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**In the Matter of the Arbitration Between:**

**CITY OF RHINELANDER**

**and**

Case 97  
No. 59620  
MIA-2300  
Dec. No. 30198-A

**WISCONSIN PROFESSIONAL POLICE ASSOCIATION/LAW ENFORCEMENT  
EMPLOYEE RELATIONS DIVISION**

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Appearances: Thomas W. Bahr, Representative for the Association  
Philip I. Parkinson, City Attorney for the Employer

The Wisconsin Professional Association/Law Enforcement Employee Relations Division, hereinafter referred to as the "Association," filed a petition on January 29, 2001 with the Wisconsin Employment Relations Commission, hereinafter referred to as the "Commission," alleging that an impasse existed between it and the City of Rhinelander, hereinafter referred to as the "Employer."

The Association requested the Commission to initiate compulsory final and binding arbitration pursuant to Section 111.77(3) of the Municipal Employment Relations Act for the purpose of resolving an impasse arising in collective bargaining on matters affecting the wages, hours and conditions of employment of law enforcement personnel of the Employer. An informal investigation was conducted by a member of the Commission's staff.

The Commission issued an Order that compulsory final offer arbitration be initiated for the purpose of issuing a final and binding award to resolve the impasse arising in collective bargaining between the Association and the Employer on matters affecting wages, hours and conditions of employment of non-supervisory law enforcement personnel in the employ of the Employer. The Commission furnished the parties with a panel of arbitrators from which they could select a sole arbitrator to issue a final and binding award in the matter. Upon being advised that the parties had selected Zel S. Rice as the arbitrator. The commission issued an Order appointing him as the arbitrator to issue a final and binding award in the matter pursuant to Section 111.77(4) (b) of the Municipal Employment Relations Act.

The Association's revised final offer on all issues in dispute for a successor agreement, attached hereto and marked as **EXHIBIT 1**, would commence on January 1, 2001 and remain in full force and effect to December 31<sup>st</sup>, 2003 is as follows:

1. All provisions of the 2000 agreement between the parties modified by way of any previous tentative agreements and/or by this final offer shall be included in the successor agreement between the parties for the term of said agreement.
2. The term of the agreement shall be the period of January 1, 2001 through December 31, 2003.
3. All dates relating to term shall be modified to reflect said term.
4. The tentative agreements reached between the Employer and the Association shall be incorporated into the successor agreement between the parties.
5. Modified agreement language as follows:
  - Section 15.01-Hospital And Surgical Insurance:

After 30days employment, all regular employees may participate in Hospital And Surgical Insurance including major medical coverage with the employee paying \$50.00(\$60.00 effective 2002;\$70.00 effective 2003) of the monthly premium for family coverage, or \$40.00 (\$50.00 effective 2002; \$60.00 effective 2003) of the monthly couple coverage for single plus one; and \$25.00(\$30.00 effective 2002; \$35.00 effective 2003) of the monthly premium for single coverage, and with the Employer paying the remaining amount of the premium for the plan selected by the Employee.

## APPENDIX

### A. WAGE INCREASES

- (a). The Association proposes that all rates of pay set forth in Appendix A of the 2000 agreement for each classification be increased by the following rates:

Effective January 1, 2001- 2%

Effective July 1, 2001 - 3%

- (b). The Association proposes that the December 2001 rates of pay for each classification be increased by the following rates:

Effective January 1 2002- 2%

Effective July 1, 2002 - 2%

(c). The Association proposes that the December 2002 rates of pay per each classification be increased by the following:

Effective January 1, 2003 - 2%

Effective July 1, 2003 - 3%

The Employer makes the following final offer, attached hereto and marked as **EXHIBIT 2**, as a successor agreement to commence on January 1, 2001 and remain in full force and effect through December 31<sup>st</sup>, 2003:

1. All provisions of the 2000 agreement between the parties not modified by way of any previous tentative agreement and/or by this final offer shall be included in the successor agreement between the parties for the term of said agreement.

2. The term of the final agreement shall be for the period of January 1<sup>st</sup>, 2001 through December 31<sup>st</sup>, 2001. All dates relating to term shall be modified to reflect such term.

