



INTEREST ARBITRATION BEFORE
LISA SALKOVITZ KOHN, NEUTRAL ARBITRATOR AND CHAIRMAN,
SCOTT MCCLEARY, CITY-APPOINTED ARBITRATOR
RAY PFEIFFER, UNION-APPOINTED ARBITRATOR

IN THE MATTER OF)
THE INTEREST ARBITRATION)
BETWEEN)
CITY OF AURORA, ILLINOIS)
("Employer"))
and)
AURORA FIREFIGHTERS' UNION,)
LOCAL 99, IAFF, AFL-CIO-CLC,)
("Union").)

ISLRB Case No. S-MA-95-44

OPINION AND AWARD

APPEARANCES:

On Behalf of the Union:

J. Dale Berry, Esq. of Cornfield and Feldman

On Behalf of the Employer:

Michael B. Weinstein, Esq., Corporation Counsel

I. INTRODUCTION

This proceeding arises under Section 14 of the Illinois Public Labor Relations Act (IPLRA) to resolve a bargaining impasse between the parties that arose during the course of their negotiations for a successor to the collective bargaining agreement that expired December 31, 1994 (the "Agreement"). The undersigned Arbitrators were duly appointed to serve as a tripartite panel with the jurisdiction to hear and decide the issues presented to them. A hearing was held on March 22, 1995, in Chicago, Illinois and on April 13, 1995, at the Central Fire Station, Aurora, Illinois, the parties having waived the requirement of Section 1230.40(e)(4) of the Illinois State Labor Relations Board that the hearing begin within fifteen (15) days of the appointment of the neutral Arbitrator. At the hearing the parties were afforded full opportunity to present such evidence and argument as desired, including an examination and cross-examination of witnesses. A 175-page stenographic transcript of the hearing was made. By agreement, the parties exchanged their Final Offers of Settlement, amending their previous last settlement offers, on May 5, 1995. Both parties filed post-hearing briefs, the second of which (the City's) was received on July 31, 1995.

The parties stipulated that all procedural prerequisites for convening the arbitration hearing have been met and that the panel has jurisdiction and authority to rule on those issues submitted to it. The parties further stipulated that the panel shall base its findings and decision upon the factors as applicable as set forth in Section 14(h) of the Illinois Public Labor Relations Act.

II. THE ISSUES AND THE PARTIES' FINAL OFFERS

A. Contract Term -- In its last offer presented prior to the April 13, 1995, hearing, the Union proposed a two-year contract, while the City proposed a three-year term. The Union modified its position in its Final Offer, and both parties now propose a three-year term.

B. General wage increase, Article XIV.A -- In its last offer presented prior to the April 13, 1995, hearing, the Union proposed a general increase of 5.5% in all steps effective January 1, 1995, and a general increase of 3.5% effective January 1, 1996, while the City proposed a general increase of 3.0% effective January 1, 1995, an increase of 3.5% effective January 1, 1996, and either an increase of 3.5% effective January 1, 1997, or a wage reopener in the third year of the contract if the Chicago Area Consumer Price Index for Urban Areas (CPI-U) increases by 7.5% or more during the period from October 1, 1994 to October 1, 1996.

However, in its Final Offer, in which the Union proposes a three-year agreement, the Union now proposes a 3.5% increase effective January 1, 1995, a 5.5% increase effective January 1, 1996, and a 3.5% increase effective January 1, 1997. The City's Final Offer includes a 3.5% increase effective January 1, 1995, a 3.5% increase effective January 1, 1996, and either a 3.5% increase effective January 1, 1997, or the wage reopener in the third year of the agreement. Thus the parties' proposals now differ primarily in the increase to be provided during the second year of the contract.

C. Retirement Incentive, Article XIII, §C -- In its Last Offer prior to the hearing, the Union proposed that for any employee who retires during the period January 1, 1996 through June 30, 1996 with 20 years of service and age fifty or above, the City shall pay fifty percent of the cost of health insurance coverage for the retiree and dependent(s) if applicable, until the

retiree reaches the age of sixty-five and is eligible for Medicare. In its Final Offer, the Union proposed that the incentive be available for those employees who retire during the period August 1, 1995 through December 31, 1995. The City did not include a proposal on retirement in its Last Offer prior to arbitration, but in its Final Offer proposed the 50% health insurance incentive for employees who retired between September 1, 1995 and December 31, 1995. In its post-hearing brief (pp. 45-6), the Union now accepts the City's proposal.

D. Vacation Allowance, Article XII -- In its Last Offer prior to arbitration the Union proposed that effective January 1, 1996, the contract provide for one additional day of vacation for employees beginning their eleventh year of service through the fifteenth year of service. The City opposed this proposal.

E. Choice of Vacation Period, Article VII, §C -- The Union proposed to modify Article VII, §C to increase the number of vacation slots for paramedics from one per shift to two per shift during the six month period from July 1 through December 31. The City opposed this offer.

F. Holidays, Article VI, §B -- The Union proposed to add Martin Luther King's Birthday as a recognized holiday under Article VI, §B, effective January 1, 1996. The City opposed increasing the number of recognized holidays.

