Municipal Interest Arbitration

of

WISCONSIN PROFESSIONAL POLICE
ASSOCIATION, LAW ENFORCEMENT
RELATIONS DIVISION (WPPA/LEER)

and

CITY OF MENOMONIE
(POLICE DEPARTMENT) Arbitration Award

RE Decision No. 29898-A

WERC Case 86, No. 58376
MIA 2305

ISSUE

The sole issue in this dispute is the wage increase for the year 2000. The Association offer is to increase wage rates by 2% effective January 1, 2000 and by 2% effective July 1, 2000. The City offer is to increase wage rates by 3% effective January 1, 2000.

INTRODUCTION

The Wisconsin Professional Police Association - Law Enforcement Employee Relations Division, hereinafter called WPPA or the Association, petitioned for arbitration under Section 111.77, Wisconsin Statutes for the non supervisory law enforcement personnel of the City of Menomonie, hereinafter called the Employer or the City, on December 29, 1999. A Wisconsin Employment Relations Commission (WERC) staff member, Amedeo Greco, investigated the dispute and advised the WERC on April 28, 2000 that an impasse existed within the meaning of Section 111.77(3) of the Municipal Employment Relations Act (MERA). The WERC issued an order on May 24, 2000 ordering arbitration and furnished the parties with a panel of arbitrators from which they chose the undersigned arbitrator.

The WERC issued an order dated June 14, 2000 appointing this arbitrator to arbitrate the dispute by final offer arbitration pursuant to Section 111.77(4)(b). An arbitration hearing was held in the City of Menomonie, Wisconsin on August 18, 2000 at which the WPPA and the Employer presented evidence in support of their final offers. Appearing for the WPPA was Richard T. Little, Bargaining Consultant accompanied by Gary Gravesen, Business Agent. Appearing for the Employer was John K. Higley, City Attorney, accompanied by Lowell R. Prange, City Administrator. Briefs arguing the merits of their respective final offers were exchanged through the arbitrator about September 25, 2000. No rebuttals were filed.

The final offers of both parties contain a proposal to increase the uniform allowance by $100. Since such increase will prevail under either offer, the arbitrator finds no need to discuss that portion of the final offers.

STATUTORY FACTORS

111.77 (6)(a) & (b) - The parties agree that neither of these factors is relevant as both offers are within the lawful authority of the employer and no stipulations were offered other than the matter was properly before the arbitrator.

111.77 (6)(c) - Both parties recognized that the immediate financial impact of one offer over the over is not significant and is well within the financial ability of the Employer. The Employer argues that the interests and

welfare of the public are best served by its offer and cites the high retention rate and length of service in support of its position. The Association argues that its offer best serves the citizens of the City by maintaining the morale and health of its police officers.

111.77 (6)(d) - The Employer claims that its offer of 3% is favored by comparison with the other jurisdictions which it considers comparable. The Association claims that if the Employer offer is chosen the base wages of the Menomonie law enforcement officers will fall relative to the wages of law enforcement officers in the jurisdictions it considers comparable. The comparables proposed by each party differ.

111.77 (6)(e) - The Employer claims that this factor, changes in the cost of living, favors neither proposal as both exceed the increase in the cost of living in 1999. The Association claims that this factor favors selection of its offer because the increase in the cost of living in 2000 exceeds both proposals.

111.77 (6)(f) - Neither party claims that differences in benefits between the City of Menomonie and various comparables is a major consideration in this dispute. On the whole, both parties seems to believe that Menomonie may be slightly ahead in some benefits and slightly behind in others but that differences in benefits do not provide sufficient reason to choose one wage offer over the other.

111.77 (6)(g)&(h) - The Association claims that neither factor (changes in the foregoing circumstances during the pendency of the arbitration proceedings and other factors normally or traditionally taken into account) is relevant. The Employer mentions three statistics - pay among communities with a University of Wisconsin campus, violent and property crime rates, and shift differential.

DISCUSSION

It is important to keep in mind that this dispute is not one dealing with the entire contract. It arose in the context of a three year agreement open in the third year only on the question of the increase in wage rates and uniform allowance (See p. 13 & 14 of the 1998-2000 Collective Bargaining Agreement.) In this situation, the focus must be on the fairness of each wage offer compared to the wage increases granted in comparable jurisdictions and on the wage rates that will prevail under each offer compared to wage rates in comparable jurisdictions. Furthermore, as noted in the discussion of the statutory factors, both parties directed their attention to wage rate changes and levels, factor 111.77(6)(d) in the belief that this factor should be controlling in this dispute. The arbitrator agrees with the parties and turns now to which offer is preferable under this factor.

The Choice of Comparables: The arbitrator selects as primary comparables the cities selected by both parties: Eau Claire, Chippewa Falls and Rice Lake. Unfortunately, the only one of these three jurisdictions which has determined its wage increase for 2000 is Chippewa Falls. One comparison is insufficient for determining which increase is to be selected on the basis of comparability. Therefore, in this instance, for the purpose of comparing increases in wage rates, but not in levels of wage rates the arbitrator expands the pool of comparables to include the counties of Dunn, Chippewa and Eau Claire and the cities of Hudson and River Falls.

