

BEFORE THE ARBITRATOR

In the Matter of the Petition of

GENERAL TEAMSTERS UNION
LOCAL NO.662

For Final and Binding Arbitration
Involving Law Enforcement
Personnel in the Employ of

Case 200
No. 58344 MIA-2302
Decision No. 30152-A

EAU CLAIRE COUNTY
(SHERIFF'S DEPARTMENT)

Appearances:

Previant, Goldberg, Uelmen, Gratz, Miller & Brueggeman, S.C., Attorneys at Law, by Naomi E. Soldon and Jill M. Hartley, appearing on behalf of the Union.

Keith R. Zehms, Corporation Counsel, appearing on behalf of the Employer.

INTEREST ARBITRATION AWARD

General Teamsters Union, Local 662, affiliated with the International Brotherhood of Teamsters, AFL-CIO, (herein "Union") having filed a petition to initiate interest arbitration pursuant to Section 111.77, Wis. Stats., with the Wisconsin Employment Relations Commission (herein "WERC"), with respect to an impasse between it and Eau Claire County (Sheriff's Department) (herein "Employer") with respect to a collective bargaining agreement for the period January 1, 2000, to December 31, 2001; and the WERC having appointed the Undersigned as the arbitrator to hear and decide the dispute specified below by an order dated July 2, 2001, and the Undersigned having held a hearing in Eau Claire, Wisconsin, on October 25, 2001; and each party having filed post-hearing briefs, the last of which was received December 19, 2001, and briefing having closed on December 31, 2001.

ISSUES

The parties's final offers form the issues in dispute.¹ I summarize them as follows:

¹The parties stipulation of tentative agreements originally called for a three year agreement covering calendar 2000 to 2002, inclusive. The parties' final offers were for a two year agreement, calendar 2000 and 2001.

WAGES: The Union proposes to increase the parties' previous wage schedule, (which is attached hereto and marked "Appendix A") on January 1, 2000, by \$.35 per hour and increase the rates thus amended by 3%. It proposes to increase the wage rates on January 1, 2001, by \$.15 per hour and increase the rates thus amended by 3%. The Employer proposes that on January 1, 2000, to increase the wage rates by \$.10 per hour and increase the rates thus amended by 3%. It proposes that on January 1, 2001, to increase wage rates by 3%.

POSITIONS OF THE PARTIES

The Union asserts that the wages of unit employees are substantially behind the average of those of employees performing similar services in the counties the parties have agreed are comparable. Those counties are; Manitowoc, Marathon, Fond du Lac, La Crosse, Dunn and Chippewa. The wage rates for both patrol and detective/investigator ranked fifth out of seven in 1999. Only Dunn and Chippewa were lower. However, those counties are much smaller and one would expect their wages to be lower. It notes that Fond du Lac is very close in size and equalized value, but it pays its patrol officers almost \$1.33 per hour more. It argues that this disparity is even more dramatically illustrated by Manitowoc County which is smaller, yet pays \$2.08 per hour more to its patrol officers. The Union argues that these serious discrepancies warrant the adoption of the Union's wage proposal. Even with the Union's proposal, the relative ranking of this unit will not change. The Employer's offer does nothing to close the gap between the employees' wages here and those in comparable counties.

In its view, arbitrators often look to bring wages closer to the average of a comparison group. The Union argues that its offer will bring unit wages closer to the average than the Employer's. It argues that the Employer's offer does nothing to bring the unit closer to the average.

The Union denies that the Employer has shown that the total compensation criterion supports the Employer's position. The stipulation of tentative agreements for the agreement between these parties calls for the Employer to contribute 100% of the HMO plan, while it will pay only 95% of the point-of-service plan. Employer's exhibit 13, which adjusts the final offers to reflect the comparable counties' average employee health and dental contribution, fails to take into account that employees in this unit who elect point-of-service coverage will be paying 5% of the premium. Accordingly, the Employer's argument on this point should be discredited. However, even if the Employer's adjusted wage figures in its exhibit 13 are considered, the Union's final offer does not change the relative ranking of Eau Claire County except as to La Crosse County. Based upon the lack of change in relative ranking when adjusted for other employees' insurance contributions and the tentative agreement providing for 5% employee contribution for the point-of-service plan, the Union argues that there is no merit to the Employer's attempt to justify its offer on the basis of insurance costs.

