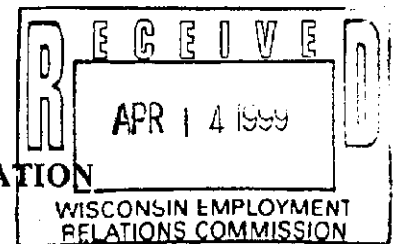


**IN THE MATTER OF THE INTEREST ARBITRATION  
PROCEEDINGS BETWEEN**



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CITY OF WAUPUN,

Employer,

and

ARBITRATOR'S AWARD  
Case 55 No. 55923  
INT/ARB 8370  
Decision No. 29463-A

WAUPUN CITY EMPLOYEES, AFSCME LOCAL  
1112, AFL-CIO,

Union.

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Arbitrator: Jay E. Grenig

Appearances:

For the Employer: James R. Korom, Esq.  
von Briesen, Purtell & Roper

For the Union: James E. Miller, Staff Representative  
Wisconsin Council 40, AFSCME

**I. BACKGROUND**

This is a matter of final and binding interest arbitration pursuant to Section 111.70 of the Wisconsin Municipal Employment Relations Act for the purpose of resolving a bargaining impasse between Waupun City Employees Local 112 ("Union") and the City of Waupun ("City" or "Employer"). The City is a municipal employer. The Union is the exclusive collective bargaining representative of certain City employees, including City Hall employees, communication operators, Department of Public Works employees, and library employees.

The City filed a petition on May 15, 1998, with the Wisconsin Employment Relations Commission requesting the Commission to initiate final and binding arbitration pur-

suant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act. Following an investigation by the WERC, it was determined that an impasse within the meaning of Section 111.70(4)(cm)6 existed between the Union and the City. The parties thereafter submitted their final offers.

On October 15, 1998, the WERC issued an order appointing the undersigned as the arbitrator in this matter. The matter was brought for hearing before the Arbitrator on December 11, 1998, in Waupun, Wisconsin. The parties were given full opportunity to present all relevant evidence and arguments. The hearing was declared closed on March 12, 1999.

Although the parties are in disagreement on some issues, they did reach tentative agreement on a number of other issues. Along with other City employees, they also agreed to changes in health benefits.

## **II. SUMMARY OF FINAL OFFERS**

A copy of the parties' Tentative Agreements is attached as Exhibit A. A copy of the City's final offer is attached as Exhibit B. The Union's final offer is attached as Exhibit C.

## **III. STATUTORY CRITERIA**

### **111.70(4)(cm)**

...

7. 'Factor given greatest weight.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give the greatest weight to any state law or directive lawfully issued by a state legislative or administrative officer, body or agency which places limitations on expenditures that may be made or revenues that may be collected by a municipal employer. The arbitrator or arbitration panel shall give an accounting of the consideration of this factor in the arbitrator's or panel's decision.

7g. 'Factor given greater weight.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in subd. 7r.

7r. 'Other factors considered.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall also give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services.
- e. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes generally in public employment in the same community and in comparable communities.
- f. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes in private employment in the same community and in comparable communities.
- g. The average consumer prices for goods and services, commonly known as the cost of living.
- h. The overall compensation presently received by the municipal 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.
- i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- j. 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.

#### **IV. POSITIONS OF THE PARTIES**

##### **A. THE CITY**

The City asserts that the essence of the dispute here is the "amount" that must be paid by the City for a change in the insurance program. It contends that the parties agreed to a change in insurance with minimal financial impact on the employees, significant new benefits, and economic savings through better negotiated rates with the care providers.

The City emphasizes that this is not a case about wages. It declares that the parties have already agreed on the annual across-the-board wage increases and the \$1 per hour increases in Library and Dispatcher employee wages over three years. The City says that almost all the wages and annual increases of this unit's employees will be at or above the average for comparable municipalities.

