

BEFORE THE ARBITRATOR

In the Matter of the Petition of
IOWA COUNTY COURTHOUSE AND SOCIAL
SERVICES EMPLOYEES' UNION, LOCAL 413,
AFSCME, AFL-CIO
To Initiate Arbitration
Between Said Petitioner and
IOWA COUNTY

Case 95
No. 55928 INT/ARB-8374
Decision No. 29393-A

Appearances:

Mr. David White, Staff Representative, Wisconsin Council 40,
AFSCME, AFL-CIO, 8033 Excelsior Drive, Suite B, Madison,
Wisconsin 53717-1903, on behalf of the Union.
Brennan, Steil, Basting & MacDougall, S.C., Attorneys at Law,
by Mr. Howard Goldberg, 22 East Mifflin Street,
Suite 400, P.O. Box 990, Madison, Wisconsin 53701-0990,
on behalf of the County.

ARBITRATION AWARD

Iowa County Courthouse and social Services Employees' Union,
Local 413, AFSCME, AFL-CIO, hereinafter referred to as the Union,
and Iowa County, hereinafter referred to as the County or
Employer, having met on three occasions in collective bargaining
in an effort to reach an accord on the terms of a new collective
bargaining agreement to succeed an agreement, which by its terms
was to expire on December 31, 1997. Said agreement covered all
employees of Iowa County Courthouse and related departments,
excluding supervisory, professional, confidential, craft, law
enforcement employees with the power of arrest, and employees of
the Iowa County Highway Department and Iowa County Nursing Home.
Failing to reach such an accord, the Union, on December 26, 1997,

filed a petition with the Wisconsin Employment Relations Commission (WERC) requesting the latter agency to initiate arbitration, pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act, and following an investigation conducted in the matter, the WERC, after receiving the final offers from the parties on June 4, 1998, issued an Order wherein it determined that the parties were at an impasse in their bargaining, and wherein the WERC certified that the conditions for the initiation of arbitration had been met, and further, wherein the WERC ordered that the parties proceed to final and binding arbitration to resolve the impasse existing between them. In said regard the WERC submitted a panel of seven arbitrators from which the parties were directed to select a single arbitrator. After being advised by the parties of their selection, the WERC, on July 21, 1998, issued an Order appointing the undersigned as the Arbitrator to resolve the impasse between the parties, and to issue a final and binding award, by selecting either of the total final offers proffered by the parties to the WERC during the course of its investigation.

Pursuant to arrangements previously agreed upon, the undersigned conducted a hearing in the matter on October 14, 1998, at Dodgeville, Wisconsin, during the course of which the parties were afforded the opportunity to present evidence and argument. The hearing was not transcribed. Initial and reply briefs were filed and exchanged, and received by December 21, 1998. The record was closed as of the latter date.

THE FINAL OFFERS AND STIPULATIONS OF THE PARTIES:

The Union and County final offers and stipulations are attached and identified as Attachment "A," "B" and "C," respectively.

BACKGROUND:

Hearing in the instant case was held on October 14, 1998. No witnesses were presented. Both parties presented exhibits in support of their positions. Representatives from each side reviewed and explained their exhibits to the Arbitrator.

POSITIONS OF THE PARTIES:

Union's Position

It is the Union's position, as discussed below, that the statutory criteria clearly supports its position.

Section 7 Factor: Greatest Weight

The Union argues that this criterion should not have an impact on this case because there are no state laws or directives that limit the Employer's ability to pay for either offer.

Factor 7g: Greater Weight

This factor, it is argued, requires the Arbitrator to give "greater weight" to "economic conditions in the jurisdiction of the municipal employer" than to the criteria that are found in subd. 7r. It is the Union's position that in order to evaluate this factor (as well as the factors found in subd 7r), the

comparable counties must be defined. The Union cites Arbitrator Fredric Dichter, who, in Vernon County (Highway Department), wrote:

It is necessary to determine the appropriate comparable Counties before analyzing many of the other factors [7g and 7r factors] set forth in Sec. 111.70. The economic conditions of Vernon County must be compared with the economic conditions of other counties in order to ascertain the true economic picture of Vernon. Does its economy reflect the overall economy of the other Counties, or is its situation unique? If the economy of the County is similar to that of the other comparable counties, then the actions of those Counties carries more weight.

Thus, it is argued, to determine whether the local economic condition factor found in 7g favors either party's offer, one must first identify the comparison group, and thereby find a context within which to evaluate those local economic conditions. The Union contends that the comparable counties in this case are the ones cited by the Employer plus Dane County.

It is the Union's position that the evidence in the record demonstrates clearly that Iowa County is experiencing stronger economic conditions than its comparables. In support of its position, the Union relies on the following:

Growth in Per Capita Income -- It is argued that comparison of this criterion with the comparables establishes that Iowa County's increase from 1995 to 1996 was the fourth largest increase of all nine comparables, and was substantially above the

average. 1/

Unemployment Statistics -- The Union contends that comparison of unemployment figures (1996-1997) indicates that the Iowa County unemployment rate has been significantly below the average of the comparables and that only Dane and Green Counties have a lower unemployment rate in 1997. 2/

Increase in Full Value -- The Union avers that the rate of growth of full value in Iowa County (8.59%) is surpassed only by Columbia and Sauk Counties, and is substantially above the average of the comparables. 3/

Growth of Sales Tax Revenues -- The Union reasons that another way to compare the strength of local economic activity in the comparable counties is to compare the rate of increase in the County sales tax. This comparison, it is claimed, establishes that only Crawford County's increase in sales tax revenues exceeds that of Iowa County. This increase, it is argued, demonstrates, that Iowa County is enjoying substantially greater economic strength than its peers.

Summary -- The Union argues that if the above three measures

1/ Union's Brief, p. 7.

2/ Union's Brief, p. 8.

3/ Union's Brief, p. 9.

of economic activity are considered together, it is possible to obtain a composite picture of the relative strength of each member of the comparable group. When such a comparison is made, 4/ it is the Union's contention that the County with the strongest local economy is Iowa County.