In any event, the Union asserts that the Employer incorrectly applied the total compensation criterion. Specifically, it excluded facts such as Manitowoc's contribution of \$150 to \$200 to employee health care reimbursement accounts. Further, Manitowoc County sheriff's deputies

receive a \$40 per month shift differential for work during certain hours. Eau Claire County does not provide those benefits.

The Union notes that the parties' tentative agreement on health insurance provided a significant cost saving to the Employer. The aggregate maximum cost to the Employer for insurance premiums during the year 2000, was \$19,386.64. After March 1, 2001, the aggregate maximum monthly health insurance cost for the Employer was \$16,525.78. Thus, the Employer saved at least \$2,095 per month (including dental insurance).

The Union argues that the cost difference between the parties' two offers is too small to make it difficult or impossible for the Employer to meet the Union's offer. The cost difference between the parties is \$43,770. This difference would not put a burden on the Employer and/or its tax levy. In any event, an increase in property tax is not the only way to fund the difference between offers. The Employer could obtain additional state revenues, but has not yet chosen to do so. The Employer could also reduce its budget by reducing services or making various departments more efficient.

Next, the union argues that the settlements within the sheriff's department support its position. In 2000, the average wage increase in the civilian unit was 6.875%. There were concessions in that unit requiring employees to pay 5% toward the HMO health insurance premium if it exceeded the standard plan's monthly premium. In 2001, the civilian unit received a 3% increase. Similarly, the supervisory unit received 23% to 6.7% in 2000. It received 3% increase for 2001. The Union's final offer here totals 8.9% (combining both years) which is less than either of the others.

Finally, the Union argues that the cost of living criterion supports its position. The Union notes that its offer raises employees' wage rates by \$5.03% in 2000 and 3.87% in 2001. The Employer's raises them by 3.55% and 3.0% respectively. In 2000, the average increase for the national CPI-U rose 3.5% and in 2001, it rose 3.4%. Similarly, the Minnesota/Wisconsin CPI-U rose 4.2% in 2000 and 4.3% in 2001. The Union's offer is closer to these indexes. The Union concludes that its offer is more reasonable.

The Employer takes the position that its offer is more reasonable. It argues that the Union's offer is a departure from the internal settlements. The Employer argued that from 1996 to 1999, all bargaining units received a 3.0% wage increase, except the Teamsters unit at the airport in 1997. That adjustment was 3% and 1% mid-year and was made in order to keep the wage rates there sufficient to attract employees. The Employer asserts that arbitrators have heavily relied upon a pattern of internal settlements when the parties have historically done so. Arbitrators have required substantial justification for deviation from an established pattern. The Employer concedes that it did not follow the pattern with the supervisory and civilian sheriff's department units. However, it argues these deviations were justified by the need to keep wage rates competitive in the civilian unit and to be able to attract suitable employees. Attracting and retaining suitable employees is not a problem in this unit. The adjustment to supervisory rates was for the purpose of keeping an adequate difference between those rates and the deputies bargaining unit's rates in order to attract deputies to seek promotion to supervisory positions.

Next, the Employer argues that its offer is consistent with external settlements. The Employer's offer for 2000, (which is 3.55%) exceeds all six of the external comparables, with only Marathon County granting more than 3.0%. It granted 3.2%. In 2001, only Fond du Lac County and La Crosse County granted larger increases. Fond du Lac granted an increase of 2.0% on January 1, and 2.0% on July 1. La Crosse County granted an increase of 3.5%. La Crosse's offer was a buy out on health insurance issues. The Union's offer is substantially in excess of these general increases. In fact, the two comparables which represent the local labor market, Chippewa and Dunn Counties, each granted an increase of 3.0% in both years.

