ILLINOIS STATE LABOR RELATIONS BOARD

INTEREST ARBITRATION

In the Matter of the Arbitration between PLEASANTVIEW FIRE PROTECTION DISTRICT and LOCAL No.1, SERVICE EMPLOYEES INTERNATIONAL UNION, PLEASANTVIEW FIREFIGHTERS	Before Harvey A. Nathan Arbitrator

Hearing Held:	May 5, 1994 July 18, 1994
Briefs Filed:	August 23, 1994 (Union) September 12, 1994 (District)
For the District:	Vincent Cainkar, Law Offices of Louis F. Cainkar, Ltd.
For the Union:	Kenneth Munz, Representative

O P I N I O N   A N D   A W A R D

I. INTRODUCTION

This is an interest arbitration proceeding held pursuant to Section 14 of the Illinois Public Labor Relations Act (5 ILCS 315/14), hereinafter referred to as the "Act," and the Rules and Regulations of the Illinois State Labor Relations Board. The parties are the Pleasantview Fire Protection District, hereinafter referred to as the "District," and Service Employees Local No.1, affiliated with the Service Employees International Union, AFL-CIO, hereinafter the "Union." The parties have waived a three member panel of arbitrators in favor of the undersigned acting as the sole arbitrator. A pre-hearing conference was held on May 5, 1994, at which time the economic issues were identified and the parties agreed to exchange final offers on July 8th. The hearing was held at the District's headquarters on Plainfield Road in LaGrange Highlands on July 18, 1994, and the proceedings were duly transcribed as required.[1] Briefs were submitted to the arbitrator on August 23 and September 12, 1994. The parties agree that the case is properly before the arbitrator. This award is submitted to the parties within the time limits provided by the Act.

The Employer is a fire protection district established pursuant to the Fire Protection District Act, 70 ILCS 705/0.01, _et_

[1] At the outset of the hearing, it came to light that there was a misunderstanding as to the issues. The Union incorrectly believed that its salary proposal for each year of the contract was a separate issue. After the arbitrator ruled that the District was correct in its belief that salaries for all three years of the contract was one issue, the parties agreed that the Union would re-submit its final offer on salaries.

seq. The District is located primarily in Cook County with a small portion in DuPage County. It covers approximately 15 square miles including all or parts of the communities of Countryside, Hodgkins, Burr Ridge, Indian Head Park, Willowbrook, unincorporated Hinsdale and an unincorporated area of Lyons Township known as LaGrange Highlands. The District's resident population is about 22,300, but according to the Union the District has about 50% commercial property and this greatly increases the daytime population.

The District provides fire suppression, fire prevention and emergency ambulance (paramedic) services, operating from four stations: LaGrange Highlands, Burr Ridge, Hodgkins and Countryside.[2] The District's command structure consists of a chief, one deputy chief, 3 battalion chiefs, and three captains. The bargaining unit is composed of six lieutenants and 21 firefighters or firefighter/paramedics.[3] Additionally, the District contracts with Paramedic Services of Illinois which supplies 15 paramedic/firefighters, although it is anticipated that this will decrease to 12 in the near future.[4] The District also utilizes paid-

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[2] The District's governing body is an elected three member Board of Trustees.

[3] The appointment, promotion, suspension and discharge of all full time fire personnel employed by the District, except for the chief, is under the jurisdiction of a three member appointed Board of Fire Commissioners.

[4] These contractual employees are primarily engaged in providing emergency ambulance service. Although nominally employed by Paramedic Services, the contractual employees are under the direction and control of the chief and his command structure.

on-call and volunteer firefighters as the need arises.[5] The District owns five fire engines, twelve fire trucks, three ambulances and assorted other vehicles. Last year it responded to 2,800 calls, about half of them for emergency medical services.[6]

Bargaining unit employees and the contractual paramedics work 24 hour shifts followed by 48 hours off. These "platoon" system employees receive six Kelly Days each year, which is a little less than one every 18 shifts. Employees are required to live within Cook, DuPage or Will Counties.

The Union was certified as the bargaining representative for all full time firefighters below the rank of captain. Although the certification date does not appear in the record, it was made in Case No. S-RC-90-53. The parties' first agreement was signed on August 13, 1991, and was for the period of July 1, 1990 to June 30, 1993. The agreement at issue in this case will be effective July 1, 1993, and expire on June 30, 1996. The parties have agreed to all terms of the new agreement except for three items: Salaries, Kelly Days and Insurance.

