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BEFORE THE MEDIATOR-ARBITRATOR

AUG 16 1978

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Arbitration
of an Impasse Between

IOWA COUNTY (HIGHWAY DEPARTMENT)

and

LOCAL 1266, WCCME, AFSCME

Decision No. 16116-B

Appearances:

Mr. Darold Lowe, Representative, for the Union.

Mr. Brad Bishop, Iowa County Personnel Committee, for the County.

ARBITRATION AWARD

On February 9, 1978, the Wisconsin Employment Relations Commission (WERC) issued "Findings of Fact, Conclusions of Law, Certification of Results of Investigation and Order Requiring Mediation-Arbitration" in this matter. (Iowa County (Highway Dept.), Case XIII, No. 22490, MED/ARB-16, Decision No. 16116.) By WERC order of February 21, 1978 (Decision No. 16116-A) the undersigned Mediator-Arbitrator was appointed pursuant to the parties' selection. The WERC amended its aforesaid Order Requiring Mediation-Arbitration by an order issued on February 27, 1978. (Decision No. 16116-B).

By a letter dated March 2, 1978, the undersigned confirmed arrangements to commence mediation on March 31, 1978 at the Iowa County Courthouse in Dodgeville, Wisconsin. Such mediation was conducted as so arranged. The Union advised the undersigned by a letter dated April 11, 1978, that the Union's members had rejected a tentative settlement of the instant impasse achieved in such mediation, and requested that this matter proceed to arbitration.

The undersigned, by a letter dated April 18, 1978, notified the parties that it was his conclusion that they had failed to resolve their deadlock after a reasonable period of mediation by the WERC, 1/ and by the Mediator-Arbitrator; that it was his intent to resolve the deadlock by final and binding arbitration; that they had until April 28, 1978 to withdraw their final offers; and that should either or both of them determine not to withdraw their final offers, a final and binding arbitration meeting would be conducted on May 31, 1978 at the Iowa County Courthouse, in Dodgeville, Wisconsin. Neither party determined to withdraw its final offer and said meeting was conducted. No transcript was made. The post-hearing briefing period was closed on June 21, 1978. The County determined not to file a brief.

This proceeding is pursuant to Section 111.70(4)(cm)6 of the Wisconsin Municipal Employment Relations Act. Said section, at subsection d., provides that under the above-described circumstances "the mediator-arbitrator acting as arbitrator shall adopt without further modification the final offer of one of the parties on all disputed issues. . . which decision shall be final and binding on both parties and shall be incorporated into a written collective bargaining agreement."

1/ The WERC's initial order "Requiring Mediation-Arbitration" in this case sets forth some details respecting the WERC mediation efforts, and the parties' joint waiver of informal investigation or formal hearing upon their joint stipulation requesting mediation-arbitration.

The instant collective bargaining unit is described as "all employees of the Iowa County Highway Department except the Commissioner and Patrol Superintendents."

The County's final offer may be summarized as follows:

1. Wages: Add 24 cents per hour to the compensation of groups II, III, IV, V and VI; add 13 cents per hour to the compensation of Clerk I's and the Office Manager; add no increase to Group I;
2. Retirement: The County will pay the employee share to a maximum of \$9,300;
3. Health Insurance: The County will pay 60% of the family plan premium.

The Union's final offer may be summarized as follows:

1. Wages: Add 40 cents per hour to all rates;
2. Retirement: The County will pay the employee share to a maximum of \$9,800;
3. Health Insurance: The County will pay 80% of the family plan premium.

Both parties would effectuate the pertinent collective bargaining agreement retroactively as of January 1, 1978.

According to County calculations, its proposal would cost \$35,975.58, whereas the Union's offer would cost \$67,267.20, for a difference of \$31,291.62; and the County's budget provides "\$35,000 to \$40,000" to cover these costs. The County's "unrestricted funds," which both parties refer to as a "contingency fund," equals \$392,480. The Union emphasizes that the aforesaid \$31,291 may be found in such fund without depleting it materially. The County urges to the contrary, asserting that given the total financial worth of the County (\$340,000,000) such a contingency amount is not excessive, and that in recent years that fund has been used to meet unforeseen costs and to mitigate taxes.

The County urges, but has presented no data to substantiate, that although its offer maintains its employees at comparatively low levels of compensation and benefits, said levels are consistent with the County's comparatively low revenue-raising capabilities. It does not contend that it cannot support the Union's offer, in terms of its fiscal abilities or its legal obligations, but that said offer requires unsound fiscal practices.

