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STATE OF WISCONSIN

BEFORE THE ARBITRATOR

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In the Matter of the Arbitration Between

RICHLAND CENTER POLICE DEPARTMENT LOCAL 2085A, WCCME, ASSCME, AFL-CIO

and

CITY OF RICHLAND CENTER (POLICE DEPARTMENT)

APPEARANCES:

<u>Walter J. Klopp</u>, District Representative, Wisconsin Council 40, WCCME, ASSCME, AFL-CIO, appearing on behalf of the Richland Center Police Department, Local 2085A.

Boardman, Suhr, Curry & Field, by <u>Paul A. Hahn</u>, appearing on behalf of the City of Richland Center Police Department.

ARBITRATION HEARING BACKGROUND:

On March 9, 1981, the undersigned was notified by the Wisconsin Employment Relations Commission of appointment as arbitrator, pursuant to Section 111.77(4)(b) of the Municipal Employment Relations Act in the matter of impasse between the Richland Center Police Department Local 2085A, herein referred to as the Union, and the City of Richland Center Police Department, referred to herein as the Employer. Pursuant to the statutory requirements, the undersigned is limited in jurisdiction to the selection of either the final offer of the Union or that of the Employer. Hearing was conducted on April 22, 1981 at Richland Center, Wisconsin at which time the parties were present and given full opportunity to present oral and written evidence and to make relevant argument. The proceedings were not transcribed, but post hearing briefs were filed and exchanged through the Arbitrator on May 18, 1981.

THE ISSUES:

The issues of wages and longevity remain at impasse between the parties, however, the longevity proposal of both parties is identical and is at impasse only as it relates to the matter of costing in determining which final offer should be selected pertinent to wages. The final offers of the parties are attached as Appendix "A" and "B".

STATUTORY CRITERIA:

In determining which final offer is to be selected in this dispute, the undersigned is directed by Section 111.77(6) to give weight to the following criteria:

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.

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CASE XII No. 27408 MIA-560 Decision No.18464-A

- (c) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of 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 collectible bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

STIPULATIONS:

Included with the Employer's offer, identified as Appendix "A" are the stipulations which the parties agreed to prior to the arbitration hearing.

THE COMPARABLES:

While both parties present a number of arguments in support of their positions, both parties also rely upon the statutory criteria which sets forth comparables in determining which offer is more reasonable. The parties differ in the number of communities which they consider comparable. The Employer, identifying 17 communities with which it makes some comparison, does not contend that all of the communities it identifies are appropriately comparable. Noting that population is a critical criterion since it determines how many people pay for the service provided, what size of police force is needed, and the types of problems with which the force will be confronted and that other criteria such as location, per capita income, size of police force, expenditures of the municipality to provide the service, and real estate full value rates are important also, the Employer examines 17 communities, both large and small, and concludes the undersigned must give primary consideration to the fact that Richland Center is a community with declining population, low per capita income in comparison to the other communities, has a better than average expenditure for maintaining the force, and has a high percentage of police offers compared to the population, while it has an average effective full value rate. The Employer contends these considerations lend strong support for determining its offer is the most reasonable one.

The Union, while not specifically setting forth the criteria

it used to select comparables, proposes the following as comparable communities: Reedsburg, Dodgeville, Prairie du Chien, Viroqua, Lancaster, and Baraboo. The Union also contends the primary comparable should be Richland County since there is a historical relationship between the bargaining agreements of these two units.

Since there were differences between those communities selected as comparables by the two parties and since the Employer contends that although it identified certain communities, it did not necessarily consider them as primary comparables, the undersigned considered a number of criteria and established Viroqua, Prairie du Chien, Dodgeville, and Reedsburg as the most comparable communities. Noting that many of the communities cited by the Employer lie within counties that are substantialy larger than Richland County, the undersigned considered counties that were approximately one and one-half times larger to one and one-half times smaller than Richland County and then considered communities that were one and one-half times larger and one and one-half times smaller than Richland Center within those counties. Further, when population was considered, as well as the per capita income, the number of officers in the police force, and the expenditure for maintaining a police force, the undersigned found that all of these communities were relatively comparable. While Reedsburg does not fall within the counties that were one and one-half times larger or one and one-half times smaller, the criteria of population, per capita income, size of police force and full value tax rate established Reedsburg as an additional community to be considered comparable. Lancaster, while similar in population, has a lower per capita expenditure and a smaller number of police officers with a significantly lower number of officers to population. Therefore, the undersigned considered Lancaster as a secondary comparison. Baraboo, on the other hand, is substantially larger than Richland Center and has a significantly higher per capita income and number of full time officers. Therefore, the undersigned did not consider Baraboo as an appropriate comparable.

