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WISCONSIN EMPLOYMENT ... RELATIONS COMMISSION

# IN THE MATTER OF ARBITRATION BETWEEN

Wisconsin Professional Police Association, LEER Division	) Opinion and Award
	Interest Arbitration
-and-	Arbitrator: John W. Boyer, Jr.
City of River Falls River Falls, Wisconsin	) Case X ) No. 32487 MIA-808 Decision No. 21523-A

#### **APPEARANCES**

For Wisconsin Professional Police Association
Dennis A. Pedersen, Business Agent
Richard T. Little, Business Agent
Dennis J. Kreuziger, River Falls Police Department
Employees Association
Gregory H. Lotze, River Falls Police Department
Employees Association

For City of River Falls
Cyrus F. Smythe, Consultant
LABOR RELATIONS ASSOCIATES, INC.
John L. Dinkel, Juvenile Officer
Eric Sorensen, City Administrator

# STATEMENT OF JURISDICTION

Pursuant to the provisions of the Municipal Employment Relations Act, on November 14, 1983, the Union filed a petition with the Wisconsin Employment Relations Commission alleging an Impasse existed in the process of collectively bargaining matters affecting wages, hours and conditions of employment and requesting the Commission initiate the compulsory final and binding Arbitration process. Subsequently, on January 12, 1984 a Commission staffperson conducted an investigation that concluded the Parties were at Impasse, the Parties were directed to and duly submitted respective statements of "final offers" and stipulations of matters agreed upon; and on March 22, 1984 the Commission issued its "Findings of Fact, Conclusions of Law, Certification of Results of Investigation, and Order Requiring Arbitration".

The Arbitrator, selected from a list submitted by the Wisconsin Employment Relations Commission, was John W. Boyer, Jr. The Hearing was convened in the City Hall in River Falls, Wisconsin at 10:00 AM

on August 1, 1984. Each of the Parties presented testimony under Oath, submitted exhibits on behalf of their respective positions, and was afforded full opportunity for examination and cross-examination of witnesses. Finally, the Parties mutually requested the opportunity to submit post-hearing and reply briefs, such were duly submitted, and the Hearing was declared closed on September 21, 1984.

# ISSUES AT IMPASSE

1. 1984 Wage Rates

#### POSITIONS OF THE PARTIES

The position and request of each of the Parties were outlined by their representatives and supported by a variety of documents and testimony as follows:

## Position of Union

Requested existing wage rates be increased four and one-half (4.5%) percent across the board effective January 1, 1984.

## Position of Employer

Requested existing wage rates be increased three (3.0%) percent across the board effective January 1, 1984.

#### Discussion

On the basis of the considered evaluation of all documents, testimony and arguments presented by the Parties at the Hearing and in post-hearing and reply briefs, and the criteria provided by the . Statute, the decision of the Arbitrator is to select the position of the Association. The basic reasons for the Award are the following:

1) Initially, the Arbitrator can readily empathize with the concerns and apparent frustration inherent in the disparate positions of the Parties when after protracted bargaining a significant difference of opinion continues relative to the emotion-laden matter of wage rates that necessitates resolution through the Arbitration procedure.

Further, the Award shall <u>not</u> be interpreted as reflecting upon the integrity of the principals, given the behavior of each exhibited at the Hearing could be characterized as an open, reserved and sincere attempt to provide convincing argumentation supportive of their

respective positions. Nevertheless, the Award on the Issue was predicated upon well documented standards of Interest/Contract Arbitration recognized by both the principals in a dispute and neutrals alike.

