

FREDERICK P. KESSLER  
ARBITRATOR

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In the matter of the Interest  
Arbitration between

MARATHON COUNTY

and

MARATHON COUNTY COURTHOUSE AND  
TECHNICAL EMPLOYEES UNION LOCAL  
2492-E, AFSCME, AFL-CIO

DECISION  
Case 251  
No. 51910  
INT/ARB-8358

Decision No. 29513-A

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A. INTRODUCTION

On March 4, 1999, this arbitrator was advised that he had been selected to hear the interest arbitration dispute between Marathon County (hereinafter referred to as "the County") and Local 2492-E, AFSCME, AFL-CIO, representing Courthouse and Technical employees (hereinafter referred to as "the Union").

A hearing was held in the Courthouse in Wausau beginning at 9:00 a.m. on April 22, 1999 and ending at 3:30 p.m. Exhibits were submitted and witnesses testified. The parties agreed that briefs would be sent to the arbitrator no later than May 28th. Reply briefs were to be sent two weeks after the exchange of the initial briefs.

The reply briefs were received by the arbitrator on July 23, 1999. One of the reply briefs was corrected on August 7, 1999.

B. APPEARANCES

The Union appeared by Phil Salamone, Staff Representative for Wisconsin Council 40, AFSCME, AFL-CIO. He was assisted by Mel Butgreit, President of Local 2492-E and Pat Drewek, Vice President of the Union local, both of whom testified at the hearing.

The County appeared by Attorney Dean Dietrich, of Ruder, Ware & Michler, S.C. He was assisted by Brad Karger, County Personnel Director, who also testified at the hearing. Also present were Paralegal Sheryl Sleeter and Sharon Gotting, a personnel specialist for the County.

C. PERTINENT STATUTORY AUTHORITY

Municipal Interest Arbitration disputes are governed by Chapter 111, Wisconsin Statutes. The factors that an arbitrator may consider are specifically enumerated in Sec. 111.70(4)(cm)7. These factors are:

**111.70 Municipal employment (4)(cm)**

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 employees 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 employees 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 employees 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 employees, 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 fore-going, 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.

D. THE UNION OFFER

The final offer of the Union provides as follows:

**Effective 1/1/98-INCREASE ALL WAGE RATES BY THREE PERCENT (3.00%) ACROSS THE BOARD**

**EFFECTIVE 1/1/99-INCREASE ALL WAGE RATES BY THREE AND ONE HALF PERCENT (3.50%) ACROSS THE BOARD**

E. THE COUNTY OFFER

The final offer of the County provides as follows:

1. Revise Article 19 - Insurance, Paragraph (A) Medical and Hospitalization Benefits to provide for a 5% employee contribution toward the health benefit effective 12/1/99:

The County shall continue to pay One Hundred Percent (100%) of the cost of the medical and hospitalization program until 11/30/99. Effective 12/1/99, the County will pay Ninety-Five percent (95%) of the cost of the medical and hospital-ization program and the employee will pay Five Percent (5%) of the cost of the medical and hospitalization program.

2. Revise Appendix A - Salary Schedule as follows:

- o 3% annual adjustment effective 1/1/98
- o 3% annual adjustment effective 1/1/99

An updated salary schedule which includes these annual adjustment and the equity adjustments for the Corrections Office, Adult Day Care Program Assistant, Building Maintenance Worker and Clerical Assistant II classifications, agreed to as part of the Tentative Agreements...

3. Create a new Article in the Labor Agreement entitled "Post Employment Health Plan":

Beginning on 12/1/99, the County shall contribute \$12 per pay period toward the Post Employment Health Plan on behalf of each employee. These contributions shall accumulate in a trust account for the payment of qualified medical expenses incurred after leaving employment. Additionally, the County shall pay the annual administrative fee associated with this program.

F. ARGUMENT OF THE COUNTY

The final offer of the County meets the statutory criteria.

The arbitrator must give the greatest weight to the state law that limits the ability of the County to raise its levy limits. The 3.5% increase that the Union proposes exceeds the County's ability to pay since it cannot raise its tax levy sufficient to fund the cost.

In a healthy economy, such as being enjoyed in Marathon County, employees can afford to contribute to their health insurance premiums. The County government does not necessarily benefit because of good economic conditions. It does not receive additional state aid or higher property tax revenue as a result of the economic upturn. Employees do benefit. Lower interest rates, and higher wages, result in employees having more money to spend on goods and services. These including health insurance.