G. Clothing Allowance, Article XXI and Memorandum of Agreement No. 1 -- The Union proposed to change the \$600 annual clothing allowance to \$700, increasing from \$300 to \$350 the portion for the purchase of new and replacement items and from \$300 to \$350 the allowance for uniform maintenance. The City opposed this proposal.

H. Wage Steps, Article XIV and Appendix A -- The City proposed in its Last Offer

prior to arbitration that for employees hired after the date of the Interest Arbitration Award, Step A on the salary schedule would be lengthened from six to twelve months, and Step B on the salary schedule would be lengthened from six to twelve months, and additionally, that firefighters hired under the lengthened step schedule would receive a \$700 payment to help compensate for the cost of turnout gear upon completion of the initial ten weeks of training and after certification as a Firefighter II. In its post-hearing Final Offer, the City added to this proposal the proviso that effective January 1, 1996, Step A would be equal to 80% of Step B for employees hired after January 1, 1995. The Union opposed this proposal.

I. Holiday work routine, Article VI, Section B -- The City proposed that the holiday work routine would only be in effect on those holidays when City Hall is closed. The Union opposed this proposal.

The parties are in agreement that issues A through H are economic issues and that issue I is a non-economic issue.

III. DISCUSSION AND FINDINGS

The City of Aurora, located in DuPage and Kane Counties, is 39 miles west of downtown Chicago and in 1994 was the sixth-largest municipality in Illinois by population. In 1991, the parties negotiated to impasse on wages and their collective bargaining agreement for 1991 was resolved in interest arbitration before a panel chaired by Arbitrator David Dilts. Local 99, International Association of Firefighters and City of Aurora, FMCS Case No. 91-00965 (1991). The parties' next contract was effective from January 1, 1992 through December 31, 1994. The

parties negotiated to impasse over several terms of the contract to succeed the 1992 - 1994 agreement, and submitted their final offers on May 5, 1995, after the arbitration hearing in this case.

By statute and the parties' stipulation, the Arbitration Panel must adopt the last offer which more nearly compiles with 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, and 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.¹

In this case, the parties do not dispute the employer's authority to enter into a contract containing any of the terms proposed, nor is there any question that the City has the ability to pay the wages and benefits proposed. However, in the most critical area, the question of internal and external comparisons, the parties differ substantially.

As one arbitrator has observed:²

Comparability is one of the most important factors in interest arbitration because it reflects the marketplace. Terms and conditions of employment for bargaining units with characteristics similar to the one at issue demonstrate what other local employers and their employees' bargaining agents accept as appropriate. A comparability group large enough to be statistically meaningful and possessing characteristics of size, geography and finances similar to the subject unit operates as a powerful force for establishing the appropriateness of the parties' respective proposals.

Thus, in selecting a comparability group, the arbitration panel should look to "those features which form a financial and geographic core from which a neutral can conclude that the terms and conditions of employment in the group having similar core features represent a measure of the marketplace." *Id.* The features most often accepted are population of the community, size of the bargaining unit, geographic proximity, and similarity of revenue and its sources.

In formulating a comparability grouping of other communities that this panel should consider, the parties agree that the six communities identified by Arbitrator Dilts in 1991 as

¹In the discussion that follows, the factors most determinative of the outcome of this Interest Arbitration are highlighted. However, all the statutory factors have been considered in reaching this decision and Award.

²Bloomington Fire Protection District No. 1 and Bloomington Professional Firefighters Association, Local 3272, ISLRB No. S-MA-92-231 (Nathan, 1993).

comparable to Aurora should remain in the comparability group. Arbitrator Dilts had considered two proposed comparability groups: the City's group of Waukegan, Naperville, Elgin, Joliet; and the Union's group of these four municipalities plus Evanston and Arlington Heights. After comparing the assessed valuation per capita, average home prices, location within the Chicago metropolitan area ("the same labor market from which Aurora firefighters can reasonably be expected to be drawn," according to the Dilts Panel), median family income, sales tax receipts, and population, the panel concluded that all six municipalities -- Waukegan, Naperville, Elgin, Joliet, Evanston and Arlington Heights -- should be included in the comparability group. The Dilts Panel explicitly rejected Springfield, Peoria, Decatur and Schaumburg, which, while not promoted by either party, were considered as a result of the statistical information provided by the City.