It should be noted that the wage levels of county law enforcement officers in the three counties are considerably lower than the wage levels of city law enforcement officers in the major cities in those counties, reflecting a pattern under which county deputies in many Wisconsin counties receive less pay than their counterparts in the larger cities in the county. Also, as pointed out by the Employer in its brief, the cities of Hudson and River Falls are considered to be in the Minneapolis/St. Paul metropolitan area where wages run higher than in less heavily populated areas. therefore, this arbitrator believes that it would be improper to include these jurisdictions when comparing wage levels.

However, these five jurisdictions have been added to the primary group of comparables only for the purpose of determining what has been the going wage increase in the area.

The arbitrator does not believe that Altoona should be included in the arbitrable pool for two reasons. First of all, its population is smaller than the population of any of the other primary comparables and is only about half the size of Menomonie. Second, it is in the shadow of Eau Claire, the major city in the region with a population several times larger than any of the other cities mentioned. Clearly, Eau Claire is a major player in the labor market and can be viewed also as a proxy for Altoona.

The arbitrator notes that this is the first dispute in which the City of Menomonie has been involved in contract arbitration and wishes to stress that the comparables selected in this dispute involving a mid contract wage increase for law enforcement officers should not be viewed in any way as pattern setting. Neither party to this dispute saw fit to advance the detailed arguments usually put forward favoring one or another set of comparables. Also, as indicated above, insufficient data were available for the three comparables that both parties selected and which the arbitrator has designated as primary comparables. It is under those circumstances that the arbitrator selected the arbitrable pool.

Wage Rate Increases: The Chippewa settlement, the only 2000 wage settlement of the primary comparables available at the time of the hearing in this dispute, was for 3%, the figure proposed by the Employer rather than the two step increase of 2% for six months plus a second 2% for the next six months. On these slim grounds, the Employer offer is preferable. When the other comparables are added to the pool, we find that Dunn County and Chippewa County also have agreed upon 3% increases for the year 2000. From Association exhibits 30 and 31, the arbitrator calculated that the increase for 2000 at River Falls and Hudson were 3% and 2.765 % respectively. (If one assumes that there may have been a typo and that the Hudson wage rate for 2000 was $20.12 rather than the $20.07 shown on Association Exhibit 31, the wage increase for 2000 would have been 3%.)

From Association Exhibits 29, 30 and 31, the arbitrator deduced that the WPPA and the City of Eau Claire are in arbitration and that the WPPA final offer for '99 and for 2000 provides for split increases of 2% each six months, the same pattern as the Association proposes in this dispute for 2000. From Association Exhibits 33 and 34, the arbitrator deduces that the employer in that dispute is offering an increase that lifts wage levels by 3% from 12/31/99 to 12/31/00, the same as the Employer in this dispute is proposing.

From these same Association exhibits (30, 31, 33 and 34), the arbitrator calculated that the Association offer in the Rice Lake arbitration involves two step increases raising the top patrol salary by 4% between 12/31/99 and 12/31/00 while the employer offer raises the salary for the same period by 3%.

Unfortunately, the Eau Claire and Rice Lake proposed wage increases can not be used as comparables since the results of the arbitrations in those jurisdictions are still unknown. Absent settlements in Eau Claire and Rice Lake, the Employer offer of 3% seems more reflective of the wage increase pattern than the two step 2% increases proposed by the Association.

Wage Levels The conventional reason for two two-percent step increases six months apart rather than a three percent increase at the start of the year is to increase the wage structure by four percent at a cost of only three percent in the initial year. The justification for this approach is usually that the wage structure in question is lower than its comparables and that this enables a jurisdiction to catch up without incurring the full cost of the catch-up initially. The arbitrator therefore turned to a comparison of wage levels of the three primary comparable cities with Menomonie. In 1998, the last year for which there are settlements in all three of those cities, Association Exhibit 29

shows that the average wage of the top patrol in Eau Claire, Chippewa Falls and Rice Lake was $17.19 compared to $18.34 in Menomonie. This suggests that the Menomonie structure did not lag behind the structure of the comparables and that a two step increase was not justified.

The arbitrator performed the same calculation for 1999 using Association Exhibits 30 and 33. Since the 1999 Eau Claire rate is still before an arbitrator, this arbitrator calculated the average of the comparables twice, once assuming that the Association prevailed in the Eau Claire arbitration and once assuming that the arbitrator selected the employer offer. If the Association prevails in Eau Claire, Menomonie will still be ahead of the three comparables by $1.09 ($17.80 vs $18.89). If the employer prevails in Eau Claire, Menomonie will still be ahead of the three comparables by $1.15.

As a check, the arbitrator used Employer Exhibit 1 to compare the 1999 Menomonie structure with that of the comparables. Using the 4-7 years experience line, the arbitrator found that the Menomonie figure of $19.09 exceeded the $17.61 average of the three primary comparables by $1.48. The arbitrator recognizes that the Association believes the proper 1999 Menomonie salary figure to use in the comparisons is $18.89. Even so, the comparison still shows that the Menomonie wage structure does not lag behind those of the primary comparables selected by the arbitrator for use in this dispute.

Conclusion The arbitrator believes that on the basis of the comparisons in wage levels and wage increases that a three percent wage increase is preferable to a two step two percent increase.

AWARD

After full consideration of the statutory criteria, and in particular, Section 111.77(6)(d), and the exhibits and arguments of the Employer and the Association, the arbitrator selects the final offer of the Employer and orders that it be implemented.

_____

October 9, 2000
James L. Stern

Arbitrator