

KESLER/50  
NOV 02 1990

FREDERICK P. KESSLER  
ARBITRATOR

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

In the matter of the petition of the  
TREMPEALEAU COUNTY COURTHOUSE EMPLOYEES,  
LOCAL 382, AFSCME, AFL-CIO  
to initiate final and binding  
arbitration between said employees and  
TREMPEALEAU COUNTY

Case 50, No. 43332  
INT/ARB- 5515  
Decision No. 26385-A

A. INTRODUCTION

On June 12, 1990, this arbitrator was advised that he had been selected by the parties to hear the contract dispute between Trempealeau County ("County") and Local 382, AFSCME, AFL-CIO, ("Union"), which represents the county employees working for the county agencies and departments with offices in the Courthouse. The dispute arose over the terms of pay for the second year of the two year contract. The 1989-90 agreement between the parties held open the second years wage rate and provided that it was to be negotiated by the parties.

A hearing was scheduled for August 15th, at 1:00 p.m. at the Courthouse in Whitehall. After an unsuccessful mediation attempt concluded, the hearing commenced. The hearing was adjourned at 2:30 p.m. The record was held open to give the County an opportunity to file additional information within ten days after the hearing. The County provided additional economic data within the time limits agreed upon.

The Union filed a brief on September 8, 1990. The County filed additional information, in the form of a newspaper clipping on September 17th. It chose not to file a brief.

B. APPEARANCES

The Union was represented at the hearing by Danial R. Pfiefer, a staff representative for Council 40, AFSCME, AFL-CIO. Present at the hearing were Greg Leonard, President of the local union, and members Mike Pleshek, Karen Mielnietz, Beverly Dale, Joan Smedberg and Ken Myers.

The County appeared at the hearing by Earl Ryder, Chairman of the County Board of Supervisors, and County Board Finance Committee members Gary Monson, Donald Forsythe, Aldred Sexe and Leander Bender.

C. FINAL OFFERS

The Union's final offer provided for an increase in wages of 3.90% effective on January 1, 1990. The County's final offer provided an increase in wages of 3.05% effective on that same date. No other issues are in dispute for the second year of the pact.

D. STATEMENT OF FACTS

This is a final and binding arbitration proceeding brought between the above mentioned parties under Section 111.70 (4)(cm) Wis. Stats. The parties agreed on a wage package for the first year of the two year labor contract. The contract provided that "Negotiations for 1990 shall be limited to wages. The parties were unable to resolve the second year wage dispute, so the matter was referred to the Wisconsin Employment Relations Commission for the selection of an arbitrator. This arbitrator was selected by the parties to hear the dispute.

E. STATEMENT OF ISSUES

Which one of the final offers meets more of the statutory criteria under Sec. 111,70 (4)(cm) Wis. Stats. for the Courthouse employees compensation for the second year of the two year contract?

F. STATUTORY CONSIDERATIONS

Section 111.70 (4)(cm) 7 of the statutes sets the criteria an arbitrator must consider in the evaluation of the final offers in an interest arbitration dispute. That section provides as follows:

**111.70 Municipal Employment (4)(cm)**

7. Factors Considered. In making any decision under the arbitration procedures authorized by this subsection, the mediator-arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interest and welfare of the public and the 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 employes involved in the arbitration proceeding with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and 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 wage 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, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

#### G. POSITION OF UNION

The Union contends that it's final offer is the more reasonable primarily because of three significant factors. First, the internal and external wage comparisons required by sec. 7d demonstrate its offer is more in line with public sector employers. Second, the cost of living increases that have occurred are closer to it's final offer. Third, farm income increases, and farm debt decreases during the period covered by this offer indicate the economic crisis in rural Wisconsin has eased.

Both the entry wage and the top wage for clerical and professional employees in the Trempealeau County Department of Social Services are higher in that department than for employees performing similar work under this agreement. A clerk I in the Department of Social Services earns more than a Courthouse secretary; a Department of Social Services clerk II earns more than a secretary II, and a Social Services Social Worker I or III is paid more than a Courthouse employee public health nurse.

