

AWARD OF ARBITRATOR

In the Matter of Interest Arbitration

between the

County of McLean and the
McLean County Sheriff

and the

Illinois Fraternal Order of Police
Labor Council, Lodge No. 176

Findings of Fact,
Opinion, and Award
by

Arbitrator
Peter Feuille

in

ISLRB No. S-MA-92-29

Date of Award: July 9, 1993

APPEARANCES

For the Employer:

Mr. Bruce C. Beal, Attorney
Mr. David M. House, Attorney
Mr. John M. Zeunik, County Administrator
Mr. Edward E. Williams, Assistant County Administrator

For the Union:

Mr. Thomas F. Sonneborn, Attorney
Ms. Becky Dragoo, Legal Assistant
Mr. Ted Street, Field Representative
Mr. Steve Rousey, Case Review Manager
Mr. Howard Springer, Lodge 176
Mr. Kenny Loper, Lodge 176
Mr. Robert Brandt, Lodge 176
Mr. Bruce Roop, Lodge 176
Mr. Bob Lilienthal, Lodge 176

INTRODUCTION

The representatives of the Illinois Fraternal Order of Police Labor Council, Lodge No. 176 ("Union") and the County of McLean/McLean County Sheriff ("Employer," "County") have been negotiating since late 1991 for a successor contract to replace

the collective bargaining agreement that expired December 1, 1991 (Joint Exhibit 1 ("JX 1"), Section 39.1). These negotiations and subsequent mediation were not successful in producing agreement on all items. As a result, because the instant bargaining unit is composed of deputy sheriffs, the parties proceeded to interest arbitration pursuant to Section 14 of the Illinois Public Labor Relations Act ("Act"). In October 1992 the Illinois State Labor Relations Board appointed the undersigned as the Arbitrator in this matter.

The parties and the Arbitrator held a prehearing conference on February 10, 1993 in Bloomington. At this conference the parties made negotiating progress but were not completely successful in reaching agreement. As a result, the parties agreed to hold an arbitration hearing on April 21, 1993. This April 21 hearing was held as scheduled, and at this hearing the parties had complete opportunity to present all the information they deemed appropriate. All testimony was taken under oath. The hearing was stenographically recorded and a transcript prepared. After the hearing the parties submitted post-hearing briefs and additional materials to the Arbitrator. The Arbitrator's final receipt of these materials on July 2, 1993 marks the closing of the hearing in this matter.

STATEMENT OF IMPASSE ITEM

By mutual agreement there is only one item on the arbitral agenda: wages (Article XXXVII). There is no dispute that this

is an economic item within the meaning of Section 14(g) of the Act (Tr. 235). Neither party made any claim that this impasse item is outside the scope of the Arbitrator's jurisdiction.

By mutual agreement, the parties submitted all of their tentatively agreed-to items into the record as part of their "Arbitration Agreement" dated February 10, 1993, which is incorporated into this Award by reference (Union Exhibit 1 ("UX 1")). In addition, the parties also agreed upon a three-year duration for the successor contract, which will expire on January 1, 1995.

ANALYSIS, OPINION, AND FINDINGS OF FACT

Section 14 of the Act, and the parties' Arbitration Agreement, require the Arbitrator to base his arbitration decision upon the following Section 14(h) criteria or factors, as applicable:

- (1) The lawful authority of the employer.
- (2) Stipulations of the parties.
- (3) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.
- (4) Comparison of the 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:
 - (A) In public employment in comparable communities.
 - (B) In private employment in comparable communities.
- (5) The average consumer prices for goods and services, commonly known as the cost of living.

- (6) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
- (7) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (8) 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.

The Act does not require that all of these criteria be applied to each unresolved item; rather, only those that are "applicable." In addition, the Act does not attach weights to these factors, and thus it is the Arbitrator's responsibility to decide how the applicable factors should be weighted.

Section 14(g) of the Act requires the Arbitrator to adopt the last offer of settlement on each economic issue which, in the Arbitrator's opinion, more nearly complies with the applicable factors. In other words, this is final offer arbitration, and the Arbitrator is constrained to selecting either the Union or City final offer on the impasse issue, without modification.

The parties agreed to waive the tripartite arbitration panel format and give the Arbitrator authority to decide the impasse issue (UX 1).

