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**ILLINOIS LABOR
RELATIONS BOARD**

**Before
ROBERT F. HILDEBRAND
Neutral Chairperson**

**In the Matter of the
Arbitration between:**

THE CITY OF MARION, ILLINOIS

and

**MARION PROFESSIONAL
FIRE FIGHTER'S ASSOCIATION,
IAFF, LOCAL NO. 2977**

**Hearings Held
January 30, 2001**

S-MA-00-249

INTEREST ARBITRATION PANEL:

**Robert F. Hildebrand
Neutral Chairperson**

**Jack Reed
Union Representative**

**Bruce A. Carter
Employer Representative**

DECISION AND AWARD

Appearances for the Union

Mr. Ronald McDonald, Southern District Vice President, Associated Fire Fighters of Illinois

Mr. Anthony Rinella, CAI, Assistant Chief, City of Marion Fire Department

Mr. Bruce Plumer, City of Marion, Fire Department

Appearances for the Employer

For the City of Marion:

Mr. Robert L. Butler, Mayor of the City of Marion

Mr. Robert ("Dog") Connell, City Commissioner, City of Marion

Mr. Ronald Gregory, Chairman, City of Marion Police and Fire Merit Board

This matter came to be heard before Neutral Chairperson Robert. F. Hildebrand on the 30th day of January 2001 in the Comfort Suites Conference Room, 2608 West Marion Street, Marion, Illinois. Mr. Robert L. Butler, Mayor presented for the Employer and Ronald McDonald presented for the Union.

STATUTORY CONSIDERATIONS

The following represent the statutory considerations that an arbitrator must consider in an interest arbitration under the Illinois Public Employee Labor Relations Act:

1. The lawful authority of the employer.
2. Stipulations of the parties.
3. The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
4. Comparison of the wages, hours and conditions of employment of the employees involved in the Arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
 - A. In public employment in comparable communities.
 - B. In private employment in comparable communities.
5. The average consumer prices for goods and services, commonly known as the cost of living.
6. The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

7. **Changes in any of the foregoing circumstances during the pendency of the Arbitration proceedings.**

8. **Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, Arbitration or otherwise between the parties, in the public service or in private employment.**

INTRODUCTION

This is an arbitration proceeding between the City of Marion, Illinois (hereinafter, "the City") and the Marion Professional Fire Fighter's Association IAFF Local No. 2977 (hereinafter, "the Union"). The parties' previous collective bargaining agreement was in effect from May 1, 1998 through April 30, 2000. The parties began renegotiations for a new agreement in early 2000 and after several bargaining sessions, the Union filed for mediation and then requested an arbitration hearing, which was held on January 30, 2001. The parties reached an agreement on all but four issues, which remain in dispute and are to be resolved hereunder the auspices of the Illinois State Statute pursuant to Section 14 of the Illinois Public Labor Relations Act and Section 1230.80(b) (4) of the Board's Imposed Resolution Rules.

ISSUES IN DISPUTE AND THE PARTIES FINAL OFFERS

1. Wages

Union's Final Offer: 3.5% increase effective 05/01/00; 3.5% increase effective 05/01/01; 3.5% increase effective 05/01/02

City's Final Offer: 3% increase effective 05/01/00; 3% increase effective 05/01/01; 3% increase effective 05/01/02

2. Officers Differential

Union's Final Offer: Captains and Assistant Chief differential to be increased by 1% effective 05/01/00

City's Final Offer: No change

3. Insurance

Union's Final Offer: Article X Section 10.0-maintain current contract language i.e., maintain firefighter's cost at 25% as premium contributed by firefighters

City's Final Offer: Increase firefighter's contribution from 25% to 27.5% of the premium

4. Residency

Union's Final Offer: New article to the contract between the City and the Union affecting Residency. All bargaining unit employees may live within 10 miles of the city limits of Marion. New employees must establish residency within said 10 miles limit within 18 months of hiring.

City's Final Offer: Firefighters are required to live within the City limits

DISCUSSION

1. Wage Comparables

The Union shows wage increases in comparable cities (see Union exhibit #7): in 2000 averaging 3.4% per year. The Union also cites the CPI between 1999 and 2000 was 3.4% for the year. (See Union exhibit #9). Also, the Union states further that in Midwest cities of less than 50,000 population,

for the 12 months ending in December 2000, that the CPI was 3.8% and 3.6% for November 2000.

The City on the other hand, cites its comparables which average only 3% salary increases for the year 2000. The City also states that "The record also shows that Marion's hourly wage rate is substantially more than most communities without this requested increase." But nowhere has the "record" been made available to the panel. Not surprisingly, the Union's and the City's comparables support each of their positions i.e., 3% for the City and 3.4% for the union. However, the CPI for the end of 2000 is between 3.6% and 3.8% according to the Chicago Information Office's – Midwest Economy – consumer prices (Union exhibit #11). Therefore, it is the panel's opinion that the 3% increase offered by the City for the three-year contract is not reasonable. Thus we find for the Union on this issue and agree to a yearly 3.5% increase for the three years of the new contract through 2002.

2. Officers Differential

The Union cites comparables that are mixed with percentages and discrete dollar differences. Whereas the City's comparables indicate that Marion Fire Captain's rate of 14% and the Assistant Chief's rate of 16% over the base rate far exceeds those of Collinsville, Harrisburg, Herrin, Mt Vernon and West Frankfort. Any comparison with the Police Officers contract seems irrelevant for the purposes of this interest arbitration hearing.

It is therefore, the opinion of this panel that the pay differential between firemen captains and assistant chiefs should not be increased.