Using the parties' own contractual format which places the employees in various specified groups and classifications the wage element of the instant impasse may be illustrated as follows:

	Number of employees	1977 hourly rate	County Offer	Union Offer
Group VI	4	4.72	4.96	5.12
Group V	17	4.59	4.83	4.99
Group IV	2	4.55	4.79	4.95
Group III	28	4.51	4.75	4.91
Group II	8	4.45	4.69	4.85
Group I	0	4.17	4.17	4.57
Office Manager	1	4.90	5.03	5.30
Clerk I	3	4.14	4.27	4.54

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Both parties agree that the "patrolman" classification, which is within Group III, serves as a benchmark for most of the other classifications, and for comparisons among county highway departments. The Union has assembled data which compare the Iowa County patrolmen to those in adjacent counties, and to the Wisconsin counties contiguous to said adjacent counties.

Such data indicate that if the Union's wage offer is granted, the Iowa County patrolmen will be paid less than their counterparts in eight such counties, more than their counterparts in four such counties; and two of these counties have not as yet determined their rates of compensation.

The parties' 1977 collective bargaining agreement, at Section 11.02, provided "the Employer agrees to pay the employee's contribution to the Wisconsin Retirement Fund to \$9,000.00 of their gross wages." The County would increase this figure by \$300.00, while the Union would add \$800.00.

For the patrolmen, the County's offer would require an employer contribution of \$1,042.00, while the Union's offer would require a \$1,098.00 contribution. (The 1977 contribution by the County was \$1,008.00). The Union's offer requires less employer contribution in 1978 than is made by nine of the selected counties. Three compared counties make smaller such contributions. Two counties' obligations in this regard were not determined at the time of the instant arbitration hearing.

Section 11.01 of the parties' 1977 labor agreement provided, inter alia, that "the Employer agrees to pay the employee's share of premium or one-half of the employee and dependent's share, whichever is greater for a group hospital and surgical insurance plan. . . ." The only issue herein is whether the County, during 1978, shall pay 60 percent, as the County proposes, or 80 percent, as the Union proposes, on the dependent or family plan premium of said insurance plan.

During 1977 the County paid half of family premium of \$82.80, or \$41.40. Under its 60 percent proposal, it would pay \$49.68. The Union's 80 percent offer would cost \$66.24 per employee per month. The comparison data offered by the Union indicates that if the Union's offer is accepted, the County's obligation would be lower than nine of the other twelve counties whose labor contracts are settled. (The record does not disclose the level or specifications of benefits.) Of the 63 employees in the instant unit, 42 receive family or dependent coverage.

The Union also calculated the 1977 "compensation" for such patrolmen, considering wages, health insurance, retirement benefits and longevity pay. Unlike seven others of the compared counties, Iowa County provides no longevity pay. This calculation assumes a patrolman of ten years service, which is average among the Iowa County patrolmen; and that the patrolmen required dependent health insurance coverage. On these grounds, the Iowa

County "compensation" was thirteenth of fifteen. Only two counties provided less such "compensation."

Indeed, such comparative information indicates that acceptance of the final offer of the Union for 1978 would place the County well below the median among these counties, respecting such "compensation."

The County made no presentation of comparative information respecting the items in issue, or respecting resolved elements of the parties' 1978 agreement. Rather, as indicated above, it has emphasized its fiscal policies without urging inability to meet the Union's offer. It contended that, considering its wage offer, its position on retirement, and its insurance proposal, including its settled obligation respecting major-medical coverage, it was offering a 29.8 cent per hour increase to most of the employees, which is a 6.6 percent increase of the patrolman rate. On the other hand, according to the County's cost calculations, the Union was proposing a 56 cent per hour increase for the same employees, or a 12.4 percent increase of the patrolman rate.

The County explained that it proposed more than one salary increase level (1) because there are no employees in Group I, which is an entry level for other groups, and there is no problem with the current entry rate; and (2) in order to keep the Highway Department clerical employees compensation comparable to that of other county clericals. (The clericals in the County's courthouse and Social Services Department became represented by the Union shortly before the instant arbitration meeting, and at the time of said hearing were still being compensated per unilaterally determined rates.)

In considering the foregoing, the undersigned has applied the factors set forth at Section 111.70(4)(cM)7. There has been no contention grounded upon "the lawful authority of the municipal employer," or any pertinent stipulation, or relevant changes during the pendency of this case. The County has the financial ability to meet the Union's offer, and argues, but offers no evidence to prove, that it should be allowed to maintain its compensation level below that of the other counties because its taxing capabilities are similarly comparatively low. Clearly, and admittedly these employees have received substantially substandard compensation, and will not exceed the norm even under the Union's offer; whether the items at impasse are considered separately or together. Further, the Union's offer, and not that of the County, attempts to provide the employees with an increase in compensation that recognizes the recent increases in "consumer prices for goods." Finally, no evidence herein respecting "the overall compensation presently received" by the employees, or other factors "normally or traditionally" considered in such determinations appear to be of material significance judging from the parties' factual presentations and arguments.

AWARD

On the basis of the foregoing, and the record as a whole, the undersigned hereby adopts the final offer of the Union.

Dated at Madison, Wisconsin this 15th day of August, 1978.

By Howard S. Bellman
Howard S. Bellman
Mediator - Arbitrator