IN THE MATTER OF MEDIATION/ARBITRATION PROCEEDINGS

BETWEEN

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TEAMSTERS "GENERAL" LOCAL UNION NO. 200,

and

WASHINGTON COUNTY (PARKS DEPARTMENT), WISCONSIN.

Case LII No. 30601

MED/ARB 1985

Decision No. 20494-B

BACKGROUND Τ_

This is a matter of final and binding interest arbitration pursuant to Section 111.70(4)(cm)6 of the Wisconsin Municipal Employment Relations Act. Teamsters "General" Local Union No. 200 (Union) is the exclusive bargaining representative for the employees in a bargaining unit consisting of all regular full-time and part-time (working 24 or more hours per week) Parks Department employees of Washington County (County or Employer), excluding supervisory, managerial, confidential, clerical and seasonal employees.

The Union and the County were parties to a collective bargaining agreement which expired on December 31, 1982. On November 2, 1982, the Union filed a petition requesting that the Wisconsin Employment Relations Commission (WERC) initiate mediation-arbitration. An investigation was conducted by the WERC staff which disclosed that the parties were deadlocked in their negotiations. On March 15, 1983, the parties submitted to the WERC their final offers as well as a stipulation on matters agreed upon.

On April 4, 1983, the WERC certified that the conditions precedent to the initiation of mediation-arbitration had been The parties thereafter selected Jay E. Grenig as the mediator/arbitrator in this matter.

Mediation proceedings were conducted on May 26, 1983. Although the parties diligently attempted to resolve the impasse through mediation, they were unable to reach a voluntary settlement and the dispute was submitted on the same date to the Mediator/Arbitrator serving in the capacity of arbitrator.

The County was represented by Roger Walsh, Attorney at Law, Lindner, Honzik, Marsack, Hayman and Walsh. The Union was represented by Timothy G. Costello, Attorney at Law, Goldberg, Previant, Uelmen, Gratz, Miller & Brueggeman; and Kenneth Friesner, President, Teamsters "General" Local Union No. 200.

The parties were given full opportunity to present relevant evidence and arguments at the hearing. Upon receipt of the parties' briefs, the hearing was declared closed on July 13, 1983.

II. FINAL OFFERS

A copy of the Union's final offer is attached to this award as Exhibit A and a copy of the County's final offer is attached as Exhibit B. The parties' final offers may be summarized as follows:

A. TERM

The County proposes a one year contract covering calendar year 1983. The Union proposes a three-year contract covering calendar years 1983, 1984 and 1985.

B. WAGES

The County proposes an across-the-board wage increase of 5%, effective January 1, 1983, and an additional 2%, effective at the close of business on December 31, 1983.

The Union proposes an across-the-board wage increase of 96¢ per hour effective January 1, 1983; 95¢ per hour effective January 1, 1984; and 95¢ per hour effective January 1, 1985.

III. STATUTORY CRITERIA

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In determining which offer to accept, the Arbitrator must give weight to the following statutory (Wis.Stats. § 111.70(4)(cm)7) criteria:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and 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 and with other employees generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.
- e. The average consumer prices for goods and services, commonly known as the cost of living.
- f. The overall compensation presently received by the municipal employees, including direct wages, compensation, vacation, holidays, and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, factfinding, arbitration, or otherwise between the parties in the public service.

IV. POSITIONS OF THE PARTIES

A. THE UNION

The Union says it is proposing a three-year agreement in order to provide rough parity with comparable County workers in surrounding counties and with municipal workers working for municipalities within Washington County. According to the Union, its proposal encompasses not only a catch-up factor, but also an increase based on the cost of living and an increase due to the growing amount of experience within the job classifications at issue.

B. THE COUNTY

The County contends that the prevailing economic condition supports the County's final offer. It says that its offer is supported by comparison with settlements with other County employees, settlements in the private sector and wage increases granted in other counties in the area.

V. FINDINGS OF FACT

A. WAGES

1. INTRODUCTION

In 1982 the contract provided for an initial hourly rate of \$5.22, \$5.50 after six months of employment, \$5.80 after 18 months, and \$6.12 after 30 months.

