IN THE MATTER OF ARBITRATION)	
BETWEEN:)	
RACINE COUNTY)))	ECISION AND AWARD
And)	WERC CASE NO. 190 NO. 58849
RACINE COUNTY DEPUTY SHERIFFS' ASSOCIATION)) D	MIA-2329 ecision No. 29968-A

I. Appearances

For The County

Bill Halsey - Spokesperson & Attorney Bill McReynolds - Sheriff Bill Gabbey - Chief Deputy Ken Adams - Director of Human Resources

For The Association
Rob Weber - Spokesperson & Attorney
Dennis Wises - Consultant
Brian Gronde - Deputy
Jim Aiello - Deputy
Mick Kadamian - Deputy

II. Jurisdiction

This case was submitted to interest arbitration pursuant to Section 111.77(5) of the Municipal Employment Relations Act (MERA).

The arbitration hearing was held in Racine, Wisconsin, during which Racine County (County), and the Racine County Deputy Sheriffs' Association (Association) were provided full opportunity to present written evidence and testimony. The hearing was tape-recorded by the arbitrator, and the parties filed post-hearing briefs.

III. Exhibits

County exhibits 1 through 15, and Association exhibits A through I were received as evidence.

IV. Issue

Pursuant to Section 111.77(4)b of the MERA, the following are the parties' final offers:

ASSOCIATION FINAL OFFER

1. <u>Duration</u>

- This Agreement shall become effective on January 1, 2000 and shall remain in effect through December 31, 2001 and shall continue in effect from year to year thereafter unless either party gives written notice to the other party indicating a desire to terminate or amend the Agreement. Such written notice shall be given no later than August 1 prior to said expiration date or any annual anniversary thereof. Such a time period can be extended by mutual agreement of the parties.
- Maintain status quo for all language and benefits (except those provisions that contain sunset clauses), not otherwise referenced in this final offer.

3. Wage Rates: Schedule A

- a) An across-the board increase of 3% retroactive to January 1, 2000; An across-the board increase of 3% on January 1, 2001.
- b) An additional increase of \$75.00 per month at the top step (Step 10) for deputies and investigators, retroactive to January 1, 2000.

COUNTY FINAL OFFER

1. <u>Article 32.01 Duration</u>

This agreement shall become effective on January 1, 2000 and shall remain in effect through December 31, 2001 and shall continue in effect from year to year unless either party gives written notice to the other party indicating a desire to terminate or amend the Agreement. Such written notice shall be given no later than August

1 prior to said expiration date or any annual anniversary thereof. Such a time period can be extended by mutual agreement of the parties.

- Maintain status quo for all language and benefits (except those provisions that contain sunset clauses), not otherwise referenced in this final offer.
- 3. Wage Rates: Schedule A
 - a) An across-the-board increase of 2.5% retroactive to January 1,2000;
 - b) An across-the-board increase of 3% effective January 1, 2001.

V. Relevant MERA Provisions

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111.77 Settlement of disputes in collective bargaining units composed of law enforcement personnel . . . In . . . county law enforcement agencies municipal employers and employes have the duty to bargain collectively in good faith including the duty to refrain from strikes or lockouts and to comply with the procedures set forth below:

* * *

111.77(4)(b) The arbitrator shall select the final offer of one of the parties and shall issue an award incorporating that offer without modification.

* * *

- (6) In reaching a decision the arbitrator shall give weight to the following factors:
 - a. The lawful authority of the 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 those costs.
 - d. Comparison of the wages, hours and conditions of employment of the employes involved in the arbitration proceeding with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally:
 - 1. In public employment in comparable communities
 - 2. In private employment in comparable communities

- e. The average consumer prices for goods and services, commonly known as the cost of living.
- f. The overall compensation presently received by the 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.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

VI. Background And Facts

Racine County is a municipal corporation located in Racine, Wisconsin. The Racine County Deputy Sheriffs' Association represents 167 deputy sheriffs.

The County and Association agree that an appropriate comparability group for Racine County deputy sheriffs are the law enforcement personnel in the following counties: Brown, Kenosha, Outagamie, Rock, Waukesha, Winnebago, and Dane. These counties are referred to as the external comparability group.

