

In the Matter of Final and Binding	:	WISCONSIN EMPLOYMENT RELATIONS COMMISSION
Final Offer Arbitration Between	:	
VIROQUA PROFESSIONAL POLICE ASSOCIATION	:	
WISCONSIN PROFESSIONAL POLICE ASSOCIATION/ LEER DIVISION	:	AWARD
and	:	
CITY OF VIROQUA (POLICE DEPARTMENT)	:	Decision No. 26974-A
WERC Case 6, No. 44995 MIA-1566	:	

I. NATURE OF PROCEEDING. The Wisconsin Professional Police Association/Law Enforcement Employee Relations Division (LEER) representing the Viroqua Professional Police Association, filed a petition on December 18, 1990, with the Wisconsin Employment Relations Commission for initiation of final and binding arbitration pursuant to Sec. 111.77 (3) of the Municipal Employment Relations Act. The Employer is the City of Viroqua. An investigation was conducted on June 10, 1991, by James W. Engmann, of the Commission staff. Thereafter on August 14, 1991, the Commission made a finding that the parties had not established a mutually agreed upon procedure for resolution of the collective bargaining dispute, and concluded that an impasse within the meaning of Sec. 111.77 (3) of the Act existed with respect to an agreement between the parties for the years 1991 and 1992. The Commission certified that conditions precedent to the initiation of compulsory final and binding arbitration as required by Sec. 111.77 existed, and ordered that it be initiated. The parties, having selected Frank P. Zeidler, Milwaukee, Wisconsin as arbitrator, the Commission appointed him on August 30, 1991. The arbitrator was instructed to issue an Award pursuant to Sec. 111.77 (6) (b). A hearing was held on December 18, 1991, at the Police headquarters in Viroqua. Parties were given full opportunity to give testimony, present evidence and make argument. The last brief was received by the arbitrator on January 21, 1992.

II. APPEARANCES.

RICHARD T. LITTLE, WPPA/LEER Business Agent appeared for the Association.

JEROME KLOS, Special Labor Counsel, KLOS, FLYNN & PAPENFUSS-CHARTERED, appeared for the City.

III. THE OFFERS.

A. Final offer of the City of Viroqua:

See Appendix A following.

B. Final offer of the Association:

See Appendix B following.

RECEIVED
JUL 17 1991

FINAL OFFER OF

CITY OF VIROQUA, WISCONSIN

July 15, 1991

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Appendix "A"

Re: Viroqua Police Department Contract

1. Section 19.01 of the Contract is modified to read:

"The Employee shall provide for \$42.82 payment of plan premiums for Hospital and Medical Insurance and Life under the plans selected by mutual agreement of the Employer and the majority of all City employees (not limited to this bargaining unit). The Life Insurance provided shall be a \$5,000.00 policy; provided, however, effective July 1, 1991, the Employee shall pay 25 percent of plan premiums for said Hospital, Medical and Life Insurance in place of the \$42.82.

2. Wage increase of 6 percent retroactive to January 1, 1991. Actual revised Appendix "A" attached which also reflects additional 2 percent steps where applicable.

3. Wage increase of 4.5 percent effective January 1, 1992. Actual revised Appendix "A" attached which also reflects additional 2 percent steps where applicable.

4. Revision of all applicable dates to reflect a two-year Contract duration 1991-92.

5. All other terms of 1989-90 Agreement shall continue for the two-year contract period.

CITY OF VIROQUA, WISCONSIN

By



Jerome Klos, Special Labor Counsel

APPENDIX "A"

'A' 1.01 Classification - Annual Wage Effective	1/1/91(6%)	7/1/91*	7/1/92(4.5%)	7/1/92*
David L. Mattice, Employed 4/20/79 Investigator Step 5	\$ 25,861.80	\$ 26,379.04	\$ 27,566.10	\$ 27,566.10
David L. Jefson, Employed 7/23/82 Patrolman, Grade 23-Step 4	23,556.10	24,027.22	25,108.44	25,108.44
Timothy J. Aspeslet, Employed 3/16/85 Patrolman, Grade 23-Step 3	23,139.60	23,602.39	24,664.50	24,664.50
Daron T. Jefson, Employed 1/01/88 Patrolman, Grade 23-Step 2	22,685.23	23,138.93	24,180.18	24,180.18
Patrick S. McGuire, Employed 3/01/89 Patrolman, Grade 23-Step 1	22,685.23	22,685.23	23,706.07	24,180.18
Steven J. Getter, Employed 7/01/90 Patrolman, Grade 23-Step 1	22,685.23	22,685.23	23,706.07	23,706.07

Probationary pay when applicable, shall be 85 percent of base pay for first 6 months; 90 percent for 7 through 12 months; 95 percent for 13 through 18 months.