Wages (Article XXXVIII and Attachments)

In the previous contract, the actual wage rates for bargaining unit members are specified in the attachments at the end of the contract (JX 1). In this proceeding the parties stipulated to some "issues regarding the structure of any wage settlement which comes as a result of arbitration" (JX 4). In prior years, wage increases took effect on December 1 of each year. The parties have agreed that this annual wage increase date has been moved forward to January 1 of each year (Tr. 5-6; see also JX 4). In addition, the parties' offers indicate that the 1992 wage increase will be retroactive to January 1, 1992, and the 1993 wage increase will be retroactive to January 1, 1993, regardless of which offer is selected (JXs 2, 3). Further and more specifically, the wage increases adopted here for the years in dispute will take effect on the late December date that marks the beginning of the payroll period that encompasses January 1 (Tr. 3-6; JX 4, item 7).

The parties' current wage structure contains 22 steps (JX 1), which the parties have agreed will reduce to 21 steps under the new contract (JX 4). The parties also have agreed that the "base rate" is the pay rate for the officer's first year of nonprobationary employment, which in turn is the officer's second year of employment as an officer (i.e., the probationary period lasts for one year) (JX 4). The parties have further agreed that the probationary pay rate shall be six percent less than the base rate, and the difference between any two steps on the rest of the

wage schedule is two percent of the base rate (JX 4). The parties have moreover agreed that the pay rate for investigators (detectives) is five percent above the deputies' rate, and the rate for sergeants is ten percent above the deputies' rate. As these stipulations imply, the determination of the deputies' base rate in each year determines the salary structure for all steps, all classifications, and all years (JX 4).

Position of the Union. The Union proposes that for each of the 1992, 1993, and 1994 years of this new contract the base salary be increased by six percent, as explained in the Union's final offer (JX 3).

The Union supports its offer with a variety of evidence and argument. The Union says that the Employer is in excellent financial shape and can easily afford the \$110,215 total cost difference between the two offers (UX 8). The Union points out that the Employer's assessed valuation has grown steadily over time, as has the Employer's ending fund balance in the County's general fund, which is the fund that pays the lion's share of the salaries for unit members, and as has the Employer's revenues (UX 5). For each year during the 1986-91 period actual revenue exceeded budgeted revenue, and actual expenditures were less than budgeted expenditures (UX 5). For several years McLean County has been a "boom town," and the Employer has enjoyed steady revenue growth and excellent financial circumstances as a result (UXs 3, 5). The Union says that this conclusion is not changed by the recently negotiated settlement between Diamond Star Motors

(DSM) and several local taxing bodies, including the County, that resulted from the earlier decision by the Illinois Property Tax Appeal Board that reduced DSM's assessed valuation by more than half (UX 30).

Related to the strong financial condition of the County is the increased cost of living in the Bloomington-Normal (B-N) area. In particular, the booming local economy has propelled house prices to record levels. By November 1992 the average sales price of a B-N single family home had soared to \$95,619 (UX 3). In addition, unit members have suffered a 6.82 percent decline in their real wages during the December 1990-April 1993 period, as measured by the increase in the Consumer Price Index-U when those salaries are adjusted back to constant 1982-84 dollars (UX 7). The Union says that unit members are entitled to a wage increase that enables them to live in an economically booming area.

The Union says that the main factor propelling this dispute forward is the comparison with the salaries paid to police officers in Bloomington and Normal. These two cities constitute the economic and population center of McLean County, and each of these two cities has its own police force. Each of these cities pays its police officers, who must police a much smaller area than McLean County officers, a great deal more money at every step of the respective salary schedules. For instance, Bloomington pays an entry salary of \$28,470, Normal pays \$22,748, and the County pays \$21,246 (UX 4). At the 10 year mark,

Bloomington pays \$39,000, Normal pays \$33,060, and the County pays \$27,120 (UX 4). At the 20 year mark, Bloomington pays \$40,456, Normal pays \$37,913, and the County pays \$31,720 (UX 4). County officers work along side their B-N counterparts, patrol a huge area outside the city limits, perform the same duties that their B-N counterparts perform and a variety of duties that B-N officers do not perform (UX 6), undergo the same training as B-N officers, have seen their workload increase substantially during the past several years (UX 6), must pay the same prices to live in the area that are paid by B-N officers, and yet County officers are paid thousands and thousands of dollars less than their B-N counterparts at every step of their law enforcement careers. This huge pay gap exists regardless of whether the comparison is with Bloomington pay, Normal pay, or the B-N pay average.

