than the average top salary and \$52.37 less than the median top salary. The Union's offer would place the City thirteenth of twenty-five while the City's would place it nineteenth of twenty-five.

The Union presented evidence of the settlement rates of the police departments of selected communities. This evidence is summarized in Chart No. 2 as follows:

CHART NO. 2 SETTLEMENT RATES		
Community	1982	1983
West Allis P.D.	10%	
Wauwatosa P.D.	10.5% Jan 1 .5% July 1	
St. Francis P.D.	9% Jan 1 2% July 1	9% Jan 1 3% July 1
Shorewood P.D.	9% Jan 1 2% July 1	
New Berlin P.D.	10%	
Germantown P.D.	9%	9%
Oak Creek P.D.	8% Jan 1 2% July 1	
Cudahy P.D.	10%	
Brown Deer P.D.	10%	
Mequon P.D.	9.9%	
Glendale P.D.	9%	
Whitefish Bay P.D.	9% Jan 1 2% Sept 1	
Greenfield P.D.	7% Jan 1 2% July 1	

Of the thirteen communities, only one had a 1982 settlement increase less than nine percent. Eight of the thirteen had increases of ten percent or more. The average settlement rate was in excess of 9.65%. The Employer's offer is 3.65% less than the average settlement rate while the Union's offer is .65% less than the average.

With respect to increases in private sector wages, the increase in private sector hourly earnings from May 1981 through May 1982 was 6.1%. From January 1, 1982, through May 1982 average hourly earnings has increased .8%. This projects to a 1.9% annual increase.

e. CONSUMER PRICE INDEX. From January 1981 to January 1982 the Consumer Price Index increased by 8.6% for Urban Wage Earners and Clerical Workers in the Milwaukee Metropolitan Area and 9.4% for all Urban Consumers in the Milwaukee Metropolitan Area.

The CPI for Urban Wage Earners in the Milwaukee Metropolitan Area increased by five percent from September 1981 to September 1982. The most recent CPI for Urban Wage Earners in the Milwaukee Metropolitan Area shows a five percent increase from November 1981 to November 1982.

The Employer's offer is 2.6% less than the January 1981 to January 1982 CPI increase for Urban Wage Earners. The Union's offer is .4% higher than the CPI increase. With re-

spect to the November 1981 to November 1982 CPI increase, the Union's 1983 offer is three percent higher.

f. TOTAL COMPENSATION. There is no evidence in the record that the fringe benefits received by City employees are materially different, qualitatively or quantitatively, than the fringe benefits received by police officers in comparable municipalities.

g. CHANGES DURING THE PENDENCY OF THE ARBITRATION PROCEEDINGS. The Arbitrator is required to consider changes in the foregoing circumstances during the pendency of the arbitration proceedings. The Arbitrator has considered changes in the CPI reported since the hearing. The parties had full opportunity to discuss the CPI and its significance at the hearing and in their briefs.

In addition, the Arbitrator has reviewed arbitration awards rendered before and during the hearing. While the determination of each case is based upon the independent thinking and analysis of the arbitrators, the reasoning used and principles enunciated by other arbitrators may aid in reaching a decision. See Elkouri & Elkouri, How Arbitration Works (3d ed. 1977), pp. 365-68. Consistent decisions by different arbitrators may have the effect of promoting voluntary settlements.

Where one party has cited arbitral precedents, an arbitrator may allow the other time to consider and answer them. However, nothing prevents an arbitrator from searching out relevant awards on his or her own. Id. at 370, n. 21.

In its brief, the Employer refers to a settlement in another municipality reported in the newspaper after the hearing was concluded. Since evidence of this settlement was not subject to cross examination, this evidence cannot be considered now. See Hartford Union High Sch. Dist., Dec. No. 18845-A (Zeidler, 1982).

h. OTHER FACTORS. This criterion recognizes that collective bargaining is not isolated from those factors which comprise the economic environment in which bargaining occurs. Cudahy Schools, Dec. No. 19635 (Gundermann, 1982); Madison Schools, Dec. No. 19133 (Fleischli, 1982). As pointed out by Arbitrator Gundermann, the general state of the economy has been variously characterized as in a state of severe recession, even depression. At least ten percent of the national workforce is unemployed, the highest unemployment in the last forty years. Generally, the state of the economy is reflected in the statutory criteria the Arbitrator is required to consider.