* Represents the Step Increase. Steps stated in employee information are as of 7/1/91.

1.02 Shooting equipment and ammunition, necessary equipment and uniforms shall be furnished by the City. The City will repair all damage due to natural wear and tear. If items are damaged by the employee's neglect, then the employee is liable for the repair or replacement cost. The City will pay for dry cleaning of uniforms.

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JUL 25 1991
WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

FINAL OFFER
OF THE
WISCONSIN PROFESSIONAL POLICE ASSOCIATION
LAW ENFORCEMENT EMPLOYEE RELATIONS DIVISION

TO
THE CITY OF VIROQUA

Appendix "B"

July 16, 1991

The final offer of the WPPA-LEER for a Collective Bargaining Agreement between the WPPA-LEER and The City of Viroqua is as follows:

A. All terms and conditions of the 1989-1990 Agreement shall be continued for a two (2) year term except as otherwise agreed to between the parties in their written stipulations and except as noted below:

B. Revise ARTICLE XIX - INSURANCE - Section 19.01 to read:

19.01 The Employee shall provide for a ten (10%) percent payment of plan premiums for Hospital and Medical Insurance and Life under the plans selected by mutual Agreement of the Employer and the majority of all City employees (not limited to this bargaining unit). The Life Insurance provided shall be a \$5,000.00 policy.

C. Revise all applicable dates to reflect a duration of two (2) year. (1991-1992)

D. Revise APPENDIX "A" to reflect the following:

- Effective 1-1-91 Three (3%) percent across the board.
- Effective 7-1-91 Three (3%) percent across the board.
- Effective 1-1-92 Three (3%) percent across the board.
- Effective 7-1-92 Two (2%) percent across the board.

(1)	David L. Mattice,	Employed 4/20/79		
	Investigator -	Effective 1/1/91	\$ 25,129.86	Step 4
		Effective 7/1/91	26,401.44	Step 5
		Effective 1/1/92	27,193.48	Step 5
		Effective 7/1/92	27,737.35	Step 5
(2)	David L. Jefson,	Employed 7/23/82		
	Patrolman -	Effective 1/1/91	\$ 22,889.42	Step 3
		Effective 7/1/91	24,047.62	Step 4
		Effective 1/1/92	24,769.02	Step 4
		Effective 7/1/92	25,264.43	Step 4
(3)	Timothy j. Aspeslet,	Employed 3/16/85		
	Patrolman -	Effective 1/1/91	\$ 22,484.70	Step 2
		Effective 7/1/91	23,622.42	Step 3
		Effective 1/1/92	24,331.09	Step 3
		Effective 7/1/92	24,817.71	Step 3
(4)	Daron T. Jefson,	Employed 1/01/88		
	Patrolman -	Effective 1/1/91	\$ 22,043.19	Step 1
		Effective 7/1/91	23,158.58	Step 2
		Effective 1/1/92	23,853.35	Step 2
		Effective 7/1/92	24,330.41	Step 2
(5)	Patrick S. McGuire,	Employed 3/01/89		
	Patrolman -	Effective 1/1/91	\$ 22,043.19	Step 1
		Effective 7/1/91	22,704.49	Step 1
		Effective 1/1/92	23,385.62	Step 1
		Effective 7/1/92	24,330.41	Step 2
(6)	Steven J. Getter,	Employed 7/01/90		
	Patrolman -	Effective 1/1/91	\$ 22,043.19	Step 1
		Effective 7/1/91	22,704.49	Step 1
		Effective 1/1/92	23,385.62	Step 1
		Effective 7/1/92	23,853.33	Step 1

IV. FACTORS TO BE WEIGHED BY THE ARBITRATOR. Under Section 111.77 (6) the arbitrator shall give weight to the following factors:

"(a) The lawful authority of the employer.

"(b) Stipulations of the parties.

"(c) The interest and welfare of the public and the financial ability of the unit of government to meet these costs.

"(d) Comparison of the wages, hours and conditions of employment of the employes involved in the arbitration proceedings 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 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."

V. LAWFUL AUTHORITY. There is no question of the lawful authority of the unit of government to meet the costs of either offer.

VI. STIPULATIONS. The parties have stipulated to all other matters between them. The issues remaining relate to wages and insurance.