The Union insists that the adoption of the B-N police pay comparison benchmarks is not only fair and just, it is warranted and fully consistent with the salary comparisons allowable under decision factor (4) in Section 14(h) of the Act. The law enforcement duties performed by the city police officers and County deputies are very similar (UX 6). In addition, the B-N cities and McLean County are intimately connected geographically.

The Union says that these current B-N comparison salaries will go up as a result of the pending negotiations/arbitrations in these two cities, with these B-N salaries eligible for increase on either April 1, 1993 (Normal; UX 9) or on May 1, 1993

(Bloomington; UX 13). In other words, the B-N benchmark salaries used here will not be static but will soon be increasing to even higher levels. The Union says that its offer will certainly not close the gap between B-N police officer salaries and those in the County, but it will come closer to doing so than the County's offer. In contrast, the County's offer will simply perpetuate the huge pay gap between County officers and their B-N peers.

The Union emphasizes that this local law enforcement pay disparity is not just an abstract difference. Instead, this pay gap is the main reason that 10 County officers have submitted applications to other jurisdictions for employment as police officers, including five who have applied to the City of Bloomington (Tr. 57-58). The Union says that the County does not pay enough compared to other jurisdictions to prevent the turnover of officers in whom it has made a substantial training investment.

The Union also notes that the County does not fare very well in its comparisons with the deputy salaries paid in comparable downstate counties (Champaign, Macon, Peoria, Rock Island, Sangamon, Tazewell; UX 4). Some counties, such as Champaign and Sangamon, pay their deputies more than McLean County at different points on the salary schedule (UX 4). In addition, the Union says that the County's use of its county seat police-to-county deputy pay comparisons in these other counties provide more support for the Union's offer than for the County's offer (County Exhibit 17 ("CX 17")). The Union agrees that most of the county

seats in the primary comparison counties used here by both parties (Champaign, Macon, Peoria, Rock Island, Sangamon, Tazewell) tend to pay higher police salaries than do the comparison counties (except that Rock Island County pays more than the City of Rock Island, and Sangamon County pays 20 year deputies more than the City of Springfield pays 20 year police officers; Un.Br. 16-17). However, the Union emphasizes that in some of these other counties the pay gap between the county seat police and the county deputies is smaller than it is here between Bloomington (the County seat) and McLean County, and in these other locales this pay gap diminishes over the course of an officer's career (Un.Br. 15-18). In contrast, the McLean County deputy makes very little progress in closing the gap with the police salaries paid in Bloomington. In other words, even this county seat-to-county comparison used by the Employer provides more support to the Union's offer than to the Employer's offer.

The Union also objects to the Employer's method of calculating the cost of these proposed increases by including the full cost of experience step movement through the salary schedule (Tr. 198-202).

The Union says that is grossly inequitable to require unit members to perform jobs that are every bit as demanding as the jobs performed by their B-N peers, with whom they often work elbow-to-elbow, yet at the same time pay unit members thousands of dollars less for the same kind of work. The Union's final offer of six percent base salary increases in each of the three

years at issue here will not bring the pay of County deputies close to B-N salaries. However, the Union offer will provide County deputies with more movement in this direction than will the Employer's offer, which contains an adequate increase only for the first (1992) year and is very inadequate for the remaining two years (1993 and 1994). The Union argues that pay justice for McLean County deputies requires the selection of the Union's offer.

For these reasons, the Union asks that its offer be selected.

Position of the Employer. The Employer proposes that the base rate be increased by six percent for 1992, three percent for 1993, and three percent for 1994, as explained in the Employer's final offer (JX 2).

The Employer supports its offer with a variety of evidence and argument. The Employer does not argue an absolute inability to pay, but the Employer insists that the County's financial picture is not nearly as rosy as portrayed by the Union. The Employer says that County budget policy requires the County to carry a 10 percent unencumbered fund balance in its general fund (CX 1), that its estimated cash balance as of May 31, 1993 is minimal (CX 2), and that its estimated 1992 equalized assessed valuation will decline due to the huge decrease in assessed valuation recently handed to Diamond Star Motors by the Illinois Property Tax Appeal Board (CXs 3, 4). This decrease will restrict the amount of money that can be raised via property

taxes in the future. In addition, the recent settlement between the eight local taxing bodies and DSM calls for the County to pay back to DSM about \$780,000 over the next four years (UX 30), which is a sum that will certainly have a negative impact on the County's ability to pay for its ongoing operations and also afford pay raises.