The final offer of the County is consistent with the internal settlements with other bargaining units in the County. The County has historically offered consistent fringe benefits to all of its bargaining units. When evaluating health insurance benefits, arbitrators should try to insure that there is a consistency of benefits among all represented employees. A governmental entity should treat all employees in the same manner with respect to health insurance.

The County has history of making comparable settlements with all Unions representing County employees. Four of the ten bargaining units in the County have already settled their contracts, which include a provision requiring a 5% employee contribution for health insurance. In addition, this type of provision was part of the salary plan for non-union management and non-union library employees.

The settlement with the four other units affirms the fairness of the County offer. The Union advised the two AFSCME units, with settled contracts not to agree to the five percent employee health insurance contribution. The members of those units approved that provision despite the Union opposition. The County has been consistent in providing the same benefits to all of its employees.

The County has been consistent in the wage package offered to all other the bargaining units. The general wage increase that has been approved in the past has been nearly identical for all employees for every contract since 1983. The Union's final offer, with its larger increase for 1999 for this bargaining unit, would destroy a fifteen year history of pattern bargaining. The Union cannot justify the extra half percent increase it is seeking.

If the County's final offer is rejected, it will have an effect on the morale of those employees who have settled their collective bargaining agreements. The probable result would be that the remaining County employees would not reaching voluntary settlements for 1998-99.

The group of comparable counties considered previously when this unit was in an interest arbitration should not be disturbed. It is still the most valid group. The Union request to add Taylor County should be denied. The

Union's claim that Taylor County was mistakenly left out is based on pure speculation.

The health insurance provisions in the comparable counties support the County Offer. The majority of the counties require an employee contribution ranging from 15% to 5%. Only two counties do not require any contribution from employees for the premiums. The County has the highest insurance premium of any of the counties in the comparison group; it spends more than \$53 above the average monthly premium for family coverage. The cost of the premiums to the County has increased by 36.8% during the past two years.

The Union's 3.5% wage increase is not supported by the wage increases in other counties. Three of the settled contracts in the comparable counties have agreed to a wage increase of 3% or less. Only Langlade County has settled for a higher figure. There is no reason for this increase in the second year because the employees are already generously compensated.

The County's employees are being paid a rate which places them at the top wages for employees in comparable counties. This is not a situation which demands catch-up wages for underpaid public employees. The Public Safety Telecommunicator is paid higher than any comparable county except Clark County. The Accounting Assistant I and II, Corrections Officer, Building Maintenance Worker, Secretary and Administrative Specialist are all at the top of the range of the comparable counties.

The County has offered an excellent quid pro quo as an offset to it's proposed health insurance cost reallocation. The County has shown there is a need for the change the current cost allocation system, because the County currently pays the highest premium cost of any comparable counties. The change the County proposes will result in similar benefits to all employees. The benefits will not be reduced. The quid pro quo the County offers is probably not necessary in this case, because the County employees are already generously compensated.

The PEHP plan is a "win-win" quid pro quo. The benefits will remain the same for the County employees. Limiting the share of the accelerating health costs the County has been paying, and curbing premium increases is important to the County. The County has addressed this issue in a fair manner.

The PEHP plan provides funds for employees to pay health care costs after retirement. the fund is not limited just to paying premiums, but may also be used by employees for other "qualified" medical expenses. The money is available for premiums and for other medical purposes, if the employee leaves County employment. If an employee dies, the fund may also be transferred to a dependent for those purposes.

The PEHP fund is deposited in an account controlled by the employee; the withdrawals are tax free. The employer pays all administrative costs of the program.

Local school districts, and local communities in Marathon County, require employee to contribute to the cost of health care plans. The largest school districts in the Wausau area (D.C. Everest, Wausau and Northcentral Technical College) all require a 10% employee contribution to health insurance premiums. Some of the City of Wausau bargaining units require a 5% premium contribution by employees. \$130 per month employee contributions are required in the Towns of Weston and Rib Mountain, both large suburban communities.

Major private employers, such as Wausau Paper Mills, Wausau Hospital and Wausau Insurance, all require at least 10% employee contributions for health insurance premiums.

The County Final offer exceeds both the Consumer Price Index for the U.S. City (average of 1.6%) and the Nonmetro Urban Areas (average of 2.1%). The medical component of those indexes increased less than the increase in premiums that the County's insurance carrier is requiring. The County's offer most closely matches the CPI increase.

