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In the Matter of Arbitration Between :

LOCAL 108, WISCONSIN COUNCIL 40 :
AFSCME, AFL-CIO :

and : **AWARD**

VILLAGE OF SAUKVILLE :

WERC Case 8, No. 48942 : **Decision No. 27750-A**
INT/ARB-6834 :

I. HEARING. A hearing in the above entitled matter was held on October 29, 1993, at the Village Hall, Saukville, Wisconsin. Parties were given full opportunity to give testimony, present evidence and make argument. Briefs were filed and exchanged through the arbitrator on January 18, 1994. Reply briefs followed and were exchanged on February 9, 1994.

II. APPEARANCES.

HELEN ISFERDING, District Representative, appeared for the Union.

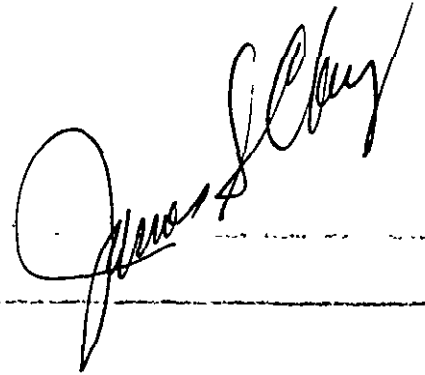
LINDNER & MARSACK, S.C. by JAMES S. CLAY, Attorney, appeared for the Village.

III. NATURE OF THE PROCEEDINGS. This is a proceeding under the Municipal Employment Relations Act of the State of Wisconsin. On March 15, 1993, the Union filed a petition with the Wisconsin Employment Relations Commission alleging that an impasse had been reached between it and the Village in collective bargaining and requested the Commission to initiate final and binding final offer arbitration pursuant to Section 111.70(4)cm(6) of the Wisconsin Statutes. The Commission through David E. Shaw investigated and found that the parties indeed were at impasse, concluded that the parties had substantially complied with the procedures in the Act prior to initiation of arbitration, certified that conditions prior to arbitration as required by the Act had existed and ordered arbitration to resolve the impasse with a final and binding award. This order was given on August 11, 1993. The Commission thereafter appointed Frank P. Zeidler, Milwaukee, Wisconsin as arbitrator on August 31, 1993, after the parties had selected him to act as arbitrator.

IV. FINAL OFFERS OF THE PARTIES.

VILLAGE OF SAUKVILLE

Village's Final Offer



The final offer of the Village of Saukville (relevant provisions of the collective bargaining agreement attached) are as follows:

Effective January 1, 1993

1. The Secretary/Dispatcher and Clerk/Typist classification wage rates are adjusted by an across-the-board 25¢ per adjustment and 3.75% applied to all steps and levels.
2. The contractual wage schedule for Operator/Laborer, Wastewater Treatment Operator, Water Operator and Utility Maintenance Worker is increased by 3.75% across-the-board.
3. Operator/Laborers in the Department of Public Works who are currently compensated at a rate which is above the existing contractual schedule receive a 3.75% wage increase.

Effective January 1, 1994

1. The contractual wage schedule for the Secretary/Dispatcher, Clerk/Typist, Operator/Laborer, Wastewater Treatment Operator, Water Operator and Utility Maintenance Worker is increased by 3.75% across-the-board.

2. The compensation for Operator/Laborers in the Department of Public Works who are currently paid at a rate which is above that which is established in the collective bargaining agreement is increased by 3.75%.

APPENDIX "A"

1. Wage rates for the 1993 calendar year shall be as established in Appendix "B"
2. Wage rates for the 1994 calendar year shall be as established in Appendix "C".
3. Notwithstanding the Appendices established herein, existing employees in the Department of Public Works Operator/Laborer classification shall be compensated as follows.

<u>EMPLOYEE</u>	<u>1/1/93</u>	<u>1/1/94</u>
Glenn Dickmann	\$13.76	\$14 28
Donald Gruel	\$13 76	\$14 28

- 4 **Wage Progression:** The wage progression under this Agreement shall be as follows
 - A All newly hired employees shall be paid the Probationary Rate for the classification in which they are hired
 - B Upon successful completion of the probationary period, the employee shall be advanced to the Base Rate for their classification
 - C Upon completion of one (1) year of service from the employee's last date of hire by the Village, the employee shall advance to Step 1 of the appropriate wage scale.
 - D The employee shall continue to advance to the next step on the wage scale upon completion of an additional year of service based upon the anniversary of the employee's last date of hire by the Village

APPENDIX "B"

Effective January 1, 1993, the straight-time hourly wage rate for all employees covered by Agreement shall be:

	<u>Probation Rate</u>	<u>Base Rate</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
<u>VILLAGE HALL</u>						
Secretary/Dispatcher	\$ 8.60	\$ 8 87	\$ 9.15	\$ 9.35	\$ 9.67	\$ 9.96
Clerk/Typist	\$ 7.95	\$ 8 21	\$ 8.49	\$ 8.76	\$ 9.05	\$ 9.31
<u>DEPARTMENT OF PUBLIC WORKS</u>						
Operator/Laborer	\$ 8.64	\$ 8.98	\$ 9.15	\$ 9.70	\$ 9.53	\$ 9.72
<u>UTILITY</u>						
Wastewater Treatment Oper.	\$ 9.64	\$10.02	\$10.53	\$10.83		
Grade 1		\$10.20	\$10.62	\$11.05	\$11.51	\$11.95
Grade 2		\$10.42	\$10.83	\$11.28	\$11.72	\$12.19
Grade 3		\$10.63	\$11.05	\$11.50	\$11.95	\$12.42
Water Operator	\$ 9.64	\$10.02	\$10.42	\$10.83		
Grade		\$10.20	\$10.62	\$11.05	\$11.51	\$11.95
Utility Maintenance Worker	\$8.64	\$8.98	\$ 9.70	\$ 9.72		
Grade 1		\$9.71	\$ 9.91	\$10.18	\$10.46	\$10.74

APPENDIX "C"

Effective January 1, 1994, the straight-time hourly wage rate for all employees covered by Agreement shall be

	<u>Probation Rate</u>	<u>Base Rate</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
<u>VILLAGE HALL</u>						
Secretary/Dispatcher	\$ 8 92	\$ 9 20	\$ 9 49	\$ 9 70	\$10.03	\$10 33
Clerk/Typist	\$ 8 25	\$ 8 52	\$ 8 81	\$ 9 09	\$ 9.39	\$ 9 66
<u>DEPARTMENT OF PUBLIC WORKS</u>						
Operator/Laborer	\$ 8 97	\$ 9 32	\$ 9 49	\$ 9 35	\$ 9 89	\$10.09
<u>UTILITY</u>						
Wastewater Treatment Oper.	\$10 00	\$10 40	\$10.92	\$11.24		
Grade 1		\$10.58	\$11 02	\$11.46	\$11.94	\$12 40
Grade 2		\$10 81	\$11 24	\$11 70	\$12 16	\$12 65
Grade 3		\$11 03	\$11 46	\$11 93	\$12.40	\$12 86
Water Operator	\$10 00	\$10.40	\$10 81	\$11.24		
Grade		\$10 58	\$11 02	\$11 46	\$11 94	\$12.40
Utility Maintenance Worker	\$8 97	\$ 9 32	\$ 9 35	\$10 09		
Grade 1		\$10.08	\$10 28	\$10 56	\$10 85	\$11 14

UNION FINAL OFFER

JULY 15TH, 1993

1. DURATION: All tentative agreed items will be incorporated into the new January 1, 1993 to December 31st, 1994 agreement.
2. All items not changed by below will be carried over into the new agreement for years January 1, 1993 to December 31st, 1994 agreement.
3. Change the wage scale Appendix "C(2)" to the following:

SECRETARY/DISPATCHER

Increase the secretary/dispatcher 25 cents across the board on each step effective 1/1/93. Apply 4% across the board on each step effective 1/1/93.