3. ANALYSIS

a. 1982 WAGE INCREASE. In order to compare relative wage positions, a comparison of the wage rates among the comparables over a period of time must be shown. However, the parties did not present any evidence regarding the history of the Employer's relative wage position ranking. Thus, it is impossible to determine whether or not the comparable position of the employees' wages has changed from that which has existed in the past. However, an analysis of wage rates (Chart No. 1) indicates that City employees are paid at low rates compared to the comparables and the parties' offers would continue this. Presumably the Employer is interested in having employees who, by objective standards and by their own evaluation, are treated fairly. What constitutes fair treatment is reflected in the statutory criteria.

In order to determine which offer more closely maintains the status quo with respect to the Employer's wage position among the comparables, it is necessary to examine the percentage increases in wage rates in the comparable communities to determine the effect of the parties' offers. Chart No. 2 shows that the Union's offer is closer to the percentage increase in wages received by employees in similar communities. Thus, it appears that the Union's offer more nearly maintains the status quo in rank among the comparables.

Little weight has been given to the evidence regarding private sector comparisons. The data does not meet the criteria of comparison of employees performing similar services in private employment in the same community or comparable communities. See City of Franklin, Dec. No. 195969-A (Imes, 1982).

The Employer relied upon a recent statement of Arbitrator Gundermann in Cudahy Schools regarding the poor state of the economy. However, the statement must be examined in context. Arbitrator Gundermann did not state that the poor state of the economy in itself justified accepting an employer's offer. He made the statement in the course of determining whether the second year of two-year settlements should be considered in determining the reasonableness of the parties' offers. He determined that the settlements had not evolved during the period under question but had been negotiated in a different economic climate than presently existed. The record does not indicate that the comparisons presented here involved the second year of two-year contracts and there is no evidence that the settlements were negotiated in a different economic climate. Accordingly, evidence of the settlement rates here is persuasive in determining the reasonableness of the parties' offers.

Because cost of living increases are generally "catch up" in effect, the increase in the CPI during the twelve months preceeding the effective date of a contract is usually considered to be relevant. See Hartford Sch. Dist., Dec. No. 18845-A (Zeidler, 1982); City of Franklin, Dec. No. 195969-A (Imes, 1982). The use of CPI data computed during the term of the contract could encourage a party to delay bargaining in hopes a CPI more favorable to its position will be reported. The Employer's proposal is 2.6% less than the January 1981 to January 1982 CPI increase for Urban Wage Earners in the Milwaukee Metropolitan Area. The Union's offer is .4% higher than the increase. Accordingly, the Union's offer more nearly maintains the employees' purchasing power as measured by the CPI.

This arbitrator agrees with Arbitrator Imes' recent decision involving City employees represented by AFSCME Local 2 in which she considered the same evidence regarding public interest and welfare and ability to pay as presented to the Arbitrator in this matter. City of Franklin, Dec. No. 19569-A (Imes, 1982). Arbitrator Imes determined that the union's wage proposal did not adversely impact upon the Employer's ability to pay nor upon the interest and welfare of the public. Absent any showing that implementation of the union's offer would result in the City making harmful adjustments in the budget or the service offered by it or a showing that acceptance of the offer would result in deficit spending or placing an onerous tax burden on the public, she concluded the City had not established that it had a difficult ability to pay or that the interest and welfare of the public was adversely served. This view is supported by evidence that the City pays less per person for police services than all but one other municipality in Milwaukee County and it had the lowest per person budgeted municipal expenditures for 1982.

