

JAN 27 1983

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

STATE OF WISCONSIN

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In the Matter of Arbitration

between

The Vernon County Sheriff's
Department, Local 2918,
WCCME, AFSCME, AFL-CIO

-and-

Vernon County

OPINION & AWARD

Interest Arbitration

WERC Case No. LX-29787
Decision No. 19779-A
J. C. Fogelberg
Neutral Arbitrator

Appearances -

For the Union:

Daniel Pfeifer, Representative
Gene Cary
Jody Crume
Bruce Henschon
Roger Jones
Richard Balpzer
Donald Jefson
Mark Rahr

For the County:

Jerome Klos, Attorney
Geoffrey Bonta, Sheriff
John Parkyn
George Williams
Kenneth Keach
Madeline Everhart
Harry Baller
Irwin Neisson

Preliminary Statement -

On May 24, 1982, the Vernon County Sheriff's Department, represented by AFSCME, filed a petition with the Wisconsin Employment Relations Commission alleging that an impasse existed between the Union and the County relative to their collective bargaining over terms and conditions of employment. The record demonstrates that bargaining between the Parties commenced with the service of notice by the Union on the Employer dated June 29, 1981 that it (the Union) intended to open negotiations for a

successor agreement. In October of 1981, the County's Personnel Committee responded to the Union's proposals and on December 17, the Parties met for a single bargaining session. On March 25, 1982, both sides met with a Commission-appointed Mediator in an attempt to resolve the impasse that had been reached. The efforts of the Neutral, however, were not totally successful and thus on July 15, the Mediator advised the Commission that the Parties were at an impasse on the existing issues as outlined in their final offers transmitted (therewith) and that mediation efforts were thus concluded. On July 27, the Commission found that within the meaning of Section 111.77(3) of the Municipal Employment Relations Act, an impasse existed between the Union and the Municipal Employer with respect to negotiations leading toward a Collective Bargaining Agreement for the year 1982 and thus ordered compulsory final and binding interest arbitration. Thereafter, on August 19, the Commission notified the undersigned that he had been selected as the Neutral Arbitrator "for the purpose of issuing a final and binding award."

A hearing was held on November 18, 1982 at the Vernon County Courthouse at which time the Parties presented arguments and accompanying documentation in support of their respective positions in connection with the issues outstanding. At the conclusion of the hearing, both sides requested the opportunity to file post-hearing briefs summarizing their arguments. Said briefs were received by the Arbitrator on or before December 15, 1982 at which time the matter was deemed officially closed.

The Issues —

Two issues remain at impasse between the Parties. They are wage increases for the calendar year 1982 and the increase in the County's share of dependent health insurance premiums for the same time period.

Position of the Parties -

For the term of the new Collective Bargaining Agreement, the UNION seeks an increase in the established wage structure as set forth in the Contract's Appendix A of 9% above the 1981 wage rate. In addition, the Sheriff's Department personnel request that the County's increase toward family health insurance premiums be raised from the current 65% to 75%.

Conversely, Vernon County has offered the bargaining unit employees a wage increase of 6% over the 1981 rates as set forth in the Master Agreement's Schedule for Salaries. As regards to the remaining issue of insurance, the Employer has offered to increase their share of the premium contribution towards dependent health coverage from the current 65% to 70%.

Analysis of the Evidence -

In arriving at the decision that has been made here, the Arbitrator has given careful consideration to each of the criteria enumerated in Section 111.77(6) of the Wisconsin Municipal Employment Relations Act, as they relate to the documents, testimony and written arguments submitted by the Parties.

Analyzing the evidence presented, the Arbitrator perceives that the Parties have relied upon a limited number of the criteria set forth in the statute for the main thrust of their respective arguments. The Union has cited the surrounding counties for comparison purposes, using a two-tiered approach. That is, groupings of the immediate contiguous counties and a second level of governmental units within a limited geographic range. Using these comparables, the Deputies point to Vernon County's relatively poor standing based upon the 1981 wage rates,

with a ranking of twelfth out of a total of fourteen. Moreover of those who have settled for the 1982 contract year, even an award of the Union's final offer (according to the Local) would mean a ranking at the very bottom of the grouping (ninth out of nine). Exhibits submitted in support of this claim, substantiate the contention and indeed, are equally supportive of the Employees' health insurance position.

The Employer does not truly refute the accuracy of the comparabilities cited by the Union. However, the argument is made that the comparability criteria addressed in the statute includes both external and internal factors. Relying heavily upon the latter, the Employer points to settlements already reached within Vernon County that closely parallel their final offer here, along with another arbitrator's award for a 6% wage adjustment for the courthouse and social service employees issued last month (the Employer's final position).