The City says that it has offered a significant trade-off for the new health care plan. The City notes that it has offered an additional seventeen cents per hour above the across the board increase, one additional floating holiday, an extra \$25 in longevity at all levels in 1999 and another \$25 increase in 2000, and overtime rates at time and one-half when part-time dispatchers work more than 32 hours in one week (rather than the present 40 hours). The City emphasizes that the deductible within the PPO network will still be \$50 for a single employee and \$100 for family coverage. There is no co-insurance within the network. The City points out that all Waupun physicians are participants in the PPO network.

The parties are in disagreement with respect to the method of wage increases for Street Crew employees in the bargaining unit. The City says that it has proposed the same increase for Street Crew employees as all employees in the unit: three percent across the board in 1998, three percent in 1999, and 3.5 percent in 2000. It argues that no other comparable community has used a cents per hour increase for determining wage increases. The City also argues that the Union's proposal penalizes seniority and is inequitable with respect to the remaining employees in the bargaining unit.

The third issue in disagreement is the addition of floating holidays. The City has offered each employee on additional floating holiday. The Union has proposed a second holiday that could be used in either 1999 or 2000. The City claims that its offer is consistent with that offered other City employees. It also claims that the Union's request for an additional floating holiday does not correspond with the benefits received by employees in surrounding communities. The City disagrees with the Union's claim that its floating holiday proposal will "sunset."

With respect to the Union's proposal to change Section 19.05 governing sick leave payout, the City says that its position is to maintain the status quo. Addressing the language of the Union's proposal, the City argues that the language "voluntary retirement

for any reason" is simply a euphemism for "quitting." The City says that no other municipality, other than the City of Hartford, has a similar provision.

The City wishes to maintain the status quo regarding the payment of health and life insurance premiums for part-time Dispatchers. The City points out that 11 of the 12 external comparables relied upon by the City do not offer full paid health insurance for employees.

Acknowledging that the parties have not agreed on a group of comparables, the City argues that its list (Beaver Dam, Berlin, Columbus, Hartford, North Fond du Lac, Portage, Baraboo, Fort Atkinson, Hartland, and Jefferson) is the more reasonable. It says that these communities are all within 50 miles of Waupun and have similar populations and property taxes levied.

The City asks that the Arbitrator direct the parties to incorporate the City's final offer into the 1998-2000 collective bargaining agreement with all previously agreed upon items.

#### **B. THE UNION**

With respect to the quid pro quo issue, the Union points out that the new health insurance program increases the annual deductible from \$50 per individual and \$100 per family to \$100 per individual and \$200 per family. In addition, it requires co-insurance for employees not using PPO providers of \$200 per single coverage and \$400 per family coverage. The Union argues that its proposal of an increase of 30¢ an hour makes up for these increased costs better than the City's proposal.

As to the 50¢ an hour increase for Public Works employees, the Union says the proposal has two purposes: (1) to maintain the current differential between the bottom and the top of the wage scale rather than having the bottom classifications constantly falling behind the higher groups because percentage increases give larger wage increases at the top and (2) to provide a wage increase that is in line with the comparables.

Pointing out that some bargaining unit employees who do not work full time hours receive full-time benefits, while part-time Communications Operators do not receive this benefit. The Union asserts that it is proposing to eliminate this inequity by modifying the contract so that all employees are treated equally.

The Union acknowledges that only Columbus has a higher number of holidays among the comparables used by the City. Nonetheless, the Union says the economic impact of this one time floating holiday is relatively small and would not be continued into future contracts.

Regarding the sick leave payout, the Union notes that of the comparables, only two provide for 100 percent payout of sick leave at retirement as Waupun (Hartford and

Mayville). Only two of the proposed comparables provide any payout of sick leave for voluntary termination (Mayville provides a payout ranging from 20 percent to 50 percent and Dodge County provides between 20 percent and 60 percent depending upon years of service). The Union contends its proposal would provide an added incentive to keep City employees from leaving, since the longer a person worked, the greater the amount of sick leave they could accumulate.