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[5] Additionally, the District employs four communication dispatchers, three inspectors, three administrative support personnel, one mechanic and one training/safety officer. None of these employees are represented for bargaining purposes.

[6] The District is a member of Division 10 of the Mutual Aid Box Alarm System ("MABAS"), an organization of fire departments which automatically respond to each other's emergency needs.

II. THE ISSUES

The respective positions of the parties on the three issues are as follows:

	District	Union
1. Salaries	Eff. 7/1/93 - 3% Eff. 7/1/94 - 3% Eff. 7/1/95 - 4% Increases effective for all steps <u>except</u> the entry level firefighter	Eff. 7/1/93 - 5% Eff. 7/1/94 - 4% Eff. 7/1/95 - 5% Increases effective for all steps <u>including</u> the entry level firefighter
2. Kelly Days	No change - 6 per year	7/1/93 - no change 7/1/94 - 7 per year 7/1/95 - 8 per year Commencing 7/1/94, Kelly Days will not be counted for overtime purposes
3. Health Insurance	Eff. 7/1/93 District 100% single premium and 75% of dependent premium	Eff. 7/1/93 District pays 100% single and dependent premium Eff. 7/1/94 District pays 100% single premium and 95% of dependent premium

III. STATUTORY REQUIREMENTS

The applicable provisions of Section 14 of the Act are as follows:

(g) At or before the conclusion of the hearing ***, 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 this issues are economic shall be conclusive. The arbitration panel, within 30 days of 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 offer 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 orders 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 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 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 nd 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.

IV. FINANCES

The District does not make in inability to pay argument in this case. It acknowledges that it has the ability to pay the Union's proposal. Nonetheless, financial ability is a relative concept and as a statutory factor to be considered by the arbitrator, the District's finances should be reviewed.[7] In this case, the District, while operating at a surplus, cannot be said to be flush. For the year ending June 30, 1994, the general corporate fund had revenues of $1,903,929 against expenditures of $1,785,096, yielding a surplus of $118,833. The ambulance fund had revenues of $1,722,213 and expenditures of $1,679,318, or a positive balance of $42,894. However, these are the amounts before the increases to be determined in this case are added. Moreover, although only the ending fund balances were supplied, it is clear that the District's financial condition at the beginning of this new contract was much less favorable. On the other hand, while the District is currently taxing at or near its maximum allowable rate, its EAV has been steadily increasing. In 1992 the EAV was $562,454,510, which is nearly 40% more than it was in 1988.

For the past several years the District has grown (financially) at a rate greater than that of inflation. Under any of the standard measurements, the rate of increase in the CPI for the year ending June 30, 1994, was under 3%. However, while some

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[7] As one of several factors outlined by the Act, merely because an employer has the ability to pay the more expensive proposal does mean that that proposal should be accepted. The appropriateness of a proposal is determined by all of the relevant factors.

forecasters predict that the following year will still be below 4%, there has been more than ample evidence that the growth rate in early 1995 will be above 4%.

V. COMPARABILITY

Among the factors to be considered are the wages, hours and conditions of employment of employees of other employees performing the same work as the unit in question. To a lesser extent, the wages and working conditions of other employees of the employer are also relevant for consideration. However, because of the special nature of firefighting services and the limited function of a fire protection district, comparisons with other District employees is neither practical nor relevant. Most of the remaining employees are either unsworn or they are part of the District's management team. On the other hand, a pattern of increasing wages and benefits to supervisory and other employees which is out of proportion with those negotiated for the bargaining may have an effect on the appropriateness of the employer's offer.

With regard to external comparability, it has been suggested that it is the most significant of the factors to be considered in interest arbitration.[8] The appropriateness of one offer over

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[8] Laner and Manning, "Interest Arbitration: A New Terminal Impasse Procedure for Illinois Public Sector Employees," 60 Chicago-Kent L. Rev. 839 (1984). This conclusion was cited with approval by Elliott Goldstein in City of DeKalb and DeKalb Professional Firefighters Association, Local 1236, ISLRB No. S-MA-87-26. Arbitrator Goldstein discounted the argument made by unions that such reliance discourages the implementation of new and innovative provisions, as well as the argument made by management that comparability leads to a domino effect of victory for unions.

another is often not apparent without some measurement of the marketplace. The addition or deletion of terms and conditions of employment, or the precise increase in remuneration, can often be best determined by analyzing the collective wisdom of a variety of other employers and unions.