Final Offer Costs

The Association's final two-year wage offer costs \$481,648.

Racine County's final two-year wage offer costs \$373,030. The Association's final offer, therefore, costs \$108,618 more than the County's offer.

Bargaining History

Between 1994 and 1999, the deputy sheriff across-the-board (ACB) wage increases averaged 3.08%, and during that period, the annual Consumer Price Index (CPI) averaged 2.4%. At the time of the instant arbitration hearing, the CPI was 3.4%.

Between 1994 and 1999, Racine County deputy sheriffs ranked first within the external comparability group with respect to hourly rates of pay at the top of the group's salary schedules. Also, between 1994 and 1999, the average ACB wage increase, including Racine County within the external comparability group, was 3.1% at the top of the respective group's salary schedules. During that same period, the total ACB wage increases at the top of the salary schedules, within the group, averaged 16.8%, compared to 15.9% for Racine County officers.

For the 1998-1999 contract year, the Association and other organized County employees agreed to a 2.5% ACB wage increase. The County granted the same 2.5% ACB wage increase to its unorganized personnel during 1998-99.

For 2000, other organized County personnel have agreed to a 2.5% ACB wage increase, and a 3% ACB increase for 2001. However, for nurse aides employed at the County nursing home, AFSCME, Local 310, negotiated a 2% ACB wage increase effective October 1, 1999; a 2.5% ACB effective November 1, 2000; and a 3% ACB for 2001. The County has granted a 2.5% ACB wage increase to its unorganized personnel for 2000.

Wage Comparisons

Relevant salary information regarding the external comparability group for 2000 is limited to Kenosha, Outagamie, Waukesha, and Winnebago. Salary information for the external group for 2001 is further limited to Outagamie and Waukesha. Therefore, the following averages are based on these limitations for 2000 and 2001.

For 1999, the minimum and maximum annual salaries for Racine County deputy sheriffs was \$29,868 and \$43,884, respectively.

For 1999, within the external comparability group, the average minimum annual salary was \$29,673, and the maximum average annual salary was \$38,820.

For 1999, on average, investigators in the external comparability group were paid 7% more than other deputies, at the top of the salary schedules, compared to the 5% paid in Racine County. This percentage reflects an hourly rate average, within the comparability group, of \$1.33 more than the top deputies, as compared to \$1.07 per hour in Racine County. The Association's final wage offer to add \$75 per month to the top of the current Step 10 of the salary schedule would result in 59 County deputies and 21 investigators at the top of the salary schedule being paid 7% more than the current top step of the salary schedule.

For 2000, the Association's final wage offer increases the minimum annual deputy sheriff's salary to \$30,764, and increases the maximum to \$46,100. For 2001, the Association's final offer increases the minimum to \$31,687, and increases the maximum to \$47,456.

For 2000, the County's final wage offer increases the minimum to \$30,615, and increases the maximum to \$44,981. For 2001, the County's offer increases the minimum to \$31,533, and increases the maximum to \$46,330.

For 2000, the average minimum annual salary, in the external comparability group was \$30,160, and the average maximum annual salary, within the group, was \$41,171. For 2001, the average minimum annual salary in the external comparability group is \$31,315, and the average maximum annual salary, within the group, is \$42,617.

Longevity Wage Comparisons

For 2000, Racine County longevity pay is calculated using a percentage of base pay beginning with five (5) years of seniority.

Kenosha, Outagamie, and Rock county deputy sheriffs do not receive longevity pay. Longevity compensation within the remaining external comparability group in 2000 varied according to: seniority; a percentage added to base pay; "flat-dollar" monthly payments; and cents-per hour.

Holiday Comparisons

In 2000, Racine County deputy sheriffs had ten "regular" holidays, and one (1) "floating" holiday, compared to the average "regular" and "floating" holidays in the external comparability group of nine (9) and 2.6, respectively.

Vacation Comparisons

In 2000, Racine County deputy sheriffs, like deputy sheriffs in the external comparability group, earn vacation based on years

of service. Racine County deputies earn ten days vacation in the first year of service, and this accrual increases to 25 days in the 30th year. Within the external comparability group for 2000, the average was nine (9) days in the first year, and the average 30th year was 25 days.