3. The tentative agreements reached between the Employer and the Association shall be incorporated into successor agreements between the parties. The tentative agreements are as follows:

A. ARTICLE 9 - OVERTIME

Section 909.02 -call time

Subsection F - mandatory training sessions of less than 4 hours

B. ARTICLE 11 - POLICE TRAINING

Section 11. 03-scheduled training during vacations- Officers will not be required to attend mandatory training during the scheduled vacation period. This restriction will not apply if the vacation period was scheduled after the Officer has been notified of the training.

C. ARTICLE 17- CLOTHING ALLOWANCE AND MAINTENANCE

Section 17.01 - Initial allowance. New officers will be provided with the following clothing and equipment so that they will be properly dressed and equipped when functioning as a police officer(s):

**COLUMN 1**

one raincoat

**COLUMN 2**

one magazine holder

**COLUMN 3**

one pepper case O.C.

one leather jacket	one baton	one key holder
one regular jacket	one baton holder	one handcuffs and key
one winter hat	Four belt keepers	ticket holder
one dress hat	One riot helmet	one handcuff case
two long sleeved shirts	one ballistic vest	one hat badge
two pair of pants	one Sam Brown (nylon)	one duty weapon
one nametag	one tie clasp	3 magazines
	2 Badges	

Clothing in column 1 and equipment in columns 2 and 3 issued to new officers is subject to change depending upon Department policies and procedures.

D. ARTICLE 17-CLOTHING ALLOWANCE AND MAINTENANCE  
Section 17.02-Clothing and Allowances

Police officers shall be granted the amount of \$400.00 per year per officer for clothing allowance and maintenance. Clothing and maintenance allowance shall be paid one half of the allowance on the first pay period of January and the second half of the allowance on the first pay period in July. Said allowance shall be for clothing items for Column 1. Equipment listed in Columns 2 and 3 shall be supplied and maintained by the Department and will remain the property of the Department.

4. ARTICLE 15 - INSURANCE

After 30 days of employment all regular employees may participate in the hospital and surgical insurance including major medical coverage with the employee paying \$50.00 of the monthly premium for family coverage; \$40.00 of the monthly premium for couple coverage or \$30.00 of the monthly premium for single coverage with the Employer paying the remaining amount of the premium for the plan selected.

5. ARTICLE 15- INSURANCE

Section 15.02 - Retired Employees

A retiring employee may choose to apply unused accumulated sick leave credit to a payment of hospital and surgical insurance if done according to this section. Retiring employees for the purposes of this section shall be defined as being eligible to receive benefits under the Wisconsin Retirement System either through retirement or disability. Not less than 2 weeks prior to retirement, the employee shall notify the City Clerk except in emergency situations, of his/her intent to apply unused accumulated sick leave. The retired employee will be granted one dollar credit to exactly 50% of the unused maximum of 120 days sick leave time to a maximum of 60days times the base rate of daily pay in effect for the employee at the time of the retirement. This benefit of sick leave paid out for

hospital and surgical insurance premium payments is available to retiring employee or to the spouse of an active employee who dies prior to retirement.

#### 6. ADDENDUM A - WAGE SCHEDULE

Revise all wages to reflect an across the board increase of 3.50% effective January 1<sup>st</sup>, 2001.

### **COMPARABLE GROUPS**

Both the Union and the Employer propose a comparable group hereinafter referred to as Comparable Group A; consisting of the cities of Marinette, Merrill, Ashland, Antigo, Rice Lake, Shawano, Minocqua, Oconto, Tomahawk, Peshtigo, Park Falls, and Oneida County. Thus both the Employer and the Union are relying on the same external comparable group for their comparison.

The Employer also relies on an internal comparable group, hereinafter referred to as Comparable Group B, consisting of the bargaining units for its clerical and dispatch employees, its firefighters, its public works employees and the non-union city hall employees and city officials.

