



In The Issue Of Arbitration
Between

Employer

City of Blue Island
Blue Island, Illinois

Union

Blue Island Professional
Firefighters Association

Illinois State Labor Relations Board

Interest Arbitration
Contract Renewal
Four (4) Issues

Findings and Awards

Parties submitted Post Hearing Briefs; all time
considerations acknowledged as per Neutral Chairman's
consideration.

Case Presentation - Appearances

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Union

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Jo Ann Harmann Daleo

Parties agree to waive the 30 day time requirement for purposes of Neutral Chairman of Arbitrations availability and time to render decision by September 30, 1993.

The issues involved for the Panel and its Neutral Chairman to dispose of and make a decision are as follows:

1. Wages
2. Retiree Health Insurance
3. Maintenance of Standards
4. Minimum Shift Manpower

In categorizing the above issues, the panel and its Chairman have reached certain conclusions using the various testimony provided by the parties in hearings held on March 25, 1993 and April 26, 1993. Much evidence and testimony have been given on each major issue considering both economic and non-economic issues. The panel and its Chairman have designated and made considerations for such determinations and decision.

The Act, namely the Illinois Public Labor Relations Act, specifies the guidelines of the decisions to be rendered under Section 14, G & H, January 1992.

"G. At or before the conclusion of the hearing held pursuant to subsection (d), the arbitration panel shall identify

the economic issues in dispute, and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last offer of settlement on each economic issue. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive. The arbitration panel, within 30 days after the conclusion of the hearing, or such further additional periods to which the parties may agree, shall make written findings of fact and promulgate a written opinion and shall mail or otherwise deliver a true copy thereof to the parties and their representatives and to the Board. As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in subsection (h). The findings, opinions and order as to all other issues shall be based upon the applicable factors prescribed in subsection (h).

- H. Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and the wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the

arbitration panel shall 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 needs.
- (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 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."

The Position of the Parties are as follows:

1. **Wages**

City of Blue Island

Last offer for settlement \$1350.00 per year for the remaining two years.

Firefighters of Blue Island

7% wage increase in each year for the remaining two years.

2. **Retiree Health Insurance Premium Payments**

City of Blue Island

Reduce the existing benefit so as to pay retirees health insurance if retiree is age 55 or older and has 20 years of service.

Firefighters of Blue Island

Keep existing benefit in old agreement for retirees

health insurance to be paid for regardless of age with retiree having 20 years of service.

3. **Manpower**

City of Blue Island

The issue is outside the authority of the arbitrator to render a decision. Keep existing four-person requirement as designated by management.

Firefighters of Blue Island

Issue is in the realm of arbitration and authority for decision. For a period of one year maintain a five-person shift. The issue to be reopened for negotiations at the end of one year period if the overtime costs increase more than 20% over the actual overtime costs paid during the 1991-1992 fiscal year.

4. **Maintenance of Standards**

City of Blue Island

No general provision in effect for a maintenance of standards provision. Firefighters are to identify each standard in question to be maintained and bargain on the individual maintenance of standards issue.

Firefighters of Blue Island

Adopt a general provision and language to maintain standards and benefits in effect and maintain such standards which may effect pay, hours or conditions of work and such changes to be made only after bargaining by the parties.

The Panel and the Neutral Chairman will make the decision on a reverse order as to the issues presented.

1. The area of manpower is a question which involves much deeper evidence as testimony was given by the Blue Island Professional Firefighters Association on a video tape and was introduced to the Panel for viewing (copy supplied). The evidence itself doesn't give the Panel or its Neutral Chairman the full authority to make decision in interpreting the Illinois Public Relations Act 14-i as to making a decision on manpower. The reflection on wages, hours and conditions of employment remain the main trust. The issue is mainly one that the City of Blue Island has control over unless other circumstances develop. Illinois Labor Relations Act Rev 1993; Ch 48-1614 (i). In the case of Firefighters and given department or fire district paramedic matters, the arbitration shall be limited to wages, hours and conditions of employment and shall not include the following matters: (i) residency requirements; (ii) the type of equipment (other than uniforms and fire fighter turnout gear) (iii) the total number of employees employed by the department.

The decision and Award is for the City of Blue Island on the issue of Manpower by the Panel and its Neutral

Chairman as the City of Blue Island's last and best offer.

2. The next issue is the maintenance of standards. The question of both past practices and changes provide for a real issue of what "standards" are in effect or prevalent in the evidence projected.

Standards or "Maintenance of Certain Benefits" are often disguised or unknown by both parties. In testimony given by the Blue Island Professional Firefighters, parties presented no key items. No exchange had taken place during negotiations, but an exchange of language by the Blue Island Professional Firefighters versus the City of Blue Island was discussed.

The issue of Maintenance of Standards has an area of grievance procedure which was discussed during testimony given and resolved. Until the Parties jointly have a clear understanding of what Maintenance of Standards they are referring to, a question will always arise and be a matter for grievance procedure or other avenues of resolution would have to take place.

The Neutral Chairman and Panel render the Award on this issue based on the City of Blue Island position regarding the Maintenance of Benefits issue in last best

offer. Award last proposal City of Blue Island on the issue of maintenance of Standards by the Panel and its Neutral Chairman.

3. The next issue is Provision for Retiree Health Insurance. In dealing with this issue one must ascertain which came first, the chicken or the egg. Basically, the provision for Retiree Health Insurance has been in effect over a period of time as a benefit negotiated and agreed upon between the parties in previous negotiations. It has been in place for many years according to the Fire Chief of the City of Blue Island, Illinois.

Bargaining is a give and take by the parties, but as all practitioners know, there are issues which are often left in order to go on and reach an agreement or they become obstacles for a settlement. The issue raised before the arbitration panel certainly is categorized as an inflexible item on both sides.