- The Arbitrator was equally cognizant of the absolute and relative differences in the Parties' "final positions" as affected by the pattern of negotiated and/or arbitrated wage settlements emerging within the regional public and private sectors and statewide ranging from actual wage-benefit reductions, to zero increases, to wage-benefit increases significantly exceeding that Awarded. Accordingly, pursuant to the Parties' stipulated request for utilization of the "final offer" criterion, the Arbitrator was compelled to assess the efficacy of their positions on the basis of appropriateness, or perhaps inappropriateness, given a combination of such criterion, the one (1) year length of Agreement, and single Issue in dispute precludes the Arbitrator from more subtle management of the Award to address specific concerns and/or deficiencies that could perhaps have been more effectively resolved to mutual satisfaction of the Parties through either a "conventional" arbitration format or the process of compromise and concession characteristic of collective bargaining.
- 3) The geographical location and size of the bargaining unit rendered economic analysis of the existing wage rates, in either absolute or relative terms, less than incontrovertibly dispositive of the matter. Such is especially significant given arbitrators have traditionally utilized population base as a key comparative element in evaluating the appropriateness of alternate wage proposals in police and law enforcement units as contended by the Employer.

Specifically, note the Record indicates the bargaining unit of ten (10) is significantly smaller than those of the allegedly comparably sized communities on a state-wide population basis such as Platteville and Sturgeon Bay with units of sixteen (16) and fourteen (14), respectively, although the River Falls unit has a significantly higher "top" wage rate. Note, the 1983 monthly rate for "top patrol officer", an accepted "benchmark" frequently utilized by both the advocates and neutrals alike, were approximately fifteen hundred eleven (\$1511) dollars and sixteen hundred (\$1600) dollars respectively, as compared to the River Falls rate of nineteen hundred seventy-six (\$1976) dollars, and both the Employer's and Platteville officers achieve the "top" in thirty-six (36) months, in contrast to forty-eight (48) months in Sturgeon Bay and a general pattern ranging from eighteen (18) to sixty (60) months for the population bases submitted for the Record.

Such comparative data are equally less than dispositive of the matter for 1984. Sturgeon Bay personnel received no wage increase, but the hours of work were reduced by a non-specified amount effectively increasing the "actual" hourly wage rate. Further, utilizing the same comparative "benchmark", Platteville increased its rate to fifteen hundred eighty-five (\$1585) dollars, which represents an approximate increase of five (5.0%) percent. Accordingly, comparison to the 1984 wage rates awarded in the instant dispute actually reduces the differential very slightly.

Therefore, the extent to which such existing and resultant wage rate superiority of the instant unit over other allegedly comparable units on the basis of population serviced may have been the result of its smaller work force, or acknowledged the unique requirements of a "border city" with a major college must best remain for conjec-Nevertheless, the Arbitrator must assume some rational basis has been traditionally accepted by the Parties to establish both the absolute and relative wage rate differentials. Such conclusion is also supported by the "cluster" of alleged local comparables proposed by the Association that included the neighboring Cities of Hudson, New Richmond and Menominie, and the two (2) counties in which River Falls is located, that is St. Croix and Pierce. pattern is clear, since 1980 the Employer's wage rates have annually been either the highest or second (1982 only), and the effect of the Award is to continue such high ranking, whereas the Employer's position would have reduced such ranking to third place; albeit, the absolute dollar amounts of such differential are relatively small.

Finally, it must be noted, the Parties stipulate the wage increase shall be the singular increase in wages and/or benefits received by the bargaining unit for 1984. Such is significant because neutrals have generally accepted the principle that total cost of all negotiated and arbitrator awarded increases shall be considered to determine the total cost of the resulting agreement. The Record indicates the Employer in 1983 elected to self-insure for employee health-care costs, and such premiums shall continue without change for 1984. However, neither set of alleged "comparables" submitted by either Party identified the extent to which such is similar and/or dissimilar from other employers, and the Arbitrator is totally cognizant of the current trend of escalating health-care costs and associated premiums experienced both within the region and state-wide.

4) A major emphasis of the Employer position was it had previously achieved negotiated settlements with its other bargaining units ranging from one and three-fourths (1.75%) percent for the Street Department and Sewer-Water Departments to three (3.0%) percent for electrical personnel, and such is further addressed below. In addition, it contended non-bargaining unit personnel had accepted increases ranging from one to six (1.0 to 6.0%) percent that were based on the concepts of "market value" and job performance appraisal. However, the Arbitrator notes the latter range of increases accepted by non-represented personnel averaged four and one-half (4.5%) percent by the Employer's "Resolution No. 432" dated February, 1984. Accordingly, the distribution was skewed toward the greater amounts to result in such a mean value.

