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JUN 14 1994

BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

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In the Matter of the Petition of

VILAS COUNTY

To Initiate Arbitration  
Between Said Petitioner  
and

Case 35  
No. 48346 INT/ARB-6670  
Decision No. 27896-A

VILAS COUNTY COURTHOUSE EMPLOYEES,  
LOCAL 474-A, AFSCME, AFL-CIO

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Appearances:

David Ofria, Staff Representative, appearing on behalf of the Union.

Godfrey & Kahn, S.C., Attorneys at Law, by John Prentice, appearing on behalf of the Employer.

INTEREST ARBITRATION AWARD

Vilas County, (herein "Employer") having filed a petition to initiate interest arbitration pursuant to Section 111.70(4)(cm), Wis. Stats., with the Wisconsin Employment Relations Commission (herein "WERC"), with respect to an impasse between it and Vilas County Courthouse Employees, Local 474-A, AFSCME, AFL-CIO (herein "Union"); and the WERC having appointed the Undersigned as arbitrator to hear and decide the dispute specified below by order dated January 12, 1994; and the Undersigned having held an evidentiary hearing in Eagle River, Wisconsin, on March 2, 1994; and each party having filed post hearing briefs, the last of which was received May 18, 1994.

ISSUES

The parties have agreed on all issues for their calendar 1993 and 1994 agreement, including a 3.5% wage adjustment in each year. The Union seeks additional wage rate adjustments for virtually every position in the unit. The final offers are attached and incorporated by reference as appendix A and B.

The Employer costs its 3.5% general wage increase proposal as 6.01% in 1993 [which includes the additional impact of a midyear increase in 1992] and 3.97% in 1994. It costs its total package increase for these years as 6.53% and 3.32%, respectively. It costs the Union's offer as 7.73% wage increase for 1993, 7.72% wage increase for 1994. It costs the Union's total packages as 7.94%

and 6.38%, respectively. The Union did not provide separate costing data.

#### POSITIONS OF THE PARTIES

The Union notes that the parties have agreed to a general wage increase of 3.5% in both 1993 and 1994 calendar years and the sole issue is whether the Employer should grant wage adjustments (reclassifications) for virtually every position in the unit in accordance with the request of the Union. The Union proposes comparisons to Ashland, Bayfield, Door, Florence, Langlade, Lincoln, Marinette, Oconto, and Taylor counties which it contends are comparable on the basis of per capita property value, population, and personal income. It argues that the Employer's comparison group of the four surrounding counties does include comparable counties, but is not adequate because the selected counties are smaller.<sup>1</sup> In the Union's view, the difference between the parties in applying the increase (the Union to the top rate, and using a ratio for the bottom and the Employer applying the percentage increase across all levels of the schedule) is a minor issue and ought not affect the result of the case.

The Union bases its position by comparing the pay rates of unit positions to those of similar titles in comparable counties. It argues that these comparisons demonstrate that unit employees are virtually underpaid in all wage classifications. It proposes wage increases for various classifications designed to bring these positions up to the average of the comparison figures. It notes that it used each of the years 1992, 1993, and 1994 because there is considerable variability in these wage rates, including reclassifications, other add-ins to the base rate, and general

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<sup>1</sup>The Union reiterates its position on the issue raised at the hearing concerning a change the Employer made in its table of organization. The Employer moved the Document Clerk and Land Title Clerk to Secretary I. It moved the Juvenile Intake Secretary, Advertising Secretary, and Forestry Secretary were moved from Secretary I to Secretary II. The Commission on Aging Bookkeeper has been moved from a non-schedule range into the Clerk-Typist range. While it is not conceding that the changes were made properly, it does concede that the changes are properly reflected in Employer exhibit 7. The Union notes that its proposal is aimed at changing the Secretary I, Secretary II and Clerk-Typist ranges and, thus, the changes do not affect the validity of the Union's proposal. It also notes that Economic Support Specialist is merely a different name for Income Maintenance Worker and Child Support Specialist is merely a different name for some of the employees in the Legal Secretary Classification who perform the child support duties. The latter distinction was made to facilitate different reclassifications for Child Support Workers from Legal Secretaries.

increases. The Union's goal is to adjust the salaries of most position so that they are two-thirds of the way to average based upon the conditions in effect at the end of 1992. It notes that the proposal increases the administrative assistant to 154% of average because the Union believes this position has higher level responsibility than similarly titled positions in similar counties. The Union disputes the Employer's method of costing and argues that the Arbitrator should not rely on total package comparisons as the main method of comparison.

