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STATE OF WISCONSIN
WISCONSIN EMPLOYMENT RELATIONS COMMISSION

SEP 26 1985

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of Arbitration

between

Clark County, Neillsville,
Wisconsin

and

Clark County Social Services
Employees Local 546-A, AFSCME
AFL-CIO

OPINION & AWARD

Interest Arbitration

Case 26 No. 33988

MED/ARB 2991

Decision No. 22202-A

Before: J. C. Fogelberg
Mediator/Arbitrator

Appearances -

For the Union:

Chrystal Manz, Representative
Michael Kreiner
Nancy Tresmer
Kelly Timmons
Lucy Markee-Kramas
Fran Barlow

For the County:

Stephen Weld, Attorney
Brian Bushnell, Director, Social Services
Alvin Stoiber
Martin Hillert
Marcia Denk
Ray Conzemiks
Sharon Rogers

Preliminary Statement of Jurisdiction -

Clark County is located in the west central portion of
the State of Wisconsin, with the county seat situated in

Neillsville. The make up of the county is primarily rural and agricultural with 91% of the population associated either directly or indirectly with the agrarian economy. In 1983 there were approximately 33,600 people residing in Clark County. For purposes of collective bargaining, the Social Services personnel employed by the County are represented by the American Federation of State, County and Municipal Employees Council 40.

The record developed at the hearing demonstrates that on September 19, 1984 the Parties initially exchanged proposals on matters to be included in a new agreement for the 1985 contract year. Thereafter, attempts were made to negotiate a settlement which proved unsuccessful. Accordingly, on October 19, 1984 the County filed a petition with the Wisconsin Employment Relations Commission (hereafter referred to as the "Commission") seeking an initiation of the mediation/arbitration process pursuant to Section 111.70 (4)(cm)6 of the Wisconsin Statutes. On December 4, 1984, the Commission sent a member of its staff to Neillsville wherein an investigation was undertaken which reflected that the Parties were "deadlocked in their negotiations." Final offers were exchanged subsequently by the Parties and submitted to the investigator on December 5th. At that time

the investigator (James Engmann) notified the Parties that the investigation was closed and that the Commission ordered the Parties to select a mediator/arbitrator to assist them in attempting to resolve their dispute.

On January 10, 1985, the Commission notified the undersigned that he had been selected as the Neutral to serve the Parties in an attempt to resolve the impasse that existed. Accordingly, on April 30th the Mediator/Arbitrator met with the Union and the County, whereupon efforts were undertaken by the Neutral to reach a settlement through mediation. When it became apparent that the matter was not going to be settled in mediation, the Parties moved directly to an arbitration hearing on that same date. At the hearing, evidence was received and testimony taken relative to the outstanding issue. At the conclusion of the hearing, the Parties indicated a preference for filing post-hearing briefs and also requested the opportunity to submit a reply brief within a set time following receipt of the initial written summation. The original briefs were received by the Neutral on or before June 11, 1985, and thereafter by July 8th, both reply briefs were received. Accordingly, the hearing was deemed officially closed on that date.

The Issue -

The following issue remains at impasse between the Parties and has been certified as being at impasse by the Commission:

Wage increases to be paid bargaining unit members for the calendar year 1985.

Position of the Parties -

The Union's Position: For the term of the Contract, the bargaining unit members seek an increase on the salary schedule of 3% over the 1984 year-end rates effective January 1, 1985 and an additional 3% adjustment across the board effective October 1, 1985.

The County's Position: In contrast, the Employer has offered a 3½% general increase effective January 1, 1985. In addition, the County seeks to create a new wage classification entitled Account Clerk I to be paid the same as the current Income Maintenance Worker Assistant's wages. Further, the new classification of Account Clerk II would be added and paid a rate of \$15 more than Clerk/Typist III. Finally, the Employer seeks to add \$15 per month to the Social Service Worker I, II and III classifications over and above the general 3½% wage increase.

Analysis of the Evidence -

In arriving at the decision that has been made here, the Arbitrator has given careful consideration to each of the criteria enumerated in Section 111.70(4)(cm) of the Wisconsin Statutes, as they relate to the documents, testimony and written arguments submitted by the Parties. After 1984, the Parties agreed to a bifurcated wage adjustment for the bargaining unit membership providing a 3% increase on January 1st and an additional (similar) adjustment effective October 1st. For the term of the new Agreement, the County has offered a single increase at the commencement date of the Contract (January 1st) while the Union seeks a continuance of the fractionalized method of pay increase gaining a 3% improvement on January 1st and another 3% effective October 1, 1985.