VII. COSTS OF THE OFFERS. The Association prepared exhibits for the costs of the offers. The following information comes from Association Exhibits 26 and 27 (Supplements):

Table I

FINAL OFFER COMPARISONS,
INCLUDING TOTAL WAGES AND FRINGE BENEFITS

	1991		1992	
	City	Assn.	City	Assn.
Total Wages	\$146,523	\$144,011	\$154,392	\$153,813
Fringe Benefits				
Health Ins.	21,837	21,837	20,665	20,665
EE Ins. Contrib.	-4,271	-2,184	-5,166	-2,067
Retirement (19%)	27,839	27,362	29,334	29,224
Total Benefits	45,405	47,016	44,833	47,823
Totals	\$191,928	\$191,027	\$199,225	\$201,636
\$ Difference		- 901		+2,411
% Difference		- 0.47		+ 1.21

VIII. COMPARABLE UNITS OF GOVERNMENT. The parties show a considerable divergence in the units of government to be used as comparables. The Association considers the following cities and one county to be comparable ones:

Table II

ASSOCIATION COMPARABLES

City	County Location	Population	All Law Enforcement Staff	Contracts Settled
1. Onalaska	La Crosse	11,284	18	Yes
2. Baraboo	Sauk	9,203	18	No
3. Sparta	Monroe	7,788	14	Yes
4. Tomah	Monroe	7,570	15	No
5. Reedsburg	Sauk	5,834	11	Yes
6. Prairie du Chien	Crawford	5,659	10	Yes
7. Richland Ctr.	Richland	5,018	10	Yes
8. Viroqua	Vernon	3,922	8	No
9. West Salem	La Crosse	3,611	7	No
10. Mauston	Juneau	3,439	5	No
11. Holmen	La Crosse	3,220	3	Yes
<u>County</u>				
1. Vernon		25,617	19	Yes

Among these comparables in property offenses, Viroqua with a drop of 8.7% in such offenses between 1989-1990 was 10th among 12 comparables (AX-8). In violent offenses during the same period it was 6th with a 33.3% increase. (AX-9) All violent offenses were cleared in 1990 and 34.9% of the property offenses were cleared, the 3rd in rank among 12 comparables. (AX-10)

The City proposed that a general review be made first of cities in Wisconsin and submitted comprehensive data in City Exhibit 8 and 8 Supplements. In its Exhibit 7 it specifically called attention to the following:

Table III

CITY LIST OF COMPARABLE UNITS OF GOVERNMENT

		<u>Population</u>	<u>Officers</u>
Alma	Buffalo	900	1
Caledonia	Houston, MN	2,846	3
Crawford		16,000	18
Darlington	La Fayette	2,846	3
Hillsboro		1,326	2
Holmen		3,800	5
La Crescent	MN	4,311	3
Mauston	Juneau	3,433	5
Prairie du Chien	Crawford	6,000	10
Vernon		25,000	23
Viroqua		4,050	6
Westaby		1,956	3
West Salem		3,460	4
Whitehall	Trempealeau	1,500	3

City Exhibits 7, 8

The Association Position Summarized. The Association says it has relied on the factors of geographic proximity, population, mean income of employed persons, overall municipal budget, and total complement of relevant department personnel. Although Viroqua is smaller than some of the comparables, the Association list is preferable to the Employer's list. The Association list contains all municipal law enforcement departments with a population of more than 2,500 in West Central Wisconsin. Though Vernon County Sheriff's Department and the Onalaska Police Departments are included, they are so because they cannot be ignored since they are in the area. The municipal law enforcement department in each county adjacent to Vernon are included. In Viroqua City the law enforcement unit is the only recognized bargaining group. The Association has not engaged in shopping for favorable comparables.

City Position on Comparables. The City has selected a series of smaller county seat cities where the area growth is stable and there are not special factors making police work more difficult. It also uses Vernon and Crawford Counties though deputies' duties ordinarily involve higher pay scales. However Onalaska and Holmen from both comparable lists could be eliminated because of rapid recent growth. Richland Center and Reedsburg, when used, unfairly impact the wage comparisons.

The City in supplying City Exhibit 8 and Supplement which are surveys of the Wisconsin Chiefs of Police Association, Inc., notes that as cities get bigger or have higher crime rates, there are higher salaries. Also there are special factors affecting individual cities such as nearby camps or recreational facilities so the whole situation relating to each community may be different, and thus it is worthwhile also to look at the whole state picture with small cities.

Discussion. The selection of comparable governmental units in the instant matter is difficult because of the considerable geographic dispersal of governments in the City's list, and because of the lack of settled agreements in the Association list. The Association list further presents a range of population in the comparables when municipalities alone are considered that result in a 4 to 1 population ratio between the largest and the smallest. However the City list has units that in the opinion of the arbitrator are too small in population and size of force to constitute good comparison communities.

The principal advantage of the Association list is geographic compactness and concentration in an area where the local economies, despite some variation, are the most similar. The arbitrator therefore considers the Association list the list for primary comparisons, and the City list useful for secondary comparisons where deemed needed.

IX. WAGE COMPARISONS. To repeat, the wage offer of the City is 6% retroactive to January 1, 1991, plus any increments in a step system. In 1992 the City is offering 4.5% effective January 1, 1992, plus any steps. The two year lift is thus 10.5%.