The Employer argues that its proposed increase is consistent with similar general increases in comparable counties. For comparison purposes it relies upon the contiguous counties. It argues that the Union's expanded list is merely comparison shopping. The Union has failed to offer evidence of the economic nature of the expanded list.

The Employer asserts that it's exhibit show that while Vilas County may not be a wage leader among its comparables, the employees are not so severely deprived to justify increases of 10% - 28%. It notes that each of the unit positions falls within the wage range of the comparables. 12 of 16 job classifications are paid better than the comparable median. It notes that the wage rates in this unit are all the product of voluntary settlements and this is the first time the parties have gone to arbitration.

In its view, catch up pay is only appropriate in situations in which pay lags behind all comparable positions and the unit undergoes substantial turnover. It notes that there is no evidence of unusual turnover in this unit. 62% of the unit employees are receiving longevity pay. Based upon the Union's own theory and averages of averages, the Union's goal is a moving target. The Union Representative's own admission at hearing that some comparable positions were not fully investigated and the theory is not perfect is a clear indication of the unreasonableness of the Union's demands. The Employer asserts that its offer provides equitable increases which surpass the concurrent cost of living and, further, do not result in the unit employees losing ground to the comparable wage rates. Unit employees are remaining in the same relative position as they historically have.

The Employer argues that the total compensation offered employees including the improvements it is offering in this package must be considered by the arbitrator. The benefit level here is significantly higher here than in comparable counties. Taking in account the Employer's total package increase of 10% over two years, the Employer's offer is substantially better than the modest increases in the cost of living experienced in this area.

The Employer also argues that its offer is consistent with its offers and settlements with the other bargaining units of the county. It has essentially always had uniform wage increases in

all of its bargaining units. Even if the Union argues that it has below average wages, this unit is comparatively no worse off than the other bargaining units which have already voluntarily settled for what the Employer is offering this unit.

In its view, its final offer is consistent with settlements among the comparable counties for both contract years. It also denies that the Union's offer is supported by the record in that it improperly alters the salary schedule structure by contradicting the parties' practice in calculating the salary schedule and the contractual provision for calculating the starting rate. Similarly, it asserts that the Union's offer impermissibly reclassifies and creates new positions. It notes that reclassification is covered by a specific provision in the collective bargaining agreement and the Union's position would undermine this provision. It denies that the Union's intent to combine all three Social Service Aid classifications and the Employer contends that the Union's final offer cannot be properly read to do that. In its view, the arbitrator should reject the Union's offer on the basis of the ambiguities created. Finally, the Employer argues that the Employer's offer is supported by the interests and welfare of the public in that the brunt of any increase will be born by residential taxpayers (58% of which is seasonal), much of the employment in the area is dependent upon the tourist trade, and the Employer's proposal is consistent with private sector wage rates in the county.

#### DISCUSSION

Under Section 111.70(4)(cm), the arbitrator is required to select the final offer of one party or the other, but is not allowed to compromise between the two. This decision is to be made by evaluating the offers in the light of statutory standards and selecting that offer which is closest to appropriate. The standards which arbitrators are to use in evaluating final offers as specified in Section 111.70(4)(cm), Wis. Stats., are:

- 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 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 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 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 parties, in the public service or in private employment.