#### G. ARGUMENT OF THE UNION

When measured against the statutory criteria, the Union offer is the more appropriate.

The Union Final Offer is only slightly more costly than the County's. State law does place limits the County's ability to pay. The County did not offer any evidence of specific limitations on revenues, or limitations on expenditures by the County. In order for the "greatest weight" criteria to be applicable, the County must show what limit would be exceeded. The County failed to do that in this dispute. The County failure to identify specific limits must be construed to mean that the final offer in this case would not exceed any limits imposed by the State.

The "greater weight" standard, the second criteria added by the 1996 legislature, requires arbitrators to consider local economic conditions. Marathon County is enjoying a stable and diverse economy which is among the most prosperous in the state. The County has the second lowest unemployment rate among the comparable counties. Property values have increased by 82.4% in the past 13 years. The County can comfortably afford the Union's final offer.

Taylor County should be included as a comparable county. Arbitrator Chatman excluded Taylor County only because of oversight in his decision in 1992. Taylor has a common a border with Marathon County. Other arbitrators have included Taylor County int the comparable counties used to evaluate Marathon County in interest arbitration disputes for other bargaining units.

The allocation of health insurance cost between the County and the employees is the major item of dispute between the parties. Currently, 146 employees in the Union are covered by the family plan, 62 are in the single

plan, and 30 are not covered in either plan. Under the County Final Offer, including the offset of the \$24 per month PEHP contribution, a family plan member would lose \$5.24 per month at the current premium rate; a single plan member would be ahead by \$11.34. This is not an adequate cost exchange for lower paid County employees.

Requiring the employees to absorb five percent of the premium may appear to be de minimus, but the costs weigh heavily on a group of employees which includes the lowest paid County employees. The Union, in prior labor agreements, has agreed to increase the deductible that an employee must pay and has agreed to a PPO. All of these concessions resulted in significant savings for the County. Despite those concessions, the County still seeks to require the employees to carry more of the health insurance costs.

The contract settlements the County entered into with other bargaining units only involve units with few employees. Less than 25% of the County's workforce is covered by the agreements the County claims should be used to set the pattern for the rest of the employees. The Airport unit has 21 employees; the health professionals unit has 24; the Library unit has 49; the Deputy Sheriff's have 47. The total number of all the employees in these units is 141. The Courthouse unit, with 238 employees, has more employees than all those units combined. Only two of those units, (with 68 employees) have adopted an agreement with the PEHP provisions. The agreement the County entered with the Deputy Sheriff's also removed an extended sick leave provision, which could not be converted into health insurance premiums after retirement. It also expanded the regular sick leave days for members of that unit. That was a substantial benefit for the Deputies, and differs from what is included in this final offer.

The settlement pattern that the County is contending should be given weight by the arbitrator, is really the result of "bargaining around the edges". It is an effort to have the "tail wag the dog". Three or four units, out of ten, does not establish an internal pattern, particularly if the larger units are not included in the settlements.

The County has not been consistent in maintaining the same fringe benefits for all of its employees. In this contract cycle, it increased the number of holidays for library employees by one; they were already a half day ahead of other employees. The County also increased sick days for the deputy sheriff's, who already had more sick days than any other County employees.

An examination of the health insurance policies in the comparable counties supports the Union's argument. When the cost sharing provisions and the deductibles are combined, only Waupaca County requires more of a contribution from its employees. Most of the comparable counties pay 100% of the premium. The County's proposal has the highest deductible of all of the comparable units of government.

A new program, such as the PEHP plan proposed by the County, should come about as a result of bargaining. Such a drastic change should not be imposed unilaterally by an arbitrator. The PEHP program has little state-

wide support among county employee. Only law enforcement units whose members have an earlier retirement age, have approved the program

Before a change in a contract is imposed by an arbitrator, the questions outlined Adams County, Dec. No. 25497-A, by Arbitrator Reynolds should be asked of the County. The County must show: (1) that the present contract language has given rise to conditions that require amendment; (2) that the proposed language may reasonably be expected to remedy the situation; and (3) that the alteration will not impose an unreasonable burden on the other party. The County's proposal fails in all of these tests and should not be used as a basis for forcing the employees to accept an alteration in the cost of health insurance premiums.