The continued reliance on the comparability grouping approved by the Dilts Panel, as both parties urge, has a sound basis not only in the politics of the interest arbitration process (i.e., if the parties agree, who is the neutral to interfere with their joint selection?) but also in the broader context of the underlying philosophy of interest arbitration. The Dilts comparability grouping was used in 1991 to gauge the relevant marketplace, and has thus become an element of the parties' negotiating history. To the extent that both parties recognize these six communities as comparable, they have presumably considered those comparisons in the course of the negotiations that resulted in impasse this year. Accord, Village of Skokie and Skokie Firefighters Local 3033 (Goldstein, 1990)(citing "Comparisons the parties have used in past negotiations" as one significant factor in identifying a comparability grouping). In other words, as Arbitrator Goldstein stated recently in Kendall County, Case Nos. S-MA-92-216 and S-MA-92-161,

"Interest arbitration is not supposed to revolutionize the parties' collective bargaining relationship; the most dramatic changes are best accomplished through face-to-face negotiation." To be sure, the City and the six communities in the Dilts comparability group have changed since 1991, and the community of Waukegan, in particular, appears to have diverged from the group in population and other measure, while the availability of riverboat casino revenues to Aurora and Elgin now distinguishes them from the rest of the group. Nonetheless, where the parties are agreed, there is no obstacle to including all the communities identified in the Dilts award as comparable in a comparability grouping for this proceeding.

However, each party now proposes to add communities to the Dilts comparability group. The Union contends that Skokie and Schaumburg should be included because they share several important characteristics with the City of Aurora and resemble the City more than some of the communities in the Dilts comparability group. The City objects that Skokie and Schaumburg differ from it significantly. On the other hand, the City urges that Peoria, Rockford and Springfield be added primarily because they were deemed comparable to the City by Arbitrator Berman in City of Aurora and Association of Professional Police Officers, ISLRB No. S-MA-92-194, but also because Peoria, Rockford and Springfield were included with Aurora in comparability groupings by Arbitrator Berman in Village of Lombard and Local 3009, International Association of Firefighters, ISLRB No. S-MA-87-73, and in City of Springfield and Local 37, International Association of Firefighters, ISLRB No. S-MA-86-18 (1987). The Union's primary objection to the consideration of Peoria, Rockford and Springfield is that they are downstate, while Aurora lies in the Chicago metropolitan area.

As the Union correctly notes, arbitrators have almost unanimously drawn a line between

Chicago metropolitan communities and those downstate. See, e.g., City of Springfield and Police Benevolent and Protective Association, ISLRB No. S-MA-89-74 (Benn, 1990); City of Decatur and IAFF Local 505, ISLRB No. S-MA-86-29 (Eglit, 1986). The City relies heavily on Arbitrator Berman's recent (1993) approval of a comparability grouping for Aurora that included Rockford, Decatur, Springfield and Peoria. City of Aurora and Association of Professional Police Officers, ISLRB No. S-MA-92-194 (1993). However, the Award itself expresses discomfort with the result, due to the paucity of evidence offered by the police union:

Indeed the Union offered no evidence either to support its position that St. Charles and Maywood are comparable to Aurora or to refute the Employer's position that Decatur, Evanston, Naperville and Rockford are comparable to Aurora. As the Union did not produce even the most basic evidence in support of its position, such as the population of St. Charles and Maywood, I have no choice but to conclude that the jurisdictions suggested by the Employer are comparable to Aurora and that St. Charles and Maywood are not comparable.

Thus it does not appear that the 1993 Aurora police interest arbitration award is compelling reason to ignore the metropolitan Chicago/downstate distinction.

It is true that in 1987, Arbitrator Berman squarely found Elgin, Aurora and Joliet to be comparable to Springfield (ISLRB No. S-MA-86-18), as urged by this Union at the time. However, the Union correctly notes that the 1987 Award was based on 1980 Census data and other now-outdated information, and that the ruling was specifically rejected by Arbitrator Benn in 1990 in ISLRB No. S-MA-89-74. The Berman Springfield Award by itself does not justify expanding the comparability grouping here to include Springfield, Peoria and Rockford, particularly in light of the general practice of distinguishing Chicago metropolitan communities

from those downstate.³

Nor do "the numbers" create a convincing argument that the inclusion of these cities will serve to refine the relevant comparisons. Although Peoria and Springfield are within 15% of Aurora's population and within 11% of Aurora's state sales tax receipts, the median family incomes of Peoria, Rockford and Springfield are between 19% and 26% lower than Aurora's, and their average home prices are between 27.7% and 39.9% lower than Aurora's. Most significantly, in these measures these three communities are consistently and markedly behind every community in the Dilts comparison group.

It is difficult to analyze the comparability of these proposed communities on revenue factors. There is no evidence as to the communities' comparative equalized assessed valuation (EAV), which impacts the revenues received from the State.⁴ In addition Aurora received approximately \$9.3 million in revenue during fiscal year 1994 due to its two-boat riverboat casino

³In addition, the fact that City A has been included in a comparability grouping to determine terms of employment for City B, does not necessarily compel the conclusion that City B must be included in a comparability grouping for City A. Not only may such a relationship be weakened by intervening economic, population or other market-relevant developments, but the market forces to be considered in selecting an appropriate comparison group may differ from community to community. Thus it is by no means anomalous that Aurora has been included in a comparability grouping for Springfield, while Springfield may be rejected as a comparable for Aurora. This cuts both ways: the fact that Community B, which the parties agree to be comparable to Community A, is itself deemed comparable to Community C, does not necessarily compel the conclusion that Community C should be deemed comparable to Community A. One must look to the factors that shaped one comparability grouping to determine what impact it should have in the development of another. Where that information is not provided, the mere listing of overlapping comparability groups may be of little assistance to the adjudicators.