The Association is offering 3% across the board on 1/1/91, 3% on 1/7/91, 3% on 1/1/92 and 2% on 7/1/92, plus step increments. The two year lift is thus about 11%.

From Association Exhibits 16, 17 and 19 the following table is derived:

Table IV

**HOURLY BASE RATE COMPARISONS WITH AVERAGES
AMONG ASSOCIATION COMPARABLES WHERE SETTLED
TOP PATROLMAN OR DEPUTY**

	<u>1991</u> ⁽¹⁾	<u>Rank</u>	<u>1992</u> ⁽²⁾	<u>Rank</u>
Average	\$11.58		\$12.16	
Assn. Offer	10.40 ⁽³⁾	7	10.92 ⁽³⁾	4
City Offer	10.39	7	10.85	4

- (1) 7 districts averaged. 8 ranked.
- (2) 4 districts averaged. 5 ranked.
- (3) End rate of split offer.

Association Exhibits 12, 13, 14, 15, 16, and 18 report the dollar per hour wage of top patrolmen in Viroqua with seven other Association comparables. The following information summarizes some of the information:

Table V

RANK OF VIROQUA WITH 7 COMPARABLES AND
DOLLAR DIFFERENCES IN TOP PATROLMAN FROM SELECTED YEARS

<u>Year</u>	<u>Rank</u>	<u>\$ Difference of Viroqua from Average Wage</u>
1986	8	\$-0.98
1987	8	-0.95
1988	8	-0.77
1989	8	-0.89
1990	8	-1.02
1991		
Assn.	8	-1.18
City	8	-1.19

Association Exhibit 19 is the source of the following table:

Table VI

AVERAGE DOLLAR AND PERCENTAGE CHANGES FOR TOP PATROLMAN
AMONG 7 COMPARABLE DISTRICTS AND VIROQUA, 1990-91

	<u>\$ Inc.</u>	<u>% Inc.</u>	<u>Rank</u>
Average Viroqua	0.75	7.0	
Assn.	0.60	6.1	4
City	0.59	6.0	5

As noted, the City offer of an increase in 1991-92 is 4.5%. The Association offer produces for 1991-92 a lift of 5% and an average increase of 4%. Association Exhibit 21 lists 39 law enforcement agencies where WPPA is organized and the ranges of percentage increase are from 3.0% to 8.8% in three stages for La Crosse County deputies. However the large majority of settlements including split wage settlements are between 4% and 5%. One county offers a 3% increase, two a 3.5% increase, and the rest 4% or more.

The following information is abstracted from City Exhibit 7:

Table VII

WAGE COMPARISON, TOP PATROLMAN OR DEPUTY
CITY COMPARABLES FOR SELECTED YEARS

<u>Government</u>	<u>Year</u>	<u>Mon. Rate</u>
Alma		1,768
Caledonia, MN	1991	1,886
Crawford Co.	1991	1,720
Darlington	1991	1,688
Hillsboro	1991	1,583
Holmen	1991	1,911
LaCrescent, MN	1991	2,118
Mauston	1990	1,830
Prairie du Chien	1991	1,824
Vernon Co.	1991	1,853
	1992	1,946
Westby	1991	1,665
West Salem		
Village	1991	1,893
	1992	1,978
Union	1991	1,912
	1992	2,008
Whitehall	1991	1,728
Viroqua		
Union*	1991	2,004
	1992	2,105
City	1991	2,002
	1992	2,092

*Split offer, top wage

The monthly rates shown above do not reflect the number of hours worked in each location. In Viroqua under the 1989-90 agreement the work cycle came to a total of 2,184 hours, or 182 hours per month, as compared to the general concept of 2,080 hours per work year. Using the Association figures for 1991 of a top patrolman in Viroqua, the monthly compensation would be $\$10.40 \times 182 = \$1,892.80$ for the Association offer and $\$10.39 \times 182 = \$1,890.98$. However the Association offer is a split one, which produces a lesser average figure.

Thus although Table VII shows a higher per month income for both offers in Viroqua as compared to Vernon County deputies, when Association Exhibit 17 shows that Vernon County pays a higher hourly rate, the arbitrator cannot resolve this differing evidence without knowing the average hours worked per month in Vernon County. Since the City did not refute the hourly rates shown in Association Exhibit 17, the arbitrator assumes they are correct.

Association Position on Wages Summarized. The Association notes that among its comparables the wages in Viroqua in the last seven years have ranked last. Though the terms of either offer will raise the position of Viroqua by one place in rank, this must be viewed from the past standpoint of lowest rank. It is also to be noted that under either offer the wages of the top patrolman in relation to averages will drop even farther below the average than it has been.

The split increase proposed by the Association provides an increase that will maintain the wages in Viroqua but at the same time remain cognizant of the economic climate in the region. The total costs of the offer of the Association shows that its cost over the life of the contract is substantially lower, but a lift is maintained.