Education Pay Comparisons

In 2000, Racine, Brown, Dane, Kenosha, and Winnebago county deputy sheriffs received additional compensation for educational achievement for either completing course work or obtaining a degree. Outagamie, Rock, and Waukesha counties do not provide compensation for additional education.

Health Insurance Comparisons

In 2000, Racine County contributed 90% towards single and family health insurance premiums, compared to an average of 94% in Brown, Kenosha, Rock, and Waukesha counties. Dane County pays a fixed dollar amount each month, and Outagamie and Winnebago counties pay "105% of lowest cost premium."

VII. Position Of The Association

The Association contends that its final wage offer is more reasonable than the County's final wage offer.

The Association argues: (1) "The cost difference between (the respective wage proposals) is so minimal that Racine County has already made up the difference by virtue of its retention of interest over the one-plus year it has not had to pay out the salary increases;" (2) Effective January 1, 2000, the Wisconsin

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¹ Association brief, p. 3.

Employe Trust Funds Board "lowered its mandatory contribution rates for the term of this contract, which resulted in a savings windfall of \$240,411 in 2000 and \$23,449 in 2001, as compared to 1999;"² (3) The external comparisons between Racine County deputies with other deputies in the comparability group, and not internal comparison with an other County employees, appropriate because "(t)he fact that other internal units settled early for a pay increase that has proven to be far below the dramatic and unanticipated rise in the cost of living should not result in a penalty to the (deputies) which chose the option of arbitration; "3 (4) The County can afford the Association's final wage offer without reducing or eliminating services, borrowing money, or raising taxes; (5) As of October, 2000, the cost-ofliving was at least 3.4%; (6) Based on deputy sheriff settlements in the external comparability group for 2000-2001, "(n) one of the comparable counties have settled (or arbitrated) percentage increase equal to or lower than those offered by Racine County; 4 (7) "(A) Ithough Racine's wages will be above that of its settled comparables under the terms of either final offer, (the County) has established itself number one among its comparables through a long history of voluntary and arbitrated collective bargaining agreements;" (8) Since 1994, wage settlements between the County and Association have, generally, increased deputy wages either consistent with or better than cost-of-living; (9) Although Racine County deputies receive higher longevity payments, they

 $[\]overline{\underline{Id}}$., p. 4. County exhibit 11.

contribute more toward health insurance premiums than other deputies in the comparability group, except Waukesha County; and (10) "Only a limited number of deputies will get the \$75 wage adjustment, " which the County can readily afford.

It is the Association's position, therefore, that both the Association and County's final wage offers". . . will fall well below projected cost of living increase(s) but that Association's offer more fairly compensates the emplovees" because the Association's final offer is appropriately based on external comparability, and not the internal comparisons urged by the County.

VIII. Position Of The County

The County contends that its final wage offer is more reasonable than the Association's wage offer.

The County argues: (1) "The interest and welfare of the public will be best served by . . . the County's final offer" because the Association's offer is more than the County's final offer; (2) Even under the County's final wage offer deputies will continue to be the highest paid within the external comparability group; (3) "No rationale has been offered as to why the extra \$75 per month. . . (for) nearly 50% of the bargaining unit is reasonable; "9 (4) Since the deputies are "at or near the top in all areas of compensation and benefits" within the external comparability group, the Association's final offer "will go

<u>Id</u>., p. 8.

Association brief, p. 12.

<u>Id</u>., p. 13. County brief, p. 4.