Factor 7r: Other Factors

1. Historical Relationship with Highway Settlement

Employer Exhibit 15 shows the historical relationship between the settlements in the Highway and the Courthouse units, from 1995 to the present. According to the Union, that exhibit shows that in 1995, the Highway bargaining unit received split increases in January and September, while the Courthouse received split increases in January and October. However, the Union points out, the size of the increases were nearly identical - the Highway's increase in January was 24 cents versus the Courthouse increase of 23 cents, and the mid-year increase in Highway was 25 cents versus the 24 cent increase that the Courthouse unit received. In 1996, both the size and the timing of the increases were identical. The same was true for 1997.

It is argued that in contrast to this near lock-step relationship between the Highway and the Courthouse settlements is the settlement in the Sheriff's Department. It is argued that in

4/ Union Brief, pps. 11 and 12.

only the first of the years covered by Employer Exhibit 15 did the sheriff's Department employees receive split increases.

Clearly, the Union asserts, the bargaining history of the parties demonstrates that the settlement of the Highway contract for 1998 and 1999 is a far stronger indicator of the appropriate settlement for the Courthouse bargaining unit than is the Sheriff's settlement for 1998 and 1999.

2. The Highway Settlement Supports the Union's Offer

Looking at the Highway bargaining unit settlement, the Union claims that it is plain that this settlement supports the Union's offer. That settlement provides for an increase on January 1, 1998 of 30 cents per hour and an additional increase on October 1 of that year of 15 cents per hour. In absolute terms, this is slightly more than the Union's offer of 27 cents and 14 cents per hour on those dates. However, it is argued, when one considers the percent increases, the two offers are identical. To calculate this average, the Union notes that the parties have different figures for the base year average for the Courthouse bargaining unit for 1997. According to County Exhibit 14, the 1997 ending average was \$10.86 per hour. The Union claims the County data to support this figure is, apparently, Employer Exhibit 24. It is argued that the problem with this data is that it includes wage rates for four employees who were hired in 1998. Thus, the Union contends, the Employer's figure does not constitute the "snapshot"

arbitrators traditionally used in evaluating the percent increases of the parties' offers.

In contrast, the Union submitted data which shows that the unit average is \$11.09 per hour. The Union's data, contained in its Exhibit 3, consists of a listing of each bargaining unit employee and his/her rate of pay. The Union testified at the hearing that this data was received from the County near the end of 1997, at the request of the Union in preparation for negotiations on the 1998-1999 contract.

The Union notes that the difference is not great, but it does slightly affect the Union's percent increases. It is argued that when the figure \$11.09 per hour is used, it is clear that the Union's offer in 1998 provides for a percent increase that is identical to that agreed in the Highway bargaining unit. The January 1 increase in both the Highway unit, and as proposed by the Union for the Courthouse bargaining unit is 2.4%. The October 1 increase for both units would be 1.2%.

For 1999, the Union applies the same analysis. The Union notes that the Highway settlement works out to 2.0% on January 1, and an additional 2.0% on October 1. Under the Union's offer, the 1998 year end unit average increases to \$11.50 per hour. The Union contends that its proposed 23 cent per hour increase on January 1, 1999, then works out to exactly 2%. The October 1, 1999 proposed increase rounds up to 2.0%.

Plainly, it is argued, the Highway settlement provides strong

support for the Union's offer in the instant case.

3. The Pattern of Wage Increases of the External
Comparables Supports the Union's Offer

Relying on its comparison chart found on page 15 of its brief, the Union argues that under the County's offer, the Iowa County employees would receive a lift increase in 1998 that would be 0.7% below the average of the eight external comparison bargaining units. The Union's offer is one-tenth of one percent lower than the average. It is claimed that of the eight units settled for

1998, three would receive a lift greater than that proposed by the Union. In contrast, it is argued, the County's offer would provide for the lowest percent increase of any of the comparables.

For 1999, there are only four settlements. The Union claims that of these, however, the County's offer is the lowest, and is fully one-half percent below the average. The Union's offer provides an increase that approximates the increase provided by two of the four settled bargaining units, and is half a percent higher than a third settlement. In contrast, it is argued, the County's offer provides an increase that ranks as the lowest of the increases provided.

It is the Union's position that to the extent that one can claim an external wage settlement pattern exists, it is readily seen that in both years, the Union's offer better reflects that pattern.

4. Benchmark Analysis Demonstrates that the Wages
Paid to Comparable Employees Supports the Union's Offer

The Union contends that a commonly utilized method of analysis in wage disputes such as this involves a comparison of wages paid to benchmark positions. In selecting benchmarks, it is reasonable to select positions that are reflective of the variety of skills of the unit for which external comparisons are relatively easy, and which are reasonably well-populated. In this case, the Union claims, the appropriate benchmarks to be the Secretary, Legal Secretary, the Account Clerk, the Chief Deputy Clerk of Court, the Chief Deputy Register of Deeds, the Economic Support Specialist, the Economic Support Specialist Leadworker, and the Child Support Specialist.

The Union compared the maximum rates of the above positions with those of the comparables for the years 1997 and 1998. It summarized its comparisons and concluded as follows:

Looking at the benchmarks for 1998, the Union argues that there can be little doubt: The Union's offer better preserves previously established wage relationships between Iowa County and its comparables, while the County's offer serves to worsen Iowa County standing relative to the peer group. Indeed, it is claimed, the Union's offer is modest compared to what the evidence above justifies. Therefore, the Union's offer is the more reasonable, and should be favored. Below is a chart relied upon

by the Union:

**Base Year Deviations from Averages
Iowa County, 1997 and 1998**

Position	Rank at Max	Deviation from Ave. of Comparables, 1977	Deviation from Ave. of Comparables, 1988	
			Union	Employer
Secretary	4/9	12 cents	12 cents	4 cents
Legal Secretary	3/9	12 cents	19 cents	13 cents
Account Clerk	4/9	-12 cents	-19 cents	-27 cents
Chief Deputy Clerk of Court	5/9	-41 cents	-60 cents	-66 cents
Chief Deputy Register of Deeds	4/9	-18 cents	-28 cents	-34 cents
Economic Support Specialist	4/9	-2 cents	-22 cents	-26 cents
Lead Economic Supp. Spec.	4/6	-70 cents	-83 cents	-87 cents
Child Support Specialist	5/7	-91 cents	-\$1.12	-\$1.18

The Union notes that the maximum rate for all but two of the positions was below average in 1997. The Union claims that under either offer, that status would remain unchanged. However, it is argued, under the County's offer, all but one of the positions would fall relative to the comparables. The lone exception is the Legal Secretary position, which would improve relative to the average by 1 cent per hour. Under the Union's offer, it is claimed, the Secretary position would retain its position relative to the comparables, and the Legal Secretary would improve relative to the comparables by 7 cents per hour. It is contended that each of the other positions would fall relative to the peer group, though the drop would be somewhat less than would be experienced under the County's offer.

