

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

RECEIVED
OCT 15 1990
WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of

CITY OF CHILTON POLICE DEPARTMENT
EMPLOYEE'S UNION LOCAL 1362
AFSCME, AFL-CIO

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

CITY OF CHILTON (POLICE DEPARTMENT)

Case 18
No. 43241 MIA-1472
Decision No. 26478-A

Appearances:

Mr. James W. Miller, Staff Representative, Wisconsin Council 40, appearing on behalf of the Union.

Lutz, Burnett & McDermott, Attorneys at Law, by Mr. Derek McDermott, appearing on behalf of the Employer.

ARBITRATION AWARD:

On May 29, 1990, the Wisconsin Employment Relations Commission appointed the undersigned Arbitrator, pursuant to Section 111.77 (4) (b) of the Municipal Employment Relations Act, to issue a final and binding Award to resolve an impasse arising in collective bargaining between City of Chilton Police Department Employee's Union Local 1362, AFSCME, AFL-CIO, referred to herein as the Union, and City of Chilton (Police Department), referred to herein as the Employer or the City, with respect to the issues specified below. The proceedings were conducted pursuant to the provisions of Wis. Stats. 111.77 (4) (b), which limits the authority of the Arbitrator to the selection of the final offer of one party without modification. Hearing was held at Chilton, Wisconsin, on June 29, 1990, 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, however, briefs and reply briefs were filed in the matter. Final briefs were exchanged by the Arbitrator on August 28, 1990.

THE ISSUE:

There are two issues before the Arbitrator: 1) the wage issues for the years 1990 and 1991; 2) the amount of clothing allowance for the years 1990 and 1991. The final offers of the parties are set forth below:

UNION FINAL OFFER:

1. Amend Section 7.01 - Clothing Allowance. Increase clothing allowance

from \$275 per year to \$300 per year for the year 1990; increase clothing allowance to \$325 per year beginning January 1, 1991.

2. Amend Section 13.05 to read: Effective January 1, 1990, the City shall pay the full amount of the dental insurance program, not to exceed fifty dollars and eleven cents (\$50.11) for the family plan.

3. Wage increases. Effective January 1, 1990, 3% across the board increase. Effective July 1, 1990, an additional 2% across the board increase. Effective January 1, 1991, 3% across the board increase. Effective July 1, 1991, an additional 2% across the board increase.

CITY-FINAL OFFER:

1. Wage raises as follows: Effective 1/1/90 a raise of \$65.00 per month; effective 1/1/91 a raise of \$70.00 per month.

2. Section 10.03 of the previous contract would be amended to provide an accumulation of sick leave to a maximum of 74 days, increased from 60 days. The additional banked days of 50 would remain the same.

3. Section 13.05 would be amended to read: Effective 1/1/90 the City shall contribute no more than \$50.08 per month toward the family dental insurance plan or \$14.84 per month toward the single dental insurance plan.

From the foregoing final offers, it can be seen that the parties' offer on dental insurance is identical, and, thus, no issue is joined. The City's final offer also contains a provision which improves sick leave accumulation from 60 days to 74 days. At hearing, it was agreed that the improvement of sick leave contained in the City's final offer was an agreed upon item and should be considered a stipulation.

DISCUSSION:

Wis. Stats. 111.77 (6) set forth the factors to which the arbitrator shall give weight in determining which party's final offer should be adopted. The Arbitrator will consider the record evidence and the parties' arguments in light of the statutory criteria found at 111.77 (6), a through h.

THE WAGE ISSUE

The parties have submitted evidence only with respect to wage and settlement comparisons for the year 1990. No data was adduced at hearing with respect to comparisons of wages or settlement patterns for the second year of the proposal of the parties, the year 1991. The undersigned, therefore, will undertake comparisons of the 1990 data to determine which party's final offer more appropriately reflects the settlement trends and which party's final offer more nearly reflects the appropriate wage rates among comparable communities.