⁴There is also little comparative information about the size and activity of the Peoria, Rockford and Springfield fire departments. There is no information about the number of lieutenants or paramedics in any of the three communities, or the number of firefighters in Rockford. Although Peoria has about the same number of firefighters as Aurora, Springfield has over twice as many.

(Hollywood Casino City of Lights I and II). Although Peoria also receives casino revenue, Springfield and Rockford do not. None of this data suggests that these downstate communities provide sufficiently relevant information for the Aurora labor market to be included within the external comparison group in this case.

The Union has provided more extensive information about its proposed additions to the comparison group, Skokie and Schaumburg. Skokie and Schaumburg are well within the range of the Dilts comparison group on such relevant factors as population, state disbursed revenue and home rule revenues. The Skokie and Schaumburg fire departments (with 114 and 116 employees, respectively) are of comparable size to Aurora's (with 136 employees). Skokie is within the range of the Dilts group on sales tax receipts.⁵ Skokie's equalized assessed valuation is comparable to Aurora's (\$1.28 billion as compared to \$1.17 billion). Although Schaumburg's is significantly higher (\$2.05 billion), Schaumburg relies on sales taxes from the Woodfield Shopping Mall, rather than property taxes or gaming revenues, to generate revenues within the range of the Dilts group.

Although Skokie and Schaumburg are similar to Aurora in several relevant features there are notable differences among them in sources of revenue and geographic location. In fact, it is unnecessary to resolve the Union's proposal. Including these two communities in the comparison group would not substantially alter the market context for evaluating the parties' proposals, because information for Skokie's firefighters for contract years after 1995 is not yet available, and because Schaumburg is consistently far above the average of the comparison group

⁵Because of the presence of the giant Woodfield Mall, Schaumburg's sales tax receipts dwarf those of the otherwise comparable communities, and are 75% higher than Aurora's.

on most salary measures, while the City is consistently below average. Therefore, we shall proceed with the core Dilts comparison group, and leave the determination of Skokie and Schaumburg's influence on the resolution of Aurora labor issues to another dispute.

Having determined that the appropriate group for external comparisons consists of Waukegan, Naperville, Elgin, Joliet, Evanston and Arlington Heights, we turn to the issues presented to this tribunal.

A. General wage increase, Article XIV.A -- Union now proposes a 3.5% general wage increase effective January 1, 1995, a 5.5% increase effective January 1, 1996, and a 3.5% increase effective January 1, 1997. The City's Final Offer includes a 3.5% increase effective January 1, 1995, a 3.5% increase effective January 1, 1996, and either a 3.5% increase effective January 1, 1997, or a wage reopener in the third year of the agreement. On the basis of the factors enumerated above, the City's proposal is adopted.

For the 1994 contract year, the City's starting salary for firefighters was the lowest in the comparison group, almost 15% below the average. However, the City's firefighters made up much of that disparity after the first step of the salary schedule, and the maximum base salary for City's firefighters was approximately at the average for those communities.⁶ The City's Lieutenants received the lowest maximum base salary of any of the comparable communities.⁷

⁶Arlington Heights and Joliet, unlike Aurora, Evanston, Naperville, Elgin and Waukegan, also has a classification for apparatus engineers, who are paid at a higher rate than the maximum base salary for firefighters. When these rates are considered, Aurora slips even more in its ranking on maximum base salary.

⁷Evanston does not have Lieutenants in its Unit. The maximum base salary for Evanston's Captains is \$ 337 less than the maximum for the City's Lieutenants.

On the other hand, the average hourly rate for City fire fighters at the maximum base salary in 1994 was almost 5.5% above the average of the group, higher than every community except Arlington Heights. Thus, in 1994, the unit was paid significantly below the annual market when first hired, and remained in the bottom half of the market when longevity is considered, but the number of work hours per year was relatively low in comparison to the other communities, resulting in a very competitive hourly rate.⁸

Under the parties' agreement to a 3.5% general increase for contract year 1995, the City's fire fighters continue to receive the lowest starting salary in the comparison group (\$25,926), over 16% below the average, the maximum base salary (\$42,951) is approximately 0.4% above the average, and the lieutenants' maximum base salary remains the lowest in the group, 7.6% below average.⁹ When longevity is considered, the City's salary for firefighters remained lower than all comparable municipalities other than Waukegan's, ranging from approximately 1.5% to 2.2% below average, depending on the number of years of service. Among the comparison group, one community gave a 3.0% raise in 1995, two gave 4.0% raises and one gave a 5.0% raise, so the 3.5% raise contemplated by the parties here for 1995 is below the average but not the lowest of the 1995 raises.

The first year as to which the parties differ is 1996, for which the City offers a 3.5%

⁸It should be noted that the City's firefighters remain below the average by most of these measures even though their annual raises of 5.5% in 1992, 1993 and 1994 exceeded the raises given to firefighters in the other comparison municipalities.