The Union's offer would result in an initial hourly rate in 1983 of \$6.18, \$6.46 after six months of employment, \$6.76 after 18 months, and \$7.08 after 30 months. The Union's proposal is equivalent to a percentage increase of 18.4% at the hire rate to 15.7% at the top rate for 1983; an increase of 15.4% at the hire rate to 13.4% at the top for 1984; and an increase of 13.3% at the hire rate to 11.8% at the top rate for 1985.

During calendar year 1983 the County's offer of a 5% wage increase would result in an initial hourly rate of \$5.46, \$5.78 after six months of employment, \$6.09 after 18 months and \$6.43 after 30 months. At the end of the calendar year the employees' hourly wage rate would be increased to an initial hourly rate of \$5.57, \$5.90 after six months, \$6.21 after 18 months and \$6.56 after 30 months.

2. STATUTORY CRITERIA

a. LAWFUL AUTHORITY OF THE EMPLOYER

There is no contention that the County lacks the lawful authority to implement either offer.

b. STIPULATIONS OF THE PARTIES

The parties stipulated that the County employees five bargaining unit employees as "Park Maintenance Men." Prior to 1977 there was little, if any, park maintenance work. In 1977 CETA employees were hired to maintain the County's park system. In 1978 the park maintenance employees were hired by the County as regular employees. The Union organized these employees in 1979.

Since 1979 the bargaining unit has had one two-year contract and two one-year contracts. The last agreement expired on December 31, 1982.

c. FINANCIAL ABILITY TO PAY

Although the County does not claim financial inability to pay either offer, it asserts that the "depressed state of the economy" supports its final offer. The state of the economy will be examined below.

d. COMPARISON OF WAGES, HOURS AND CONDITIONS OF EMPLOYMENT

(1) Pattern of Settlements

The following are the 1983 settlements between the County and other represented employees:

Deputy Sheriffs	Effective 1/1/83	Effective 6/23/83
Patrolmen	4.3%	.98
Jailers	4.6%	.98
Investigators	4.1%	.98
Social Service Dept.	Effective 1/1/83	Effective End of 12/31/83
Non-Professional	5.0%	1.0%
Income Maintenance	5.0%	2.0%
Professionals	5.0%	.5%

In addition the Health Center Employees entered into a two-year contract (executed on December 28, 1981) beginning January 1, 1982, and expiring on December 31, 1983. The contract provided for a second year wage increase of 8% for 1983.

The County's Highway Department received a 7% increase through arbitration. The County's final offer for the Highway Department provided for no wage increase in 1983.

The rate of increase for park maintenance employee wages in nearby counties for 1983 is as follows:

Fond du	Lac County	5.5%
Ozaukee	County	6.7%
Waukesha	County	7.0%

The Waukesha County increase was negotiated in 1981.

Private sector employers in Washington County have agreed to the following wage increases for hourly employees in 1983:

Geh1	5.0%
Amity	7.3%
Broan	5.0%
West Bend Co.	7.0%
Chrysler Co.	2.0%

(2) Wage Rates

The following are the maximum hourly wages paid parks and recreation laborers by Wisconsin counties:

County	1982	1983
Burnett	\$7.04	
Clark	\$8.01	
Dane		\$8.15
Fond du Lac	\$6.59	\$6.95
Ozaukee	\$6.57	\$7.01
Portage	\$7.09	
Waukesha	\$8.16	\$8.73

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Note: In determining the average and median wages from these comparables, Milwaukee County's wages have been disregarded. Milwaukee has a population more than ten times the population of Washington County. Furthermore, its tax base and income are so disproportionate to that of Washington County as to make meaningful comparison nearly impossible.

Average 1982 Max Wage: \$7.24 Average 1983 Max Wage: \$7.71

Median 1982 Max Wage: \$7.06 Median 1983 Max Wage: \$8.08

The figures for the maximum wage rates of park maintenance workers in these municipalities is as follows:

Municipality	1982	1983
Fond du Lac Saukville		\$8.34 \$9.20
Waupun	\$8.03	39.20
West Bend	, •	\$8.98

Average Wage Rate: \$8.64 Median Wage Rate: \$8.18

e. INCREASE IN THE COST OF LIVING

Because cost of living increases are generally "catch up" in effect, the increase in the Consumer Price Index during the 12 months preceding the effective date of a contract is usually considered to be relevant. See Hartford Sch. Dist., Dec. No. 18845-A (Zeidler, 1982); City of Franklin, Dec. No. 19569-A (Imes, 1982).

