STATE OF WISCONSIN

BEFORE THE ARBITRATOR

In the Matter of the Petition of MILWAUKEE POLICE ASSOCIATION, LOCAL NO. 21, IUPA, AFL-CIO For Final and Binding Arbitration Involving Non-Supervisory Law Enforcement Personnel in the Employ of CITY OF MILWAUKEE (POLICE DEPARTMENT)	Case No. 300 No. 39038 MIA-1237 Decision No. 24936-B

Appearances:

Kenneth J. Murray & Associates, S. C., Attorneys at Law, by Mr. Kenneth J. Murray, and Ms. Laurie A. Eggert, appearing on behalf of the Association.

Mr. Thomas C. Goeldner, Assistant City Attorney, and Mr. Thomas E. Hayes, Special Deputy City Attorney, City of Milwaukee, appearing on behalf of the Employer.

ARBITRATION AWARD:

On December 10, 1987, the Wisconsin Employment Relations Commission issued an amended order appointing the undersigned Arbitrator to issue a final and binding Award to resolve an impasse arising in collective bargaining between Milwaukee Police Association, Local No. 21, IUPA, AFL-CIO, referred to herein as the Association, and City of Milwaukee (Police Department), referred to herein as the Employer, pursuant to Section 111.70 (4) (jm) of the Municipal Employment Relations Act. Proceedings were conducted at Milwaukee, Wisconsin, on December 29, 1987, March 10, March 16, March 23, April 13, April 14, April 15, May 19, May 20, May 23, June 9, June 10, June 16, June 17, June 21, July 11, July 13, July 25, July 26, July 28, August 6 and August 8, 1988. At all times during the twenty-two days of proceedings the parties were present and given full opportunity to present oral and written evidence and to make relevant argument. The proceedings were transcribed, and briefs were filed in the matter. Briefs were exchanged by the Arbitrator on October 3, 1988.

JURISDICTION OF THE ARBITRATOR:

The jurisdiction of the Arbitrator is created by Statute at Wis. Stats. 111.70 (4) (jm), as follows:

3. Within fourteen days of his appointment, the Arbitrator shall conduct a hearing to determine the terms of the Agreement relating to wages, hours and working conditions. The Arbitrator may subpoena witnesses at the request of either party or on his own motion. All testimony shall be given under oath. The Arbitrator shall take judicial notice of all economic and social data presented

by the parties which is relevant to the wages, hours and working conditions of the police department members. The other party shall have an opportunity to examine and respond to such data. The rules of evidence applicable to a contested case, as defined in s. 227.01 (2), shall apply to the hearing before the arbitrator.

4. In determining those terms of the agreement on which there is no mutual agreement and on which the parties have negotiated to impasse, as determined by the commission, the arbitrator, without restriction because of enumeration, shall have the power to:

a. Set all items of compensation, including base wages, longevity pay, health, accident and disability insurance programs, pension programs, including amount of pension, relative contributions, and all eligibility conditions, the terms and conditions of overtime compensation, vacation pay, and vacation eligibility, sickness pay amounts, and sickness pay eligibility, life insurance, uniform allowances and any other similar item of compensation.

b. Determine regular hours of work, what activities shall constitute overtime work and all standards and criteria for the assignment and scheduling of work.

c. Determine a seniority system, and how seniority shall affect wages, hours and working conditions.

d. Determine a promotional program.

e. Determine criteria for merit increases in compensation and the procedures for applying such criteria.

f. Determine all work rules affecting the members of the police department, except those work rules created by law.

g. Establish any educational program for the members of the police department deemed appropriate, together with a mechanism for financing the program.

h. Establish a system for resolving all disputes under the agreement, including final and binding 3rd party arbitration.

i. Determine the duration of the agreement and the members of the department to which it shall apply.

5. In determining the proper compensation to be received by members of the department under subd. 4, the arbitrator shall utilize:

a. The most recently published U. S. bureau of labor statistics "Standards of Living Budgets for Urban Families, Moderate and Higher Level", as a guideline to determine the compensation necessary for members to enjoy a standard of living commensurate with their needs, abilities and responsibilities; and

b. Increases in the cost of living as measured by the average annual increases in the U. S. bureau of labor statistics "Consumer Price Index" since the last adjustment in compensation for those members.

6. In determining all noncompensatory working conditions and relationships under subd. 4, including methods for resolving disputes under the labor agreement, the arbitrator shall consider the patterns of employe-employer relationships

generally prevailing between technical and professional employes and their employers in both the private and public sectors of the economy where those relationships have been established by a labor agreement between the representative of those employes and their employer.

7. All subjects described in subd. 4 shall be negotiable between the representative of the members of the police department and the city.

8. Within 30 days after the close of the hearing, the arbitrator shall issue a written decision determining the terms of the agreement between the parties which were not the subject of mutual agreement and on which the parties negotiated in good faith to impasse, as determined by the commission, and which were the subject of the hearing under this paragraph. The arbitrator shall state reasons for each determination. Each proposition or fact accepted by the arbitrator must be established by a preponderance of the evidence.

9. Subject to subds. 11 and 12, within 14 days of the arbitrator's decision, the parties shall reduce to writing the total agreement composed of those items mutually agreed to between the parties and the determinations of the arbitrator. The document shall be signed by the arbitrator and the parties, unless either party seeks judicial review of the determination pursuant to subd. 11.

10. All costs of the arbitration hearing, including the arbitrator's fee, shall be borne equally by the parties.

THE ISSUES:

The issues in dispute are set forth below as follows:

1. ARTICLE 9 - DEFINITIONS

The MPA proposes that the definition article be modified in three areas: a) unpaid disciplinary suspensions; b) unpaid leaves of absence; c) employee's returning from duty disability retirement.

The Employer proposes that the active service definitions in Article 9 be maintained as set forth in the predecessor Agreement.

2. ARTICLE 10 - BASE SALARY

The Association proposes a 6.5% increase for 1987 and a 6.5% increase for 1988. The Association also proposes that detective pay be revised to the level of sergeant's pay.

The Employer proposes a 3% increase effective pay period 1/1987 and a 2% increase effective pay period 21/1987. The Employer also proposes a 3% increase effective pay period 1/1988 and a 2% increase effective pay period 21/1988. The Employer opposes any adjustment to the detective pay rate over and above the general increase for all employees in the unit.

3. ARTICLE 11 - LONGEVITY

The Association proposes that longevity be determined by length of service in the employ of the City rather than length of time at the top pay step in a classification; the Association further proposes that there be an additional longevity step of $1000 after 25 years of service. Finally, the Association proposes that subsection 5 of Article 11 of the predecessor Agreement be modified in such a manner

so as to include the longevity payments in the determination of overtime or any other benefits.

The Employer proposes to maintain the benefit level and language of the predecessor Agreement with respect to longevity.

4. ARTICLE 15 - OVERTIME

The Association proposes that the provisions in the special overtime section of the Contract at Article 16 be folded into Article 15, treating all regular overtime and special overtime the same. Specifically, the Association proposes: a) all overtime be compensated at time and one-half; b) the Association be held harmless from liability resulting from operation of court overtime parking provision; c) compensatory overtime may be taken in one hour segments; d) each instance of recall to duty from off-duty status shall be entitled to a minimum compensation of two hours at time and one-half; e) all employees shall be required to stand roll call and receive roll call overtime; f) FLSA matters which will be set forth under a separate section.

The Employer proposes to add a provision regarding honor guard overtime and to modify the existing hold harmless language for court overtime parking to be consistent with the hold harmless language agreed to between the parties as provided in Article 63 entitled Parking. In all other respects under Article 15 the Employer proposes to retain the language of the predecessor Agreement.

5. ARTICLE 16 - SPECIAL OVERTIME

Special overtime relates to appearances at Police and Fire Commission proceedings. The Association proposal would require overtime payment for anyone appearing.

The Employer proposes that the terms of Article 16 in the predecessor Agreement be maintained.

6. ARTICLE 74 - FAIR LABOR STANDARDS ACT

The Association proposes: a) fully paid court lunch period; b) compensation for the time period between two separate work assignments; c) overtime rate to be calculated using total remuneration; d) scheduling off of earned compensatory overtime; e) adding a clause to the Agreement which would provide that the City abide by FLSA.

The Employer proposes that the terms of the predecessor Agreement remain unchanged with respect to FLSA matters.

7. ARTICLE 19 - PENSION BENEFITS

The Association proposes the following modifications to Article 19, Pension Benefits: a) the offsets for duty disability pensions be a $1 reduction in benefits for each $2 earned in excess of the base amount (salary and longevity); b) earnings capacity in Section 36.07 (2) shall mean actual earnings; c) a six month period in which an employee may exercise a protective survivorship option if the employee had not previously elected one when eligible; d) a time period six months from the time of marriage to elect a retirement option if the employee did not elect at 25 years of service due to not being married, divorced or widowed; e) an escalator of $100 per month after 4 years of retirement; $200 a month after 7 years of retirement

and $300 a month after 10 years of retirement; f) a provision which would establish that those employees who had selected a retirement option prior to the issuance of the unisex tables be entitled to a re-pick within 90 days of the ratification of the Agreement; g) the "Dunn" clause of the pension provision is to be eliminated.

The Employer proposes that the age of duty disability retirement conversion from duty disability retirement to normal service retirement be reduced from 57 years of age to 52 years of age. The City further proposes that a cap be placed on pension benefits equaling 100% of final salary.

8. ARTICLE 21 - HEALTH INSURANCE

The Association proposes that health insurance provisions be modified as they relate to retired employees as follows:

a. Improve the current unused sick leave formula which provides increasing percentages of paid health insurance premiums for retirees.

b. The unused sick leave formula for retirees is to be modified so as to also apply to post age 65 coverage.

c. The surviving spouse of a retiree, in the event of a retiree's death, shall receive health insurance until death or remarriage, based on the sick leave formula for premium participation.

The Employer proposes that those on duty disability retirement convert from fully paid health insurance to the unused sick leave formula at age 57 rather than the current age of 63.

9. ARTICLE 25 - INJURY PAY

The Association proposes that Article 25, Injury Pay, remain as stated in the predecessor Agreement.

The Employer also proposes that injury pay remain as stated in the predecessor Agreement at Article 25, except that it proposes the following language dealing with subrogation of benefits: "In all third-party claims or actions, the City shall not be limited in its recovery to the amount of temporary disability benefits which would otherwise have been payable under the Worker's Compensation Act, but shall instead be entitled to recover the amount of injury pay received by the employee."

10. ARTICLE 31 - TIME OFF IN LIEU OF HOLIDAYS

The Association proposes an additional paid holiday designated as Martin Luther King Day.

The Employer proposes that one of the existing 12 holidays be changed so that Martin Luther King Day is designated as one of those holidays.

11. ARTICLE 37 - UNANTICIPATED DUTY PAY

The Association proposes that the unanticipated duty pay in the amount of $550 per year for each officer be maintained as set forth in the predecessor Agreement at Article 37.

The Employer proposes that the unanticipated duty pay set forth at Article 37 of the predecessor Agreement be eliminated.

DISCUSSION:

The undersigned will consider each of the issues stated in the foregoing section of this Award serially to determine the manner in which the issues should be resolved. In this forum, the Arbitrator has discretion to award the position of either of the parties on any of the issues, or to fashion an Award different than the offer of either party on a specific issue. Given the foregoing format, it is appropriate to fix the burdens of proof necessary to support the changes that are advocated by one party or the other.

In interest arbitration matters it is axiomatic that the proponent of change must establish the need for that change by a sufficiency of the evidence. Applying that standard, if the proponent of change in this forum fails to establish a need for that change by a sufficiency of the evidence, the status quo will necessarily prevail. Conversely, if the proponent of change satisfactorily establishes by a sufficiency of the evidence that the change it proposes should be adopted, then, the proposed change will be adopted without alteration. Finally, if the proponent of change establishes by a sufficiency of the evidence that some change should be awarded, but fails to establish by a sufficiency of the evidence that the change should be adopted in the form or to the extent that the proponent proposes, then, an Award will be fashioned consistent with the dictates of the evidence.

Having established the burdens of proof, the undersigned will now turn to other preliminary matters prior to a discussion of the issues. The parties have adduced evidence with respect to patterns of settlement and with respect to the issue of parity of pay and parity of percentage of settlement comparing police employees to fire department employees. We will consider these matters before undertaking the decision on an issue by issue basis.

THE PARITY ISSUE

The Employer urges that the Arbitrator apply the doctrine of parity which the Employer argues has been established through voluntary settlements in the past. The Employer posits that there are two parity considerations before the Arbitrator. The Employer contends that there is the issue of parity of pay rate to pay rate between the various levels of the hierarchy within the Police Department compared to the various levels of the hierarchy within the Fire Department. The Employer further contends that there has been established a settlement parity wherein the settlements of the Police Department and the Fire Department have been settled at the same package percentage through the years.

The Association argues that firefighter parity should not be considered by the Arbitrator, arguing that the City's claim that parity is necessary to maintain labor peace is without merit for several reasons. The Association argues that if there is parity, it exists because the City has been unwilling to take forceful action against the firefighters when they engaged in unlawful strikes. The Association further argues that the State Legislature has instituted a system of binding arbitration to avoid illegal job action by police and firefighters, and that the City rewards the firefighters' reluctance to use binding arbitration and their willingness to strike when they establish parity. The Association further argues that the City's intransigence and unwillingness to exceed a settlement which would create higher wage rates for police than firefighters constitutes bad faith bargaining.