Secondly, included in the non-represented group were Police Sergeants, perhaps the singularly most internally comparable subgroup of the Employer's total work force, who received increases averaging approximately four and ninety-eight hundredths (4.98%) for 1984. Further, the Record indicates that for 1981-1983 the dollar difference between "top patrol rate" and Sergeant was approximately one hundred eighty-seven (\$187) dollars per month, the Awarded increase shall increase such differential to approximately one hundred ninety-nine (\$199) dollars, whereas the effect of the

Employer's offer would be to increase such differential to two hundred twenty-nine (\$229) per month.

However, the Arbitrator will certainly not dispute the contention implicit in the Employer position that such personnel may not be able to avail themselves of equal overtime work opportunities at premium wage rates, nor was data provided as to any longevity system that may exist, nor the extent to which such may have been the result of a need to address the increasingly frequently occurring phenomena of "wage compression" between bargaining unit and supervisory personnel.

Finally, the Arbitrator is compelled to comment on the relationship of the wage increase awarded and the negotiated rates of increase accepted by other represented personnel of the Employer. It is a reasonably settled principle of interest arbitration within both the state and multi-state region that the nature of law enforcement duties has traditionally and continues to involve performance standards, hours, hazards and other conditions of employment recognized to be reasonably differentiated from those normally characteristic of administrative, maintenance and/or clerical positions and/or personnel in other bargaining units.

The cogent conclusion being each bargaining unit is vested with the right to elect the combination of wages, hours, and terms and conditions of employment it perceives as satisfactory for a specified time period, given its unique set of perceived needs and associated priorities. Further, the other bargaining units are also vested with significantly different dispute resolution procedures, and in the instant matter the Arbitrator is mandated by the Statute and the Parties' option to utilize the "final offer" criterion as cited above, and such dictates the Arbitrator select the Association's position which the analysis finds the least inconsistent with the assessment criteria utilized.

5) Pursuant to the Statutory requirements, the Arbitrator also considered the actual increases in inflation as measured by the Consumer Price Index (CPI) barometer. Interestingly, the City of River Falls location in both Pierce and St. Croix Counties places it in the Minneapolis-St. Paul region for the Bureau of Labor Statistics (BLS) purposes, and for the twelve (12) months preceding arbitration the annual rate of increase was reported as five and one-half (5.5%) percent (Urban Index) and three and seven-tenths (3.7%) percent (All Consumers Index), and assuming a simple arithmetic average may be indicative of the Employer's location, such is supportive of the Association's position.

Finally, the Arbitrator was totally cognizant of the relatively small total dollar difference (\$3411.00) per year between the final positions, assuming a work year of two thousand eighty (2080) hours, and of the distribution of bargaining unit personnel among the four (4) wage classifications ranging from six (6) in the highest "Class A" to two (2) each in the lowest "Class C" and "Rookie" classifications. However, the Record indicates the Employer did not contend the increases Awarded would result in any financial exigency nor that it lacked the ability to pay. Accordingly, such significant

statutory criteria are not addressed nor were such a factor in the decision.

# Award

The decision of the Arbitrator is to select the "final offer" of the Association. The effect of such is to direct the following:

- A) All existing wage rates shall be increased four and one-half (4.5%) percent across the board for 1984.
- B) Given all wage rates Awarded shall be retroactive to January 1, 1984 as cited, the Employer shall issue a separate check for the retroactive amount due each employee within twenty (20) days following receipt of the Award. However, should the Parties mutually agree to an alternative procedure, such shall not be interpreted as inconsistent with this Award.
- C) That all other terms and/or conditions of employment included in the 1983 Agreement shall continue without modification for 1984.

The Arbitrator accepts and appreciates the stipulated desire of the Parties to cooperate in implementation of the specifics and intent of the Award. Further, the Award shall constitute finalization of all Issues remaining in dispute between the Parties in the instant matter.

John W. Boyer, Jr., Ph.D.

Arbitrator

October | Dated:

1984 Duluth, Minnesota