Effective 1/1/94 apply 4% across the board on each step.

CLERK/TYPIST

Increase the clerk/typist 25 cents across the board on each step effective 1/1/93. Apply 4% across the board on each step effective 1/1/93.

Effective 1/1/94 apply 4% across the board on each step.

OPERATOR/LABORER

Increase the operator/laborer 25 cents across the board on each step effective 1/1/93. Apply 4% across the board on each step effective 1/1/93. On 7/1/93 increase the operator/laborer one half percent over the June 30th, 1993 rate.

Increase the operator/laborer 25 cents across the board on each step effective 1/1/94. Apply 4% across the board on each step effective 1/1/94. On 07/1/94 increase the operator/laborer one half percent over the June 30th, 1994 rate.

WASTEWATER TREATMENT OPERATOR

Increase the wastewater treatment operator 4% across the board on each step effective 1/1/93 and on each grade. On 7/1/93 increase the wastewater treatment operator one half percent over the June 30th, 1993 rate.

Increase the wastewater treatment operator 4% across the board on each step effective 1/1/94 and on each grade. On 7/1/94 increase the wastewater treatment operator one half percent over the June 30th, 1994 rate.

WATER OPERATOR

Increase the water operator 4% across the board on each step effective 1/1/93. On 7/1/93 increase the water operator one half percent over the June 30th, 1993 rate.

Increase the water operator 4% across the board on each step effective 1/1/94. On 7/1/94 increase the water operator one half percent over the June 30th, 1994 rate.

UTILITY MAINTENANCE WORKER

Increase the utility maintenance worker 4% across the board on each step effective 1/1/93. On 7/1/93 increase the utility maintenance worker one half percent over the June 30th, 1993 rate.

Increase the utility maintenance worker 4% across the board on each step effective 1/1/94. On 7/1/94 increase the utility maintenance worker one half percent over the June 30th, 1994 rate.

4. EMPLOYEE-

GLENN DICKMANN-Effective 1/1/93 increase December 31st, 1992 wages 4%. Effective on 7/1/93 increase the June 30th, 1993 wage one half percent.

Effective 1/1/94 increase December 31st, 1993 wages 4%. Effective on 7/1/94 increase the June 30th, 1994 wage one half percent.

DONALD GRUEL- Effective 1/1/93 increase December 31st, 1992
wages 4%. Effective on 7/1/93 increase the June
30th, 1993 wage one half percent.

Effective 1/1/94 increase December 31st, 1993
wages 4%. Effective on 7/1/94 increase the June
30th, 1994 wage one half percent.

Helen Spalding
July 13, 1993

V. FACTORS TO BE WEIGHED BY THE ARBITRATOR. Wisconsin Statute Section 111.70(4)(cm) 7 states:

"7. Factors considered. In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator shall give weight to the following factors:

- "a. The lawful authority of the municipal employer.
- "b. Stipulations of the parties.
- "c. The interests 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 proceedings with the wages, hours and conditions of employment of other employes performing similar services.
- "e. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes generally in public employment in the same community and in comparable communities.
- "f. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees in private employment in the same community and in comparable communities.
- "g. The average consumer prices for goods and services, commonly known as the cost-of-living.
- "h. The overall compensation presently received by the municipal employes, 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.
- "i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- "j. 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."

VI. LAWFUL AUTHORITY. There is no question here of the lawful authority of the unit of government to meet the terms of either final offer.

VII. STIPULATIONS. The parties have stipulated to all other matters between them.

VIII. COSTS OF OFFERS. Neither party presented information on total annual costs of the offers. The Village however provided information on total hourly costs. From Village Exhibit 43A this table is derived:

Table I

1993 TOTAL AVERAGE HOURLY COSTS OF THE FINAL OFFERS
NINE EMPLOYEES' AVERAGED

	<u>1992</u>	<u>Village</u> <u>1993</u>	<u>Union</u> <u>1/1/93</u>	<u>7/1/93</u>
Aver. Hourly Wage	10.71	11.18	11.23	11.37
Total Hourly Cost with Benefits	15.45	16.44	16.51	16.67
Percent Inc.		6.4	6.9	7.9
Aver. \$ Inc.			1.14	
Aver. % Inc.			7.4	

The arbitrator in a following Section XV has made an extrapolation from this exhibit what the total costs to the Village might be for 1993-94 in a total cost.

IX. COMPARABLE MUNICIPALITIES. The Union submitted twenty cities and villages as comparables in its presentation. The following table is derived from Union Exhibit 9:

Table II

UNION LIST OF COMPARABLES WITH 1992 DATA

<u>Municipality</u>	<u>Pop. 1/92</u>	<u>1992 Full Value</u>
<u>Cities</u>		
Hartford	-	6,020,500 ⁽¹⁾
Horicon	3,857	111,438,700
Mayville	4,515	128,397,900
Fond du Lac	38,589	1,005,301,700
Glendale	14,101	934,184,500
Cedarburg	10,195	450,615,580
Mequon	20,151	1,570,358,300
Port Washington	9,610	338,530,800
Plymouth	5,917	214,100,800
Sheboygan Falls	5,910	286,070,800
<u>Villages</u>		
Brown Deer	12,484	521,868,900
Grafton	9,390	389,133,700
Saukville	3,794	113,612,830
Hartland	7,146	259,050,600
Germantown	14,633	666,528,800
Jackson	3,098	84,393,700
Kewaskum	2,658	74,019,200
Slinger	2,710	85,695,800
Menomonee Falls	27,112	1,420,921,000
Sussex	5,698	256,911,500

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As can be seen from the foregoing table, the Union list of twenty comparables includes municipalities from the size of 38,589 at Fond du Lac to 2,658 at Kewaskum. The Saukville population was listed at 3,794 for 1992. Saukville was 15th in rank among 19 of the twenty municipalities for which population figures were given.

The 1992 full value of these municipalities range from \$1,570,358,300 at Mequon to \$74,019,200 at Kewaskum where Saukville with \$113,612,830 was 16th in rank.

The Village took as its comparables villages and cities within 25 miles of Saukville, which municipalities had a population of 1,500 to 7,000. The following table is derived from Village exhibits.