The Association also argues that parity makes a mockery out of arbitration proceedings, rendering arbitration meaningless if parity is the total control. Finally, the Association argues that parity for firefighters constitutes an indirect subsidy to that union, because, by assuring parity to the firefighters, it makes it unnecessary for them to pursue arbitration, and, therefore, avoid the high cost of arbitrating.

The undersigned first considers the question of package parity that the City argues. In the view of this Arbitrator, the package parity argument of the City is without merit, because package parity is nothing more than a pattern of settlement argument. The City has argued under patterns of settlement that internal patterns of settlement should receive the most weight, and has included the fact that the firefighters have settled at what the City approximates to be a 6% increase over two years as one of those patterns. The undersigned agrees that the percentage of package settlement for the firefighters is an appropriate consideration in this interest arbitration involving police officers. The undersigned disagrees, however, that it should be considered as a parity argument. It is simply an internal pattern of settlement and will be considered as such. Parity, in the opinion of this Arbitrator, deals with a consistent wage rate between the varying ranks within the Police Department, as compared to the equivalent ranks in the Fire Department. Consequently, any discussions with respect to parity of Police and Fire as it relates to these proceedings will be confined to comparisons of wage rate to wage rate only.

The undersigned considers parity to be an appropriate consideration in the evaluation of the final offers of the parties in this dispute, or in any dispute where the issue of parity is raised. The Association opposes a look at parity between firefighters and police officers. At the same time, the Association has made a parity proposal of its own, when it proposes that detectives be placed on the same wage level as sergeants. The Association, in that issue, bases its position on the fact that at one time sergeants and detectives were paid at the same level, and that a disparity occurred after the sergeants were placed in the police supervisors unit and removed from the rank and file police officers unit. It appears inconsistent to this Arbitrator that the Association should argue for parity as it relates to the detectives in one unit compared to sergeants in another unit, and then argue that parity should not be considered between police officers in this unit as compared to firefighters in another unit.

The undersigned has further considered all of the Association arguments with respect to parity and rejects them. The Association arguments deal with the issue of bad faith bargaining. However, that issue is not before this Arbitrator. Issues of bad faith bargaining are reserved to the jurisdiction of the Wisconsin Employment Relations Commission, and if the Association wishes to have a determination as to whether insistence on parity between police and firefighters constitutes bad faith bargaining, they must turn to that forum for a decision. The undersigned has further considered the question of subsidy and the allegations that the firefighters are being rewarded for refusing to arbitrate. The undersigned notes that Milwaukee firefighters have not been provided with the vehicle of binding interest arbitration to settle contractual disputes. The firefighters continue to have recourse to fact finding under the statutes, but the statutes do not provide for binding interest arbitration for Milwaukee firefighters. Consequently, any argument which the Police Association advances with respect to the indirect subsidy of the City to the firefighters by reason of their not having to arbitrate is misplaced.

Having determined that the issue of parity is an appropriate issue for consideration in these proceedings, it remains to be determined what weight the parity

issue shall have in resolving the issues before the parties. The weight that parity will play will be considered as the issues are discussed later in this Award.

ARTICLE 9 - DEFINITIONS

The Association proposes that the "active service" definitions be modifed in three areas: 1) unpaid disciplinary suspensions; 2) unpaid leaves of absence; 3) employees returning from duty disability retirement.

The Employer proposes that the language of the predecessor Agreement in active service definitions remain unchanged.

Turning first to the proposed changes of the Association in unpaid disciplinary suspensions, the Association proposes that the only benefit which an employee on disciplinary suspension should lose is his pay. Presently, under the practices of the Employer, under certain circumstances, a disciplinary suspension without pay may also entail loss of other benefits. Commissioner Jewell, a former member of the Police and Fire Commission of the Employer, testified that the Commission never intended that an officer would lose insurance, seniority or other pension benefits in addition to loss of pay as a result of the disciplinary suspension, and also testifies that the Commission had never discussed the loss of fringe benefits when it imposed discipline on an officer. The question of whether benefits in addition to pay should be lost as a result of a disciplinary suspension, in the opinion of this Arbitrator, should be left to the Police and Fire Commission. The fact that the Police and Fire Commission has never made a decision with respect to benefits is undoubtedly the result of the fact that they have never been asked to consider that aspect of discipline in matters brought before them. The record is silent on that point. Nevertheless, the undersigned concludes that the foregoing is a valid presumption. It seems to this Arbitrator that questions of the degree of discipline as it relates to fringe benefits should be left to the Police and Fire Commission when evaluating the degree of discipline in any given case on an ad hoc basis. That conforms to questions of discipline that are placed before arbitrators, where arbitrators are regularly asked to find whether there is just cause for the discipline invoked. Consistently, representatives of grievants have asked arbitrators to make a grievant whole for wages and benefits lost as a result of unjust discipline. The same requests, in the opinion of the undersigned, can be placed before the Police and Fire Commission. Furthermore, the undersigned concludes that it is the Police and Fire Commission who should determine whether benefits should be affected as a result of discipline or whether they should not. The undersigned, therefore, rejects the Association proposal with respect to discipline.

The Association proposals with respect to the active service definition as it pertains to unpaid leaves of absence fall into two categories: 1) leave of absence for the purpose of running for political office should be treated in the same manner as leaves to serve as a liaison officer; 2) leaves of absence to serve in political office should be treated the same as unpaid maternity, child rearing and educational leaves of absence. The undersigned has reviewed the record evidence in support of the Association proposal for unpaid leaves of absence as it relates to running for political office and serving in political office and finds only the testimony of John Seifert, who testified in part: "It is not in the public interest to have a class of professional candidates"; and that, "the cost of running for office is prohibitive if one has to run for public office on an unpaid leave of absence." While the Arbitrator understands the impact of the cost of running for office on an unpaid leave of absence as testified to by Seifert, nevertheless, that testimony is an insufficient basis on which to grant the Association proposal. The undersigned,

therefore, rejects the Association proposals for modification of active service definitions as it relates to unpaid leaves of absence.

Finally, we consider the Association proposal for modification of active service definition as it relates to employees returning from duty disability retirement. The Association proposes that sick leave credit for the sole purpose of insurance conversion at retirement be restored, less the average usage of sick leave that an employee had utilized prior to his being placed in duty disability retirement status. The Association further proposes that the time on duty disability be credited for the purpose of longevity pay. The Association also proposes that time on duty disability be credited for purposes of computing the date on which he is eligible for his next pay step increase. Presently, employees who are on duty disability retirement continue to receive credit for longevity purposes only if they are at the top step of their pay grade when they are placed in duty disability retirement status. Employees who are still within the steps working toward the top step of their pay grade do not receive longevity credit.

The undersigned believes there is an inconsistency in the administration by the Employer of pay step progression and longevity entitlement as a result of duty disability status. The evidence is persuasive to the undersigned that the practice should be changed, and, therefore, the undersigned grants the Association proposal that time on duty disability retirement should be credited for the purpose of pay step increases and for the purpose of longevity.

The undersigned has also considered the record evidence with respect to restoration of sick leave credit for the purpose of insurance conversion at retirement. The undersigned is not persuaded that the record evidence supports that proposal. Specifically, the undersigned concludes that the Association has failed to carry its burden of proof as a proponent of the change with respect to that modification, and, consequently, the proposal to restore sick leave credit upon return from duty disability reirement is rejected.

ARTICLE 10 - BASE SALARY

THE GENERAL INCREASE

In determining the amount of general wage increase to be awarded for the years 1987 and 1988, the undersigned will consider the generally accepted methods for making such determinations in interest arbitrations. These considerations include wage rate comparisons among comparable communities as determined by the Justex Study (Union Exhibit No. 2). The Justex Study makes police wage rate comparisons between the 12 largest metropolitan statistical areas of the mid-west, and the wage rates paid to police in the City of Milwaukee. The undersigned will also consider the record evidence of wage rate comparisons comparing rates paid to Milwaukee police with those rates paid to the police officers of suburban Milwaukee departments. The undersigned will further consider wage rate comparisons between Milwaukee police and Milwaukee firefighters (the parity issue). Finally, for wage rate comparisons, the undersigned will consider the total compensation comparisons between officers in the City of Milwaukee and the Justex 12.

In addition to the wage rate comparisons, the undersigned will also measure the appropriateness of the proposed wage rate increases of the parties against the patterns of settlement of the Justex 12, the suburban police departments, and the internal patterns of settlement established in bargaining between the Employer and other bargaining units which have entered into settlement agreements with the City of Milwaukee.

In addition to the foregoing traditional comparisons for the purposes of establishing wage rates in interest arbitration, the statutes direct the undersigned to consider the increases in the cost of living, as measured by the average annual Consumer Price Index increases since the last adjustment in compensation.

Finally, the undersigned will consider the statutory directive to consider the U. S. bureau of labor statistics "Standards of Living Budgets for Urban Families, Moderate and Higher Level".

The undersigned first makes the comparison between the wage rates paid among the 12 Justex comparables, and the proposed wage rates made by the parties to this dispute. The Justex 12 include Akron, Chicago, Cincinnati, Cleveland, Columbus, Dayton, Detroit, Indianapolis, Kansas City, Minneapolis, St. Louis and Toledo. Table 10 on page 24 of Union Exhibit No. 2 sets forth the 1988 maximum pay rates paid to patrolmen or police officers among the Justex 12 comparables. Table 10, however, makes the comparisons of Milwaukee wage rates which were in effect in 1986 with wage rates among the other 12 comparables which were in effect for 1988, except for Chicago, which sets forth a wage rate which was in effect for 1987. In order to make valid comparisons among wage rates paid to police officers at the maximum wage rate of the salary schedules, the undersigned has converted the Milwaukee wage rates to reflect the base salaries payable under the respective offers of the parties. That is, the Union proposal of 6.5% each year generates $31,710 for 1988, whereas, the Employer offer of 3% and 2% each of the two years generates a wage rate of $30,858 for 1988. Furthermore, in order to reflect a 1988 rate for the City of Chicago, the undersigned has applied a 4% factor to the 1987 wage rate, which is approximately the average increase reflected in Table 35 on page 65 of Union Exhibit No. 2, the Justex report for 1988 (3.8%). Applying the 4% to the 1987 wage rates payable at the officer max in Chicago generates an officer max for 1988 of $33,739. Table 10 readjusted consistent with the foregoing discussion reflects that the following salaries are paid at the officer maximum level for 1988 among the Justex 12 compared to Milwaukee proposed salaries of the parties:

1. Minneapolis, $35,559
2. Kansas City, $35,064
3. Chicago, $33,739
4. Milwaukee (Union), $31,710
   Milwaukee (Employer), $30,858
5. Detroit, $30,854
6. Cincinnati, $30,769
7. Toledo, $30,430
8. St. Louis, $29,245
9. Columbus, $29,037
10. Akron, $28,850
11. Dayton, $28,267
12. Cleveland, $27,872
13. Indianapolis, $26,398

The average maximum base salaries paid among the Justex 12, exclusive of Milwaukee, is $30,507. From the foregoing ranking, it is seen that the Milwaukee ranking with respect to the 12 comparables advocated by Justex places Milwaukee in the fourth position among the 12 comparable communities, irrespective of whether the Employer or the Association proposal is adopted. Furthermore, the data reflects that both parties' offer will generate a maximum salary for 1988 in excess of the average of the remaining 12 comparables advocated by Justex. The Association offer generates a base salary maximum for police officers $1203 above the average of the Justex 12.

The Employer offer generates $351 over the average of the Justex 12. Because Milwaukee officers at the max for 1988 rank fourth, irrespective of which offer is adopted; and because both offers generate an amount in excess of the average maximum officers' pay among the Justex 12 for 1988; and because there is nothing in the record to establish the historic ranking of Milwaukee compared to the ranking of the Justex 12 in prior years; the undersigned concludes that either party's offer reflects an adequate increase when comparing maximum police officer salary to other police officer salaries among the 12 comparable communities advocated by Justex. It is further concluded that there is no preference established by this data to favor the offer of one party or the other, nor is there reason for the Arbitrator to establish a maximum rate for officers for 1988 at some point between the two offers of the parties. Consequently, the undersigned concludes that wage rate comparisons among the Justex 12 fail to establish a preference for either parties' offer in this dispute.

We turn now to a consideration of the total compensation factors among the Justex 12. The total compensation factors are reflected in Table 36, page 66 of Union Exhibit No. 2, the Justex report. Table 36 reflects the base salary, and in addition to that, direct compensation for 10 year patrol officers, which includes longevity, uniform cleaning, shift differential, and special compensation. The same adjustments to Table 36 have been made for Chicago and the Milwaukee offers that were made in the base salary comparisons in the preceding paragraphs. The total direct compensation comparisons reflect the following in rank order and amounts:

1. Minneapolis, $36,196
2. Chicago, $35,217
3. Kansas City, $35,064
4. Milwaukee (Union), $32,710
5. Cincinnati, $32,258
6. Detroit, $32,228
7. Toledo, $31,930
8. Milwaukee (Employer), $31,858
9. Columbus, $31,001
10. St. Louis, $30,220
11. Cleveland, $29,928
12. Akron, $29,125
13. Dayton, $29,061
14. Indianapolis, $28,191

When measuring direct compensation for a 10 year patrol officer, it is seen that the Association offer ranks Milwaukee fourth among the comparables, whereas, the Employer offer ranks seventh. (Excludes Milwaukee Association offer from the ranking) The average total direct compensation for the 12 Justex comparables, exclusive of Milwaukee, is $31,702. Thus, the Association offer is $1008 above that average, whereas, the Employer offer is $156 above that average. While the ranking of the Union offer ranks three levels higher than the Employer offer, that is unpersuasive, in the opinion of the undersigned, given the lack of historic data with respect to where Milwaukee has previously ranked prior to 1987 when comparing total compensation with the comparables. Furthermore, the undersigned concludes that because both parties' offers generate a total compensation figure for 1988 in excess of the average, and at or above the mid-point in ranking, no clear cut preference for either party's offer is established by this comparison.