Because no two situations are exactly alike there is a need for examination of a group with significant common features which is large enough to be statistically meaningful. A comparison with a small group leaves too much to chance and the happenstance of where those discrete communities are in the maturation of their respective labor relations.[9] Likewise, the characteristics which bind the group must be meaningful. In the operation of fire departments, all employers have <u>something</u> in common. The goal is to select those features which are significant in terms of establishing terms and conditions of employment and then find the employers where the profile fits that of the unit in question as to those discrete features. Generally speaking, population, size of the bargaining unit, geographic proximity and similarity of revenue are the critical features which most impact terms and conditions of employment.[10]

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[9] In this regard a comparison with an unorganized group of employees is not appropriate. For better or for worse, labor relations and the benefits derived from employment change when there is a collective bargaining agreement. Stated another way, a bilateral process cannot be compared with a unilateral one.

[10] See, Village of Lombard and Lombard Professional Firefighters Local 3009 (Berman); Village of Skokie and Skokie Firefighters Local 3033 (Goldstein); Village of Mokena and Metropolitan Alliance of Police (Perkovich). While some arbitrators find that geography is the most important feature (see

The Union has selected a group of 12 fire departments for comparison purposes. According to the Union, it selected this group based upon the criteria reviewed by the arbitrator at the pre-hearing conference. The group is within a radius of 15 miles, includes 5 departments in MABAS 10, three which abut Pleasantview and one which has a confined space agreement with Pleasantview. The group consists of six fire protection districts and six municipal fire departments. Two of the 12 are non-union. The Union's list is as follows:

	Population	Total Full Time	No. of Stations	EAV
Northlake FPD	13,000	15	1	$144,000,000
LaGrange	15,600	18	1	231,454,000
Hinsdale *	16,000	20	1	583,450,000
Darien-Woodridge FPD	29,000	26	3	460,000,000
Addison FPD *	35,000	45	3	670,059,000
Tri-State FPD	35,000	60	3	626,415,000
Lombard	39,408	48	2	683,003,000
Elmhurst	42,000	47	2	804,267,000
Bolingbrook	48,000	45	4	418,534,000
Orland Park FPD	55,000	79	6	830,892,000
Oak Lawn	56,182	99	3	595,396,000
Lisle-Woodridge FPD	59,075	93	5	1,023,258,000
Average	**36,939**	**50**	**2.8**	**$589,225,000**
Pleasantview FPD	**23,000**	**36+**	**4**	**562,455,000**

* Non-union
\+ This number includes all sworn employees of the District including the command structure but not including the contracted firefighter/paramedics. Presumably the same gauge was used for the other departments in this group.

Briggs in Village of Arlington Heights and Arlington Heights Firefighters), in the greater Chicago area, geographic proximity is hardly a problem. On the other hand, when dealing with large units the most significant features often transcend geography. See Feuille in City of Peoria and Peoria Firefighters Local 544.

The District has proposed a comparability group consisting of five fire protection districts which are within a six mile radius of the District. The District used the six mile range in order to maximize the similarity of the labor market. It used only fire protection districts because their funding is different from municipalities. The former has only property tax and certain fees, such as ambulance fees, whereas the latter relies heavily on sales taxes as well as property taxes and fees. Also, municipalities have the benefits of scale in that although the fire unit might be of comparable size the existence of other municipal employees may yield lower insurance rates and other overhead costs. The District's group is as follows:[11]

	Population	Personnel	Budget	EAV
Darien FPD	29,000	39	$3,400,000	$424,000,000
Tri-State FPD	35,000	50	3,700,000	549,000,000
Roberts Park FPD	20,000	13	1,400,000	136,000,000
North Palos FPD *	25,000	23	2,100,000	217,000,000
Lemont *	16,000	19	2,598,000	280,000,000
Average	**25,000**	**28.8**	**2,640,000**	**321,000,000**
Pleasantview FPD +	**22,323**	**46**	**5,084,000**	**563,000,000**

* No Bargaining Agreement

\+ These numbers are not precisely the same as those used by the Union. The greatest disparity appears to be with personnel. The bargaining unit has 21 firefighters and 6 lieutenants. There are 15 contracted firefighter/paramedics for a total of 41 full-time personnel doing bargaining unit work.