In light of this evidence, the Union reasons that that offer which serves to make the standing of the Iowa County employees worse relative to the comparables should be disfavored, while that offer which provides wages and wage increases that better reflect the rates and increases paid to comparable employees in comparable counties should be preferred. It is argued that as is shown by the table above, it is the County's offer which renders the Iowa County employees' standing worse, while the Union's offer better reflects the increases and rates paid among the comparables.

Offers for 1999

The Union's position is that given the paucity of settlements for 1999, it is impractical to conduct a meaningful benchmark analysis for 1999. However, it is argued, given the fact that the Union's wage offer is closer to the average settlement for 1999 than is the County's offer, it is reasonable to assume that the effects noted for 1998 will go unabated in 1999 if the County's offer is selected. In other words, according to the Union, the evidence in the record shows that the Iowa County wage rates will suffer relative to the comparables under the County's offer. Under the Union's offer, the evidence is that any erosion in wage rates relative to the comparables will be muted.

For these reasons, the Union claims that its offer for 1999 should be preferred.

Employer's Position

1. Comparison of the County's Wage Offer with the
Union's Wage Offer

While there was a difference in the parties' calculation of the average wage rate in the unit, the Employer in its comparisons uses the Union's figure of \$11.09 per hour. Applying this average wage, the County's offer of 3% is equal to 33 cents per hour on average, for 1998, and 34 cents per hour, on average, for 1999. The Union's proposal is a total lift of 41 cents per hour for the first year and 46 cents per hour the second year. At the end of the two-year period, the County's offer would increase wages by a total of 67 cents per hour, and the Union would increase wages by a total of 87 cents per hour. The County Exhibits found at County Exhibit No. 23 show the wage rates under both offers. The Employer contends that the December 31, 1999 ending wage rates are the important numbers here, for they show the stark difference between the two offers. Relying on its comparison chart found on page 5 of its brief, the Employer summarizes its findings as follows:

In percentage terms, the Union calculates the total lift of the County's offer as being 6% over the two-year period and the Union's total lift is 7.9% over that same period. 5/ By the end of the term, the Union's offer will provide a salary increase

5/ See Union Exhibit No. 22 which calculates the first year lift, in percentage terms, as being 3.9% and the second year left as being 4%.

which would be almost 2% higher than the County's offer. The County asserts that its wage offer is more reasonable and should be selected.

2. Application of Statutory Factors

In this case, the Union has proposed the use of lifts in its final offer. It is the position of the County that no legitimate reason has been provided by the Union which would justify this type of pay increase. It is contended that lifts are traditionally employed when the current wages are low in comparison to others and "catch up" is needed. The Employer claims that the record, in this case, shows that the wages paid in Iowa County are not low by any standard. It is argued that all of the traditional factors used by arbitrators in interest arbitration cases support the County's proposed wage offer. Specifically, the County claims that the internal comparables, the external comparables, the stipulations of the parties, and the cost-of-living factors favor the County's wage offer.

External Comparables

The County notes that this is not the first time that the Iowa County Courthouse Union has petitioned for interest arbitration. The last arbitration was heard by Arbitrator William W. Petrie and decided April 2, 1997. Arbitrator Petrie concluded that comparison criteria is normally the most important and that the comparison group (appropriate comparables) consisted of the

counties proposed here by Iowa County. It does not include Dane County.

The County in its exhibits compares Iowa County wages and proposed wage increases with those of the comparables. The County also relies on a recent decision in Grant County which was issued by Arbitrator Kessler on June 29, 1998. The County argues that in that arbitration, as here, the Employer proposed a 3% increase in wages for each of the two years of the agreement. There, as here, the Union proposed a double wage split for each of the two years of the contract. The annual cost of the Union's offer would be an increase in wages by 3% each year, but the ending wages would be considerably higher than the straight 3% wage increase offered by Grant County. The County notes that in evaluating the final offers, Arbitrator Kessler used the same counties as were found to be in the primary intra-industry comparison group by Arbitrator Petrie, with the exceptions of Columbia and Green Counties. While the counties in the primary comparison group are slightly different, the County contends that the concepts are the same, and the analysis used by Arbitrator Kessler is useful to the Arbitrator here.

Comparison of Economic Conditions

Arbitrator Kessler noted that arbitrators give "greater weight" to the economic conditions in the community being evaluated. He specifically considered the per capita income of

each of the various counties in the comparable group and calculated an average which was then applied to Grant County. In this case, the County has provided a listing of the adjusted gross income for each of the comparable counties at County Exhibit No. 21B. The County claims that this calculation shows that Iowa County is about in the middle of the pack when comparing its per capita income with the other counties. It is argued that there is other economic data in the record which is also useful. Specifically, reference is drawn to the population and equalized valuation statistics for the above-itemized counties. Union Exhibit No. 10 shows the populations of the comparable counties. That exhibit has the same population numbers as are set forth in County Exhibit No. 21B. Using the above analysis, the County contends that Iowa County ranks five in both population and equalized property values.

It is the City's position that these rankings show that Iowa County is not the top county in the group by way of per capita income, population or property values. In fact, it is argued, it is only slightly above average in one category and below average in the other two. Yet, the County asserts, the wage statistics show that Iowa County pays above average wages, and in many cases, pays the top wages of any of the counties in the comparison group.