Having determined the Union's offer does not adversely impact upon the Employer's ability to pay or upon the interest and welfare of the public, it is concluded that the Union's offer with respect to the 1982 wage increase is more reasonable than the Employer's.

b. 1983 WAGE INCREASE. The record shows that two comparable communities (St. Francis and Germantown) have agreed to police wage increases of nine percent or more for 1983. (See Chart No. 2.) Two contract settlements do not establish a "pattern of settlements" that can be relied upon here.

In the absence of comparables establishing a pattern of settlements, the most appropriate period for measuring the change in the CPI is the preceeding twelve months. The most recent CPI for the Milwaukee Metropolitan Area shows an increase of five percent from November 1981 to November 1982. The Union's wage offer exceeds this increase by three percent.

4. CONCLUSION

The duration of the agreement is a serious concern here. The Arbitrator cannot divide the issue and must select one of the total final offers. With respect to the parties' 1982 wage offers, the comparison of settlement rates is entitled to great weight because the closer a party's offer is to the average settlement rate, the more likely the status quo will be preserved. Furthermore, arbitrators have considered settlement rates as a factor in determining the actual cost of living for an area.

A determination that the Employer's wage offer is more reasonable than the Union's would result in an increase in the employees' 1982 wages which is 3.65% less than the average settlement rate of the comparables. Expressed another way, the average settlement rate of the comparable municipalities was sixty-one percent higher than the Employer's 1982 wage offer.

A determination that the Union's wage offer is more reasonable than the Employer's would result in an increase in the employees' wages which is .65% less than the average settlement rate of the comparables. Since no pattern of wage settlement as yet emerged for 1983, the increase in the CPI provides some indication of the reasonableness of a 1983 wage increase. The Union's wage offer would result in a 1983 wage increase that is three percent higher than the increase in the CPI from November 1981 to November 1982.

Since the Union's 1982 offer is closer to the average settlement rate than the Employer's, the Union's offer would more closely maintain the status quo with respect to the Employer's wage position among the comparables than would the Employer's. While the Union's 1983 wage offer is three percent higher than the relevant criterion, the Employer's 1982 wage offer is 3.65% lower than the relevant criterion. The record demonstrates that City employees are paid at low rates compared to the comparables and both parties' offers will continue this. The record also shows the Employer pays less for police services than other Milwaukee County municipalities. While the Employer makes a forceful argument regarding the effect of implementation of the Union's offer on the public, the record does not establish that it has suffered a revenue shortfall different than that experienced in the comparable communities or that it is unable to pay either of the offers.

Finally, the Arbitrator is mindful that the question of the employees' 1982 wage rate was not resolved until January 1983. Execution of a two-year contract would provide a measure of stability to the parties' relationship.

Accordingly, it is concluded that the Union's wage offer is slightly more reasonable than the Employer's.

B. NUMBER OF HOLIDAYS

The Union proposes that employees be allowed two personal days off per year and they must give at least ten days notice to the Chief of Police before using the days. The Employer seeks to continue the present contract language.

1. POSITIONS OF THE PARTIES

a. THE UNION

Acknowledging that it currently enjoys eleven holidays, the Union says the City is refusing to grant benefits to the police officers which have already been granted to other members of the police department. It points out that police clerks and dispatchers currently receive eleven holidays, plus two personal days. In addition, administrative personnel in the police department receive eleven paid holidays, plus two personal days.

The Union argues that the City has established a pattern from which it seeks to exclude Union members.

b. THE EMPLOYER

The Employer points out that other City employees are assigned to a forty-hour week Monday through Friday which results in a 2,080-hour work year. On the other hand, the Union members are assigned to either a six-three, five-three, or six-two schedule. It says this is a sixteen-day work cycle out of which each officer works eleven days of eight hours each--a 2,007.5 hour work year. It concludes that the police schedule is nine work days shorter than the schedule of the other employees.

According to the Employer, the record clearly demonstrates the area practice in granting holidays to police. Only five of the twenty-seven area police departments grant more holidays than the City police receive.

2. FINDINGS OF FACT

Police clerks and dispatchers employed by the City receive eleven holidays and two personal days per year. Administrative officers of the City Police Department receive eleven paid holidays and two personal days per year. Police officers in the bargaining unit presently are entitled to eleven paid holidays per year.

