#369
S-MA-07-014

In the Matter of the Arbitration Between

City of Venice -- and – Int'l. Union of Operating Engineers, Local 148 Case No. S-CA-07-108	OPINION AND AWARD

Before Matthew W. Finkin, Arbitrator.

This proceeding is conducted under and is controlled by the Illinois Public Labor Relations Act, 5 ILCS 315/1 *et seq.*, and specifically its provision for binding interest arbitration set out in 315/14. The City is represented by Jack P. Cranley, Esq. The Union is represented by Sherrie Schroeder, Esq. The parties have stipulated that all the procedural requirements of that section have been satisfied[1] including the lawful authority of the City over the police officers and dispatchers involved in this proceeding and the capacity of the Union to represent them. The parties have agreed to have this matter disposed of by the neutral Arbitrator.

I. The Procedural Posture

On June 21, 2007, counsel for the Union confirmed for herself and counsel for the City that this matter would be heard on July 23, 2007. On July 9, Mr. Cranley requested

[1] Section 14(d) provides in pertinent part that, "The proceedings shall be informal. Technical rules of evidence shall not apply and the competency of the evidence shall not thereby deemed impaired. A verbatim record of the proceedings shall be made and the arbitrator shall arrange for the necessary recording device. Transcripts may be ordered at the expense of the party ordering them, but the transcripts shall not be necessary for a decision by the arbitration panel." However, a stenographic record was not made; instead, the parties allowed the Arbitrator to take an account of the testimony, which, given the issue and the availability of evidence, was brief. On December 31, 2007, and January 3, 2008, the City and the Union respectively transmitted to the Arbitrator the following "Waiver of Transcript" executed by them: "The undersigned, as counsel for the parties to this dispute, hereby waive the aspect of 5 ILCS 315/14(d) requiring that a verbatim transcript of the proceedings be made and request that the Arbitrator issue a ruling based on the oral and written record before him."

for himself and counsel for the Union that the undersigned sign a subpoena for certain of the City's bank records. The subpoena was signed and transmitted the following day. On July 18, 2007, the parties agreed to postpone the hearing to allow for the gathering of additional relevant information. The hearing was accordingly rescheduled for October 15, 2007.

On September 25, 2007, the City moved for a further continuance on the following grounds:

> 1. That the City has been unable to compile reliable and complete financial information upon which a fair and equitable determination can be made regarding the City's current financial situation and wherewithal. The City recently entered into a contract with Allison, Knapp & Siekmann, Ltd. to conduct an audit for the period ending April 30, 2007. The Auditor, Larry Rose, has indicated the audit will take at least one month to complete.
>
> 2. *That only upon completion of that audit will an actual understanding and evaluation of the City's financial wherewithal be capable of being determined in an objective and fair fashion.*
>
> 3. That to proceed to arbitration with a lack of information would put the Arbitrator and the parties in an unfair position and a position of jeopardy in that any determination would be based upon incomplete information and might have a negative financial impact on the financial solvency and wherewithal of the municipality.
>
> 4. That in view of the overall circumstances, it would be inequitable and possibly unwise to proceed in a determination that may result in an additional financial burden on the already financially strained municipality.

[Emphasis added.]

The Union submitted an opposition to the City's motion arguing to the effect that delay was unwarranted on the following grounds among others:

> The City has previously delayed the instant arbitration for well over one year by refusing to produce financial information to Local 148, forcing Local 148 to file a charge with the Illinois Labor Relations Board for failure to bargain by failing to produce necessary information, and forcing Local 148 to subpoena financial documents about the City. Local 148 has now collected sufficient financial information concerning the City (all of

> which is also in the City's possession) that it can move forward with this arbitration. Apparently, that financial information is not to the City's liking, since it only decided to enter into a contract for a FY 2006 [*sic*] audit after receiving that information.

The Arbitrator decided to go forward with the hearing as scheduled in order to ascertain on the record what the state of the evidence was as of that time then to decide whether more was required. Accordingly, the hearing was held on October 15, 2007, in Maryville, Illinois. The City was represented by Mr. Cranley; the Union by Ms. Schroeder. Both parties were ably represented. A full opportunity to adduce all relevant evidence, documentary and testimonial, was afforded.