⁹Comparative information for 1995 for Evanston and Naperville was not available at the time of the hearing.

general raise and the Union proposes a 5.5% general raise.¹⁰ Data for 1996 is available only for Elgin and Joliet, which gave 3.0% and 5.0% raises respectively. The Union proposal here results in a maximum base salary of \$45,313, approximately 1.34% above the average of the Elgin and Joliet maximum base salaries, while the City's offer results in a maximum base salary of \$44,454, approximately 0.59% below the average.

However, the 1996 data from Elgin and Joliet is simply not sufficient to determine how the external market will impact the City labor market. It is necessary to consider what level increase would most likely insure that the City's firefighters would at least maintain their 1995 position within the comparison group. Although the 1996 increases are known only for Elgin and Joliet, the previous year's increases are available for five out of the six comparable municipalities, only Naperville's being unavailable. The average increase between contract years 1994 and 1995 for those five communities was 3.8%. Making the conservative assumption that Arlington Heights, Waukegan, and Evanston would continue that rate of increase into contract year 1996, and using the actual 1996 rates for Elgin and Joliet, the average 1996 maximum base salary for the group may reasonably be expected to be approximately \$44,457.¹¹ This is remarkably close to the City's offer of a maximum base salary of \$44,454 for 1996, and approximately 1.0% less than the Union's offer of a maximum base salary of \$45,313 for 1996.

¹⁰It should be noted that, although each party modified its offer on wages significantly following the close of testimony, neither sought to reflect these changes in the data submitted as exhibits, which were based on the parties' last offers prior to the hearing. Therefore, the Neutral Chairman has spent substantial time recalculating the comparisons submitted by the parties for contract years 1995, 1996, and 1997.

¹¹Because the parties have been unable to provide even 1995 salary data from Naperville, it would be unduly speculative to attempt to calculate a likely 1996 salary from 1994 data.

Thus the City's offer appears to permit the firefighters to advance slightly with respect to their external counterparts, while the Union's offer would advance them to a significantly better position than they have held historically.¹²

While the salaries of the City's fire fighters under the City's offer would remain lower than the salaries in some of the comparable communities, their average hourly rate is and would remain higher than most, and a raise of 5.5%, as urged by the Union, is unprecedented within the external comparison group.¹³ Thus the external comparisons favor the City's offer, particularly with the availability of a wage reopener in the third year if the cost of living increases significantly.

Another factor to be considered, however, is comparisons within the City's workforce. The Firefighters' 5.5% increases in 1992, 1993 and 1994 were the highest percentage increases received by any group of City employees, while the 3.5% increase for 1995 on which the parties now agree is on a par with the City's exempt and executive employees and all other bargaining units for which information is available. Police officers received increases of 5.5% in each of 1992 and 1993. All other units and employee groups received much smaller raises between 1992 and 1995, and even the police received only a 3.5% raise in each of 1994 and 1995. For the three bargaining units for which 1996 information is available, the IBEW will receive a 2.5%

¹²No comparative data was offered for the 1997 contract year. However, both parties offer a 3.5% raise in the third year of the contract, so 1997 comparisons are not necessary to evaluate the relative merits of the parties' offers.

¹³Although there was an anecdotal reference at the hearing to Naperville's 5.6% increase in the 1995 maximum salary for its firefighter/paramedics, it is unclear whether this was a general increase or not.

increase, and the two AFSCME units will receive 3.5%.¹⁴ From this data, it appears that a 5.5% increase in 1996 as proposed by the Union would place undue pressure on the City to award greater increases to the other units, including the police.

Nor does the rate of increase in the cost of living favor the Union's offer. The cost of living (CPI-U) increased only 2.7% in 1994. However, throughout the comparison group, salary increases have exceeded the cost of living increase, indicating that market forces other than the cost of living are at work. Thus, the external comparisons, rather than the change in the cost of living, are the more significant factor in this case. Nonetheless, the disparity between the 2.7% increase, and the 5.5% increase proposed by the Union for 1996, does suggest that the Union's proposal is excessive. Although the parties agree on a basic 3.5% increase in 1997, the City further proposes a wage reopener for that year should the CPI-U increase more than 7.5% between 1994 and 1996. This aspect of the City's proposal would protect the firefighters from an unanticipated increase in inflation in the latter part of their contract, further bolstering the panel's decision to adopt the City's proposal.

In sum, the more reasonable final offer on general increases is the City's proposal: a general increase of 3.5% effective January 1, 1995, an increase of 3.5% effective January 1, 1996, and either an increase of 3.5% effective January 1, 1997, or a wage reopener in the third year of the contract if the Chicago Area Consumer Price Index for Urban Areas (CPI-U)

¹⁴Although the police salary schedule will be increased at the end of their current contract an additional \$1000 at each step over and above the 1995 increase of 3.5%, that increment will not take effect until March 15, 1996. The Union argues that the fire fighters must be awarded a 5.5 % increase in 1996 in order to catch up with what it speculates will be a 3.5% increase for police in 1996 over and above the \$1000 increment. However, this is pure speculation, and there is no need for an anticipatory "catch-up" in 1995 for an increase that may not even occur until well into 1996.

increases by 7.5% or more during the period from October 1, 1994 to October 1, 1996.

