

## Village of Roxana & Steelworkers S-MA-97-168, 01/08/99

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Arbitrator's comment on Decision  
Village of Roxanna & Steel Workers  
S-MA-97-168

This decision Village of Roxanna & Steelworkers S-MA-97-168, 01/08/99, interest dispute involves a statutory mandated interest arbitration as an alternative work stoppage dispute resolution mechanism. It is noted that there was a question concerning representation raised which the Arbitrator became aware of during the course of the hearing. The IS&LLRB was informed. No indication other than a decertification election was indicated as the appropriate method to resolve the QCR. Although and Unfair Labor Practice Charge was pending before the appropriate board, the interest arbitration proceeding and decision was issued.

**State of Illinois  
Illinois State and Local Labor Relations Board**

**Before**

**DAVID A. LOEBACH ED.D.  
ARBITRATOR  
2320 South Seventh Street  
SPRINGFIELD, ILL. 62703-3429**

**IN THE INTEREST ARBITRATION MATTER BETWEEN:**

Mr. Gary Walston	:	
Staff Representative	:	
USWA AFL-CIO-CLC District 7 Sub District 2	:	
1950 State Street - Calvo Building	:	
Granite City, Illinois 62040	:	
		<b>UNION</b>
and	:	<b>S-MA-97-168</b>
Village of Roxanna	:	
c/o Mr. Ken Carroll	:	
Bierenbaum & Associates	:	
917 Locust St., Suite 1100	:	
St. Louis, Mo. 63101-1413	:	
		<b>EMPLOYER</b>

**DECISION and AWARD**

**I.  
Introduction**

An interest dispute between the captioned parties resulted in an arbitration hearing taking place at 9:30 AM at the Roxanna Village Hall, 400 South Central, Roxanna Friday, October 23, 1998. In accordance with the agreement of the parties the official transcript of the hearing will be the MAY REPORTING SERVICE, Edwardsville, Illinois certified court reporter's record. The mutually agreed upon arbitrator in this matter is David A. Loebach Ed.D., selected from a Illinois State Labor Relations Board neutral labor arbitrators' panel list. Corrections to the certified shorthand report include reference in the caption and throughout this labor management interest dispute record reference to "charging party" is changed to "Union"; and the record's reference to "respondent" is changed to "Employer". Also, correction is made on page 7 where in " 89" is changed to "99" in two places lines 21 and 22 respectively, therein, page 66 line 5 is changed from is to are.

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1. Reference to Hearing Officer, Joint, Employer, and / or Union, Exhibits; Transcript, and / or Post Hearing briefs; appear in this Decision and Award as: (Ho. Ex.\_\_\_\_), (Jt. Ex. \_\_\_\_), (Er. Ex.\_\_\_\_),(Un. Ex. \_\_\_\_), (Tr.\_\_\_\_), (Er. PHB.\_\_\_\_), and (Un. PHB.\_\_\_\_), respectively.

**II.**

**Appearances**

Appearances are as stated in the above caption and in the corrected certified shorthand reporter's record.

**UNION'S APPEARANCES**

Gary Walston  
USWA AFL-CIO-CLC  
Staff Representative  
Sub-District 2  
1950 State Street  
Granite City, Illinois 62040

Mr. Frank Cavarretta,  
Asst Sub-Dist 2 Representative  
USWA AFL-CIO-CLC

Dan Bunt, Union Stewart and Treasurer Local # 9189  
Roxanna Police Dept.

Bill Webber  
Sergeant, Wood River Police Dept.  
USWA, Local Union 9189, President  
111 N. Wood River Ave.  
Wood River Illinois 62095

**EMPLOYERS APPEARANCES**

Kay Spencer  
PRESIDENT  
Village of Roxanna  
Roxanna, Illinois

Leonard Berg, Esq.  
Village Attorney  
Roxanna, Illinois

Ken Carroll  
Labor Relations Consultant  
Birenbaum & Associates, Inc.  
917 Locust St., Suite 1100  
St. Louis, Missouri 63101 1413

**III.**

**Background**

This is the third collective bargaining agreement negotiated by the parties in their collective bargaining relationship. The first two collective bargaining agreements were under previous political administrations.(Tr.30-31) The parties have not had labor peace since the end of the second contract. Negotiations for the renewal and extensions of the 95-97 Police collective bargaining contract can not be characterized as smooth labor negotiations. Impasse has resulted with several complication tangential issues.

