

BEFORE THE ARBITRATOR

In the Matter of the Interest Arbitration between
Chippewa County
and
Chippewa County Public Health Nurses Association

Case 219 No. 58837
INT/ARB-9022
Decision No. 30117-A

Appearances:

Weld, Riley, Prenn & Ricci, Attorneys at Law, by Mr. Richard J. Ricci, appearing on behalf of the Municipal Employer.

Labor Association of Wisconsin, Inc., by Mr. Thomas A. Bauer, appearing on behalf of the Association.

ARBITRATION AWARD

The above-captioned parties selected, and the Wisconsin Employment Relations Commission appointed, the undersigned arbitrator (Case 210, No. 58837, INT/ARB-9022, Decision 30117, 4/27/01) to issue a final and binding award pursuant to Section 111.70(4)(cm)6 and 7 of the Municipal Employment Relations Act to resolve an impasse found to exist in collective bargaining between said parties by selecting the total final offer of either the Municipal Employer or the Association.

A hearing was held at Chippewa Falls, Wisconsin, on August 1, 2001. The proceeding was not transcribed. The parties had the opportunity to present evidence, testimony, and arguments. The record was closed on September 17, 2001, with the exchange of the parties' briefs by the arbitrator.

The bargaining unit consists of all regular full-time and part-time registered nurses employed by Chippewa County. As of July, 2001, there were seven full-time, five three-quarter-time, and four half-time nurses in the unit.

In reaching a decision, the arbitrator is required to give the greatest weight to "any state law or directive lawfully issued . . . which places limitations on expenditures that may be made or revenues that may be collected by a municipal employer." The statute further requires that "greater weight" be given to "economic conditions in the jurisdiction of the municipal employer than to any other factors specified in subd. 7r." Those other factors to be given consideration are: (1) the lawful authority of the municipal employer; (2) the interests and welfare of the public

and the financial ability of the unit of government to meet the costs of any proposed settlement; comparisons of the wages, hours and conditions of employment of the municipal employees (3) with those of other employees performing similar services, (4) with those of other public employees in the same community and in comparable communities, (5) with other employees in private employment in the same community and in comparable communities; (6) the cost of living; (7) the overall compensation presently received by the municipal employees; (8) changes in any of the foregoing during the pendency of the arbitration proceedings; and (9) other factors normally considered in the determination of the wages, hours and conditions of employment through voluntary dispute resolution or otherwise between the parties.

The sole issue in dispute concerns the wage increase to be included in the parties' agreement for the period from January 1, 2000, through December 31, 2001. The final offers of the parties are identical with the exception of the Association's inclusion of a 1% adjustment at the 30-month wage rate effective July 1, 2001. The dollar difference between the final offers amounts to \$2,850.92. All other matters have been resolved by the negotiations of the parties (a copy of the parties' tentative agreements is attached). The arbitrator is required to select one of the following final offers:

The Association's final wage offer is:

Appendix "A" – Wage Rates

Increase all wage rates 3.0% across the board effective 1/1/2000

Increase all wage rates 3.0% across the board effective 1/1/2001

Increase the 30-month wage rate 1.0% effective 7/1/2001

The County's final wage offer is:

Appendix "A" – Wage Rates

Increase all wage rates 3.0% across the board effective 1/1/2000

Increase all wage rates 3.0% across the board effective 1/1/2001

Arguments of the Parties:

The Association argues that its final offer is (1) within the County's ability to pay and its lawful authority to grant, (2) in the best interests and welfare of the public, and (3) the more reasonable of the two based on settlements in external and internal comparables. The Association cites a budget surplus of approximately \$149,000 in the Public Health Department, as reported in the 2000 Annual Report, and average wage increases of 9.3% (at a cost of more than \$328,000) granted 68 County elected officials and management personnel as evidence of the County's strong financial condition. The Association further notes the County's adoption of a 17.9% levy increase for 2001, 2.7% reduction in overall spending, and 4.3% increase in tax rates in support of its contentions.

The external comparables have been well established in past arbitration proceedings. Historically, the contiguous counties of Barron, Rusk, Taylor, Clark, Dunn, and Eau Claire have been relied on for comparisons to Chippewa County. The only distinction between the comparables offered by the parties involves Eau Claire County. The Association presented information on nurses wages in the Eau Claire City/County Health Department while the County relied on wages paid to nurses in the Eau Claire County Human Services Professional unit for comparison.