B. Wage Steps, Article XIV and Appendix A -- The City proposes to increase the length of time in the first two steps of the salary schedule, for fire fighters hired after the effective date of the contract. As we have seen, the Firefighters' maximum base salary is approximately average for the comparison group, although they have the lowest starting rate. It takes five years for City Firefighters to reach the top step of the schedule, as it does in Evanston.¹⁵ In Waukegan, it takes firefighters 15 years to reach the top step of their schedule, but in Arlington Heights and Elgin it takes 4½ years for firefighters to reach the top step of their schedules, and in Joliet, it takes only 3 years for firefighters to reach their top step.¹⁶ On the other hand, when longevity is considered, Evanston firefighters take 25 years, and Arlington Heights and Joliet firefighters take 20 years, to reach their maximum pay.¹⁷ Nonetheless, the parties here have not elected to adopt a longevity pay structure, so a straight comparison between the City's five-year progression to maximum base salary, and the longevity structures of Arlington Heights, Evanston and Joliet is less compelling than a comparison among the communities' step structures.

Where one party proposes to modify a benefit, that party bears the burden of demonstrating a need for the change. Village of Elk Grove Village and Elk Grove Village Firefighters Association, Local 3398, IAFF, supra at 67. Here, the City has offered no reason to lengthen the time periods for Steps A and B from six months to 1 year each, other than the

¹⁵Evanston has a seventh step based on an educational requirement, according to this record.

¹⁶Information for Naperville was not available.

¹⁷Elgin and Waukegan do not have longevity pay.

fact that its police officers have accepted this change, albeit only for the duration of their current contract, and the City, having imposed it on their executive and exempt employees, now intends to seek this extension from all other bargaining units. However, a "break-through" of this sort is best negotiated at the bargaining table, rather than being imposed by a third-party process. For this reason, and in light of the facts that the City's proposal would result in a progression from starting to maximum pay for the Firefighters longer than every comparable community other than Waukegan, and that even the City's maximum base salary is merely average for the comparison group, the panel rejects this City proposal.

C. Holidays, Article VI, §B -- The Union proposed to add Martin Luther King's Birthday as a recognized holiday under Article VI, §B, effective January 1, 1996. The City opposed increasing the number of recognized holidays.

The Union's principal rationale for this benefit is that the City's police already receive the King Birthday as a paid holiday. However, the police are the only City employees who receive this paid holiday, and they are compensated for holidays under a system very different from that for the Firefighters unit. One police holiday is not economically comparable to one Firefighter holiday. On the other hand, as the City notes, its Firefighters enjoy many more holidays than firefighters in every comparable community other than Joliet, although again the methods of payment vary widely: Elgin has 8 8-hour holidays, for which double time is paid, Evanston has 7 8-hour holidays for which time-and-a-half is paid, but Arlington Heights, Naperville and Waukegan fire fighters apparently receive no holiday pay whatsoever.¹⁸ In light

¹⁸ Joliet's unit has 13 holidays for which 8 hours are paid and 16 hours of comp time is given.

of the fact that the City's Firefighters are already compensated at one of the highest hourly rates among the comparable communities, the City's position is more reasonable than the Union's.

D. Vacation Allowance, Article XII -- In its Last Offer prior to arbitration the Union proposed that effective January 1, 1996, the contract provide for one additional day of vacation for employees beginning their eleventh year of service through the fifteenth year of service. The City opposed this proposal.

Under the present contract, Firefighters receive two weeks of vacation (five 24-hour days) for one through five years of service, three weeks (seven 24-hour days) for the sixth through fifteenth years, 4 weeks (ten 24-hour days) for the 16th through 20th years, and 4 weeks plus one day (11 24-hour days) beginning with the 21st year of service. The Union proposal would grant employees eight 24-hour days for the eleventh through fifteenth years of service. The Union contends that the City's vacation benefit is "substandard," in comparison to the vacation benefit in comparable municipalities and available to the City's police, and calculates that its proposal would increase the unit's benefit from the career-average equivalent of 8 24-hour shifts to 8.2 24-hour shifts annually, the same as the benefit for the City's Captains and Chiefs.

The panel finds that the current vacation benefit is not competitive with the external comparatives. According to the data provided, firefighters reach 8 or more vacation days at 10 years of service in Joliet, 7 years of service in Arlington Heights, their first year of service in Waukegan, 14 years in Elgin (when they jump to 10 days from 7), and 12 years in Evanston.¹⁹ Although it is difficult to make the internal comparison offered, because the City's police and firefighters are scheduled and compensated on such disparate bases, the fact remains that the

¹⁹Information was not provided for Naperville.

Union's proposal would place the City's Firefighters on a par approximately with Elgin and Evanston in this regard. Its final offer is more reasonable than the City's rejection of any increase. The Union's offer is therefore adopted.