The wage proposal offered by the Union is secondary to the health insurance allocation issues in this dispute. The County has saved sufficient money to fund the difference in wage increase by it's Wisconsin Retirement Service contribution being reduced. The settlement pattern that the County argues must be accepted for the wage issue is deficient in the same manner that health insurance it is deficient.

The fact that the Union Final Offer exceeds the County offer by 1/2% in the second year of the Labor Agreement should not be a barrier to it's acceptance. The County is the most prosperous are among the comparable group.

#### H. DETERMINATION OF COMPARABLE COMMUNITIES

The Union's proposed comparable counties differs from the County's list only by including Taylor County. Taylor County is the only county that abuts Marathon that was not included in the list submitted by the County. The list offered by the County was used by Arbitrator Chatman in a 1992 decision involving this unit.

Taylor County was included in Marathon County Social Service Paraprofessional Employee Union and Marathon County, Decision 45216 (1991) by Arbitrator Imes. The Union's contention that Arbitrator Chatman unintentionally overlooked Taylor County is rejected. The circumstances Chatman considered were different than those considered by Imes.

Taylor County is as much a part of the City of Wausau's trade area as is Clark County. In fact Clark County slightly further west of Wausau than is Taylor. More people from Taylor County commute to Marathon County for employment than those who commute from Waupaca County. More employees commute to Taylor County from Marathon than commute to Langlade, Shawano, or Waupaca Counties. Taylor County clearly is part of the labor market pool for this part of central Wisconsin.

Arbitrators should be reluctant to alter a comparable group that has already been used in a prior interest arbitration. There are times when it defies logic to follow a prior decision. Here, no logical reason appears to justify a decision not to include the Taylor County. Other arbitrators, dealing with other bargaining units for the County, have made Taylor County part of their comparison grouping. For the reasons stated above, Taylor County will be included in the list of comparable counties for this arbitration.



## I. DISCUSSION

### Greatest Weight Factor

Section 111.70(4)(cm) 7. Wis. Stats. mandates that arbitrators "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 that may be made or revenues that may be collected by a municipal employer".

Levy limitations have been imposed on all counties in Wisconsin. The Wisconsin statutes provide that the operating levy of a county cannot exceed .001%, or the levy rate in 1992, whichever is greater.

Marathon County has not offered evidence to show that the tax levy for the County would be in violation of the statute if the final offer of the Union was chosen. For the "greatest weight" factor to become operable, the limits must be specifically shown by the affected government unit. To rely merely on representations, without any evidence of the limit and the effect that cost of the offers, would have on the limit would require the arbitrator to do nothing more than guess.

Evidence was offered showing the current Tax Levy and Equalized Valuation the comparable counties. The information submitted shows as follows:

<u>County</u>	<u>98-99 Levy</u>	<u>Equalized Value</u>	<u>Tax Rate</u>
Clark	8,061,863	938,540,820	8.59
Langlade	5,719,948	876,762,950	6.52
Lincoln	8,076,301	1,219,675,900	6.62
Portage	13,818,323	2,752,654,030	5.02
Shawano	8,954,312	1,533,500,900	5.84
Taylor	No information available		
Waupaca	10,073,759	1,979,369,100	5.39
Wood	16,073,759	2,810,608,300	5.72
<b>Marathon</b>	<b>30,856,382</b>	<b>4,967,829,640</b>	<b>6.21</b>

The tax levy of the County does not appear to be disproportionate to that of the comparable counties.

The "greatest weight" factor does not act as a limitation on the arbitrator in choosing the Union offer. No evidence has been submitted which suggests that the levy limits would be exceeded if the Union offer were selected.

### Greater Weight Factors

\_\_\_\_\_The statute governing interest arbitration for counties requires that "In making any decision under the arbitration pro-cedures authorized by this paragraph, the arbitrator...shall give greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in subd. 7r.

The information submitted indicate the economic outlook for the County is good. The annual average unemployment rate for 1998, for the City of Wausau was 4%. Retail sales per household in 1997, was \$30,689 compared to \$26,537 for Wisconsin as a whole, and \$25,437 for the country as a whole. Median household income in the County was \$35,232 compared with \$33,778 for the state. In March, the Wausau Daily Herald headline said the "Area's economy among state's best". No evidence introduced at the hearing has contradicted those conclusions.

The final offer of the Union is not barred because of the "greater weight" considerations required by statute. The County is not economically depressed or otherwise limited.

