

IN THE MATTER OF INTEREST ARBITRATION

BETWEEN:)
)
FREMONT COUNTY, IOWA (Sheriff's Department))
)
PUBLIC EMPLOYER,)
AND)
)
TEAMSTERS LOCAL NO. 238,)
)
EMPLOYEE ORGANIZATION.)

Hugh J. Perry, Arbitrator

Award Issued: March 25, 2020

APPEARANCES:

For Fremont County:
Jack Reed

For Teamsters Local 238:
Jill Hartley, Attorney
Jim Romar, Local 238

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BACKGROUND, FACTS AND JURISDICTION

Fremont County, one of 99 Iowa Counties, is located in Iowa's southwest corner. With a population in 2018 of some 6,993, it places 91st in population among Iowa's counties. Its population in 1990 was 8,226. The county seat is Sydney, home of the famous Sydney Rodeo. The county is bounded on the west by the Missouri River, the source of historical flooding which was especially severe in the spring of 2019, causing devastating damage and loss to county farmland, roads and residential property situated along the river from which the area is still recovering.

There are two county bargaining units, this unit of Fremont County sheriff's department employees, a public safety unit as defined in the Public Employment Relations Act (PERA), and a bargaining unit of secondary road employees (non public safety). The secondary road employees settled this bargaining year for a wage adjustment of 1.5%. Other Fremont County employees not in a bargaining unit and the county's elected officials will receive a 1% wage increase on July 1st. Teamsters Local 238 represents this unit of 28 employees (there was some disagreement at hearing as to how many employees were in the unit) including deputies(8), jailers(13), dispatchers(5) and administrators(2). The parties have bargained since the mid 80's. They have seldom resorted to arbitration to resolve their differences. The parties are operating under a two year contract, July 1, 2019 to June 30, 2021. All contract provisions continue for this period except that the contract provides for reopening the issue of base wages to take effect July 1, 2020. The parties were unable to resolve

their wage disagreement and proceed to arbitration, selecting the undersigned from a list of arbitrators provided by the Public Employment Relations board to hear their dispute. The parties have agreed to an independent impasse procedure providing for a hearing on March 5th and which extends the time for the arbitrator to issue an award until March 28th. A hearing was held on March 5th at the Sydney public library at which time documents were received, testimony was offered and arguments were made. Subsequent to the hearing, the Employer asked that it be allowed to offer additional documents to correct what it considered to be erroneous data on the Union's exhibit (#3) regarding top deputy wages in Fremont County and top wages of similar employees in what the Union considers counties comparable Fremont. The Union was given an opportunity to respond to the Employer's contentions. The Employer's additional documents and the Union's response thereto were received into the record. The sole issue is Wages. What shall be the base wage adjustment for these employees effective July 1, 2020 to June 30, 2021? After considering the documents, testimony and arguments advanced by the parties in support of their positions on wages, I am obligated to choose that position which I determine to be most reasonable.

In determining which party's wage position is the most reasonable, the PERA requires that I must consider, in addition to any other relevant factors,

Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.

Comparison of wages, hours and conditions of employment of the involved public employees with other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.

The interests and welfare of the public, the ability of the public employer to finance economic adjustments, and the effect of such adjustments on the normal standard of services.

Bargaining History - The parties have bargained collectively since the mid 1980's. They have seldom resorted to arbitration to resolve their differences. Their current contract dates from July 1, 2019 to June 30, 2021. It was voluntarily settled. It provides for a re-opener for Wages only, i.e., the base wage for these employees to take effect July 1, 2020. Wage increases for these employees were 1% effective July 1, 2018 and 2% effective July 1, 2019 for the first year of the current contract. Important benefits enjoyed by these employees are single insurance, family insurance (the employer pays 50% of the difference between single and family premiums, the employees pay the difference), longevity 5¢/hour after 5 years of employment increased by 5¢/hour for each 5 years of employment thereafter, shift differentials, a clothing/cleaning allowance of \$1,000/year for deputies and \$600/year for all other employees, eyeglass and eye exam payments of up to \$350 every 2 years, sick leave accumulative up to 120 days, sick leave buyout upon retirement or quitting after 10 years of 1/3 of accumulation up to 30 days, 11 holidays and vacation of from 5 working days per year after 1 year up to 25 working days per year after 25 years of service. Although these benefits are not at

issue here, they represent a cost to the County and significant value to these employees.

Comparability - The parties do not agree on comparison groups to be used in comparing Fremont wages with those of similar employees in other counties. The Union uses a group of Iowa counties including Adair, Union, Osceola, Taylor, Wayne, Van Buren, Monroe, Montgomery and Mills. Many of these counties are in the general geographic area of Fremont. Some are several counties away. Osceola county is in Iowa's northernmost tier of counties, hundreds of miles from Fremont. Several of these counties have substantially greater population than Fremont (Mills and Union). Some of these counties do not engage in collective bargaining with their employees (Adair, Taylor, Van Buren). The Employer uses three counties to argue its position, Monroe, Taylor and Clarke. All are within the general geographic area and fairly close in population (less than 9,500) to Fremont. All three collectively bargain with their employees.