[11] The District suggests that if municipalities are to be used for comparison purposes the arbitrator should look at Burbank which is close to Pleasantview and which has a population of 27,000. The fire department is organized and the District has a supplied a copy of the collective bargaining agreement. Unfortunately, the size of the department and its tax base were not supplied.

I disagree with the District's argument that municipal fire departments should not be used for comparison with fire protection districts. Similarities outweigh differences in this case where ability to pay is not really an issue. However, as stated above, a comparison with unorganized employees is inappropriate unless there are simply no organized units for comparison purposes. Thus, Hinsdale, Addison, North Palos and Lemont must be eliminated because of the absence of collective bargaining agreements. Likewise, units which are very small, or which rely in large measure on paid-on-call employees, are inappropriate. Northlake and LaGrange should therefore be removed. Finally, economies of scale are such that very large communities are also misplaced in this group. Oak Lawn and Lisle-Woodridge, with departments twice the size of Pleasantview, are inappropriate.[12] Accordingly, based on the information supplied by the parties, I find that the appropriate comparability group for this case consists of the following:

Roberts Park FPD
Darien-Woodridge FPD
Burbank
Tri-State FPD
Lombard
Elmhurst
Bolingbrook
Orland Park FPD

[12] Although Roberts Park, with only 13 full time personnel is very small, it will be maintained in the group because of its proximity to Pleasantview and because it is off-set by Orland Park which, according to the Union, has 79 full time officers and firefighters.

VI. DISCUSSION OF THE ISSUES

A. Salaries

The parties have a salary schedule with one rate of pay for lieutenants and six steps for firefighters and firefighter/ paramedics. The contract does not provide additional compensation for paramedic certification or any other specialty certifications such as engineer, Firefighter III, etc., or any longevity pay. In their first agreement, effective July 1, 1990, the parties agreed to freeze wages for the first year and to freeze the starting firefighter salary for the length of the contract. Each employee did receive a signing bonus of $4,134, which amounted to 12% additional salary for lieutenants and 14% for top step firefighters. The salary schedule for all but the entry level was increased in the second and third years of the contract. Considering the signing bonus as part of the base for computation purposes, the increases for lieutenants were 3.9% and 3.7% for each of the two remaining years of the contract, and 4.5% and 4.3% for each year at the top step for firefighters. The salary history for the unit is as follows:

Classification	7/89-6/90	7/90-6/91	7/91-6/92	7/92-6/93
Lieutenant	$34,343	$34,343	$39,982	$41,469
Firefighter Year 1	$25,343	$25,343	$25,343	$25,343
Firefighter Year 2	27,568	27,568	27,568	27,568
Firefighter Year 3	29,793	29,793	29,793	29,793
Firefighter Year 4	32,018	32,018	32,018	32,018
Firefighter Year 5	34,982	34,982	34,982	34,982
Firefighter Year 6	------	------	------	36,469

The District has proposed a 3%, 3% and 4% increase, respectively, for each step of the salary schedule for each year, except for the entry level salary which would stay as it has been for several years. The Union proposes increases of 5%, 4% and 5% for all steps including the entry level. The parties' proposals appear as follows:

Classification	7/1/93-6/30/94	7/1/94-6/30/95	7/1/95-6/30/96
A. District			
Lieutenant	$ 42,713	$ 43,994	$ 45,754
Firefighter Year 1	$ 25,343	$ 25,343	$ 25,343
Firefighter Year 2	28,395	29,246	30,415
Firefighter Year 3	30,686	31,607	32,871
Firefighter Year 4	32,978	33,967	35,326
Firefighter Year 5	36,031	37,112	38,596
Firefighter Year 6	37,563	38,689	40,237
B. Union			
Lieutenant	$ 43,542	$ 45,284	$ 47,548
Firefighter Year 1	$ 26,610	$ 27,674	$ 29,058
Firefighter Year 2	28,946	30,104	31,609
Firefighter Year 3	31,282	32,533	34,160
Firefighter Year 4	33,618	34,963	36,711
Firefighter Year 5	36,731	38,200	40,110
Firefighter Year 6	38,292	39,824	41,815

The current salary structure for the comparables are as follows:

Roberts Park FPD (FY: 9/1-8/30)

	1992-93	1993-94	1994-95	1995-96
Lieutenant	$39,014	$42,760		
Firefighter Yr 6	32,420	35,000		
Firefighter Max.	35,662	36,100		

[As per Dist exh. includes longevity and paramed pay.]