The Union proposes Beaver Dam, Berlin, Columbus, Dodge County, Fond du Lac, Hartford, Kewaskum, Mayville, Omro, North Fond du Lac, Plymouth, Portage, Ripon, Slinger, and Watertown as the appropriate comparables in this proceeding. It argues that most of the cities are within 60 miles of Waupun with populations varying from approximately 4,000 to 12,000. (Waupun's population is approximately 8,500.) Recognizing that Fond du Lac is significantly larger than Waupun, the Union asserts that as the largest municipality in Fond du Lac County, Fond du Lac has a major economic impact on Waupun.

The Union believes that on the basis of the record, the statutory factors regarding interest arbitration, the evidence presented at the hearing, and the arguments that the Arbitrator should select the Union's final offer.

## **V. FINDINGS OF FACT**

### **A. The Lawful Authority of the Employer**

There is no contention that the City lacks the lawful authority to implement either offer.

### **B. Stipulations of the Parties**

While the parties were in agreement on many of the facts, there were no stipulations with respect to the issues in dispute.

### **C. The Interests and Welfare of the Public and the Financial Ability of the Unit of Government to Meet these Costs**

This criterion requires an arbitrator to consider both the employer's ability to pay either of the offers and the interests and welfare of the public. The interests and welfare of the public include both the financial burden on the taxpayers and the provision of appropriate municipal services. There is no contention that the City lacks the financial ability to pay either offer.

The public has an interest in keeping the City in a competitive position to recruit new employees, to attract competent experienced employees, and to retain valuable employees now serving the City. Presumably the public is interested in having employees

who by objective standards and by their own evaluation are treated fairly. What constitutes fair treatment is reflected in the other statutory criteria.

## **D. Comparison of Wages, Hours and Conditions of Employment**

### ***1. Introduction***

The purpose in comparing wages, hours, and other conditions of employment in comparable employers is to obtain guidance in determining the pattern of settlements among the comparables as well as the wage rates paid by these comparable employers for similar work by persons with similar education and experience.

### ***2. External Comparables***

#### **a. Introduction**

The parties are in agreement regarding the use of Beaver Dam, Berlin, Columbus, Hartford, North Fond du Lac, Portage, and Watertown. These municipalities are geographically proximate to the City, are relatively close in population and tax base, and have relatively similar economic bases. Although the parties express plausible arguments for the inclusion of additional, albeit inconsistent, comparables, the comparables listed by both parties are reasonable and appropriate comparables for use in this proceeding.

#### **b. Analysis**

*Quid Pro Quo.* An analysis of the external comparables is not appropriate with respect to this issue.

*Public Works Wage Increase.* The average 1998 percentage increase for Heavy Equipment Operators in the comparables is 3.34 percent. The median increase at this benchmark is 3.0 percent.

The average percentage increases for street crew employees of the comparable employees for 1998 was 3.48 percent. The median increase was 3.25 percent.

The Union's offer would provide a 3.28 percent increase for Heavy Equipment Operators while the Employer's offer would provide a 3.0 percent increase. Employees in the City's Public Works Department reach the maximum wage rate in eight months--the fastest of any of the comparables.

Public Works employees represented by the Union receive, on average 62 percent more longevity pay per year than the average of comparable municipalities. These employees receive more longevity after five years than any of the comparables with the possible exception of Beaver Dam, which pays longevity based on a percentage of the base salary. They rank second in longevity at the 10-year level, and third at the 15-year and

20-year levels. The Union's proposal of a cents per hour wage increase does not address the longevity issue.

*Part-Time Communications Operators.* None of the comparable communities provides part-time employees working over 1,040 hours per year with full paid health insurance.

*Additional Floating Holiday.* Of the comparables, only Columbus has a higher number of holidays. As the Union recognizes, there is no support for its proposal among the comparable communities.