The Parties have taken different approaches to the costing of their respective positions. The Company has "annualized" or averaged the employees' wages and benefits using the traditional method of advancing last year's staff into the current contract year for costing purposes, while the Union has sought to advance their position in terms of hourly rate adjustments for the 25 employees in this particular bargaining unit and minimizing the impact of a split salary schedule in 1984. Favoring one approach or

the other does not, in the Arbitrator's view, significantly alter the outcome of this dispute, however. In this instance, whether or not one side's costing methods are accepted is somewhat immaterial as either approach indicates that the dollar disparity in the final offers is nearly negligible.

Company Exhibit 12 indicates that in 1984 base salary costs for this bargaining unit were \$414,530. By their own calculations, an implementation of the Employer's final position will result in additional expenditures of \$23,464, or 5.7% over the 1984 wages. Conversely, the Union's position translates to a \$22,898 improvement, or 5.5%. In terms of total package costs - including overtime, longevity, WRF, FICA and insurance coverage - the costing analysis of the Employer reveals that their offer yields a 5½% improvement, while the Union's is slightly less than 5.3%. If however, the previous year is "averaged" the Employer asserts, then the resulting "lift" will generate wage and total package increases to the employee closer to 7%.

The Union, as might be expected, has taken a somewhat different approach to the costing of the new salary schedule. Through their exhibits (10-12) they attempt to analyze the impact of an award in their favor through an hourly rate

comparison over last year by using both Parties' final positions. Under this method, the employee bargaining representative calculates that an implementation of their final position would result in a 29¢ per hour per employee additional cost to the County, while the Employer's single 3½% increase would mean increased expenditures of 31¢ per hour per employee in 1985. The Arbitrator finds that the difference between the two final positions is approximately the same regardless of which analysis is favored. Both sides cited case law in their respective post-hearing briefs to support their positions. An acceptance of one approach over the other however, is essentially unnecessary as the final offers are relatively equal. Oddly, it is apparent that both costing methods tend to indicate that the Employer's position represents a slightly greater increase than does the Union's. It is also clear from the balance of the evidence proffered and the arguments made however, that the Parties are polarized over which end of the bargaining unit salary schedule as set forth in the appendix, should receive more favorable treatment. The County maintains that those classified as Social Workers (I, II and III) should receive preferential treatment, while the Union wants to reward the lower paying end of the schedule - the clerical

people who have been with the County for many years.

One of the principal arguments of the County concerns the state of the local (agrarian) economy in light of one of the criteria set forth in the statute - the interest and welfare of the public and the financial authority of the governmental unit to fund any increase. In this regard, the Employer points to the current plight of the American farmer and more particularly, to the effects of the current economic conditions on agriculture as it relates to this largely rural county. In support of their contention that the taxpayers of the county will incur increasing difficulties funding governmental services due to the precipitous decline in the farm economy, the Administration offered some 30 separate exhibits outlining in detail the problems facing the American farmer and more particularly, the situation as it now exists in Wisconsin.

There can be little dispute with the County's assessment of the economic circumstances vis-a-vis the farming community. The Employer has made a convincing argument concerning the hardships endured by the farmers throughout the state and the country. Indeed, no one can truly refute the fact that substantial losses have occurred in the agricultural community in recent times. Certainly these conditions are persuasive against any substantial wage increases for public

sector employees in the County. At the same time however, it is noted that there is no significant disparity in this instance between the two final positions. As previously indicated, the costing data submitted by the Parties showed that the total dollar adjustment allotted by the Employer for a 1985 wage increase amounts to \$23,464. This amount varies from the Union's final position by approximately \$1,000 and indeed is higher than the calculated total package of the Union (County Exhibit 12). Thus it must be concluded that an award of either position will not vary the impact upon the taxpaying public to a significant extent.

As with the previous statutory factor, a consideration of the Cost of Living Index does not result in a decisive vote for either position. Both Employer and the Union have presented total package increases that appear to exceed the latest CPI-U and CPI-W figures (County Exhibits 13 and 14). Again however, the close proximity of the two final offers essentially negates the significance of this particular criterion. Indeed in their post-hearing brief, the Employer's representative has indicated that both offers provide the bargaining unit membership with a "significant layer against inflation." Consequently, other factors must be examined in an attempt to reach a reasonable decision relative

to the outcome of this dispute.

For purposes of external comparisons with other public employees in the surrounding counties, both sides have agreed to use essentially the same set of communities to support the rationality of their respective positions. The County and the Union alike have employed the counties used by another arbitrator in a previous award involving these same Parties (Imes; WERC Decision No. 18497-A). They include Chippewa, Eau Claire, Lincoln, Marathon, Monroe, Pierce, Polk and Wood Counties. Additionally, the Employer has also utilized the wages paid to public sector employees in Jackson and Taylor Counties as preferred by Arbitrator Flaten in a previous decision involving Clark County and the local law enforcement unit (WERC Dec. No. 17584-A). The Arbitrator is persuaded that valid arguments have been made for the inclusion of these additional governmental units along with the others.