Section 7r of the statute lists a number of other factors that may be considered in the arbitration decision. They include external comparison, internal comparisons, and the Consumer Price Index (CPI).

#### External Comparables

##### \_\_\_\_\_1. Health Insurance

The most significant and contentious issue in this dispute is the County's proposal to require a 5% cost sharing of health insurance premiums by the employees. The entire health insurance premiums have been paid by the County in the past.

In the comparable group of counties, the County is paying from 100% to 90% of the premium. Most of the counties have a much lower maximum out of pocket cost for the employee because deductions and co-pay requirements in the insurance plan are paid by the employees. The combined contribution, and out of pocket expense maximums, are as follows:

<u>Health Insurance Contributions and out of pocket expenses</u>				
	<u>Single</u>	<u>Family</u>	<u>Single</u>	<u>Family</u>
			<u>out pocket</u>	<u>out pocket</u>
Clark	100%	85%	No maximum	
Langlade	100	100	\$300	900
Lincoln	100	100	200	1000
Portage	95	95	300	400
Shawano	90	90	100	300
Taylor	100	100	500	1000
Waupaca	90	90	1200	1400
Wood	95	95	200	500
County	95	95	500	1200
Union	100	100	500	1200

The County is proposing the change in premium cost allocation. It has not shown that the change would result in reduced total insurance costs.

No evidence has been offered to show that it would reduce the frequency of unnecessary medical treatment. The County has not made a sufficient case for changing the current allocation.

## 2. The Quid Pro Quo

The County has offered a quid pro quo for the employee assumption of part of the insurance costs, the PEHP program, in it's final offer. The County proposal would pay \$12 per pay period to each employee to help pay health costs and insurance premiums after retirement. The PEHP plan allows for payment of qualified medical expense from this fund, including deductibles, prescriptions, and eye care costs. PEHP funds would be transferable to another employer if the employee changes jobs. Each employee would have a personal PEHP account.

The creation of PEHP Fund does not offset the loss of after health insurance contribution income for all of the employees, however. The current employee contribution to the cost of the health insurance premium for a family plan would be \$29.54 per month. That is less then the \$24 every two weeks that would be returned to the employee.

Arbitrator Reynolds in Adams County, Dec. No. 25479-A, established a three prong test to determine the adequacy of a quid pro quo as follows:

- (1) Has the present contract language give rise to conditions that require amendment?
- (2) Will the proposed language reasonably be expected to remedy the situation?
- (3) Will the alteration impose an unreasonable burden on the other party?

In this case the quid pro quo is inadequate. Those employees with families covered by their insurance are required to pay a larger portion of their income for insurance than the wage increase they receive in return. No evidence has been offered to show that shifting a portion of the burden to employees will reduce the demand for health related services.

The PEHP plan and the reallocation of health care premiums are issues that would have been better left to the bargaining table. They are not found in the final offer of the Union. For those reasons, the final offer of the Union is preferred.

## 3. Wages

The Union, in it's brief, downplays the significance of the wage offers. They write in their brief "We would not have proceeded to arbitration had the health insurance dispute not been pursued by the employer". Unfortunately for the Union, the wage issue must be considered in evaluating the two final offers, despite their view that it is the least significant component of their offer.

Wages must be evaluated based on the impact of the offer on the labor agreement. A comparison of the percentage increases for each of the comparable counties is meaningless. The goal must be for all persons doing the same type of work, in every county, to be paid substantially similar wage rates, unless there is a compelling reason for a pay differential. To determine whether the pay rate is substantially similar, we must examine all, or a substantial portion, of the job classifications, to determine their 1998 and 1999 salaries.

This was made difficult in some of the classifications because the job duties for employees in Taylor County, was not specified in any of the exhibits. Some of the job duties for Taylor County employees were easily determined, and used. In other cases, (for example, multiple classification for secretaries) it was impossible to make a determination.