Secretary/Clerk/Typist Comparisons

County Exhibit No. 24 shows that of the 32 employees in the

bargaining unit, 14 are in the range 7 classification of Secretary/ Clerk/Typist. County Exhibit No. 30, page 1, shows the start, six month, and maximum wages for this classification in each of the counties in the primary intra-industry comparison group for the 1996. It is argued that that Exhibit shows that Iowa County is higher than all of the other counties as to the starting wages for this classification; is the second highest (by one penny) of all of the other counties at the 6-month rate; and, is the second highest of all of the other counties in the payment of the maximum salaries for this pay class. County Exhibit No. 30, page 2, shows these same comparisons for the year 1997. The results are the same, according to the County, with the exception of the fact that Iowa County is the highest payer at both the start and six month steps, and is second only to Green County as to the maximum step. County Exhibit No. 30, page 3, shows this same information as to 1998 wages. That page shows the wages under the County's wage offer as well as under the Union wage offer. Both, the County claims, show that there is no significant difference in the order of rankings under either offer. That exhibit shows the average starting wage as being \$8.96 per hour. Under the County offer, the starting pay would be \$10.18 per hour, and under the Union offer it would be \$10.15 per hour. It is argued that no employer would be paying higher starting wages. Further, it is claimed that at the 6 month step, the average wage of the group, other than Iowa County, is \$9.32

per hour. The Union proposes a \$10.40 wage and the County is proposing \$10.29. Only Columbia County pays that much. For the maximum wage, the average for the group is \$10.40; the Union proposes \$11.43 and the County proposes \$11.35. The Employer notes that only Green County pays more.

County Exhibit No. 30, at page 4, shows a comparison of wages for 1999. At this time, no data is available for Grant, Green or Richland Counties. Using this same analysis, this exhibit, according to the County, shows that Iowa County pays above average wages under either proposal, and the comparative rankings for 1998 would continue in 1999.

Economic Support Specialist

Again it is noted that County Exhibit No. 24 shows that about half of the bargaining unit is found in the class 7 Secretary/Clerk/Typist classification. Of the remaining job classifications, only the economic support specialist has more than two employees, and that classification only has three. It is the County's position that the data at pages 1 through 4 at County Exhibit No. 28 conclusively shows that the wages paid the Economic Support Specialist in Iowa County, for the years 1996-97, are second only to Sauk County and are considerably above the average.

Pages 3 and 4 of that Exhibits show the wages under the Union offer and the County offer. Both offers, it is argued, maintain the same comparative ranking as existed in prior years.

Other Classifications

The County provided similar information for the Economic Support Specialist Lead Worker, 6/ the Deputy Clerk of Court, 7/ Legal Secretary, 8/ Homemaker I/Social Services Aide I, 9/ and the Bus Driver. 10/ The County believes that each of these classifications, with the exception of the Homemaker I/Social Services Aide, shows that Iowa County is way above the average and, in most cases, pays the highest wages.

The County notes that Arbitrator Kessler has also evaluated a number of these positions in this same manner. He evaluated the Office Assistant, Secretarial Assistant (Legal), Fiscal Clerk, Deputy Court clerk, Deputy Register of Deeds, Economic Support Specialist, Administrative Support Assistant, Social Services Assistant, and the Economic Support Lead Worker. Iowa County data was included in each evaluation, with the exception of the Office

6/ County Exhibit No. 25, pages 1 through 4.

7/ County Exhibit No. 26, pages 1 through 4.

8/ County Exhibit No. 27, pages 1 through 4.

9/ County Exhibit No. 29, pages 1 through 4.

10/ County Exhibit No. 31, pages 1 through 4.

Assistant classification. His analysis, it is argued, clearly shows that Iowa County was the highest payer in virtually every case in the primary intra-industry comparison group that he found applicable for Grant County, despite the fact that the per capita income in Iowa County was not the highest in that group.

The Employer reasons that because Iowa County already ranks at the highest levels of the pay spectrum, despite the fact that it ranks in the middle in terms of population, per capita income as well as property values, it simply makes no sense to provide for a "catch up" pay increase, such as is suggested by the Union.

Wage Increases by Other Employers in the Primary Intra-Industry Comparison Group

A summary of the wage increases for each County is found at County Exhibit No. 6. The County argues that that summary shows that none of the other counties gave a split wage increase in 1998. All of them gave a 3.0% wage increase such as is being offered by Iowa County in its final offer; however, Crawford County also gave an additional 9 cents. Columbia County gave a flat 45 cents, in lieu of a percentage increase, but no data is available as to how that number equate to a percentage increase. The important aspect of the Crawford County wage increase and the Columbia County increase, according to the County, is not the amount of the wage increase; rather, it is the fact that they gave no splits or lifts. The data for 1999 is less complete. Four of the nine counties have not yet settled their 1999 contracts. Of the balance, Columbia County and Crawford County continued with the same wage increase that they gave for 1998. Only Lafayette County and Sauk County agreed to wage splits; however, even there, Sauk County's split is also combined with a third year. The County concludes that from this summary, it appears clear that

Iowa County's offer is more consistent with the wage increases given by other counties in the primary intra-industry comparison group.

Further, the County argues that their employees reach the maximum of their ranges must faster. It claims that Iowa County has a unique contract provision in that the employees in range 7 have six steps to max (takes 48 months); the employees in range 8 have three steps to max (takes 18 months); and, all of the other employees reach their maximum wages after they have completed their probation. It is clear, from that exhibit, the County claims, that a large number of employees in the Iowa County bargaining unit are receiving their high wage rates much sooner than virtually all of the employees in other comparable counties.

According to the County, it is indisputable that Iowa County is already providing higher wages to its Courthouse unit employees than virtually all of the other counties in the primary intra-industry comparison group. The exhibits show that the County's proposed wage offer is consistent with wage increases already given by others, and it equally follows that the wages proposed by the Union in its final offer are excessive.

