STATE OF WISCONSIN
BEFORE THE ARBITRATOR
ZEL S RICE II

In the matter of Arbitration between

Dane County [Dec. No. 31107]

and

SEIU District 1199 W/UPQHC, ALF-CIO

Appearances: Lester A Pines, Attorney at Law, for the Union
Jon E Anderson, Attorney at Law, for the Employer

This case is an interest arbitration between SEIU District 1199 W, hereinafter referred to as the Union, and Dane County, hereinafter referred to as the Employer. The Union represents the Employer's public health nurses, registered nurses at it's Badger Healthcare Center and other various healthcare professionals. Both the Union and the Employer presented evidence in support of their final offers at a hearing held on April 28, 2005 in Madison, Wisconsin. The Employer and the Union have agreed upon all terms for the 2003-2006 with the exception of the wage provision. The Employer's final offer is as follows. In 2004, the hourly wage rate shall remain unchanged from the rates that were in effect on December 13, 2003. In 2005, all hourly wages rates shall be increased by 1% effective December 26, 2004; and an additional 2.5% effective June 26, 2005. In 2006, all hourly wage rates shall be increased by 1% effective December 25, 2005 and by an additional 3% effective June 25, 2006. The Union's final wage offer is as follows: effective December 14, 2003 an increase of 2%, effective June 26, 2004 2%; effective December 26, 2004 1% and effective June 26, 2005 2.5%; effective December 25, 2005 1% and effective June 25, 2006 3%. The only disputed term is the adjustment of wages in the first year of the disputed contract with the December 14, 2003 being the first wage adjustment date. The parties agree that the total difference between the parties offer is $267,000 spread over the 3 contract years.

Under the Wisconsin Municipal Employment Relations Act, if the parties reach an impasse, they are directed to submit the dispute to the Wisconsin Employment Relations Commission for binding arbitration. The arbitrator must consider the factor given greatest weight in deciding which final offer should be accepted pursuant to Section 111.70(4)(cm)7 includes the factor given greatest weight. In making any decision under the arbitration procedures, the arbitrator shall consider and shall give greatest weight over all other factors to any state law or any 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 shall give and account for his consideration of this factor in his decision. Section 7(g) contains the factor given greater weight. In making any decision under the arbitration procedures, the arbitrator shall consider and shall give greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in the Subsection r. Subsection r sets forth the other factors to be considered by the arbitrator. They include the lawful authority of the municipal employer, stipulations of the parties, 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, comparison of the wages, hours and conditions of employment of the municipal employees involved in arbitration proceedings with the wages, hours and conditions of employment of other employees generally in public employment in the same community and in comparable communities, comparison of wages, hours and condition of employment of municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees employed in the same community and comparable communities, the average consumer prices for goods and services commonly known as the cost of living, other compensation presently received by the municipal employees including direct wage compensation, vacation, holidays and excused time, insurance and pension, medical and hospital benefits, the continuity and stability of employment and all other benefits received, changes in any of the forgoing circumstances during the pendency of the arbitration proceedings and such other factors not confined to the forgoing that are normally or traditionally taken in to consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact finding, arbitration or otherwise between the parties, in the public service or

private employment. The arbitrator must determine which final offer, the Union's or Employer's, more closely adheres to the factors provided in the Municipal Employment Relation Act interest arbitration statute.

THE UNION'S POSITION

The Union argues that the Employer has no legal restriction on it's ability to raise revenues and contends that it must be disregarded by the arbitrator. It takes the position that the Employer is not restricted in it's ability to increase the tax levy. It merely makes a policy decision. The Union asserts that the main reason for choosing not to raise property taxes is political but the basic issue is that this is a discretionary decision and is at the discretion of local officials. The Union argues that it is completely within control of the policy makers and the legislators as to how big the tax levy is going to be. It contends that the Employer has the financial ability to pay the Union's 2004 wage proposal. It points out that the Employer is experiencing strong economic conditions. The Union argues that the Employer has a policy of preferring its creditors over its employees. It takes the position that the Employer uses money from a given year tax levy to pay for capital expenditures and repay its creditors extremely rapidly. It asserts that the Employer made a policy decision to allocate current income to its creditors rather than to its employees. That was the choice it made for it's 2004 budget. The results enabled it to make extremely rapid repayments to its creditors during the 2004 year but there are no pay increases for its nurses in the first year of the contract. The Union argues that the Employer supplied a 3.5 million fund balance for the 2005 adopted operating budget. It chose to increase its annual budget surplus over the last two years. The Union takes the position that the Employer's nurses should not have to contribute to the surplus by forgoing a wage increase for the entire year of the new collective bargaining agreement.