Darien-Woodridge FPD (FY: 6/1-5/31)

	1992-93	1993-94	1994-95	1995-96
Lieutenant	NA	$39,192	$40,564	$42,186
Firefighter Yr 1	NA	24,117	24,961	25,959
Firefighter Yr 5	NA	32,634	33,776	35,127

[Longevity pay added in 10th, 15th and 20th year.]
[Specialty pay available for paramedics and others.]

Burbank (FY: 1/1-12/31)

	1992-93	1993-94	1994-95	1995-96
Lieutenant	$37,700	$39,585	$41,565	
Fire/Paramed Yr 1	28,000	29,400	30,870	
Fire/Paramed Yr 6	34,000	35,700	37,485	

[Specialty pay available for paramedics and others.]

Tri-State FPD (FY: 6/1-5/31)

	1992-93	1993-94	1994-95	1995-96
Lieutenant	$37,800	$39,690		
Firefighter Yr 1	24,000	25,200		
Firefighter Yr 6	31,500	33,075		

[Specialty pay available for paramedics and others.]

Lombard (FY: 6/1-5/31)

	1992-93	1993-94	1994-95	1995-96
Firefighter Yr 1	$27,322	$28,415		
Firefighter Yr 6	37,781	39,292		

[Specialty pay available for paramedics and others.]

Elmhurst (FY: 5/1-4/30)

	1992-93	1993-94	1994-95	1995-96
Lieutenant	NA	(eff 1/94) $47,588	$49,373 (eff 5/94)	
Firefight Yr 1	NA	" " 29,498	30,604 " "	
Firefight Yr 7	NA	" " 39,900	41,396 " "	

[Specialty pay available for EMT's and others.]
[Merit pay available after 5 years.]

Bolingbrook (FY: 5/1-4/30)

	1992-93	1993-94	1994-95	1995-96
Firefighter Yr 1	NA	$30,545		
Firefighter Yr 6	NA	40,773		

[Specialty pay available for paramedics and others.]
[Longevity pay available in 9th, 13th, 17th, 21st yr.]

Orland Park FPD (FY: 1/1-12/31)

	1992-93	1993-94	1994-95	1995-96
Lieutenant	$45,942	$48,239		
Firefighter Yr 1	29,855	31,348		
Firefighter Yr 6	38,512	40,438		

[Specialty pay available for paramedics and others.]

The comparable salary information is of limited usefulness because only Darien Woodridge has salaries for 1995-96, and because most of the other departments have specialty pay and/or paramedic pay in addition to the salaries listed above. In some cases the paramedic stipend is substantial. Several of the departments also have longevity pay which, particularly with lieutenants, increases salaries up to several percentage points. Six of the comparables have lieutenants in their units. For 1993-94, the District's proposal would place it 4th. The Union's would place it third. However, three of the four department's paying less salary to lieutenants have specialty pay and Darien-Woodbridge has longevity pay not factored in, above. Considering the relative size of the District and the lack of opportunity for additional pay, and that there is only one grade for lieutenants, the Union's proposal is probably a little more appropriate, although admittedly the difference is slight for this first year.

There are only two departments for which increases for 1994-95 were submitted. Both of these were paying less than Pleasantview in the prior years and this does not change for 1994-95. However, the size of the Union's proposal is such that the gap between the District and the departments paying less to lieutenants would increase. Otherwise, it is unlikely that the rankings will change. However, there is simply not enough comparative data to draw any real conclusions for 1994-95, let alone 1995-96.

The picture for firefighters is much clearer. Here it is seen that the starting rate paid by the District is below average. The

District's proposal would keep it well below average, and getting worse, over the life of the contract because it proposes a freeze for the starting rate. However, because it proposes increases in the second year, the size of the second year increments are disproportionately large. By the end of the contract, under the District's proposal, a second year firefighter would get a 20% increase. The District offered no evidence as to why such an unusual salary structure is appropriate.

