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IN THE MATTER OF ARBITRATION

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION
INTERESTED PARTIES

between

Wisconsin Professional Police
Association/LEER Division

Case 11 No. 34423
MIA-970
Decision No. 22435-A

-and-

City of River Falls (Police
Department)

July 22, 1985

APPEARANCES

On Behalf of Wisconsin Professional Police Association/LEER Division

Dennis A. Pedersen, Business Agent, Tomah, Wisconsin

On Behalf of City of Wausau

Cyrus F. Smythe, Labor Relations Consultant, Labor Relations
Associates, Inc., Golden Valley, Minnesota

JURISDICTION OF ARBITRATOR

On January 7, 1985, the Wisconsin Professional Police Association/LEER Division (hereinafter referred to as the "Association") filed a petition with the Wisconsin Employment Relations Commission requesting the Commission to initiate final and binding arbitration pursuant to Sec. 111.77(3) of the Municipal Employment Relations Act, with regard to an impasse existing between the Association and the City of River Falls (Police Department) (hereinafter referred to as the "City") with respect to wages, hours and conditions of employment of law enforcement personnel for the year 1985; that an informal investigation and mediation session was conducted on February 27, 1985, by Robert M. McCormick, a member of the Commission's staff; and that said Investigator having advised the Commission on March 12, 1985, that the Parties were at impasse on the existing issues as outlined in their final offers transmitted along with said advice and that said Investigator had closed the investigation on that basis.

The Parties have not established mutually agreed upon procedures for the final resolution of disputes arising in collective bargaining, and further, that the Parties have not mutually agreed that the arbitration should not be limited to the last and final offers of each of the Parties.

The Commission having, on March 18, 1985, issued an Order that compulsory final offer arbitration be initiated for the purpose of issuing a final and binding award to resolve an impasse arising in collective bargaining between the Parties on matters affecting wages, hours and conditions of employment of non-supervisory law enforcement personnel in the employ of the City; and on the same date the Commission having furnished the Parties a panel of arbitrators from which they could select a sole arbitrator to issue a final and binding award in the matter; and the Parties advised the Commission that they had chosen Richard John Miller, New Hope, Minnesota as the arbitrator.

A hearing in the matter convened on Monday, June 10, 1985, at 10:00 a.m. at the City Hall in River Falls, Wisconsin. The Parties were afforded full opportunity to present evidence and argument in support of their respective positions. Following receipt of positions, contentions and evidence, the Parties filed post hearing briefs which were received on July 10, 1985, after which the hearing was considered closed.

POSITIONS OF THE PARTIES

The Association's final offer was submitted to the Commission on February 28, 1985, by Association Business Agent Dennis Pedersen and it states the following:

1. WAGES: Provide for a 3% across the board increase, effective 1-1-85, on the rates contained in Article XXI.
2. DURATION: Amend Article XXVII to provide for a 1 year Agreement effective from 1-1-85 through 12-31-85.
3. All other terms of the 1984 Agreement to be continued without change for the 1985 Agreement.

The City's final offer was submitted to the Commission on February 27, 1985, by Labor Relations Consultant Cyrus Smythe and it states the following:

1. All provisions of the 1984 Agreement to remain the same.

ANALYSIS OF THE EVIDENCE

The arbitrator evaluated the final offers of the Parties in light of the criteria set forth in Wis. Stats. 111.70(6) which includes:

- 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 these costs.
- D. Comparison of wages, hours and conditions of employment of the employes involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employes performing similar services and with other employes generally:
 1. In public employment in comparable communities.
 2. In private employment in comparable communities.
- E. The average consumer prices for goods and services, commonly known as the cost-of-living.
- F. The overall compensation presently received by the employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- G. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- H. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

A. The lawful authority of the employer.

This factor is not an issue in the instant proceedings. The lawful authority of the City permits the retention of rights and responsibilities to operate the City so as to carry out the

statutory mandate and goals assigned to it consistent with the provisions of the collective bargaining agreement.

Further, this issue was never discussed during negotiations and, therefore, does not require further elucidation by the arbitrator due to the fact that it was never in dispute.

B. Stipulations of the parties.

Except for the salary issue at impasse, the Parties have agreed to all other contract items for inclusion in the 1985 contract.