Interest and welfare of the public and ability of the City to Finance economic adjustments - The towns and farms of Fremont County sustained costly damage caused by flooding of the Missouri River in 2019, affecting income and resulting in substantial loss of taxable property, a principal source of county revenue used to provide essential services. The county has the obligation to provide its citizens with quality law enforcement provided by its sheriff's department. In order to hire and retain quality employees it must strive to keep their wages and benefits attractive.

IMPASSE ISSUE

WAGES – The only impasse issue is the percentage by which the base wage of these employees will be adjusted effective July 1, 2020 to June 30, 2021

Current Wages (straight time hourly rate without longevity or shift differential):

<u>Deputies:</u>		<u>Civil Clerk/Bookkeeper:</u>	19.93
Start w/o ILEA	21.45	<u>Office Clerk/Lead Dispatcher</u>	19.93
Start w ILEA	22.28	<u>Lead Jailer:</u>	19.93
After 1 year	22.53		

<u>Dispatchers:</u>		<u>Part-time Dispatchers & Jailers:</u>	
1 st year	14.43	Start	13.92
2 nd year	15.95	After 6 months	14.67
3 rd year	17.45	After 1 year	15.46

<u>Jailers:</u>	
1 st year	14.43
2 nd year	15.95
3 rd year	17.45

FINAL OFFERS AND ARGUMENTS

The **Union's** arbitration position is a 4% base wage adjustment for all employees effective July 1, 2020. In support of this position, The Union presented wage comparability data from nine other Iowa counties for the top deputy and jailer positions (no comparability data was provided for dispatchers or civilian employees in the bargaining unit). Some of these counties are in geographical proximity to Fremont County (Mills, Montgomery, Union, Taylor, Clarke). Some are a number of counties distant (Wayne, Van Buren, Monroe). Osceola County, located in the northernmost tier of counties, is hundreds of miles from Fremont County. The Union calculated the top pay for the positions of deputies and jailers by taking the hourly rate and multiplying it by 2080 hours (40 hours per week x 52 weeks). Using this method it arrived at a top deputy annual salary in Fremont county of \$46,862. A 4% wage increase would put it at \$48,734. A 1.5% increase would increase the current top deputy salary to \$47,569. The Union argued that the Fremont County deputies were paid less than deputies in all of these counties (Adair \$61,329, Union \$56,950, Osceola \$65,041, Taylor \$49,144, Wayne \$66,390, Van Buren \$53,622, Monroe \$52,355, Montgomery \$53,091, Mills \$54,927) in some cases, substantially less. It urged that wages for deputies and jailers were lagging behind those in these comparable counties and that a 4% wage increase was necessary to bring these Fremont employees up. A 4% wage increase will still leave Fremont deputies behind comparable employees in these other counties. Similar comparisons were made with top jailer wages. Top jailer wages in Fremont county are currently \$36,296. The Union compared these wages with top jailers in 5 of the counties in its comparability grouping (Adair \$40,310, Union \$43,500, Van Buren \$42,432, Monroe \$38,612, Mills \$36,802). The Union noted that some of the counties in its group do not have jails. The Union argued that while flooding has had an impact on Fremont County, other counties have also been impacted by the flooding of 2019 yet have managed to increase employee wages greater than the Employer's offer here. The other counties in its comparability grouping will increase employee wages by an average of 2.4% July 1st. The Union points out that some of the flooding losses of taxable property won't have effect until 2022, after the life of this contract. Also, the Union points out that the secondary road unit was limited by statute to a 1.5% (CPI) wage increase if it went to arbitration and that the sheriff's unit was not so restricted. The Union asserted that the county has made no argument that it cannot pay for the union wage proposal.