Table III

VILLAGE COMPARABLES

<u>Municipality</u>	<u>1992 Population</u>	<u>1992 Full Value</u>
Campbellsport	1,756	34,968,700
Cedar Grove	1,565	40,349,600
Fredonia	1,591	45,479,500
Jackson	3,099	84,393,700
Kewaskum	2,658	74,019,200
Kohler	1,875	148,934,800
Oostburg	2,003	49,343,500
Plymouth	6,917	214,100,900
Saukville	3,794	113,612,830
Sheboygan Falls	5,910	186,070,800
Slinger	2,710	85,695,800
Thiensville	3,346	148,474,910

Of the twelve municipalities submitted as comparables by the Village, the population ranges were from 6,917 at Plymouth to 1,565 at Cedar Grove. Saukville with 3,794 ranked third. The assessed valuation ranged from \$214,100,900 at Plymouth to \$34,968,700 at Campbellsport, with Saukville, with a 1992 valuation of \$113,612,800, as fifth.

Union Position on Comparables Summarized. The Union contends that almost 50% of the Village's comparables are not union organized, and that employee wage rates reflected there would never have been agreed to by organized employees. The selection of the Employer comparables is thus almost dominated by non-represented employees. Comparables of the Union are more reasonable in their reflection for going rates for employees who have the authority to bargain. The Union comparables therefore more closely reflect the labor market comparisons since they are municipalities where employees are organized. The Union notes that there is no other arbitration award involving Saukville to establish a precedent on comparables.

The Union states that its comparables are contingent to Saukville and geographically proximate within forty miles driving distance and thus they constitute a comparable labor market. The Union states that the Village comparables ignore Port Washington which is but two miles away and ignores all the municipalities to the south except Thiensville. These communities should be considered, because they, like Saukville, are affected by proximity to Milwaukee and Milwaukee suburbs. Saukville could be also considered a Milwaukee suburb and part of the Milwaukee labor market. The Employer should not be allowed unilaterally to avoid comparisons with Cedarburg, Port Washington, Mequon, Brown Deer, and Germantown which are also a part of the Milwaukee area. The Union notes that Saukville, in a brochure about itself, announces its accessibility to the metropolitan culture of Milwaukee.

The Union emphasizes ties that bind Port Washington with Saukville, as for example the unified school district. It also says that Saukville has been compared in an arbitration case with Brown Deer and northern Milwaukee County suburbs. The Union defends its selection of a forty mile radius because that radius was considered close proximity for non-professional employees. The Union, also noting the number of unorganized municipalities, cites an arbitral decision which expresses concern over a list where non-union employers dominate the pool of comparables.

Village Position on Comparables Summarized. The Village notes that interest arbitration in the State of Wisconsin is comparability driven. The Village has selected municipalities with populations from 1,500 to 7,000 within a range of 25 miles from Saukville. Municipalities in the Milwaukee metropolitan area have been excluded because of the significantly different character of the area.

The Village objects to the Union selection as being with a 40 mile radius of the Village where employees are represented by a labor organization. Population and other relevant factors are not recognized by the Union. Aside from those municipalities selected by the Union which are also included as those selected by the Employer, the Union list should be rejected.

The Village contends that the Union has not given weight to population, geographic proximity, mean income of employed persons, overall municipal budget, total complement of relevant personnel, and wages and fringe benefits. In addition to these factors arbitrators have used tax data to determine comparability.

The Village objects to the wide range of population found in the Union comparables, with Fond du Lac having a population ten times greater than Saukville. The Village does not believe that comparability exists in municipalities that are from 1-1/2 to ten times larger than Saukville.

The Village also objects to the selection of communities as far as forty miles from Saukville. The Village limit of 25 miles and the exclusion of the Milwaukee area produce comparisons in a comparable labor market for the type of jobs represented in the matter here. Saukville has a market different from the northern suburbs of Milwaukee.

When property values are considered, the Village also contends that its list of comparables is the more appropriate. In the Union list, the full value of property of the comparables is such that Saukville is 19th and there is a great range. In the Village list Saukville is 5th.

A review of governmental revenue and expenditures produces the same conclusion that the Village list of comparables is the more reasonable one. The local taxes paid also produce the same result, and shows that the Village list is the more reasonable. Thus when all the relevant criteria are considered, it becomes clear that there is no rhyme or reason to adopt the municipalities advanced by the Union as the more comparable, and the list advanced by the Village is the appropriate one.

The Village contends that the Union selection of comparable communities is unsupported by the record, particularly as to whether an unorganized municipality pays less than an organized one. The Village notes that three of the Village comparables which are unorganized have higher rates for Operator/Laborer than Saukville. In Saukville the Union itself had agreed to the rates in the earlier contract. On the other hand comparables selected by the Union in the case of Horicon and Mayville have wage rates less than Saukville, though the populations are comparable.

The Village says that the Union totally ignores populations as a relevant criterion. They also cannot explain why a 40 mile radius provides a relevant market, nor can they establish that Milwaukee is a relevant labor market. In effect the Union has gone shopping for comparables.

Discussion. The selection of comparables is indeed a critical aspect of final offer arbitration. In this matter the arbitrator, on inspection of the lists submitted by the parties, finds both lists of secondary value only. The Union list predominantly has municipalities larger than Saukville, municipalities where the ability to pay is likely to be greater. The Village list, though more suitable from the point of view of the labor market, consists of many municipalities in which employees are unorganized.

This arbitrator has been reluctant in past arbitrations to compare organized municipalities with unorganized municipalities; and thus because of the considerable number of municipalities which appear to be unorganized as used by the Village, the arbitrator considers the Village list also only of secondary value.

From Tables II and III foregoing, the arbitrator has extracted information which he believes is useful in determining a group of the most comparable municipalities. A selection first has been made of the municipalities which both parties considered to be comparable. These municipalities are Jackson, Kewaskum, Plymouth, Saukville, Sheboygan Falls and Slinger. To this list the arbitrator has added Port Washington because of its close proximity and similar labor market, even though it is nearly two and one half times the size of Saukville in population. Thiensville also is added because of size and proximity. Hence the following tables:

Table IV

COMPARABLE DATA OF MUNICIPALITIES SELECTED
AS MOST COMPARABLE - 1992

	1992	1992	1992	1991	1991	
	Prop. Tax	Effective	Local	Gov't Rev.	Gov't Exp.	
<u>Pop.</u>	<u>Total</u>	<u>Tax Rate</u>	<u>Tax Only</u>	<u>per Capita</u>	<u>per Capita</u>	
Jackson	3,098	2,196,502	.02498	334,747	450.02	412.05
Kewaskum	2,658	2,148,376	.02730	403,698	624.36	568.16
Plymouth	5,917	6,550,732	.02888	1,198,702	639.88	815.10
Saukville	3,794	3,817,350	.03160	642,683	790.07	755.10
Sheboygan Falls	5,910	5,564,235	.02834	630,688	671.25	770.60
Slinger	2,710	2,293,054	.02544	379,956	488.47	407.70
Port Washington	9,610	11,837,168	.03257	2,801,784	-	-
Thiensville	3,346	4,305,853	.02728	1,500,663	624.58	648.50

(UX 9, V7A)

It should be noted that although the arbitrator is considering the original listings of the comparables by the parties as of secondary weight, nevertheless arguments on behalf of those lists will be considered herewith and given some weight.