Members of the bargaining unit work either a six-three, five-three or six-two schedule. This results in a work year of 2,007.5 hours. It is nine workdays shorter than the work-year of the other City employees in question.

According to the record, these Milwaukee area communities provide the following holidays for police officers:

CHART NO. 3
POLICE OFFICER HOLIDAYS

Brookfield	10
Brown Deer	10
Butler	10
Cudahy	10
Elm Grove	10
Fox Point	10
Glendale	3 (+10 paid)
Greendale	13
Greenfield	11
Hales Corners	10
Menomonee Falls	10
Mequon	10
Milwaukee	12
Muskego	12 1/2
New Berlin	10
Oak Creek	10
River Hills	11
Shorewood	10
South Milwaukee	15
St. Francis	11
Waukesha	10
Wauwatosa	11
West Allis	0 (88 hrs. pay)
West Bend	11 1/2
West Milwaukee	10
Whitefish Bay	10

Five of the communities provide police officers with more holidays than the Employer, while fifteen provide fewer.

The record contains no evidence with respect to the cost of the Union's offer or its effect on the efficiency and operation of the police department.

3. ANALYSIS

The comparison of holidays provided police officers is a more valid comparison of holidays provided other employees of the Employer. The police dispatchers, police clerks and police administrative personnel are not providing similar services under similar conditions of employment. Of special note is the difference in the total work hours of the police officers and the other employees.

4. CONCLUSION

The comparison of holidays provided police officers in other communities establishes the Employer's offer is more reasonable than the Union's.

C. RESIDENCY REQUIREMENT

The Employer proposes that every employee shall maintain a permanent residence within the boundaries listed in its offer. Residency is not required of probationary employees. Non-probationary employees on the payroll as of January 1, 1982, who do not meet the residency requirement are excepted from the requirement so long as they maintain their current residence.

The Union proposes that employees now covered by a residency requirement be allowed a five and one-half mile radius

from the City limits within which to reside. Employees who are now grandfathered shall remain so.

1. POSITIONS OF THE PARTIES

a. THE EMPLOYER

According to the Employer, the elected officials and the Police and Fire Commission feel very strongly that the Police Department employees should live close enough to the Police Department facility to be able to respond quickly to an emergency call.

b. THE UNION

Pointing out the City does not have a current ordinance governing residency, the Union says its residency offer is less restrictive than the Employer's final offer and still provides the City with the basic protection which a residency clause is intended to provide. The Union argues that its proposal puts police officers within easy reach of the community they serve. It contends that its offer is closer to the comparables than the Employer's.

2. FINDINGS OF FACT

The record indicates that the City does not currently have an ordinance governing residency. There was no provision regarding residency in the last collective bargaining agreement. There is nothing in the record establishing that there is any rule or regulation presently in existence governing residency.

West Allis, Cudahy, Greenfield, Oak Creek and St. Francis require police officers to live within city limits. West Milwaukee and Muskego have no residency requirements. New Berlin, Greendale and Hales Corners require police officers to live with a fifteen-mile radius of the employing municipalities. South Milwaukee specified an area within which police officers must live.

3. ANALYSIS

A residency clause requires police officers live close enough to the employing municipality so they may respond quickly in case of an emergency. As the comparables indicate, residency requirements are common in the area. While most municipalities require police officers to live within the city limits, some permit police officers to live as far away as fifteen miles.

An examination of the boundaries proposed by the Employer discloses that they would permit police officers to live more than six miles from the City limits on the east and north. The west and south boundaries are the City limits which coincide with the county line. No reason has been given why police officers are more limited with respect to living to the south or west of the City, No reason is apparent why City police officers cannot live in Waukesha County or Racine County.

The Union's offer requires police officers to live within five miles of the City. In some cases this would be closer than the limits sought to be imposed by the City.

Both offers protect persons presently living outside the limits described by either offer. The record does not show there have been any problems in the past calling in off duty police officers in case of an emergency.