The essential issue in this case is the position of the Union seeking basic increases in virtually every position in the bargaining unit in addition to the general wage increase proposed by the Employer. [Herein "inequity adjustment."] It is common for parties to voluntarily make corrections in the wage rates of some positions in a bargaining unit in addition to a general wage increase to correct errors which were made in establishing the wage rate, changes in the job, or inequities which have developed in the market for a specific job. In some cases, they have been considered as part of the total package of wage increases and in others they have been disregarded in the total settlement. In order to establish that a specific wage adjustment is appropriate, the Union must demonstrate that there is an inequity and that its proposal is closer to appropriate to correct the inequity. In order to establish a group of such adjustments, the Union's offer on the whole must be closer to appropriate.

The evidence in this case indicates that the Employer's final offer is essentially an appropriate general increase and that the Union's offer cannot be justified on the basis of an appropriate general increase or justified on the basis of remedying inequities

in the wage rates for most of the bargaining unit.

#### Internal Comparisons

Since 1986, the general wage increases in the Employer's three bargaining units (highway, sheriff and courthouse) have been virtually identical. For 1993 and 1994, the highway unit has accepted 3.5% wage increases, while the sheriff's unit has settled its 1993 agreement for a 3.5% general wage increase. This factor heavily supports the appropriateness of the Employer's offer as an appropriate general increase.

#### External Comparables

The parties have properly agreed that the surrounding counties of Forrest, Iron, Oneida and Price are comparable. These counties share a high degree of similarity in their economies to that of Vilas County. They are rural counties with very few population centers. Except for Oneida County, they have virtually similar populations. They have considerable national forest land. Vilas County and its surrounding counties depend heavily on their unique attractions for tourists and vacationers. Employees in these counties compete for the same employment and share the same level of purchasing power and services.

The Union has essentially based its entire position on its proposal to add the counties of Ashland, Bayfield, Door, Florence, Langlade, Lincoln, Marinette, Oconto and Taylor. Door County is not comparable. Door County has an entirely different economic system in a different part of the state. It has more of an industrial base and is located closer to the higher wage area of Green Bay. These differences are reflected in the far higher per capita income of Door County. Marinette County is somewhat closer, but has a far more extensive industrial economy which is linked to Lake Michigan and Menomonee, Michigan. It is not likely that Oconto shares an economy similar to that of Vilas County. A significant portion of that County is located near Green Bay and Marinette.

Bayfield, Taylor, Ashland, Florence, Lincoln and Langlade all share many of the same characteristics as Vilas County, but are too distant to be in the same labor market. Florence has a very low per capita income. It has a very low population and land surface. Counties of Florence's nature have significantly different concerns in the delivery of services and, thus, the evidence does not establish that it is comparable. Ashland has a relatively similar income level, but a substantially lower per capita property value than any of the counties surrounding Vilas. Of those offered by the Union, only Lincoln and Langlade appear to have a strong similarity and they are used to supplement comparisons where there is a lack of information in the surrounding counties.

### i. General Increases

The following comparison demonstrates that the final offer of the Employer is preferable to the Union's offer as a general wage increase.

#### Comparison of Comparable Counties' Wage Increases

			1993		1994
Forrest	Er.	1/1	\$ .24	ATB	3%
	Un.	1/1	\$ .20		4%
		7/1	\$ .15		
Oneida		1/1	2%		4%
		7/1	2%		
Price			3.5%		3.5%
					+ .27 ATB buyout of changes in health insurance
Vilas	Er.		3.5%		3.5%
	Un.	1/1	3.5%		3.5%
		7/1	about 1.5%		about 3% in wage rate

Note: Iron County did not have a general increase for 1992 and 1993, except that the County lost a grievance arbitration over the calculation of the cost of living which resulted in a substantial increase in 1993. That employer bought out the cost of living clause with a 6% wage increase for 1994 and 5% for 1995. These increases bear less weight.

Similarly, I would also note that the City of Eagle River granted a general increase essentially similar to that proposed by the Employer herein [4% each year 1992, 93, 94 , 95 police unit and city employee unit].