The increase in the CPI from December 1981 to December 1982 was 3.9%. Since the Union is requesting a three-year contract, it is important to note that increases in the CPI have continued to decline since December 1982.

f. TOTAL COMPENSATION

County park employees receive nine and one-half holidays per year. For the first seven years of employment the park employees earn eight hours of vacation for each month of employment to a maximum of 80 hours. During the eighth through fourteenth year of employment, park employees may earn 12 hours of vacation for each month of employment to a maximum of 120 hours. From the fifteenth year, an employee may earn sixteen hours of vacation for each month of employment to a maximum of 160 hours per year. Park employees also receive various days of leave with pay.

Park employees receive fully paid group health insurance and life insurance.

In the absence of evidence to the contrary, it must be assumed that park employees of other comparable employers receive similar benefits.

g. CHANGES DURING THE PENDENCY OF ARBITRATION PROCEEDINGS

There were no relevant changes during the pendency of the arbitration proceedings.

h. OTHER FACTORS

This criterion recognizes that collective bargaining is not isolated from those factors which comprise the economic environment in which bargaining occurs. See <u>Cudahy Schools</u>, Dec. No. 19635 (Gundermann, 1982); <u>Madison Schools</u>, Dec. No. 19133 (Fleischli, 1982).

Washington County had an unemployment rate of 13.4% in January 1983. This rate was exceeded only by Dodge County among the surrounding counties. Some private sector employers in the County have operated for shortened workweeks or have shutdown for brief periods. Welfare cases in the County have increased as has the use of food stamps.

While its property valuation has continued to grow, the County has experienced a decline in the growth rate of its property valuation. From 1977 through 1981 the growth rate was approximately 15%. The growth rate declined to about two percent for 1982 and 1983.

There is no evidence that the County has had to or will have to reduce or eliminate any services, that it will have to engage in long term borrowing, or that it will have to raise taxes if either offer is accepted. There is nothing to show that the County cannot continue to provide its employees with wages and increases competitive with comparable employers.

B. LENGTH OF AGREEMENT

Which wage offer is more reasonable will determine which offer with respect to the length of the agreement is more reasonable.

VI. ANALYSIS

Both offers provide for wage increases in excess of the increase in the cost of living as measured by the CPI during the relevant period. However, there is no reason to select the offer closer to the increase in the cost of living if the other statutory criteria indicate that a larger increase is justified. Accordingly, it is necessary to analyze the other statutory criteria.

Because the Health Center increase for 1983 is the product of a two-year agreement executed on December 28, 1981, and was negotiated under different circumstances, it is not appropriate to consider the increase for those employees in determining which offer is more reasonable here.

In addition, the increase received by the employees in the County's Highway Department is not appropriate to consider here. The increase was not the result of an agreement reached at the bargaining table but was received in an arbitration award. Settlement patterns established in free collective bargaining provide some evidence of what a voluntary settlement should be. An arbitration award is not a voluntary settlement.

The relevant comparables indicate a range of 1983 wage increases in other County bargaining units from 4.1% (with an additional increase of .9% effective June 23, 1983) to 5% (with an additional increase of 2% effective December 31, 1983). The average settlement in the County is less than 5%. The rate of increase in the three contiguous counties ranged from 5.5% to 7%.

The highest private sector wage settlement in the County was 7.3% and the lowest was 2%.

The County's offer of a 5% wage increase (with an additional 2% December 31, 1983) is significantly closer to all the settlement rates in evidence than is the Union's offer of wage increases ranging from 18.4% at the hire rate to 15.7% at the top rate.

When the wages of the employees in the County's Parks Department are compared with the wages of other park maintenance workers, the Union's offer moves the employees significantly closer to both the median and average wage rates of the comparable employers. The Union's 1983 offer would provide the employees with a top wage rate below that of any of the comparable public employers. Its offer would provide a 1985 top wage rate below both the median and the average 1983 top wage rate for park maintenance workers.

Significant changes in historical differentials generally occur over several collective bargaining agreements and not in a single contract. In another mediation/arbitration proceeding between the Union and the County involving a different bargaining unit, the arbitrator rejected the County's attempt to reduce the historical differential under which the Highway Department employees had enjoyed higher wages than most of the neighboring counties. The arbitrator found a comparison of the wage increases granted by the comparable employers to be more persuasive than a comparison of the wages paid.