The position of Public Safety Telecommunicator was common to most of the counties. When a position received a mid-year increase, the average between the two wages was used. The comparison shows as follows:

<u>Public Safety Telecommunicator</u>					
		<u>1998</u>		<u>1999</u>	
		<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>1 Max</u>
Clark	1-1-98	9.74	13.94	10.29	14.62
	7-1-98	10.09	14.33	10.64	15.02
Langlade		9.39	11.15	9.70	11.51
Lincoln		10.60	11.52	10.92	11.86
Portage		11.51	12.79	11.79	13.10
Shawano		9.70	11.30		
Waupaca	1-1-99	10.72	11.88	11.44	12.61
	7-1-99			12.17	13.34
Wood		<u>10.90</u>	<u>12.82</u>		
Average		10.39	12.27	10.94	12.85
County Offer		11.62	14.52	11.97	14.96
Union Offer		11.62	14.52	12.02	15.03

The County's offer is closer to the average for that position than is the offer of the Union. It is higher than any of the final offers except Clark County for the second half of 1999. When the same position in Taylor County considered, it is below both of the Marathon County final offers. Taylor County provides as follows

Taylor County	10.13	10.23	10.85	14.08
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The position of Accounting Assistant II was common to three counties. The comparison shows as follows:

#### Accounting Assistant II

	<u>1998</u>		<u>1999</u>	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Clark				
Langlade	9.39	11.55	9.70	11.51
Lincoln	9.22	11.79	9.50	12.15
Portage	9.58	10.64	9.86	10.95
Shawano				
Waupaca				
Wood				
Average	9.40	11.33	9.69	11.54
County Offer	11.06	13.42	11.38	14.23
Union Offer	11.06	13.42	11.44	14.30

The County offer is closer to the average for 1999. Marathon County paid the highest rate for both contract years. When Taylor County was added, the ranking did not change. The 1999 wage rate for this classification could not be determined. Taylor County provided as follows:

Taylor County	9.69	12.60
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The position of Corrections Officer was common to all counties. When a position received a mid-year increase, the average between the two wages was used. The comparison shows as follows:

<u>Corrections Officer</u>			<u>1998</u>		<u>1999</u>	
			<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Clark	1-1-98		9.74	13.94	10.29	14.62
	7-1-98		10.09	14.33	10.64	15.02
Langlade			9.39	11.51	9.70	11.51
Lincoln			9.68	12.10	9.97	12.47
Portage			10.78	13.48	11.10	13.88
Shawano			10.08	11.74		
Waupaca			13.22	15.56		
Wood			<u>10.90</u>	<u>12.82</u>		
Average			10.57	13.09	10.31	13.20
County Offer			10.50	13.12	11.09	13.66
7-1-99					11.38	14.23
Union Offer			10.50	13.12	11.14	13.93
7-1-99					11.44	14.30

The County offer is closer to the average for 1999. The County employees rank in the middle for 1998, which is close to the average. It was not possible to ascertain an identical position for Taylor County

There were not enough positions and settlements in the comparable counties to determine the ranking or salary differential for the Administrative Specialist position.

The position of Building Maintenance Worker was common in four of the counties. The comparison shows as follows:

<u>Building Maintenance Worker</u>				
	<u>1998</u>		<u>1999</u>	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Clark				
Langlade	9.39	11.55	9.70	11.51
Lincoln	8.55	10.73	9.32	11.56
Portage	11.23	12.48	11.51	12.79
Shawano				
Waupaca	10.60	13.25		
Wood				
Average	9.94	12.00	10.18	11.95
County Offer	9.39	12.49	10.29	12.86
7-1-99			10.81	13.51
Union Offer	9.39	12.49	10.34	12.93
7-1-99			10.86	13.58

The County offer was closer to the average compensation for employees in that position. It was not possible to determine which position was identical in Taylor County.

The position of Accounting Assistant I was common in four of the counties. The comparison shows as follows:

<u>Accounting Assistant I</u>				
	<u>1998</u>		<u>1999</u>	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Clark				
Langlade	9.04	10.72	9.33	11.07
Lincoln	8.08	10.38	8.32	10.69
Portage	9.14	10.15	9.44	10.46
Shawano				
Waupaca	10.12	12.65		
Wood				
Average	9.10	10.97	9.36	10.74
County Offer	9.52	11.90	9.81	12.26
Union Offer	9.52	11.90	9.86	12.32

The offer of the County was nearer the average wage for such a position. No identical position could be determined in Taylor County.