The salaries paid by the District at the 6 year level are relatively competitive. However, the absence of the opportunity for specialty and longevity pay again tilts consideration toward the Union's proposal. While 5% in the first year is perhaps a little high, and 3% appears to be appropriate as a <u>rate</u>, the arbitrator must take into consideration the salaries the parties are working from. When one considers the salary structure now in place and also the rest of the parties agreement, the 5% becomes more favorable <u>for this unit this year.</u> The 4% and 5% proposed by the Union for the following years appears to be in order. The District's proposal for the second year, 3%, is apt to be below the anticipated CPI increases and, following a prior year's 3% increase (under the District's proposal), is simply too low. The third year is a little more troubling. The District's 4% is probably more appropriate <u>in and of itself</u> than the Union's 5%. However, I cannot consider the years separately, and the District's two years of 3% is far less acceptable than the Union's proposal taken as a whole. Realizing further that the employees are now paying for at least a portion of their dependent insurance, that historically they have received more than 3% a year, and that other comparable fire units departments will likely receive more than 3%, the appropriateness of the Union's overall wage proposal becomes even more evident. Considering that there is no inability to pay factor and that as a single purpose governmental unit the District has greater control over its expenditures than does a municipality, I am left with the conclusion that the Union's salary proposal must be selected.

B. Kelly Days

The old agreement provided the following :

> Section 6.10. Assigned Days Off (Kelly Days)
>
> Periodically during each fiscal year commencing after July 1, 1991, the District shall assign 6 days off for each employee on a day that they would normally be scheduled for work (except that there shall be 6 Kelly Days for the fiscal year commencing July 1, 1991). Kelly Days shall be scheduled before vacation days.

The Union proposes the following for the new agreement:

> Section 6.10. Assigned Days Off (Kelly Days)
>
> Periodically during each fiscal year the District shall assign 6 days off for each employee on a day that they would normally be scheduled for work. Kelly Days shall be scheduled before vacation days. With the approval of their shift supervisor, employees may switch Kelly Days.
>
> Commencing July 1, 1994, the District shall assign 7 days off for each employee on a day that they would normally be scheduled for

> work. Commencing July 1, 1995, the District shall assign 8 days off for each employee on a day that they would normally be scheduled for work. Beginning on July 1, 1994, employees shall not receive overtime when taking Kelly Days. This overtime exemption does not include normal overtime paid for call-ins, court time, etc., but shall only apply to the taking of normal Kelly Days as earned by the employees each year.

The District proposes no change substantive change in the provisions for Kelly Days.

There are three differences resulting from the Union's proposal:

1. The number would increase to 7 in 1994 and 8 in 1995.
2. Employees may switch Kelly Days.
3. When "taking" Kelly Days, employees shall not be paid overtime.

The District argues that there is no need for additional Kelly Days. Even though the Union is proposing to eliminate these days for overtime purposes, employees who are off for any reason need to be replaced in order to assure minimum staffing for each station. According to the District the Union has shown no reason why employees need to have so many additional days off.

The comparable bargaining units have the following Kelly Days:

Roberts Park	6 Kelly Days
Darien-Woodridge	4 split Kelly Days eff 1/94 5 split Kelly Days eff 1/95 6-3/4 split Kelly Days eff. 1/96
Burbank	NA[13]
Tri-State	13-1/2 Kelly Days
Lombard	6-3/4 Kelly Days
Elmhurst	9 Kelly Days
Bolingbrook	6-3/4 Kelly Days
Orland Park	Up to 2 yrs of service - 2 Kelly Days Up to 4 yrs of service - 3 Kelly Days Up to 6 yrs of service - 4 Kelly Days Up to 10 yrs of service -5 Kelly Days 11 or more years of serv-6 Kelly Days

The Union argues that employees need the additional days off because they are scheduled to work 2756 hours a year. This argument is not persuasive. The work schedule is a traditional one for firefighters. Kelly Days are used to lessen FLSA overtime exposure, not for the purpose of giving additional days of rest. The comparables do not support the Union's position, and the cost of providing all employees two more days off would require the District to hire back employees for at least 50 extra days a year. The cost for this does not seem to justify something for which no real need was shown. Considering further the wage increases which are being awarded in this opinion, the additional Kelly Days are even less appropriate. Accordingly, the District's proposal is selected for this item.