Clearly there is strong support in the record for a wage increase greater than that offered by the County. However, its wage offers for 1984 and 1985 would require the County to pay future wage increases ranging from 15.4% to 13.4% in 1984 and 13.3% to 11.8% in 1985. In these uncertain economic times, there is no way to foretell whether these wage increases would be reasonable and appropriate or what the County's financial position will be then. Because of this economic uncertainty, few public sector employers have entered into multi-year contracts recently. Only one municipality among the comparables has agreed to a 1984 wage settlement and that was only 5.5%.

Because subsequent events may establish what is a reasonable increase, it would be more appropriate for the parties to negotiate the wage rates for 1984 and 1985 than it would be for the arbitrator to require the County to implement the Union's offer of fixed increases for 1984 and 1985 at this time. See Marion Sch. Dist., Dec. No. 19418 (Vernon, 1982); Kewaskum Sch. Dist., Dec. No. 18991 (Rothstein, 1982).

Acceptance of the County's offer would result in a wage increase greater than the increase in the CPI, would provide a wage increase significantly closer to the settlement rate in the relevant comparables, and would somewhat reduce the wage differential between the County and the comparables. Acceptance of the County's offer would give the parties the flexibility to negotiate wage rates for 1984 and 1985 consistent with the conditions existing at that time.

VII. AWARD

Having considered all the evidence and arguments submitted in this matter in accordance with the statutory criteria, it is the Arbitrator's decision and award that the County's final offer be incorporated into the parties' collective bargaining agreement.

Dated at Waukesha, Wisconsin, this 11th day of August, 1983.

Grenig, Arbitrator

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MAILING ADDRESS PO Box 2073 Milwaukee Wis 53201

February 22, 1983

FINAL PROPOSALS TO BE SUBMITTED TO ARBITRATION

FOR EMPLOYEES OF WASHINGTON COUNTY PARK DEPARTMENT

WHO ARE MEMBERS OF TEAMSTERS "GENERAL" LOCAL UNION NO. 200

ARTICLE III

HOURS OF WORK

Section 3.02. Change "excluding" to "including." Both parties agreed to on January 13, 1983.

ARTICLE V

CLASSIFICATION AND COMPENSATION

Section 5.02.

1/1/83	Hire	6 Months	18 Months	30 Months
Hourly	\$ 6.18	\$ 6.46	\$ 6.76	\$ 7.08
Biweekly	494.40	516.80	540.80	566.40
Monthly	1069.14	1117.58	1163.48	1224.84
1/1/84	Hire	6 Months	18 Months	30 Months
Hourly	\$ 7.13	\$ 7.41	\$ 7.71	\$ 8.03
Biweekly	570.40	592.80	616.80	642.40
Monthly	1233.49	1281.93	1333.83	1389.19
1/1/85	<u> Hire</u>	6 Months	18 Months	30 Months
Hourly	\$ 8.08	\$ 8.36	\$ 8.66	\$ 8.98
Biweekly	646.40	668.80	692.80	718.40
Monthly	1397.84	1446.28	1498.18	1553.54

ARTICLE XXV

TERM

January 1, 1983 through December 31, 1985.

DEPARTMENT of PERSONNEL WASHINGTON COUNTY COURTHOUSE

ADOLPH LOFY CHAIRMAN

PERSONNEL COMMITTEE

EN

ARY G MOSCHEA PERSONNEL DIRECTOR

13 LAST WASHINGTON STREET POLISON STR MEST BENDOWL IS 3095 0518 THEFFORE 114 LOR 4459

February 22, 1983

FINAL PROPOSALS TO BE SUBMITTED TO ARBITRATION FOR EMPLOYEES OF WASHINGTON COUNTY PARK DEPARTMENT WHO ARE MEMBERS OF TEAMSTERS "GENERAL" LOCAL UNION NO. 200

ARTICLE III

HOURS OF WORK

Section 3.02. Change "excluding" to "including". Both parties agreed to on January 13, 1983.

ARTICLE V

CLASSIFICATION AND COMPENSATION

Amend Section 5.02.

- (A) To provide for a 5% across the board increase-all rates effective January 1, 1983.
- (B) To provide for an additional 2% across the board increase to all rates effective at the close of business on December 31, 1983

ARTICLE XXV

TERM

January 1, 1983 through December 31, 1983