X. WAGE COMPARISONS. The single issue of this arbitration is that of wages affecting nine full-time employees of departments of the Village. Because of the nature of the offers, conditions vary for each category and also between employees in the same category where some employees are "off-the-schedule". The classifications and offers relating to them can be listed as follows:

Table V

CLASSIFICATIONS AND FINAL OFFERS PERTAINING TO THEM

<u>Classification</u>	<u>1993</u>		<u>1994</u>	
	<u>1/1/93</u>	<u>7/1/93</u>	<u>1/1/94</u>	<u>7/1/94</u>
Sec'y/Dispatcher				
Union	4.0% + 25¢		4%	
Village	3.75%		3.75%	
Clerk/Typist				
Union	4.0% + 25¢		4%	
Village	3.75%		3.75%	
Operator/Laborer				
Union	4.0% + 25¢	0.5%	4% + 25¢	0.5%
Village	3.75%		3.75%	
Operator/Laborer (Off-Schedule)				
Union	4.0%	0.5%	4.0%	0.5%
Village	3.75%		3.75%	
Wastewater				
Treatment Operator				
Union	4.0%	0.5%	4.0%	0.5%
Village	3.75%		3.75%	
Water Operator				
Union	4.0%	0.5%	4.0%	0.5%
Village	3.75%		3.75%	

Table VI
CLERK TYPIST COMPARISONS, TOP WAGE, 1993 AND 1994
AS REPORTED IN UNION OR VILLAGE EXHIBITS

	<u>1993</u>		<u>1994</u>	
	<u>Union Exhibits</u>	<u>Village Exhibits</u>	<u>Union Exhibits</u>	<u>Village Exhibits</u>
Jackson	9.29	9.10	9.74	
Kewaskum	8.66	-	8.66	
Plymouth	11.21	8.50		
Sheboygan Falls	-	8.71		
Slinger	9.01	9.25		
Port Washington	9.42	-		
Thiensville	9.82	10.21		
Saukville				
Union	9.32	9.32	9.69	
Village	9.31	9.31	9.65	
Rank of Offers				
Union	4/7	2/6		
Village	4/7	2/6		

(UX 10, V16)

Table VII
WATER PLANT OPERATOR COMPARISONS, TOP WAGE, 1993 AND 1994
AS REPORTED IN UNION AND VILLAGE EXHIBITS

	<u>1993</u>		<u>1994</u>	
	<u>Union Exhibits</u>	<u>Village Exhibits</u>	<u>Union Exhibits</u>	<u>Village Exhibits</u>
Jackson	13.11	13.11	13.56	
Kewaskum	14.72	11.97	14.72	
Plymouth		13.77		
Sheboygan Falls				
Slinger				
Port Washington	15.22			
Thiensville				
Saukville				
Union	12.04	12.04	12.58	
Village	11.95	11.95		
Rank of Offers				
Union	4/4	4/4	3/3	
Village	4/4	4/4		

(UX 11, V 25)

Table VIII

WASTEWATER PLANT OPERATOR COMPARISONS, TOP WAGE, 1993 AND 1994
AS REPORTED IN UNION AND VILLAGE EXHIBITS

	<u>1993</u>		<u>1994</u>	
	<u>Union Exhibits</u>	<u>Village Exhibits</u>	<u>Union Exhibits</u>	<u>Village Exhibits</u>
Jackson	13.91	15.14		
Kewaskum		14.72		
Plymouth				
Sheboygan Falls		13.47		
Slinger	13.89	12.17		
Port Washington	14.49			
Thiensville				
Saukville				
Union	12.51	12.51	13.07	
Village	12.42	12.42		
Rank of Offers				
Union	4/4	4/5		
Village	4/4	4/5		

(UX 12, V 24)

Table IX

OPERATOR/LABORER COMPARISONS, TOP WAGE, 1993 AND 1994
AS REPORTED IN UNION AND VILLAGE EXHIBITS

	<u>1993</u>		<u>1994</u>	
	<u>Union Exhibits</u>	<u>Village Exhibits</u>	<u>Union Exhibits</u>	<u>Village Exhibits</u>
Jackson		12.56		
Kewaskum		9.93		
Plymouth	12.04	12.56		
Sheboygan Falls	12.70	12.35	13.08	
Slinger	10.57	12.27		
Port Washington	14.96			
Thiensville		10.10		
Saukville				
Union	10.05	10.05	10.77	
Village	9.72	9.72		
Rank of Offers				
Union	5/5	6/7	2/2	
Village	5/5	7/7		

(UX 13, V 23)

Table X

SECRETARY/DISPATCHER COMPARISONS, TOP WAGE, 1993

Source: Village Exhibit V 21

	<u>1993</u>
Jackson	
Kewaskum	8.57
Plymouth	8.86
Sheboygan Falls	
Slinger	9.01
Port Washington	
Thiensville	10.64
Saukville	
Union	9.98
Village	9.96
Rank of Offers	
Union	2/5
Village	2/5

The Union says that it did not provide data for the above position, because there are no comparables for "Secretary/Dispatcher". The Village is comparing this title with the title of "Secretary" elsewhere, and the work of this position in Saukville is of a higher nature.

Table XI

UTILITY MAINTENANCE WORKER, COMPARISONS, TOP WAGE, 1993

Source: Village Exhibit 26

	<u>1993</u>	<u>1994</u>
Jackson	12.81	
Kewaskum	11.97	
Plymouth	13.42	
Sheboygan Falls		
Slinger		
Port Washington		
Thiensville		
Saukville		
Union	10.82	
Village	10.76	
Rank of Offers		
Union	4/4	
Village	4/4	

Two "off-schedule" Laborer/Equipment Operators would experience these changes in wages under the offers:

Table XII

**EFFECT OF OFFERS ON WAGES OF "OFF-SCHEDULE"
LABORER/EQUIPMENT OPERATORS**

	<u>1992</u>	<u>1993</u>		<u>1994</u>	
		<u>1/1</u>	<u>7/1</u>	<u>1/1</u>	<u>7/1</u>
Village	13.26	13.76		14.28	
Union	13.26	13.79		14.34	

The Village presented information on the effect of employees advancing in the steps together with a percentage increase across the board. Six employees would receive step increases in 1993 and three would receive them in 1994. The following table summarizes data from V 41 and V 42:

Table XIII

**PERCENTAGE INCREASES OF SPECIFIC EMPLOYEES ELIGIBLE
FOR STEP INCREASES, TOTAL INCREASE AND ONE YEAR AVERAGE**

<u>Employee</u>	<u>1993-1994</u>			
	<u>Total Increase</u>		<u>One Year Average</u>	
	<u>Village</u>	<u>Union</u>	<u>Village</u>	<u>Union</u>
#1	13.9	14.4	6.95	7.2
#2	13.8	14.2	6.9	7.1
#3	13.9	15.5	6.95	7.75
#4	9.2	16.6	4.6	8.3
#5	15.7	13.4	7.9	6.7
#6	7.9	9.4	3.95	4.7

The Village also supplied information on wage increases for employees under a previous three year agreement, who advanced through steps. The following table is from Village Exhibit 45:

Table XIV

**PERCENTAGE INCREASES OF SPECIFIC EMPLOYEES ELIGIBLE
FOR STEP INCREASES, TOTAL INCREASE AND ONE YEAR AVERAGE**

<u>Employee</u>	<u>1990-1992</u>	
	<u>Total Increase</u>	<u>One Year Average</u>
#1	28.4	9.5
#2	31.2	10.4
#3	26.0	8.7
#4	30.0	10.0
#5	36.6	12.2
#6	33.3	11.1

Union Position on Base Wages Summarized. The Union asserts that Saukville is in a catch-up situation and that the wage comparisons should be the determining factor. The Union said that the Employer had a hard time finding comparable municipalities, but even then the Saukville employees are at the bottom. The Union and Village rate are nearly identical except for the 25 cents increase for the clerical positions, but in the top rate for Water Operator, Wastewater Operator, and Operator/Laborer, the Saukville rate is well below the average when either the Union list of comparables or the Employer list is used for comparison. The Union also argues that when what the employee pays for insurance in Saukville is considered, the operators fall below the lowest rate paid in the Employer list, namely the rate paid in Kewaskum. Also in the Employer list of comparables, 50% of the comparables have longevity and Saukville does not have it.

