

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of

STEVENS POINT POLICE OFFICERS'
ORGANIZATION

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

Case 75
No. 44940 MIA-1562
Decision No. 26954 -B

CITY OF STEVENS POINT

APPEARANCES:

On Behalf of the City: Bruce K. Patterson - Employee Relations
Consultant

On Behalf of the Union: Richard T. Little - Bargaining Consultant,
Law Enforcement Relations Division of the Wisconsin Professional Police
Association

I. BACKGROUND

On December 10, 1990, the Union 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
Parties with respect to wages, hours, and conditions of employment of law

enforcement personnel for the year 1991-92. An informal investigation was conducted on March 28, 1991, by a member of the Commission's staff; and that investigator advised the Commission on July 23, 1991, that the Parties were at impasse on the existing issues as outlined in their final offers.

Subsequently, the Parties were ordered to select an Arbitrator. Ultimately, the undersigned was selected.

A hearing was held May 5, 1992. Post-hearing briefs were filed and exchanged June 24, 1992.

II. FINAL ISSUES AND OFFERS

Both Parties propose contracts with a two-year term (1991 and 1992).

The Union proposes to increase all monthly rates 4% effective January 1, 1991, 1% December 31, 1991, 4% January 1, 1992, and 1% effective December 31, 1992.

The City proposes to increase rates by 4% effective January 1, 1991, and by 4% again January 1, 1992. They also propose that "effective January 1, 1992, the City shall provide the base income continuation plan offered by the State of Wisconsin, Department of Employee Trust Funds."

As can be observed, the difference in the wage proposals is small and relates to the Union's proposal for a 1% year-end rate increase each of the two years of the contract. The cost impact is limited, however, to the second year

of the contract. The impact of the second year-end increase occurs during the next contract period. According to the City's costing of the contract which includes a calculation of the 1% December 31, 1992 lift, the Union's proposal represents a 10.33% increase over the cost of wages in 1990. They value their wage proposal at 8.16% plus .5% for the income disability plan. Accordingly, the total package value of their contract is 8.66%.

III. POSITION OF THE PARTIES (SUMMARY)

A. The Union

The Union provides an analysis of the offers within the framework of the statutory criteria. First, with regard to the lawful authority of the Employer, they note no argument has been raised by either Party that the city does not have the authority to lawfully meet the Association's final offer. Second, regarding the stipulations of the Parties, the Union believes that the other agreements of the Parties have little or no intrinsic monetary value. Therefore, they suggest that the stipulated provisions of the Parties are not at issue and should have little or no weight on the outstanding issues.

The next criterion addressed by the Union is the interest and welfare of the public. They assert that its final offer best serves the citizens of Stevens Point by recognizing the need to maintain the morale of its officers and to retain the best and most qualified officers. This morale is best maintained

under their offer because it is most consistent with increase in the Portage County Sheriff's Department with which the officers must work everyday. Moreover, with regard to the City's ability to pay , it is not an issue in this case.

Most of the Union's attention is directed toward a comparison of the offers to the settlements in other jurisdictions that they believe to be comparable. They are Marathon County, Wood County, Portage County, City of Wausau, City of Marshfield, and City of Wisconsin Rapids. They believe this to be an appropriate group based on traditional factors of comparability. In contrast, they believe the City's list of external comparables (Marshfield, Wausau, and Wisconsin Rapids) is too narrow.

The Union contends that its offer is justified because the wage offer proposed by the Association would allow it to maintain its position relative to the comparables with respect to a comparison of average base salary and overall compensation. They direct attention to settlement data and argue that their proposal for a 1% year-end lift is more consistent with the lift and percentage increase in the other comparables. For instance, they note the City of Wisconsin Rapids, under all classifications, represents the singular exception to the 5% wage lifts in 1991-92. Moreover, because it is a three-year agreement, they suggest that the Wisconsin Rapids agreement was settled under slightly differing economic conditions in early 1990 and prior. They also believe it

noteworthy that many of the comparable departments received benefit increases in addition to the wage increases discussed previously. In contrast, the City of Stevens Point officers receive no benefit increases that would offset a lower-than-average wage increase.