The Employer has entered into evidence a total compensation comparison which takes into consideration one additional factor. That factor is the amount of take

home pay resulting from direct compensation after pension contributions have been withheld from employees' pay. Employer introduced City Exhibit No. 10 establishing a ranking for direct compensation after employee contributions were reduced. The Employer calculation, however, was based on wage increases of 2.5% for each of two years, which generated a total of $30,373. The actual wage rate for 1988 for comparison of wage rate to wage rate for the City of Milwaukee, under the Employer offer, is $30,858, and under the Association offer is $31,710. The undersigned will reconstruct Employer Exhibit No. 10 to reflect the actual 1988 wage rates for these comparison purposes. Additionally, the Chicago base will be increased to $33,739, consistent with the 4% factor used in the preceding comparisons. The record evidence (Union Exhibit No. 2, Table 29, page 56) establishes that the employees within the Milwaukee Police Department contribute toward their own pension at a rate of 1%, and that the employee contribution rate toward pensions among the Justex 12 is as follows: Minneapolis, 8%; Kansas City, 7%; Chicago, 9%; Detroit, 5%; Columbus, 4.5%; Cincinnati, 9.5%; Toledo, 9.5%; St. Louis, 7%; Cleveland, 9.5%; Indianapolis, 6%; Akron, 9.5%; and Dayton, 9.5%. The foregoing percentages generate the following dollar amounts of employee contributions: Minneapolis, $2845; Kansas City, $2454; Chicago, $3037; Detroit, $1543; Columbus, $1307; Cincinnati, $2923; Toledo, $2890; St. Louis, $2047; Cleveland, $2648; Indianapolis, $1584; Akron, $2741; Dayton, $2685. Under the Association offer the 1988 employee pension contribution will be $317 in Milwaukee and under the Employer offer it will be $308. The foregoing data results in the following rankings after the employee contributions toward pension are deducted from the total direct compensation for a 10 year officer for 1988:

1. Minneapolis, $33, 351
2. Kansas City, $32,610
4/3. Chicago, $32,180
3/4. Milwaukee (Union), $32,392
Milwaukee (Employer), $31,549
5. Detroit, $30,685
6. Columbus, $29,694
7. Cincinnati, $29,335
8. Toledo, $29,040
9. St. Louis, $28,173
10. Cleveland, $27,280
11. Indianapolis, $26,607
12. Akron, $26,384
13. Dayton, $26,376

Thus, the comparison of total direct compensation after employee pension contributions have been subtracted, shows that Milwaukee ranks either third or fourth, depending on whether the Association proposal is adopted in its entirety, or whether the Employer offer is adopted in its entirety. The undersigned again concludes that neither offer is preferred based on these comparisons.

We turn now to a comparison of wage rates among the suburban communities to the City of Milwaukee. Association Exhibit No. 84 establishes that from 1977 through 1981 the City of Milwaukee paid the highest top patrolman monthly base wage among the 30 suburban communities and Milwaukee County. Commencing with 1982, Milwaukee slipped from the number one position, and Milwaukee County assumed that role, Milwaukee then dropping to second place. In 1983, Milwaukee dropped to third place behind West Allis and Greenfield. In 1984, Milwaukee dropped to 12th place behind

Greenfield, West Allis, Oak Creek, Whitefish Bay, Glendale, River Hills, Hartland, Franklin, Wauwatosa, Brookfield and Shorewood. In 1985, Milwaukee dropped to 18th place behind Greenfield, Wauwatosa, West Allis, Oak Creek, Whitefish Bay, Glendale, Brookfield, Franklin, Hartland, Bayside, Germantown, Shorewood, Cudahy, Greendale, River Hills, Menomonee Falls and Fox Point. In 1986, the data in Union Exhibit No. 84 is insufficient to make a valid comparison, because the data is incomplete. If the Association offer in this matter is adopted, it will restore Milwaukee police base salaries to a number one position ranking Milwaukee County and Milwaukee suburbs, because the Association proposal of 6.5% each of the two years will generate a base of $31,711 compared to the next highest base at Germantown of $31,578. If, on the other hand, the Employer offer is adopted at 3% and 2% for each of the two years, a base salary will be established of $30,859, ranking 5th behind Germantown at $31,578; Wauwatosa, $31,121; Greenfield, $31,272; Bayside, $31,080. Thus, the Association offer in this matter would restore the ranking the City of Milwaukee officers enjoyed prior to the year 1982, whereas, the Employer offer would improve the ranking from 18th in 1985 to 5th in 1988. There is testimony in this record which satisfies the undersigned that the complexity of a police officer's responsibility in the City of Milwaukee is greater than the complexity of the police officer's job in the surrounding suburban areas. Thus, the Association position ranking at number one is warranted on that basis. On the other hand, the deterioration of the City of Milwaukee's top patrolman salary from 1 to 18 over the span of time from 1982 to 1985 occurred as a result of voluntary settlements between the City of Milwaukee and the Association. The undersigned is not convinced that the number one ranking should be restored during one Contract, given the fact that the deterioration occurred over several negotiated contracts. Nevertheless, the undersigned is persuaded that a number one rank for Milwaukee, when compared to the suburbs, is reasonable. Consequently, when comparing base salary rankings among suburban departments, those considerations favor the adoption of an amount sufficient to restore the number one ranking. The Association proposal here of 6.5% each year would restore that ranking, and it would take the full 6.5% to establish the $31,711 annual base salary to do so. Thus, the Association offer is supported by base salary comparisons among suburban police departments at the maximum patrolman step.

We turn now to a comparison of patterns of settlement. The patterns of settlement among the Justex 12 are set forth at Union Exhibit No. 2, Tables 34 and 35 on pages 64 and 65. That data reflects that Chicago settled for 4.4%; Dayton for 4%; Detroit, 4%; Kansas City, 4%; St. Louis, 4%; Toledo, 3.5% for wage increases that went into effect during 1987 among the Justex comparables. The average of the percentage increases for 1987 is 4.15%. In 1988, Tables 34 and 35 reflect the following increases to be placed in force during 1988: Akron, 3%; Cincinnati, 3.5%; Cleveland, 3%; Columbus, 6%; Indianapolis, 5.5%; Minneapolis, 3.8%; Detroit, 4%; Kansas City, 5%; St. Louis, 3%. The average percentage increase for 1988 among the data contained in Tables 34 and 35 is 4.11%. From the foregoing, it is clear that the Association proposal of 6.5% in each of the two years exceeds significantly the percentage settlements among the Justex comparables which ranged in 1987 from a low of 4% to a high of 5.5%, and in 1988 ranged from a low of 3% to a high of 6%. This compares to an Employer offer which calculates to something less than 3% if the Employer "package parity" level of 6% over the two years is maintained. The Employer lift, however, generates 10.38% over the two years, compared to a salary average increase among the Justex comparables for the two years of 8.26%. Were it not for the staggered increases, the undersigned would be persuaded that, based on these comparisons, the appropriate increase to Milwaukee police officers should be in the neighborhood of 4% to 4.5%. The fact that the wage rate increases

or lift total 10.38%, an excess of 2% over the average wage increases among the Justex comparables, offsets some of the impact of lesser percentage increase per year that the Employer offers. Furthermore, the undersigned notes that the methodology which the Employer uses in calculating its percentage increases for the firefighters fails to take into consideration the compounding of the second increase of 2% as it impacts the second year. The undersigned will adopt the Employer's methodology in the firefighters for the purpose of calculating the percentage increases in order to keep an apples to apples comparison. Notwithstanding that, however, the actual percentage increases in the second year are in excess of those stated using the firefighter costing methods, and brings the Employer closer to the 4% and 4.5% average settlements in Justex.

We now turn to a comparison of patterns of settlement among the suburban police departments for 1988. The undersigned is able to establish percentage increases negotiated among certain suburban police departments from Employer Exhibit Nos. 113 and 114 which set forth the maximum patrolmen salaries for 1987 and 1988. There is no data in the exhibits setting forth the maximum patrolmen salaries for 1986, and, consequently, the percentage of increases for patrolman salary at the maximum is not ascertainable for 1987. There is, however, reliable data for the percentage of increase for 1988 which the undersigned considers relevant. The calculations reveal that the following increases were effectuated for 1988 at the maximum patrolman salary: Greenfield, 4%; Bayside, 5%; Glendale, 3%; Oak Creek, 3%; West Milwaukee, 4%; Greendale, 4%; River Hills, 4%; Fox Point, 4%; Whitefish Bay, 3%; Hales Corners, 4%; Milwaukee County, 5%; Brown Deer, 3.5%; St. Francis, 3%; Franklin, 1.2%; Wauwatosa, 3.7%; Waukesha, 1%; West Allis, 4%. From the foregoing, it is seen that the prevailing range of settlements, discounting the 1.2% at South Milwaukee, is in the 3% to 5% range. The average of the 19 settlements among suburban police departments for 1988 calculates to 3.55%. The Employer offer of a wage increase approximating 3% each year with a lift over the two years in excess of 10% is closer to the patterns of settlement at the patrolman maximum than is the Association offer of 6.5%. The patterns of settlement at the patrolman max among the suburban police departments support a salary increase for Milwaukee police officers in the range of 3% to 4%.

We now look to the internal patterns of settlement, that is, the negotiated settlements between this Employer and the other pattern setting bargaining units with whom the Employer negotiates. The record evidence establishes that there are three pattern setting units with whom this City bargains. They are: Firefighters, the Police Association involved in this arbitration, and Milwaukee District Council 48, AFSCME, AFL-CIO. The record evidence establishes that the other two pattern setting units have settled, i.e., District Council 48 and the Firefighters. The Firefighters settled for 3% and 2% each of the two years, which is precisely the offer extended to this Association. The City calculates the 3% and 2% each year to be a 3.67% increase the first year and a 3.67% increase the second year (Employer Exhibit No. 103) Over the Contract duration, the salary increases costwise will total, pursuant to the City's calculations, 7.33%; however, the wage rates will increase by 10.38%. Total package cost, however, is reduced to 3.84% the first year and 2.09% the second year, for a total package increase over the term of the Agreement for the Firefighters of 5.93% by reason of negotiated cost saving provisions entered into between the parties. The cost saving offsets in the Firefighter settlement will be considered later in the Award, because presently we are only looking toward a comparison of wage rate settlements.

District Council 48 settlement is reflected in Employer Exhibit No. 155, and

shows that District Council 48 settled for a general increase of 2.5% in each of the two years, 1987 and 1988, for a total of 5% for the two years. In addition to the 5% base salary negotiations there is a .93% lump sum payment of $250 in the second year. There are also other fiscal considerations which were negotiated, bringing the total package for the two years to 2.59% for the first year, 3.26% for the second year, totaling 5.85% for the two year period. From the foregoing, it is clear that the internal patterns of settlement support the offer of the Employer for wage increases because it mirrors the settlement of the firefighters and is higher than the base salary increase of District Council 48.

The statute at 111.70 (jm) 5. b. directs the Arbitrator to consider increases in the cost of living as measured by the average annual increase in the U. S. bureau of labor statistics Consumer Price Index since the last adjustment in compensation for those members. The undersigned will now undertake that comparison. The Association argues that when considering the increase in cost of living since 1978, they have lost real spendable dollars amounting to $4871 between 1978 and 1986. The foregoing argument is unpersuasive to the undersigned in view of the statutory directive which directs the undersigned to consider cost of living increases since the last adjustment in compensation for the members. To consider CPI increases prior to January 1, 1986, the date of the last adjustment in compensation to the members of this bargaining unit would be contrary to the specific directives of the statute. Consequently, the undersigned, in comparing cost of living increases to the proposals of the parties, will look only to those increases in cost of living that have occurred since January 1, 1986. Union Exhibit No. 85 sets forth the Consumer Price Index (All Urban Consumers for Milwaukee and the United States for 1977 through 1987). The record reflects that in 1985 the CPIU-Milwaukee stood at 330.5, and that in 1986 the CPIU-Milwaukee stood at 331.7, an increase of .4. In 1987, the CPIU-Milwaukee rose to 344.6%, an increase over 1986 of 3.9%. Thus, for the two years, 1986 and 1987, we have a total percentage increase in the CPIU-Milwaukee of 4.3%. The same exhibit reflects that the increases in Consumer Price Index, All Urban Consumers, United States average, increased 1.9% for 1986 and 3.7% for 1987, a total of 5.6%. Here, the Union is seeking a 13% increase over the two years of 1987 and 1988, where the cost of living for the two years of 1986 and 1987 increased by only 4.3% for the City of Milwaukee.