The Union notes that in the position of Operator/Laborer in the schedule, the employee cannot catch up to the two employees off the schedule. The disparity is \$4.23 an hour, and the Employer cannot justify this. The Union is not now proposing to eliminate the current two-tiered schedule, but to lessen the differences.

The Union also notes that in Village Exhibits 24 and 25 the Saukville Wastewater Plant Operator and Water Plant Operator receive a lower wage than in all but three of the Village comparables. If the Union comparables rates are averaged, the offer of the Employer is \$1.95 less per hour for Water Plant Operator and \$1.68 less than the average for Wastewater Plant Operator. The Port Washington rate is \$3.27 higher for Water Plant Operators.

The Union emphasizes that its proposal is the most reasonable way to deal with catch-up and make it less tax stressful and yet in line with the cost of living. It cites arbitral opinion to the effect that in a case of catch-up it may be better to perform that operation in two steps. It could not do all of the catching up in the first contract and the second step is this one.

The Union says that the Village contention that the 1/2% increase for Operator/Laborer is excessive is confusing and not believable when the Village argues that it will prove a burden in paperwork. This increase, however, is not trivial for the employee in that classification. The Union argues that the crux of this case is in the Operator/Laborer classification, particularly when the Village lags also in fringe benefits.

Village Position on Base Wages Summarized. The Village asserts that comparability in the public sector supports the Village offer. It notes, however, that a title such as "Operator/Laborer" does not guarantee that employees in this classification perform the same duties everywhere.

In the case of Secretary/Dispatcher, the Village notes that among its comparables there were changes in this classification of 3% to 10.4% between 1992 and 1993. However in the municipality of Slinger with an increase of 10.4%, the result is still 95¢ per hour less than in Saukville. The 1993 average for top rate among the Village comparables at \$9.16 per hour is 80¢ less than the Village offer. The Union offer would bring only 2¢ more.

The Village also states that under its offer the classification would have a \$1.26 increase when step increases for employees are added. This comes to an increase of 13.9%. The Village offer therefore is more reasonable than the Union offer with a two year raise of \$1.31 per hour, or 14.4% increase.

In top rates for Clerk/Typist among Village comparables, the average comes to 3.77%, to which the Village offer amounting to 3.75% is comparable. The average rate for Clerk/Typist without Saukville is \$9.05, 26¢ lower than the Village offer. In total compensation the Saukville Clerk/Typist will receive a two year increase under the Village offer of \$1.13 per hour or 13.2%. The Union offer would provide an increase of \$1.16 per hour or a 14.2% increase. The Village offer is thus the more reasonable.

In the case of Operator/Laborer, the Village says that it is extremely difficult to determine if employees in comparable communities are doing the same work as is done by employees under this classification in Saukville. In Saukville Operator/Laborers operate a backhoe, street sweeper, and dump truck, but no other heavy equipment. They are engaged in minor building maintenance, street sweeping and patching, mowing grass, snow removal, and some forestry work. Clearly then the Saukville employees are not qualified as equipment operators or skilled construction laborers.

The Union is seeking "catch-up" for one employee in this classification, but such catch-up is not justified. The Union sought catch-up in the previous contract, the first one between the parties and then voluntarily settled. It is totally inappropriate to settle an issue in one negotiation or a rate to be applied to a classification and then arbitrate it in a successor agreement. The employee involved is still in steps. He should not instantly gain the rate of employees with 23 years and 18 years of service respectively.

The Village also argues that it is economically upgrading this employee. In 1990, at start, he received \$7.20 per hour. In 1992 his rate was \$9.19, an increase of \$1.87 or 26%. Under the Village offer he will receive \$10.09 per hour, \$2.89 over his start rate, or an average of 10% for each of four years.

Catch-up also is not justified in this classification since the two off-schedule employees are currently making \$13.26 per hour with substantial increases pending.

In the matter of comparison municipalities, the Village holds that the changes in percentage increases of Operator/Laborer were from 3% to 10%, but one must surmise that some additional duties were assigned where the higher percentage was given.

Though the Village offer of \$9.72 as top rate in the schedule is less than the average of municipalities without Saukville at \$11.84, yet when the average for Saukville is calculated for all employees, on and off schedule, the Saukville average comes to \$12.43. This compares favorably with both Union and Village comparables.

The Village offer for two years provides an increase of 85¢ per hour, or 9.2%. Annualized this is a 4.5% increase at 43¢ per hour. The offer of the Village is more reasonable than the Union offer of \$1.53, or 16.6% in two years.

As for Wastewater Treatment Plant Operator, the percentage increase offer by the Village at 3.75% compares favorably with the average percentage increases of comparables. In the compensation per hour, both the Village and Union offers rank 5 out of 9. However, the Union offer presents a practical difficulty with its 0.5% increase on July 1 of each of the years of the agreement. The Union wishes to achieve what looks like a 4.5% increase annually when the increase actually averages 4.25%, but the paperwork and computation produces a burden which hardly can be supported for practical reasons.

In the matter of Water Treatment Plant Operator, the Village offer of a 3.75% increase is not out of line with average increases of 3% to 4.75%. Among Village comparables, the Village and Union offers do not meet the average rate of \$12.57. However the two year offer of the Village provides an increase of \$1.67 or a 15.7% increase. Under the previous three year agreement the employee in this category received a total increase of 36.6%, or an average increase of 12.2% per year.

In the case of Utility Maintenance Worker, the range of percentage increases among the Village comparables is from 3.5% to 4.6%. The average wage is \$12.91 per hour. Neither the Union or Village offer changes the relative position of Saukville. The Village offer provides an 80¢ per hour or 7.9% total compensation for this classification over a two year period. In the previous agreement this classification rate was raised \$2.40, or 33.3%, which on an annualized basis is 80¢ per hour or 11.1% per year.

The Village holds then that the analysis provided for each job classification of comparable wages shows that this analysis supports the Village offer.

Concerning the work, especially of Operator/Laborer in the schedule, the Village holds that the Union job classification is unsupported by the record. The Union looks at the classification as a combination of laborer and equipment operator when the evidence is that the vast majority of work requiring heavy equipment operation is performed by outside contractors, and the classification in Saukville, according to the testimony of a union member, shows that this classification does not operate heavy equipment, but only does a light variety of work like mowing, street sweeping, and plowing. When this classification in Saukville is placed in the comparison with other semi-skilled jobs in comparable communities, rates for such work are lower than those paid in Saukville. When the average rates of such semi-skilled workers are compared with the Village offer of \$12.41, the Village offer is reasonable.