*Sick Leave Payout.* The City provides the most liberal sick leave payout benefits of the comparables. Only one of the comparables (Hartford) provides for 100 percent payout of sick leave at retirement as does the City. None of the comparables provides any payout of sick leave for voluntary termination. (Two of the Union's proposed comparables provide payout of sick leave benefits upon voluntary termination, but none provides 100 percent payout.)

### **3. Internal Comparables**

*Quid Pro Quo.* The bargaining unit representing City police officers did not receive an additional wage increase in return for agreeing to the change in health insurance.

*Public Works Wage Increase.* All the other City bargaining units received a percentage wage increase rather than an across the board cents per hour increase.

*Part-Time Communications Operators.* The Employer provides full payment for health and life insurance benefits for some part-time employees who work in City Hall. However, the evidence also shows that when the Communications Operators were moved from the Police Union to the City Employees Union, they continued to receive certain benefits not received by other City employees. These benefits included a larger longevity benefit and a two-hour minimum for call-in pay.

*Additional Floating Holiday.* No other City bargaining unit has received the additional "one-time" floating holiday proposed by the Union.

*Sick Leave Payout.* No other bargaining unit in the City has a payout provision similar to that proposed by the Union.

### **E. Changes in the Cost of Living**

Both offers would result in wage increases greater than the increase in the cost of living as measured by the Consumer Price Index for All Urban Consumers.



#### **F. Overall Compensation Presently Received by the Employees**

In addition to their salaries, employees represented by the Union receive a number of other benefits. While there are some differences in health and welfare benefits received by employees in comparable municipalities, it appears that persons employed by the City generally receive benefits equivalent to those received by employees in the comparable municipalities.

#### **G. Changes During the Pendency of the Arbitration Proceedings**

No material changes during the pendency of the arbitration proceedings have been brought to the attention of the Arbitrator.

#### **H. Other Factors**

This criterion recognizes that collective bargaining is not isolated from those factors which comprise the economic environment in which bargaining takes place. See, e.g., *Madison Schools*, Dec. No. 19133 (Fleischli 1982). There is no evidence that the City has had to or will have to reduce or eliminate any services, that it will have to engage in long term borrowing, or that it will have to raise taxes if either offer is accepted.

### **VI. ANALYSIS**

#### **A. Introduction**

While it is frequently stated that interest arbitration attempts to determine what the parties would have settled on had they reached a voluntary settlement (See, e.g., *D.C. Everest Area School Dist. (Paraprofessionals)*, Dec. No. 21941-B (Grenig 1985) and cases cited therein), it is manifest that the parties' are at an impasse because neither party found the other's final offer acceptable. The arbitrator must determine which of the parties' final offers is more reasonable, regardless of whether the parties would have agreed on that offer, by applying the statutory criteria. In this case, there is no question regarding the ability of the Employer to pay either offer. The most significant criterion here is a comparison of wages, hours and conditions of employment.

Along with an additional floating holiday appearing in both final offers, each side has also proposed an increase of \$25 of longevity pay. Both proposals also include additional wage increases for Communication Operators and Library employees to bring them closer to similar employees in other communities. In addition, both offers contain a change in the overtime procedures for Communication Operators.

The primary dispute in this proceeding is the question of the appropriate quid pro quo to be provided employees for changing the health insurance program. The City has offered 17¢ per hour while the Union has proposed 30¢ per hour.

The Union has also proposed a 50¢ per hour across the board wage increase in 1998 and 1999 and 55¢ in 2000 for employees in the Department of Public Works instead of a percentage increase. The Union proposes that part-time Communications Operators receive fully paid health insurance if they work over 1,040 hours per year. The Union proposes that all employees receive a one-time only floating holiday during the 1999 or 2000 calendar year in addition to the agreed to floating holiday effective January 1, 1999. Finally, the Union proposes to increase the percentage of payout for unused sick leave at termination for any reason from 75 percent to 100 percent.