The County notes that while it agrees upon the external comparison group, it does not agree that the wage rates specified among all of the counties are necessarily closely comparable to Eau Claire County. It argues the comparables, other than Dunn and Chippewa counties, are not in the Eau Claire labor market. Eau Claire itself has a much lower than average annual pay for its urban area than the urban area represented by the other counties. Accordingly, it argues that the Union has failed to demonstrate why it should get an increase in excess of the established patterns. It notes that its offer retains the differential between the wage rates here and those in the comparable counties. The Employer reiterates that this unit has not experienced any serious recruitment or retention problems.

The Employer argues that its offer is supported by the cost of living criterion or, at least, that criterion does not support adopting the Union's offer. It argues that many arbitrators have adopted the view that the inflation criterion is best measured by other voluntary settlements under similar conditions. Under that theory, the Employer argues its offer is supported by this criterion. It also argues that even using the cost of living from Union exhibits, the cost of living in the Minneapolis-St. Paul, Wisconsin region CPI-U, for 1999 rose in the range 2.2% to 3.2%. In 2000, it dropped significantly between June, 2001, and September, 2001. It, therefore, argues that reliance upon the first half of 2000 for those figures, is misplaced. In any event, the Employer argues the indexes used do not fairly represent Eau Claire and, alternatively, the indexes should not be relied upon since the use of the cost of living was not discussed in bargaining. Additionally, the health insurance increase figures used for bargaining are conservative.

The Employer next argues that its offer is more in the interest and welfare of the public. The Union has not shown that the non supervisory unit is underpaid. It further argues that the costs of the Union's offer would increase property taxes or cause a reduction in services. Eau Claire County has received annual decreases in state shared revenue or a total of about 1.1 million dollars since 1996. The Employer was forced to impose a county sales tax to avoid exceeding the state imposed levy cap rate. The total county tax burden to Eau Claire County residents increased from \$12,148,210 in 1996, to a proposed burden of \$20,153,390 in 2002, or 66% increase. The Employer will again reach the state imposed levy limit in three years. In addition delinquent taxes are increasing which the Employer must pay in full to the underlying taxing jurisdictions, while at the same time funding the \$200,000 gap between 2000 and 2001. Delinquent taxes are projected to continue to grow in 2002. It argues that although the Union may try to assert that increased equalized value mitigates against the tax levy problem, the increase in value results in a loss in state

shared revenue in addition to the fact that the increase in equalized value does not generate enough new revenue to match up with the amount of expenditure increases in a given year. Taxpayers have had to make up the reductions in state shared revenue and reductions in funding from other sources. Further, health insurance costs in this unit will rise by 45% in 2002, due to premium cost increases, adding \$98,000 to that which the county taxpayers will have to bear.

The cost of the Union's final offer for the two-year term exceeds the cost of the Employer's offer by \$70,467. If the Union's offer is awarded, the Employer will have to either take the money from contingency fund dollars, which will deplete more than one-third of the \$200,000 budgeted for 2002, or reduce services. The Employer sees no reason to do this since its offer is in line with internal and external comparables.

The Employer argues that the stipulations criterion (and it appears the "other factors" criterion) also support its position. It notes that in fall, 2000, the Union was given a notice that the Local 662 Health and Welfare Plan was going to raise its premiums by 92.6%. The plan was ultimately terminated effective March 1, 2002. The Employer had no control over the termination of the plan. The Employer offered to let employees enter any other health plan it offered its other employees, but the Union as a bargaining tactic refused to switch. This wasted a cost of over \$30,000 in health insurance premiums for the months December, 2000, to February, 2001. The arbitrator should consider this unnecessarily wasted money as a factor.

The Employer also notes that it agreed to pay the full monthly premiums for dental insurance for all bargaining unit employee. The Employer also agreed to pay 100% of the premiums for HMO coverage, family and single and single point-of-service insurance. The Employer paid 95% of the premium for the point-of-service plan. Thus, all unit employees had an opportunity for fully paid single and family plans. The Employer argues that it gave the employees a quid pro quo for the changes in health insurance in that it arranged to have its carriers waive the enrollment period limitations. This benefitted the employees who would have had to buy their own insurance otherwise. Although the Union claims the Employer saved over \$2,000 per month from March through December, 2001, due to the termination of the Union plan, actually the Employer has been paying \$14,000 per month more in health insurance than it would have had to pay under the collective bargaining agreement's express terms. In any event, even if the Arbitrator were to accept the Union's theory that there has been a cost savings, then those were more than offset by the extra money the Employer was forced to waste in the Union's health plan.