E. Choice of Vacation Period, Article VII, §C -- The Union proposed to modify Article VII, §C to increase the number of vacation slots for paramedics from one per shift to two per shift during the six-month period from July 1 through December 31. The City opposed this offer. This issue is acknowledged to be an economic issue in light of the additional overtime that may be incurred when two paramedics take vacation on the same day.

The Union contends that the number of slots for the City's 44 paramedics is insufficient because there are only 8.3 slots per paramedic while there are twice that many for firefighters, 16.6 for each of the 66 firefighters. Firefighters are able therefore to select more desirable vacation slots than their paramedic co-workers with comparable or greater seniority, the Union asserts.

The inequity is apparently felt particularly by firefighter/paramedic who "rove" between the ambulance and other equipment, who must pick vacation as paramedics despite their occasional assignment to the other equipment. According to the Union's witness, firefighters are now discouraged from voluntarily becoming paramedics, despite the paramedic specialty pay of approximately \$2500, in part because of the difficulty scheduling reasonable vacations. However, the record demonstrates that even under the present system, junior paramedics have been able to schedule vacation days during the "prime months" of June, July, August, and September. Although all paramedic slots were filled for June, July, August and September, on each shift, paramedics with less than 6 years of service were able to select multi-day vacations during these

months, although it is clear that personal circumstances occasionally forced the selection of an off-prime date before the paramedic could bid for a summertime vacation date. On the other hand, the Union proposal would result in increased cost to the City whenever overtime would be required to ensure coverage when two paramedics' vacation days coincided.

There simply is insufficient information in this record to warrant that this panel impose a change in the parties' status quo. The issue appears to be one more suited to the bargaining table than impasse arbitration.

F. Clothing Allowance, Article XXI and Memorandum of Agreement No. 1 -- The Union proposes that the \$600 annual clothing allowance be increased to \$700, increasing from \$300 to \$350 the portion for the purchase of new and replacement items and from \$300 to \$350 the allowance for uniform maintenance. The City opposes this proposal. The Union argues that the increase is necessary to "bring [the firefighters' benefit] into line" with the clothing allowances for police and Fire Department command staff. However, the police allowance has exceeded the firefighters' for some time: the police benefit was \$700 in 1994, and increased to \$ 750 in 1995.²⁰ The benefit for command staff also historically has exceeded the firefighters': it was \$650 until January 1, 1995, when it was increased to \$675, and it will increase to \$700 effective January 1, 1996. Thus, the Union proposal would create an equality of benefit with the command staff that is contrary to the parties' negotiating history. On the other hand, the police and command staff have just received these modest increases, while the Firefighters' uniform allowance has not been increased since 1986. Although a negotiated settlement might have resulted in a smaller increase, preserving the relative position of the Firefighters slightly behind

²⁰There is no other history of the police benefit in this record.

the police and command staff on this benefit, the Union's proposal of **some** increase is more reasonable than the City's rejection of any increase whatsoever, and the Union's proposal, which will cost only \$100 per Firefighter annually, is adopted.

G. Holiday work routine, Article VI, Section B -- The City proposed that the holiday work routine would only be in effect on those holidays when City Hall is closed. The Union opposed this proposal.

At present, Firefighters who are 24-hour employees are allowed to perform "holiday routine" on ten designated holidays. Under "holiday routine," no formalized training occurs and only light maintenance work is required. However, City Hall is open to the public on three of these holidays (Lincoln's Birthday, Washington's Birthday, and Columbus Day), on which the City now seeks to require a regular work routine from the Firefighters as well as City Hall workers. The City urges that this change is necessary to achieve internal comparability and to increase productivity. However, the Firefighters and City Hall workers are not comparable on this point. On the three holidays in question, the City has chosen to require that City Hall be open to the public; therefore, the City Hall workers must work a regular routine to serve the public on those days. But this has nothing to do with the duties of firefighters on their holidays: The City has previously agreed that a "holiday routine" is appropriate for firefighters on their holidays. Nothing in this record suggests that the City's decision to keep City Hall open on several of those holidays has any relevance to what work is done or should be done at the fire stations. There is no evidence that the holiday routine impedes the Fire Department's ability to serve the public or that productivity has been affected deleteriously. The City has failed to justify this diminution of a benefit previously negotiated by the parties, and its Final Offer on this issue

is rejected. Cf. City of Evanston and Evanston Firefighters Local 742, FMCS No. 93-15700 (Malamud, 1994).

In reaching the foregoing conclusions, the Board has considered all the pertinent statutory factors set out in Section 14(h) of the IPLRA, including the parties' stipulations, external and internal comparability, cost-of-living, the overall compensation presently received by the employees, and such other factors, not confined to the foregoing, which are normally and traditionally taken into consideration in the determination of wages, hours and conditions of employment in collective bargaining.

VI. AWARD

For the reasons set forth above, the Panel finds that the parties' Labor Agreement shall include the Tentative Agreements submitted as Joint Exhibit 2, together with the following provisions:

ARTICLE VII
Vacation

Section A. Eligibility and Allowance.