## **B. Discussion**

One of the most important aids in determining which offer is more reasonable is an analysis of the compensation paid similar employees by other, comparable employers. Arbitrators have also given great weight to settlements between an employer and its other employees. See, e.g., *Rock County (Deputy Sheriffs' Ass'n)*, Dec. No. 20600-A (Grenig 1984). While arbitral authority establishes the principle that internal settlements are to be given "great weight," such internal settlements are not conclusive. It is still necessary to examine the other criteria, including external comparables.

There is no support in the external or internal comparables for the Union's proposal for sick leave payout upon voluntary termination. The City's sick leave payout benefit is the most liberal of any of the comparables. The Union has offered no compelling reason for the addition of a payout benefit for voluntary termination of employment. Accordingly, it is concluded that the City's proposal to maintain the status quo on sick leave payouts is more reasonable than the Union's.

Additionally, there is no support in either the external or the internal comparables for the Union's proposal regarding an additional floating holiday. The City ranks at the top of the comparables with respect to holidays, including floating holidays. No compelling reason for adding yet an additional floating holiday--even on a one-time basis--has been offered. It is apparent from the evidence, that the City's floating holiday proposal is more reasonable than the Union's.

There is no support in the external comparables for the Union's proposal to provide part-time Communications Operators with fully paid health and welfare benefits. None of the comparables provide such a benefit. There is some support in the internal comparables for the Union's proposal as some part-time City employees receive this benefit. (Apparently, one of these employees was a full-time employee who agreed to reduce her hours because of lack of work in return for maintenance of full health benefits.) However, the Communications Operators receive benefits that are not enjoyed by these City Hall employees including a larger longevity benefit, a two-hour minimum for call-in pay, different holiday and vacation privileges, and a shorter work week. Because the Communications Operators receive benefits not enjoyed by other City employees and City Hall employees receive a benefit not enjoyed by Communications Operators, a com-

parison of benefits does not compel a conclusion that the Union's offer is more reasonable than the City's offer proposing maintenance of the status quo.

With respect to the Union's wage increase proposal for the Public Works employees, none of the internal or external comparables has utilized a cents per hour wage increase for any group of employees. While the Union's proposal could be justified as a means of raising the wages of the lower paid employees, the proposal has the effect of making a significant change in the relative wages of the affected employees. Percentage wage increases have the effect of maintaining the negotiated wage separation while cents per hour wage increases have the effect of compacting the negotiated wage separation.

The Union's proposal would result in some junior employees receiving a wage increase of over four percent while more senior, experienced workers would receive an increase of approximately three percent. In addition, the increases received by some of these employees would be inconsistent with the three percent increase received by other City employees. No persuasive reason has been advanced for compacting the salaries of these workers by means of a flat cents per hour across the board increase or for providing some of these employees with a wage increase greater than that received by other represented City employees. For these reasons, the Employer's final offer on this issue is more reasonable than the Union's.

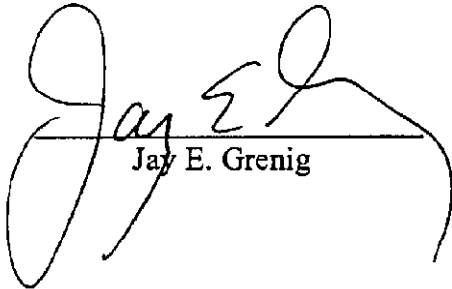
The new health benefit plan agreed to by the parties provides access to all the same services and physicians as the former program. The deductible is slightly higher if an employee chooses to use a non-PPO provider. However, every primary care provider in the City of Waupun is in the PPO. A new drug card requires employees to pay either two dollars (for generic) or five dollars for a prescription. Routine care such as physical and mammograms are now covered at no charge and there is no usual and customary review of PPO charges.