In more mature collective bargaining relationships the parties to the labor agreement have stabilized the comparability issue through extensive experience with past usable political and market available comparable jurisdictional data sources, or even an established pattern of bargaining. This bargaining relationship is too new to have such experience or collateral built up. In fact, the relationship is threatened in its very existence by the Village board action and resolution to discontinue the bargaining relationship and the Union's filing of Unfair Labor Practice Charges before the Illinois State Labor Relations Board. However, both of the parties participated actively in the interest arbitration hearing conducted before the undersigned arbitrator. Therefore, wherein the Illinois Labor Relations Statutes require the arbitrator to consider the comparability of the issues in dispute. Furthermore, the Illinois Labor Relations Statute requires the arbitrator to resolve all economic issues by selection one and only one of

the parties final last best offer presented at the interest dispute hearing. This means that the arbitrator in economic issues cannot fashion his own solution, mix and match proposals to the issue, but merely has the authority to select one of the parties final offers. Since there is only one issue in this instant case, the arbitrator has an either or choice.

#### **IV. Issue**

This is an interest dispute resolution conflict resolved in accordance with the terms of voluntary recognition certification extended by the Illinois State Board of Labor Relations for police units, i.e. final offer selection on economic packages. The only remaining issue is wages.

The Union seeks a three year agreement with \$0.30 per hour pay increase each year. The Employer seeks a two year contract with a lump sum payment.

#### **V. Facts**

1. The USW of America, referred to herein as the Union, received voluntary recognition of the Police Officers of Roxanna as an appropriate bargaining unit, certified by the Illinois State labor Relations Board on November 18, 1991 consisting of "all police officers" excluding "the Chief of Police." ( Copy of Certificate of Voluntarily Recognized Representative.)
2. The USWA and employer Village of Roxanna have negotiated collective bargaining agreements for the years 1992 through 1994; and 1994 through 1997( Tr. 11, Jt. Ex.1 )
3. Negotiations began April 30, 1997 (Tr.6, 33-35 ) (Un. Ex.#3)
4. Mutually agreed upon extensions to the May 1, 1995 through April 30, 1997 collective Bargaining were signed by the parties four times for periods of times through May 31, 1997, July 1997, August 31, 1997 and September 30, 1997. (Tr. 6, 36)(Un..Ex#2).
5. The Union requested and the Employer refused to sign the extension through October 15, 1997. (Tr. 6)
6. The Village of Roxanna passed a resolution to discontinue negotiations with their voluntarily recognized and certified exclusive bargaining agent for the Police unit, the USWA. ( Er. Ex.15)
7. A notice for agreed arbitration was given to the union by the employer on January 9, 1998. Negotiations continued on February 2, 1998, February 25<sup>th</sup>, 1998, and June 15, 1998. (Tr.6)
8. The union has filed an Unfair labor practice charge with the appropriate State of Illinois Labor Relations Board.(Tr.12 )

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9. No agreed comparable jurisdictions were presented for salary and economic comparison, because none exist wherein a single community employer negotiates their tax contribution with the tax levying authority. However, market condition comparability data was submitted in Union Exhibit # 8.

10. Neither party at hearing objected to any statutory time line involved in the processing of this interest dispute, therefor the arbitrator presumes waiver of procedural time line issues before this hearer of fact.

11. No decertification election petition has been appropriately filed to raise or resolve the question of Representation at the time of this interest Arbitration Hearing.