City Position with Respect to Wages. The City notes that it is giving a substantial wage increase along with step increases, more than it should expect that its offer is a type of quid pro quo since it is seeking to have the Association employees make a larger contribution to health insurance. The City offer to the police union exceeds the treatment afforded other City employees. The non-union employees got a 5.4% increase, but also paid an increase in family plan premiums for health insurance. The City rejects the concept of the Association that surrounding area county and municipal wages exceeding the City offer requires the arbitrator to choose the Association position. The arbitrator is to consider a myriad of other facts. To average all county or municipal departments on a regional or a state-wide basis and judge only on that is not the legislative intent. If it were, arbitration would not be needed.

The City also argues that Onalaska and Holmen where very rapid growth is taking place should be eliminated as non-typical districts as far as Viroqua is concerned.

Discussion. An inspection of the tables previously entered here show that the offers of both parties increase the rank of Viroqua one place among those settled. (Table IV) However Table V shows that there was a need for some type of catching up in Viroqua over time. Under the present offers the differences at Viroqua from average hourly wage increases widens.

When the secondary list of comparables however is considered, wage offers in Viroqua are among the higher offers. However, the arbitrator believes that the secondary list lacks geographic proximity with some exceptions. Thus the evidence presented by comparing Viroqua with the primary comparables, which evidence shows a low ranking for hourly wage and indicates some need to catch up, results in the Association offer here being judged the more comparable in meeting the statutory criterion for wages among comparable municipalities with employees doing like work.

X. **INSURANCE.** Repeating, the City offer calls for the employee to pay \$42.82 for health, medical and life insurance costs on January 1, 1991. On July 1, 1991, the employee will pay 25 percent of plan premiums for hospital, medical and life insurance. The Association offer calls for a 10 percent payment toward the premiums of health, medical and life insurance. The previous agreement called also for a payment of \$42.82 on the part of the employee for both single and family insurance.

The following information is derived from Association Exhibits 22-25 inclusive:

Table VIII

**HEALTH INSURANCE PAYMENTS IN VIROQUA AND
COMPARISON GOVERNMENTS: AMOUNT AND RANK**

<u>Year</u>	<u>Total Premium</u>	<u>ER</u>	<u>EE</u>
<u>Single</u>			
1990			
Aver.	\$132.37	\$130.18	\$ 2.20
City	114.22	71.40	42.82
1991			
Aver.	149.49	148.96	0.53
City	140.92	105.37	35.12
Assn.	140.92	126.44	14.05
<u>Family</u>			
1990			
Aver.	335.67	313.26	22.41
City	273.06	230.24	42.82
1991			
Aver.	389.70	368.77	20.94
City	335.86	251.89	83.97
Assn.	335.86	302.27	33.59

In 1990 and 1991 seven of ten Association comparables required no contribution for health insurance for the single plan. In 1990 and 1991 four comparables required no contribution for family health insurance. Vernon County with a requirement of \$83.64 per month was highest. Viroqua with a \$42.82 required contribution was second. The same relationship of rank remains in 1991. The Vernon County requirement of its deputy comes to 25%.

City Exhibit 4 was a letter of Harold G. Hoffman II, Village Trustee, Village of West Salem, to the Counsel for the City of Viroqua. The burden of the letter was that it is difficult to compare different health insurance plans. Thus an employer may pay 100% of the premium, but with deductibles of \$250.00 to \$350.00 per month. Employees in most cases share in the premium increases. The premium increases are occurring at the rate of 25-30% per year.

City Exhibit 5 was a copy of an action by the City Council of Viroqua of January 8, 1991. The action affected the non-union employees of the City. They received a 5.4% wage increase which reflected the increase in the cost of living. Employees also received step advancements as of 7/1/91. The City paid \$255.17 of the family plan health insurance. The employee paid \$85.04. In the single plan the City paid \$108.62 and the employee \$36.23. The employees paid the first \$20.00 of every doctor or clinic visit up to \$500.00 in insurance deductions.

The following table is derived from City Exhibit 7:

Table IX

HEALTH INSURANCE PREMIUMS AND PERCENT PAID
BY EMPLOYERS - CITY'S LIST OF COMPARABLES

<u>Government</u>	<u>Date</u>	<u>Rates</u>		<u>% Employer Contr.</u>	
		<u>S</u>	<u>F</u>	<u>S</u>	<u>F</u>
Alma				100	100
Caledonia	1991	\$ 93.30	\$350.89	100	100
Crawford Co.	1991	189.83	474.58	100	100
Darlington	1990	163.00	367.00	100	100
Hillsboro	1991	117.80	338.00	80	80
Holmen	1991	312.00	312.00	100	91
				(312 Cap)	(Age Rate)
LaCrescent	1991	84.46	205.30	100	80
Mauston	1990	223.92	524.77	100	84
Prairie du Chien	1991	125.78 ⁽¹⁾	331.31 ⁽¹⁾	100	100
		169.91 ⁽²⁾	450.26 ⁽²⁾		
Vernon Co.	91-92	163.62	408.29	100	75
Westby	1991	171.53	439.20 ⁽³⁾	80	80
West Salem	91-92				
Village		76.89	326.33	\$20/mo.	\$50/mo.
Union		76.89	326.33	100	90
Whitehall		114.69	322.86	100	100