The record demonstrates that some employees will enjoy significant financial savings as a result of the new health benefits while some others, particularly those who regularly use a large number of prescription drugs may not (although they may enjoy a savings on physical examinations). There will be some savings to employees with respect to deductibles and the provision of free physical examinations. The evidence shows that City employees will generally enjoy lower single and family deductibles and co-insurance payments than most of the comparables. While a few employees may, under some circumstances have slightly higher costs for prescriptions, the Employer's quid pro quo offer mitigates the impact of these increases and compensates all bargaining unit employees for the change in the health benefit program. The Union's proposal would go further and provide many bargaining unit employees with what is in effect a bonus for acceptance of the new health benefits program. In addition, another City bargaining unit (Police) accepted the new health benefits program without any quid pro quo. Considering this evidence, it is concluded that the Employer's offer is more reasonable than the Union's.

## VII. AWARD

Having considered all the relevant evidence and the arguments of the parties, it is concluded that the City's final offer is the more reasonable final offer. The parties are directed to incorporate into their collective bargaining agreement the City's final offer together with all previously agreed upon items.

Executed at Delafield, Wisconsin, this thirteenth day of April 1999.



Jay E. Grenig

TENTATIVE AGREEMENTS

between the

CITY OF WAUPUN

and the

WAUPUN PUBLIC EMPLOYEE'S UNION  
AFSCME Local 1112

August 24, 1998

1. ARTICLE IX - PROBATIONARY AND EMPLOYMENT STATUS

Change the last sentence of Section 9.02 to read:

"Employees who leave employment for any reason during the probation period will not be paid for accrued benefits."

2. ARTICLE XII - GRIEVANCE PROCEDURE - Change Section 12.07 to read:

"Any employee shall have the right of the presence of a steward upon request when his work performance or conduct or other matter affecting his status as an employee are subject of discussion for the record."

3. ARTICLE XVI - NORMAL WORKDAY AND WORKWEEK OVERTIME -  
LIBRARY EMPLOYEES

Section 16.01 - Delete the fourth sentence referring to written requests for modification of the schedule.

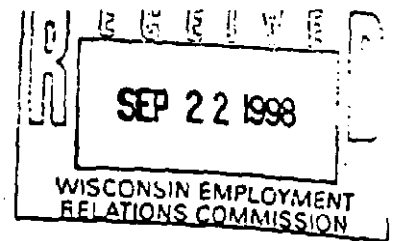
Section 16.02 - Remove the reference to employees by their given names Modify the language to reflect that only two employees will be scheduled on Friday.

Add a side letter to the contract to cover the issues covered by the above changes.

ARTICLE XX - HOLIDAYS - Revise Section 20.01 as follows:

"Except for probationary employees, all regular employees shall be entitled to the following holidays with pay: New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, Spring Holiday (Friday before Ester), the day before Christmas and the day before New Year's Day. In addition, each employee may select one (1) additional day as a paid holiday in lieu of the day after Thanksgiving (two days after 1/1/99). When the holiday falls on Sunday the following Monday will be observed as the holiday. When the holiday falls on Saturday, the previous Friday will be observed as the holiday."

Waupun - Local 1112



FINAL OFFER

1. All provisions of the 1995-97 contract to remain, except as set forth below.
2. Delete Article XXV, Hospital, Medical and Life Insurance, and replace with attached new Article and increase all hourly wage rates by 17¢, effective on the first day of the month following receipt of the Arbitration Award.
3. Modify wage schedule to reflect the following increases:

Effective	1/1/98	3%
	1/1/99	3%
	1/1/2000	3.5%

4. Modify Article XXIX, Longevity, to increase amounts by \$25 effective 1/1/99 and \$25 effective 1/1/2000.
5. Prior TA's re: "leave employment for any reason," "upon request," "Spring Holiday," and hours of work for library employees.
6. Modify Article 11.02 to retain discipline records 12 months.
7. Modify Article 20.01 to add an additional floating holiday effective 1/1/99.
- ✓ 8. Increase hourly rates of Library employees and Communication Operators by 35¢ effective 1/1/98, 35¢ effective 1/1/99, and 30¢ effective 1/1/2000, after the ATB increases.
- ✓ 9. Change Article 15.06 to read "Overtime shall be paid for all time worked outside of the work schedule as required by the Chief of Police at the rate of one and one-half (1-1/2) time for actual time worked. Part time employees shall be paid time and one-half (1-1/2) for hours worked in excess of 8 hours in one day or thirty-two (32) hours in a week."