We turn first to comparison of patterns of settlement. We find from the exhibits of the parties that the Employer offer for 1990 results in a 3.4% increase to patrolmen and a 3.3% increase to sergeants. The Union proposes a split increase of 3% effective January 1, 1990, and a 2% increase effective July 1, 1990, which

results in a lift of 5% on the wage rate and a percentage wage increase for 1990 of 4%. We look to the comparable settlements, and we find that for 1990 the City of New Holstein settled for a 2.48% increase; Calumet County settled for 2% January 1 and 2% July 1, for a total percentage increase for the year of 3%; Brillion settled for 3% for 1990. The Union also provides data with respect to wage rates at Kewaunee and Algoma, however, there is insufficient data in the record to establish the percentage of increase for these two communities. The Employer supplies additional data for comparative purposes for the Village of Rothschild, the cities of Peshtigo, Tomahawk, Barron, Mauston, Bloomer, Boscobel and Wautoma. The City relies solely on the population similarities of the foregoing communities to establish the comparability. With the exception of the City of Peshtigo, which is approximately as close to the City of Chilton as are Algoma and Kewaunee, which are contained within the Union comparables, the remaining communities relied on by the Employer as comparables are too far distant to be considered comparables, in the opinion of the undersigned. All of the remaining communities upon which the Employer relies are certainly outside the area of the labor market from which the Employer draws. Consequently, it is concluded that the similarities of population are insufficient to establish the remaining communities relied on by the Employer as comparable. We look, then, to the City of Peshtigo's increase for 1990, and find it to be 3.5%. There is one additional internal comparison to be considered, where the City of Chilton in bargaining with its Department of Public Works employees, agreed to a 1990 increase of \$728 for employees in that unit, compared to the City offer here of \$780 per month, and a Union proposal of \$915 per month to patrolmen and \$947 per month to sergeants.

From all of the foregoing comparisons of patterns of settlement, it is clear that the Employer offer here more closely aligns to the patterns of settlements established among comparable employers and the internal patterns of settlement established by the settlement between the City and its Department of Public Works employees.

The Employer has introduced evidence showing the percentage settlements in the private sector in the immediate vicinity. The evidence discloses that Chilton Metal Products is in the last year of a three year contract expiring September 1, 1990, and that there was zero percent increase on the wage rate during the term of the Agreement, and that employees received a \$150 signing bonus when the Contract was signed in 1987. The Newell Company entered into a three year contract in 1990 calling for a zero percent increase with a signing bonus and a 2% increase in 1991 and a 2% increase in 1992. Manna-Pro has a wage increase of 2.5% for 1990. Chilton Malting Company has an increase of 1.9% for 1990. Tecumseh Products has a five year contract negotiated in 1989 providing for a 1% per year increase for each of the five years of the contract. The patterns of settlement in the private sector, thus, support the Employer offer here.

From all of the foregoing comparisons, it is clear that the Employer offer should be adopted, unless the higher proposed settlement of the Union is warranted, based on wage rate comparisons. We now look to that comparison. The Arbitrator has calculated the hourly wage increase generated by the proposals of both parties for 1990. The Arbitrator calculates the Employer offer to generate a \$12.15 wage increase effective January 1, 1990, for patrolmen, and a \$12.50 wage rate for sergeants, effective January 1, 1990. The Union offer generates \$12.10 per hour for patrolmen effective January 1, 1990, and \$12.34 per hour effective July 1, 1990. For sergeants the Union offer generates \$12.46 effective January 1, 1990, and \$12.71 effective July 1, 1990. For the purpose of comparison, the undersigned believes the wage rate comparisons after the second increase have been applied to be the

most appropriate, and, therefore, that is the comparison that will be made in the following discussion.