The Union takes the position that the Employer's economy is able to accommodate the Union's proposed wage adjustments during the 2004 calendar year. It asserts that the county is known for enjoying a state of economic well being supporting a close examination of the greater weight factor in Wisconsin statutes. That factor requires arbitrator to give greater weight to the economic conditions of the Employer than any of the other factors listed in the statute. The Union argues that the Employer's economy is effectively the engine that is

driving the economic growth of the State of Wisconsin and that factor is predominant and overwhelmingly favors the Union's proposal. It contends that if the economy is good the employees wages should reflect that fact. The Union takes the position that the legislature intended that if the economy was prosperous that prosperity should be shared with its employees. The Union asserts that the Employer has the most vibrant economy in Wisconsin but still offers no wage increase in the first year of this three year contact. It argues that the offer is not based on the ability of the Employer to pay a reasonable wage increase in the first year of the contact but is based on political calculations and policy decisions that prefers creditors and prefer increasing surpluses over employees. It contends the registered nurses working at Meriter Hospital in Madison earn substantially higher wages than those paid by the Employer to its nurses. The Union points out that the hourly wage of the comparable Meriter nurses averages $33.60 per hour. The comparable average wage proposed by the county is $28.56 per hour. The Union has proposed an average of $29.72 per hour. The Union asserts that neither the Employer's proposal nor the Union's proposal comes close to the hourly wage paid by Meriter. It points out that the hourly rate earned by Meriter registered nurses with seniority levels compared to the public health nurses employed by the Employer averages $34.18 per hour but the Employer proposal averages $28.91 per hour and the Union proposal averages $30.08 per hour. The Union argues that its proposal should be accepted because it comes closer to the nurses wages paid by Meriter. It points out that the wages proposed by the Employer and Union falls short of those received by other public nurses in Madison and Dane County. The Union points out that the average wage proposed by the county for its Badger Prairie registered nurses is $28.56 per hour and the average wage proposed by the Union is $29.72 per hour. The hourly wage rates earned by nurses employed by the state in the professional patient care unit is $28.89 per hour. Registered nurses at Mendota Mental Institution comparable to Badger Prairie nurses earned an average $28.98 per hour. The Union takes the position that on the whole its proposed wages come much closer to comparable public sector nurses locally than does the Employer's wage proposal. It asserts that accepting the Union proposal would bring the employees wages more closely in line with the comparable public sector nurses working in the area. The Union argues that there is no evidence that the Employer's comparison to other communities is relevant because those communities are not comparable. It contends that there is no evidence that their economies are as good as the Employer's. The Union

argues that registered nurses employed at Badger Prairie deal with patients that have a mental health component as part of their health condition. It points out that those patients often become aggressive and violent toward their healthcare providers and are often patients that other residential treatment facilities will not admit. The Union takes the position that the direct care that nurses provide at Badger Prairie put them at risk for injury and they work in a dangerous job and should be paid accordingly. The Union argues that public health nurses are often called into risky environments to perform their job duties. It contends that they work in a wide variety of environments without any assurance that they will be safe while they perform their job duties. The Union takes the position that many of the families with which the public health nurses work have histories of drug or alcohol issues and possible abuse issues. It asserts that its in the best interest of and for the welfare of the public that the Employer's nurses be well paid.