- (1) HMO
- (2) BC/BS
- (3) Medical only

Association Position Summarized. The Association asserts that since both parties are changing the health insurance language, there is no need to consider the issue of changing the status quo. Only the replacement provisions need to be discussed.

The Association holds that the clear majority of comparables in the Association list do not require a contribution for the single health insurance plan from the employees. The Association offer will still require a contribution under the single plan.

Comparables, the Association argues, do not support an employee contribution of \$83.97 per month as proposed by the City. Under the Association offer the Viroqua Association members will still pay the second highest premiums for the family plan.

The Association also says that the City can only point to the Vernon County's required contribution of 25% from deputy sheriffs. The requirement of this contribution on non-union City employees is not a valid comparison when a bargaining unit is involved.

The Union notes that its proposal of a percentage payment will allow the costs to the employee to increase or decrease as premium costs change.

City Exhibit 1, a copy of a portion of a page from the Wall Street Journal of July 16, 1991, reported that 39% of 500 corporations surveyed would initiate or boost employee contributions to health plans. 13% did so in 1990. 49% would start or raise worker payments for dependent coverage, an increase of 18% from the previous year.

Position of the City Summarized. The City calls attention to the fact that the Association offer actually results in a reduction in the employees' share in paying for insurance premiums as compared to the past.

The City notes that even with the Association comparables on health insurance about 50 percent make substantial employee contributions. The real difference in the offers between the parties is the matter of health insurance and the necessity of bringing the employee health insurance contribution to match other City employees in the future.

There is a national trend of increasing employees' contributions to health insurance costs either by a share of the premium or reduction of plan benefits.

The City has an obligation to treat all City employees equally, and the necessity of bringing the police employees in line cannot be discounted just because the other employees are not unionized. If the non-union employees had been dissatisfied, they could have unionized.

Discussion. Based on Tables VIII and IX above, it is clear that the Association offer of a 10% contribution to health insurance premiums is more comparable among the primary comparables than is the City offer.

Two matters, however, about the Association proposal need to be considered. One is that in Vernon County Sheriff's Department, employees pay 25% toward the cost of the insurance. Also there is the fact of the City employees paying 25%. In the former case, the arbitrator considers the presentation of the information on the Vernon County deputies as valid in comparison. However it is outweighed by the large number of other comparables that either require no payment or a relatively low payment, especially for family insurance.

While the City's effort to get all its employees to make the same contribution to health insurance has some weight, yet the City unilaterally acted to set the 25 percent rate of contribution on non-union employees and after meeting and conferring. To give a prevailing weight to this type of comparison here would be setting a precedent in arbitration in which an employer could impose a condition on non-union employees and have it prevail without bargaining, basing the change on the ground that the conditions in the unit of government need to be comparable. In the experience of this arbitrator, this kind of comparison is not given the deciding weight in an arbitration.

What is troubling about the Association offer is that it reduces the contribution required of the employee at a time when the trend within the state and nationally is to increase the employees' contribution toward health insurance costs. This is a very negative factor in the Association proposal. However the action on the part of the Association is neutralized in part by the City offer; the jump from a 15.7% contribution in 1990 to 25% in 1991 is a considerable jump not supported by comparables. The departure from the past on the part of the Association is therefore less of a departure from the past than the City offer, and is supported by comparables.

The City has argued that its 6% offer of 1991 which is more than that given non-union employees of the City is a quid pro quo for the higher insurance proposal of the City. In view of the catch-up situation that has existed in Viroqua, a higher increase in insurance premium payments by the police employees would in effect diminish their total pay and negate the effects of the catch-up.

Thus the arbitrator believes the Association offer on insurance is on the whole and in light of all conditions the more comparable.

XI. COMPARISON OF OFFERS TO OTHER PUBLIC EMPLOYEES GENERALLY. As noted in the foregoing discussion, the City compared the insurance pattern with Vernon County deputies and the insurance and wage offers with non-union employees within Viroqua. For reasons stated earlier, the arbitrator considers the most consideration relates to the deputies who are organized, and in this case, the hourly wage offer of the City is less and the insurance offer is the same in percentage. In this case, the arbitrator finding the two major issues balancing themselves but with just one other comparable to use, finds the evidence too slight to make a firm judgment as to which offer is the more comparable.