In light of the state of the evidence and the positions of the parties advanced at that time, cognizant of the discretion allowed under 5 ILCS 314/14(g), and with the concurrence of the parties, the Arbitrator allowed the parties to submit amended final offers and kept the record open for another month, until November 15, for "offers of proof on new facts." The record was accordingly kept open for a further hearing on new facts if requested by either party, failing which the record would be closed and a date set for the submission of written argument.

In November, 2007, the City submitted an affidavit of Roseanne Koelker, the Comptroller of the City, concerning insurance deductibles for the City, and further informing the Arbitrator that the audit for the City for the period ending April 30, 2007, had still not been completed.

The Union objected to the admission of Ms. Koelker's affidavit[2] and offered an affidavit of its own on an allegation of retaliation against an officer due to his

---

[2] In its objection the Union argued:

> OE 148 has no problem with the portion of the supplementary evidence that actually addresses "matters developing since the date of the arbitration," which is contained in ¶3

participation in the instant proceeding, a matter over which the Arbitrator in this interest arbitration considered himself to have no authority.

Under date of December 7, 2007, the Union informed the Arbitrator that it would not seek to examine Ms. Koelker. Ms. Koelker's affidavit was admitted for whatever evidentiary value it might have and subject to the Union's objection previously noted. The parties submitted amended final offers; the record was closed, and the parties agreed to submit written argument by December 21, 2007, which they did. The matter is now ripe for disposition.

II. The Issues Presented

The final offers of the parties deal with two issues: (1) the wage increases for the officers and dispatchers represented by the Union; and, (2) the effective date on which these increases will commence.

A. The City's Final Offer

For all employees represented in this proceeding:

From January 1, 2008, an increase of $0.50 per hour.

From January 1, 2009, an increase of $0.50 per hour.

From January 1, 2010, an increase of $0.50 per hour.

B. The Union's Final Offer

---

of the Affidavit of Roseanne Koelker, Comptroller. However, OE 148 objects strenuously to inclusion in the record of ¶¶4-6 of the Affidavit of Roseanne Koelker, Comptroller. Each of those paragraphs offers the City's slant on matters that were known to the City prior to the oral hearing in this matter that occurred on October 15, 2007 and about which the City did not request the opportunity to submit rebuttal testimony. Permitting the City to supplement its testimony in this manner will not further the interests of a speedy and just resolution of this matter because it puts OE 148 in the position of either foregoing cross-examination and subpoenaed rebuttal testimony (e.g., from the Mayor's office on the issue raised in ¶5 or from the Police Chief on the issue raised in ¶4) or delaying this already overdue matter even further.

1. For police officers, an initial increase of $1.50 per hour, with another $1.00 per hour increase on each of the next two anniversaries of the initial increase;

2. For dispatchers, an initial increase of $0.50 per hour, with another $1.00 per hour increase on each of the next two anniversaries of the initial increase.

The parties dispute the retroactive reach of the award. Section 14(j) of the Act provides that awards of wage increases are effective at the start of the fiscal year next commencing after the date of the arbitration award which, in this case, would mean that the awarded wage increases would commence on May 1, 2008. But the statute goes on to provide that if a new fiscal year has commenced after the initiation of the arbitration procedure the award "may" be retroactive to the commencement of the then fiscal year.

The City's financial statements and outside audits are for periods ending April 30. Though there is no stipulation nor testimony concerning the City's "fiscal year" within the meaning of § 14(j), from what appears the City's fiscal year runs from May 1 to April 30. Although the notice of requested arbitration was also not made part of the record, inasmuch as the Arbitrator was selected during the 2007 Fiscal Year, by operation of the Act the Arbitrator has discretion to render an award effective May 1, 2007, which the Union has demanded. Consequently the start date for the Arbitrator's award—the City's offer of January 1, 2008, or the Union's offer of May 1, 2007, is in issue.

III. Basic Facts

A. The City's Demographics

The City of Venice is located in Madison County, Illinois, across the Mississippi river from St. Louis. According to U.S. census data, in 2006 the population of the City was estimated to be 2,430, about 100 fewer that in 2000. In the year 2000, the last for official census data, the City was 93.6% black or African American. Of 950 occupied housing units, 437 were owner occupied and 513 were renter occupied; the median value of owner occupied homes was about $32,000. Fifty-five percent of those over the age of 16 were in the labor force, median family income was a little over $24,000 (in 1999 dollars), and almost 40% of the population had incomes below the poverty level. The City has a high rate of both homicide and drug-related crime.