The Union also addresses the Employer's reliance on internal comparables. They argue that recent arbitral opinion and the present factual scenario dictates that in these proceedings internal comparables should be given limited weight. Moreover, internal comparables are not as meaningful for law enforcement personnel. They cite Arbitrator Fleischli in Portage County (Sheriff's Department), Case 73, No. 41434, NIA-1366, 9/89. Accordingly, they conclude that the record fails to establish that internal comparisons have, in the past, served as an important or controlling consideration in establishing settlements with this bargaining unit.

The Union also addresses the issue of the Employer's income continuation proposal. It is their position that it is not supported by the comparables. The Union submits that not one iota of evidence has been submitted by the Employer indicating why it has been deemed necessary that the law enforcement unit receive an income continuation benefit. The only justification is that all the bargaining unions had to participate in the plan in order to have the program.

The next issue or criteria addressed by the Union is the cost of living. The Union maintains that settlements within the comparable area are consistent and indicative of the cost of living. The Union asserts that they have remained cognizant of the current economic climate and comparable settlements and has framed its final offer in a fair and equitable manner.

B. The Employer

The City believes that four statutory criteria are particularly relevant. They are, in short-hand form, Criteria (d) the comparables, (e) the cost of living, (f) overall compensation, and (h) other relevant factors.

The City initially draws attention to the fact that the City's final offer of a 4% wage increase for each year of the contract is consistent with the voluntarily negotiated settlements obtained in early 1991 between the City of Stevens Point and five other certified bargaining units. Included in that group of settlements was one negotiated with the Stevens Point Fire Fighters Association Local 484, AFL-CIO. They assert there has been a historical pattern of consistent wage settlements among City employees and especially between the Police and Fire personnel of the City of Stevens Point.

Against this background the City argues that to deviate from the historical internally consistent settlement pattern would required the proven existence of circumstances meeting the requirements of the statutory criteria. They also

argue the record is void of any such circumstances. They contend as well that their benefits package deserves consideration since it is internally consistent and externally competitive.

The City contends that the internal pattern should control unless the party objecting to the acceptance of the internal pattern is able to demonstrate that acceptance of such pattern would have the impact of creating significant differentials in wage levels as they relate to the external comparables. They argue that to grant, either through arbitration or voluntarily, a settlement deviating from that clear internal pattern, would be highly disruptive to future collective bargaining between the City and its unions. Regarding the external comparables, their offer would maintain the rank of the City relative to the comparables it utilizes. As for Portage County, the City is already paying higher wages. Moreover, if he awarded for the Union, the Arbitrator would be granting virtually the highest dollar amount settlements in the comparable units of government as submitted by the Union.

The cost of living also supports their offer, it is argued by the City. The aggregate growth, the relevant CPI, was 9.2% for the time frame. The City's final offer allows for a lift of 8.16% and, when coupled with the addition of a significant benefit such as income disability insurance, places the City package at 8.66% for the two years. Thus, they suggest this clearly is a closer relation

to the increase in the CPI than the Union's proposal of a 10.33% lift in wage levels over the term of the contract.

The City also believes that its offer to extend the income continuation plan to the employees at no cost deserves consideration under Criteria (f). This plan is also consistent with the internal comparables.

V. DISCUSSION AND OPINION

The Parties, in their respective analytical approaches, differ in several ways. First, the Union selects a larger comparable group that includes county sheriff departments, whereas the City selects a much more narrow group, one limited to three cities. Another notable difference between their viewpoints relates to the probative value of the internal settlement pattern.