#### Wage Rate Adjustments

The Union bases its argument in favor of unit-wide wage readjustments by comparing the wage rate of every position with positions of similar titles in its expanded list of comparable counties. The use of similar job titles as a method of comparison is very imprecise because there are wide variations in job titles and duties. As noted above, the Union heavily relied upon the use of a broader base of comparison counties than I found appropriate. Appendix C is a comparison of selected positions based upon the Union's data using the counties which I have found comparable. I have also supplemented this data with comparisons to Langlade and Lincoln Counties because they have many common characteristics with Vilas County and there are not enough relevant comparisons in the comparable counties.

The Union's proposed supplemental adjustments vary widely as to the amount of the adjustment. The major adjustments the Union proposed are for four positions; Economic Support Specialist (\$.40), Legal Secretary (\$.37), Secretary I (\$.33), Child Support Specialist (\$.53), and Social Services Aide (\$.45). The increase specified is cents per hour granted once in July of each contract year.

1992 is the year the Union has primarily based its comparisons upon. Based upon these comparisons in the counties I have found comparable, the evidence is insufficient to demonstrate that the Secretary I is underpaid. There is very limited evidence with respect to the Social Services Aide. Based upon the available evidence, it appears that the Union's position tends to be correct. However, the comparisons with respect to Economic Support Specialist, and Legal Secretary are not supported by the comparisons. While some adjustment for the Child Support Specialist may be appropriate, the Union's position appears to be substantially excessive. Thus, among the counties which are reasonably comparable, the evidence is insufficient to justify the major adjustments proposed by the Union.

#### Private Sector Comparisons

The private sector evidence supports the conclusion that further expansion of the comparison group is unwarranted. The Union's position herein relied heavily upon the use of the additional counties specified above. Many of these counties are in the Northwestern part of Wisconsin. A comparison of the results of the Department of Industry, Labor and Human Relations wage surveys for 1992 for relevant benchmark positions in the North West Wisconsin Service Delivery Area (consisting of Douglas, Bayfield, Ashland, Iron, Burnett, Washburn, Sawyer, Price, Rusk and Taylor Counties) and Northeast Wisconsin Service Delivery Area (consisting of Vilas, Oneida, Lincoln, Langlade and Forest Counties) suggests that there is a significant wage differential between wages paid in the two areas with the Northeast paying significantly less in the benchmark classifications. The following is a sample. In many, but not all classifications, the North West significantly leads the North Central.

	North West	North Central
Admin. Ass't.	11.92	11.35
Bookkeeper	8.62	7.96
Clerk Typist	6.90	6.73
Janitor	7.47	8.04
Secretary	7.48	6.94

[all figures are mean wage rate]

Certainly public sector wage rates are not set in a vacuum. The counties which the Union proposed to use might be in areas where



there is a generally higher wage rate. The Employer attempted to make specific comparison between the surveyed wage rate for the North Central area and related unit positions. Those comparisons tend to demonstrate that Vilas County's rates tend to be in line with those in the private sector in the county. In any event, the private sector evidence certainly makes the Union's position herein highly questionable.

After reviewing the Union's proposed adjustments as a whole, the evidence indicates that it is possible that there are some inequities in specific positions, but that most of the adjustments proposed herein are unnecessary or highly excessive. Under these circumstances, the offer of the Employer is appropriate.

#### Remaining Relevant Factors

The other statutory factors also demonstrate that the offer of the Employer is closer to appropriate. The offer of the Employer exceeds that necessary to compensate for changes in the cost of living. The CPI-W, non metropolitan cost of living index rose 3.4% on an annual basis in January, 1993 and 2.3% in January, 1994. When compared to the total package increase of the Employer for each contract year, these figures heavily favor the position of the Employer. Similarly, arbitrators are required to give heavy weight to all of the compensation and benefits received by the employees and the total package of increases offered by the parties. In this regard, this unit enjoys the highest employer contribution to health insurance among the comparable counties. It receives 2 days personal time off which is better than all, but one comparable county.