B. The City's Financial Position

The independent auditor's Annual Financial Reports for 2005 and 2006 were entered on the record. As noted above, no audit has been made for 2007 due to a lack of adequate information. But the audits in evidence are hedged with cautions on that very ground. As the 2006 Financial Report observed:

> Except as discussed in the following paragraphs, we conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.
>
> Due to the poor condition of the financial records of the City's Police Pension Fund, we were unable to properly account for the interest income earned on the Fund's investments. In addition, we were unable to establish the total of interest income paid on these investments, which remained undeposited at April 30, 2006.
>
> The City has not disclosed the annual pension cost information for the City's Police Pension Fund in the notes to the accompanying financial

statements. Presentation of such information is required in statements presented on the modified cash basis of accounting.

The financial statements reference above do not include financial data relating to the City of Venice Public Library, a component unit of the City of Venice, which should be included in statements presented using the modified cash basis of accounting. The effect, increases or decreases, on the assets and liabilities, or the revenues, expenditures and fund balances of this omitted information has not be determined.

These audits indicate that, subject to these disclaimers, for the years 2004, 2005, and 2006, the City's General Fund has closed out each year with a deficit. The City's General Fund closed out 2004 with a deficit of $1,527,393. In 2005, revenue to the General Fund exceeded expenditures by $123,609, closing out that year's account at a reduced deficit of $1,403,784. In 2006, General Fund expenditures again exceeded revenue, by $46,445, closing out that year's account at a deficit of $1,450,229, a slight improvement in the status two years' previous.

According to the testimony of Roseanne Koelker, the City's long-time comptroller (except for a brief period), although prior to 2005 there were times when the City was unable to pay its bills from month to month, the City is currently paying its bills on a regular basis. The City's unaudited accounts for 2007 show the General Fund balance to be as follows:

General Fund Balance (2007)

May	$420,145.03
June	399,857.39
July	367,178.25
August	396,163.36
September	340,492.13

However, as Ms. Koelker testified, these figures are unaudited: they are compiled on the basis of what she was given and, given the City's inability fully to account for its funds, she cautioned that these figures may be incomplete.

Five other considerations bearing upon the City's financial condition need to be taken into account. First, the tax rate the City applies to assessed property is set at the maximum allowed by state law; thus the City lacks the capacity to increase revenue by increasing the tax rate. Second, in 2005 the City received a one-time payment from its utility company, which had failed accurately to compute the taxes it owed the City, in the amount of about $300,000. It chose to make certain capital expenditures out of this fund—the roof of the library, the roof of the senior citizens' facility, and to upgrade air conditioning—of which only the roof of the library has been attended to. Consequently, approximately $220,000 of those funds remain unexpended. Third, Mayor Avery Ware testified that the City eliminated paying medical insurance for members of the City Council which resulted in a saving of $120,000. Fourth, the City is confident that it will realize an increase in its tax base resulting from the expiration in 2008 of a tax abatement for a trucking company and the installation of wind turbines by Ameren, taxes on which are being phased in. Fifth, the City Council authorized the expenditure of $48,000, not previously budgeted, for legal fees, which sum was spent. The purpose of this expenditure was not explained on the record, but it did not involve the negotiation of this collective agreement nor the preparation for this interest arbitration.

C. The Officers and Dispatchers

The City's Police Department is composed of twelve full-time police officers and one part-time officer and four full-time dispatchers and one part-time dispatcher. The

base pay for an officer is $8.33/hour and has been so since a one dollar per hour pay raise in 2000. The dispatchers are paid minimum wage: until July 1, 2007, they were paid $6.50/hour, but thereafter they were paid $7.50/hour in compliance with a change in the law.

All newly hired officers are required to complete a ten week training program followed by four to six weeks of in service training. (Dispatchers have an 80 hour training program.) Officers are paid employees while in training though the City has a policy of recouping training costs should the officer resign short of a two year service obligation. Nevertheless, the Department has had a high turnover rate: thirteen officers and from five to eight dispatchers have quit over the past two and a half years. According to the uncontested testimony of Sgt. William Garrett, the Department needs fourteen to fifteen officers fully to staff its shifts, which are run on a twelve-hour instead of an eight-hour basis. Significant costs in overtime have been incurred even though, according to Sgt. Garrett, the staffing schedule results in fatigue and potentially unsafe conditions. Further compounding this aspect of police work, almost all the Department's officers work second jobs, and some even work a third job. Sgt. Garrett has testified to the loss of officers to other, better paying police departments in the vicinity, especially the City of Madison which pays $18/hour. It is undisputed that the City of Venice Police Department is a training ground for other, better paying police departments. Sgt. Garrett's testimony was confirmed by Chief of Police Shawn Taylor: recruitment and retention are, in his words, "big problems" for the Department.