Regarding the question of which external comparable group is more appropriate, the Arbitrator firmly believes the Union has correctly identified the more appropriate group. Where there is a limited number of similar-size cities, it is useful to look at the wages, etc., of county law enforcement departments, even though their duties vary to some degree. Portage County, among these, would be the most instructive. Accordingly, the employers to be used for external comparable purposes will be:

City of Wausau
City of Wisconsin Rapids
Marshfield

Portage County
Marathon County
Wood County

With respect to the matter of internal comparables, the Arbitrator agrees with the Union in part. Broad internal patterns are, generally speaking, less important for law enforcement personnel. For instance, police have little in common with a streets-and-parks department or the transit or waste water departments. Their skills, duties, working conditions, and labor market are quite different. It is particularly appropriate to compare, in strict terms, these other departments to each other given their general similar natures. Although, it is less valuable to compare them to police.

This is not to say that comparisons to City units such as parks, waste water, and clerical have no value, however. They must be considered, but not with as much weight as the City suggests. There is also the matter of the internal comparison to the fire fighters. This is one internal comparison for law enforcement personnel that arbitrators have found especially relevant, particularly where there is a history of similar settlements. Both units are involved with the public safety and can face significant risk. Accordingly, there are similar equitable considerations. Moreover, the bargaining conduct of the Parties cannot be ignored.

The City asserts, and the data bears this out, that the bargaining history shows a historical pattern of similar, if not identical, increases between the two units. In this round of bargaining, the fire fighters agreed to the City's offer of 4% in 1991 and 4% in 1992. Obviously, this weighs in favor of the Employer.

On the other hand, the percentage increase in the external units is indeed more similar to the Union offer. For instance, the percentage increase in the wage rate for the Patrol/Deputy classification in 1991 over 1990 averaged 4.94%. The increases ranged from 5.14% to 4.33%. The Union's proposal which results in a 5.04% increase in the rates in 1991 is closer to this pattern and is helped by the fact it is split; therefore, its impact is spread out.

The percentage increase is only half the story, however, when looking at the external comparables. When weighing the value of internal comparisons to external comparisons, it is important to look at wage levels.

The average monthly salary for the Patrol/Deputy classification at the end of 1991 in the external comparables will be \$2,274. The wage levels range from \$2,178 to \$2,407. Portage County, an important external comparable, is at \$2,310 per month.

The Union's proposal for 1991 would result in a monthly base salary of \$2,384 or \$110 above average. The 1990 level coincidentally was \$100 above average and was tied with Wood County as the second highest monthly rate. Notably, the Union's offer would result in a wage level roughly \$75 per month above Portage County.

The City's offer would result in a 1991 salary of \$2,360 per month or approximately \$24 per month less than the Union's offer. This would, however, still be (1) approximately \$84 above the average, (2) \$50 a month

more than the Deputy classification in Portage County, and (3) rank third overall \$24 per month behind Wood County.

In terms of 1992 wage levels, the average monthly salary in the external comparables would be \$2504 per month. The Union's offer would be \$114 above the average. The City's offer results in a wage of \$2455 or \$65.58 above the average.

In balancing the competing considerations of the internal comparisons and the external comparisons, it is difficult not to observe that adherence to the internal pattern will not significantly disadvantage the bargaining unit. While their relative position slips a little bit, they still are substantially ahead of the average and still somewhat ahead of Portage County under the City offer. Moreover, it is observed that while a 4% increase is less than the average increase of 4.94%, in real dollars it isn't a dramatic difference. If a Patrolman in Stevens Point got the average increase of 4.94%, his salary would be only \$16 per month more. After taxes this means even less.

This is a very close case primarily because the offers are not dramatically different. In conclusion, when weighing the external comparables with the internal comparables, it must be said that the Employer's offer is slightly more reasonable. The Arbitrator's preference for the Employer's offer on this basis is not diluted by an analysis of the other statutory criteria. As for the income

continuation plan, it cannot be said that this distracts from the relatively more reasonable wage offer of the Employer.

AWARD

The final offer of the City is accepted.

A handwritten signature in black ink, appearing to read "GIL VERNON", written over a horizontal line.

Gil Vernon, Arbitrator

Dated this 11th day of August 1992.