In considering the Union's argument relevant to comparing the City of Richland Center with Richland County, the undersigned finds that a comparison of the contracts shows that while there are some items which appear to be identical, there are significant differences between the contracts. Not only have there been differences between the wages and longevity benefits, but there have also been differences in the number of holidays, the number of vacation days, the maximum alloted sick leave that is paid out upon retirement or death, and the Employer contribution towards health insurance and life insurance as well as the amount contributed towards the uniform allowance. When these items are considered, it is not conclusive that there has been a historical bargaining relationship between the two units. Thus, the undersigned does not consider the County as a primary comparable.

POSITION OF THE PARTIES:

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Position of the Employer: The Employer contends its offer is the most fair and reasonable offer to the employees as well as the most reasonable cost to the citizens and taxpayers of the City. It argues that it is in the best interest and welfare of the public if the City's offer is accepted. Contending that longevity and wages cannot be separated into individual issues, the Employer asserts that when they are considered together its offer, while maintaining the same position among the comparables as would the Union's demand, is a significantly better proposal since the longevity clause provides a better benefit than the majority of comparable communities enjoy. Further, the Employer contends that when the longevity is included in the cost of the increase, the percentage offered by the City is 9% while the Union demands 10 1/2%. The Employer continues that 6 of the current 8 officers will receive longevity, therefore it is important to consider this cost in the wage increase. In supporting its offer of 9% then, the Employer declares that 9% is the amount of increase other City units received and that while the wage increase was 9% none of the other bargaining units have longevity. Thus, concludes the Employer the offer it makes to the police union is equal to the increase it has offered its other City employees plus it adds a new fringe benefit for the police union. Additionally, the Employer posits that while it offers a cost increase of 7.5%, its offer provides the Union with a 9% increase as to classification thus the employees do not fall behind in wage rates for classifications in relationship to other city units.

The Employer contends it has fought long and hard to avoid longevity because it believes the salary schedule of the police union provides opportunities for promotion, increased pay and responsibility since it provides additional classifications of lieutenant and assistant chief as well as the normal patrolman and sergeant positions that other bargaining units in comparable communities offer. The Enployer states that by providing these additional promotional opportunities, it provides to its employees an opportunity to increase wage benefits that longevity will not provide.

The Employer challenges the Union's comparison noting that the Union relied primarily upon percentage comparisons which do not appropriately reflect dollar increases in wages. The Employer states that when percentage increases are compared, the actual dollar amounts are not known and it is therefore impossible to compare "wages, hours, and conditions of employment" as required by statute.

The Employer continues that when total compensation is examined in the comparable communities, the analysis proves the Employer's offer is more reasonable. Noting that when holidays, longevity, wages, uniform allowance and shift premium are considered as compensation, the Employer's offer amounts to a 10.65% increase while the Union's demand seeks an 11.98% increase. Further, the Employer contends that when retirement, social security benefits and workers' compensation are considered, the total cost to the Employer increases to 13.48% compared to the Union's demand of 15.7%.

The Employer, anticipating an argument from the Union pertinent to costing of social security benefits and workers' compensation, argues that even if these two items are discounted, it cannot be ignored that the Employer pays 100% of the retirement contribution, a direct benefit to the officers. The Employer continues that if this item alone is costed in addition to the other fringe benefits, the total cost of the Employer's proposal is 12.65% compared to the Union's ismand of 14.7%.

Finally, the Employer contends its offer of 12.65% is reasonable when it is costed against the cost of living increases. The Employer, while agreeing that the Consumer Price Index is the best statistical analysis currently available, argues that it should not be used totally as an index of cost of living. The Employer notes that the Consumer Price Index does not reflect changes in buying patterns, does not allow for individuals spending more money for quality or vice versa, includes more than the purchase of necessities, and includes the cost of purchasing a home. Therefore, the Employer concludes, not as much weight should be given to the Consumer Price Index. The Employer avows that attention should be paid to the relative settlements in the area which are better indications of the area's cost of living.

Position of the Union: The Union argues the residents of Richland County and the City of Richland Center are the same taxpayers and thus are responsible for maintaining both departments. This, together with the fact that there is a historical collective bargaining relationship in reaching agreements between the sheriffs' unit and the police unit, makes the County the primary comparable. The Union continues the only significant difference in the relationship is that the County has offered slightly higher salaries and has offered a longevity plan for a number of years. The Union argues, however, the difference is offset by the City's contribution toward health insurance which has consistently been at 100% versus the County's contribution of 92%. Additionally, the Union declares there is further evidence of the relationship since the longevity plan proposed by both the City and the Union is identical to the one in existence for the County. Thus, when the County is the primary comparable, the Union concludes its offer is more reasonable and more in keeping with the settlement reached in the County.