If one were to consider the projections of increase of cost of living for 1988, we find estimates in the range of 4.5% to 5% increase in the CPI for that year. The total for two years of 1987 and 1988 based on those estimates, taking the high estimate of 5%, would total 8.9% over the two year span of time of 1987 and 1988. If we consider the CPI increases for the years 1986, 1987 and 1988, the increase would total 9.3%. The wage increase for 1986 was 3.9%. By adding the wage increase proposed by the Association for 1987-88 of 13% to the increase of 3.9% negotiated for 1986, we arrive at a total of 16.9% increase for the years 1986, 1987 and 1988, if the Association offer is adopted. That compares with a cost of living increase for those same three years of 9.3%. It follows from the foregoing that the Association wage proposal is excessive when measured against the criteria of increases in the CPI.

The Employer proposal of wage increases netting approximately 3% for 1987 and 3% for 1988, when added to the increase which was negotiated for 1986 of 3.9%, totals something close to 9.9%. Because the Employer offer approximates the percentage increase in the CPI for the years 1986, 1987 and 1988, it is concluded that the Employer offer is supported by the criteria of increases in the CPI.

The statute directs the Arbitrator to consider the most recently published bureau of labor statistics "Standards of Living Budgets for Urban Families, Moderate Higher Level as a guideline to determine the compensation necessary for members to enjoy a standard of living commensurate with their needs, abilities and responsibilities." The foregoing statutory directive creates somewhat of a dilemma for the Arbitrator, because the Bureau of Labor Statistics ceased publishing the Urban Family Budgets with their publication of April 16, 1982. The publication of the Bureau of Labor Statistics of April 16, 1982, released data concerning the autumn, 1981, Urban Family Budgets and comparative indexes for selected urban areas. With that release, we find on the face of the publication the following notation:

> This is the last release of 4-person family budget data. The Bureau of Labor Statistics eliminated the program as part of the recent budget reduction. The expenditure data on which the budgets are based are now twenty years old. Continuation of the program would have required revision of concepts and expenditure data, an extensive price collection for which funding was not available. (Employer Exhibit No. 108)

Thus, we no longer have available the official publication which the statute directs the undersigned to consider in measuring whether employees in this bargaining unit have ". . . compensation necessary for members to enjoy a standard of living commensurate with their needs, abilities and responsibilities."

Dr. Larry T. Hoover, President and Co-Principal of Justex Systems, testifies that he has updated the data contained within the final publication of the family budget data from the Bureau of Labor Statistics by applying the percentage increase of the U. S. City average of the CPIU between 1981 and 1986. Union Exhibit No. 2, Table 42, page 75, reflects that the U. S. City average increased 15% over that period of time, and, consequently, Hoover testifies that he increased the data by 15% in order to establish an inter-city cost of living index to Milwaukee at 100. The undersigned will consider the inter-relationships of cost of living later in this section. Hoover also testifies that he has checked with the Bureau of Labor Statistics, and they agree that to update the Urban Family Budget data from 1981 to 1986, the methodology of increasing that data by 15% is a logical way of updating the data. The Bureau of Labor Statistics cautions, and Hoover acknowledges, that the data is not the "most reliable data because of the obsolete nature of the base data." Notwithstanding all of the foregoing, the undersigned looks first to updated data which would compare the proposed salaries of the parties to the updated budget levels using the Hoover approach. The last published data shows that the budget levels at the lower level was $15,323; at the intermediate level was $25,407; and at the higher level was $38,060. That data was for the autumn of 1981. From Union Exhibit No. 2, page 78, table 45, we find that the top salary in force for patrolmen in 1981 was $22,525. Thus, the salary in force for Milwaukee police officers in 1981 was $2882 below the intermediate budget level of a four person urban family budget in the urban United States in the autumn of 1981. If we update the data to 1986 by the 115% advocated by Dr. Hoover, we find that the low budget is updated to $17,621, the intermediate budget is updated to $29,218, and the high budget is updated to $43,769. The actual salaries paid to Milwaukee police for 1986 were $27,985, an amount $1233 below the medium level of the four person family level of living urban United States for 1986. If we were to increase the 1986 data by the 4.3% increase in cost of living for 1986 and 1987 to update the urban family data to 1988, we would find that the low level budget stands at $18,378; the intermediate $30,474; and the high $45,651. The projected salary of the Employer proposal is $30,858, and the projected salary of the Association proposal is $31,710 for the year 1988. Thus, the Employer proposed salary for 1988 of $30,858 is $384 above the

projected four family intermediate budget for 1988, and the Association proposed salary for 1988 of $31,710 is $1236 above the intermediate level. Given all of the foregoing, the data suggests that the Employer proposed salary for 1988 more than adequately measures up to the intermediate level of urban family budgets as projected, using the Hoover methodology. Consequently, this data supports the Employer offer, however, the weight to be accorded the data is minimal by reason of the stated unreliability of the data as testified to by Hoover.

Both parties to this dispute entered into evidence comparative cost of living status among the Justex 12 as compared to the City of Milwaukee. The Association relies on the Justex report, Table 43 and 44, which represent an indexing of comparative cost of living between Milwaukee and the Justex 12 comparables, based on Milwaukee representing 100. The other cities are then indexed from Milwaukee based on the relative differences in percentage changes and cost of living between 1981 and 1986 in the remainder of the Justex comparables. The Association then corrects the 1988 salaries based on the factors generated in the foregoing equation. Table 44, however, limits the calculations to the projected bases, and furthermore, is flawed by reason of the Milwaukee salaries being at the 1986 salary levels rather than the projected levels based on the Employer and Association offers in this dispute.

The Employer approaches the same exercise in a different manner, in that, it has retained the Runzheimer Corporation to make a comparative cost of living analysis between the Justex 12 and the City of Milwaukee. Runzheimer serves predominantly in the private sector, furnishing cost of living data to corporations to adjust salaries when members of the corporation are transferred from one metropolitan area to another. Richard H. Schneider, Vice President Living Cost Services for Runzheimer, testified at hearing, and pursuant to his analysis, determined cost of living relationships between the City of Milwaukee and the remainder of the Justex 12 comparables. Employer Exhibit No. 109 indexes Milwaukee at 100% using the Runzheimer method, and compares it to the same indexing method utilized by Justex. The following table reflects the results, using the two methods:

City	Indexed to Milwaukee at 100 Justex	Runzheimer
Chicago	89.3	110.0
Cincinnati	87.2	95.0
Cleveland	90.8	95.9
Detroit	89.8	98.0
Kansas City	88.3	94.1
Milwaukee	100.0	100.0
Minneapolis	90.0	104.2
St. Louis	87.1	96.5
Remainder of Comparables @ U.S. City Average	95.3	97.0

From the foregoing table we see that using the Justex method, Milwaukee ranks number one in cost of living compared to the remaining 12 of the Justex comparables, whereas, using the Runzheimer method Milwaukee ranks 3rd. The distinctions between the two methodologies can best be described by applying the inter-city relationships to the net total compensation after employee pension contributions are deducted. Using the Justex methodology we find the following rankings adjusted for the inter-city cost of living distinctions as follows:

1. Minneapolis, $37,056
2. Kansas City, $36,929
3. Chicago, $36,036
4. Detroit, $34,170
5. Cincinnati, $33,641
6/7. Milwaukee (Union), $32,392
Milwaukee (Employer), $31,549
7/6. St. Louis, $32,344
8. Columbus, $31,157
9. Toledo, $30,470
10. Cleveland, $30,043
11. Indianapolis, $27,918
12. Akron, $27,684
13. Dayton, $27,675

Using the Runzheimer data and adjusting the rankings by inter-city cost of living relationship, we find the following:

1. Kansas City, $34,653
2/3. Milwaukee (Union), $32,392
Milwaukee (Employer), $31,549
3/2. Minneapolis, $32,006
4. Detroit, $31,310
5. Cincinnati, $30,876
6. Columbus, $30,611
7. Toledo, $29,936
8. Chicago, $29,254
9. St. Louis, $29,194
10. Cleveland, $28,447
11. Indianapolis, $27,429
12. Akron, $27,199
13. Dayton, $27,189

The undersigned has analyzed all of the data, and has considered the reliability of the Justex system and the Runzheimer system. The undersigned concludes that the Runzheimer data is more reliable because it is based on current statistics and data, which are utilized through a significant section of the private sector. The Justex data relies on data which is unreliable by the testimony of Hoover, by the statements attributed to the BLS representatives in Hoover's testimony, and by the testimony of Richard Schneider, Vice President of the Runzheimer Corporation. The undersigned has considered the objection of the Union with respect to the utilization of the Runzheimer data where the Association bases its objection on the statutory criteria directing the Arbitrator to consider the most recently published U. S. Bureau of Labor Statistics "Standards of Living for Urban Families, Moderate and High Level" as a guideline. The undersigned finds the Association's objections are misplaced. The Arbitrator has already considered the updated data of the Standard of Living Budgets as they relate to the living needs of the Milwaukee police officers. It is the opinion of the Arbitrator that standards of living budgets spoken to in the statutes are to measure the sufficiency of the actual wages paid to the Milwaukee police officers. The criteria was not intended to establish an inter-city relationship as to the respective levels of cost of living among the comparbles. The undersigned believes that, if we are to consider the differences of the respective cost of living, the more reliable data should be considered, and that data, in the opinion of the undersigned, is generated by the Runzheimer Corporation.

Having concluded that the Runzheimer data is the more reliable, it follows that the adjusted total compensation after pension contributions of the employees are deducted as set forth in the paragraphs above, support the Employer wage proposal, because it places the Employer in the 3rd ranking from the top, using the total compensation less pension contributions method of comparison.

Finally, we consider the question of base wage parity between firefighters and police officers. As determined earlier, the question of parity is an appropriate consideration for this Arbitrator. The question remains as to what weight parity should receive. It is clear to the undersigned, based on the evidentiary record, that parity considerations are commonplace between firefighters and police. We have in evidence Union Exhibit Nos. 5 and 6. Union Exhibit No. 5 is the Fire Service Labor Monthly published by Justex Systems, Inc., Volume 2, No. 2, February, 1988. Union Exhibit No. 6 is the Police Labor Monthly published by Justex Systems, Inc., Volume 6, No. 9, February, 1988. On page 4 of Union Exhibit No. 5 and on page 5 of Union Exhibit No. 6, there is set forth tables indicating where there exist fire and police parity in the largest U. S. cities. Of the 25 cities listed in those tables, 10 have police-fire base pay parity in existence pursuant to those tables. The table reports that Milwaukee does not have these pay parities in those tables, however, the evidence indicates that base pay parity does presently exist in Milwaukee. Of the 10 cities where base pay parity exists, the table indicates that 3 of the cities do not bargain collectively with the firefighters and the police. Thus, in 7 of 21 jurisdictions which bargain collectively with police and fire, there are negotiated parity agreements. (Milwaukee is counted as a nonparity entity) The fact that one-third of the cities who bargain collectively establish parity between police and fire satisfies the undersigned that parity considerations are commonplace in negotiations between the parties.

The foregoing conclusions are buttressed when considering Employer Exhibit No. 120, which sets forth data showing whether police and firefighters have base pay parity at the maximum step among the Justex comparables. The exhibit establishes that base pay parity between firefighters and police officers at maximum pay steps exists in Akron, Chicago, Cleveland, Detroit, Minneapolis, St. Louis, Toledo and Milwaukee. The exhibit also establishes that there is no parity in Cincinnati, Columbus, Dayton and Kansas City, where police officers are paid more than firefighters; nor is there parity in Indianapolis where firefighters are paid more than police officers. Thus, in 7 of the 12 Justex comparables, excluding Milwaukee, pay parity at the maximum pay step exists. The foregoing data further supports the prevalence of the practice of pay parity between these services.

The Association argues that it has never bargained for pay parity. The undersigned is satisfied that the Association here has not proposed that its pay be equal to firefighters' pay at the maximum step. The fact that pay parity between police and fire has not been an objective of the Association, however, does not mean that parity does not exist. The record evidence establishes that since 1981, three contract periods, there has been base pay parity between police officers and firefighters. Thus, while parity between police and fire has not been an objective of the Association at the bargaining table, they, nevertheless, have entered into a settlement which resulted in pay parity being established over three contract periods since 1981. The undersigned is satisfied that the Association entered into agreements with full knowledge of the parity objectives of the Employer and agreed to settlements that included base pay parity over that period of time. It follows from the foregoing that base pay parity presently exists.

Having determined that parity exists, the question is then presented as to whether base pay parity should be broken in this round of bargaining by the Arbitrator. Before answering that question, the Arbitrator would opine that there may be an occasion in the future when the parity issue will not draw as heavy weight as it does in the instant matter. Furthermore, there may well be occasions where record evidence establishes that the police, in comparison to their neighbors, are underpaid to the degree that an award in excess of base pay parity should be fashioned. The Arbitrator, however, concludes that this round of bargaining is not an occasion where parity should be broken. The foregoing conclusions are based on all of the discussion set forth above as it relates to the general increase issue. The undersigned has concluded that the patterns of settlement among the Justex comparables support a general increase of 4% to 4.5% for each year; that the patterns of settlement among the suburban police departments support a general increase of 3% to 4% for each of the two years; and that the internal patterns of settlement support the increases proposed by the Employer. The undersigned has further concluded that the increases in the Consumer Price Index since the last adjustment in compensation to the officers in the employ of the Employer support the final offer of the Employer; and that the U. S. Bureau of Labor Statistics, Urban Family Budgets at the intermediate level support the adoption of the Employer offer in this dispute, and that because the updated data is not reliable it should be given little weight. The undersigned has further concluded that the inter-city total compensation less employee pension payments corrected for the differentials in cost of living among the Justex comparables is supportive of the Employer offer in this matter. The undersigned also concludes that the wage rate comparisons among the Justex comparables fails to establish a preference for either party's offer; and that the wage rate comparisons between suburban police departments and the proposed wages here support the offer of the Association. Because the Employer has proposed an increase in each of the two years which will provide for a 10.38% lift; and because there has existed a base rate parity between firefighters and police officers since 1981 which was achieved through voluntary settlements; the undersigned now concludes that base rate parity between the officers of the police department and the firefighters should not be broken. It follows from the foregoing that percentage wage increase for general wage increases must necessarily follow the pattern established in the firefighters' settlement.