The Union argues that the so-called "me too" causes in the Employer's other collective bargaining agreements are not controlling. It contends that the plain language of the "me too" clause provides that should the arbitrator choose the Union's final wage offer in this arbitration, the Employer will not be required to increase the wages of it's other employees under the already settled contracts. It contends that this case involves $267,000 in wages to be paid over a three year contract. That figure represents an extremely small percentage of one year of the Employer's budget, an infinitesimal percentage of a three year budget. The Union takes the position that it has unequivocally demonstrated that the Employer's economy most certainly can support such an increase and its tax levy and budget can support the wage increase as well. It asserts that even though the Employer has made policy decisions to increase its yearly surplus and to use current income to repay its creditors at an extremely rapid rate does not mask the fact that there is ample money in the budget to support the increase sought by the Union. The Union argues that the arbitrator should incorporate the Union's final wage offer into the 2004-2005 collective bargaining agreement between the parties.

EMPLOYER'S POSITION

The Employer argues that there should be no adjustment in the first year of the agreement because of economic concerns and budget restraints that occurred in 2004. It contends that with a split year adjustment in the second and third year of the agreement, the Employer's final offer provides adequate wage rate increases while maintaining competitive positions with the external comparables. The Employer points out that the wage adjustments proposed by it have been voluntarily accepted by all other internal bargaining units and its final offer, seeking internal consistency and external maintenance, is the final offer most consistent with the statutory factors and should be adopted by the arbitrator. This case covers 2004, 2005 and 2006. All other county bargaining units have reached economic settlements covering the same time period and all other Employer bargaining units have voluntarily have accepted the same wage adjustments proposed by the Employer in this case. There are nine bargaining units and all but two of them are settled for the 2004-2006 contract cycle. The Union's bargaining units is one of the smaller units, sixth overall, with 52 members. This unit represents just 2.8% of the Employer's total unionized workforce. AFSCME represents the Employer's largest unit of employees, the joint council of unions, with 839 members or 45.2% of the total unionized population. AFSCME's joint council, highway and social workers are the traditional pattern setters in Dane County. Together the AFSCME's units represent about 66% of the Employer's workforce. At the time, the Employer was looking into the 2004 budget, it was faced with approximately $7,000,000 to $8,000,000 reductions in state revenues and in addition to that had $3,000,000 plus in required costs to continue. It was asking the departments to take approximately $12,000,000 in cuts. The cuts were intended to make up for the reduction in revenues as well as the increased costs. The Employer and it's 3 AFSCME units were the first to settle in mid-November 2003. The settlement was unique in the public sector as it did not provide for a wage adjustment in the first year. The parties then back loaded the wage adjustments into the second and third years of the contracts. As a quid pro quo for the creative approach to wages in 2004, the Employer agreed to provide an additional week of vacation for all bargaining unit employees, a guarantee that there would be no layoffs and implementation of a "me too" clause securing internally consistent wage increases. The attorneys, trades, deputies, supervisors and professional units followed suit by voluntarily agreeing to the same

economic terms that Employer had successfully negotiated with AFSCME units. The only unit that did not settle voluntarily was the nurses unit that is involved in this proceedings. The Employer argues that internal consistency is a critical component not only with the legislatively mandated arbitration criteria but also within the Employer. A great deal of time was spent during negotiating sessions reviewing the Employer's budget data. All of the other units voluntarily agreed that the economic conditions were a swift and modest settlement in 2004 but the nurses unit did not. The Employer takes the position that internal balance is necessary within the framework of effective labor management relations.

The legislature and arbitrators have recognized that greatest weight, greater weight and interest and welfare of the public must be recognized in the bargaining. Greater weight must be given to the economic conditions within the Employer's jurisdiction at the time all of the other settlements occurred internally. The impact of the Employer's budget undeniably falls within the greater weight definition with spill over into the interest and welfare of the public criteria.

With increasing state aid and intended budget cuts looming for 2004, the Employer teamed with all of it's union representatives in an effort to manage through the crisis. The Employer could not afford to accept any salary demands no matter how reasonable without recognizing the intended impact on the budget and the other internal units. The Employer took the position that state aid was decreasing substantially, sales tax revenues were stagnant, interest was dropping and debt service was increasing. It asserts that serious and immediate budget adjustments were necessary. For 2004, the proposed cuts which ultimately impacted the development of the Employer's 2004 budget included reductions in revenue of $2.1 million, a shared revenue reduction of over $2,000,000, funding reductions in the Employer's W-2 program of approximately $1.4 million, a $300,000 reduction in the income maintenance program, and a $400,000 cost increase to cover juvenile correction rate increases.