The Village also contends that the Union offer of increasing the wage of the Operator/Laborer classification (in schedule) by \$0.25 for each of two years when persons in the office and clerical work receive a \$0.25 increase for only one year, amounts to individual bargaining; all the others

are ignored. The upgrading of any single employee while ignoring others supports the Village position that this kind of adjustment should be left to voluntary agreement, and not compelled through arbitration.

The Village also argues that the wage split proposed by the Union is clerically burdensome, and the Union does not say how this split is intended to provide a catch-up. Though the Union feels that there must be a catching-up because it is "behind", the Village contends that just being "behind" does not justify catching-up, especially since the Union earlier agreed to the wage program it now claims supports the argument that the Union is behind.

The Village further argues that in all comparables in arbitration, one community will be first and one last. It is not the intent of interest arbitration to allow the last to become first and the first last. Rather the process is to allow the employee to achieve a wage commensurate with duties performed and in line with the cost of living. The financial health of the community is also relevant in determining reasonableness. Maintaining relevant position is often the question to be resolved, and in this case the Village offer allows the Saukville employees to maintain a relative position. Saukville employees should not be compared, for example, with employees in the wealthiest Milwaukee communities.

The Village also disputes the Union position on the two tiered system for wages in the Operator/Laborer classification. The Union complaint that the in-schedule Operator/Laborer can never catch-up with the two off-scheduled Operator/Laborers presupposes that the wages of the latter are justified by the work they perform. It could be argued that the two off-schedule Operator/Laborers are being paid for longevity rather than the work they perform. Further if the wages of the two off-schedule employees are the appropriate top rate, why did the Union agree to the lower rate in the previous agreement?

Concerning the costing by the Village of the steps in the wage progression schedule, the Village contends that this has been recognized in the statutes where total compensation should be considered. This type of compensation must be considered in the analysis of an offer where catch-up is claimed. The Village states that the in-schedule Operator/Laborer received an increase of 26% in the past contract, the Wastewater Treatment Operator received a 30% increase, and the Water Treatment Operator received a 36.6% increase while the Utility Maintenance Worker received a 33.3% increase. The Village thus provided a substantial catch-up.

Discussion. Several matters need to be considered here. One of these is the actual ranking of wages in dollars to be paid at the top level. Another is the percentage increases including step increases in the offers; and still another is the percentage increases paid in the previous contract. These latter data have been offered by the Village to show effort to raise wages.

In the matter of actual dollars to be paid, the evidence is that the parties have produced data for wages in the primary comparables that differ substantially. Thus the arbitrator found it useful to list data on the primary comparables from both Union and Village exhibits. These data show, using the general ranking terms of "high", "middle", and "low" range, the following results:

Table XV

**RANGE OF WAGE RANKINGS AMONG PRIMARY
COMPARABLES FOUND IN UNION DATA AND IN VILLAGE DATA**

1993

<u>Classification</u>	<u>Union</u>	<u>Village</u>
Clerk/Typist	Middle	High
Water Plant Operator	Low	Low
Wastewater Plant Operator	Low	Low
Operator/Laborer (Schedule)	Low	Low
Secretary/Dispatcher		High
Utility Maintenance Worker	Low	Low

(Tables U1-X1 Incl.)

From the foregoing table, the evidence emerges that a catch-up situation exists in Saukville and that therefore the Union offer is the more comparable.

In the case of the two off-schedule Operator/Laborers, Table IX and Table XII show that Saukville ranks next to Port Washington in this category and a catch-up situation among primary comparables for these employees is not present.

The Village is holding that important consideration must be given to the fact that a majority of employees have enjoyed step increases which have resulted in high annual percentage increases, and base wage increases alone should not determine whether a catch-up is needed. The amount of actual dollars paid by the Employer in base wages indeed is important under the factor of total compensation, but in this case neither party submitted any comparable data on the total compensation which will occur in dollar costs. Percentage increases for individual employees in the steps above are insufficient for making a judgment on comparability when similar data for other comparable municipalities and their payments for step increases are not available.

Similarly the percentage increases for individuals in the steps during the previous three year contract would have value if the total compensation increases in Saukville for each year were reported and compared with total compensation costs in comparable communities. Lacking this kind of information and assuming also that in other municipalities some employees were in steps of advancement, the arbitrator is confined to a comparison of base wages offered. In this case the Union offer, as said earlier, is the more comparable.

The Village has noted several times that Operator/Laborers in Saukville do not perform duties that other Operator/Laborers or Equipment Operators perform. The Union on its part says that the Village in comparing Secretary/Dispatcher with Secretaries is comparing unlike positions. The arbitrator acknowledges that there are difficulties in ascertaining what work is performed under classifications having the same or similar titles, but lacking specifics among comparables, the arbitrator has used the data furnished by the parties under the various classifications to render judgments.

XI. WAGES COMPARISON INTERNAL TO SAUKVILLE. Though the Union made verbal reference to the Village compensation for police, no evidence was presented which would allow the arbitrator to conclude that the Union offer is or is not internally comparable.

XII. COMPARISON OF WAGES IN SAUKVILLE TO OTHER PUBLIC EMPLOYEES. The following information is derived from Village Exhibit 27:

Table XVI

GOVERNMENTAL WAGE COMPARISONS WITH SAUKVILLE, 1992

	<u>Waukesha, Ozaukee Washington Counties</u>		<u>Sheboygan County</u>		<u>Saukville</u>
	<u>Mean</u>	<u>Max. (1)</u>	<u>Mean</u>	<u>Max. (1)</u>	<u>Max.</u>
Clerk/Typist	9.20	9.92	8.37	8.90	8.19
Laborer	11.70	12.62			
Park Worker	9.39	8.96			
Secretary	10.11	11.25	9.34	9.89	9.07
Sewerage Plant Operator	13.63	13.57	12.61	13.09	11.97
Water Treatment Plant Operator	13.95	13.80	13.05	13.62	10.65
Groundskeeper			10.98	11.12	
Heavy Equipment Operator			12.75	13.06	
Operator/Laborer					(9.19 (13.76 off schedule
Utility Worker					10.08

(1) weighted

(V 30, V41)

Discussion. The Village has noted how difficult it is to make job comparisons and to find classifications which represent comparable duties. The above table illustrates this point. However, when one observes the above table for classifications in which a comparable for Saukville can be found, the evidence is that at least in 1992 there was a lagging of Saukville behind general regional averages.

XIII. COMPARISON OF WAGES IN SAUKVILLE TO PRIVATE SECTOR WAGES. The Village supplied information on private sector wages. Exhibit V10 reported that in major union settlements for the second quarter of 1993, settlements provided an average wage of 2.8% in the first year and 2.7% over the life of the contract.

Village Exhibit 11 reported that in the first 38 weeks of 1993 median first-year wage increases equaled 3% or 35.1¢ per hour. These figures did not include state or local governments. Unemployment rates were listed in Milwaukee at 4.3% in July 1993, and 3.7% in Sheboygan.

In 1992 the median first year increase for all industries was 3.4%. For the first three quarters of 1993, it was 3%. While 52% of the contracts called for a 2%-4% increase, 18% called for no increase and 2% for a decrease. The median wage increase was 35.0¢ in the first three quarters of 1993. (V 12).