Having concluded that the percentage increases should follow the pattern of the settlement increases does not finally dispose of how the wages should be increased, however. The Employer, as part of the wage increase in order to bring back the total cost to the 6% level over two years, has proposed that the unanticipated duty allowance of $550 to each member of the bargaining unit be folded into the base rate, thereby selling back that unanticipated duty and reducing the cost of the settlement. The undersigned disagrees with that approach, because the past "parity" relationship between the firefighters and the police contemplated that the police would receive the $550 unanticipated duty allowance over and above the base rate parity which had heretofore existed between the police and the firefighters. The undersigned believes that this relationship should not be disturbed.

The question of whether the internal patterns of settlement should determine the total package percentage increase in this matter will be addressed in the Summary and Conclusion section of this Award. However, in order to achieve sufficient flexibility in fashioning a reasonable package percentage increase in this dispute, the Arbitrator is persuaded that it is necessary to combine the 3% and 2% increases proposed by the Employer into one increase per year. Mathematically, the 2% increase superimposed on a 3% increase in the same Contract year equates to a one time 5.06% increase in that Contract year. Therefore, the Arbitrator awards a 5.06% general

increase in each of the two Contract years at issue here. The exact timing of the implementation of these increases will be discussed in the Summary and Conclusion section of this Award.

BASE SALARY FOR DETECTIVES

The Association has proposed that the base salary for detectives should be reallocated to Pay Range 810, which would establish detectives at a parity level with sergeants who are members of the Police Supervisors Organization.

The record evidence establishes that until 1973, sergeants and detectives were paid at the same rate of pay. In 1973, the sergeants were placed in the Police Supervisor Organization bargaining unit, and at that time they were granted substantial pay increases over and above the amounts of increases that were granted to detectives. Since 1973, sergeants have been paid a higher wage rate than detectives.

The evidence adduced at hearing by the Employer is in the nature of survey evidence. Employer Exhibit No. 115 shows that of the Justex 12, only 4 departments pay detectives higher than they pay police officers. The same exhibit indicates that 6 departments pay sergeants substantially higher than they pay detectives. Employer Exhibit No. 113 sets forth detective maximum pay for 1987 and 1988 among suburban districts. A review of Employer Exhibit No. 113 indicates that in suburban departments detectives tend to be paid higher than officers at approximately the same rate that detectives in the Milwaukee Department are paid higher than officers. The Employer argues that there is nothing in the record to support the demand of the detectives, and that it simply stands as the Employer argues that "we want it". The Employer relies on the Rice Award in the Police Supervisor Organization Interest wherein Rice rejected a special increase for sergeants, the Employer arguing from the foregoing that to grant a special increment to detectives would destroy traditional pay differentials between the position of detective and sergeant.

The undersigned rejects the Employer argument with respect to the level of detective pay. Notwithstanding the fact that survey data among the Justex comparables and among suburban districts indicates that differential between patrolman and detective and between detective and sergeant should not be disturbed, we have other considerations in the instant matter. First of all, there is the fact that at one time the sergeants and the detectives were paid at the same pay level. The Association here seeks nothing more than a restoration of "parity". The Employer has argued vigorously for parity as it relates to firefighters and police officers, where the history of parity existed in the past. Even though the history of parity precedes the date of this Award by approximately 15 years, nevertheless, parity at one time existed between the sergeants and the detectives. Furthermore, there is nothing in this record to suggest that there has been a broadening of duties among sergeants so as to justify a differential in pay between the two, which heretofore had existed. Consequently, the undersigned concludes that the parity sought by the Association is supported historically.

If the only evidence supporting parity between sergeants and detectives was the previous pay issue of 15 years ago, that evidence would not be compelling. There are, however, other considerations in this record. There is in evidence Union Exhibit No. 15 which restates Rule 3 as it existed prior to the organization of 1985. Rule 3 sets forth responsibility of command, and in the hierarchy of command commencing with number one as the Chief of Police, detectives are listed as number nine, and police sergeants are listed as number ten. Thus, the hierarchy of command places detectives above police sergeants. Furthermore, there is in evidence Union Exhibit Nos. 12, 13 and 14, which are job descriptions of detectives and sergeants, and from a review of those descriptions the undersigned concludes that the job responsibilities

of detectives are sufficiently complex so as to warrant pay consistent with that of sergeants. We also have the testimony of Robert J. Ziarnik, the Chief of Police of the Milwaukee Police Department, who testifies at page 394 of the transcript: "I have said before the Commission that I think the detective, by virtue of his experience, should be paid on a comparable basis." The reference to comparable basis refers to police sergeants.

In addition to Chief Ziarnik's testimony, there is the testimony of Harold J. Breier, the former Chief of Police of the City of Milwaukee, who retired from active service on June 30, 1984. Breier testifes at page 265 of the transcript:

> . . . I think responsibilities of a detective are very important, very important to the department, and, of course, my reason for being here is to say that the role of the sergeant, I heard Attorney Goeldner speak about some of the responsibilities of sergeants in his query of Detective Kiernan, and I would say that the responsibilities of sergeant are important, but in my opinion they are equally important and the pay should be also equal.

Again, at page 271 of the transcript, Chief Breier testifies as follows: "Well, even though I wasn't actively involved in negotiations, that is, I wasn't at the table negotiating, I certainly had my opinion, and my opinion was that the sergeants and detectives, although their responsibilities were entirely different, were of equal importance and that the pay should be the same."

In the opinion of the undersigned, the opinions of Chief Ziarnak and former Chief Breier are entitled to great weight in this matter. The evidence, then, consists of a former parity relationship between sergeants and detectives; job descriptions supporting a conclusion that the duties of a detective are sufficiently complex so as to warrant pay on a comparable basis with the pay of sergeants; and the opinions of the Chief of Police and the former Chief of Police that detectives should be paid on the same basis as sergeants. From the foregoing, the undersigned concludes that the Association's demand for pay equity for detectives should be granted.

Having concluded that the detectives are entitled to pay parity with sergeants, it remains to be determined when the parity should be achieved. In order to reduce the cost impact during the term of this Agreement to a minimal amount, the undersigned will defer the implementation of the parity of detectives to sergeants to pay period 23 of the year 1988. The deferral to pay period 23, and its cost impact, will be treated consistently with the manner in which costing was calculated by the Employer for the firefighters' settlement. The methodology of costing will be discussed more completely later in the Summary and Conclusion section of this Award.

ARTICLE 11 - LONGEVITY

The Association proposes longevity in the amount of $250 after 10 years of service, $500 after 15 years of service, $750 after 20 years of service and $1000 after 25 years of service in the department. The foregoing contrasts with the longevity provisions of the predecessor Agreement which provides for $250 longevity payment after 6 years service at the maximum step of a classification; $500 after 11 years of service at the maximum step of a classification; $750 after 16 years of service at the maximum of a classification. The foregoing change proposed by the Association would establish longevity on the basis of years in the department rather than time within a classification. Currently, longevity is lost when an employee moves from one classification to another, and one thrust of the Association proposal would be to prevent the loss of longevity merely because a classification change takes place.

The thresholds at which an officer becomes eligible for longevity consideration remain consistent with the predecessor Agreement under the Association proposal, because it takes 4 years to reach the maximum step of a classification; thus, the longevity moves from $250 to $500 to $750 except for the movement between classifications. The new provision proposed by the Association is the $1000 longevity payment after 25 years. Additionally, the Association proposes the deletion of provisions at Article 11, Subsection 5, which reads: "Except as provided in subsection 6 of this Article, below, payments made under the provisions of this Article shall not be included in the determination of overtime compensation or any other fringe benefits." With respect to the foregoing deletion, William Krueger, President of the Association, testified at hearing that the deletion of subsection 5 is for the purpose of overtime compensation only, and that the deletion was not intended to have any impact on any other fringe benefits as it applies to longevity payments.

The undersigned has reviewed all of the evidence with respect to the Association proposal for a modification of the longevity provisions. With respect to the deletion of the overtime exception for longevity purposes, the undersigned is persuaded to leave the exception found at Article 11, subsection 5 in place as it is stated in the predecessor Agreement. There is presently litigation pending in Federal Court between the Employer and the Association over payment of overtime pursuant to the Fair Labor Standards Act provision. Thus, the parties are in an arena to interpret the Fair Labor Standards Act as it relates to overtime compensation, and the undersigned concludes that whatever determination is made in that forum will control. Consequently, Article 11, subsection 5 will remain as stated in the predecessor Agreement until such time as it may be declared to be inoperative as a matter of law by a court of competent jurisdiction.

Turning then to the question of expansion of longevity to the 25 year threshold as proposed by the Association, the undersigned has reviewed all of the evidence adduced at hearing and has considered all of the testimony related thereto. After due deliberation, the undersigned concludes that the creation of an additional tier of longevity at $1000 for 25 years of service should be denied. The denial is made principally for two reasons. First, longevity payment exists only among the police bargaining unit and in no other unit of employees within the City. Secondly, the additional cost of an additional step of longevity after 25 years is not supported by a need to retain employees, because the turnover data contained in the record fails to support such a conclusion, and because the cost of providing the additional benefit will necessarily have to come out of the package settlement. Those costs can be more effectively and equitably assessed for the benefit of all members of the unit rather than for an increase in longevity for those beyond 25 years of service.

The undersigned has considered the final portion of the longevity demand of the Union and considers it to be reasonable. The Employer has argued that longevity was first instituted by an interest arbitrator some years back, and that it has remained unchanged in form since the interest arbitrator found longevity to be awarded because promotional opportunities were quite limited, ergo, the longevity based on time in classification. The undersigned, in analyzing all of the data, concludes that a promotional opportunity should not deny an employee that to which he had already become entitled. Consequently, the undersigned is inclined to, and does, grant the Association proposal that longevity be based on time in the employ of the Employer rather than time within a classification. The Award will provide for longevity of $250 after 10 years of service, $500 after 15 years of service and $750 after 20 years of service. Furthermore, the undersigned is of the opinion that because there are limited opportunities for advancement, there is little, if any, cost connected with the foregoing change. It follows that no cost will be assessed in granting this change.

ARTICLES 15, 16 and 74 - OVERTIME, SPECIAL OVERTIME AND FAIR LABOR STANDARDS ACT

Initially, it is noted that the parties have entered into an agreement for one modification of the overtime provisions of the Agreement, where, they stipulated to increase the "comp time" balance from 64 hours to 128 hours, effective on the execution date of the 1987-88 Agreement.

The Employer proposes two changes with respect to overtime: 1) amend the provisions of Article 15 to conform to the hold harmless language stipulated by the parties as found in Article 63 entitled Parking; 2) add a provision regarding honor guard overtime to the overtime provisions of Article 15.

The undersigned has considered the proposals of the City, and finds that consistency would dictate that the hold harmless language of Article 63 dealing with parking in general should be applicable to the overtime parking provisions found in Article 15. The undersigned, therefore, grants the City's proposal with respect to the hold harmless language revision it proposes in Article 15.

With respect to the honor guard proposal of the Employer, the undersigned has reviewed all of the record testimony and concludes that there is insufficient evidence in this record to support the honor guard proposal of the Employer, and, therefore, that proposal is denied.

Turning, then, to the proposed modifications of the overtime provisions of the Agreement made by the Association, we find the following demands by the Association:

1. All overtime be compensated at the rate of time and one-half;
2. The Association be held harmless from liability resulting from operation of court overtime provisions;
3. Compensatory overtime may be taken in one hour segments;
4. Each instance of recall to duty from off duty status shall be entitled to a minimum compensation of two hours at a rate of time and one-half;
5. All employees shall be required to stand roll call and receive roll call overtime;
6. All appearances before the Police and Fire Commission shall be paid at the rate of time and one-half;
7. Fully paid court lunch period;
8. Compensation for time period between two separate work assignments;
9. Overtime rate to be calculated using total remuneration;
10. Adding a clause to the Contract providing that the City will abide by the FLSA.

The undersigned has reviewed all of the record testimony and exhibits with respect to the Association overtime demands. The Arbitrator finds that with respect to the following the Association has failed to meet its burden of proof to establish that the changes it proposes should be adopted:

1. That the Association be held harmless from liability resulting from operation of the court overtime parking provision.

2. That each instance of recall to duty from off duty status shall be entitled to a minimum compensation of two hours at the rate of time and one-half.

3. That all appearances before the Police and Fire Commission be payable at the rate of time and one-half.

It follows from the foregoing, that the predecessor Agreement, unless modified by the stipulations of the parties, be adopted in the successor Labor Agreement.