### **ASSOCIATION'S POSITION**

The Association argues that the Employer may legally meet its final offer and does not contend that it does not have the lawful authority to meet the Association's final offer. It contends that an analysis of the final offer of the Association and the final offer of the Employer reveals that both have reached an agreement on call time, police training, and clothing allowances. Neither party has attached a specific cost or savings to these items and the Association holds the position that those agreed upon issues should receive no weight and not be held as a determinative factor in the arbitrator's decision. It asserts that its final offer best serves the Employer by recognizing the need to maintain cost effective labor. The Association contends that the Employer has chosen to arbitrate the duration of the agreement by proposing that it will commence on January 1<sup>st</sup>, 2001 and expire on December 31<sup>st</sup>, 2001. It points out that the parties in this proceeding will have been without a current Collective Bargaining Agreement for more time than is contained in the Employer's final offer. The Employer takes the position that the continued labor unrest expenses associated with the bargaining process and the demoralizing effect upon employees resulting from a one year agreement does not serve the best interest and welfare of the Employer. It asserts that the financial ability of the Employer to meet the fiscal impact of the proposal has not been brought forth by the parties as an issue and the inability to pay is not a factor and should not be considered as a determinative in these proceedings. The Association points out that the parties have submitted final offers that differ in 3 areas. They are health insurance premium contributions; wages; and duration. It contends that its final offer recognizes the increasing costs of health insurance of the employees by proposing that the employee contributions increase by \$10.00 per month for family and couple coverage and \$5.00 per month for single coverage in each succeeding year of the agreement. It points out that in 2001 only 5 police departments of the 12 in Comparable Group A have any employee contributions toward health insurance. Of those 5 departments, the average contribution for family coverage is \$47.24 and both final offers of the Employer and the Association pay \$50.00

per month for family coverage or 5.8% of the average of those departments in Comparable Group A who require employees to make contributions towards their health insurance.

The Association argues that historically the parties have recognized the need and benefits of moving the top patrol wage toward at least the average monthly wage paid to the top patrol officer in Comparable Group A. It contends that in the past patrol officers have lagged behind the average wage of Comparable Group A by as much as \$128.00 per month, but there has been substantial improvement in this area over the last 7 years. It argues that its proposal would have the Employer's police department employees contribute an amount for health insurance beyond the norm of the comparables in Comparable Group A and in 2001 the Employer's police officers will pay 54% more than the average health contribution made by their peers in Comparable Group A. The Association takes the position that its wage proposal for 2001 would pay the Employer's patrol officer slightly below the average in Comparable Group A and slightly above the average as a result of the rest of the Association's offer.

The Association argues that internal comparables should be given very little weight. It contends that the Employer's evidence provides no opportunity to allow review where each of the classification of its employees rank compared to other municipalities. It points out that the Employer's own exhibits demonstrate that settlements and levels of benefits vary greatly among various groups of city employees. The Association asserts that the Employer's firefighters have a far different formula evaluation for their leave payout. It takes the position that its proposal maintains comparability with the police officers in Comparable Group A and cost of living criteria coupled with the standards set by the external wage settlements. The Association asserts that the parties' historical record demonstrates an intent to move the officers to at least an average of the wages of the Comparable Group A. The Association points out that the benefit levels of the Employer's law enforcement employees compare favorably to its law enforcement counterparts in Comparable Group A with various degrees of accomplishment, but no benefit elevates the Employer's employees to any position that would cause the Arbitrator to find the Association's final offer unreasonable.

The Association argues that evidence does not support the Employer's contention that a one year agreement is reasonable because of the city's rapidly escalating health insurance costs. It points out that the employers in Comparable Group A have entered into multiple year agreements and there is a trend for employees to pay more for their health insurance. It points that in both the second and third year of its final offer it would increase employee contributions to the health insurance cost. Conceding that the Governor has proposed changes in the State shared revenue, the Association takes the position that they are just proposed changes and there is little support for the Governor's proposal.

### ***EMPLOYER'S POSITION***

The Employer argues that for the year 2001, its final offer and that of the Association was almost identical. It contends that the divergence occurs in 2002 and 2003. The Employer points out that the Association has submitted a request for a 3 year agreement with fixed wage increases in health insurance contributions for the calendar years 2002 and 2003, while its final offer contains a one year contract because health insurance costs are escalating so rapidly that bargaining long term contracts places the Employer at a substantial disadvantage for reducing health insurance costs. It takes the position that a one year contract is preferable because the Employer is given the opportunity to bargain the reduction of health insurance costs through greater employee contributions or through larger deductibles and co-pays. The Employer's final