In anticipation of possible budget cuts, the Employer had taken steps earlier in 2003 to protect it's budget by placing a moratorium on new hires and by implementing measures to reduce the workforce without resorting to layoffs. An early retirement incentive was created

in 2003 and offered employees a 25% increase in the number of sick leave hours they had accumulated if they separated from the Employer's service no later than July 31, 2003. That program was successful in creating 57 vacancies and generating net savings of $824,000.

It entered into negotiations with it's three largest unions represented by AFSCME and the parties ultimately agreed to a wage freeze for the first year of the contract. As a tradeoff for the wage freeze, the Employer agreed to a no layoff guarantee. The no layoff guarantee was restricted to the first year of the contract only. The parties also agreed to a 2005 split year wage adjustment of 1% and 2.5%. The no layoff guarantee was lifted after the first year. The bargaining unit members were also awarded an additional week of vacation that was available in the second year. In the third year, the wage adjustment was again a split year increase of 1% and 3%. Final settlements also incorporated a "me too" clause to guarantee the units who settled first would receive the same settlement levels should any other voluntary internal settlements be higher. The agreement contained a one time enhancement of vacations for each employee, a "me too" clause about voluntary increases for other bargaining units and the no layoff policy for the first year. Final resolution was ultimately obtained from the three largest AFSCME units by November of 2003 with overwhelming ratification from each of the unions. The AFSCME negotiator supported the settlements noting that these were ground breaking negotiations that insured labor peace and employment stability. He pointed out that while there was no increase in 2004, keeping the union workers on the job with a high level of benefits was a good tradeoff. The other internal units settled voluntarily within a few months of the 3 AFSCME settlements and on the same economic terms. The Employer initiated a budget cutting mechanism in 2004. The state financial deficit continued to create a challenging budget and the Employer's existing funding commitments exerted additional pressure on expenditures. The hiring freeze was maintained in 2005 and the Employer offered it's early retirement incentive program. That program was expanded to provide a 30% sick leave balance enhancement for employees who separated from the Employer's service no later than August 7, 2004. That early retirement incentive became a critical component in reducing the exposure for potential layoffs.

The exact terms of these voluntary settlements, including the wage freeze, split year adjustments, no layoff guarantee, vacation enhancements and "me too" clause, was offered to the Union. The Union rejected the Employer's offer and ultimately sought resolution through interest arbitration seeking a 4% wage increase in the first year, even though the other units that had reached an agreement had voluntarily accepted the wage freeze during the first year. The Employer's final offer to the Union was identical to the internal settlements. The Employer argues that the appreciable loss of state revenues is a fiscal fact which can not be disregarded. It contends that local economic conditions required swift economic decisions. It avoided layoffs but other budget cuts were necessary and additional revenues were not sought through a tax rate increase.

The Employer is not making an inability to pay argument. It is reflecting the economic climate that existed at the time the other internal settlements were achieved. Greater weight must be applied to economic circumstances which ultimately controlled and influenced the contract negotiations. The Employer takes the position that it implemented recruiting cuts necessary to keep the budget balanced and to secure unprecedented wage settlements with all its bargaining units as a necessary component of maintaining a balanced budget.

The Employer argues that in 2004, the cuts were severe and had direct impacts on programs and services. Even with the severe cuts in 2004, financial pressures continued in 2005. Continued state budget deficits, existing funding commitments and moderate economic growth resulted in continuing financial pressure on the Employer. The Employer takes the position that it is not seeking anything more of the nurses bargaining unit than was voluntarily accepted by all other bargaining units. The settlements provided generous split year wage increases in the second and third year of the contracts to help offset the impact of the first year wage freeze. The Employer argues that if the Union's final offer is selected in this dispute, the Employer's significant efforts for internal consistency and immediate response to financial pressure will be lost. It concedes that the Employer is able to absorb the additional costs attributable to the Union's final offer. The Employer argues that a united and consistent approach was needed to confront the severe budget restrictions that the Employer faced in 2004. It takes the position that such an approach must be applied here. The Employer argues that a well established principal of collective bargaining is internal consistency or continuity among