C. The interests and welfare of the public and the financial ability of the unit of government to meet these costs.

The effect of the City and Association's final salary offer for 1985 is contained within Association Exhibit #7, Page 7 as follows:

City Proposal - 0% Across the Board Effective 1-1-85

<u>Grade</u>	<u>1985 Hourly Rate</u>
A	\$11.91
B	\$11.47
C	\$10.84
Starting	\$10.40

Association Proposal - 3% Across the Board Effective 1-1-85

<u>Grade</u>	<u>1984 Hourly Rate</u>	<u>1985 Hourly Rate</u>	<u>Increase Per Hour</u>	<u># of Officers</u>	<u>Totals</u>
A	\$11.91	\$12.27	\$.36	6	\$2.16
B	\$11.47	\$11.81	\$.34	1	\$.34
C	\$10.84	\$11.17	\$.33	2	\$.66
Starting	\$10.40	\$10.71	\$.31	0	\$.00

Increased Cost to the City per Hour	\$3.16
Hours per Year	x 2080
Annual Cost (1984)	\$6,572.80

During the course of the arbitration proceeding, the City never alleged that it did not have the economic resources to fund the Association's final salary offer at an estimated cost to the City of \$6,572.80.

D. Comparison of 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 performing similar services and with other employees generally in public employment in comparable communities and in private employment in comparable communities.

Most arbitrators hold that internal settlements in themselves are not an improper basis of comparison and that arbitrators must be concerned that equitable relationships are maintained between all employees and the employer if the parties to the contract had adhered to that practice in the past or if some good reason exists to maintain that relationship.

Voluntary settlements for 1985 involving other City employees ranged from 1.75% to 3%. None of the City employees received a zero increase as proposed by the City. In fact, sergeants who are part of the River Falls Police Department, and thus, the most comparable to the law enforcement bargaining unit, received a 3% increase in 1985. (Association Exhibit #1, Page 17). There was no evidence

that the 3% wage rate received by the sergeant classification was a "catch-up" increase due to some wage inequities among other City employees or in the comparable communities. From 1981 through 1984, the average dollar difference between the sergeant classification and the top patrol rate in River Falls was \$190 and for 1984 only, it was \$199.33. If the Association's position is sustained that difference will increase to \$205.20 while the City's offer jumps that difference to \$267.60. In any event, either final position will increase that difference but the Association's final salary offer does the least damage of the two offers. Therefore, based upon the foregoing, the Association's wage offer of 3% across the board in regards to internal comparisons is more equitable than the zero increase proposed by the City.

Section 111.77(6)(d) of the Wisconsin Statutes requires that the arbitrator compare the Parties' final offers to the wages and fringe benefits of employees in comparable communities. The population of River Falls is listed by the Wisconsin League of Cities as 9,180. The City contends that the most comparable pool consists of all Wisconsin communities with populations approximately 5,000 greater than and smaller than Rivers Falls. These cities and their population in descending order are as follows: Menomonie (13,349), Sun Prairie (13,340), Two Rivers (13,308), Chippewa Falls (12,423), Whitewater (12,052), Oconomowoc (9,795), Fort Atkinson (9,756), Platteville (9,672), River Falls (9,180), Sturgeon Bay (9,056), Cedarburg (8,903), Waupun (8,368), Rice Lake (8,057), Stoughton (7,789), Hartford (7,182), Shawano (7,149), Ripon (7,119), Plymouth (6,116), Jefferson (5,530), Sheboygan Falls (5,391), Hudson (5,343), Reedsburg (5,228) and Richland Center (5,132). (City Exhibit #1, Page 23).

A review of City Exhibit #1, Pages 24 and 25, shows that the average wage rate for top patrol officer for 1985 in the cities listed by River Falls as comparable is \$1,827.45 per month. This 1985 average of \$1,827.45 is compared to the City's 1984 top patrol rate of \$2,064.40 per month. Thus, the City paid \$236.95 more per month in 1984 than the average of Wisconsin cities with populations plus or minus 5,000 pay for in 1985. The City uses this difference as justification for its final salary offer of no increase for 1985.