XII. COMPARISON WITH EMPLOYEES IN PRIVATE EMPLOYMENT. City Exhibit 2 reported the conclusion of a 55 day strike at the Trane Company in La Crosse. The settlement was for \$1.50 pay raises over a four year contract. This was on September 27, 1991. City Exhibit 3 reported an end to a strike of 30 days in La Crosse at the La Crosse Footwear Company. Employees were to receive a \$1.25 increase over a four year period. There were also pension benefits. Company officials estimated that the employees would receive \$7.54 an hour.

The City in its opening statement reported that the average wage at Trane was \$12.00 per hour, and the average increase over four years was 2.85%. The employees had to contribute 10 percent per month to the family insurance plan. The plan called for health insurance premiums with deductibles increased to \$175 for the single plan and \$350 for the family plan with subsequent increases in 1993 of \$200 and \$400 respectively. The increase at La Crosse Footware came to about 4% per year.

The City asserts that Gateway Goods and Northern Engraving, large employers in the area, required employees to pay insurance contributions.

The Association did not address the matter of private sector compensation.

The arbitrator concludes on the basis of such evidence as presented by the City that the City offer is more comparable to conditions in one important geographic area, La Crosse, and presumably the appropriate comparable region.

XIII. OVERALL COMPENSATION. The parties did not make overall compensation comparison between what the Association members would receive and what overall compensation would be received in comparable districts. However, the following table is illuminating in that it shows the narrow difference in costs of offers overall:

Table X

COMPARISONS OF OVERALL COSTS BETWEEN OFFERS IN VIROQUA

	<u>1991</u>	<u>1992</u>	<u>% Inc.</u>
City	\$191,928.30	\$199,225.19	3.80
Association	191,026.68	201,635.69	5.55
Diff. of Assn.	- 901.62	+2,410.50	
Diff. of Assn. in 2 years		+1,508.88	
2 year City Total Cost		391,153.40	
% Diff. of City Total Cost		0.39%	

The arbitrator cannot make a judgment as to the comparable qualities of either offer with outside comparables. Internally, the offers are so close in dollar amounts that the issue resolves itself into a question as to whether the series of lifts proposed by the Association is justified. Earlier the arbitrator has concluded that it is on the basis of a catching up.

XIV. COST OF LIVING. City Exhibit 6 showed that the Consumer Price Index for Urban Wage Earners, Clerical Workers (CPI-W) rose 4% for Non Metro Urban Areas from July 1990 to July 1991. Association Exhibit 32 shows a 4.9% increase for the year from January 1990 to January 1991, the index having changed from 119.9 to 125.8 during that time. The arbitrator finds the Association Exhibit 26 as applicable since it reports the CPI-W change at the time the last agreement between the parties expired.

Now as to the percentage changes afforded in the offers, the following table is helpful:

Table XI

PERCENTAGE CHANGES OF WAGES REPRESENTED IN OFFERS

	1991		1992		2 Yr. Actual
	<u>\$ Average Change</u>	<u>Lift</u>	<u>\$ Average Change</u>	<u>Lift</u>	<u>Lift</u>
City	6.0%	6.0%	4.5%	4.5%	10.8%
Assn.	4.55%	6.0%	4.03%	5.0%	11.3%

An inspection of the above table shows that the Association offer for 1991 is closer to the change in the Non Metro Area CPI-W, but this only for wages. There is lacking a figure of total compensation paid for 1990. The arbitrator therefore is unable to judge the comparisons of the percentage increases of the offers in 1991 over the 1990 costs. However as to what is happening between 1991 and 1992, the July index for Non Metro Urban Areas as noted earlier shows a CPI-W of 4.0%. The August index is at 3.2% and the September index at 2.65%. The trend indicates that the City offer of a 3.8% total package increase is likely to be closer to the actual change in 1991 than the Association offer.

XV. ABILITY OF THE UNIT OF GOVERNMENT TO PAY. No argument was advanced by the City about inability to pay the cost of the Association offer. Argument of the City was directed to the reasons why the City should not meet the Association offer.

XVI. INTEREST AND WELFARE OF THE PUBLIC. The City generally makes the point that it is not in the interest of the public for the City to have to meet the Association offer because of the dropping of the changes in the CPI-W, because minimal increases are being obtained in the private sector, and because the trend is for employees to pay a greater share of the costs of insurances while getting only modest increases in wages. Further there is a need for comparable conditions internally in the City among the employees in insurance payments.

The City notes that the process of arbitration is a political one as well as an economic process, and that if it is continued to be used as a tool in municipal labor relations, it must reflect the attitude of the

general public. This attitude is one of holding down government costs. In such costs labor rates are paramount. The public attitude is now shown in the activity of citizen tax groups, state promises of local levy limits, and taxpayers withholding payment of property taxes.