Internal Comparable Analysis

There are a total of four bargaining units in Iowa County. They are the Law Enforcement unit, the Highway Department unit, the Professional unit, and the Courthouse unit. Of these units, only the Courthouse unit remains unsettled. County Exhibit No. 15

shows that the employees in the Law Enforcement unit received a straight 3% wage increase, across the board, for each of the two years applicable here. That exhibit also shows that the employees in the Highway Department received a split wage increase; however, it is noted that the Union and County in that bargaining unit negotiated a three-year agreement. The County argues that there is significant value to the Employer in reaching a three-year agreement. The County reasons that a three-year agreement permits the County to perform better budgeting, and its costs of bargaining are spread over a longer period. Also, the County points out, by using this technique, the County eliminates the risk of substantial inflation for a longer period of time. Very often, the wage increase in the third year is at a lower rate. In other words, it is argued, a three-year agreement is not comparable to a two-year agreement. The County avers that the Union should not be able to pull out of the Highway Department agreement just a portion of what was agreed upon, while ignoring the balance. It follows, according to the County, that the Law Enforcement contract is the only internal comparable capable of comparison, and that contract provides the exact same percentage increase as is being offered by the County here.

Other Statutory Factors

(1) Stipulation of the Parties. In this case, the parties have stipulated to the creation of a new catastrophic account,

which will provide for 30 days of additional sick leave for bargaining unit employees. In addition, the parties have stipulated to an expansion of the bereavement language found in Article 15.02 of the labor agreement. The County argues that these are additional benefits that make the County's proposal more reasonable.

(2) Cost of Living. Data regarding this factor has been provided to the Arbitrator at County Exhibit No. 21a. That exhibit, which is dated September 17, 1998, states: "For the 12-month period ended in August, the CPI-U has increased 1.6 percent." The County contends that while this index applies to "urban" wage earners, as compared to "rural" wage earners, it cannot be reasonably disputed that the employees in this bargaining unit are enjoying the same low increase in the CPI. Both the County's wage offer and the Union's wage offer are greater than any increase in the CPI for the employees in this bargaining unit and, therefore, the County argues that its offer is just as reasonable as the Union's.

Union's Reply Brief

The Union takes exception to the County's claim that Dane County should not be included in the comparison group herein. The Union claims that Arbitrator Tyson did so in his benchmark analysis in a previous interest arbitration case involving Iowa County (Highway Department) and the instant Arbitrator should do

the same in this case.

Further, it is the Union's position that the County's analysis of local economic conditions is faulty because its reliance on adjusted gross increase per return, population and equalized value is incomplete and non-determinative. Instead, it is argued, per capita income and per capita equalized value is more meaningful and they support the Union's offer.

The Union also contends that there are several shortcomings in the County's benchmark analysis which renders it less than accurate. To begin with, Dane County is not included. Further, it is argued that with respect to Secretary/Clerk/Typist benchmark the County has chosen several entry level positions instead of highest level secretaries. It is also argued that some incorrect comparisons were made in comparing the positions of Economic Support Specialist, Economic Support Specialist Leadworker, Deputy Clerk of Court and Legal Secretary.

With respect to external comparables, the Union claims that the average lift for 1998 is 3.7% among the comparables and that for 1999 four of the five settled contracts involve increases substantially larger than that offered by the County.

As for internal comparables, the Union again claims that the appropriate comparable is the Highway Department settlement and not the Sheriff's unit settlement. This, it is argued, has been the historical relationship and should be continued.

Finally, the Union argues that the stipulations of the

parties criterion does not have much impact on the outcome of this case and that said improvements just bring Iowa County more in line with the comparables. Additionally, it is argued, arbitrators have determined that the cost-of-living criterion is best measured by the settlement pattern since all comparables face the same cost-of-living increase. As such, the Union claims its offer is best supported by the cost-of-living criterion.

Lastly, the Union contends that the County's argument against split increases is without merit and that the parties have a history of split increases.

Based on all of the above, the Union urges the adoption of its final offer because it maintains Iowa County's position among the comparables while the County's offer erodes the County's wage position relative to the average of the comparables.

County's Reply Brief

Again, the County argues that the Union has included Dane County as a primary comparable even though prior arbitrators (Petrie, Tyson and Rice) did not do so. Further, it is argued, the Union has presented no evidence to support a change to the prior established comparables. This, it is argued, has skewed the Union's benchmark wage analysis rendering it inaccurate. The County points out that the inclusion of Dane County wages inflates the average wage calculations and thus distorts the wages offered in Iowa County under either offer. In the final analysis, it is

the County's position that the accurate comparisons favor the County's offer.

With respect to local economic conditions, the County argues that the Union uses economic factors that are meaningless. The County contends that the Union urges the Arbitrator to consider changes in economic indicators, rather than the actual economic data of the various communities. Change, it is argued, represents only a dynamic condition; change does not show comparative economic strength.

The County restates its position, contrary to the Union, that the appropriate internal comparables is the County settlement with the Sheriff Deputies unit and not the Highway Department unit. The County argues that the Highway unit settled for a term of three years and accepted a lower wage increase the third year. Here, it is argued, the Union accepted the higher increases in the first two years but rejected a third year. The County points out that it has offered the unit herein the same two-year package it settled with the Sheriff Deputies unit. Because of the same duration and increases, the County argues that the Deputies settlement is the appropriate internal comparable.

Finally, the County claims that the Union has made significant errors in its calculations of the pattern of wage increases in the external comparable counties. The County alleges errors made as to the level of wage increases granted in Columbia, Crawford and Green Counties. It is argued that once the

comparables are accurately evaluated, the County's offer is the most reasonable.

Based on the above, the County argues there is no rational basis to find the Union's final offer to be superior to the County's final offer, and it is clear that the County's final offer is more appropriate.

DISCUSSION:

Section 111.70(4)(cm)7 of the Wisconsin Statutes directs the Arbitrator to give weight to the following arbitral criteria:

7. "Factors given greatest weight." In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give the greatest weight to any state law or directive lawfully issued by a state legislative or administrative officer, body or agency which places limitations on expenditures that may be made or revenues that may be collected by a municipal employer. The arbitrator or arbitration panel shall give an accounting of the consideration of this factor in the arbitrator's or panel's decision.

7g. "Factor given greater weight." In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give the greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in subd. 7r.