3. Insurance Article 10.0

In pursuing article 10.0, Hospitalization and Medical coverage, p. 9 of "A Labor Contract Between The City of Marion, Illinois and the Marion Fire Fighters Union Local 2977 of the International Association of Fire Fighters AFL-CIO, CCC Covering fiscal years 1998-2000," (Exhibit B) we find no rationale explaining the reasons for the requirement that union members contributions go from 22.5% to 25% during the last year of the current contract. Just because that increase represented a 2.5% increase for that year, did it serve to create a precedent to increase union member's contributions on a yearly basis? The Union asserts, "the 25% contribution is the same as all other unions in the City which can be seen in Union exhibit 14 and verified in Joint exhibits D. F. and H." In addition, as the City argues, the cost of insurance premiums increases annually, so does, the dollar amount contributed by the Union members.

It is therefore, the opinion of this panel that the Union's final offer to maintain current contract language is fair and this panel so decides. The Union members' contribution to insurance premiums will remain at 25% of the premiums.

4. Residency

Now comes the final issue that must be arbitrated, i.e., the non-economic issue of residency. Prior to 1997 arbitrators were prohibited from

making decisions concerning residency. In May 1997 both the Illinois General Assembly and the Illinois Senate passed a further amendment to the Illinois Public Labor Relations Act that allowed arbitrators to issue awards regarding residency requirements in cities with a population under 1,000,000 and providing those residency requirements not allowing residency outside of the State of Illinois. See 5ILCS 315/14(i).

The Union argues that “none of the comparable cities have a requirement in their contracts that requires fire fighters to live in the city limits.” (Unions exhibit 3). The Union goes on to state that “three of the eight comparables allow fire fighters to live outside the city by contract. Further, that Collinsville requires fire fighters to move into the city limits within 18 months of hiring and then after five years they can move out of the city into the fire district. Two comparables allow 9 miles from the city, another allows residency in the school district and two others allow residency in the county” (see page 8, Union Brief).

The City argues that there exists a long unwritten policy requiring City residency for its fire fighters. Testimony to this so called “unwritten residency policy” was made by several City officials, i.e. Mr. Robert “Dog” Connell, City Commissioner, Mr. Jimmy Stewart, City Police and Fire Commissioner, Mr. Ronald Gregory, City Police & Fire Merit Board Chairman (see TR 131-133; TR 110-114; TR 150-153).

Even if one would agree that all involved knew that there was an “unwritten residency requirement,” why would this not have been put in

writing in the most recent Employees Handbook (Joint exhibit T)? And, as the Union points out, the Handbook states “. . . the only recognized deviations from the stated policies are those authorized and signed by the City council of the City of Marion or those included in a negotiated union contract or those set forth by the state or federal statutes.” (p. 9 Union Brief) It should be also noted that, while the City has argued all along that there was an unwritten residency policy, it was not until the Union introduced a residency statement in its contract proposal, that the City introduced a new residency ordinance #1783 dated November 6, 2000.

It must also be reiterated that in 1997 the General Assembly declared that residency could be the subject of an interest arbitration. (“In the case of peace officers, the arbitrators decision shall be limited to wages, hours, and conditions of employment [which may include residency requirements]). Sec., 5 ILCS 315/14 (i).

Several recent arbitration cases that have decided on residency requirements might be cited in order to put this particular case into perspective. (See for examples:) S-MA-97-141, S-MA-99-140, S-MA-99-133, S-MA- 97-150, S-MA-97-199, S-MA-98-219, S-MA-99-137, S-MA-99-128, S-MA-99-123, S-MA-98-225, S-MA-00-0138, and S-MA-98-230

Furthermore, the City’s argument that the residency requirement is necessary for a fast response by the fire fighters is refuted by the Union. According to Union spokesperson, Mr. Anthony Rinella, the “on-duty” fire fighters are the ones to respond to fires and emergencies and they were out of

the station in about 30 seconds. The off-duty personnel return to the station for back up on a scheduled rotation basis.

This panel agrees with the Unions' position that residency is a mandatory subject of collective bargaining and that any unwritten policies the City may refer to did not come about by collective bargaining.

It should be noted that after the contract negotiations with the Union began, the City passed a residency ordinance (see Joint exhibit R). That ordinance however cannot supercede the Union's right to bargain the residency issue.

This panel therefore finds that four comparables support a finding for the Union and that the Union's offer is reasonable. Fire Fighters may reside up to 10 miles outside of City limits.

FINDINGS SUMMARY

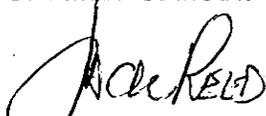
- 1) **Wages:** Panel finds for the Union
- 2) **Officers' Wage Adjustment:** Panel finds for the City
- 3) **Insurance Premiums:** Panel finds for the Union
- 4) **Residency:** Panel finds for the Union

This concludes the Arbitration Hearing #ISLRB Case No. S-MA-00-249 between the City of Marion, Illinois and the City of Marion, Illinois Fire Fighter's Association IAFF Local No. 2977.



ROBERT F. HILDEBRAND, Ph.D.
NEUTRAL CHAIRPERSON

FOR THE UNION:

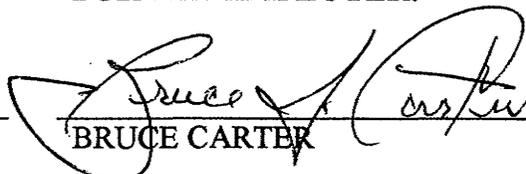


JACK REED

4/27/2001

DATED

FOR THE EMPLOYER:



BRUCE CARTER

4-27-01

DATED

"I disagree with and dissent to the foregoing Findings, Decisions and Award with respect to Wages, Insurance Premiums and Residency".