When the wage rates of Trempealeau County are compared with other counties, particularly those adjacent to Trempealeau, the rate of pay of the County is below the average of those counties, at both the entry level and at the top of the pay scale. The percentage increase in public employee settlements in the comparable counties are higher than the County offer here. Private sector settlements in Trempealeau County, even though they involve unorganized employment, also exceed the offer made by the County.

Cost of living increases must be compared with the wage increases in the area, not total package costs. The cost of living rose by 4.5% in 1989, and continues at that rate in 1990. The Union's final offer is closer to this rate of increase than the final offer of the County.

Farm prices have increased in the past year and farm income has also risen. Farm indebtedness has simultaneously declined. The depression in rural Wisconsin that wrecked economic havoc on agricultural communities appears to be over. Based on all of those factors it is inappropriate to view the increase as an economic hardship to the County.

#### H. POSITION OF THE COUNTY

The County contends it's final offer is more appropriate for several reasons. Comparable public employees, who work at agencies such as the the U.S. government's Mississippi River Lock and Dam # 6, the Wisconsin Department of Natural Resources, and the U.S. Post office all received increases below the 3.9% that the Union is seeking. Private employers in the county, although not bargaining with trade unions, also increased the pay of their employees at a rate less than that sought by the Union. Only the local Building Supply Company increased employees wages at a higher rate, but those employees had received no increase in 1988 and only a 1% increase in 1989.

The insurance benefits included in the County's final offer provided substantially better health benefits than those obtained by private employers in the County. This difference should be taken in consideration in evaluating the comparability with private sector settlements.

The County's final offer is identical to the offer accepted by the Unions representing the Highway Department and the law enforcement officers. Therefore when the internal comparables are evaluated, the County's offer is the more appropriate.

The economy in Trempealeau County has not returned to it's former level of prosperity. Substantial improvement in the economic conditions are still needed to reach the level of prosperity found earlier in the decade. This conclusion is supported by the fact that in 1989 milk production continued to decreased, in that year by 4%. Farm indebtedness increased again in 1988. Farm families postponed essential health care decisions in the years between 1985 and 1989, and the dire state of their finances has still not been completely remedied.

When these factors are consider, the County believes that it's final offer is more reflective of the statutory considerations and should be incorporated in the award.

#### J. DETERMINATION OF COMPARABLE COUNTIES

Only the Union submitted a list of proposed comparable Counties. It proposed as comparable Clark, Dunn, Eau Claire, Jackson, Juneau, La Crosse, Vernon, and Wood County. Those Counties populations and full value assessments are as follows:

<u>County</u>	<u>Population (1980)</u>	<u>Full Value Assessment</u>
Clark	32,918	\$789,571,820
Dunn	34,314	777,572,100
Eau Claire	78,805	1,560,844,390
Jackson	16,831	411,581,290
Juneau	21,039	547,549,530
La Crosse	91,056	2,200,040,790
Vernon	25,642	684,447,460
Wood	<u>72,799</u>	<u>1,571,259,600</u>
Average	46,675	1,067,858,301
Trempealeau	26,158	607,153,640

The presence of substantially larger counties, such as Eau Claire, La Crosse and Wood, causes some concern that the wage rates might be skewed. La Crosse and Eau Claire each contain a city with a population that exceeds 50,000 people and contain a campus of the University of Wisconsin. Wood County has two communities, which, with their suburbs, have populations larger than all of the population of Trempealeau County. Those three counties have industrial and economic bases not substantially related to agriculture, unlike the other five counties.

The absence of both Buffalo and Monroe Counties from the list of the proposed counties is troubling. They are close in size and geographic location to Trempealeau County. However, no data regarding the comparable employees in those counties was submitted, and therefore, those two counties cannot be considered.

I conclude that the appropriate comparable counties are the five counties that are the similar to Trempealeau County in both population and full value Assessment. With the exception of Dunn, which contains a campus of the University of Wisconsin and has one major city, they are all agricultural counties that contain a number of small cities and villages. The population and assessment data of the comparable counties provides the following information:

<u>County</u>	<u>Population (1980)</u>	<u>Full Value Assessment</u>
Clark	32,918	\$789,571,820
Dunn	34,314	777,572,100
Jackson	16,831	411,581,290
Juneau	21,039	547,549,530
<u>Vernon</u>	<u>25,642</u>	<u>684,447,468</u>
Average	26,147	642,144,443
Trempealeau	26,158	607,153,640

Their average population and average full value assessment is nearly identical to that of Trempealeau County. These are, consequently appropriate for comparison purposes.