Finally, the Employer argues that the overall compensation criterion which it argues primarily consists of wages plus health and dental insurance supports the Employer's offer. These were worth an additional \$.50 per hour over and above the benefits offered by any of the comparable employers. This eliminates much of the alleged disparity. The Employer argues that if the Union wants a large wage increase, it should offer a quid pro quo on the health and dental insurance. In summary, the Employer argues that all of the above support the adoption of its final offer over that of the Union.

DISCUSSION

The arbitrator is required to select the final offer of one party or the other, without

modification. The decision is to be made on the basis of criteria specified in Section 111.77(6), Stats. Section 111.77(6), Wis. Stats, provides in relevant part as follows:

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 the costs.
- (d) Comparison of the wages, hours and conditions of employment of the municipal employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees 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 employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

The weight to be applied to any one criterion is left to the discretion of the arbitrator. The central issue in this case is whether the Union is entitled in this agreement to a “catch-up” increase to essentially increase the wage rates in this unit to the average of the wage rates in the external comparability group, or whether the more modest offer of the Employer is to be adopted. I conclude that the offer of the Employer is to be adopted.

Financial Ability

Statutory factors (a) and (c) refer to the lawful authority of the Employer and the ability of the Employer to meet the offer of the Union. There is no dispute that the Employer has the lawful authority to meet the offer of the Union and that it has the financial ability to do so. The evidence does indicate that the Employer has some difficulty in meeting the offer of the Union such that some restraint is warranted.

The Employer costs its offer for 2000 at \$63,388 (3.02% total package) and its offer for 2001, at \$64,437 (2.98%). Part of the reason for the Employer's relatively reasonable cost is that the Employer paid off an past pension liability which reduced its current pension costs which had included an amount to amortize that liability. It costs the Union's offer for 2000 at \$90,091 (4.29%) and for 2001, \$81,505 (3.73%). The difference between the two offers is \$26,703 and \$18,117. These costs are continuing; that is once the higher wage and benefit level is established, they repeat each year. This costing is on the roll forward method. The unit experienced some turn over in staff. A senior patrol officer retired and was replaced by another employee at the beginning of the salary schedule. There was a one-time saving of about \$28,000 because that position was not filled for eight months. There also is an annual savings of about \$7,000 for a considerable number of years because the new employee started at a lower salary. Health insurance is discussed below and not repeated here.

Even with the cost savings, the Employer is going to experience difficulty in paying. This is true because in essence the Employer has demonstrated that very shortly its only practical alternative will be to reduce services. In 1999, the Employer would have exceeded the 3% state imposed levy limit if it had not imposed a local sales tax. It will reach the levy limit in three years. It is likely that its other revenue sources will not make up the difference. Indeed, its revenue from state shared revenue has been declining markedly. Increases in other revenues do not match the increases in costs from administering the related programs. Further, it has continuously increased its overall efficiency such that further substantial costs savings are likely to come only from service reductions. It faces at least a 41% increase in employee health insurance costs for the year 2002. Specifically, its rates will increase substantially for 2002, as follows:

	Point of Service		HMO	
	F	S	F	S
2001	\$637.91	\$247.49	\$541.28	\$209.04
2002	\$926.25	\$359.36	\$785.94	\$303.53

These rates are high in comparison to comparable group's rates for 2001.

I also note that delinquent taxes are rising about \$200,000 per year. They are about 2% of the total property tax levy from all units of government. There is no evidence as to how this compares to other counties in the local area, among the comparable counties used for wage comparison or among the counties in the state. Nonetheless, the Employer must pay those taxes to other units of government. Further, the substantial rate of increase does indicate that there is a significant part of the local population which is having difficulty meeting the property tax burden even at its current level. The better judgment on the available record in this case is that some fiscal

restraint is prudent for the Employer.

Cost of Living

Statutory factor (e) makes changes in the cost of living a factor in evaluating final offers. One reason for adjusting wages in collective bargaining is to adjust for the erosion of the value of wages which has already occurred by the inflation process. In negotiating a collective bargaining agreement, cost of living is a factor which is objective and usually readily available. The cost of living data essentially takes into account the cost of all goods and services, including health care.