The Village says that while there may be a lack of reliable data on which private sector comparisons can be made, the 1993 wage increases granted to employees nationally are relevant. It cites the data above and notes that the Village offer at 3.75% for each of two years is higher than the private sector median of 3%. The Union is asking for a boost of 4.5% which is not justified by comparison. The Village offer is the more reasonable.

Discussion. In terms of comparison of percentage increases in wages between the offers in Saukville and the national median wage increases, the Village offer is the more comparable. However as to what private sector employees doing work similar to the classifications in Saukville earn in dollar amounts, the evidence is not present.

XIV. CHANGES IN THE CONSUMER PRICE INDEX. Village Exhibit 9 reported that up to September 1993, the Consumer Price Index for all urban consumers changed at a rate which would produce an increase for the year at 2.5%, the lowest increase in seven years. This same total was projected for the change in the CPI for Urban Wage Earners and Clerical Workers. The percent change which occurred in 1992 was 2.9%.

The Village points to the fact that its offer of 3.7% increase in 1993 exceeds the CPI and if a projected change in the CPI of 3.1% is considered to be occurring in 1994, the Village offer is still above that. In sum the Village offer is therefore closer to the changes in the CPI than the Union offer.

The Union argues that the changes in the cost of living are determined by the percentage increases in actual settlements among the comparables. It says that the percentage increase among the Village's comparables for 1993 comes to an average of 4.8%. The Union offer of 4.25% is therefore comparable.

Discussion. The arbitrator believes that the use of the information from the Bureau of Labor Statistics is the appropriate measure intended by the legislature to measure the changes in the cost of living. By this standard, the Village offer is the more comparable.

XV. OVERALL COMPENSATION INCLUDING FRINGES. The parties did not supply exhibits which reported the prospective dollar costs of the offers for each for Saukville and no comparisons thus were made of like costs in comparable municipalities. The Village did provide information on individual wage and percentage increases for each individual employee in V 41 and V 42. This information has been considered earlier in Section X above.

However the Village did provide information on the average hourly wage total and in average percentage increase. This information has been summarized in Section VIII, Table I, foregoing.

The parties however supplied information on benefits in addition to wages. On holidays, Saukville with 10-1/2 days grants fewer days than any of five other primary comparables reported in Union Exhibit 15. In Village Exhibit 37, however, the number of holidays reported as granted in Saukville are 10. Four primary comparables are listed as having more holidays granted, and one, Slinger, less.

In vacation days, the maximum of four weeks after 12 years is reached in Saukville. In Jackson, Kewaskum, Plymouth, Sheboygan Falls, and Slinger, there is a maximum of five weeks, but in each case this requires 20 or more years of service. Saukville, reaching four weeks of vacation at 12 years achieves this level sooner than all but Plymouth. (V 38).

The following information on insurance rates is taken from Union Exhibit 14:

Table XVII

INSURANCE BENEFITS, PRIMARY COMPARABLES

	<u>\$ Medical</u>			<u>\$ Dental</u>		
	<u>Family</u>	<u>Single</u>	<u>% Employer Payment</u>	<u>Family</u>	<u>Single</u>	<u>% Employer Payment</u>
Jackson	649.88 ⁽²⁾	104.00	100	35.93	12.64	100
Kewaskum	375.63	145.32	100			
Plymouth	442.48	197.06	100	55.81	20.07	75
Sheboygan Falls	343.89	150.00	100			
Slinger	546.02	323.53	100	500.00 ⁽¹⁾	500.00 ⁽¹⁾	
Port Washington	343.89	150.00	100	55.81	20.07	75
Thiensville						
Saukville	482.03	188.42	3 classes 75-100% per year of hire.			

(1) Employer pays \$500 for each employee and dependent.

(2) U33 reports this payment as \$390.75.

According to Village Exhibit 34 the Village pays \$200 toward the employee's deductible in health insurance. Only one other primary comparable, Kewaskum, does this.

Information on vacation time found in Union Exhibit 17 is similar, except that it shows in the case of Port Washington among the primary comparables, Port Washington also grants a four week vacation in 12 years, but grants six weeks at 30 years.

The following table on sick leave granted among the primary comparables comes from Union Exhibit 18:

Table XVIII

**ASPECTS OF SICK LEAVE PROVISIONS AMONG
PRIMARY COMPARABLES**

	<u>Days/Mo.</u>	<u>Max.</u>	<u>Retirement Payout</u>
Jackson	1	120	50%
Kewaskum	1	90	After 5 yrs. earning plan if less than 5 yrs.
Plymouth	1	(No Max. (Utility-90	72 Days
Sheboygan Falls	1	150	After 7 yrs.-75% of 120 (Termination) After 7 yrs.-75% of 150 (Retirement)
Slinger	1	120	50% 50% payout over 120 annually
Port Washington	1.25	150	50%
Saukville	1	120	50% "0" usage per year 2 floating holidays

Village Exhibit 39 on sick leave benefits generally reports the same rates of accumulation and totals. However in Slinger a payout occurs at 25% in accumulations of 60-90 on retirement. In Thiensville there is a 100% payout.

As for longevity, Village Exhibit 40 reports longevity payments among primary comparables in Kewaskum, Plymouth, Sheboygan Falls and Thiensville. Union Exhibit 19 reports longevity provisions also in Sheboygan Falls and Port Washington.

Union Exhibit 19 reports on other economic benefits such as overtime, call-in, clothing and shoe allowances, payment under workers compensation, long-term disability, safety equipment among other things. These fringe benefits are too diverse to make a full analysis here, and the arbitrator believes that any differences among them are not weighty enough to require major consideration. Saukville for example furnished the employee with life insurance and short-term disability insurance, but not with long-term disability. In these matters it is comparable to what occurs among primary comparables.

Positions of the Parties on Overall Compensation and Fringe Benefits. The Union except through its exhibits did not address the issue of fringes, but opposed the Village concept of costing step increases against the Union. The Union holds that costing step increases is not traditionally done in arbitration cases except where teacher units are involved. The arbitrator therefore should give no weight to these costs; but even with them, the Union is still in a catch-up situation.

The Village is emphasizing total package cost comparisons which include roll-ups in retirement, holidays and vacations. It emphasizes that the total package increase of the Union offer thus comes to a 7.4% increase which is 4.9% above the cost of living increase. The Village offer which comes to 6.4% is therefore the most appropriate.

The Village challenges the Union contention that the Saukville employees' contribution to health insurance and absence of longevity justify catch-up. Of 29 communities cited by one or the other of the parties, only 13 have some kind of longevity. In the consideration of total compensation, one particular benefit is not to be given greater value as a controlling factor in comparability. Thus the Union reference to longevity is worthless without a full analysis of total compensation. The same defect lies in the Union argument on contribution to health insurance premiums. In Saukville after a stated period of service employees have 100% of their health insurance premium paid, and this is not true in many of the comparable municipalities. Many municipalities require some payment toward health insurance. In Saukville the Village provides some payment toward the employee's health insurance and deductible. Thus the contention that on the basis of health insurance payments, the Village needs to catch-up is not supported and instead a total analysis of benefits would have to be made, which the Union did not do.