7r. "Other factors considered." In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall also give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.

c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.

d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services.

e. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees generally in public employment in the same community and comparable communities.

f. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees in private employment in the same community and comparable communities.

g. The average consumer prices for goods and services, commonly known as the cost-of-living.

h. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceeding.

j. 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 public service or in private employment.

In applying the above criteria, the Arbitrator must determine which offer is more reasonable based on the evidence presented. A

review of the parties' final offers indicates -- and the parties agree -- that there is one remaining issue in dispute: wages. In support of their positions, both parties rely on criteria "7g. Factor given greater weight" as well as "7r. Other factors considered" such as internal comparables, external comparables, and the cost of living. Additionally, the County relies on the "stipulations of the parties." The parties presented no evidence or arguments with respect to criteria 7, 7r. a, c, f, h, i or j, and therefore, said criteria are determined, as the parties did, to be non-determinative.

To properly evaluate the parties' final offers vis a vis the criteria, there exists a threshold issue over which counties are the appropriate comparables to Iowa County. The dispute involves whether Dane County is an appropriate primary comparable 11/ with the Union arguing for inclusion and the County arguing for exclusion. In this regard, there is a well-established principle among arbitrators that once appropriate comparables have been established in a prior arbitration case(s), they will not be disturbed unless there has been a sufficient change to support a

11/ As Arbitrator William Petrie noted in an arbitration involving the same parties herein, Iowa County (Courthouse and Social Services), Case 84, No. 52908, INT/ARB-7697, "Contrary to the thrust of the arguments advanced by the parties, the question is not whether Dane County and/or the cities of Dodgeville and/or Mineral Point should or should not be totally excluded from consideration, but whether they should be included in the primary intra-industry comparison group in these proceedings."

persuasive argument for change. Such a requirement is needed to establish the predictability and stability needed in a bargaining relationship and to enhance productive collective bargaining. Here, there is arbitral precedent establishing the appropriate comparables to Iowa County. Appropriate comparables were first established by Arbitrator Rice in 1987 and later adopted by Arbitrator Tyson in 1994 and Arbitrator Petrie in 1997. The established appropriate primary comparables are the ones proposed by the County herein and does not include Dane County. The Union has not claimed that changes have occurred since those decisions that would support a conclusion that Dane County should now be included as a primary comparable. 12/ Therefore, the Arbitrator will use the established comparison group of Columbia, Crawford, Grant, Green, Iowa, Lafayette, Richland and Sauk Counties.

The Parties' Offers

The County proposes a straight 3% increase in each year of its proposed two-year agreement. The cost and lift of said proposal is 6%. 13/ The Union proposes a cents-per-hour increase in January and October of each year yielding a cost of about 6% and a lift of 7.6%. Thus, at the end of the contract term in

12/ The Union argues the proximity of Dane County to Iowa County and the impact of same, but these arguments are the same arguments considered by prior arbitrators.

13/ It actually may be a fraction higher due to the compounding effect.

1999, there is almost a 2% difference in the wage rates proposed by the parties.

Analysis

Both the Union and the County argue that the criterion "Factor given greater weight," which dictates that economic conditions in the jurisdiction of the Employer be given greater weight than other criterion, favors their final offer. In support of their position, the parties used different indices to identify "economic con-ditions." The Union relied on the rate of increase in per capita income, full value of property, sales tax revenues and decrease in unemployment rate as compared to comparable counties. The County relied on the Average Adjusted Gross Income, a comparison among appropriate comparables of population and equalized property values. Each side criticizes the other's criteria as not necessarily relevant. There is some truth to both arguments. The rate of increase as relied on by the Union is important but does not alone determine the strength of Iowa County's economic condition as it exists in comparison to other counties. Theoretically, Iowa County could be growing at a high rate but still its actual overall economy could be weaker than most of its comparables. On the other hand, while the County's reliance on Adjusted Gross Income is appropriate, population alone is not very revealing. However, population and equalized property values considered together is a significant indices of economic

conditions.

The Arbitrator recognizes the importance of the 7g. criterion and the "greater weight" it is given. However, notwithstanding same, it should be noted that a conclusion that the Employer's economic condition is strong does not automatically mean that the higher of the two offers must be selected or, conversely, a weak economy automatically dictates a selection of the lower final offer.

Here, the Arbitrator has considered and studied all of the factors relied upon by the parties in determining the economic strength of Iowa County. The undersigned is not convinced that the data submitted strongly supports either side's final offer to the exclusion of the other's. In the opinion of the Arbitrator, both offers are supportable by the economic condition of Iowa County and, therefore, other criteria must be considered to determine which of the two final offers is most reasonable.

The main remaining criteria relied upon by the parties are internal and external comparables. 14/

Internal Comparables

Usually, arbitrators give greater weight to internal comparables, in cases like this, if there is a well-established

14/ Two other criteria, stipulations of the parties and cost of living, were addressed by the parties but neither is sufficiently significant, as compared to the wage issue, to affect the outcome of the wage issue.

internal pattern unless there is a "catch-up" argument or a significant "falling behind" argument when the wage rates involved are compared to external comparables. While arbitrators have stated their reasons favoring internal comparables differently, they all show a concern for the negative effect on morale, equitable treatment of employees, the whiplash effect of multiple bargaining units, and the stability of the bargaining relationship, i.e., reluctance by Unions to settle if they think other units going to arbitration may obtain a benefit not attainable through voluntary settlement.

In the instant cases there is no established internal pattern of settlement for 1998 and 1999. Of the four represented units in Iowa County, all have settled except for the unit here, but only the terms of two of the settlements are known to the Arbitrator.^{15/} The two settlements, however, in terms of wage increases are different. The Sheriff Deputies unit settled for a 3% general wage increase each year of the 1998-1999 contract. The Highway Department unit agreed to a three-year agreement with split increases in 1998 and 1999. The increase in the first two years cost the Employer 3% each year but lift the employee wage rates 7.6% in two years. The third year wage increase is

15/ The parties agreed that the settlement with the professional unit, involving the same parties herein, would not be disclosed and made available to the Arbitrator for consideration in this proceeding.