<u>Id</u>., p. 5.

further ahead of the external comparables in terms of total wage packages;" (5) The negotiated higher wage increases for nurse aides represented by AFSCME, Local 310, as compared to the negotiated wage increases for other County employees, is funded by additional money provided by the State of Wisconsin to assist in recruiting and retaining nurse aides. Otherwise, the County's "offer is consistent with the settlements with the other unions representing Racine County employees; "11 (6) The Association has "no rationale . . . to justify" its cost-of-living estimate; (7) There is "no reason for the extra wage increases sought by the Association" because "the package of benefits provided to the Deputy Sheriffs' Association is superior to those received by all comparable employee bargaining units;"13 (8) Since the County's contribution towards the Wisconsin Retirement System (WRS) varies from year to year, the Association's final offer does not take into consideration a wage reduction if, in the future, the WRS contribution increases; and (9) "All County (WRS) contributions have gone down in the period of 1999-2001 however (n)o other bargaining unit was given this benefit and the Association should not be treated differently on this basis." 14

It is the County's position, therefore, that, "(g) iven the undisputed fact that the Association members are and will

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<u>Id</u>.

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¹² <u>Id</u>., p. 6

 $[\]frac{14}{10}$., p. 7.

continue to be the highest paid group of Deputy Sheriffs under the County proposal there is no basis to justify" the Association's 7.1% two (2) year final wage offer, compared to the County's 5.6% increase.

IX. Discussion And Conclusions

The issue in this case is whether the Association or County's final two-year wage offer is more reasonable.

The wage offers are identical except the Association's offer includes a 3% across-the-board retroactive wage increase to January 1, 2000, whereas the County's offer contains a 2.5% ACB wage increase retroactive to January 1, 2000. The Association's final wage offer also includes a \$75 per month increase at Step 10 for 59 deputies and 21 investigators, also retroactive to January 1, 2000.

The County and Association's final wage offers will be considered, given the statutory factors contained in Section 111.77(6)(a) through (h) of the MERA.

<u>Section 6(a)</u> - <u>The lawful authority of the employer</u>

The County and Association agree that this is not a relevant factor because the County does not contend that it does not have the legal authority to implement either the County or Association's final two (2) year wage offer.

<u>Section 6(b)</u> - <u>Stipulations of the parties</u>

Other than the parties' agreement on an external comparability group, there are no other stipulations.

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¹⁵ County brief, p. 8.

Section 6(c) - The interests and welfare of the public and the financial ability of the unit of government to meet those costs

The "interests and welfare of the public" will not be affected by awarding either the Association or County's final wage offer. Public interests and welfare include such considerations as maintaining current law enforcement services and tax rates. No evidence was presented that either the Association or County's final two-year wage offer would affect current levels of law enforcement services or the existing taxes paid by the public. Moreover, there is no evidence indicating that the County does not have the ability to pay the wage increases contained in either the County or Association's final offer.

Section 6(d) - Comparisons of the wages, hours and conditions of employment of the employes involved in the arbitration proceeding with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally

- 1. <u>In public employment in comparable communities</u>
- 2. <u>In private employment in comparable communities</u>

No evidence was presented comparing Racine County deputy sheriff wages, hours, and conditions of employment with either comparable private employment law enforcement personnel or with private employment, in general.

With respect to "other employees," the evidence establishes that the County's final two-year wage offer is consistent with the 2.5% across-the-board wage increase for 2000, and the 3% ACB for 2001, negotiated between the County and other labor organizations representing County personnel.

The bargaining relationship, and resulting collective bargaining agreement between the County and other labor organizations is unique, since those agreements reflect the "give and take" of separate negotiations, as well as the different job classifications represented by each labor organization. The resulting across-the-board wage increases which were the result of those contract negotiations for 2000 have clearly established a trend that a 2.5% ACB wage increase for 2000 was an acceptable wage increase for other organized County personnel. Therefore, to vary from this trend, the Association must demonstrate, based upon its wage relationship within the external comparability group, that the 2000 ACB County wage trend is not applicable to County deputy sheriffs.

do not consider the AFSCME, Local 310, negotiated agreement for nurse aides a relevant consideration under Section the higher across-the-board wage negotiated for nurse aides was the direct result of additional funding provided by the State of Wisconsin to assist recruiting and retaining nurse aides. No similar funding source is available to supplement additional pay for deputy sheriffs. Moreover, the lower County contribution to the Wisconsin Employe Fund does not represent a similar funding specifically intended to increase deputy sheriff salaries.