Therefore, the best direct comparison is to compare the percentage of increase in the total package of wages and benefits proposed by each party against the appropriate index for the proceeding year.

The change in CPI-U for all urban consumers for calendar 1999, was 2.7% and for calendar 2000 was 3.37%. For the CPI-W, it was 2.7% for 1999 and 3.4% for 2000. In either case, the proposal of the Employer is closer by direct comparison than that of the Union.

It is well recognized by arbitrators that most parties in collective bargaining do not regularly adjust wages solely on the basis of the cost of living factor. Therefore, it is fairly well accepted that the cost of living factor is generally considered by arbitrators as secondary to the statutory comparison criteria as those criteria apply to determining the general increases granted by comparable employers who have experienced the same cost of living and other comparable economic circumstances. On either basis, the cost of living criteria more nearly supports the offer of the Employer.

Other Factor and One-time Health Cost

Article 15 of the previous agreement provided that the Employer pay 100% of the family or single premium of the Local 662 Health and Welfare Plan which included dental. That plan was underwritten by Blue Cross/Blue Shield. This insurance plan was unique to this bargaining unit.

It also provided that the Employer pay 100% of the single and 95% of the family health insurance plan for any employee who elected coverage through any of the Employer's other health plans. They did not include dental. An employee in those plans was required to pay 100% of his or her dental insurance. At that time, the Employer offered a 100% HMO plan and a 95% employer-paid Valley Point of Service plan. The monthly premiums at the time were \$592.68 for the Teamster plan. Twenty-seven unit employees were in the Teamster plan.

The parties were notified that effective December 1, 2000, the monthly premium for the plan would be increased by 92.5%. They were also notified that the plan would be terminated effective March 1, 2001. Effective December 1, 2000, the premium was increased to \$1,141.62. Of the 37 employees in the unit, at least 20 family and 6 single were enrolled in the Teamster plan in December. The following remained in the plan in the following months:

	Fam.	Single
December	20	6
January	9	2

The parties were further notified that Blue Cross would effectively terminate the plan as of March 1, 2001. The Employer met with the Union and arranged to have the carriers for the other two plans waive limitations on the enrollment period in order that employees could transfer plans.

On December 13, 2000, Union Steward Don Axelson refused to agree to encourage employees to switch health plans to the lower cost. He wrote a memorandum to fellow employees which read in relevant part:

“It has been determined that we may keep Blue Cross/Blue Shield until 03-01-01. Unfortunately, the County has failed to settle our contract so it is my suggestion that we continue Blue Cross insurance.. They will have to pay \$1,141.62 for each of us for the months of January and February. We will then have open enrollment for Valley Health and any other insurance company the Union may find.

Please hold off making any changes to your insurance coverage until open enrollment towards the middle of February.

Be assured that if the County would want to settle our contract soon, we can negotiate and settle the insurance situation in the near future. “

While this was a poor choice of bargaining tactic, the evidence is insufficient to conclude that his conduct was the reason some employees did not effect a change in their choice of plan as quickly as the Employer would have liked. There were a number of problems involved in switching plans, not the least of which was the ability to retain the doctors who provided services under the Teamster plan. The numbers above suggest many employees switched as quickly as they could.

In any event, the Employer incurred about \$30,647 of premiums over and above what those premiums would have been had employees switched to the 95% Valley plan promptly. It is true that the Employer has saved \$20,995 (\$2,095 per month times 10 months from the period March 1, to December 31, 2001.). The Employer then had an unfortunate one time net expense of approximately \$10,000. While this cost is clearly to be considered, it is of less weight than the other factors discussed below.

Internal Comparisons

Both parties heavily rely upon the statutory comparison criteria to support their positions. The Employer is asserting that the arbitrator should focus on the fact that its offer is an appropriate general increase which is supported by those criteria and the Union is asserting that the external comparison criteria support the view that the Union’s offer better adjusts the wage rates to a level which it believes is more nearly comparable to wages paid elsewhere. The internal comparison criterion is a very important measure of how parties very similarly situated would establish the amount of a general increase and make changes in other benefits. Further, the internal comparison

criterion is important when parties have a history of uniform settlements across bargaining units because it would be difficult or impossible for a public employer with multiple units to achieve voluntary settlements if parties could freely “break the pattern.”