25.01 The Employer shall provide a Health Insurance Plan for employees which shall provide the same health insurance coverage as the previous health insurance program. Said plan will be a partially self-funded plan through a third party administrator. The plan will be totally funded by the Employer. The Employer will pay the full cost of the Group Life Insurance Plan in effect. Employees shall be provided the opportunity to participate in a dependent life insurance program under the Wisconsin Public Employee Group Life Insurance Program; the cost of this coverage will be assumed by the employee. The Employer may at its option during the term of this Agreement change insurance carriers provided there shall be no reduction in the level of benefits in existence on the effective date of the Agreement during the term of the Agreement.

25.02 Certain provisions related to the health coverage agreement are set forth as follows:

- (a) There shall be a PPO provider system.
- (b) An employee with dependents shall pay the first One Hundred Dollar (\$100.00) deductible towards covered services by a PPO provider. This One Hundred Dollars (\$100.00) will be an aggregate amount of the deductibles applied to the employee and his dependents.
- (c) An employee without dependents shall pay the first Fifty Dollar (\$50.00) deductible towards covered services by a PPO provider.
- (d) An employee with dependents shall pay the first Two Hundred Dollar (\$200.00) deductible towards covered services by non-PPO providers, plus 20% of the next \$2,000 of additional services by such providers until a maximum out-of-pocket cost of \$600 is reached. Such deductible shall also be a family aggregate.
- (e) An employee without dependents shall pay the first One Hundred Dollar (\$100.00) deductible towards covered services by non-PPO providers, plus 20% of the next \$1,000 of additional services by such providers until a maximum out-of-pocket cost of \$300 is reached.
- (f) The deductibles in Section (b), (c), (d), and (e) shall be coordinated.
- (g) Effective upon execution of this Agreement, coverage shall be added for an annual physical exam (including Pap test) and mammograms (one every 2 years from age 40 to 45; one annually from age 46 to 50; up to two per year at physician's direction after age 50).
- (h) There shall be a drug card, presently described as Pro-Vantage, which shall not be part of the deductible, providing for \$2 employee cost for generic, or for prescriptions where the physician determines generic medications cannot be used by the patient, \$5 for name brand, and a mail order option as presently offered under the Pro-

Vantage program. The mail order provision shall be for 120 days. This drug card will cover the same drugs and supplies as the current insurance program.

- (i) When an employee retires, the employee shall be allowed to remain a part of and covered by the group health plan, provided that the employee shall make the required premium payment in the manner and amount designated by the Employer. When the retiree dies, the retiree's spouse and eligible dependents shall be allowed to remain a part of and covered by the group health plan in the same manner.
- (j) When an employee dies while still an employee of the Employer, the employee's spouse and eligible dependents shall be allowed to remain a part of and covered by the group health plan provided that the employee's spouse and eligible dependents shall make the required premium payment in the manner and amount designated by the Employer.
- (k) The insurance plan available under Sections (i) and (j) above shall include the following annual deductibles:

	<u>PPO</u>	<u>Non-PPO</u>
Single	250	500
Family	500	1000

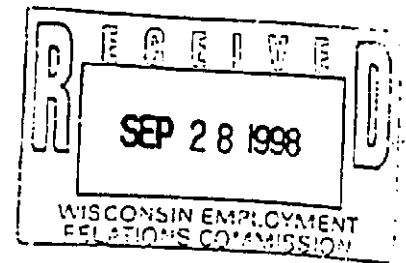
After the deductible is satisfied, the employee shall be responsible for 20% of covered expenses to a maximum of \$5,000, for a maximum out-of-pocket cost of \$1,500 single and \$2,000 family per year, including the deductible.