[Paragraph 1 unchanged]

2. Employees shall be granted an annual paid vacation for the periods specified below, based upon the following service requirements:

Service Requirements

Vacation Period

1 year through 5 years

2 weeks (5 24-hour days)

Beginning of 6th year through 10 years	3 weeks (7 24-hour days)
Beginning of 11th year through 15 years	3 weeks and 1 day (8 24-hour days)
Beginning of 16th year through 20 years	4 weeks (10 24-hour days)
Beginning of 21st year and over	4 weeks and 1 day (11 24-hour days)

An employee shall be permitted to take two (2) weeks during the calendar year in which his first anniversary occurs; three (3) weeks during the calendar year in which his fifth anniversary occurs; three (3) weeks and one (1) day during the calendar year in which his tenth anniversary occurs; four (4) weeks during the calendar year in which his fifteenth anniversary occurs; and four (4) weeks and one (1) day during the calendar year in which his twentieth anniversary occurs.

[Sections B and C unchanged]

ARTICLE XIII Insurance

[Section A and B unchanged]

Section C. The employer agrees that a retired employee who retires between October 1, 1977 and April 1, 1983, with twenty (20) years active service, shall be entitled to the coverage described in Section B above, upon the terms and conditions set forth therein; provided further, that the amount of the annual premium payable for such coverage, as established and in force at the date of his or her retirement, shall be the maximum annual premium required to be paid by the employee, and in the event that the premium payable shall be increased during the time he retains the coverage, the amount of such increase shall be paid by the Employer. In the case of employees retiring after October 1, 1983, said increase shall be paid equally by the employee and the Employer.

In addition, for any employee who retires from the Department during the period September 1, 1995 through December 31, 1995, with twenty (20) years of service and is age fifty (50) or above, the City shall pay fifty percent (50%) of the cost of health insurance coverage for the retiree and dependents, if applicable, until the retiree reaches the age of sixty-five (65) and is eligible for Medicare.

[Section D and E unchanged]

[9/20/95]

ARTICLE XXI

Uniforms

An annual clothing allowance of \$700.00 shall be paid in two (2) semi-annual payments no later than March 1 and September 1 of each calendar year.
[Remainder of Article XXI unchanged]

ARTICLE XXIX

Duration

Section A. **Term.** The term of this Agreement shall be from January 1, 1995 to December 31, 1997. Wages due in the first year under Article XIV and Appendix A shall be fully retroactive to the first full payroll commencing on or after January 1, 1995. The effective date of other provisions of the Agreement shall be as specified in the applicable provisions or the date of ratification of the Agreement if no date is specified. The terms of this Agreement shall remain in full force and effect through the 31st day of December, 1997. Said Agreement shall be automatically renewed from year to year thereafter unless either party shall notify the other, in writing, at least one hundred twenty (120) days prior to the anniversary date (i.e., by September 1) that it desires to modify this Agreement.

[Sections B and C unchanged]

[9/20/95]

APPENDIX A

This Schedule of Wages, labeled APPENDIX A, is attached to, and made a part of, that certain Agreement executed _____, 1995, by and between the City of Aurora and Local 99, I.A.F.F., AFL/CIO/CLC. It sets forth the annual rates of pay for Fire Privates and Fire Lieutenants of the Aurora Fire Department which shall be in effect during the term of said Agreement.

I. SCHEDULE OF BASE ANNUAL PAY RATES

Position and Periods of Service	Annual Rate of Pay		
	Effective the first full payroll commencing on or after the following dates:		
A. <u>Fire Private</u>	01/01/95 (3.5%)	01/01/96 (3.5%)	01/01/97* (3.5%)
Start to 6 mos.	25,926		
From 6 mos. - 1 yr.	35,525		
From 1 yr. - 2 yrs.	36,883		
From 2 yrs. - 3 yrs.	38,277		[calculation of these steps is left to the parties]
From 3 yrs. - 4 yrs.	39,785		
From 4 yrs. - 5 yrs.	41,331		
Over 5 completed yrs.	42,951		
B. <u>Fire Lieutenants</u>	48,340		

* In the event that the Chicago Area Consumer Price Index for Urban Areas (CPI-U) increases by 7.5% or more during the period from October 1, 1994 to October 1, 1996, then instead of the increases listed for 1/1/97 there shall be a wage reopener.

II. SPECIALTY PAY RATES

A. Specialty Pay Rates

Paramedic Applicable wages plus 6% of top firefighter base pay which is as follows:

1995 - \$ 2,577

1996 - [calculation left to the parties]

1997 -

[Remainder of APPENDIX A unchanged]

MEMORANDUM OF AGREEMENT NO. 1
Minimum Uniform Requirements

[Unchanged except for the following paragraph:]

Purchase of new and replacement items shall be limited to \$350.00 per year; the remaining \$350.00 per year to be applied to uniform maintenance. Any additional clothing, not recommended by the Safety Committee, will be paid for by the City.

10/20/95
Date

10/20/95
Date

10/20/95
Date

Lisa Salkovitz Kohn
Lisa Salkovitz Kohn, Chair

Scott F. McCleary
Scott McCleary, Employer Delegate

Raymond W. Pfeiffer
Ray Pfeiffer, Union Delegate