I, also, do not consider relevant the fact that the County granted its unorganized personnel the same 2.5% ACB wage increase it offers, for 2000, to the Association. What unorganized County personnel receive as annual wage increases is not relevant, in

this case, because the County unilaterally grants unorganized personnel wage adjustments which are not subject to either contract negotiations or the statutory factors contained in Section 111.77(6)(a) through (h) of the MERA.

The evidence clearly establishes that, as of 1999, Racine County deputy sheriffs were paid more than the average minimum and maximum annual salaries, within the external comparability group. The evidence further establishes that Racine County deputy sheriffs will receive the highest minimum and maximum annual salaries for 2000 and 2001, within the external comparability group, under either the Association or County's final wage offer.

In 1999, Racine County deputy sheriffs were paid \$195 more than the average minimum annual salary, within the external comparability group, and \$5,064 more than the average maximum annual salary. For 2000, the Association's final wage offer pays deputy sheriffs \$604 more than the average minimum annual salary within the external comparability group, and \$4,929 more than the average maximum annual salary. For 2000, the County's final wage offer pays deputy sheriffs \$455 more than the average minimum annual salary within the comparability group, and \$3,810 more than the average maximum annual salary.

For 2001, the Association's final wage offer pays deputy sheriffs \$372 more than the average minimum salary within the comparability group and \$4,839 more than the maximum annual salary; whereas, the County's final offer pays deputy sheriffs \$218 more than the average minimum and \$3,713 more than the

average maximum. Adding the \$75 per month for 59 County deputies and 21 investigators at Step 10 of the salary schedule means that this 48% of the bargaining unit will receive \$5,739 annually more than the average maximum salary within the comparability group.

This evidence clearly establishes that, with respect to wage comparisons within the external comparability group, during 2001, the Association's final wage offer more reasonably maintains the historical and financial relationship between Racine County deputy sheriffs and other county law enforcement personnel in the external comparability group. The \$5,739 difference, for 2001, at the maximum under the Association's proposal for 48% of the bargaining unit more closely approximates the \$6,025 difference, in 1999, within the comparability group as compared to the County's 2001 offer of a \$3,713 difference at the maximum.

<u>Section 6(e)</u> - <u>The average consumer prices for goods and services commonly know as the cost of living</u>

The Association's 3% across-the-board wage increase for 2000 is consistent with the 3.4% consumer price index. Moreover, the evidence establishes that, since 1994, Racine County deputy sheriff's across-the-board wage increases averaged 3.08%, compared to a 2.4% average annual Consumer Price Index. This historical relationship between wage increases and the average costs of consumer prices also establishes the Association's final wage offer as being more reasonable.

Section 6(f) - The overall compensation presently received by the 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

The evidence clearly establishes that, with some but not significant differences, Racine County deputy sheriffs are comparable to the external comparability group with respect to longevity pay, holidays, vacation, education pay, and the employers' contribution towards employee health insurance premiums. These similarities in benefits, therefore, do not significantly affect the reasonableness of either the Association or County's final offer.

Section 6(g) - Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings

The County and Association agree that this is not a relevant factor in this case.

Section 6(h) - Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties in the public or in private employment

The County and Association's arguments and evidence to support their respective final two-year wage offers rely on Section 6(a) through (h), and do not raise additional considerations found in Section 6(h).

Summary

The Association's final two-year offer is more reasonable because it more closely maintains the historical wage relationship between Racine County deputy sheriffs and other county law enforcement personnel within the external comparability group, particularly at the top of the salary schedule where approximately one-half of the County deputy sheriffs are placed, and because it more closely maintains the

financial relationship between across-the-board wage increases and the average costs of consumer prices. Although other County labor organizations have settled for a 2.5% across-the-board wage increase which is consistent with the County's final wage offer, the evidence establishes that a 2.5% wage increase would significantly affect the wage relationship between County deputy sheriffs and other law enforcement personnel in the external comparability group. There is no evidence suggesting that the 2.5% ACB negotiated between the County and other labor organizations for 2001 would have a similar wage affect on other organized County employees as it would in this case.

X. Award

The Association's final offer is awarded.

Dated at Des Moines, Iowa, this 12th day of June, 2001.

James A. McClimon
Arbitrator