There are five collective bargaining units at Eau Claire County and the remaining non-represented unit. AFSCME represents the largest unit with 381 employees. There is a supervisory unit in the Sheriff’s department represented by the WPPA/LEER with 10 employees, a 43 person civilian unit in the sheriff’s department largely made up of corrections officers, a 4 person unit at the airport represented by the Union and 86 non-represented employees. Over the years, since at least 1996, the Employer has been fairly consistent across units. These units have virtually always settled for the same general increases. The Employer has made exceptions when it deems that wage rates in a particular unit need adjustment beyond the general increase. Recently, there have been significant deviations in the two other Sheriff’s Department units. For calendar 2000, the Employer adjusted wage rates in the civilian unit by an average of 6.875% and again in 2000 by the same 3% offered here. The reason the Employer offered the change was that the Employer had substantial difficulty in recruiting employees to be corrections officers and it also had difficulty in retaining corrections officers. The turnover in that unit prior to the changes was 27% per year. Further, the recruitment process had been yielding only a few qualified applicants. The financial and non financial recruitment changes have resolved the recruitment problem.

The other significant deviation was in the supervisory unit. There, the Employer adjusted the sergeants’ wage schedule substantially increasing the first step by 23% for 2000 and other steps by a substantial amount. There were no employees at the first step. The average increase came out to about 6.7%. The purpose of this change was to make the sergeant job more attractive to sheriffs deputies and others from the outside by increasing the differential between the deputies and sergeants. There was also a quid pro quo to eliminate the longevity provision for sergeants. The evidence indicates that prior to this change, the Employer had substantial difficulty recruiting and successfully hiring candidates for the position of sergeant.

The internal comparison criteria demonstrates that the Employer’s offer is closer to consistent with its internal pattern of 3% settlements in the contract years. Further, the Employer has not experienced hiring and retention difficulties in this unit. Accordingly, the better view of the internal comparison criterion is that it heavily favors the position of the Employer.

External Comparisons

Both parties have argued that the external comparison criteria support their position. The parties have mutually “agreed” that the external comparisons should be to the following counties: Manitowoc, Marathon, Fond du Lac, Lacrosse, Dunn and Chippewa.. They have agreed to use the above comparisons, but they have each argued that particular of the comparables should be given more weight and have also argued as to whether wage rate or general increase is the more important aspect.

Manitowoc and its union agreed to 3% general wage increases in both 2000 and 2001.

Marathon agreed upon 3.2% and 3% for 2000 and 2001, respectively. Fond du Lac agreed to a split year increase for 2000 with a 3% cost, 3.25% lift and split year increase in 2001 of 2% and 2% again mid year. The latter increase was a 3% cost and 4% lift. La Crosse agreed to a split year increase of 2% at the beginning of the year and 1% mid-year. The cost was 2.5% and the lift was 3%. In 2001, it granted a 3.5% increase and made adjustments to its salary schedule. It added a new 78 month step above its current 54 month step. It raised its starting rate. The Employer alleges that these changes were the result of a quid pro quo for changes in health insurance. Both Chippewa County and Dunn County granted 3% wage increases in each year, 2000 and 2001. The Employer's proposed wage increases expressed as a percentage are 3.55% and 3%. The Union's proposed wage increases are 5.03% and 3.87%. By comparing the rate of general increase, this measure of comparison clearly supports the position of the Employer.