- (l) The Employer shall provide quarterly a copy of the then current Plan Financial Report to the Union.
- (m) The City will reimburse any employee who has had to purchase dependent coverage for dependents between the ages of nineteen (19) and twenty-five (25) who are not dependent students the cost of such coverage to a maximum of One Hundred Thirty Five Dollars (\$135.00) per quarter. The employee should turn in proof of the premium payment to the City Clerk in the manner set forth in (c) above and payment will be made under the time table of paragraph (c). The Employer may require proof of dependency.



25.03 Employees will be afforded the opportunity to participate in an income continuation program. The Employer shall contribute up to a maximum premium payment of not more than twelve dollars (\$12.00) per month per employee. Employees will be afforded the opportunity to participate in a 125K Plan.

FINAL OFFER  
of the  
WAUPUN CITY EMPLOYEES' UNION  
to the  
CITY OF WAUPUN



September 24, 1998

1. All terms of the 1995-1988 collective bargaining agreement except where modified by tentative agreement of the parties.
2. The provisions of the employer's proposed Article XXV, Hospital, Medical and Life Insurance shall be effective on the first of the month following an interest arbitrator's award in this matter.
3. All employees shall receive a wage adjustment of 30¢ per hour upon implementation of the new insurance program.
4. Article XI - DISCIPLINARY PROCEDURE - Change the last sentence of Section 11.02 to read:

"No valid warning shall be considered effective for longer than a twelve (12) month period."

5. Article XX -HOLIDAYS: Effective 1/1/99 there will be an additional floating holiday. In addition to these holidays, each employee covered by this agreement shall receive an additional floating holiday in either 1999 or 2000. This additional floating holiday shall be for this contract only.
6. Change ARTICLE XXVII - LONGEVITY as follows:

DPW, CITY HALL and LIBRARY

	1998	1999	2000
5 years of service	\$200	\$225	\$250
10 years of service	\$250	\$275	\$300
15 years of service	\$300	\$325	\$350
20 years of service	\$350	\$375	\$400

Exhibit C

## COMMUNICATION OPERATORS

5 years of service	\$275	\$300	\$325
10 years of service	\$325	\$350	\$375
15 years of service	\$375	\$400	\$425
20 years of service	\$375	\$400	\$425

### 7. Wages: For Street Crew Employees:

1/1/98	50¢
1/1/99	50¢
1/1/00	55¢

### For All Other Unit Employees:

1/1/98	3%
1/1/99	3%
1/1/00	3.5%

### 8. ARTICLE XIX - SICK LEAVE - Change Section 19.05 to read:

"In the case of the death of an employee, his or her retirement in accordance with the provisions of Section 40.23 of the Wisconsin Statutes, or voluntary retirement for any reason, such employee or his or her estate of designated beneficiary shall be paid one hundred (100) percent of his or her accumulated sick leave; such payment to be based upon the current earnings of such employee."

## COMMUNICATION OPERATOR ISSUES

### 9. Wage adjustments:

1/1/98	35¢
1/1/99	35¢
1/1/00	30¢

10. Change Section <sup>9.03</sup>~~9.30~~ to read: "A regular<sup>b</sup> employee is defined as a full-time person hired to fill a permanent position in the Tale of Organization. A part-time employee shall be covered by the terms of this Agreement once the employee works in excess of one-thousand forty (1040) hours in a calendar year. Any employee who works in excess of one-thousand (1040) hours in a calendar year shall have their health and life insurance premiums fully paid by the Employer."

Remove the last sentence of the second paragraph of Section 9.05.

11. Change Article 15.06 to read: "Overtime shall be paid for all time worked outside of the work schedule as required by the Chief of Police at the rate of one and one-half (1 1/2) time for actual time worked. Part time employees shall be paid time and one-half (1 1/2) for hours worked in excess of 8 hours in one day or thirty two (32) hours in a week.

#### LIBRARY ISSUES

12. Wage adjustments:

1/1/98	35¢
1/1/99	35¢
1/1/00	30¢