IV. The Statutory Standards

The statute directs the arbitration panel to

base its findings, opinions and order upon the following factors, as applicable:

(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.

The lawful authority of the employer and the Union have been stipulated and such other matters as have been stipulated have been set out previously. The City relies most heavily on the third factor; but, before reaching it the other criteria must be applied, as the statutory predicates to that question.

A. Wages for Comparable Employees

The Union submitted the following which the City has not contested: that as of 2006, the average entry wage for police officers in Illinois was about $19/hour; the median wage for all officers in Illinois was about $23/hour, and for experienced officers

about $32/hour. For southwestern Illinois[3] these figures are about $16/hour, $23/hour, and $27/hour. For Madison County, these figures are about $20/hour, $24/hour, and $28/hour. The City of Venice's post-entry base wage is $8.33/hour.

The "average wage" for police officers in four communities which the Union argues to be comparable to the City of Venice, are set out below:

Average Wage (2006)	
Alerton, Ill. (pop. 2,620)	$9.14/hour
Roxana, Ill. (pop. 1,504)	$18.70/hour
Centerville, Ill. (pop. 5,837)	$10.00/hour
Washington Park, Ill. (pop. 5,435)	$15.00–16.00/hour

The City contests the relevance of these data:

> The only truly comparable factors [in the Union's offer of proof] were population and physical and geographical proximity and not financial assets, resources, economic conditions, and/*or ability of said comparable communities to pay wages.* Simply because a community has similar population and geographical proximity does not in any reasonably or factual way have anything to do with the community's comparable or respective abilities to pay wages of their police officers.

Brief of the City at 3 (emphasis added). However, the City offered no "comparables" of its own.

Insofar as the italicized portion is concerned, the City's argument conflates two separate statutory standards. If the City of Venice's police were being paid better or were

[3] *I.e.*, Bond, Calhoun, Clinton, Jersey, Madison, Monroe, Randolph, St. Clair, Washington Counties according to the Illinois Department of Employee Security (IDES).

as well paid as other comparable police departments under the City's last offer then the Union's demand would be excessive, measured by the standard of comparability. In that case the award need not be concerned with the ability of the City to meet the cost of the Union's demand. The ability to pay standard is implicated when the Union's demand would bring the public employer into closer conformity with the wages prevailing in comparable communities. Of course, the City is free to contest the want of comparability on the ground that the communities the Union relies upon have elements including economic elements such as their tax bases, that distinguish them from the City of Venice; but it has offered no evidence on any such ground to distinguish the communities the Union relies upon other than resting alone on the assertion of a want of comparability. In sum, on the evidence presented there is no doubt whatsoever that the police officers of the City of Venice are significantly underpaid as compared to Illinois generally, southwestern Illinois generally, Madison county, and the average of arguably comparable communities in the geographic labor market.

B. "Cost of Living"

The Union points out that the Consumer Price Index (CPI) nationally has increased 22.6% since the officers received their last pay increase in 2000. The City does not contest that the officers "as well as all other City employees, deserve an increase in wages" on that ground. Brief of the City at 3. Thus the evidence is uncontested that the officers have endured a significant loss of purchasing power over the past six or seven years.

C. "Overall Compensation"

The City notes that all full-time employees are provided non-contributory health coverage which it argues is "a significant and valuable benefit to all employees in today's environment in any private or public sector position." Brief of the City at 3. The Arbitrator takes notice of the soundness of the City's observation. *2006 Employer Bargaining Objections*, DLR Report No. 21 at S-17 (Feb. 1, 2006) (60% of employers report intention to bargain with unions to increase employee medical benefits cost-sharing). However, the City did not challenge wage comparability on this ground, *i.e.*, that the other Madison county communities the Union relied upon impose medical cost-sharing that offsets the wage disparity between the City of Venice and these communities. Further, the problem of officer turnover, which the testimony connected to the City's low pay rate has, obviously not been mitigated by the availability of this component of compensation.