With respect to the Association demands that all overtime be compensated at the rate of time and one-half; that court lunch periods be fully paid; that compensation be provided for the time period between two separate work assignments; that the overtime rate be calculated using total remuneration; and that scheduling off of earned compensatory time in units of one hour or more; the undersigned concludes that the provisions of the predecessor Agreement should remain unchanged, because these matters are now being litigated in Federal Court and are unsettled as to what constitutes proper compensation for overtime under the law. It is the opinion of this Arbitrator that the questions dealing with the propriety of overtime payment pursuant to law should be settled in the forum of the courts or in the forum of the agency charged with the responsibility of administering the Fair Labor Standards Act. If the contractual overtime provisions of this Agreement are deemed to be unlawful, the Employer must necessarily follow the dictates of law, and any unlawful provisions of the Agreement will be voided.

In arriving at the foregoing conclusions with respect to those items under the control of the FLSA, the undersigned has fully considered the impact of the Association proposal to make all time in excess of 40 hours per week remunerated at time and one-half. The foregoing demand of the Association exceeds the requirements of FLSA. The undersigned is of the opinion that the additional costs borne by the Employer as a result of its coverage under FLSA militates for the rejection of the Association demand in this respect. While there may be a time in the future that a contractual provision of time and one-half in excess of 40 hours should be adopted, the present negotiation is not the time to adopt such a provision.

The undersigned has further considered making the terms of FLSA arbitrable by the inclusion of the Association's demand that the City shall abide by the FLSA. At this state of the development of covered compensation under FLSA for overtime purposes as it has been determined by case law, the undersigned believes that the agency appointed to carry out and administer the terms of the Fair Labor Standards Act is better equipped than an arbitrator to make that determination. It would also seem that the consistency of determinations with respect to whether the Act has been violated is more probable if the agency responsible for administering the law were to make that determination as opposed to an arbitrator.

For all of the foregoing reasons, then, the demands of the Association relating to the Fair Labor Standards Act as recited immediately above are rejected, and the terms of the predecessor Agreement shall remain in place unless they have been modified by the stipulations of the parties.

The undersigned has also considered the Association proposal that all employees be required to stand roll call and rejects that proposal. It is the opinion of the Arbitrator that it is within the prerogative of management to determine the assignment of overtime and to determine which of its employees are required to stand roll call and which are not. Certainly, if the Employer determines that employees are to stand roll call prior to the beginning of the shift, the overtime provisions of the Contract come into play and overtime must be paid. However, if the Employer exercises its management prerogatives to schedule a straight shift for certain of the employees which the Employer determines need not stand roll call, then, it would be improper for the Arbitrator to second guess the Employer and dictate that all of the employees stand roll call on an overtime basis. Consequently, the proposal for mandatory roll call for all employees is rejected.

The undersigned has considered the deletion of the special overtime provision as it relates to Police and Fire Commission appearances at trials. The Association specifically has asked that employees subpoenaed by Counsel for the accused be paid at time and one-half for those appearances. The Association further proposes that the accused be paid at the rate of time and one-half for appearances. The undersigned is persuaded by the argument of the Employer that because the appearances of witnesses subpoenaed by the accused are put in the hands of Counsel for the accused, the determination as to who will receive time and one-half overtime is placed in Counsel's control, and, therefore, is improper. The undersigned is further persuaded by the Employer's argument that the defendant in these matters is very likely already on suspension with pay, and, therefore, to pay him at the rate of time and one-half when he is already in pay status for not performing work would be a pyramiding of payment, which would be unreasonable. Having accepted the Employer argument, it follows that the Association proposal with respect to overtime modifications of the special overtime provision as it relates to FPC proceedings is rejected.

From all of the foregoing, then, the undersigned grants the Employer proposal to modify the hold harmless language to be consistent with the hold harmless language found in the newly negotiated parking provision in Article 63. Additionally, the parties have stipulated that the comp time balance be increased from 64 to 128 hours. In all other respects, the terms of the predecessor Agreement dealing with Article 15, Overtime, Article 16, Special Overtime, and Article 74, Fair Labor Standards Act, remain unchanged from the terms of the predecessor Agreement.

ARTICLE 19 - PENSION BENEFITS

The Employer proposes the following modifications to the pension benefits:

1. Reduce the age of duty disability retirement conversions to normal service retirement from 57 years of age to 52 years of age;
2. Place a 100% final salary cap on the retirement allowance.

The Association proposes the following changes:

1. Offset of duty disability pension to be $1 reduction in benefits for each $2 earned in excess of base amount;
2. Earnings capacity in Section 36.07 (2) shall mean actual earnings;
3. Six months to exercise a protective survivorship option if employee had not elected when eligible;
4. Six months from time of marriage to elect retirement option if the employee did not elect at 25 years of service due to being not married, divorced or widowed;
5. An escalator of $100 per month after 4 years of retirement; $200 per month after 7 years of retirement; and $300 per month after 10 years of retirement;
6. Unisex table re-pick within 90 days of ratification of the Agreement;
7. The Dunn clause deleted.

Considering first the Employer proposals for modification, we look to the proposal of the Employer to modify the duty disability retirement conversion to normal service retirement from 57 years of age to 52 years of age. The record evidence establishes that the firefighters agreed to reduce the age for converting from disability retirement to normal service retirement from age 57 to age 54. The undersigned takes notice of the fact that Arbitrator Rice in the Milwaukee Police Supervisors case adopted the reduction of duty disability conversion to normal retirement from 57 years to 54 years based on the firefighters' voluntary settlement. The Association opposes the reduction, and the Employer argues that the reduction is

justified, because the savings resulting from the reduction would be credited against total package costs, thereby offsetting the wage increase and keeping the package cost settlement within the 3% parameters which the City argues should be adopted. The undersigned is unpersuaded that the conversion change should be made as proposed by the City or as voluntarily agreed to by the firefighters. The savings generated by the firefighters' reduction amounted to a 2.13% offset, or a 1988 savings in the firefighters' settlement of $928,680. This compares to a savings of .6% in the police bargaining unit for the same type of reduction. Obviously, the savings generated by the reduction from 57 to 52 in the police unit is comparatively insignificant compared to the savings generated by the same reduction in the firefighters unit. The undersigned was somewhat skeptical of the distinctions in the cost between firefighters and police, and requested that additional data be furnished in a conference telephone call with Counsel for the Association and Counsel for the Employer. That data was furnished on October 18, 1988, and confirms to the satisfaction of this Arbitrator that the relative costs of the reduction are justified. Because the costs are now found to be accurate by the Arbitrator; and because the Arbitrator now realizes that the savings to be achieved by adoption of the reduction are comparatively minor in the police unit; and because the sole purpose advocated in this record and argued by the Employer in its brief is for the purpose of reducing the package cost; and because the undersigned in the Summary section of this Award will consider other methods for reducing the cost impact of the "package" should that be deemed necessary; the undersigned rejects the Employer proposal that the age of duty disability retirement conversion to normal service retirement be reduced from 57 years to 52 years. It follows that the age to convert from duty disability retirement to normal service retirement shall remain at 57.

The foregoing conclusions are buttressed when considering the testimony of actuary Greg Skalinder, who testifies that retirement income to maintain an employee's standard of living after retirement should be in the range of 60% to 70% of preretirement pay. (TR., page 1685) Under the present retirement formulas by the Arbitrator's calculation, an employee who would convert to normal retirement from duty disability retirement at age 52 with 25 years of service or age 54 with 25 years of service, he would receive 58.75% of his final salary. 58.75% of final salary obviously falls below the 60% to 70% range testified to by Skalinder as the desirable pay level to be achieved to maintain the standard of living after retirement. If that same employee were to remain in the employ of the Employer beyond age 54 for an additional 3 years to age 57, thereby picking up an additional 3 years of credited service, he would then receive an additional 7.5% of final pay, bringing him to approximately 65.75% of final pay, the mid-point of the range testified to by Skalinder. It would seem to the undersigned that reduction proposed by the Employer at least at this time, where the 2.25% formula still applies for the majority of the 25 years, would fail to achieve the goals of 60% to 70% of preretirement pay.

Turning to the cap proposal of the Employer, the undersigned looks to the reasonableness of the proposal, and to the practices among other jurisdictions. Turning to the Justex comparables, we find at Union Exhibit No. 2, Table 30, page 58, that other pension formulas cap retirement benefits as follows: Detroit, 70%; Indianapolis, 74%; Kansas City, none; Milwaukee, none; Minneapolis, $42/80th; St. Louis, 70%; Toledo, 72%; Akron, 72%; Chicago, 75%; Cincinnati, 72%; Cleveland, 72%; Columbus, 72%; and Dayton, 72%. Thus, with the exception of Milwaukee and Kansas City, all of the other Justex comparables are capped at 75% of final pay or less. Furthermore, on its face, it seems reasonable that an employee's retirement pay should not exceed the pay received when working actively for the Employer. In the opinion of the undersigned, the evidence supports the reasonableness of the Employer's proposal to cap pension benefits at 100%, and that proposal of the Employer is granted.

Turning now to the Association proposals, we look first to the Association proposal to offset duty disability pensions at the rate of $1 reduction in benefits for each $2 earned. Employer Exhibit No. 166 is a graph showing the impact of the offset proposal of the Association. Under the present language the graph displays that an employee on disability benefits, with a hypothetical salary of $30,000 annually, would receive a pension of $22,500 and that no reduction commences until an employee makes in excess of $7500. From that point on, the pension starts to reduce dollar for dollar and is eliminated once an employee earns $30,000 or more. Under the Association proposal, City Exhibit No. 166 displays that because longevity and underlying pay are included, the $30,000 hypothetical becomes $32,000, and that an employee would be able to earn up to $32,500 before offsets of $1 for every $2 earned begin. Under the Association proposal, then, the disability pension would not be eliminated until the individual earns $77,000 annually. In the opinion of the undersigned, the Association proposal is excessive, and, therefore, unreasonable. It follows therefrom that the Association proposal with respect to a change in the offsets is denied.

The Association also proposes with respect to changes in disability retirement that the test for outside earnings be changed from earnings capacity to an actual earnings test, and that the earnings be limited to wages, salaries, commissions and tips. It is the Association who is proposing modification, and, therefore, it is the Association that carries the burden to establish the reasonableness of and the necessity for the changes it proposes. There is nothing in the record to establish that an employee has been harmed by reason of the earnings test and definition of earnings capacity as it is presently stated. Consequently, the undersigned concludes that the Association has failed to meet its burden in establishing the need for change. It follows that the Association proposal to modify the offsets on disability retirement is rejected.

The Association has proposed a post retirement escalator so as to provide an additional $100 a month after 4 years of retirement, and an additional $200 per month after 7 years of retirement, and an additional $300 per month after 10 years of retirement. The Association argues that the ravages of inflation will reduce a retired employee to poverty status if no escalators are provided. The Association further points to the Justex comparables, where those jurisdictions provide for escalators with the exception of Milwaukee. The undersigned has considered Union Exhibit No. 2, the Justex Report, where at Table 31, page 59, all of the 12 Justex comparables provide for COLA based increases with the exception of Minneapolis and Milwaukee. Milwaukee currently has no pension escalator. Minneapolis has a pension escalator that provides for pension increase at the same percentage negotiated for active duty patrolmen salaries. Thus, the Justex comparables support a post retirement pension escalator. That, however, is not the entirety of the evidence. If one looks only to the question of escalators, there is no question that the comparables support the proposal of the Association. There is, however, the distinction in the pension formulas that necessarily need to be considered, as well as the unrefuted testimony of Skalinder, which establishes that an employee, to be maintained at his preretirement standard of living needs income in the vicinity of 60% to 70% of preretirement income. Here, the record establishes that until the time of this Award, there were instances where employees retired at in excess of 100% of preretirement salary. By way of contrast, all of the other jurisdictions within the Justex comparables, except for Kansas City, have a 75% or less cap on retirement income. Thus, in some instances, Milwaukee retirees are retiring at a 25% advantage or more compared to those of the other jurisdictions. It seems to the undersigned that if pension escalators are to be considered they should be negotiated in conjunction with a further reduction in the cap on retirement income. Put another way, the proposal of the Association for an escalator appears to be looking toward the best of both

worlds, where the employees retiring from the Milwaukee jurisdiction can retire at a rate up to 100% of preretirement income, whereas, the Justex comparables, except for Kansas City, can retire at only 75%. Thus, those retiring in excess of 75% have the advantage until inflation catches up and reduces them to the equivalent of 75% of preretirement pay. It would follow from the foregoing discussion that the question of pension escalators should be negotiated, with an eye to a quid pro quo of further reduction in the cap on retirement income.

There is also testimony and exhibits in this record supporting the conclusion that in a high number of instances Milwaukee police retirees are covered by social security, in addition to the pensions they receive from the pension plan. The social security benefits are established either as a result of their benefit entitlement as a spouse of one covered by social security, or as a result of coverage in their own name by reason of sufficient quarters of social security coverage while moonlighting, or while employed after retirement from the force. Thus, in addition to the income of the pension from the Employer, a high number of retirees have entitlement to social security income which provides escalator protection for those benefits. The urgency for post retirement pension escalators is reduced by reason of at least partial escalation of benefits based on social security entitlements.

In addition to the foregoing, the undersigned has looked to the costs involved with the pension escalator proposals which are significant. In view of the high costs of the proposal; and in view of all of the foregoing discussions in the preceding paragraphs, it follows that the escalator benefits proposed by the Association should be denied for the present round of bargaining.