2.75%. 16/

The Employer's final offer is the same as the Sheriff Deputies unit while the Union's offer is modeled after the Highway unit's, except for the inclusion of a third year. The Union proposes split increases costing about 6% over two years with a lift of 7.6%. The Union's offer, of course, 17/ does not include a third year.

The Arbitrator agrees with the Union that typically in negotiations Courthouse units are more appropriately compared to Highway units rather than Law Enforcement units. However, while said units are comparable, the wage packages of the two units are not comparable.

The Union compares its two-year proposed agreement with the Highway unit's three-year agreement. It has taken the same percentage increases and lifts negotiated by the Highway unit in its first two years but without the third year. Typically, Employer's are willing to front-end load the first two years of a three-year package in exchange for the added stability and predictability offered by the addition of a third year. Conversely, Unions are willing to enter into a longer term contract in exchange for higher increases early on in the contract

16/ There was also a longevity pay improvement, but the cost is unknown.

17/ Under the applicable interest arbitration law herein, final offers can only be for a contract term of two years unless mutually agreed otherwise.

term. Here, the Union, in essence, wants the benefits of a three-year agreement without the third year. But the third year was the price paid for the increases and lift received in the first two years of the agreement. For said reason, the Union's final offer cannot be determined to be comparable to the Highway unit's settlement.

For said reason, the Arbitrator concludes that the "internal comparables" favors the County's final offer which reflects the same wage increase for the same two-year period as settled with the Sheriff Deputies unit.

External Comparables

As concluded earlier, the appropriate primary comparison group consists of the following counties: Columbia, Crawford, Grant, Green, Iowa, Lafayette, Richland and Sauk. In making external comparisons, the Arbitrator will compare both the general wage increases granted and benchmark rates.

Wages Increases

Comparable Courthouse Settlements Wage Increases 1998 - 1999

	1998	1999
Columbia	\$.45 1/1/98	\$.45 1/1/99
Crawford	3% 1/1/98 plus \$.09/hr.	3% 1/1/99 plus \$.09/hr.
Grant	3% 12/23/97	N/A
Green (Human Services)	2.5% 1/1/98 added 4.5% 7/1/98 new step to those employees with 12 yrs seniority 18/	N/A
Green (Courthouse)	3% 1/1/98	N/A
Lafayette	3% 1/1/98	2% 1/1/99 2% 7/1/99
Richland	N/A	N/A
Sauk	3% 1/1/98	2% 1/1/99 1.5% 7/1/99 2000 19/ 2.0% 1/1/00 1.5% 7/1/00
Union Offer	2.4% 1/1/98 1.2% 10/1/98 Total List 3.6%	2% 1/1/99 2% 10/1/99 Total Lift 4%
Employer Offer	3% 1/1/98	3% 1/1/99

In reviewing the above, a few observations are in order. The Columbia County settlement is in cents per hour (45 cents) and claimed by the Union to equal a 4% and 3.8% increase in 1998 and

18/ The County claims this results in a total package increase of 3%.

19/ As of 1/1/2000, implementation of health insurance premium based on pro-rata bases for part-time employees.

1999, respectively. The County questions the percentages cited by the Union, but it appears to the Arbitrator that they are fairly accurate. From the record, it is difficult to determine the exact percentage increase because there is no indication of what the average hourly rate is of the unit employees. However, if we assume a \$12.00 per hour rate, a 4% increase would yield a 45.6 cent per hour increase. It appears the 45 cent increases are closer to the Union's wage offer than the County's.

Crawford County employees received a 3% increase plus 9 cents per hour. The Arbitrator is convinced from the record, however, that the 9 cents was a quid pro quo for employees agreeing to contribute a larger amount toward the payment of their health insurance premiums. Thus, said settlement will be viewed as a 3%, 3% settlement.

Green County (Human Services) is impossible to evaluate not knowing the distribution of employees in the unit. Clearly, some only received a 2.5% total increase in 1998, while others at the top step with 12 years' seniority received an additional 4.5% increase. The average percentage increase unit-wide is unknown, although the County believes it to be 3.0%. As such, said settlement is not very meaningful in making a comparison with Iowa County.

Based on the above settlements and observations, it is obvious that of the six settlements among the comparables more favor the County's offer than the Union's. The only settlement

that clearly favors the Union is the Columbia County settlement of two yearly increases of 45 cents per hour. However, Lafayette County's

settlement of 3% in 1998 and split increases of 2% and 2% in 1999 and a total lift of 7% is closer to the Union's lift of 7.6% than the County's offer herein of 6%.

On the other hand, the 3% increases granted by Crawford, Grant and Green (Courthouse) Counties are exactly in line with the County's offer herein. Further, Sauk County's 3% increase in 1998 and split increases of 2% and 1.5% in 1999 with a lift of 6.5% is more comparable to the County's two-year 6% increase than the Union's two-year lift of 7.6%.

In the final analysis, of the settlements among the appropriate comparable counties for years 1998 and 1999, four favor Iowa County's final wage offer and two favor the Union's final wage offer.

The Union, however, contends that its offer in 1998 is closer to the 3.6% average settlement of comparables than is the County's. The Union arrives at that figure by costing the 1998 Columbia settlement at 4%, Crawford at 3.8% and Green (Human Services) at 7%. While the Union's costing of the Columbia settlement seems reasonable, the Crawford settlement, for reasons discussed above, is more accurately a 3% increase rather than a 3.8% increase. Further, the Green County (Human Services) settlement cannot be viewed as an across-the-board 7% lift since

only one class of employees received the added 4.5% July 1 increase. Others only received a 2.5% increase for the entire year. The true cost of the settlement unit wide cannot be determined, or even closely guessed.

Thus, a more accurate 1998 average is obtained by using the following Counties and percentage increases: Columbia 4%, Crawford 3%, Grant 3%, Green (Courthouse) 3%, Lafayette 3% and Sauk 3%. The average of said settlements is 3.17% which is closer to the County's 3% offer than the Union's offer of a 3.6% lift.