The Union rejects the Employer's argument that the other economic improvements should be considered in costing the benefit offered to the employees. It notes that raising the clothing allowance to \$400 does not compare with the \$420 the County has been receiving, the vacation offered by the City is based on a five day week compared to the vacation offered by the County based on a six day week, and the shift premium improvement becomes a stand-off. When these comparisons are made, the Union contends the stipulated benefits only amount to "catch up" with the County. Additionally, the Union asserts the longevity proposal, existent in both offers, cannot be appropriately related to a salary increase since it too should be a "catch up" item. It notes the County has had a longevity plan for a number of years and contends the Employer's offer only amounts to improving benefits to the level existent within the area.

The Union continues that when average settlements throughout the State are compared with the proposals of the two parties, it is apparent that the 9% increase sought by the Union is a modest amount. The Union declares that average settlements in the State are over 10%.

Further, the Union posits that when its offer and the Employer's offer are compared with last year's Consumer Price Index increase, its offer is the more reasonable one. Noting that last year's increase amounted to 13.7%, the Union contends that its 9% demand is more equivalent. Further, the Union states its employees have not received an increase in pay and the contract year is half over, thus, the increase the employees will receive will be far less than the value they are seeking during the continuing economic crunch.

The Union concludes its offer is supported by the increases that the other bargaining units received within the City. It notes the other units received 9% increases in wages and other benefits and it contends its offer has no greater impact over all than the amounts granted to the other employees during the year. e to a state

DISCUSSION:

While the undersigned notes that several arguments were advanced by both parties, the primary argument lies in the area of comparisons: comparisons to other City bargaining units, comparisons to Richland County, comparisons to other communities, total compensation comparisons, and comparisons to the cost of living index. Thus, the undersigned has primarily evaluated the arguments in light of these comparisons. On the basis of these comparisons, the undersigned concludes that the Employer's offer is the more reasonable offer. Following is an analysis of how the conclusion was reached.

The Union has argued its wage offer is no different in total compensation than the compensation the Employer has offered its other employees in other represented and non-represented units within the County. The undersigned finds that although testimony indicated the utility employees, for instance, received additional benefits as well as the 9% increase in wages, the type of benefits received by these employees were not significantly different from the stipulated benefits agreed to by the parties in the police union. Further, the undersigned finds that the longevity benefit offered by the City or sought by the Union is one that no other employee within the City enjoys. Thus, when comparisons are made with the increases received by other employees in the City, the undersigned concludes that the City offers no better benefit to its other employees than it offers to the police union.

While the undersigned concluded earlier that there is no indication that there has been a historical relationship between the bargaining settlements of the County and the City, and concludes that not as much weight should be given to such a comparison, it is incumbent upon the undersigned to note that comparisons made with the County indicate the City's offer is not significantly different than the benefits received by the County. As noted earlier, while there are some items similar within the two contracts, there are a number of benefits which differ. Further, the undersigned finds that the comparisons show that while the County may pay higher wages and may have offered a longevity plan for a greater period of time, there are other benefits offered by the City which are significantly better than those enjoyed by County employees. Thus, the undersigned concludes the comparison between these two does not substantially impact upon the decision of which offer is more reasonable.

Pertaining to comparisons of wages among the most comparable communities, the undersigned considered the relative positions available in each of those communities. The undersigned finds Employer's wage offer for the patrolman classification results The undersigned finds the in a higher monthly salary than three of the four communities. Further, even if the undersigned were to consider the two additional communities proposed by the Union, the wage offered by the Employer would result in a higher rate than four of the Prairie du Chien offers a higher wage five comparable communities. rate for sergeants than does Richland Center. However, when the wages offered by the Employer are compared to those offered by Viroqua, Reedsburg, Dodgeville and Lancaster, the results show that the Employer's offer is comparable to, if not higher than, those wages offered in the other communities. Further, the undersigned notes that Richland Center is the only unit with additional positions of lieutenant and assistant chief. Thus, the undersigned is persuaded by the Employer's argument that its offer is reasonable and that significant promotional opportunities

exist as well as opportunities to increase the amount of wages earned.

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Since the undersigned has concluded the wages only comparison indicates the offer of the Employer is comparable to the wage agreed upon by the other communities, the question of longevity was considered. Of the five communities examined, the undersigned finds Dodgeville, Lancaster and Viroqua offer no longevity at all. Of the two communities, Prairie du Chien and Reedsburg, which offer longevity, the undersigned finds that the Employer's longevity proposal is a better benefit than the one which exists in Reedsburg. Further, the undersigned notes that while Prairie du Chien offers longevity benefits over a greater number of years, and a maximum which is higher than that offered by the Employer in this instance, the amount received by employees in Prairie du Chien for the first ten year period amounts to less than an employee would receive over a ten year period within the City of Richland Center. Thus, in comparing the longevity benefits, the undersigned concludes the offer of the Employer is comparable to, if not better than, other longevity benefits enjoyed in comparable communities.