Based upon the foregoing and the record as a whole, the final offer of the Employer is closest to appropriate when viewed in light of the statutory standards and, therefore, it is adopted.

#### AWARD

That the final offer of the Employer be included in the parties' 1993-4 collective bargaining agreement.

Dated at Milwaukee, Wisconsin, this 10<sup>th</sup> day of June, 1994.

  
Stanley H. Michelstetter II  
Arbitrator



# Wisconsin Council 40

## AFSCME, AFL-CIO

5 ODANA COURT

• MADISON, WISCONSIN 53719

• 608/274-9100

November 30, 1993

Mr. John J. Prentice  
Godfrey & Kahn, S.C.  
605 North Eighth Street  
P.O. Box 1287  
Sheboygan, WI 53082-1287

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WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

PLEASE REPLY TO:  
DAVID OFRIA  
Staff Representative  
2906 West Point Road  
Green Bay, WI 54313-5440

Re: Vilas County Courthouse Negotiations

Dear Mr. Prentice:

I have received your correspondence to Steve Hartmann dated October 25, 1993, regarding the above negotiations. I have taken over for Mr. Hartmann in the Wisconsin Council 40 Northeast District and will be handling the Vilas County negotiations as part of the transition.

Please accept the following Final Offer on behalf of AFSCME Local 474-A:

1. Amend Article XI to include the Personal Days language as provided in item 1 of the County's Final Offer except that the subsection should be "E" rather than "D".
2. Amend Article XII, subsection A, to include the revised vacation table as provided in item 2 of the County's Final Offer.
3. Amend Article XIV to create a new subsection "C" that provides for an IRC Section 125 Plan as provided in item 3 of the County's Final Offer.
4. Amend Article XV, subsection A, to the increased level of longevity payments provided in item 4 of the County's Final Offer.
5. Amend Appendix A to increase wages across the board by 3.5% effective January 1, 1993, and by 3.5% effective January 1, 1994, as provided in item 5 of the County's Final Offer.
6. Amend contract to reflect Tentative Agreements 1 through 15 (including the side letter) as provided in the nine page recitation of tentative agreements that accompanied your October 25, 1993, letter.

7. Increase hourly wage rates by the following amounts for the following positions on the dates indicated:

	July 1, 1993	July 1, 1994
Deputy Clerk of Court	0.29	0.29
Custodian	0.16	0.16
Deputy County Clerk	0.29	0.29
ESS Lead	0.45	0.45
ESS	0.40	0.40
ESS Assistant	0.23	0.23
Legal Secretary	0.37	0.37
Reg. of Deeds	0.29	0.29
Deputy Treasurer	0.29	0.29
SS Aid	0.45	0.45
Child Supp. Spec.	0.53	0.53
Bookkeeper (COA)	0.25	0.25
Admin. Asst.	1.03	1.03
Register in Probate	-0.30	0.30
Secretary I	0.33	0.33
Secretary II	0.25	0.25
Clerk II	0.16	0.16
Term Op.	0.12	0.12

8. Status quo on balance of contract.

I am forwarding a copy of this document to Investigator Edmond Bielarczyk of the Wisconsin Employment Relations Commission. It is the position of AFSCME Local 474-A that the proposed reclassifications in item 7 above are the only differences between the parties' final offers.

Sincerely,

*David Ofria*  
David Ofria  
Staff Representative

Enclosure: Your October 25, 1993 Correspondence (w/ attachments)

cc: Constance Gengle, Local 474-A President  
Carol Olson, Local 474-A Secretary  
Edmond Bielarczyk, WERC

APPENDIX B

FINAL OFFER OF  
VILAS COUNTY  
TO THE  
VILAS COUNTY COURTHOUSE EMPLOYEES  
WISCONSIN COUNCIL 40, LOCAL 474-A

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RELATIONS COMMISSION

1. Article XI (page 9) is amended to create a new subsection D to read as follows:

D. Personal Days: In addition to the above vacation days, each employee will be entitled to two (2) personal days each year. Such personal days are not cumulative from year-to-year and must be scheduled in advance unless due to an emergency.