4. CONCLUSION

Both offers with respect to residency are reasonable. The Union's offer requires police officers to live within five miles of the City, which, in some respects, is closer than the City's offer requires. However, the Union's offer does not place unjustified limits on living to the west or south of the City as does the Employer's. The record does not show any past problems with police officers' residency which would militate against a grandfather clause. Accordingly, it is concluded that the Union's residency offer is more reasonable.

D. HEALTH INSURANCE COVERAGE

The Employer proposes that it pay the full premium of hospital and surgical insurance benefits for employees and their dependents and that the Employer has the right to designate the insurance carrier, provided the coverage and level of benefits is the same or better than that provided in Safeco A-189 dated 3/1/82. The Union proposes that the health insurance coverage continue as provided in the previous contract.

1. POSITIONS OF THE PARTIES

a. THE EMPLOYER

The Employer states that it is attempting to provide uniform health insurance coverage to all of its employees. It claims the coverage the Union seeks to continue has been discontinued with respect to all other employees, both those represented by unions and non-union employees. According to the Employer, the change in coverage was necessitated by a decision of the Wisconsin Insurance Commissioner that the existing insurance funding method was illegal.

The Employer says that quotes to continue the plan were not available. It is convinced that no health insurance provider will underwrite the coverage the Union is requesting.

Finally, it contends that a considerable difference in premium results when an employer is forced to split a small group apart and provide a different health plan for the small group.

b. THE UNION

Stating that an understanding of history is necessary in order to properly understand the parties' final offers, the Union notes that during the life of the prior collective bargaining agreement the Employer changed insurance coverages. The Union grieved the matter, claiming that the new coverage did not match the existing or prior coverage. A settlement was reached and the City agreed to reinstate the original coverage prior to entering into any new insurance agreements.

The Union argues that the City is now apparently self-insured and Safeco is implementing the Blue Cross/Blue Shield coverage previously challenged. It claims the City is seeking to maintain the Safeco plan in derogation of the settlement agreement which required the City to pay claims which would have been paid by WPS under the original policy before the City implemented the change in carriers.

The Union concludes that there appears to be no good reason why the City should be permitted to obtain this change in benefits and to deprive the members of the insurance coverage which they have enjoyed in the past.

2. FINDINGS OF FACT

Under the previous contract, police officers were covered by a health insurance plan administered by WPS that paid ninety percent of covered medical charges. The Employer later switched to a plan administered by Blue Cross & Blue Shield that paid eighty percent of covered medical charges. Doctor visits and office calls were no longer covered.

The 1982 collective bargaining agreement provided that the City had the right to designate the insurance carrier, except the coverage and level of benefits must be the same or better than existed under the contract. The Union grieved the change in coverage. In January 1982 the parties entered into a settlement of the grievance, providing that parties agreed the insurance policy in effect on December 31, 1980, constituted the standard for comparison purposes and that the standard would be utilized during the life of the contract.

On March 1, 1982, the Employer implemented another health insurance plan. This one was administered by Safeco. The plan pays the usual and customary service for covered benefits after a specified deductible. However, it does not appear to cover doctor visits and office calls to the same extent as the MPS policy.

3. ANALYSIS

The Employer has failed to carry its burden of justifying a change in the previously negotiated contract language. While the Employer offers forceful arguments in favor of changing the contract language, the record fails to provide support for those arguments. There is nothing in the record establishing the Wisconsin Insurance Commissioner found the prior insurance funding method to be illegal and there is nothing in the record establishing that no provider will underwrite the coverage requested by the Union.

Although there may be a difference in premiums where bargaining units are provided different health plans, collective bargaining permits the different units to bargain for different wages, hours, health benefits, and other conditions of employment. Requiring the Union to accept benefits granted another unit would deprive the Union of its right to bargain on behalf of members of the bargaining unit.