12. The Village of Roxanna does not levy a State of Illinois authorized tax for Police Protection, but does levy a Tort Immunity tax. (Tr.50, 56,62 )

13. The Village of Roxanna does transfer monies out of the General Fund into a Public Improvement Fund. Although revenues have decreased the Village of Roxanna's improvement fund have increased.(Tr.63,68-69 )

14. The village of Roxanna despite declining revenues, has in non operational funds savings for infrastructure opportunity development funds \$ 800,000 in Public Improvement Funds and approximately \$ 400,000 in the Special Revenue Fund , for a total of over one million two hundred thousand dollars without a bonded indebtedness nor a master plan to implement the expenditure of the \$1,200,000 in cash funds for future development opportunities (Tr. 160-163).

## **VI. Positions of The Parties**

### **VI. A. Employer Position**

The employer seeks a limited scope of decision from the Arbitrator. Specifically, that the interest arbitration decision be limited to the fiscal years May 1, 1997 through April 30, 1998. The Village requests that any award be made in the form of a lump sum payment.

Furthermore, the Employer pleads an in ability to pay especially in terms of any accumulating wage settlement different than their proposed lump sum wage proposal. (Tr.95, Er. PHB p.4&5)

The final Offer at hearing was: "The Village of Roxanna will agree to pay each of the four

police officers a lump sum payment of \$624.00 in lieu of an increase in rate of pay for the period May 1, 1997 through April 30, 1998.” signed by Kay Spencer ( Er. Ex. # 5)(Tr.95).

## **VI. B. Union Position**

The Union’s position is that the employer has the money to resolve this wage issue with its Police unit, just as it has the power to negotiate taxes with the Community’s single dominant employer and levy special taxes.

The union’s final offer presented at the hearing was for a wage package stated as follows:

- \$0.30 per hour for the period of May 1, 1997 through April 30, 1998
  - \$0.30 per hour for the period of May 1, 1998 through April 30, 1999
  - \$0.30 per hour for the period of May 1, 1999 through April 30, 2000
- (Un. Ex. #1 )(Tr.6)

## **VII. Discussion**

The union clearly demonstrates the reasonableness of its final offer wherein its Union Exhibit # 8 clearly sets forth the unchallenged comparability of size and labor market area table of benefits and wages. Furthermore, the employer fails to credibly present an argument to substantiate its claim of inability to pay and or adequately provide for the public welfare with over \$1,200,000 in two cash accounts with no plans for improvement nor a bonded indebtedness to satisfy in the immediate future.

## **VIII. Stipulations of the Parties**

At the time of the interest arbitration hearing there was pending before the Illinois State Labor Relations Board an Unfair Labor Practice charge. The parties drew up a stipulation and filed a copy of the stipulation with the adjudicating Authority, The State and Local Labor Relations Board, in Springfield. The arbitrator in the this instant interest arbitration received a copy and notes that much of it is illegible. (Er. Ex.# 7)(Tr. 23-24)

## **IX.**

### **Interest and Welfare of the public and Financial ability of the unit of government to meet these costs**

The testimony of the Employer’s principle witness, Village President Kay Spencer, centered around the financial ability of the Village (Tr.114 -165). Even the Union’s Independent Auditor’s report indicates an Assessed valuation decrease from \$95,298,561 in 1990 to \$58,296,400 in 1997 and calculates a 39% decreased. (UN Ex #7). There is no figure for total

tax collections. The independent auditor's analysis further indicates that total general revenue funds declined \$23,000 during this period of time for a 4% rate of decline. The huge decline in assessed valuation did result in a reduced real estate tax collection from \$303,178 in 1996 to \$256, 313 in 1998, a decrease of \$47,000. ( Un. Ex.7 ) (Tr.114-165)

The employer's witness and Village of Roxanna's President testified that the Village had declining tax revenues due to a tremendous reduction in the tax revenue obtained from the areas major and dominant employer Shell Oil Company. However, The Village President also indicated measures that were already taken to cope with the shortfall and the projections from their Labor Relations Consultant Charts and projection to 2002 (Er. Ex.10,11,12,13) wherein the charts depict Shell's tax contributions will diminish to all taxing bodies except schools in their area. This decline in Shell's tax contribution is in result of the negotiations of a Shell reassessment settlement and subsequent agreement signed by fifteen or more public bodies and limiting shell's tax contribution to One hundred and sixty million over the next four years.(Tr.132-134)