The Association states that its final offer is the most reasonable based on wages increases for professional nurses established among the external comparables it cites. It argues that two counties (Clark and Rusk) received higher percentage increases for 2001 than that proposed in the Association final offer.

The Association contends that the County has voluntarily agreed to wage increases (with the exception of the Highway Department which also went to arbitration) for 2000 and 2001 that are either identical to, or exceed, the final offer of the Association to all County employees and elected officials. The Association asserts that arbitrators, in general, have subscribed to the theory that internal wage patterns should not be disturbed through the interest arbitration process.

The Association argues that the additional half percent increase it proposes over 2001 is warranted for County nurses who have been called upon over time to provide more nursing services with fewer resources. The Association reasons that the public interest would best be served and staff morale improved under its final offer. The Association concludes that its final offer is more consistent with the County's settlements with employees in other County units and that it is further supported by the significant increases granted County managerial employees.

The County claims that its offer is consistent with a pattern of 3% annual wage increases in 2000 and 2001 among external and internal comparables and more reasonable than the Association's offer which exceeds the settlement pattern. The County contends that nurses wages were already higher in Chippewa County than those paid to nurses in comparable jurisdictions and that the additional 20 cents per hour effective July 1, 2001, contained in the Association's offer, is not warranted.

The County states that under its offer, County nurses will continue to be the wage leader among external comparables for 2000 and 2001. It asserts that the higher percentage wage increases for nurses in Rusk and Clark counties were the result of needed catch up adjustments. The County argues that the Association's final offer exceeds the 3% settlement pattern among external comparables in the second year of the contract.

The County further argues that its offer is more consistent with settlements reached with the County's five other units. With the exception of the Highway Department, which went to arbitration, all other units received basically a 3% increase across the board in both years. The County acknowledges that some additional adjustments were made in certain instances to address internal or external disparities. However, the County contends that catch up or additional adjustments are not warranted within the nurses' unit.

The County asserts that wage increases granted County elected officials and management are not relevant to this interest arbitration. The duties, working conditions, and job markets are not the same for nurses and management staff. It states that management wage increases were granted after a compensation study was conducted. The County had experienced difficulty in recruiting managers and wage adjustments were granted to make managerial wages more competitive. The adjustments ranged from increases of 9% to 27 cents per hour to no increase at all. On the other hand, nurses, according to the County, are the only County employees who are wage leaders among comparable units in comparable counties. It argues that the Association has produced no evidence that nurses cannot be recruited at the County's proposed wage rate. On the contrary, low turnover in the unit suggests that nurses are not leaving the County's employ for more money elsewhere. The County concludes that based on the statutory criteria, particularly internal and external comparisons, its offer is the more reasonable of the two.

The County also argues that both offers exceed the Consumer Price Index for non-metropolitan urban areas for 2000 and 2001, but that the County's offer more closely approximates the 2001 CPI to date. The County states the CPI for 2000 was 2.6% (both offers incorporate a 3.74% increase with roll ups for 2000), and that through mid 2001, the CPI increased 3.9% (the County offer represents a 4.03% overall increase while the Association offer includes a total increase of 4.49%).

Discussion:

Neither Factor 7 (the greatest weight factor) nor Factor 7g (the greater weight factor) were cited or argued by the parties in support of their respective positions. In the absence of such arguments or evidence, the arbitrator has not considered these factors in her decision.

The arguments of the parties rely primarily on external and internal comparability and settlement patterns and the interests and welfare of the public. The sole issue in dispute is the 2001 wage increase. Both offers incorporate a 3% across the board increase on January 1, 2000 and on January 1, 2001. The Association offer includes an additional 1% increase at the 30-month wage rate effective July 1, 2001.

An examination of the 1999, 2000, and 2001 maximum hourly wage rates (as of July 1 if the employees received an additional mid-year increase) for nurses among the contiguous, comparable counties finds:

County	1999	2000	2001	
Barron	\$ 17.35	\$ 17.87	\$ 18.41	
Clark	17.55	18.38	18.93	
Dunn	18.93	19.50	20.09	
Eau Claire*	17.80	18.33	18.88	
Eau Claire City/County*	20.13	20.76	21.40	
Rusk	16.24	16.90	17.58	
Taylor	16.41	16.66	16.91	
Chippewa	19.06			
County offer		19.63	20.22	
Association offer		19.63	1/1	20.22
			1/7	20.42

The relative ranking of the Chippewa County nurses among the external comparables will remain the same for 2000 and 2001 under either the Association's or County's comparables. The nurses' wages will be either the first or second highest among the comparables and unchanged in relative rank, depending upon the comparables applied.