When analyzing the respective final offers of the Parties vis-a-vis the surrounding counties, it can be quickly ascertained that the Employer has again emphasized the need for improvement for the professional members of the bargaining unit (i.e., the Social Workers) while the Union has emphasized the lower paying positions. As the chart

set forth in the County post-hearing brief summarizes, the Employer - by offering additional money to the professional classifications- is effectively increasing the salaries of these people by more than 5%, whereas the remaining members of the bargaining unit will gain increases of approximately 4.3%.¹ Conversely, the same chart demonstrates that the Union seeks to improve the salaries of the lower paying non-professional staff members by approximately 4.9% at the top step of each position, with a lesser percentage improvement (4.5%) to the Social Worker classifications II and III. A support for their offer, the Local has submitted graphic data which indicates that the County ranks at or near the bottom by comparison at most of the positions on the schedule. This information is less than complete however, as it fails to include the 1985 settlements among the selected comparable counties. The Employer's illustrative evidence, on the other hand, does.

While the Arbitrator finds the County's information to be more complete, an examination of their external comparable data does not result in a clear finding in favor of their position. Employer Exhibits 32-38 clearly demonstrate that in terms of ranking among the grouping of

¹ These percentages are figured at the maximum steps on the schedule where all but a few of the Local's membership is currently situated.

similar counties, Clark County is closer to the bottom with respect to the compensation paid to its professional staff and conversely is more competitive in salaries paid to its clerical personnel. At the same time however, these documents show that an award of either position will not significantly alter the County's ranking at any of the benchmark rates cited. Again, this conclusion may be attributed to the relative similarities of the two final certified positions in terms of the total package costing.

The totality of the evidence submitted for consideration demonstrates that very few of the bargaining units in Clark County have settled with the Employer for 1985. In this regard, the Employer cited the agreement reached with the County Law Enforcement Unit as being supportive of their final offer. County Exhibit 15 was introduced to show that the Employer and the WPPA agreed to a 3½% adjustment - identical to what is now being offered to the Social Services Unit. Additionally the Employer points to the second year of the two year contract between the County and the Highway Department support staff, as well as settlements with the non-organized personnel as being "identical" to the 3½% increase which it believes is most reasonable in the instant matter.²

²While the Arbitrator finds that internal settlements reached with other organized bargaining units in the County are germane, the 3½% adjustment granted to non-union County personnel has limited value as the increases for these people are more the result of a unilateral action rather than a statutorily bargained agreement between two parties.

In response to the settlements cited by the Employer, the Union maintains that the single 1985 agreement with the Law Enforcement Bargaining Unit does not constitute an established pattern within the County which is sufficient enough to favor the Administration's position here. The Local points to the fact that there are approximately 27 employees represented by the WPPA in Clark County, while AFSCME bargaining units consist of some 220 employees. Additionally, the Union notes that the only comparable position in the Law Enforcement Unit is a clerical one which receives a significantly higher hourly wage rate than any of the clerical employees in the Social Service grouping. While the data submitted would tend to support the arguments of the Local, they are nevertheless tempered somewhat by the fact that the Highway support staff is represented by AFSCME and that the Social Service employees are the only other organized employee unit in the County that receives longevity pay - a premium placed into the Contract through a previous arbitration award. By the Union's own admission (post-hearing brief) the "total economic compensation" of each bargaining unit must be taken into consideration. Necessarily therefore, when longevity is considered, the pay rates for the members of the Social Services Division are improved when compared to other internal employee groups.

In summary, the Arbitrator finds that because the final certified positions regarding the sole issue of wages are relatively close when calculating the cost of either one in terms of salary alone and the total package dollars, an award of either position will not result in a significant variance of the County's expenditures for the contract year 1985. At the same time however, the requirement facing the Neutral is made all the more difficult by the close similarities of the two positions and the arguments and data submitted in support of each. An analysis of all the evidence demonstrates that a decision favoring the Employer will result in a superior improvement to the top professionals in the bargaining unit, while implementing the Union's position will benefit the non-professional/clerical members of the staff to a greater extent. An examination of the distribution of the staff over the salary schedule reveals that there are nearly twice as many "non-professionals" as there are professionals in the bargaining unit. Awarding the Employer's offer would improve the top paying positions vis-a-vis comparable counties. However, as previously indicated, there would be no appreciable change in rank awarding either position, thus minimizing the impact of this particular argument. Inasmuch as a greater number of employees will be rewarded

by implementing the Local's final offer, and most other factors being relatively equal, the Arbitrator finds the Union's position to be slightly more reasonable under the circumstances.

Award -

Based upon the foregoing, the Union's final salary offer of 3% across the board on January 1, 1985 and 3% across the board again on October 1, 1985 is to be awarded together with any and all stipulations agreed to by the Parties and shall be incorporated into the 1985 Master Agreement.

Respectfully submitted this 17th day of September, 1985.



J. C. Fogelberg
Mediator/Arbitrator