offer of 2001 and that of the Association are nearly identical in wage impact and health insurance costs. It points out that its final offer for 2001 results in a net cost increase of \$41,609.23, a 4.75% increase, and the Association's final offer results in a net cost increase of \$42,008.73, a 4.8% increase for that year. The Employer argues that the final offers of it and the Association exceed the cost of living increase of 3.2%. It contends that it does not wish to bargain or settle contracts for 2002 or 2003 at this time. It points out that it settled agreements with all of its other labor unions and each of them provides for a 3.5% wage increase, an increase in potential days of sick leave pay out, retirement and health insurance contributions of \$50.00 per month for family, \$40.00 per month for single plus one, and \$30.00 for single. None of them cover longer than calendar year 2001. It takes the position that it must retain the ability to bargain contracts for 2002 and 2003 that include greater cost contributions by the employees in the form of premium contributions (either as a fixed dollar amount or as a percentage or the reduction in the cost of insurance premiums to the city such as greater deductibles and/or co-pays to reduce the overall cost of health insurance). The Employer points out that the total cost to fund a single police officer position increased by \$7,946.00 over the past 3 years and the wage increase was less than one half of the total increase. The Employer argues that the largest dollar increase to maintain a police officer for that 3 year period was the increased cost of health insurance which was \$4,438.00, almost 56% of the increased costs of maintaining a law enforcement officer for those 3 years. It contends that the Association's final offer with fixed contributions for 2002 and 2003 is unsatisfactory. The Employer takes the position that its health insurance plan is the most expensive of the plans offered in Comparable Group A and is most favorable to employees with few out of pocket expenditures. It asserts that the plan was once affordable but has become less and less affordable as the years progress and insurance costs escalate.

For the year 2001, the final offers of the Employer and the Association are almost identical. The basic issues arise in 2002 and 2003. The Employer is proposing a one year agreement and the Association has submitted a request for a 3 year agreement with fixed wage increases and fixed health insurance contributions for contract and calendar years 2002 and 2003. The Employer's final offer for 2001 provides for a 3.5% increase for the entire year. It would provide a salary of \$2,995.29 per month for the top patrolman. The Union proposes a split wage increase of 2% effective on January 1, 2001 and an additional 3% effective July 1<sup>st</sup>, 2001. The Union's proposal would provide the top patrolman with a monthly salary of \$2,951.88 for the first half of the year and \$3,040.44 per month for the 2<sup>nd</sup> half of the year. The Employer's proposal would result in a net cost increase of \$41,609.23, which is a 4.75% increase, and the Association's final offer results in a net cost increase of \$42,008.73, which is a 4.8% increase. The Employer's proposal would result in a lift in the employee's wages over the year of 3.5% and the Association's proposal would provide a lift of 5.0%. The Association's final offer would have a net cost increase of about \$400.00 for the year, but it would provide a year end monthly wage for the top patrolman of \$3,040.44 compared to the \$2,995.29 resulting from the Employer's final offer. That difference is substantial when applied to all of the members of the bargaining unit. It magnifies the wage that would result from the Association's final offer for the years 2002 and 2003. The total increase in costs resulting from the Association's final offer for the years 2002 and 2003 would result in a total cost of \$1,150, 649.49 which would be an increase of almost \$100,000.00 in the total cost of the wage increase over the 2001 total cost resulting from either the Employer's or the Association's proposal for 2001.

The Employer's health insurance proposal for 2001 is quite similar to the Association's

proposal. Both the Employer and the Association propose employee contributions of \$50.00 per month for family coverage and \$40.00 per month for single plus one. The City is seeking a \$30.00 per month contribution for health insurance for single employees and the Association proposes \$25.00 per month. The Employer's final offer includes a retirement enhancement that increases the potential of pay out of unused sick leave on retirement from 42% to 50% of the maximum 120 sick days and that gives a financial increase of 10 days pay toward health insurance contribution upon retirement. The additional 10 days pay toward health insurance contribution upon retirement would cost approximately \$1,361.60 each time it is used, but the number of times the benefit would be used during the year cannot be determined because retirements cannot be predicted with any accuracy.