The Employer says that the comparability data provide more support to its offer than to the Union's offer. Regarding internal comparability, the Employer says that this unit has received pay increases during the 1989-91 period that matched or exceeded those received by other County employees, including the unionized employees represented by the Laborers (CXs 7, 8). In addition, the Employer says that the changes agreed to in this unit's wage structure during the previous contract resulted in much larger average increases across the unit than can be detected by simply looking at the increases in the base salary during the 1989-91 period (CX 10). Moreover, the Employer's offer contains more generous increases than those that have been received or will be received by other County employees during the 1992-94 period (CXs 7, 8).

Regarding external comparability, the Employer submits 11 downstate counties for external comparison purposes (Champaign, DeKalb, Henry, Kankakee, LaSalle, Macon, Peoria, Rock Island, Sangamon, Tazewell, Vermilion). The County argues that all of these downstate counties are sufficiently similar to McLean County that they should be used for comparison purposes (CXs 9,

14). The County says that the comparison pay figures from these jurisdictions show that the acceptance of the Employer's offer means that McLean County will pay above average salaries at both the bottom and the top of the pay schedule for the 1992 year (CX 21), and also for the 1993 and 1994 years compared to those counties which know what their deputy pay rates will be in those years (CXs 22, 23, 24).

The Employer argues that the most appropriate comparison group in this proceeding is other downstate counties that are similar to McLean County. When these county-to-county comparisons are used, the evidence shows that McLean County pays above average salaries to its deputy sheriffs, and thus there is absolutely no basis for adopting the Union's "catch-up" offer.

The Employer strenuously resists the Union's use of Bloomington and Normal as comparison jurisdictions. These city governments are a very different form of government than is a county government. In particular, home rule cities, such as Bloomington and Normal, have far more ability to raise tax revenue than does McLean County (Tr. 84-88, 184). In addition, the Employer argues that it could not find a single Illinois interest arbitration decision whereby an arbitrator adopted a city-to-county comparison of the type urged here by the Union. Further, the Employer says that there is at least one Illinois interest arbitration award involving a deputy sheriff unit where the arbitrator explicitly rejected another union's attempt to use nearby cities as the primary comparables in the same kind of

city-to-county comparison urged here by the Union (Arbitrator Herbert Berman in Will County/Sheriff v. AFSCME Local 2961/Council 31, ISLRB No. S-MA-90-85 (1991), as cited in Er.Br. 21).

The Employer further argues that its evidence shows that the city police officers in county seats in several of its comparison counties routinely are paid much higher second year salaries than are second year deputy sheriffs employed by those counties (Champaign, Kankakee, LaSalle, Macon, Peoria, Sangamon, Tazewell) (CX 17). As a result, there is nothing the least bit unusual about the fact that the City of Bloomington pays its police officers significantly more than McLean County pays its deputies. Moreover, the Employer points out that the City of Bloomington pays, by downstate standards, unusually high police salaries, and that Bloomington pays much more than Normal pays its police officers (CX 18). The Employer also notes that both Bloomington and Normal pay more than the County for a whole range of jobs, so the deputies are not being singled out for some sort of invidious pay treatment (CX 19). In addition, the County says that during the past three years not a single deputy has resigned to take a job with either Bloomington or Normal. During this period only one deputy resigned, and that was to take a lower-paying job elsewhere (Tr. 171-172). Moreover, there currently are 17 applicants waiting on the County's eligibility list for deputy job openings (Tr. 172). In other words, the deputy pay rates paid by this County meet the market test, and the Employer argues

that this evidence is more persuasive than the fact that some employees may have filled out applications in other jurisdictions.

The Employer says that its offer calls for an 18.6 percent cumulative pay increase for unit members during the three-year life of this next contract (CXs 12, 15). On a year by year basis, the Employer is offering increases of 8.0 percent in 1992, 4.9 percent in 1993, and 4.7 percent in 1994 (CXs 12, 15). The Employer agrees that each wage rate will not increase by those precise amounts, but the cumulative average wage increase, including across-the-board and longevity step increases, for unit members during this period will be 18.6 percent. Compared to the Union-referenced four-to-five percent average increases elsewhere (Tr. 9), the Employer says its offer is quite generous. In contrast, the Employer says that Union's offer seeks a 25.6 percent cumulative increase during this three-year period (CXs 12, 16). On a year by year basis, the Employer says that the Union's offer calls for average wage increases of 8.0 percent in 1992, 8.0 percent in 1993, and 7.7 percent in 1994 (CXs 12, 16). The Employer says that there is absolutely no internal or external justification for such unusually large increases.