The Association has proposed three protective survivorship option re-picks for its membership. They are:

1. An open window re-pick where anyone who did not pick a protective survivorship option will have a six month period to do so;
2. A marital status re-pick where a change in marital status would permit an employee to make a re-pick, where the change is due to death, divorce or remarriage;
3. A unisex re-pick where employees who picked a protective survivorship option prior to August 1, 1984, get to repick.

The respective cost to the Employer for these three re-pick options is minimal. The six month open window re-pick for 1988 would cost the City $12,272. The marital status re-pick would cost in 1988 $2,134, and the unisex re-pick would cost $5,115. Thus, they are looking at proposals that generate annual cost to the Employer of $19,521 in total. The $19,521 represents something in the neighborhood of .04%.

While the mere negligible cost is not sufficient reason to grant the Association's proposals, it certainly is not a deterrent from granting them. Looking to the individual proposals, the undersigned finds merit in each of them. The evidence establishes that prior to August 1, 1984, protective survivorship options were selected based on longevity tables which distinguished between males and females for the purpose of pension benefits. Subsequent to August 1, 1984, the Employer was directed to cease using sex based tables and selections were made based on tables which provided the same pension benefits irrespective of sex. Thus, the Association proposes that those employees who wish to reselect the protective survivorship option where their initial selection was made based on sex based tables, have the opportunity to do so. The undersigned considers that the proposal has merit. Furthermore, there is in evidence Union Exhibit No. 36, which contains a transmittal letter to the Secretary

and Executive Director of the system, from the City Attorney and the Special Deputy City Attorney who specializes in pension matters. In the penultimate paragraph of the letter, we find the following: ". . . Apart from the possibility of adverse selection which is inherent in any new election, there does not appear to be a reason for not permitting a new election." A charter ordinance was drawn to permit the reselection dated May 6, 1986, and on July 23, 1986, the matter was placed on file after the City's labor negotiator filed a report with the City opposing the charter ordinance permitting the unisex reselection on the basis that changes in pension benefits should be accomplished through collective bargaining. Thus, it appears that the sole reason that the Council has not adopted what the City Attorneys have described as not appearing to be a good reason for not permitting a new election; is the fact that City Council agreed with its labor negotiator that the benefit should be bargained rather than given unilaterally. The parties have now impassed in the bargaining process, and are in arbitration. Given the attitude of the City's Attorneys with respect to the re-pick, it follows that the record supports granting the Association's proposal of the unisex re-pick, and the Arbitrator will do so.

With respect to the proposal for a marital status re-pick, we find merit in that proposal as well. Presently, at the time an employee has 25 years of service, he may elect to name his spouse under the protective survivorship option, and in the event of the employee's death after 25 years of service, but before his date of retirement, the spouse receives the benefits selected by the employee, i.e., either 100% continuation of the pension, or 50% continuation of his pension benefits, the pension benefits being actuarially reduced to provide for the options. Once that election is made, it cannot be changed, except for circumstances such as the death of the beneficiary or a divorce. Therefore, if an employee is single, and fails to select a protective survivorship option at 25 years of service, or if there is a divorce, or the employee's spouse dies, negating his selection, that employee has no opportunity to reselect a protective survivorship option until his actual retirement date when he can again choose the option. The Employer attempts to argue that there is a distinction between a death benefit and a pension benefit, and that the crossover really occurs at the time of eligibility for retirement. The Employer argues that should an employee marry or remarry after 25 years of service and not be able to establish a protective survivorship option for his new spouse he could protect the new spouse through the purchase of life insurance. In the opinion of the undersigned, the Employer argument begs the question because the same argument could be made for the elimination of the protective survivorship option in its entirety. It is clear to this Arbitrator that employees who marry or remarry after 25 years of service fail to have the same opportunity that their fellow employees who are married at 25 years of service have, i.e., the right to establish benefits to their surviving spouse. Granting the benefit, in the opinion of the undersigned, will merely confer upon those employees who were single at the point of 25 years of service, or who were married and later divorced or had their beneficiary die after 25 years of service, the same opportunities for a protective survivorship option as those employees who did not find themselves in the same circumstances as described above. For the foregoing reasons, then, the undersigned grants the Association proposal for the marital status re-pick.

Finally, we look to the Association proposal for an open window re-pick where employees who did not pick a protective survivorship option would have an open window period of six months after the execution of the Agreement to do so. At page 73 of the Employer brief, we find the following argument:

> The only people that would be interested in this open window re-pick are people who are married and failed to pick and neither did that by

mistake or they have changed their minds. If there is an instance where an individual had merely forgotten to pick or if there was in fact an administrative failure in the past, those situations could be specifically identified and permitted to re-pick. For an individual who has just changed his or her mind, it is really a classic anti-selection cases. (sic)

The Employer argument suggests that where there was an administrative failure or error of omission on the part of an individual, a re-pick opportunity could be provided. There is nothing in the plan, however, to provide for such an opportunity without specific action of the Board on an ad hoc basis. The open window proposal of the Association would afford the opportunity for these people to make the pick without placing themselves at the whim of the Pension Board. While it is true there may be anti-selection involved in the open window re-pick, it is, nevertheless, a benefit with a cost established of $12,270 in anticipation of the possibility of anti-selection. Consequently, in order to achieve the stated goal of the Employer, i.e., to give an opportunity to those who have failed to pick by reason of mistake on their part or on the part of the administration; the Arbitrator believes that the Association proposal should be granted, and the cost of the benefit assessed. Consequently, the Association proposal for the open window re-pick will be granted.

Finally, with respect to pensions, we have the John Dunn provision. The Association proposes that provisions of the retirement system be modified so as to eliminate the provisions of the retirement system which limit retirement benefits to 75% of earnings, where an employee returns to active status from duty disability status within 3 years of his minimum service retirement age. In Dunn's case, the foregoing provision resulted in a lesser benefit at 75% than the normal retirement formula would have produced for him. The Association argues that the provision creates an inequity against Dunn and other similarly situated and requests that the deletion of the provision be applied effective January 1, 1987, the commencement date of the Contract, so as to make Dunn and other similarly situated whole.

The Employer at pages 77 and 78 of its brief argues as follows:

> The MPA also seeks to delete important ERS language because one individual, Dunn, returned to active service one day during the contract period and then went on normal retirement at an amount less than had he not returned to active service. The ERS language has remained the same for years. Because one individual returned to active service one day in the contract period to avail himself of any potential increases in benefits from the new contract, or for whatever other reason, and subsequently has benefits slightly diminished, is insufficient reason to tamper with long-standing language. Any changes may have ramifications much more broad than just the Dunn circumstances. In fact, a language modification for Dunn may adversely affect future retirees in other circumstances.

The undersigned has considered the arguments of both parties, and finds the Association proposal to have merit. The Arbitrator has deliberated at some length over the Employer argument that the changes may have ramifications more broad than just the Dunn circumstances which may adversely affect future retirees, and is unable to envision those circumstances. There is nothing in the record to support the Employer argument that there may be adverse effects on future employees, if the Dunn language is deleted, and, consequently, the Employer argument is rejected.

It follows from the foregoing that the Association proposal on the John Dunn provision will be granted effective January 1, 1987

ARTICLE 21 - HEALTH INSURANCE

The Association has proposed three changes to the current health insurance provisions:

1. Improve the current unused sick leave formula for the purpose of paying health insurance premiums for retired employees.

2. The unused sick leave formula is to be applied to post age 65 coverage for retirees.

3. A retiree's surviving spouse is to receive health insurance until death or remarriage, based on the formula.

The Employer has proposed that employees who are on duty disability retirement convert at age 57 from fully paid health insurance to the unused sick leave formula instead of making that conversion at age 63 as provided for in the present Agreement.

The Association, in its brief at page 55, describes the health insurance issue as follows: "The Union demands in the area of providing health insurance benefits after retirement is perhaps one of the most sensitive issues presented to the Arbitator." The undersigned agrees with the Association characterization of the insurance issue.

A review of all of the evidence with respect to health insurance for retirees suggests that the parties need to bargain more extensively over an agreement which would meet some of the needs contained within the Employer and the Association proposals. Furthermore, the cost of the Association proposals which Employer Exhibit No. 181 represents to be $10,490,000 over the two years of the Agreement, represents an unreasonable cost to this package. Given the fact that the undersigned has concluded that the parties need to bargain further over these proposals in order to reach a mutually satisfactory accomodation; and given the fact that the cost of the Association's proposals for health insurance for retirees is excessive; and given the fact that at the time of this Award this two year Agreement will have only two more months to run, giving the parties the opportunity to address these significant issues at the bargaining table in the relatively near future; the undersigned concludes that neither party's proposals should be granted at this time. From the foregoing, it follows that the Association and Employer proposals with respect to health insurance are rejected.

ARTICLE 25 - INJURY PAY

The Association proposes that the language of the predecessor Agreement be maintained. The Employer proposes the following modification to that language:

> In all third-party claims or actions, the City shall not be limited in its recovery to the amount of temporary disability benefits which would otherwise have been payable under the Worker's Compensation Act, but shall instead be entitled to recover the amount of injury pay received by the employee.

Presently, the statute permits the Employer to collect up to 66 2/3% of the employee's base salary from a third party; however, the City pays the employee at 80% of his or her base salary during the period of injury. The intent of the proposed language is to recoup from the third party the amount actually paid to the employee as a worker's compensation benefit rather than the lesser benefit which is mandated by Worker's Compensation. The undersigned finds equity in the Employer proposal. Consequently, the undersigned grants the subrogation language sought by the Employer with respect to injury pay.

ARTICLE 31 - HOLIDAYS

The Association requests that an additional holiday be granted and be designated as Martin Luther King Day. The Association proposal would increase the number of holidays for police from 12 to 13. The Employer position is that one of the existing 12 holidays be designated as Martin Luther King Day, and that no increase in the number of holidays be effectuated.

The evidence establishes that the police, with 12 holidays, currently enjoy more holidays than employees in any other bargaining unit which bargains with the City. Thus, the internal comparables would support the Employer position. The evidence further establishes from City Exhibit Nos. 104 and 105 that the 12 holidays currently in force for the members of this bargaining unit exceed the average number of holidays of 57 cities listed in City Exhibit No. 104 (10.8 days); exceeds the average number of holidays for northcentral cities (11.4 days); and is exactly the average number of holidays for the Justex 12 comparables (12 days). From the foregoing, the undersigned concludes that the number of holidays should not be increased from 12 to 13, and that one of the existing holidays be designated as Martin Luther King Day.

ARTICLE 37 - UNANTICIPATED DUTY PAY

The Employer has proposed that the unanticipated duty pay provisions of the Contract be deleted. The Arbitrator has discussed the proposed deletion of unanticipated duty pay in the Base Salary section of this Award, Article 10. For the reasons expressed there, the unanticipated duty pay deletion proposed by the Employer is rejected.

SUMMARY AND CONCLUSIONS:

In the preceding sections of this Award, the undersigned has disposed of all of the issues raised by the parties to this arbitration. In doing so, the undersigned has awarded a 5.06% increase for each of the two years as a general wage increase, and has awarded detective parity wherein detectives are to be increased to the rate of pay of sergeants, effective Pay Period 23 of 1988. These two items constitute the major share of the package cost of the settlement. If the increase in detective pay had been awarded for the entire duration of the Agreement, we find from Employer Exhibit No. 182 that the adjustment would represent a .99% increase cost spread over the entire unit. If the 5.06% increase is awarded from Pay Period 1 in each of the years, and the detective increase were awarded from Pay Period 1 in the first pay period, we would have a general wage increase, inclusive of the detective adjustment, which would total 11.37% for the two years. In addition to these increases, there are other costs of settlement related to the Awards of the Arbitrator in the earlier sections of this Award, and related to prior agreements of the parties which were reached through the collective bargaining process which modified the terms of the predecessor Agreement. The Employer argues that the wage increase should be limited

to an approximation of 6% per year, based on the patterns of settlement with other unions with whom the Employer bargains, and more specifically, the firefighters' settlement which the Employer terms "package parity". If the Arbitrator agrees that the internal patterns of settlement should control the package costs, the package costs would exceed the 6% advocated by the Employer by an excess of 5% if the wage increases deemed appropriate by the Arbitrator become effective with Pay Period 1 each year. This raises two questions which the Arbitrator must decide: 1) Should the package cost of the Award in this matter be limited to the package costs of settlement as set by the agreements with District Council 48 and with the Firefighters?; 2) If the internal patterns of settlement are to determine the package percentage increase in the instant matter, what method should be used to reduce the 11%+ package cost to approximately 6% package cost, and what costing method should be used to make the calculations?

Turning first to the question of whether the internal patterns of settlement should control the package cost in this dispute, the undersigned concludes that the patterns established by the settlements of the Firefighters and District Council 48 are applicable here. The undersigned has reviewed the entire record and finds nothing to persuade the Arbitrator that the police are entitled to a higher package settlement than other bargaining units who bargain with this Employer. The undersigned has concluded that the external patterns of settlement among suburban police departments and the Justex 12 would support a percentage increase in the range of 3% to 4.5%. While the wage percentage increase would necessarily have to be lower than 3% in order to conform to an approximately 3% package in the instant matter; and while a wage increase per year of less than 3% would fall short of the percentage increase 3% to 4% among the suburban departments for 1988, and 4% to 4.5% increase among the Justex 12; there is the consideration of the additional lift which the 5.06% increase generates which tends to offset the shortfall to the patterns of increase among the suburban police departments and the Justex 12. The undersigned concludes that the internal patterns of settlement of approximately 6% over two years should control based on this record. However, this should not be interpreted by the parties to mean that the package patterns of settlement will always dictate the results in future years.