The Employer's final offer for 2001 would provide for a 4.75% increase in costs and the Association's proposal would increase costs by 4.8%. Both proposals exceed the cost of living of 3.22%. The Employer does not wish to bargain or settle a Union contract for 2002 or 2003. It reached settlement agreements with the 3 other labor unions with which it negotiates through 2001. Those agreements all provided for a 3.5% wage increase, an increase in potential days of sick leave pay out upon retirement and health insurance contributions of \$50.00 per month for family, \$40.00 per month for single plus one, and \$30.00 for a single. The Employer's final offer to the Association is identical to the settlement agreed upon by the fire department, public works employees and clerical units in both content and duration. It takes the position that it must retain the ability to bargain contracts for 2002 and 2003 that include greater cost contribution by the employees in the form of premium contributions (either as a fixed dollar amount or as a percentage), or the reduction of cost of insurance premium to the Employer such as greater deductibles and/or co pays in order to reduce the overall cost of health insurance. It points out that the rising cost of health insurance is a problem throughout the State of Wisconsin. The Employer's costs per month to maintain health insurance has risen dramatically in the past 3 years. The total cost to fund a single police officer position increased \$7,496.00 over the past 3 years. The wage increase was less than one half of the total cost increase. The largest dollar increase to the Employer to maintain a police officer for that 3 year period was the increased cost of health insurance. The increase was \$4,438.00, which was almost 56% of the increased cost of maintaining a law enforcement officer for 3 years. The Employer contends that health insurance costs increase from 2001-2003 are dramatic and the Employer will need the opportunity to bargain the cost of the health insurance to either lower the cost of the health insurance premium or increase the contribution by the employee.

The Association increases its employee contributions by only \$10.00 per month for family and single plus one and only \$5.00 per month for single. The cost of the Employer's health insurance is rising at a much greater rate. The increase on a family policy for 2001 was \$97.14 per month and for 2002 it was \$120.41. The Association's additional contributions offered by their proposal for 2002 and 2003 are inadequate to off set in any meaningful way the increased cost of health insurance or to convince employees to pursue a less costly policy with higher deductibles and co pays. The employees representatives on the Health Insurance Committee, including the police employees, were unwilling to make modifications to the health insurance program by taking a look at the Master Health Flex Benefit program whose rates were \$54.44 less per month for a family plan. They were not interested in accepting a plan with a lower premium that might possibly result in higher out of pocket expense to the employee for deductibles or co-pays. The Employer needs an opportunity to bargain a health insurance program that recognizes the need for changes resulting from an increase in health insurance



costs. Its health insurance plan is the most expensive of the plans offered by comparable communities in Comparable Group A. It is also one of the most favorable to the employees with few out of pocket expenditures. That plan was affordable at one time, but has become less and less affordable as the years progress and may not be affordable at all.

### ***DISCUSSION***

In reaching a decision the statutes require an arbitrator to give weight to the lawful authority of the Employer, stipulations of the parties, the interest and welfare of the public and the financial ability of the unit of government to meet the cost, comparison of the wages, hours, and conditions of employment of employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services with other employees generally in public employment and private employment in comparable communities, the cost of living, the overall compensation presently received by the employees and all other benefits received, changes in any of the foregoing circumstances during the pendency of the arbitration proceedings and such other factors that are normally traditionally taken in to consideration in the determinative wages, hours, and conditions of employment.

No argument has been raised that the Employer does not have the authority to lawfully meet the Association's final offer. The agreed upon issues have no specific cost savings to either of the parties and that issue should receive little or no weight and not be held as a determinative factor in the arbitrator's decision.

When considering which final offer is more reasonable, the arbitrator must give weight to the interest and welfare of the public. The primary issue between the 2 parties is the duration of the agreement. The parties began their negotiations prior to the commencement of the year 2001 and they are almost in complete agreement on all issues for the year 2001. There is only about \$600.00 difference in the cost of wages for that year and their insurance proposals are almost the same. Either proposal would be a satisfactory disposition of the issue for the year 2001. The problem arises with respect to the year 2002 and 2003. The Employer has no proposal for either of those years to measure against the proposal of the Association or to measure against the settlements in Comparable Group B. The Arbitrator is reluctant to find that the Association's proposal for 2002 and 2003 more closely adheres to the statutory criteria than the Employer's proposal when the Employer has nothing on the table for comparison. The Employer has reached agreement on the wages and other conditions of employment with the groups representing all of its other employees for the year 2001 and it has established a pattern that treats all of those employees pretty much in the same manner. The Employer's proposal to the Association for the year 2001 would match up very favorably with the agreements that it has reached with all of its other employees.