[13] Kelly Days do not appear in the current Burbank contract

C. Insurance

The old agreement provided that the District substantially maintain the existing coverage and benefits and that it pay the entire cost for single and dependent coverage. This agreement was reached after the Union accepted a new plan of insurance with a reduced level of benefits which generated a substantial cost savings for the District. Thus, in 1990, the cost for single and dependent coverage under the old plan was $203 and $592.46 per month, respectively. Had the parties maintained the old plan the cost per month effective July 1, 1991, would have been $228 and $630, respectively. As a result of changing plans, the actual rates which went into effect for FY 91-92 were $121 (single), $253 (employee and one dependent), and $309 (family). The rates in effect for the first year of the new contract were $180, $375, and $459. The rates which went into effect on July 1, 1994, were $193, $402 and $492. In other words, the new rates are still less than what the District was paying in 1990. Indeed, for the employee and one dependent, the District is now paying about 39% less than what it was paying in 1990. For full family coverage the savings is about 23%.

The parties' proposals are as follows:

Union	District
The District agrees to maintain the current Hospitalization and Medical Insurance coverage and benefit in substantially the same manner and level. For the contract year July 1, 1993 to June 30, 1994, the District shall pay 100% of the single and family premium costs. Starting July 1,	The District agrees to provide coverage under the State of Illinois Local Government Health Plan. The District shall pay 100% of the premium for the employee (single person) medical insurance coverage. The District shall pay 75% and the employee shall pay 25% of the premium for the dependent

1994, the District shall pay 100% of the single premium costs. Each employee with dependent coverage will pay five (5%) percent of the difference between single coverage and the dependent coverage that the employee has elected to take, with the District paying the remaining portion of the premuim costs:

medical insurance coverage. The District retains the right to elect a different insurance carrier, to provide voluntary coverage through an HMO system(s) or to self-insure; provided that the coverage remains substantially the same. In the event that a national health insurance program is imposed by the United States of America, then the provisions thereof shall be implemented in lieu of the above. The District reserves the right to implement a cafeteria plan under Section 125 of the Internal Revenue Code in order to provide for the payment of the employee portion of the premium before taxes.

An examination of the comparables shows as follows:

Roberts Park - Full single and family coverage

Darien-Woodridge - Full single and 90% family

Burbank - Full single and family coverage

Tri-State - Full single and family coverage

Lombard - Full single and full family except that employee contributes 35% of any increase in family premium as of June 1, 1994.

Elmhurst - 95% single and family coverage

Bolingbrook - Full single and family coverage except employee pays $45 per month

Orland Park - Full single and family coverage

The District argues that all other of its employees are now paying 25% for dependent premiums. Internal comparability is very important, the District argues, and it is unfair and unwise to ask some employees to pay one rate when another set of employees pays less. The District also argues that contribution for health insurance is the trend among employers. The days of 100% payment by employers are gone. While the District acknowledges that it saved money when the insurance plans were changed, it argues that the employees also benefitted from the change by receiving increases larger than they would have otherwise received.

The Union strongly disagrees that the decrease in insurance benefits was the quid pro quo for the wage increases it negotiated in the last agreement. It admits that the District said that it would use the insurance savings for salaries, but the Union always maintained that the salaries were appropriate regardless of what the insurance settlement was. The Union argues that the District's proposal on this item is astonishing in that it has saved so much in the prior round of bargaining. It points out that the District is still saving money over what it would have paid under 1990 rates. Finally, the Union points out that the comparables do not support the District's proposal.

The District's proposal must fail for several reasons. First, there is no unit among the comparables which even comes close to the contribution rate sought by the District. At most, other employers are getting contributions of 10%. The District's proposal of 25% on top of the settlement made in the last contract simply goes against fair dealing. The Union's proposed 5% contribution is certainly more appropriate. That the District has imposed 25% on its other employees cannot be held against this unit. If that rate were negotiated it might be a stronger factor. But the District cannot cite its own conduct as precedent for a negotiated agreement. Finally, if, as the District argues, the last wage increase was paid for with the savings in insurance, then to grant the District's proposal would be regressive because it would take back what had been previously bargained without any new quid pro quo and without any economic justification.

A W A R D

1. The Union's proposal for wages is selected.
2. The District's proposal for Kelly Days is selected.
3. The Union's proposal for insurance is selected.

Respectfully submitted,

HARVEY A. NATHAN

October 11, 1994