The Employer also says that it is appropriate, and consistent with past negotiating practice, for the pay increases in this proceeding to include the increased cost of step movements by unit members. This step movement cost is in the range of 1.67-2.0 percent cost increase per year, depending upon

the year and the offer (CX 12), and it represents new pay costs to the Employer. The step movement costs were included in the total package cost calculations when the previous contract was negotiated (Tr. 158-159), and these step costs also should be included here.

For these reasons, the Employer asks that its offer be selected.

Analysis. There is no information that we need to consider under Section 14(h) decision factor (1). Under the factor (2) stipulations, both offers contain retroactive increases for the 1992 and 1993 years, with both offers apparently intending the same retroactivity dates (JXs 2, 3; Tr. 4-5).

Under factor (3), the evidence indicates that this is not primarily an ability to pay dispute. We begin by noting that the parties do not agree on the salary cost difference between their offers. The Union calculates a \$110,215 cost difference across the three-year period (UX 8), and the Employer calculates a \$76,428 cost difference during the life of the new contract (CX 12). This difference is not trivial, but compared to the approximate salary cost of \$3.7-3.8 million for this bargaining unit for this three-year period (CX 12; UX 8) this cost difference does not represent the difference between the Employer's ability to pay versus inability to pay, regardless of whose cost difference figure is more accurate.

However, the record shows that the Employer's revenue situation has been adversely affected by Diamond Star Motors'

successful property tax appeal (CXs 4, 5; UX 30). DSM is one of the County's very largest taxpayers (UX 3), and DSM's successful appeal of its assessed valuation and subsequent negotiated settlement with local taxing bodies means that the County owes DSM a substantial refund on property taxes already collected and spent (UX 30; Tr. 82-95), and also that the County will collect significantly less property tax from DSM in the future. In other words, the record indicates that the County is in good financial shape, but it is not in quite as good a shape now as it was a few years ago. (I note for the record that decision factor (7) allows us to consider changes in the status of the DSM tax appeal during the pendency of this proceeding.)

In short, the record shows that the County is financially strong enough to afford either of these two salary offers (UX 5). I agree that the Union's offer would squeeze County finances more stringently than the County's offer, especially if the selection of the Union's offer caused the County to extend "equity" pay adjustments to other County employees to keep them apace with the Union-proposed pay increases for this unit (CX 20). However, a determination that the County can afford to fund either salary offer provides little guidance regarding which of these two offers is more reasonable in light of all the decision factors under Section 14(h). In particular, the record is devoid of a single piece of evidence or persuasive argument that establishes a presumption in favor of the Union's offer simply because the County is financially sound. Expressed another way, the County's

ability to pay does not somehow automatically translate into a conclusion that the County should pay the amounts the Union has proposed.

Turning to the comparability dimension in factor (4), we must first decide how to measure the salary cost increases proposed here. The Union insists that only the "new" money be counted, that is, the increases in the listed rates in the salary schedule plus any new increases in the annual experience step differential (which is two percent of the base salary, and thus increases as the base is increased). The cost of step movements attributable to prior bargaining should not be counted, according to the Union. In contrast, the Employer says that the total cost must be examined, which includes increases in listed rates plus step movements. I find that the Employer's argument is more persuasive, for two reasons. First, the testimony indicates that during the negotiations for the prior contract both increases in listed rates and step movement increases were included in the total cost increase calculations (Tr. 158-159; CX 10), and this past practice will be followed here. Second, this total cost calculation method more accurately measures the total amount of additional money that will reach the pockets of unit members and the total cost increases that the Employer must absorb, compared to an alternative method that omits most of the money associated with the step movement. The record shows that the average yearly cost of step movement across the unit is slightly less than two

percent (CXs 7, 12), and it would be misleading to ignore this significant increase in the cost calculations.

However, I also agree with the Union that the focus of this proceeding is on changes in the rates listed in the salary schedule. As a result, in this analysis we also will compare the percentage increases in base salary with the percentage increases in deputy pay rates in comparable counties, excluding any costs attributable to experience step movement.