Both parties have proposed the City of Kiel as a comparable. The Union data sets forth a wage rate for the City of Kiel for 1989 as \$11.90 per hour for patrolman. The Employer data for the City of Kiel sets forth a wage rate as \$11.91 per hour for 1990. Obviously, one of the parties' data is incorrect. Because there is no basis to validate which wage rate is the appropriate wage rate to be considered, the undersigned will remove the City of Kiel from the comparables for the purpose of the wage rate comparisons. Among the remaining comparables as discussed earlier in this Award, the City of New Holstein patrolman wage is \$13.83 per hour; Algoma, \$13.16 per hour; Kewaunee, \$12.28 per hour; Brillion, \$11.27 per hour; Peshtigo, \$11.94 per hour, and Calumet County, \$12.44 per hour. Thus, the City proposal generating patrolman wage rate of \$12.15 per hour would rank fifth among the seven comparables, higher only than the wage rates paid at Brillion and Peshtigo of \$11.27 and \$11.94 per hour respectively. The Union proposed wage rate of \$12.34 per hour effective July 1, 1990, would rank fourth among those same comparables. The average wage rate among those comparables totals \$12.49 (City of Chilton rates excluded). Thus, the Union proposal would improve the ranking of the patrolman in the City of Chilton by one level compared to that of the Employer. There is no data in the record to indicate where the rankings would have stood for 1989, and, consequently, the comparison cannot be made.

We make the same comparisons with respect to the sergeant wage proposal, and find that the City offer generates \$12.50 per hour for 1990, and the Union offer effective July 1, 1990, generates \$12.71 per hour. There is data among the comparables only for Kiel, New Holstein, Algoma and Peshtigo. The Kiel data will be excluded for the same reason that it was excluded in the patrolman comparisons. Data from the remaining comparables show that Peshtigo pays \$12.28 per hour to sergeants; Algoma, \$13.27; and New Holstein, \$14.07. Thus, the proposal of both parties as it relates to sergeants for 1990 ranks third among these comparisons. The average rate among the comparables (Chilton excluded) is \$13.21. From the foregoing, it is clear that the offers of both parties for sergeants falls considerably below the average wage paid among the three comparables where data is available for 1990 for sergeants.

Perhaps the best comparison wage rate to wage rate can be made between Calumet County and the City of Chilton, which is the County seat of Calumet County. The record evidence establishes that patrolmen in the employ of Calumet County are paid \$12.44 for 1990, compared with a final rate for 1990 proposed by the Union of \$12.34, and a rate proposed by the Employer of \$12.15. In making this comparison of wage rate to wage rate, the Union proposal is justified.

We now turn to a comparison of total compensation which the statute requires. Among the comparables, where the data is available, it is clear that only the City of Chilton and City of New Holstein pay 100% of family health insurance on behalf of its employees. It is further clear that only the City of New Holstein and City of Chilton among the comparables where data is available provide dental insurance, both communities paying 100% of that premium. It should be pointed out that the only other data available for comparative purposes are Calumet County, City of Kiel and City of Brillion. The City of Kiel pays 99% of the family health insurance premium; the City of Brillion pays \$215, plus 50% over that amount on behalf of its employees for family coverage. The most significant comparison, in the opinion of the undersigned, is Calumet County, where the Employer pays \$250 per month plus 50% over that amount for family insurance premiums on health insurance. There is no

data available, however, on which to base a determination as to how much in excess of \$250 per month premiums are for Calumet County or how much in excess of \$215 per month of the family premiums are in Brillion. Consequently, those differential comparisons are not totally available. It is sufficient, however, to note that the health insurance contribution of the Employer in the City of Chilton is significantly superior to the health insurance contributions made by Calumet County, a comparison which the undersigned has already determined to be significant.

Most telling in the comparison of total compensation, however, are the comparisons including dental insurance, where Calumet County does not provide dental insurance to its employees, and the City of Chilton does. The record evidence establishes that the premium for dental insurance paid on behalf of the City of Chilton employees is \$50.08 per month, or \$696 per year. On the basis of a 1,947 hour year which the employees work, this calculates to 30¢ per hour. If one were to add 30¢ per hour to the wage rate proposed by the Employer for patrolmen in 1990, the rate would become \$12.45 per hour compared to the \$12.44 per hour paid by Calumet County for 1990. From the foregoing comparison, it is concluded that when including the cost of the premiums for family dental insurance, total compensation rates paid to patrolmen in the City of Chilton are equivalent to the total compensation rates paid patrolmen employed by Calumet County. The undersigned has considered other total compensation data contained within Employer Exhibit No. 2, which sets forth the number of hours worked per year and the number of holidays per year. The City of Chilton employees as stated above work 1,947 hours per year, and have 10 holidays. Calumet County employees work 2,029 hours per year and have 10 holidays. From all of the foregoing, the undersigned concludes that the total compensation criteria favors the adoption of the Employer offer.