4. CONCLUSION

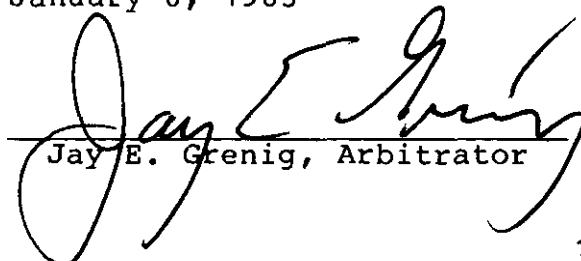
It is concluded that the Union's offer to maintain the current contract language regarding health insurance is more reasonable than the Employer's.

V. AWARD

Of the issues before the Arbitrator, the most critical issue to the parties is clearly wages. Based upon the foregoing discussion of the individual issues in dispute, it is concluded that the Union's offer is more reasonable than the Employer's.

Having considered all the evidence and arguments submitted in this matter in accordance with the statutory criteria, it is the decision of the Arbitrator that the Union's final offer be incorporated into the collective bargaining agreement.

January 6, 1983


Jay E. Grenig, Arbitrator

Appendix A

CITY OF FRANKLIN
APPENDIX TO FINAL OFFER

RECEIVED

JUL 20 1982

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

ARTICLE VI WAGES, SECTION 1

<u>Patrolman</u>	<u>Effective 1/1/82</u>
0-6months	\$1465
7-12	1514
13-24	1583
25-36	1617
37-48	1693
after 48	1872

ARTICLE XV HOSPITAL AND SURGICAL INSURANCE, SECTION 1

The City shall pay the full premium of hospital and surgical insurance benefits for members and their dependents as provided in the current hospital and surgical plan as provided by the City through its designated insurance carrier. The City shall have the right to designate the insurance carrier, except the coverage and level of benefits shall be the same or better than the Safeco A-189 dated 3/1/82. Any increase in premium payments necessitated by maintaining the same or better coverage shall be fully paid by the City.

ARTICLE II MANAGEMENT RIGHTS, SECTION 4. (new)

Every employee shall maintain a permanent residency within the boundaries listed below. Such residency shall not be required of probationary employees.

South County line road
North Greenfield Avenue
East Lake Michigan
West County Line Road

Any non-probationary employee on the payroll as of January 1, 1982, who does not meet the residency requirement enumerated above, will be excepted from the above requirement so long as they retain their current residency.



DRIVERS, SALES. WAREHOUSEMEN, MILK PROCESSORS,
CANNERY, DAIRY EMPLOYEES and HELPERS UNION Affiliated with I.B.T.C.W. & H. of A.

Local 695

1314 N. Stoughton Rd. — Madison, Wis. 53714 — Phone 244-6207

LAW ENFORCEMENT
AND
PUBLIC EMPLOYEES DIVISION

RECEIVED

JUN 25 1982

June 24, 1982

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Mr. Andrew Roberts
Investigator
Wisconsin Employment Relations
Commission
P.O. Box 7870
Madison, Wisconsin 53707-7870

RE: City of Franklin (Police Dept.)
Case XXVIII No. 29532 MIA-668

Dear Mr. Roberts:

The following is the Union's final offer for the City of Franklin along with the Articles each proposal relates to:

1. Residency (New Article):

Employees now covered by a residency requirement shall be allowed a five and one-half (5½) mile radius to reside from the Franklin City limits.

Employees who are now grandfathered shall remain so.

2. Personal Days Off - Article IX, Holidays:

New Section 3. Employees shall be allowed two (2) personal days off per year and must give at least ten (10) days notice to the Chief of Police before using.

3. Wages - Article VI, Section 1:

Effective January 1, 1982, all steps from the 1981 schedule be increased by nine percent (9%).

Effective January 1, 1983, all steps from the 1982 schedule be increased by eight percent (8%).

4. Term of Agreement - Article XXV:

Change dates to reflect Agreement to be from January 1, 1982 until December 31, 1983 (two (2) year Agreement).

Yours truly,

TEAMSTERS UNION LOCAL NO. 695

Michael Spencer
Michael Spencer
Business Representative