Looking at internal comparability under factor (4), we see that pay increases for this unit have gone up commensurately compared to increases granted to other unionized and nonunion County employees in the recent past (CXs 7, 8; Tr. 145-148). As a result, there is no basis for concluding that the employees in the instant unit have been invidiously treated compared to other County employees. However, this dispute is not about internal comparability. Instead, it is about external comparisons with a relatively small number of jurisdictions.

Looking at external comparability, we first must decide which other jurisdictions are comparable to this Employer and this bargaining unit. Unlike many and perhaps most interest arbitrations, the parties here have a fundamental, take-no-prisoners difference of opinion about which jurisdictions should be used for salary comparison purposes. Indeed, it is primarily this difference in external reference groups that has caused this impasse and resulting arbitration. The Employer says that only other counties should be used (CXs 9, 14), but the Union insists

that the cities of Bloomington and Normal should not only be used but given the most weight as comparison jurisdictions (UX 4; Tr. 9-11, 27-31; Un.Br. 18-21).

The Union's very strong desire to have this salary arbitration decision be based upon B-N police salaries is perfectly understandable given the similarity in training and duties between B-N police officers and County deputies, and given the close geographic proximity of Bloomington, Normal, and the County. However, the evidence in the record does not persuasively support this type of city-to-county comparison. As a result, the decision here is that only other counties will be used for external comparison purposes. The three primary reasons for this decision are (1) counties are far more similar to each other as public employers than cities are to counties, (2) deputy sheriffs in the instant unit are more similar to other county deputy sheriffs than they are to city police, and (3) there is a county seat-county wage pattern that indicates that it is the norm for the county seat to generally pay more for city police than the respective county pays for deputy sheriffs.

Regarding the first reason, the Employer's testimony persuasively shows that the County has revenue-raising limitations that home rule cities such as Bloomington and Normal do not have (Tr. 84-88, 184). As a result, counties cannot raise additional revenue with the same ease that cities can, and it would therefore be inappropriate to compare this County with Bloomington and Normal. Regarding the second reason, the

deputies in this unit perform the same kinds of duties as deputies in other counties. As a result, county deputies-to-county deputies comparisons involve the most comparable types of employers and employees. Regarding the third reason, the evidence indicates that in seven other counties (Champaign, Kankakee, LaSalle, Macon, Peoria, Sangamon, Vermilion) the city that is the county seat (Urbana, Kankakee, Ottawa, Decatur, Peoria, Springfield, Danville, respectively) pays 10-30 percent more to its second year city police officers than the respective county pays to its second year deputies (EX 17). Only Rock Island County pays its deputies more at different career steps than the City of Rock Island pays its police, and Sangamon County pays 20 year deputies slightly more than the City of Springfield (Un.Br. 16-17). As a result, the large salary advantage that B-N police officers receive over McLean County deputies is comparable to what appears to be a widespread practice in downstate Illinois. Therefore, the county-to-county comparisons will be used here.

I note that this decision regarding the appropriate comparison group is consistent with the Employer's claim that it could find no Illinois interest arbitration precedent to support the city-to-county comparisons urged by the Union (Er.Br. 20-21), and with the absence of any such precedent cited by the Union.

Moreover, it is appropriate to note that the acceptance of the city police-to-county deputy pay comparisons urged by the Union may serve the Union's interest in this proceeding but not

in future Section 14 arbitrations. The basis of the Union's argument is that city police and county deputies should be compared for pay purposes because they do essentially the same types of law enforcement work. If, as a result, it is acceptable and even desirable in this or other arbitrations for the salaries of city police to be used when assessing the appropriateness of salary offers for county deputy sheriffs, then it will be just as appropriate in future arbitrations involving city police bargaining units for the arbitrators in those disputes to use salaries of county deputies to assess the appropriateness of salary offers for city police (who, according to the Union, do the same type of work as county deputies). Given the general salary advantage that city police enjoy over county deputies (CX 17; Un.Br. 15-17), it is obvious whose interests will be harmed if such county deputy-to-city police salary comparisons are allowed. In other words, these city-to-county/county-to-city pay comparisons will flow in both directions. There may be some future arbitrations where these kinds of city-to-county comparisons are deemed to be appropriate or desirable, but the evidence and argument does not persuasively support the use of such cross-governmental comparisons in this proceeding.