We now turn to a consideration of cost of living criteria, and we find that the Union proposal of an average of 4% wage increase for 1990 is closer to the increase in cost of living than is the Employer offer of 3.4%. It follows therefore that the cost of living criteria supports the Union offer in this matter. It remains to be determined the weight to be accorded the cost of living criteria.

THE CLOTHING ALLOWANCE DISPUTE

The testimony at hearing establishes that uniform suppliers have increased the prices of uniforms by 5% per year for the last several years. The evidence further establishes that the increase in the clothing allowance proposed by the Union calculates to a 9% per year increase. The evidence also establishes that the last time the clothing allowance was increased was 1988, when the allowance was increased from \$250 to \$275. The evidence also establishes that there has been no increase in the cost of cleaning uniforms during the last several years. The evidence establishes that there has been no increase in clothing allowance since 1988. Thus, during the term of this Agreement, three years will have elapsed without a clothing increase if the Employer's offer is adopted. If the Union's offer is adopted, there will be an increase of 18% in the clothing allowance over the life of this Agreement, and the increased cost of uniforms at 5% per year for the three years since 1988 totals 15%. From the foregoing, it is clear that the uniform allowance proposed by the Union more adequately compensates the officers for the increase of the cost of buying uniforms.

There is also evidence adduced which shows that among the Union proposed

comparables, the City of Kiel provides \$300; New Holstein, \$350; Calumet, \$300; Kewaunee, \$335; Algoma, \$360; and Brillion, \$275. From the foregoing, the undersigned concludes that the clothing allowance paid in the comparable communities advocated by the Union support its increases in the clothing allowance.

SUMMARY AND CONCLUSIONS:

The undersigned has concluded that the patterns of increase in both public and private sector support the Employer offer in the wage dispute, and that the total compensation comparisons among the comparables also support the Employer final offer. The undersigned has further concluded that wage rate to wage rate comparisons among the comparables support the Union offer in the wage dispute, as does the cost of living criteria. Additionally, the undersigned has concluded that the evidence establishes a preference for the Union offer in the clothing allowance dispute.

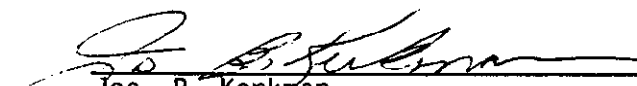
The undersigned is of the opinion that the wage dispute is the primary dispute between the Employer and the Union, and the most important of the two issues which are disputed. Consequently, if the Employer prevails on the wage dispute, its entire offer will be adopted, and if the Union prevails on the wage dispute, its entire offer will be adopted. The evidence satisfies the undersigned that the total compensation comparisons and the patterns of settlement comparisons are the paramount considerations, and, consequently, the Employer offer is to be adopted. While the cost of living criteria supports the Union offer, there is nothing in this record to show that the employees in this unit should have greater insulation against the cost of living increases than the employees in the Department of Public Works unit of the Employer, or, for that matter, why they should be protected in a superior fashion from those increases than employees in comparable communities. While the wage rate comparisons favor the adoption of the Union offer, that comparison is offset when considering the total compensation comparisons, particularly, those made between Calumet County and the City of Chilton, where total compensation offer of the Employer, when considering the dental insurance benefits which is not provided in Calumet County, is equal to or in excess of the total compensation paid to patrolmen in the employ of the County.

From all of the foregoing, then, the undersigned concludes that the Employer offer is adopted. Therefore, based on the record in its entirety, and the discussion set forth above, after considering the statutory criteria and all of the arguments of the parties, the undersigned makes the following:

AWARD

The final offer of the Employer, along with the stipulations of the parties as certified to the Wisconsin Employment Relations Commission, and those provisions in the predecessor Collective Bargaining Agreement which remained unchanged throughout the bargaining process, are to be incorporated into the parties' Collective Bargaining Agreement for the years 1990 and 1991.

Dated at Fond du Lac, Wisconsin, this 10th day of October, 1990.



Jos. B. Kerkman,
Arbitrator

JBK:rr