On the other hand, the Union makes much of the fact that the City's sole full-time firefighter is paid $10.62/hour, more than $2.00/hour more than police officers. *I.e.*, that as comparison to other City employees is a statutory factor this particular disparity militates toward the Union's position. Brief of the Union at 9. Inasmuch as only one non-police employee is involved the comparison is of slight weight.

D. Change in the "Foregoing Circumstances" During the Pendency of the Arbitration Proceeding

The City argues that despite some circumstantial change, "the overall situation has remained the same." Brief of the City at 4. The City goes on to argue that

> Per testimony of the Comptroller, she was previously appointed as Comptroller and then removed from that position during the pendency of the arbitration and subsequently elected by the citizens of Venice and reinstated to the position of Comptroller. Her testimony was that she had not yet been assured that all documents and financial records of the City

> during her period of absence had been produced to her and made available to her are a significant change in circumstances.
>
> Further, during the pendency of the proceedings, there has been a continuing struggle in the hierarchy of authority and accountability amongst City officials and the Police Department. The struggles have had broad implications, including allegations by the City council that certain individuals had been hired, and allowed to act as police officers, without proper authorization or approval of the Police Committee and unbeknownst to the City Council, creating a special and unique risk to the City.
>
> Further, during the pendency of the arbitration, the City has been notified of an obligation to securitize deductibles for liability insurance claims. The City also has undetermined obligations to the IRS for employment related taxes accrued during 2006.

Brief of the City at 4.

The City's political turmoil and its continuing inability to get a handle on its finances is not a "change" bearing upon any of the statutory criteria the Arbitrator is directed to apply.

E. "The Interests and Welfare of the Public and the Financial Ability of the Unit of Government to Meet Those Costs"

This requires consideration of three factors: (1) the costs the final offers would impose; (2) the ability of the City to meet those costs; and, (3) how the "interests and welfare of the public" would fare by the imposition of one or the other.

1. cost

The parties have not costed out their final offers. A rough estimate, based only on full-time police officers (of whom currently there are twelve) and full-time dispatchers (of whom currently there are four) that does not take account of overtime which, though a potentially significant add-on to base pay is highly speculative, nor of turnover, which has been high and which reduces the wage (and benefits) bill to the extent of a hiatus in replacement, is set out in Table 1.

Table 1

Cost Differentials in Base Pay[4]
(full time only)

Year One

City	Union
Officers: $220,400	Officers: $245,400
Dispatchers: $66,600	Dispatchers: $66,600
TOTAL: $287,000	TOTAL: $312,600

Year Two

City	Union
Officers: $232,900	Officers: $270,300
Dispatchers: $70,700	Dispatchers: $74,900
TOTAL: $303,600	TOTAL: $345,200

[4] The calculation is based on 80 hours per pay period times 26 periods times the current number of full-time officers and dispatchers, rounded to the nearest $100. The dollars per hour for each employee under the respective final offers are:

Year One

City	Union
Officers: $8.83	Officers: $9.83
Dispatchers: $8.00	Dispatchers: $8.00

Year Two

City	Union
Officers: $9.33	Officers: $10.83
Dispatchers: $8.50	Dispatchers: $9.00

Year Three

City	Union
Officers: $9.83	Officers: $11.83
Dispatchers: $9.00	Dispatchers: $10.00

Year Three

City	Union
Officers: $245,400	Officers: $295,300
Dispatchers: $74,900	Dispatchers: $83,200
TOTAL: $320,300	TOTAL: $378,500

The consequent cost differentials to the City between the City's and the Union's positions are set out in Table 2.

Table 2

Cost Differential of the Union's Offer Over the City's in Base Pay
(full time only)

Year One—$25,000

Year Two—$41,600

Year Three—$58,200

For the life of the agreement, the Union's offer would add at least something on the order of an additional $125,000 to the City's expenditures over the City's offer. Inasmuch as the City's expenditures come to about one and a half million dollars a year, the Union's offer would add about 2.8% to the City's budget for the life of the agreement.

2. ability to pay

Inability to pay is a defense to a demand for a pay increase. The accepted rule in interest arbitration has been stated by the leading treatise thusly:

> Employers who have pleaded inability to pay have been held to have the burden of producing sufficient evidence to support the plea. The . . . failure to produce sufficient evidence will result in a rejection of the plea.