The Association on its part notes that the City has made no argument about inability to pay, and it contends that no evidence has been advanced by either party supporting any inference about how the interests and welfare of the public are affected, although these are always a concern in negotiations. The Association argues that its proposal with split increases provides a relatively low cost to the Employer and is cognizant of the economic conditions; but it produces a much needed lift. Particularly as to the cost of living, the Association has framed its offer in a fair and equitable manner.

Discussion. As to the interests and welfare of the public, the arbitrator notes from City and Association exhibits that there is economic stress developing as of late 1991 in the region and the nation as reflected latterly in the CPI-W for Non Metro Urban Areas. However as shown in the previous Table V foregoing, there was a substantial need for a catch-up in Viroqua prior to this agreement. Also, even under either offer, Viroqua will lag between the average compensation in the district. Though there is an adverse factor in the Association offer in which it reduces health insurance contributions, yet this is mitigated by the fact that the Association proposed contribution still is comparable. On the whole then, the arbitrator thinks that the public interest is served by increasing the compensation to its police personnel to be in line with comparable governmental units.

XVII. CHANGES DURING THE PENDENCY OF THE PROCEEDINGS. No changes were reported during the pendency of the proceedings.

XVIII. OTHER FACTORS. Factors of policy in arbitration which were raised principally by the City have been considered and reported on in the foregoing sections, principally the Section XVI, INTEREST AND WELFARE OF THE PUBLIC.

XIX. SUMMARY AND CONCLUSIONS. The following is a summary of findings of the arbitrator and conclusions therefrom:

1. There is no question of the lawful authority of the unit of government to meet the costs of either offer.
2. The parties have stipulated to all other matters between them.
3. The Association list of comparables because of geographic compactness and concentration in an area where local economies, despite some variations, are most similar, is considered the primary list. The City list is useful for secondary comparisons.
4. In wage comparisons, the evidence shows a past low ranking for hourly wage in Viroqua and indicates some need to catch up. Thus the Association offer is judged the more comparable in meeting the statutory criterion for wages among comparable municipalities with employees doing like work.

5. The Association offer on insurance, despite a seriously negative aspect of reducing employee contributions to health insurance, is nevertheless the more comparable to conditions in comparable governmental units.

6. As to comparisons with other public employees generally, the most important comparison relates to Vernon County deputy sheriffs who are organized, and not to the non-union other City of Viroqua employees. In this matter, the City offer on insurance is comparable, but its wage offer is not. The evidence is too slight to make a firm judgment as to which offer is the more comparable to public employees in comparable governmental units.

7. On the basis of evidence derived from the La Crosse area, the arbitrator finds that the City offer is the more comparable one to conditions prevailing in the private sector.

8. Owing to the absence of evidence on the comparability of the offers with outside comparables, the arbitrator cannot make a judgment as to which offer is the most comparable. Internally, the offers are so close in dollar amount that the issue resolves itself into a question as to whether the series of lifts proposed by the Association is justified. The arbitrator has concluded that it is on the basis of a need for catching up.

9. As to the change in the cost of living, the arbitrator finds that the Association offer when considered on the average dollar amount received by the employees in 1991, is closer to the change in the Non Metro Urban Area CPI-W index, because it is lower than the City offer for 1991. However in 1992 with a declining CPI-W for Non Metro Urban Areas in the latter months, the City offer appears more comparable.

10. The City has the ability to pay the costs of either offer.

11. As to the interests and welfare of the public, the arbitrator is of the opinion that the interests and welfare of the public will be served by increasing the hourly compensation of police personnel to be in line with other comparable governmental units.

12. No changes were reported during the pendency of the proceedings.

13. Factors normally taken into consideration in arbitration have been treated in the appropriate foregoing sections of this Award where they may have been applicable.

On the basis of the foregoing, the arbitrator finds that the Association offer as to wages and interests of the public generally are the strongest weights in favor of the Association offer while the City offer in comparability to outside employment is the strongest weight accruing to the City. The weight of the insurance proposal by the Association, though more comparable in dollar amounts, is not given great weight for the Association because it sets a pattern of reducing the amount of employee contributions. Yet it is not attributed as a weight for the City because the dollar amounts of the Association offer meet the test of comparability.

On the basis of the foregoing, when all factors are considered, the arbitrator concludes that the Association offer is the more weighty in terms of statutory factors and therefore makes the following Award:

XX. AWARD. The Agreement between the City of Viroqua and the Viroqua Professional Police Association, WPPA, for 1991 and 1992 should include the terms of the final offer of the Association.

Frank P. Zeidler

FRANK P. ZEIDLER
ARBITRATOR

Date February 15, 1992
Milwaukee, Wisconsin