The settlement pattern among the cited external comparables for 2000 and 2001 was fairly consistent in the provision of a 3% across the board increase in both years. However, several of the comparable counties implemented additional 1% increases mid-year and another applied a mid-year \$.30 per hour increase. The table below sets forth the percentage increases observed among the comparables:

County	2000		2001	
Barron	3%		1/1 7/1	2% 1%
Clark	1/1 7/1	3% .30^	3%	
Dunn	3%		3%	
Eau Claire	3%		3%	
Eau Claire City/County	3%		3%	
Rusk	1/1 7/1	3% 1%^	1/1 7/1	3% 1%^
Taylor	1.5%		1.5%	
County offer	3%		3%	
Union offer	3%		1/1 7/1	3% 1%
^Adjustment for nurses only.				

* The County cites the Eau Claire County nurses included in the social services professional bargaining unit as the appropriate Eau Claire County nurses for comparison. The Association offers the wages of nurses employed in the Eau Claire City/County Public Health Department as appropriate for comparison.

While Clark County granted an additional 30 cents per hour increase mid-year in 2000, only Rusk County exceeded the 3% settlement pattern in 2001. However, Rusk was the lowest paying county in 1999 and 2000, and the additional increase in all likelihood represented an effort to reduce that wage disparity.

There are five bargaining units within Chippewa County. Three of the units (law enforcement, professional, and support staff) voluntarily settled contracts for 2000 and 2001 and one other unit (highways) resorted to arbitration. Percentage wage settlements for internal comparison for 2000 and 2001 are as follows:

Unit	2000		2001	
Law enforcement	3%*		3%	
Professional	3%		3%	
Support staff	1/1 7/1	3% add step—1%	1/1 7/1	3%* 1%—top step
Highways	1/1 7/1	3% .18/.22/.20**	1/1 7/1	3% .18/.22/.20**
County offer	3%		3%	
Association offer	3%		1/1 7/1	3% 1%
* Additional adjustment for Jailer/Dispatcher and Personal Care Worker.				
** Adjustment to pay grades 1, 2, 3.				

It appears that the additional adjustments in the Highway arbitration and those contained in the law enforcement and support staff units were included to address inequities in particular classifications.

The Association has argued that given the substantial raises awarded management and elected officials, the County is in a position to grant the additional 1% increase at the 30-month wage rate effective July 1, 2001. The County has not claimed an inability to pay the proposal of the Association.

The arbitrator is not persuaded that a mid-year increase for the nurses is warranted solely because certain managers received significant wage increases as a result of the management compensation study. The labor market and conditions of employment for managers differ from those for public nurses. Compensation adjustments for the managers do not necessarily support adjustments for the public nurses.

Absent a showing of a particular inequity that the mid 2001 adjustment would address, the arbitrator finds no basis for imposing a wage increase in excess of the pattern found among settlements for the external and internal comparables. Moreover, the relative ranking of the Chippewa County nurses will remain unchanged under either offer. The nurses will continue to be the wage leader (or second highest based on the Association's inclusion of the Eau Claire City/County nurse unit). The settlement pattern for the external and internal comparables was 3% across the board for 2000 and 2001 with the exception of limited classifications that required further adjustment or catch up to reduce wage disparities. The undersigned concludes that the

County's final offer is more consistent with settlement patterns among the external and internal comparables for 2001, and, therefore, under the terms of the statutory criteria, finds the County's offer to be more reasonable.

Based on the above and the record as a whole, and having considered all the applicable factors specified at Section 11.70(4)(cm)(7) of the Municipal Employment Relations Act, the arbitrator selects the final offer of Chippewa County for inclusion in the parties' 2000-2001 agreement along with the parties' previously agreed upon tentative agreements.

Given this 17th day of October, 2001, at Madison, Wisconsin.

Kay B. Hutchison, Arbitrator