When we look at external comparables, both groups have relied, in part, on the same downstate counties. In particular, both groups have submitted evidence from Champaign, Macon, Peoria, Rock Island, Sangamon, and Tazewell Counties (UX 4; CX 9). These six comparison counties have populations, median home

value, and per capita income that are similar to McLean County (UX 4). In addition, these six counties also have center cities or city pairs (Champaign-Urbana, Decatur, Peoria, Rock Island-Moline, Springfield, and Pekin) that are generally similar in size to Bloomington-Normal (though Pekin is an exception on this dimension). The other downstate counties submitted by the Employer are reasonable, but the primary comparison group used here will be the six counties just listed.

When we look at 1989 deputy salary levels in the six primary comparison counties, we see that McLean County ranked fourth at the entry step and third at the top (20 year) step (CX 24), or fourth at the top step when longevity pay is included in the Sangamon County top step figure (UX 26; Tr. 188-190). When we look at the 1993 deputy salary levels in these other counties, and when we factor in the two years worth of pay increases in the instant unit (six percent for 1992, either three percent or six percent for 1993), and using the Sangamon County figures that include longevity, we see that McLean County will pay salaries that enable the County to increase its relative position at these entry and top steps, regardless of whose offer is selected (UX 4, p. 5). If the Union's offer is selected, McLean County will rank second at the entry level and second at the top (20 year) step for 1993 (UX 4, p. 5). If the Employer's offer is selected, McLean County will rank third at the entry level and second at the top step for 1993 (UX 4, p. 5). In between the entry and top steps, the selection of the Employer's offer will produce

generally below average 1993 salaries, and the selection of the Union's offer will produce generally above average 1993 salaries (UX 4, p. 5). In other words, both offers enable McLean County deputies to improve upon their 1989 relative salary ranking vis-a-vis the entry and top step salaries paid to deputies in the six primary comparison downstate counties. Neither offer will make McLean County deputies the highest paid deputies in this seven-county comparison group, but both offers enable McLean deputies to improve their relative salary position.

Turning to the percentage increases paid to deputies in the primary comparison counties, the contractual information in the record enables us to calculate the percentage wage increases at the various steps of the deputy salary schedule in these counties for various years. This information is presented in the table on the next page.

DEPUTIES' PERCENTAGE SALARY INCREASES

<u>County</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
Champaign (12-1) (UX 24, p. 6)	5%	--	--
Macon (12-1) (UX 22, p. 46)	5%	4%	--
Peoria (4-1) (UX 27, pp. 49-51)	2%	2%	--
Rock Island (12-1) (UX 20, p. 36)	4%	4.5%	--
Sangamon (12-1) (UX 26, pp. 64-65; UX 25, p. 32)	4%	3.5%	--
Tazewell (12-1) (UX 23, p. 50; UX 21, last page)	4%	4.1-3.4% (40 cents/hr.)	3.9-3.3% (40 cents/hr.)
AVERAGE	4%	3.6%	3.6%
McLean (1-1)			
Union offer	6%	6%	6%
County offer	6%	3%	3%

Notes:

- I calculated these increases using the salary information in the contracts listed above. These percentage increases apply to the listed rates in the salary schedules and do not include the cost of any experience/longevity step movements. These increases have been rounded to the nearest tenth of a percentage point. Dashes (--) indicate that insufficient information was available. I used the percentage midpoint of the Tazewell raises to compute averages for 1993 and 1994. All raises appear to affect all salary steps equally. Any calculation errors are mine.
- The date next to the name of the county indicates the date that pay increases took effect. For instance, the 1992/1993/1994 wage increases listed here took effect in most counties on December 1, 1991/1992/1993, except that in Peoria County they took effect on April 1, 1992/1993.

The information in this table shows the percentage increase in deputies' listed salary schedule salaries in the primary comparison counties, on the dates listed. These percentages apply only to increases in salary rates, and do not include any costs attached to experience or longevity step movement.

This information shows that the Union's opening statement is correct, namely, that most increases have been running in the four to five percent range, with a few three percents (Tr. 9). Most of the percentage increases in the six primary comparison counties have been in the four to five percent range. None have been larger, and a few increases have been smaller than four percent. Looking at the 1992 and 1993 years, the Union's offer of six percent and six percent is clearly well ahead of average increases elsewhere. In contrast, the Employer's offer of six percent and three percent stays somewhat ahead of average offers elsewhere during that two-year period (there are too few 1994 increases to make valid three-year comparisons with other counties). As this information implies, there is nothing in this table to support an 18 percent (uncompounded) increase in base salary over three years as sought by the Union, but the table information is quite supportive of the 12 percent (uncompounded) increase in base salary over three years as proposed by the Employer.