the bargaining units of a single employer. Arbitrators hold the internal consistency standard quite high, placing great emphasis on an Employer's need to bargain equally with it's multiple units. If this standard is not upheld, employers could be faced with potential whipsawing by it's various internal unions or the holding out by one unit in an attempt to secure greater wage increases through interest arbitration. It contends that it is appropriate to consider the wages, hours and working conditions of the Employer's internal bargaining units and making determinations in situations like this. The Employer takes the position that most arbitrators consider internal comparisons appropriate when there has been pattern of consistency for a number of years in the relationship between the various bargaining units with respect to wage, hours and conditions of employment. It points out that this arbitrator has always given special consideration to the pattern of relationships between the various bargaining units of a single Employer and is reluctant to disrupt the pattern in the absence of some evidence establishing a change in the similarities. The Employer takes the position that if an internally consistent settlement has been a goal over time, disruption should be avoided because to do otherwise would guarantee future labor management disruption and continued use of the interest arbitration process to gain more than what others had voluntarily accepted as reasonable. It points out that the wage settlements for the Employer's nine bargaining units for calendar years 2004, 2005 and 2006 are consistent with those offered to the Union. Each of the units that has already settled accept no wage adjustments in 2004 followed by a split year adjustments in 2005 and 2006. It asserts that when an offer is not justified, particularly in the face of an internal settlement pattern, the settlement pattern will prevail. The Employer takes the position that internally consistent settlements level with it are not isolated to this round of contract negotiations. It points out that historical settlements reflect strong internally consistent settlements that can be tracked as far back as 1985. The settlement patterns among the bargaining units have steadfastly reflected a desire for internal consistent patterns of settlement. A prior interest arbitration award issued in 1981 by Arbitrator Richard U Miller reflected the uniform salary policy within the county at that time. It asserted that the settlement levels since 1980-1981 clearly show that the Employer follows a salary policy of nearly equalized yearly increases. The Employer argues that when collective bargaining has developed a pattern of increases over a substantial period of time an arbitrator should be reluctant to award an increase that would disrupt the relationships that have been worked out between the Employer and it's

employees as a result of many long and tedious hours of bargaining. It takes the position that failure to honor an existing pattern undercuts voluntary collective bargaining and tells other units that they should have sought their changes in arbitration rather than settling on terms that, while less than ideals, were consistent with other internal settlements. The Employer argues that it's final offer, is consistent with other internal settlements and realistically reflects the outcome of this round of contract negotiations. It points out that this was a time of internal budget struggles and uniform acceptance of achieving a balance budget was critical. The Union contends that the economic development within the Employer is strong. Population growth, below average unemployment, increasing personal income, and strong per capita income all reflect a strong local economy. The Employer does not dispute this data. The Employer takes the position that the current local economy is not within the scope of the dispute. It takes the position that this dispute is about timing, acceptance of budgetary restraints beyond its control and exercising discretion in times of cuts. The Employer argues that the decisions made by it's elected officials are hard and real decisions that require balance between the needs of employees and the well being of the residents of the county. It contends that the Union ignores the very real constraints that elected officials live with as they make the decisions that they are elected to make. The Employer points out that all other unions recognized the situation the Employer faced in its bargaining and came to the table. It contends that this case is about what it did and about internal consistency and ultimate equity. The Employer points out that the vacation bank enhancement provided each employee with an additional week of vacation which equated to an additional 40 hours for a full time employees. It represented an additional week of vacation for all employees and was in addition to their normal vacation eligibility for the year. The record discloses that all of the internal bargaining units that accepted a wage freeze received an additional week of vacation and this week was a clear quid pro quo for acceptance of the wage freeze. Tentative agreements with the nurses unit reflect that it also received the additional vacation enhancement even though it did not accept the wage freeze. The cost impact of the additional week of vacation for this bargaining unit is estimated to equal $46,815. The Employer takes the position that internal stability, universal "me too" clause and steadfast desire for a balance budget prevented the Employer from voluntarily accepting the nurses demands for a split year wage adjustment in that first year. It points out that compounding these issues was the overwhelming reality that the "me too" clause would