In looking at and hearing the respective testimony, the most eloquent testimony by the Chief of Blue Island, as to this benefit certainly put the Firefighters in a separate category as to its Insurance Premium benefit.

In many instances trying to match benefits is a most difficult task. City management certainly is taking cost into consideration for the entire work force. On the other hand, the Firefighters have had this benefit, as attested to by the Blue Island Fire Chief, for approximately 26 years.

This issue is most difficult for the Panel and its Neutral Chairman as the Parties have made their last best offer at opposite ends of a spectrum of insurance costs and inequities. On the one hand the City is involved in cost, while the Firefighters are looking for long term protection. Bargaining has been and is a way to resolve differences if not now, then sometime in the future.

The award is to the last best proposal of the Blue Island Firefighters providing for Retiree Health Insurance to be maintained as proposed by the Blue Island Professional Firefighters Association.

4. The next issue is Wages. Much testimony has been given regarding this issue as to financial records and testimony on the cost of living factor, Village Assessment expenditures, population and comparison to other townships in relation to firefighter pay.

It is often difficult to compare various cities as no matter how comparisons are made, there are differences in size of work force, community coverage, and other areas which the Firefighters of the City of Blue Island deal with.

The one factor to which all parties seem to agree is a two year wage increase for the years of 1993, May 1 to 1994, May 1 and 1994, May 1 to 1995, May 1. There seems to be no real difference in the understanding as to the first year lapse due to Ill Rev Stat (1993) Ch. 48 1614 J.

"Arbitration procedures shall be deemed initiated by the filing of a letter requesting mediation as required under subsection (a) of this section. The commencement of a new fiscal year after the initiation of arbitration procedures under this act, but before the arbitration decision, or its enforcement, shall not be deemed to render a dispute moot, or to otherwise impair the jurisdiction or authority of the arbitration panel or its decision. Increases in rates of compensation awarded by the arbitration panel may be effective only at the start of the fiscal year next commencing after the date of the arbitration award. If a new fiscal year has commenced either since the initiation of arbitration procedures under this act or since any mutually agreed

extension of the statutorily required period of mediation under this act by the parties to the labor dispute causing a delay in the initiation of arbitration, the foregoing limitations shall be inapplicable, and such awarded increases may be retroactive to the commencement of the fiscal year, any other statute or charter provisions to the contrary notwithstanding. At any time the parties, by stipulation, may amend or modify an award of arbitration." Ill Rev Stat (1993) Ch 48 1615 (Emphasis supplied).

The City of Blue Island's last best offer of \$1350.00 for the years of 1993-1994 and 1994-1995 as fiscal years apply, are based on a bonus rate with no consideration for various levels of pay and positions held for years of activity by each individual as part of the City of Blue Island Fire Department.

Taking into consideration that the first year has been discounted by both sides the question becomes 'Should the Blue Island Professional Firefighters Association and its members be given any consideration for the absence of an increase the first year of this agreement?'

It is unlikely that the City of Blue Island is out to punish its Firefighters and certainly seeks a just way of settlement. In gauging the various townships, the arbitrator has looked at the following communities:

| | Community | Start | Max | Yrs to Max |
|-----|---------------|--------|--------|------------|
| 1. | Forest Park | 24,297 | 40,296 | 5 |
| 2. | Matteson | 29,772 | 39,945 | 5 |
| 3. | Hazel Crest | 25,000 | 39,000 | 9 |
| 4. | Oak Forest | 26,000 | 36,380 | 6 |
| 5. | Burbank | 25,000 | 35,700 | 6 |
| 6. | Park Forest | 26,918 | 35,253 | 4 |
| 7. | Riverdale | 25,600 | 34,650 | 5 |
| 8. | Chicago Ridge | 25,692 | 34,483 | 4 |
| 9. | Midlothian | 25,000 | 32,437 | 6 |
| 10. | Roberts Park | 28,409 | 32,119 | 4 |
| 11. | Blue Island | 21,498 | 31,520 | 3 |
| 12. | Worth | 24,800 | 30,427 | 4 |

Looking at the chart above, Blue Island is very low at its hiring level and maximum, although it is noted that the top increase is reached at the end of the third year and beginning the fourth. As the chart indicates above, the level of various communities seems to put the City of Blue Island at the lower end of the spectrum on wages.

The criteria for wage increases varies with each community. The City of Blue Island has kept a level of benefits comparably in line with many of the communities except the wage amount as testified to the panel and its Neutral Chairman with explicit testimony given by both sides.

Questions of ability to pay have been neutralized by the facts given in testimony as a positive City fund balance of \$628,000 has been indicated by testimony and also presentation of evidence in exhibits furnished.

In considering the proposed increases of the City of \$1350.00 for year 1993-94 and \$1350 for year 1994-95, taking the Neutral Arbitrator has considered its application has merit in regard to the Firefighters position of 7% and 7% for the respective years of 1993-94 and 1994-95. The issue becomes one of which last and best offer in the mind of the arbitrator, namely the Neutral Chairman, is closest to a reality of fairness. It is often that the real mark of an equitable wage settlement is really in limbo for both parties and not just the arbitration panel.

Award, after due consideration, is to the last proposal stated by the Blue Island Professional Firefighters Association and should be adopted, namely 7% on the base

of \$31,520 for the year of 1993-94 and 7% for the year of 1994-95 compounded.

The panel members and I as the Neutral Chairman express a thank you for the patience of the parties awaiting this final decision arrived at by the panel with the Neutral Chairman issuing this award dated September 16, 1993.

Signed,


Bruno T. Kozlowski, Sr.
Neutral Chairman

Panel Members

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