When the external comparability information dealing with deputy salary levels and with percentage increases in deputy salary rates is combined, this information provides far more

support for the Employer's offer than for the Union's offer. There is no persuasive information to indicate that McLean County deputy salaries are lagging behind deputy salaries in comparable downstate counties, and thus there is no persuasive reason for any sort of catch-up increase beyond the six percent increase that both sides have proposed for the 1992 year. In addition, the information in the above table provides much more support for the Employer's 12 percent increase in the base salary over three years than for the Union's 18 percent increase in the base salary over three years.

The internal comparability information reinforces this external comparability conclusion. Although these internal comparisons are not as persuasive as the external comparisons with other county deputies, these internal comparisons provide plenty of support for a 12 percent increase in base salaries/18.6 cumulative percent increase in average salaries over three years as proposed by the Employer, and these internal comparisons provide no support for an 18 percent increase in base salaries/25.6 cumulative percent increase in average salaries over three years as proposed by the Union (CXs 7, 8).

In sum, the factor (4) comparability information provides very strong support for the Employer's offer and very little support for the Union's offer.

Turning to the cost of living information under factor (5), we see that during the 1991 and 1992 years for which cost of living increase information is available that the rate of

inflation was about three percent annually (CX 8). I also take arbitral notice of the fact that cost of living increases during 1993 to date have been slightly above a three percent annual rate. Both of the offers in the record provide for increases in unit members' average salaries well above the increases in cost of living to date during the period of the pending contract. However, there is no cost of living support for the salary increases proposed by the Union, which call for the base salary to increase about twice as fast as the recent and current rates of inflation, and which call for McLean deputies' average salaries to increase more than two and one-half times as fast as the recent and current rates of inflation.

Similarly, the information in the record shows that unit members' salaries during the three-year period of the prior contract kept up with the increase in the cost of living during that period (1989-91) (CXs 8, 10). As a result, there is no need to consider any sort of cost of living catch-up increase. As this implies, the Union's "boom town" rationale (UX 3; Un.Br. 5-6) provides an insufficient basis for the 18 percent base pay increase the Union has proposed.

In short, the cost of living information supports the Employer's offer more than the Union's offer.

Under factor (6), there is no information in the record about the total compensation received by McLean County deputies that would shed any light on the salary decision to be made here. Therefore, factor (6) does not apply.

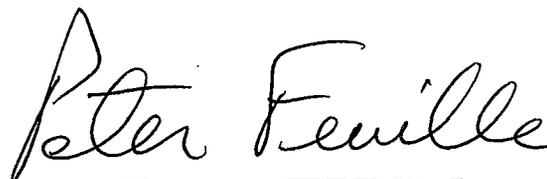
Under factor (8), labor market information is sometimes used in the interest arbitration proceedings to assess the adequacy of salaries paid to unit members, and both parties have relied upon such information in this proceeding. For its part, the Union has pointed to the fact that one-quarter of the unit (10 of 41 members) have applied for law enforcement jobs elsewhere (Tr. 57-58) as evidence of the inadequacy of the salaries paid to McLean County deputies. In response, the Employer has noted that during the past three years no deputy has resigned to take a higher-paying law enforcement job elsewhere, especially in Bloomington or Normal. Instead, only one deputy resigned to accept a law enforcement position elsewhere, and that was at a lower salary (Tr. 171-172). In addition, the Employer notes that there are 17 applicants on the current deputy sheriff eligibility list waiting for deputy openings (Tr. 172). Taken together, this labor market information provides more support for the Employer's offer than for the Union's offer, for this information indicates that McLean deputy salaries are high enough to attract qualified applicants and retain qualified employees.

Finding. For the reasons expressed above, I find that the totality of the evidence on the salary issue provides more support for the Employer's offer than for the Union's offer.

AWARD

Using the authority vested in me by Section 14 of the Act and by the parties' Arbitration Agreement (UX 1), I select the Employer's last offer on the salary issue (JX 2) as more nearly complying with the applicable Section 14(h) decision factors.

Respectfully submitted,

A handwritten signature in cursive script that reads "Peter Feuille". The signature is written in dark ink and is positioned above a horizontal line.

Peter Feuille
Peter Feuille
Arbitrator

Champaign, Illinois
July 9, 1993