Discussion. The matter of comparability in fringe benefits will be considered first. The evidence is that in holidays, Saukville is slightly behind the comparable communities. Also in total vacation days, Saukville has a smaller total, but also reaches a four week vacation period earlier than most comparables. In medical and dental insurance, the arbitrator from Table XVII concludes that Saukville is in the middle range among the comparables, and the deductible payment by the Village is a substantial benefit. Generally, the arbitrator believes that while Saukville currently lags somewhat in some fringe benefits, this is not enough to add great weight to the Union offer.

As to the matter of total compensation, the Village provided percentage total increases for the average employee and these percentage increases for both Village and Union offer were above the change in the consumer price increase. This presents the arbitrator with a judgment to be made first on comparability of total costs with total costs accruing to other municipalities, and then with a judgment comparing that conclusion with the earlier conclusion made by the arbitrator on changes in the cost of living.

Neither party provided sufficient data for the arbitrator to compare any costs other than those of base wages. Except for roll-up costs in Saukville, roll-up costs in other municipalities were not given, though it is highly likely that in other municipalities employees have had step increases, and there were increases in other roll-ups. The arbitrator thus is unable to make a total compensation costs comparison among primary municipalities, and is reduced to reaffirming that in Saukville, the Village offer for total compensation is closer to the change in the consumer price index than is the Union offer.

XVI. ABILITY OF THE UNIT OF GOVERNMENT TO PAY AND THE INTERESTS AND WELFARE OF THE PUBLIC. In this matter the Village is not arguing an inability to pay, but rather that it should not pay a Union demand which it considers excessive when measured against the changes in the consumer price index. The Village contends that the Union approach to the matter is one of "tax and spend" which is not in the interest and welfare of the public. The Village submitted as an exhibit a document prepared by the Wisconsin Employment Relations Commission entitled "Overview of 1993 Wisconsin Act 16 and ERB 33." Through this act, the legislature put a limit on salary increase for professional school district employees of 2.1% for wages including step increase, and a 1.7% increase for fringe benefits. (V 46). This was the result of the recognition of the legislature for getting property tax relief. The legislature also believes that there was a positive correlation between interest arbitration and wage and benefit increases in excess of the cost of living, and high property taxes. In view of the factors of full value of property valuation and full value tax rates, both gross and effective and local tax revenue, it is evident that the Village is making an appropriate effort. When the municipalities listed as comparables by the Village are viewed, the Village ranks 5th in full property value and 4th in gross and effective full value tax rates. If the 27 comparables used by the Union are considered, Saukville is 19th in full property value, but 11th in full value rates, gross and effective. Mequon, used by the Union as a comparable, is first in full property value and 3rd in local tax revenue, but 27th in full value effective tax rate. Thus Saukville taxpayers are making a greater effort. The Union offer will further burden the taxpayer.

Discussion. The arbitrator notes that there is no argument on the part of the Village that it cannot meet the costs of the Union offer, and that the Village has the ability to pay the costs of either offer.

Concerning the interest and welfare of the public, the Village is making the point that its taxpayers are overburdened by the tax rate. The comparative Village effort in relation to primary comparables is shown in Table IV foregoing. The Saukville tax rate of .03160 in 1992 is second highest among eight comparables. Thus there is weight to the Village argument about taxpayer effort.

This argument must be weighed against the condition of "catch-up" that needs to be addressed in Saukville as far as base wages and fringe benefits to a lesser extent are concerned. Will the added dollar cost to the Village be so great under the Union offer as to make a substantial difference in dollar cost? From Village Exhibit 43A one can ascertain that under the Village offer where the average cost for eight employees is \$16.44 the annual cost would be $\$16.44 \times 8 \times 2080$ or \$273,561.60. Under the Union offer for the first half year the cost would be $\$16.51 \times 8 \times 1040$ or \$137,363.20. For the second half year the total would be $\$16.67 \times 8 \times 1040$ or \$138,694.40. For the year total the Union offer could come to \$276,057.60. The difference between the Union and Village costs would then be \$276,057.60 less \$273,561.60 or \$2,496.00. This latter figure of \$2,496.00 is, of course, an additional burden on the taxpayer of Saukville, but in view of the need for a catch-up, the arbitrator is of the opinion that the interest and welfare of the public are better served in attempting a modest catch-up at this time.

Consideration must be given to the argument of the Village that the legislative action limiting wage offers to professional school employees with caps on wages and on fringe benefits, should be a deterrent to an award to the Union on its offer. The essence of the argument is that the changes in the Consumer Price Index ought to be a limiting factor. The arbitrator notes that the legislature in its wisdom did not apply such limitations to classifications of non-professional employees, and therefore the former standards enunciated in factors to be weighed still prevail. These other factors have been considered in some detail, and the conclusion here is that in the case of these non-professional Village employees in Saukville, some catching up to reach comparability is needed.

XVII. CHANGES DURING THE PENDENCY OF THE PROCEEDINGS AND OTHER FACTORS. The arbitrator perceives no other factors applying in arbitration need to be addressed. Each concern of the parties has been attempted to be weighed. No changes have been brought to the arbitrator's attention during the pendency of the proceedings.

XVIII. SUMMARY AND CONCLUSIONS. The following is a summary of the conclusions of the arbitrator in the factors to be weighed in the instant matter:

1. There is no question here of the lawful authority of the parties to meet the cost of either offer.
2. The parties have stipulated to all other matters between them.
3. The arbitrator has found the municipalities best suited as primary comparables between the parties include Jackson, Kewaskum, Plymouth, Saukville, Sheboygan Falls, Slinger, Port Washington, Thiensville.
4. The arbitrator concludes that on the basis of evidence a wage catch-up situation exists in Saukville and the Union offer is the more comparable one in comparison with the primary comparables.
5. In internal comparison within Saukville, no evidence was furnished to the arbitrator for him to make a comparison.
6. In comparison with workers doing like work on a regional basis, it appears that there is a need in Saukville for a catch-up.
7. In comparing percentage increases in Saukville with increases in wages in the private sector recorded nationally, the Village offer is the more comparable. However as to actual dollar earnings the arbitrator is not able to make a comparison.
8. In the matter of fringe benefits a slight lag exists in Saukville on some of them, but this does not add great weight to the Union offer.
9. As to the changes in the Consumer Price Index, the Village offer is the more comparable.

10. As to the matter of total compensation among the comparables, there was insufficient evidence to make a judgment, and the arbitrator repeats that in total compensation also as well as in wage offers, the Village offer compared to the Consumer Price Index changes is the more comparable.


11. The unit of government has the ability to meet the costs of either offer.

12. As to the interest and welfare of the public, the increased costs attributable to the Union offer must be balanced against the need for catch-up in Saukville. The arbitrator finds that the total cost difference between the offers is small enough to justify a catch-up effort at this time in the interest of the public.

13. No changes have been reported to the arbitrator affecting the matter during the pendency of the proceedings, and the arbitrator has endeavored to address all factors.

The weightiest matters here are the need for a catching up in Saukville which favors the Union offer, and the changes in the Consumer Price Index which favors the Village offer. The arbitrator on the basis of comparability among the primary comparables believes that the former is the more weighty factor. Hence the following award:

XIX. AWARD. The terms of the offer of Local 108, AFSCME, AFL-CIO, Village of Saukville Employees should be included in the Agreement between the Local and the Village of Saukville.



Frank P. Zeidler
Arbitrator

Date February 26, 1974
Milwaukee, Wisconsin