J. DECISION

The Wisconsin statutes outline a number of factors that must be considered by an arbitrator in evaluating the final offers of the unit of government and the union. Those factors will be separately discussed.

1. Comparisons with Other Counties.

Among those factors given prominent consideration are the wage, hours and conditions of employment for similar services in comparable counties. The bargaining units to be considered represent the clerical and office employees in the departments in the Courthouse. This includes the staff to the Constitutional officers, except for the Sheriff. It also includes the Health Departments, but does not include the Department of Social Services. The wage rates at both the entry and the top of the wage scale for the comparable counties and similar jobs are set forth below:

<u>County</u>	<u>Sec. I</u> <u>Range</u>		<u>Sec. II</u> <u>Range</u>		<u>Dep. Clk</u> <u>Range</u>		<u>Acct. Clk</u> <u>Range</u>	
Clark	\$5.50	6.09	6.46	7.17	7.38	8.18	6.46	7.17
Dunn	7.26	9.88			7.29	9.97	7.77	10.50
Jackson	6.19	7.58	6.44	7.89	6.44	7.89	6.44	7.89
Juneau	5.79	7.03	6.30	7.67	7.47	9.20	6.84	8.40
Vernon	5.57	6.78			6.55	7.97		
Average	6.06	7.47	6.40	7.58	7.03	8.64	6.88	8.49
Trempealeau	5.84	6.99	5.97	7.16	6.10	7.37	6.10	7.37
<u>County</u>	<u>Legal Sec.</u> <u>Range</u>		<u>Soil Con.</u> <u>Range</u>		<u>Nurse</u> <u>Range</u>			
Clark	7.38	8.18			10.31	11.40		
Dunn	7.77	10.50	10.51	12.42	10.51	12.42		
Jackson	6.99	8.62	9.34	11.60	11.22	12.31		
Juneau	8.14	10.49						
Vernon								
Average	7.57	9.45	9.92	12.01	10.68	12.04		
Trempealeau	6.10	7.37	8.32	10.10	9.44	10.56		

In Clark and Jackson Counties, the Account Clerk's comparable position is denominated as Account Clerk II. In Dunn County the same position is titled Account Technician. The Deputy County Clerk's position in four of the counties is compared with Deputy Clerk of Courts in Dunn County. The Juneau County comparable position to Legal Secretary is Paralegal Aide. The Jackson County Public Health Nurse is equated with the Public Health Nurse II in the other five counties. Vernon County does not have a position similar to the latter three positions of legal secretary, soil conservationist or nurse.

Except for the Secretary I entry level for Clark, Juneau and Vernon Counties, and the Account Clerk maximum range for Clark County, Trempealeau County ranks as sixth out of the six counties in all of the classifications. This strongly supports the Union's argument that the wage range of Trempealeau County is in need of a greater adjustment than that proposed by the County.

When the three larger counties that were excluded from the comparable county list are included, Trempealeau County still falls at the bottom of the pay ranges in all the classifications, except those noted earlier, and several Eau Claire County classification rates.

<u>County</u>	<u>Sec. I</u> <u>Range</u>		<u>Sec. II</u> <u>Range</u>		<u>Dep. Clk</u> <u>Range</u>		<u>Acct. Clk</u> <u>Range</u>	
Clark	\$5.50	6.09	6.46	7.17	7.38	8.18	6.46	7.17
Dunn	7.26	9.88			7.29	9.97	7.77	10.50
Eau Claire	6.04	6.35	6.64	6.97	7.05	7.35	6.80	7.13
Jackson	6.19	7.58	6.44	7.89	6.44	7.89	6.44	7.89
Juneau	5.79	7.03	6.30	7.67	7.47	9.20	6.84	8.40
La Crosse	7.77	8.16			9.07	9.55	7.77	8.16
Vernon	5.57	6.78			6.55	7.97		
Wood	<u>6.92</u>	<u>8.14</u>	<u>7.50</u>	<u>8.82</u>	<u>8.10</u>	<u>9.53</u>	<u>8.10</u>	<u>9.53</u>
Average	6.38	7.50	6.68	7.70	7.41	8.71	7.17	8.40
Trempealeau	5.84	6.99	5.97	7.16	6.10	7.37	6.10	7.37