There are 36 employees in the bargaining unit. As of January 1, 2000, 29 of these are patrol officers. There are four detectives, one Huber officer, one drug investigator and one acting sergeant. I note that ten patrol officers and one detective have less than six years service. Six patrol officers have six to nine years service and the sixteen remaining have over nine years of service. Seven of the 16 have 24 or more years of service

The following are the wage rate comparisons for the wage rates in effect at the end of 1999:

1999				
Patrol	24month	Rate at 60 Mo.	years to max	maximum
Manitowoc	\$17.94	\$18.88	9	\$19.56
Marathon	\$17.46	\$18.08	10	\$18.86
Fond du Lac	\$18.08	\$18.81	4	\$18.81
LaCrosse	\$16.49	\$17.91	4.5	\$17.91
Dunn	\$17.21	\$17.21	2	\$17.21
Chippewa	\$15.42	\$16.21	3	\$16.21
Average	\$17.10	\$17.85		\$18.09
Eau Claire	\$16.06	\$17.48	4	\$17.48
with longevity		\$17.52		\$17.69
Art.14.06 %		0.0025		0.0125
diff. with long		-\$0.33		-\$0.40
diff. w/o long.	-\$1.04	-\$0.37		-\$0.61

Note: Fond du Lac schedule in effect to December 26, 1999.

I note that the overall compensation statutory criterion emphasizes that the totality of compensation be considered rather than just wage rates. One of the things that it does require that I consider is the parties' longevity provision.² Some of the comparison counties include

²However, it is not practical to include shift differential in the analysis of wage rates. It is appropriate to consider shift differential with the totality of other benefits.

extra steps at levels which are designed to reward long service. The parties here have a separate longevity provision which has the same effect. None of the comparable counties have longevity plans, except possibly Dunn County. That plan is not in evidence. Accordingly, I have included longevity in the wage comparisons.

Dunn and Chippewa are contiguous to Eau Claire, but have considerably less population. They are part of the same local economy as Eau Claire. The remaining counties are not part of the same labor market, but are counties of comparable size to Eau Claire. The comparability group is therefore not made up of closely comparable counties, but instead is a compromise of less directly comparable counties. Nonetheless, this is the comparability group the parties have agreed to use for arbitration purposes.

The Employer has argued that the external comparability group not be given weight for the purpose of determining wage rates. It has argued this on the basis that most counties in the list are not in the local labor market, that historically unit employees have had the same ranking with comparables, that wage rates are lower in Eau Claire and that it has no difficulty in hiring or retention in this unit. The Employer has failed to demonstrate why the wage rates here should not be set with reference to this comparability group. For example, the Employer has offered evidence that the “average” wages in Eau Claire are lower than in the other relevant parts of the state. However, the “average” wage rate calculation is based not only on the average wage for a specific job, but is affected by the number of high wage versus low wage jobs there are in the area. Any attempt to correlate average wage in any specific manner to the above numbers is useless. Similarly, the fact that there is little difficulty with turnover in this unit is an instructive fact, but it is not a determinative fact. Statutory factor (c), the interests and welfare of the public, includes the public interest in the stability of public safety employment. Accordingly, it is important that wage rates be properly evaluated before they lead to instability in employment. The Employer has made no effort to show how it has determined the wage rates it uses in Eau Claire or to show any valid statistical relationship for distinguishing the wage rates here from those of other comparable counties.

Personnel Director Niese testified as to the reasons why the Employer granted extraordinary increases in the other units. He provided the recruitment and retention data to support the Employer’s reasoning. He testified at page 74 of the transcript, that this unit has no recruitment or retention problems. He provided the data only for retention. The evidence in the above comparisons establishes that Eau Claire pays less than neighboring smaller Dunn County for junior deputies and less than La Crosse County even before it substantially increased its starting wage. It is highly doubtful that Eau Claire is obtaining all of the candidates it should rightfully obtain. The Union’s proposal has substantial merit with respect to starting wages.

The Employer’s historic ranking argument has substantial merit. The Union proposes to “catch-up” unit employees to the average of the comparability group. The party who proposes a “catch-up” increase bears the burden of establishing that the increase is appropriate. The evidence indicates that this unit has historically had the same relative ranking it now has with the comparability group. Further, that evidence indicates that for many years, the difference between the maximum wage rate in this unit and the average of the maximum wage rate in the

comparability group has been between \$.52 and \$.61 more than the maximum here. [This appears to be without longevity.] The Union has not shown any reason why this unit should necessarily be immediately moved to the “average” of the wage rates in the comparison group. The following comparisons include the wage rate adjustments made by the comparable employers. The comparisons also show the Employer’s offer is closer to maintaining the actual dollar amount of the differential between the Employer’s wage rates and the average wage rates.