have generated new salary costs that were nearly 1/3 of the total base budget reductions that were implemented for 2004. It asserts that fiscal restraint was necessary and the Employer was simply unwilling to allow the Union to hold it hostage over this issue. It asserts that the wage freeze in the first year of the contract was incorporated without the burden of a wage freeze. The Employer takes the position that acceptance of the Union's position in this proceedings would jeopardize the Employer's relationship with it's other units as well as endorse the Union's attempt to whipsaw this round of contract negotiations. The Employer argues that because of the Union's proposed split year adjustment in 2004 residual wage differences occur through the remainder of the contract. The Union's final offer generates hourly wages that are substantially greater than that of the Employer's final offer. By the end of the three year contract, the Union's final offer will generate wage rates that are predominately a dollar per hour more than that presented in the Employer's final offer. However, it excludes consideration of the fact that the employees represented by the Union also enjoy a tremendously lucrative longevity schedule that provides maximum benefits equaling 12% of the employees base pay. Adding 12% to the 3 year accumulated values increases the threshold of the Union's offer from a minimum of a $1 to a maximum of $1.29. The Employer takes the position that if the bargaining unit members were in a critical "catch-"up mode, external comparable justification might exist for sidestepping the consistent and voluntarily established settlement pattern to provide a $1.29 hourly adjustment over the Employer's final offer. It points out that it's exhibits demonstrate that the wage rates for the two most heavily populated positions, public health nurse and registered nurse, are not below the comparable average at all. These bargaining unit employees receive hourly wage rates that are a cut above the rest. Consequently the maintenance of the internal settlement patterns and information of the Employer's final offer is justified in this proceeding. The Employer points out that without longevity the Union's maximum pay rate for a public health nurse exceeded the Employer's pay rate by $.53 in 2002 and subsequently increased to $.80 in 2003. The relationship does drop slightly under the Employer's final offer in 2004 but recovery is made in 2005. The Employer points out that the relationship catapults out of control under the Union's final offer in 2004 because of the split year adjustment that is more than the City of Madison nurses receive. It contends that the City of Madison wage rates provide compelling support for the Employer's final offer in this proceeding. By the end of the contract the Employer's final wage rates are

significantly above the levels paid by the City of Madison. There is no support whatsoever for the Union's end rate position that is $1.78 above the City of Madison levels. The Employer's final offer provides wage rates adjustments that positioned this bargaining unit right back to it's 2002 base line position as compared to the City of Madison. The Employer takes the position that longevity adds a significant enhancement to the bargaining unit members hourly wage rates. Adding this benefit to the Union's final offer generates year end 2005 rates that are almost $2 per hour more than the City of Madison. Comparing this back to the 2002 base line reveals significant and unjustified increases. The Union's final offer nearly quadruples the lead that the Employer's public health nurses have on the City of Madison wage rates. The City of Madison public health nurses voluntarily agreed to wage rate adjustments much lower than the Union is seeking from the Employer. The Dane County public health nurses voluntarily accepted split year adjustments ultimately providing a 2.75% cumulative increase. This compared with the voluntary 2% adjustment in the City of Madison. In 2004-2005, however, the City of Madison public health nurses received a 2% adjustment in June of each year and the Employer's public health nurses are seeking a 4% adjustment in 2004 and another 3.5% adjustment in 2005. The Employer argues that the City of Madison's bargaining unit is quite similar in scope to its bargaining unit. The settlement picture for this local public sector employer is much more in line with the Employer's final offer than that of the Union. Furthermore, final wage rate comparisons with the City of Madison undercut the Union's desires for additional wages. The internal settlements within Dane County should ultimately prevail as it does not impact this units wage rates as compared with the other similarly situated public sector employees within the labor market. The comparisons of the Employer's public health nurse and registered nurse classifications with that of the top ten counties in the state demonstrate that the Employer's wage rates exceed the comparable average with and without longevity. The Employer's proposed wage freeze occurs in 2004 and correspondingly it's relationship to the comparable average drops slightly. Even with a small drop, the maximum longevity wage rate for a Dane County public health nurse still exceeds the comparable average by $4.14 per hour. The Employer's final offer rebounds in 2005 moving the advantage to $4.28 per hour more than the comparable average. The results of the comparison for the position of registered nurse are similar to those found involving the public health nurse classification. The record discloses that Dane County registered nurse classifications are handsomely paid as compared