When total compensation is compared among the communities, the undersigned finds the City of Richland Center offered its employees benefits which are similar to, if not better than, benefits enjoyed by other comparable communities. This, together with the fact that the City offers better wages and a better longevity plan makes the Employer's offer more reasonable.

The final comparison the undersigned made relates to the impact of the wage proposal pertinent to the cost of living increases. As has been noted by this arbitrator and others, the undersigned recognizes the problems inherent in relying solely upon measuring the cost of living increases by the Consumer Price Index. Thus, the undersigned also considered the wages offered in comparable communities as an appropriate indication of the cost of living in the area. Based upon the conclusions reached above, the undersigned finds the City of Richland Center has made every effort to compensate its employees appropriately in relationship to the cost of living increases.

Thus, having reviewed the evidence and arguments and after applying the statutory criteria and having concluded that the Employer's offer is the more reasonable offer, the undersigned makes the following

AWARD

The final offer of the Employer, along with the stipulations of the parties which reflect prior agreements in bargaining, as well as provisions of the predecessor collective bargaining agreement which remained unchanged during the course of bargaining, are to be incorporated in the collective bargaining agreement for 1981 as required by statute.

Dated this 10th day of July, 1981, at La Crosse, Wisconsin.

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Arbitrator

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APPENDIX "A"

City of Richland Centre 2-2-81 Find Offer 1240 Volice Dapartment Nogotiations

Those proposale previously agreed to by The partie ar set forth in attached December, 8, 1980 status report.

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STATUS OF NEGOTIATIONS AT CONCLUSION OF NEGOTIATION SESSION ON DECEMBER 8, 1980

I. Proposals agreed to by the parties as part of a total settlement of the negotiations.

ARTICLE V - Workweek.

(1) With the understanding that it was not a mandatory subject of bargaining, the City Personnel Committee agreed that it would write a recommendation to the City Council suggesting the hiring of another officer. If the Council rejects this recommendation, the Union can either continue or reopen negotiations relative to a change in the work schedule.

(2) In the absence of a ranking stripe officer, the most senior patrolman on the 8 p.m. to 4 a.m. shift will receive sergeant's pay for those hours he is the senior patrolman.

ARTICLE VI - Vacations.

(1) Subject to the approval of the Chief of Police, and commencing with the 1981 vacation schedule, an employee will be allowed to carry two (2) weeks of vacation forward to January and February of the following calendar year. Said carryover cannot be scheduled in conjunction with the regular vacation schedule for the calendar year in which an officer carries forward vacation.

(2) Add an additional day of vacation per year of service commencing with the twentieth year of service up to a maximum of five (5) days or a total of five weeks (two hundred hours of pay) vacation after twenty-four years of service.

ARTICLE VII - Holidays.

(1) Add one additional floating holiday to be taken at the employee's discretion, subject to the approval of the Chief of Police.

ARTICLE VIII - Sick Leave.

(1) Modify the accumulation to 126 days.

APPENDIX A.

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Shift Premium - modify to \$.25 + \$.30 for the 2nd and 3rd shifts.

Mileage - delete set figure and modify language "as determined by the City Council."

Uniforms - modify allowance and maintenance to \$400. If an employee terminates during the year, the allowance will be prorated and that part of the allowance not earned or used will be deducted from the employee's last paycheck.

II. Unresolved Issues:

Wages: City Position - 9% effective 1/1/81 Union " 11% effective 1/1/81

NOTE: The Union wage position would be 8% if the City would agree to the following longevity program:

(a) after four (4) years of service 1% of regular pay added to salary

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(b) each additional year, to a maximum of 4%, add 1/2%.

The City refuses to propose any longevity program and bases its 9% wage increase offer without a longevity program.

APPENDIX "B" Final Offer Richland Center Police, Jocal 2085- A, HASCME, HFL-CIC City Bof Richland Center 1. Revisions Tentatively agreed upon fongevity: after thread (3) zers: employment -\$150. after five (5) zher employment-200. " seven (7) " -250, ten (10) " 300. Longevity is to be made annually in first paycheed In Dec. Pro-rata if terminated ing year 3, What. 8% accross the board effective 1/1/81 7/1/81 2%

Submitted in Behalf of focal 2085-H, HFSCME, AFL-CIO Uplter J. Klopp Distict Rep Feb. 2, 1981