Having determined that the internal patterns of settlement are applicable for the purpose of determining the package cost here, it remains to be determined how to accomplish an approximation of a 3% per year package or 6% over the life of the Agreement, and the method of computing costs in order to achieve that purpose. In approaching that task, the undersigned notes the testimony of Mr. Joseph Ellis, who testifies on behalf of the Employer at page 1905 of the transcript as follows:

> No. We don't deal in terms that absolute. If a union came in and they were at 25 percent or 30 percent and we were saying at four or five, we'd probably say, well, until you guys get reasonable, we're not going to have any collective bargaining. If they were close, they were like 6.05 or 6.1 or something, there would be room to talk . . . .

Again, at pages 1906 and 1907 of the transcript, Mr. Ellis testifies as follows: "I think the three percent a year was such that you could have less than three in one year and more than three in the other year. I think the idea was to come in at around six."

From the foregoing testimony of Mr. Ellis, the undersigned concludes that the patterns of settlement are not so rigid so as to be applied to the last tenth of one percent. The undersigned agrees that in applying a pattern of settlement, a

tenth of a percent over or under the 6% level over two years still falls within the generally accepted patterns of settlement. The foregoing is buttressed when looking at total package cost settlements distinguished between District Council 48 (Employer Exhibit No. 155) and the Firefighters (Employer Exhibit No. 103). The total package cost of the settlement for District Council 48 over the two years is 5.85%, compared to a 5.93% total package cost for the Firefighters. Thus, neither settlement is precisely the same, the Firefighters' total package being approximately one tenth of a percent higher than that of the District Council 48 total package settlement. The undersigned, in structuring a settlement within the internal patterns of settlement established by the Firefighters and District Council 48, will attempt to stay within the approximate range of those settlements.

Turning to the question of how to accomplish the reduction of package costs from in excess of 11% to 6% or thereabouts, the only available method to reduce that cost is by deferring the wage increase in each of the years, since the undersigned has already concluded that it would be inappropriate to eliminate the unanticipated duty pay or to convert from duty disability retirement to normal retirement at age 54. The undersigned, therefore, will establish an effective date for the general increase later in the year in each year of the Agreement in order to accomodate approximately a 6% package overall. Before doing so, however, it is essential to determine the method of calculating the costing. There is in evidence Employer Exhibit Nos. 179 and 181 which are the costings of the Employer proposal and the MPA proposals for 1987 and 1988. The methodology in Exhibits 179 and 181 was determined by the Wyatt Company. The method used calculates first year costs, second year 12 month repeat costs, second year new costs, second year total costs and total cost over the Contract. Thus, the methodology takes into consideration the duplicated cost of the first year in the second year of the Agreement. The foregoing methods employed in Employer Exhibit Nos. 179 and 181 are acceptable costing methods, in the opinion of the undersigned. While they are acceptable methods, they are not the methods for costing that were used in costing the Firefighters' settlement as set forth in Exhibit No. 103, or the District Council 48 settlement as set forth in Exhibit No. 155. In those exhibits, the Employer calculated only the first year cost, independent of the second year cost, and only the second year cost, independent of the first year cost. Thus, when the Firefighters' increases of 3% and 2% were costed, the Employer recognized that the 2% came into effect only for the last third of each of the two years, and as a result, assigned a cost of one-third of 2% or .67% for the 2% bumps in each of the two years, and totaled them for a figure of 7.33% for the Contract duration, noting a 10.38% lift. Employer Exhibit No. 182 sets forth the percentage changes of the Association demands using the methods employed in calculating the Firefighter settlement. It is from Exhibit No. 182 that the undersigned assigns percentage values in calculating the total package cost for this settlement, as well as the independent calculations of the Arbitrator as noted.

Exhibit No. 103 calculates the Firefighter settlement as follows:

Item Changed	First Year	Second Year	Contract Duration
1. Base Salary:			
a. 1st yr. 3% March; 2% Nov. 2nd yr. 3% March; 2% Nov.	3.67%	3.67%	7.33% (10.38% lift)
b. Savings			
New lower steps	--	(0.62%)	(0.62%)
Employees without EMT I	--	(0.01%)	(0.01%)
c. Totals	3.67%	3.04%	6.71%
2. Pension:			
a. Duty Disability converts at age 54	--	(2.13%)	(2.13%)
b. Continuation of 2.5%	0.17%	--	0.17%
c. Totals	0.17%	(2.13%)	(1.96%)
3. Health Insurance:			
a. DDR full coverage until 57 rather than 63	--	(0.06%)	(0.06%)
b. Eliminate new employee partial payment	--	0.03%	0.03%
c. Totals	--	(0.03%)	(0.03%)
4. Special Duty: Hours reduction results in overtime rate increase	--	0.33%	0.33%
5. Dual Duty: 5% allowance for hours worked on dual purpose engine	--	0.01%	0.01%
6. Injury Pay: Subrogation Clause	--	(0.05%)	(0.05%)
7. Holiday: Add one holiday effective in 1988	--	0.92%	0.92%
TOTAL PACKAGE COST	3.84%	2.09%	5.93%

The undersigned has calculated the amount of deferral of the 5.06% increase each year in order to accomodate an approximation of a 6% package cost over the two years, using the methods for costing employed by the City in calculating the cost of the Firefighter settlement. In order to reduce the cost of the 5.06% general increase to a sum sufficiently under 3% to make approximately a 3% package, the undersigned calculates that it is necessary to defer the general increase until the beginning of the 12th Pay Period in each year. Using the same methodology to calculate the cost of the deferred increase as used in the Firefighter second 2% increase 5.06% deferred until the 12th Pay Period represents 15/26ths of the 5.06%.

Arithmetically, this calculates to an effective increase for each of the years of 2.92%.

Similarly, by deferring the increase of detective rate of pay to the equivalent of a sergeant's rate of pay until the 23rd Pay Period of 1988, we apply the same proration principle. Before doing so, however, it is noted that Employer Exhibit No. 182 calculates the first year cost of the detective adjustment at .99%. Because the adjustment is becoming effective in the second year, the undersigned calculates that the cost should be .92% rather than .99%, because in the second year 1% generates $635,000 compared to $590,000 in the first year. Prorating .92% for a period of 4/26ths establishes a cost in the second year for the detectives' increase of .14%, and this number will be applied. The remaining percentages to be attributed to the total package cost of settlement are those that are reflected in Employer Exhibit No. 182. The total package cost to the settlement calculated in the same manner as the Firefighters is set forth below:

	Item Changed	First Year	Second Year	Contract Duration
1.	Base Salary a. 1st yr. 5.06% effective pay period 12, 1987 2nd yr. 5.06% effective pay period 12, 1988	2.92%	2.92%	5.84%
2.	Detectives brought to parity with sergeants pay period 23, 1988		.14%	.14%
3.	Pension: a. 100% cap		(.11%)	(.11%)
	b. Continuation of 2.5%	.20%		.20%
	c. Unisex re-pick		.01%	.01%
	d. Marital Re-pick		.01%	.01%
	e. Re-pick window		.02%	.02%
	f. Eliminate John Dunn clause			
4.	Injury Pay Subrogation		(.04%)	(.04%)
5.	Auto Allowance *		(.26%)	(.26%)
6.	Parking *		.23%	.23%
7.	Life Insurance Increase *		.02%	.02%
8.	Clothing Allowance *		.04%	.04%
9.	Negotiating Time *		.01%	.01%
10.	Additional Liaison Officer *		.03%	.03%
	TOTAL PACKAGE COSTS	3.12%	3.02%	6.14%

From the foregoing, it is seen that by deferring general increase until Pay Period 12 each year, the total package cost is reduced to 6.14% over the two years, and approximates a 6% settlement as described in Mr. Ellis' testimony at pages 1905,

1906 and 1907 of the transcript. Furthermore, the undersigned has calculated the amount of additional pay to a maximum paid Firefighter and a maximum paid Police Officer over the two years of the Agreement by reason of the salary increases in the Firefighters' Agreement and awarded here by the undersigned. For the Police Officers under this Award, the 5.06% in the first year commencing with Pay Period 12 generates a total of $815. The 5.06% continued for the second year generates $1414. The 5.06% additional increase in the second year of the Agreement generates $857. A total of a $3086 increase is provided for each Police Officer at the maximum for the years 1987 and 1988, over the amounts that police officers earned in 1986. Using the same methodology for the Firefighter settlement, the 3% increase in the first year of that settlement generates $838. The 2% increase for one-third of the year generates $191 for a total additional sum paid of $1029 for the first year. The second year repeat cost of the first year's increase is $1414. The second year increase of 3% for the year is $881 and the 2% increase in the second year for one-third of the year is $201, for a total of $1082 in the second year. Over the two years of the Agreement, the Firefighters will receive $3525 more than the Firefighters at maximum pay step did for 1986. Thus, the Firefighters, under their settlement, will receive $439 in increases more than the Police will receive. The Firefighters, however, have "sold back" deferred benefits in the pension area in the neighborhood of 2%, which is not true for the Police. The undersigned, therefore, concludes that the $439 differential in salary increases paid to the Firefighters is offset by the duty disability retirement conversion to normal retirement at age 54 rather than age 57. In the opinion of the undersigned, the foregoing settlement, therefore, represents an application of the patterns of settlement as reflected by the settlements between District Council 48 and the Firefighters and this Employer.

Therefore, based on the discussion set forth above, and the record in its entirety, after considering all of the statutory criteria and the arguments of the parties, the Arbitrator makes the following:

AWARD

The Collective Bargaining Agreement between the parties for the years 1987 and 1988 is to contain the terms of the predecessor Collective Bargaining Agreement in force between the parties for the years 1985 and 1986, except for the modifications reflected in the agreements reached by the parties in bargaining as stated in their stipulations, and the following revisions awarded by this Arbitrator:

1. A 5.06% general wage increase is to be applied to all wages effective with Pay Period 12 of 1987; an additional 5.06% general wage increase is to be applied to all wage rates effective with Pay Period 12, 1988.

2. Detective pay is to be elevated to the level of Sergeant pay (Pay Range 810) effective Pay Period 23, 1988.

3. The Association proposal with respect to longevity payments of $250 after 10 years, $500 after 15 years and $750 after 20 years is granted.

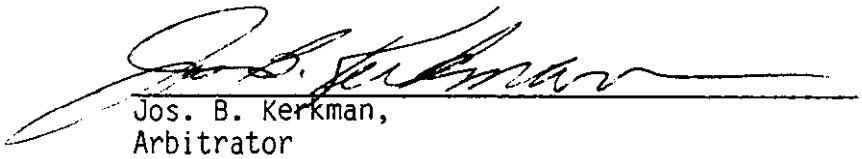
4. Overtime - The City's proposal to modify the existing hold harmless language for court overtime parking is granted.

5. Pension- The City's proposal to establish a 100% final salary cap under retirement allowance is granted. The Association's proposals for marital re-picks, a re-pick window of 6 months, the unisex table re-pick and the deletion of the John Dunn clause are granted.

6. Injury Pay - The City's proposal adding language for subrogation of benefits is granted.

7. The Association proposals concerning employees returning from duty disability retirement which provide that eligible employees be credited with time spent on duty disability retirement when computing the date on which they are eligible for longevity pay, and which provide that eligible employees be credited with time spent on duty disability retirement when computing the date on which they are eligible for pay step increases are both granted.

Dated at Fond du Lac, Wisconsin, this 3rd day of November, 1988.



Jos. B. Kerkman,
Arbitrator

JBK:rr

STATE OF WISCONSIN

BEFORE THE ARBITRATOR

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of MILWAUKEE POLICE ASSOCIATION, LOCAL NO. 21, IUPA, AFL-CIO For Final and Binding Arbitration Involving Non-Supervisory Law Enforcement Personnel in the Employ of CITY OF MILWAUKEE (POLICE DEPARTMENT)	Case No. 300 No. 39038 MIA-1237 Decision No. 24936-B

Appearances:

Kenneth J. Murray & Associates, S. C., Attorneys at Law, by Mr. Kenneth J. Murray, and Ms. Laurie A. Eggert, appearing on behalf of the Association.

Mr. Thomas C. Goeldner, Assistant City Attorney, and Mr. Thomas E. Hayes, Special Deputy City Attorney, City of Milwaukee, appearing on behalf of the Employer.

ARBITRATION AWARD:

On November 3, 1988, the undersigned issued an Arbitration Award pursuant to Section 111.70 (4)(jm) of the Municipal Employment Relations Act, wherein, the undersigned awarded at Page 38, subparagraph 2, the following: "Detective pay is to be elevated to the level of Sergeant pay (Pay Range 810) effective Pay Period 23, 1988."

Subsequent to the issuance of that Award, Counsel for the City and Counsel for the Association petitioned the undersigned to clarify his Award with respect to Detective pay, based on their revelation that Pay Range 810 exceeded the level of base pay for Sergeant. The undersigned, being fully advised of the premises; and responsive to the petition of the parties to clarify the level of Detective pay and the date on which it is to become effective; the undersigned now issues the following:

AMENDED AWARD

The reference in the Award of November 3, 1988, which speaks to Pay Range 810 for Detective pay is deleted, and Detective base pay is to be elevated to the level of Sergeant base pay, effective Pay Period 19, 1988.

Dated at Fond du Lac, Wisconsin, this 11th day of November, 1988.

Jos. B. Kerkman,
Arbitrator