ELKOURIE & ELKOURIE, HOW ARBITRATION WORKS 1431 (Alan Rubin ed., 6th ed. 2003) (citations omitted).

The City has made as good a case as it could for the proposition that it is unable to absorb the additional cost of the Union's demand. But, starting with the City's request for a continuance in July 2007, running through the evidence presented, and concluding with the City's final argument, the stark fact is that the City has been unable to marshal, or even fully to grasp, its financial condition. As the City candidly acknowledges, "After focused review of financial information available to City council members, it determined that it is virtually impossible to determine what effect a wage increase, as requested by the Union, would have on the overall financial health and wellbeing and solvency of the City." Brief of the City at 5.

The evidence the City has been able to produce is equivocal: the City has been running a variable annual deficit that rolls over from one year to the next and it is unable to raise taxes; but, the City's current fund account appears to be healthy and the real prospect of a broadening of the tax base is uncontested. Given the state of the record and the City's candid admission, supported in the testimony, the Arbitrator cannot but conclude that the City has not met its burden to prove that it is unable to pay the Union's last offer.[5]

3. welfare of the public

---

[5] *Cf.* ELKOURIE & ELKOURIE, *supra* at 1434–35:

> In granting a wage increase to police officers to bring them generally in line with police in other communities, an arbitration board recognized the financial problems of the city resulting from temporarily reduced property valuations during an urban redevelopment program, but the board stated that a police officer should be treated as a skilled employee whose wages reflect the caliber of the work expected from such employees. The board declared that it "cannot accept the conclusion that the Police Department must continue to suffer until the redevelopment program is completed."

Citing Borough of Turtle Creek, Pa., 52 LA 233, 235 (McDermott, Zollner & Hutskow, 1968). *See also* City of Southfield, Mich., 78 LA 153, 155 (Roumell, Jr., 1982) (quoting Arbitrator Gabriel Alexander).

Understandably, the Union makes a strong argument to the special claims of the police: to the community's need for security in so high a crime area, and serious crime at that; to the stressfulness and dangers of the job; and to the cost of high turnover due to substandard pay, to the fact, as testified to, that the City of Venice is being used as a training ground by other, better paying departments. Brief of the Union at 11–13.

The City recognizes "the impact that low wages have on [police] officers" and it acknowledges that the City "is a training ground for officers to move to other locations." Brief of the City at 4. But it is skeptical that the latter situation would be addressed by a rise in pay. *Id.*

We cannot know whether a more than *de minimis* raise in pay would in fact ameliorate the situation. But the evidence shows unequivocally that the City is ill-served by its current wage policy: it incurs high costs for training officers during which it loses the value of their services even as it must compensate them; and, once trained, they move on requiring the City to recruit and train yet another cohort. The evidence is uncontradicted that the City's current wage is well below comparable communities, that the officers have suffered a significant erosion in income, and that the current wage is an obstacle to recruitment. The conclusion is ineluctable that the welfare of the public is better served by the Union's than by the City's offer.

V. Implementation

Although the application of the statutory standards to the facts of the instant case drive inexorably toward the Union's position as better comporting with the statutory standards on the question of wages than does the City's, the timing of the implementation of the award is a separate matter. The Arbitrator reviewed earlier the statutory provision

on implementation. The Union would have the award operate retroactive to May 1, 2007, which is statutorily allowable. The City would have it operate retroactive to January 1, 2008.

The City is still trying to get its financial house in order. Inasmuch as the officers and dispatchers will be paid according to the Union's last offer for the full three year life of the collective agreement, the City's need to adapt its current budget to the award in the short term is better served by adopting the City's position.

AWARD

The Union's last offer on wages is awarded. The City's last offer on the effective date of these wage increases is awarded. *Viz.*

As of January 1, 2008, the base pay for officers of the City of Venice police department will be increased by $1.50/hour.

As of January 1, 2009, the base pay for officers of the City of Venice police department will be increased by $1.00/hour.

As of January 1, 2010, the base pay for officers of the City of Venice police department will be increased by $1.00/hour.

As of January 1, 2008, the base pay for dispatchers of the City of Venice police department will be increased by $0.50/hour.

As of January 1, 2009, the base pay for dispatchers of the City of Venice police department will be increased by $1.00/hour.

As of January 1, 2010, the base pay for dispatchers of the City of Venice police department will be increased by $1.00/hour.

Matthew W. Finkin
Arbitrator

11 Feb. 2008
Date