The position of Secretary was common to all of the counties. The comparison shows as follows:

<u>Secretary</u>				
	<u>1998</u>		<u>1999</u>	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Clark				
Langlade	9.04	10.72	9.33	11.07
Lincoln	8.08	10.38	8.32	10.69
Portage	9.61	10.68	9.89	10.99
Shawano	8.86	10.30		
Waupaca	10.60	13.25		
Wood	<u>10.48</u>	<u>12.33</u>		
Average	9.45	11.28	9.18	10.91
County Offer	9.52	11.90	9.81	12.26
Union Offer	9.52	11.90	9.86	12.32

The Final Offer of the County was closer to average wage rate for the Secretary's position. Taylor County had two separate Secretary classification and it was not possible to determine the one to be used for comparison.

There were not enough settlements to determine the appropriate wage for the Custodial Worker classification.

The Union's final offer was the closest offer for the position of Clerical Assistant, even in the absence of finding an identical position in Taylor County. The comparison showed as follows:

<u>Clerical Assistant I</u>				
	<u>1998</u>		<u>1999</u>	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Clark				
Langlade				
Lincoln	7.41	9.48	7.63	9.76
Portage	8.72	9.69	9.00	10.00
Shawano	7.97	9.25		
Waupaca	9.14	11.41		
Wood	<u>9.09</u>	<u>10.69</u>		
Average	8.46	10.10	8.31	9.88
County Offer	7.99	9.99	8.23	10.29
Union Offer	7.99	9.99	8.27	10.34

When all job classifications are examined, it is clear that the Union is seeking to rank the County's employees in the primary position, when compared the adjacent communities. This ranking might be justified if all abutting counties were rural and Marathon was urban, with a higher living cost. That is not the case. Stevens Point, in Portage County, is University and Insurance based community of a similar character as Wausau. Wisconsin Rapids and Marshfield in Wood County also are significant and fairly urban communities.

The Counties final offer relating to the wage rates for 1998 and 1999 is the preferable offer. It is most consistent with the wage rates paid in comparable communities.

#### Internal Comparables

\_\_\_\_\_ Agreement with four bargaining units, employing less than 25% of the total employees of the County, is not a sufficient to argue that a pattern of settlement has been established and that the remaining bargaining units should be compelled accept an identical wage and benefit package that the four have agreed upon.

Four small bargaining units, representing 141 employee, have agreed to a settlement that provides the 3%/3% wage increase and the 5% health insurance cost sharing. The remaining 428, including 238 in the unit involved in this proceeding have not agreed to the proposal. For a pattern of settlement to become compelling, something over 50% of the employees, and over half of the bargaining units should have agreed on their terms. Otherwise, there is no incentive for employer to initially commence negotiating with the larger units. All they need do, would be to secure agreement with all the smallest units, to force the larger ones to acquiesce.

The County's argument, that it should not be compelled to vary its benefits by having the arbitrator accept the Union proposal in this case, is undercut by the County entering a settlement with the Health Professionals and the Library employees that does not include the PEHP plan. The County also expanded the holidays by one for the Library unit. The Deputy Sheriff's had their sick leave days increased. These cannot be described as anything but variations in benefits for different groups of employees.

All those adjustments were done for what appears to be a good reason. The County's willingness to adjust the benefits for good cause, offsets their argument that the arbitrator should not alter the benefit for the Courthouse Unit.

The consideration of the internal comparables, supports the acceptance of the final offer of the Union.

#### Consumer Price Index

\_\_\_\_\_ During the past two years this country has been inflation free. Urban Wage Earners and Clerical Workers in North Central States have seen annual CPI increase of 2.1%. The National City average at 1.6% has been even lower.

An increase of 3% for 1998, and 3% for 1999, is closer to the CPI average than a 3.5% increase in 1999. Therefore the final offer of the County more precisely reflects the increases in the Consumer Price Index.

#### Conclusion

\_\_\_\_\_ Although the Union's final offer on the wage rate is not the preferred choice (and nearly poisoned the chance for the adoption of the final



offer) the Union's final offer on health insurance is preferred. No evidence indicates the County cannot afford the increase or that the statutory levy limit has been reached. The economic conditions in the County, and in central Wisconsin, are excellent. The County has not shown a pattern of bargaining compelling acceptance of its offer. The Union offer more closely tracks the comparable counties in the health insurance premium allocation. The County has varied its offers to the different bargaining units. When all these factors are considered, the Union offer is preferred.

J.     AWARD

          The final offer of the Union will be incorporated in the 1998-99 Labor Agreement.

Dated at Milwaukee, Wisconsin, this  
30th day of August, 1999

FREDERICK P. KESSLER  
Arbitrator