with external peers. Longevity benefits enhance an already generous pay schedule and the Union's claim that additional compensation is needed for those bargaining unit positions is without merit. External settlement pattern supports the Employer's overall objective for maintaining a internally consistent settlement pattern. It takes the position that as long as the external data does not suggest that the bargaining unit members are harmed by implementation of an internally consistent pattern, the internal pattern must stand. The Employer takes the position that arbitrators may refrain from following settlement patterns pegged to a certain percentage increase if it is demonstrated by compelling evidence that the wage rates of a particular classification of employees are substantially above or below the rates paid by the comparable employers to employees in similar classifications. The Employer's final offer does not result in substantial deviation in the wage levels as compared with either the City of Madison or the external counties.

The statutes require that the interest and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement should be considered by the arbitrator. The Employer argues that all other collective bargaining groups recognized and accepted its fiscally desperate situation in 2004 and 2005 bargaining. The Union did not. It wants more. It is not satisfied with the pattern. The Employer takes the position that providing more runs counter to the long history of internal consistent settlements and ignores the economic realities of the times and will have significant ramifications. The Employer argues that its final offer does not result in substantial deviation in the wage levels as compared with either the City of Madison or the external counties. It contends that given the strong external wage comparisons that the Employer has shown, it is doubtful that it has continually slipped in comparison with UW, Meriter or the State of Wisconsin. The record in this case does not demonstrate that. The Employer takes the position that departing from the pattern of the settlement reached with it's other bargaining units runs counter to a long history of internal consistent settlements, ignores the economic realities of the times and will have significant ramifications. It asserts that this does not acknowledge the interest and welfare of the public represented by the Employer. It concedes that it is in the interest of the public to maintain excellent staffing at it's health center and it is in the interest of the public to maintain a quality care of the public's access to women, infant and children's programs and it is in the interest of the public to maintain a sound public health department. It asserts

that the interest and welfare of the public must be balanced against the financial impact that each contract generates. An internally consistent settlement pattern has been the ultimate objective of the Employer and it's bargaining units for a significant number of years. The interest and welfare of the public are comforted with the fact that salary schedules for this bargaining unit are at the top of it's class.

DISCUSSION

The grim economic forecast in 2004 demanded that the Employer strike a balance between costs and continued employment opportunities. Acceptance of the Union's final offer would undercut the internal settlement pattern, encourage whipsaw bargaining and ultimately challenge the political limitation in collective bargaining decisions that were made during the Employer's 2004 budget crisis. Arbitrators place significant priority on internal settlement patterns and the Employer's wage offer is consistent with the current settlements reached with all other employees. The Employer has achieved internally consistent wage settlements for a number of years. The Union is challenging the political limitations and ultimate collective bargaining decisions that were made during the 2004 budget crisis. The Union accepted the same quid pro quo items that were granted to other internal units as tradeoffs for the wage freeze. Those were the vacation bank enhancements, the "me too" clause and no layoff policy. It was asking for the additional benefits given to other internal units as tradeoffs for the wage freeze without agreeing to the wage freeze. The Employer's bargaining unit members enjoy extremely competitive wage rates and the additional compensation sought in the Union's final offer is not justified. The interest and welfare of the public requires the arbitrator to select the Employer's final offer in the absence of some evidence that it's wage proposal is justified even though all of the Employer's other bargaining units have accepted the Employer's offer voluntarily.

It therefore follows from the above facts and discussion thereon the undersigned renders the following

AWARD

After full consideration of the criteria set forth in the statutes and after careful and intensive evaluation of the testimony, arguments, exhibits and briefs of the parties, the arbitrator finds the Employer's final offer more closely adheres to the statutory criteria than that of the Union and directs that the proposal contain in Exhibit 1 be incorporated into the collective bargaining agreement as a resolution of this dispute.

Dated in Sparta, Wisconsin 28th day of August, 2005

Zel S Rice II
Arbitrator