The comparisons show the following:

	2000 Max	2001 max	2000 60 month	2001 60 month
Patrol				
Manitowoc	\$20.15	\$20.75	\$19.45	\$20.03
Marathon	\$19.46	\$20.48	\$18.67	\$19.23
Fond du Lac	\$19.43	\$20.22	\$19.43	\$20.22
LaCrosse	\$18.45	\$19.63	\$18.45	\$19.63
Dunn	\$17.73	\$18.26	\$17.73	\$18.26
Chippewa	\$16.70	\$17.20	\$16.70	\$17.20
Average	\$18.65	\$19.42	\$18.41	\$19.10
Eau Claire Un.	\$18.36	\$19.07	\$18.36	\$19.07
with longevity	\$18.59	\$19.31	\$18.41	\$19.12
diff. w. long.	-\$0.06	-\$0.11	\$0.00	\$0.02
Eau Claire Er.	\$18.10	\$18.64	\$18.10	18.64
with longevity	\$18.33	\$18.87	\$18.15	18.69
diff. w. long.	-\$0.32	-\$0.55	-\$0.26	-\$0.41

The Employer’s offer is closer to appropriate on the basis of maintaining the current \$.40 difference. The Union’s offer is only appropriate if an immediate “catch-up” increase is warranted to bring the unit significantly closer to the average.

Total Compensation

The statutory total compensation criterion also requires an analysis of not only the wage rates but the total package of benefits. The main benefits in this unit are health insurance and dental insurance. The following is the total compensation comparison based on the rates at the end of the collective bargaining agreement.

	Employer Monthly Contribution at end of 2001	2001 Fam.PPO	01 Fam. Indem	Employer monthly contribution to dental
Manitowoc			\$720.82	\$0.00
Marathon			\$720.82	\$31.25
Fond du Lac	n.a.		\$606.14	\$0.00
LaCrosse	\$623.79		\$736.51	\$52.36
Dunn	\$761.00		\$839.00	\$43.24
Chippewa	not relevant			not relevant
Average				
Eau Claire	\$541.28		\$637.91	\$85.04
HMO				

The above indicates that based upon the rates at the end of the agreement, the benefit level would not affect the result in this case.

Summary

The statutory criteria favor the position of the Employer from the standpoint of appropriate general wage increase and total package. The external comparison criterion favors the Employer's position with respect to the appropriate size of the general increase. The external comparison criteria as to the issue of wage rate favors the Union only if it were appropriate to substantially move the wages of this unit up toward the average of the wage rates of the comparison group. Otherwise, the external comparison factor favors the position of the Employer. For example, if the criterion were applied on the basis of the Employer maintaining the same number of cents per hour difference from the average of the comparison group. The better view of this record is that the Employer has some difficulty in paying and must engage in fiscal restraint. Accordingly, I conclude that the Employer's offer is closer to appropriate and it is adopted with this award.

AWARD

That the parties' collective bargaining agreement contain the final offer of the Employer.

Dated at Milwaukee, Wisconsin, this 7th day of March, 2002.

Stanley H. Michelstetter II
Arbitrator.

APPENDIX "A" - WAGES
(Rate per Hour)

OFFICE OF SHERIFF NON-SUPERVISORY UNIT

BEGINNING AFTER COMPLETION OF:

Pay Range	Position Title	Effective Date	Start	6 months	2 Years	4 Years
534	Huber Officer	01/01/98	\$14.94	\$15.59	\$16.97	\$18.33
		01/01/99	\$15.39	\$16.06	\$17.48	\$18.88
532	Floating Deputy Sheriff Huber Assistant Jailer Patrol Officer Process Server/Bailiff	01/01/98	\$13.87	\$14.44	\$15.59	\$16.97
		01/01/99	\$14.29	\$14.87	\$16.06	\$17.48
533	Drug Investigation Specialist-Administrative Detective	01/01/98	\$14.40	\$14.99	\$16.36	\$17.82
		01/01/99	\$14.83	\$15.44	\$16.85	\$18.35