Benchmark Comparisons

At the outset it is again noted that the Arbitrator in his benchmark analysis will not include Dane County in the pool of comparables. The Union argues that Dane County is appropriate because Arbitrator Tyson used Dane County in his benchmark analysis and further because Arbitrator Petrie, while not using Dane County in his Award, may very well have used Dane County as a comparable if wages had been in issue.

The Union is correct in that Tyson did refer to Dane County in his analysis. But it is noted that he analyzed the comparables both with Dane County included and excluded. While it is hard to determine exactly how much weight he gave Dane County, the Arbitrator is convinced that he did not give it the same weight as the remaining counties because to do so would be to treat Dane County as a primary comparable. Clearly, he did not intend to do

so as he explained in his discussion. He stated:

The Arbitrator is inclined not to include Dane County as a primary comparable in part because it was not included in the 1987 arbitration proceedings (and the Union has not given evidence of changes in circumstances to warrant its inclusion herein) and in part because Dane County is different from the other comparables in these several respects. However, the Undersigned is cognizant of the strong labor market and economic influence of Dane County on the surrounding counties, and will therefore give it some consideration. Certainly it is at least as likely to exert an upward influence on Iowa County wages as Grant County will exert downward.

To conclude, the Arbitrator will use the pool of comparables utilized by Arbitrator Rice in his 1987 award, and will give some consideration to Dane County as he evaluates the parties' offers. 20/

Further, it is unlikely Arbitrator Petrie would have considered Dane County a primary comparable in a wage dispute given his following discussion in the Iowa County (Courthouse and Social Services) case: 21/

What next of the Employer urged distinction between the previous arbitral determinations of the primary intraindustry comparison group and the case at hand, on the basis of the presence of wage disputes in such prior arbitrations which are not present in these proceedings?

While this is an ingenious argument, its premise is inconsistent with the statutory criteria and its use would generate significant practical difficulties in the interest arbitration process. In these connections it is noted that the criteria contained in Section 111.70(40)(cm)(7) (sic) clearly mandate broad arbitral

20/ Iowa County (Highway Department), WERC Case No. 66, No. 47057, INT/ARB-6386, 1/94, p. 11.

21/ Pages 17 and 18.

comparisons of the "wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings" with those of other groups of employees, but they neither provide for nor anticipate the rather impractical approach of requiring separate comparisons among separate groups, for separate impasse items!

Without unnecessary elaboration, the undersigned will note at this juncture that neither party has established a sufficiently persuasive basis to justify arbitral modification of the primary intraindustry comparison group previously used in Iowa County interest arbitrations, and reflected in the prior decisions of Arbitrators Rice, Tyson and Vernon. Accordingly, and for the purpose of these proceedings, this group will continue to consist of Columbia, Crawford, Grant, Green, Iowa, Lafayette, Richland and Sauk counties, and Dane County, Dodgeville and Mineral Point comparisons will be given only such weight as may be otherwise appropriate under the Wisconsin Statutes.

The Arbitrator, in making the benchmark comparisons below, uses the Union's charts, rates and assumptions as presented in its brief, pages 17-34, with two exceptions: Dane County is excluded as a comparable and Iowa County is excluded in calculating the 1997 benchmark averages. 22/

When the Union's summary of benchmark "Base Year Deviations From Averages, Iowa County, 1997 and 1998" 23/ is compared to the Arbitrator's summary with the exclusions noted above, the results

22/ Since Iowa County rates are being compared to the average of its comparables, said rate should not be used in arriving at the average.

23/ Union's brief, p. 34.

are as follows:

(Table on following page)

Using Dane County as a primary comparable, the Union argues, relying on the above figures, that the maximum rate for all but two of the positions was below the average in 1997. For reasons already stated, Dane County is simply not a primary comparable and, as can be seen above, distorts the averages of the established comparables. Without Dane County, Iowa County is above the averages in every position but one: the Child Support Specialist. 24/ In all other positions Iowa County in 1997 was above the average anywhere from 1 to 71 cents per hour. Significantly, 14 of the unit's 33 employees are in the Secretary/Clerk/Typist position, a position that in 1997 exceeded the comparable average by 65 cents. Under the Union's proposal the deviation would increase to 72 cents while under the County's offer it would stay about the same, at 64 cents. A comparison of the parties' 1998 offers indicates that while some of the positions lose more ground on the averages under the County's proposal, no position loses its relative ranking among the comparables and that in five of the eight benchmarks it is well over the average. This clearly is not a "catch-up" situation. Also, it should be noted that there is bound to be some widening of the deviation due to the granting of percentage increases rather than a cents per hour increase.

After thorough review and consideration of the above

24/ There is one Child Support Specialist in Iowa County (Union Ex. 3).

comparative figures, the Arbitrator is led to conclude that there simply is insufficient support for the Union's wage offer in benchmark comparisons to overcome its wage offer weakness vis a vis internal and external comparable settlements.

Summary

1. Criterion 7, "Factor given greatest weight" is not a factor in this case since, as conceded by the County, there are no legal limitations to the County's ability to meet the costs of either final offer.

2. 7g. "Factor given greater weight" which requires the Arbitrator to give greater weight to economic conditions of Iowa County, does not strongly support either party's final offer.

3. Internal comparables favor the County's final offer.

4. External comparables.

a. Based on arbitral precedent, Dane County is not considered an appropriate primary external comparable.

b. External comparables favor the County's final offer.

5. Stipulations of the parties and cost-of-living criteria are not sufficiently significant, as compared to the wage issue, to affect the outcome of the wage issue.

6. Criteria 7r. a, e, f, h, i or j were not considered by the parties to be significant to the issue herein and no evidence or arguments were presented regarding same.

Conclusion

Having considered the statutory criteria, the evidence and arguments presented by the parties, the Arbitrator, based on the above and foregoing concludes that the offer of the County is more reasonable and therefore should be favored over the offer of the Union, and in that regard, the Arbitrator makes and issues the following

AWARD

The County's final offer is to be incorporated in the 1998-1999 two-year collective bargaining agreement between the parties, along with those provisions agreed upon during their negotiations, as well as those provisions in their expired agreement which they agreed were to remain unchanged.

Dated at Madison, Wisconsin, this 22nd day of February, 1999.

Herman Torosian, Arbitrator