The Association, on the other hand, proposes that the law enforcement personnel in the surrounding cities of Hudson, New Richmond and Menomonie along with deputies in St. Croix and Pierce Counties are the best group of comparables. From 1980 to 1984, the City has ranked number one among these proposed comparables with respect to the wage rates of top patrol/deputy. The only exception was in 1982 where the City ranked second but was only \$1.22 per month below Hudson, the number one ranked comparable. (Association Exhibit #1, Pages 8-12). All of the proposed comparables have settled contracts for 1985 with the exception of River Falls. The top ranked comparable is Hudson which granted a monthly rate of \$2,127.62 to its top patrol officers. The number two ranked comparable will be River Falls regardless of the outcome of this case. However, if the Association's final offer is awarded the difference between Hudson and River Falls will be less than a dollar per month (\$.82), whereas the difference with the zero increase proposed by the City will be \$63.22 per month.

The City, in attempting to justify its final offer, has chosen to use only population as a standard for statewide comparison of law enforcement wages. Population, standing alone, is generally insufficient to adequately address comparability. One noted exceptions to that rule is where the employer can prove that its labor market extends statewide in the recruitment and hiring of personnel in the bargaining unit. Such proof was not offered by the City in this case. Another exception is where the arbitrator is faced with the situation of a sparse number of settlements in the local geographic area and must turn elsewhere to find a better sampling of settlements. In this case, all of the cities and

counties close to River Falls have settled contracts for 1985, which is the year in question.

The Association has used several recognized criteria in selecting the comparables in this area, including but not limited to, population, geographic area, social and economic interaction involving law enforcement services. As Arbitrator Frank P. Zeidler stated in Onalaska Police Association and City of Onalaska, Decision No. 18612-A, 8/81:

"...the geographic location of the list spread over the state does not provide the basis for considering municipalities under the same economic influences."

It is also appropriate to compare cities to counties and, in fact, it is commonplace in such matters in Wisconsin. City of Onalaska, supra; Ozaukee County, Decision No. 16797-A, (Kerkman), 6/79.

The foregoing evidence has proved that there is a historical relationship between wages paid to members of the bargaining unit and wages paid to other River Falls law enforcement employees as well as to other law enforcement employees among the comparables proposed by the Association and accepted by the arbitrator. A review of the historical ranking and relative wages indicates that the Association's final offer would simply maintain said relationship while the City's final offer would constitute a departure and step backwards from the same. This is no justification whatsoever for the zero increase proposed by the City. In fact, none of the cities and counties proposed as comparables by either Party, whether they are above or below the average monthly salary paid to bargaining unit members in 1984, negotiated a zero percent increase for 1985. Accordingly, the Association's final offer is more reasonable.

E. The average consumer prices for goods and services, commonly known as the cost-of-living.

This factor directs the arbitrator to consider the cost-of-living (CPI). Generally, in evaluating this factor arbitrators compare the wages only increase and/or the total package cost with the inflation rate at the time the contract expires. The 1984 contract expired on December 31, 1984. The rate of inflation in the Minneapolis-St. Paul area as measured by the CPI for all urban consumers equalled 3.3%. (Association Exhibit #1, Page 19). The rate of inflation in the Minneapolis-St. Paul area as measured by the CPI for urban wage earners and clerical workers equalled 3.6%. (Association Exhibit #1, Page 19). The Minneapolis-St. Paul index is the more appropriate of the various indices considering the close proximity of River Falls to the Twin Cities.

With the City's final offer at zero percent, it does not provide the Association members with any protective layer against inflation. On the other hand, the Association's final salary offer of 3% provides some insulation from the impact of the CPI. Consequently, the Association's offer is more reasonable of the two with regard to the cost-of-living.

F. The overall compensation presently received by the employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

City Exhibit #1, Pages 23-48, establishes that the City is competitive or above the average in the fringe benefit area of longevity, insurances, uniform allowance, vacations, holidays, sick leave, family illness leave, funeral leave, and severance pay.

G. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

The most recent salary and total package settlements to date, have been reported and incorporated into the decision of the arbitrator.

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.

This factor was not given great weight because such other factors normally or traditionally taken into consideration in the determination of salary were already considered in the previous statutory factors.

In conclusion, the Association has met its burden of justifying its final salary offer while the City's proposal of a zero increase is not warranted by any of the statutory factors.

AWARD

Based on the above evidence and the entire record, the Association's final salary offer of 3% across the board effective 1-1-85, on the rates contained in Article XXI, best satisfies the factors required to be considered by the arbitrator under such law. Therefore, any and all stipulations entered into by the Parties and the Association's final offer shall be incorporated into the 1985 collective bargaining agreement.


Richard John Miller

Dated this 22nd day of July 1985
New Hope, Minnesota