An examination of the internal settlements (County Exhibits 3 - 12) reveal that for the same period of contract time here in issue, the highway employees have agreed to a wage adjustment of 5½%, the retirement home personnel to a 4½% annualized increase, and the non-union employees to a raise of 5½%. These voluntary agreements, when coupled with the most recent arbitration award indicates that the approximate 275 county employees who bargain with the Employer have all settled for wage adjustments for the contract year 1982 at 6% or less (excluding of course, the employees involved in the instant dispute). In the Arbitrator's view, certain aspects of the voluntary settlement are significant. Initially, it was demonstrated that though the Sheriff's Department constitutes a distinct and separate bargaining unit, the same

union representation is provided to approximately three-quarters of the organized personnel within the County. It is also clear from the evidence that the relatively poor financial condition of the County was taken into consideration in reaching these agreements. Moreover, the health insurance settlements that became a part of these new contracts are closely parallel (if not identical) to the final offer made here by the County.

It is readily apparent from the foregoing that between the external and internal comparisons, more weight given to the surrounding county wage patterns tends to support the Union's position, while emphasis on internal settlements favor the County's. Though general arguments can be made as to the relative importance of the two groupings, the Arbitrator believes that the specific circumstances dictate the analysis in each instance. Here, the conclusion is that the Employer's argument regarding the relevance (or in this case, the lack thereof) of the surrounding counties is persuasive. It is here that another statutory criteria becomes significant. While Union Exhibits two and three indicate a ranking for Vernon County somewhere in the middle of the Union's external comparisons in terms of population and property assessment evaluation, the corresponding County Exhibits (six, seven, nine and ten) demonstrate that the per capita income in the County is not only the lowest of those within the Union grouping (with the exception of one) but is one of the lowest in the entire state. As pointed out in the Employer's post-hearing brief, the average of the eighteen counties surrounding Vernon have a per capita income of \$5,305.00 as compared to \$4,795.00 in Vernon County - or a difference of 10.64%.

The relatively poor standing of Vernon County is further manifested through an examination of the largely unrefuted

evidence presented by the Employer in connection with their financial condition. As demonstrated through the testimony of the Employer's financial witness, over two-thirds of the equalized value of the County is agricultural. Exhibits were presented showing Vernon County to be comprised of relatively small farms and with an aging populous. Given the decline in farm prices, the nation wide economic slump and the erosion of Federal governmental supports, the ability to fund any wage increase — under current conditions — must be carefully scrutinized indeed. These factors when paired with the recent sharp increase in property taxes within the County and the (seemingly concomitant) delinquency problems experienced, lends significant support to the Employer's final position. Though the Union's arguments concerning the relatively minimal dollar difference between the two final offers is valid, it is believed that the over-all financial condition of the County is nonetheless an important consideration. This bargaining unit (though small in number) must also address the same arguments regarding justification for increased spending in a period of tight fiscal restraints. To maintain, as the Union does, that the enormous amount of delinquent taxes can be eventually recovered through property acquisition and sale, or that the delinquency is possibly being used for deferral purposes by the population, is speculative and does not address the more immediate problem facing the County. In their post-hearing brief, the Union claimed that the interior settlements reached were due in part as an appeasement to the public. Certainly the interest and welfare of the public (a criteria specifically referenced in the statute.) must be given every consideration in the instant matter as current economic conditions in the County warrant as much.

Finally, the Arbitrator has examined the evidence relative to the Consumer Price Index and the particularly difficult problem of which year's data is to apply. According to the Local, the historic pattern has been for the CPI from the year preceeding the new Contract to be utilized in the impasse procedures within the County. The Employer states differently however, maintaining that in the 1981 arbitration hearing, the 1981 compilation was used. The problem of which is the most appropriate data is compounded by lack of documented evidence. While there is a quote in the Union's post-hearing brief from the arbitrator who recently issued his decision for the clerical and social services employees utilizing the 1981 figures, there was nothing presented regarding what has been routinely applied between these Parties. It is this Examiner's view that given the relatively lengthy dispute resolution process, the proposed revisions in the Index currently under consideration and the newest inflationary evidence now available, the use of more than one Index might well be appropriate in order to gain a complete picture of the economic environment in which these Parties exist. Certainly the 1981 Index figures favor the Union's final position. Yet the increase reported then must necessarily be tempered by other factors such as the current state of the economy, the ability of the Employer to fund wage increases, the internal settlements, the historic bargaining pattern established (i.e. a 5% increase in Employer contribution for dependent coverage in each of the past four years) and the improvements already agreed to. When all of the evidence is weighed therefore, the Arbitrator finds t h e Employer's position to be the most reasonable under the circumstances.

Award —

Accordingly, for the reasons set forth above, the Arbitrator directs the Parties to implement the County's final position for the 1982 Collective Bargaining Agreement.

Respectfully submitted this 19th day of January, 1983.



J. C. Fogelberg, Arbitrator