<u>County</u>	<u>Legal Sec.</u> <u>Range</u>		<u>Soil Con.</u> <u>Range</u>		<u>Nurse</u> <u>Range</u>	
Clark	7.38	8.18			10.31	11.40
Dunn	7.77	10.50	10.51	12.42	10.51	12.42
Eau Claire	7.05	7.35			10.23	11.75 (1990)
Jackson	6.99	8.62	9.34	11.60	11.22	12.31
Juneau	8.14	10.49				
La Crosse	7.77	8.16				
Vernon						
Wood	<u>8.10</u>	<u>9.53</u>			<u>12.21</u>	<u>13.08</u>
Average	7.60	8.98	9.92	12.01	10.90	12.19
Trempealeau	6.10	7.37	8.32	10.10	9.44	10.56

When external comparable positions in similar counties are evaluated, the final offer of the Union is more appropriate. The wages of the Trempealeau County employees are generally fifth or sixth among the six counties that are similar.

## 2. Comparisons within Trempealeau County

Another statutorily proper comparison is with the wages paid other public employees performing similar services within the same community. No evidence was offered which indicated the wage rates for municipal employees in Whitehall, Arcadia, Galesville or any other municipalities in the County. However, the other two bargaining units in the County have accepted second year wages identical to the County's final offer here. When the factor of internal comparables is considered, the final offer of the County is preferable.

## 3. Changes in Wages Paid in Other Counties

The Union submitted evidence of wage settlements reached in the comparable counties for employees doing similar work. Those increases for 1990 were as follows:

<u>County</u>	<u>Agreement</u>
Clark	2% effective 1/1/90, 2% effective 7/1/90
Dunn	3.5%
Jackson	2% effective 1/1/90, 2% effective 7/1/90
Juneau	30.27 cents per hour (4%)

In effect, the wage increase for Clark and Jackson is a 3.5% increase. Juneau County is a 4% increase. Vernon County was not settled at the time of the hearing.

The aggregate average wage increase for Clark, Dunn, Juneau and Jackson Counties is 3.625%. This appears to more closely approximate the wage increase found in the final offer of the Union, although the final offer of the County is also very close to that figure. Since this was a factor that the parties have submitted, it must be considered. In weighing this factor, the final offer of the Union is slightly preferred.

## 4. Interest and Welfare of the Public.

The recession that devastated rural Wisconsin earlier in the decade appears to be significantly abated. It has wreaked havoc on many farm families, costing them their savings, and in some cases even their farms. The population of rural areas again appears to be in decline as a result of that period of economic uncertainty. But 1989 has seen an upturn in the rural economy.

Economic data submitted by the parties shows that the price of support for milk has increased in 1990 from the low prices that prevailed in June of 1988. This has resulted in a 10% increase in the index of prices received by Wisconsin farmers in 1989. The price of livestock has also increased, and for some animals, quite substantially. At the same time the rate of farm failures have decreased. This supports the conclusion that the Union's final offer is not likely to produce economic hardship and thus is preferred.



5. Cost of Living

Evidence provided by the Union indicates that the cost of living rose in non metro areas at a rate of 4.2% between January 1989 and January 1990. This was a lower increase than the U.S. as a whole and was also lower than the increase for the Milwaukee area. It was higher than the increase for Minneapolis-St. Paul (the latter increasing at a rate of 3.7%). The increase is closer to the wage rate proposed in the final offer of the Union. Therefore, the final offer of the Union is preferred in this category.

6. Conclusion.

When all of the factors are considered, the final offer of the Union is preferable to the offer by the County. The economic upturn, the comparison with neighboring counties and the cost of living increase, makes the Union offer superior.

K. AWARD

The final offer of the Union providing for a 3.9% increase in the wage rate shall be incorporated in the contract between the parties for the 1990 year.

Dated this 29th day of  
October, 1990

Frederick P. Kessler