## **X.**

### **Comparison of Wages and Conditions of Employment**

#### **X. A.**

##### **In public employment in comparable communities**

Union exhibit # 8 delineates and analyzes the cost associated with the last of the issues to settlement of this labor contract – wages. In so far as two of the five jurisdictions analyzed on the spreadsheet are comparable in population and size of police force employed the others are within the labor market area of the Village of Roxanna. In Comparison all but two seem to be spelled out for three or more years, two salary plans for sergeant and patrolman are higher than current Roxanna police department salaries, and two are lower, one jurisdiction is a split the Sergeant's is higher and the patrolman's is lower. No calculations were made on longevity scales since the Arbitrator was not provided any police officer population data by length of service category.

#### **X. B.**

##### **In private employment in comparable communities**

Private sector security force salary data were not provided in evidence. Ergo, no comparability was attempted.

## XI.

### Conclusion

It is a commonly held principle in the culture of peace officers and other essential service duty personnel, as security officers who perform their duty in accordance with a professional code which holds that peace officers, or sworn security officers and personnel will not quit their position, nor leave their post, or duty station until properly relieved. This also means that this job must be performed by someone all the time. Neglect of this essential service job creates a hazard to public safety, or health, and welfare of the taxpaying public. Either the community pays for its physical security, or it performs the tasks associated with it itself. No cost saving plan to provide public safety by any other means was discussed or placed in evidence by the employer to meet the need for providing for public safety in the Village of Roxanna. (Tr. 160-162) The current status of American **evolution of Law and Order** frowns on vigilantism or private citizens enforcing the laws. That is the very simple, but succinct rationale behind arguments for a professional peace officer, and also the reason that laws of labor relations do not allow essential service workers like peace officers to engage in work stoppages. Accordingly, the welfare of the public and a sense of social justice requires that budgets not be balanced on the backs of the most essential servants of the public who give up part of the citizen individual rights to serve and protect the public's welfare in a manner often characterized and recognized as: professional.

The Arbitrator finds in favor of the Union's argument supporting their final offer on the single issue of wages.

## XII.

### Award

**Based on the foregoing**, the Arbitrator orders the parties to the negotiated contract to include in their bargained agreement the following provisions:

1. The final offer of the Union, as stated before the arbitrator:
  - \$ 0.30 May 1, 1997 through April 30, 1998
  - \$ 0.30 May 1, 1998 through April 30, 1999
  - \$ 0.30 May 1, 1998 through April 30, 2000

Thus, the foregoing resolves the negotiations impasse over interest disputed by the parties to this labor contract.

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David A. Loebach Ed.D.  
Arbitrator

**David A. Loebach Ed.D.**  
**2320 S. Seventh St.**  
**Springfield, Illinois 62703-3429**  
Phone/fax (217)546 4275

**CERTIFICATE OF SERVICE**

THE ATTACHED NOTICE OF INTEREST ARBITRATION HEARING IS SERVED UPON THE CAPTIONED PARTIES BY CERTIFIED U.S. MAIL TO Mr. Gary Walston, USWA Dist. # 7 Sub District 2, THE ADDRESS INDICATED IN THE CAPTION AND BY CERTIFIED U.S. Mail TO Mr. Ken Carroll AS INDICATED IN THE CAPTION.

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DAVID A. LOEBACH ED.D.  
ARBITRATOR

SUBSCRIBED AND SWORN BEFORE ME  
THIS \_\_\_\_ DAY OF January 1999  
IN SPRINGFIELD, ILLINOIS

\_\_\_\_\_  
NOTARY PUBLIC

cc:  
Kay Spencer, Village President  
Village Hall  
400 South Central  
Roxanna, Ill 62084  
Ph. (618)254 4709  
Fax (618) 254 2316