The **Employer** proposes a 1.5% wage increase for these employees. It notes that this is consistent with the cost of living increase and reflective of the devastating flooding of 2019 with resultant loss of taxable property and revenue to the county. It cites the county's 15% loss in population since 1990, from 8,226 to the current 6,993. It disagrees with the Union methodology in calculating the annual wages of Fremont deputies and argues that an annual wage should be figured by using the 2190 hours these deputies normally work. This would amount to a top wage for a Fremont deputy of \$49,341 (2190 x \$22.53). The County disputes data advanced by the Union for Taylor, Wayne and Osceola counties and provided information from auditors in those counties to make this point (The Employer submitted top deputy wages for Taylor County at

\$47,608, Wayne \$53,705, Osceola \$59,397). The County notes that some of the Union's data comes from counties where there is no collective bargaining and that some of the other deputy wages result from action of a county compensation board. It urges that those wages are therefore distinguishable from those in Fremont county which resulted from collective bargaining. The Employer notes that the county has had no difficulty hiring qualified deputies and that three deputies who have left the department since 2018 have gone to employment outside of law enforcement. Also, five deputy applicants have recently been tested. In support of its financial arguments, the Employer notes that the county's agricultural values for 2019 declined \$4,497,640 and are predicted to decline further. Fremont County's general fund balance has declined by \$586,407 since 2015. It is projected that \$11,000,000 of assessed valuation was lost in the 2019 flood. County property owners have applied for FEMA (Federal Emergency Management Agency) buyouts of dwelling properties with valuation of \$5,549,040 which, if approved, would take these properties off the county tax rolls. Some Taxpayers who have been flooded out have made public comments that they weren't going to pay property taxes. The county advances the counties of Clarke, Monroe and Taylor as appropriate for making comparisons with Fremont County. All are in the southern two tiers of counties are under 9,500 in population and have collective bargaining. The deputies in these counties have settled for an average of 2.4%, and the jailers for 2.45%, all as part of multi-year agreements. The Employer points out that its road unit settled for 1.5% and that the other Fremont County employees not in a bargaining unit as well as elected officials will receive a 1% wage adjustment. It notes that while employees in Mills and Montgomery counties cited by the Union will receive 3% wage increases, Mills County employees agreed to changes in sick leave, to removing health insurance from bargaining and giving up retirement payout and that Montgomery County employees agreed to pay more for their health insurance.

DISCUSSION AND CONCLUSION

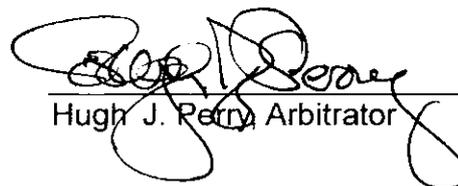
The Employer offer of 1.5% is low as viewed against other county settlements. The Union's 4% is high. Neither party's comparability grouping is particularly helpful. The Union's comparables leave out the neighboring counties of Page, Adams, Ringgold and Decatur yet include counties much further away including Van Buren and Osceola. Some of its counties are substantially larger in population than Fremont. The Employer's county group is too small to be of much help in making comparisons. The Employer excludes counties where wages are not subject to collective bargaining and those where deputies wages are keyed to a percentage of the sheriff's salary. I don't find any basis in the bargaining statute for such exceptions. Neither party offers any comparability data on dispatchers or civilian employees. The best comparability group would be an adequate number of area counties of similar population. The Union calculates the annual top Fremont deputy pay by taking the hourly rate times 2080 hours to arrive at its figure of \$46,862. Based upon the overtime language in the contract, it would appear that the normal annual hours of work for these deputies is 2190 which would result in an annual wage of \$49,341. Even with this calculation, and considering the Employer's post hearing submitted figures for Taylor, Wayne and

Osceola counties, the Fremont top deputies and jailers appear to be generally compensated less than deputies and jailers elsewhere.. A 4% wage increase would make up a little ground. A 1.5% wage increase would cause some minor slippage. However, this arbitration does not turn on comparability alone. Fremont county has sustained colossal flooding which has negatively impacted the county's finances which were already in decline. While the wages of these employees may be *lagging* as suggested by the Union, this is not a bargaining year to attempt to gain ground. It does not appear that other counties are offering their deputies a 4% adjustment this year. I note that while the Employer's 1.5% offer is low when compared with other county settlements advanced by the parties, it is in line with other recent wage settlements with these employees (1% and 2%). Further, some of the settlements in the other counties were part of multi-year agreements and may have contained economic tradeoffs. The contract provides Fremont employees with some attractive fringe benefits which will continue. The Union's attempt to bridge some of the gap in top wage positions with other counties is understandable. However, considering the statutory criteria against the facts of this dispute, especially the 2019 flooding, the bargaining history, the interest and welfare of the public and the ability of Fremont County to finance economic adjustments, I conclude that the Employer's wage offer of 1.5% is the most reasonable of the parties' positions before me. It is awarded.

AWARD

The Employer's wage offer is awarded. These employees should receive a base wage increase of 1.5% effective July 1, 2020.

Signed this 25th day of March, 2020



Hugh J. Perry, Arbitrator

CERTIFICATE OF SERVICE

Jack Reed
427 Crestview
Ottumwa, IA 52501

Jim Romar
2425 Delaware Ave.
Des Moines, IA 50317

I further certify that on this 25th day of March, 2020, I will submit this award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, Iowa 50319.



Hugh J. Perry, Arbitrator