2. Article XII, subsection A, is amended to read as follows:

Years of Service

1 but less than 2	- 6 days vacation with pay
2 but less than 3	- 8 days vacation with pay
3 but less than 4	- 10 days vacation with pay
4 but less than 5	- 12 days vacation with pay
5 but less than 10	- 14 days vacation with pay
10 but less than 11	- 16 days vacation with pay
11 but less than 15	- 17 days vacation with pay
15 but less than 17	- 19 days vacation with pay
17 but less than 22	- 21 days vacation with pay
22 but less than 23	- 22 days vacation with pay
23 but less than 25	- 25 days vacation with pay
25 or more	- one additional day per year

3. Article XIV (page 11) is amended to create a new subsection C. to read as follows:

C. IRC Section 125 Plan: The County will install an IRC Section 125 Plan.

4. Article XV, subsection A, is amended to read as follows:

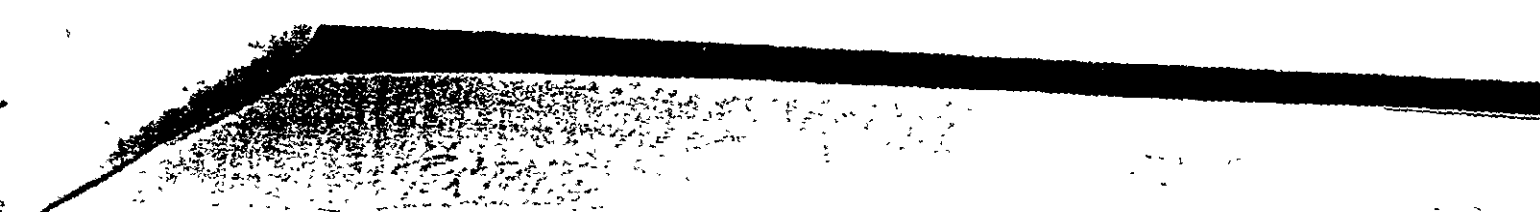
Years of Service

5 but less than 10	- (\$15.00 per month/\$180.00 per year)
10 but less than 15	- (\$22.00 per month/\$264.00 per year)
15 but less than 20	- (\$26.00 per month/\$312.00 per year)
20 but less than 25	- (\$32.00 per month/\$384.00 per year)
25 or more	- (\$38.00 per month/\$456.00 per year)

5. Appendix A is amended as follows:

Effective 1-1-93, 3.5% increase A/T/B  
Effective 1-1-94, 3.5% increase A/T/B

12

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6. All tentative agreements.
  7. Status quo on the balance of the contract.

Dated this \_\_\_\_ day of October, 1993.

VILAS COUNTY

By: John J. Prentice, Esq.

APPENDIX C 1992 WAGE RATE COMPARISON—SELECTED POSITIONS

1992 Rate Comp	Dep. County Clrk	Custodian	Clrk—Typist	Sec. I	Econ. Support Spec
Forrest County	8.34		8.74	7.95 none	8.08
Iron County	higher	higher	higher	none	higher
Oneida	10.80		8.43	8.06	9.80
Price	10.51		7.38	8.33 none	8.05
Vilas County	8.80		8.43	6.64	8.31
Langlade	higher	higher	higher	lower	higher
Lincoln	9.24		7.79	8.12	8.12
	Terminal Oper.	Legal Sec.	Child Spprt Spec.	Soc. Serv. Aide	
Forrest County	8.00	lower	none	none	
Iron County	none	higher	none	none	
Oneida Co.	8.43	none		11.26	9.28
Price Co.	8.74		8.87	9.56 none	
Vilas Co.	8.71		8.80	8.80	8.47
Langlade	lower	same	none	none	
Lincoln Co.	9.06		8.85	8.91	9.26