The Employer's particular concern is about the cost of health insurance for 2002 and 2003 and the amount of contribution that the employees will make toward the payment of the premium. It points to the escalation that has taken place in the cost of health insurance throughout the country and especially in Wisconsin. Its premiums for health insurance for the police over the 3 year period of 1998 to 2001 increased \$4,438.00, which was more than one-half of the increase in the total cost to fund a single police officer position. It takes the position that health insurance costs increases from 2001 to 2003 are as dramatic as they were from 1998

to 2001. The Employer needs the opportunity to bargain the cost of health insurance to either lower the cost of the health insurance premium or increase the contribution of the employee. At the time it made its final offer, it had no clear knowledge of what the cost of the health insurance for 2002 and 2003 would be and the Arbitrator has not been provided with any information that would provide a guide to the increase that the Employer could expect. The Arbitrator is satisfied that the Employer needs to have a firm grasp of the cost of health insurance before it can reach agreement on any contribution employees would make and the amount that it has to pay. The Association's final offer with fixed contributions for 2002 and 2003 increases the employee contribution by only \$10.00 per month for family and single plus one and only \$5.00 per month for single. The cost of health insurance to the Employer is rising at a much greater rate. The increase for a family policy was \$97.13 for 2001 and \$120.41 for the year 2002. The evidence submitted at the hearing projects that increases will continue to increase in even greater amounts. The contributions offered by the Association for 2002 and 2003 to offset the increased cost of health insurance are inadequate unless the Employer is able to persuade the employees to pursue a less costly policy with higher deductibles and co-pays. The Employer's health insurance plan is the most expensive of the plans offered by the communities in Comparable Group A and it is also one of the most favorable to the employees with few out of pocket expenditures. The municipalities in Comparable Group A generally have a higher out of pocket cost for their employees and the Employer's monthly premium for health insurance already exceeds the cost of the plans offered by comparable communities.

The final offers of both the Employer and the Association advanced the salary rank of the police officers for 2001 from ranking 9<sup>th</sup> in Comparable Group A to 7<sup>th</sup> in 2001. The Association's final offer for 2002 would raise its officers rank from 7<sup>th</sup> in Comparable Group A to 6<sup>th</sup> and their wages would advance \$46.00 per month above the average.

The Employer's final offer is identical to the offers accepted and settled with its 3 other labor unions. The comparison of wages, hours and conditions of employment between the Employer's police officers that have historically been reviewed showed that the Employer provides a fair and equitable level of benefits and working conditions for its police officers as compared to those other law enforcement agencies. The consumer price index is substantially less than the final offer of the Employer. Since the commencement of this arbitration, the Governor of Wisconsin has announced a substantial decrease in state-shared revenues to Wisconsin municipalities in his proposed 2002 Budget Correction Bill. It would give the Employer a loss of \$39.21 for each of its citizens for 2002 and the total loss to the city for that year is projected at \$305,367.48. The Governor's proposal has occurred since this arbitration commenced and this Arbitrator is not convinced that the Governor will be able to push his proposal through the legislature. However, this Arbitrator is satisfied that it is the intention of the Governor and he will receive co-operation from the legislature to reduce the cost of local government. How the negotiations between the Governor and the legislature eventually turn out, will provide information that the Employer needs to protect it from escalating insurance costs that it has no ability to reduce.

The other unions with which the Employer negotiates and who agreed to the same one year proposal that the Employer has offered the Association have already begun bargaining for the years 2002 and 2003. Those negotiations and any in which the Association participates in for the years 2002 and 2003 will be conducted in an environment in which both the Employer and those unions will have full knowledge about the state budget and its contribution and information about the projected costs of health insurance. That is a healthy environment in which to conduct

negotiations. In making the determination of which of the 2 final offers of the parties should be selected, there are a number of issues to be considered. One of the most significant is which Comparable Group the Arbitrator finds most appropriate for comparison. Internal comparables are a compelling factor when an internal pattern of settlements has been established. To maintain an internal pattern of equity in its contract settlements with all of the employees with whom it bargains as well as those other employees with which it does not bargain, health insurance is a significant factor. The Employer has established a settlement pattern with the bargaining units with which it has reached agreement. The evidence is clear the Employer has established a pattern of settlement with its other representative units for calendar year 2001 consistent with its final offer to the police for that year. The Association asserts that the internal comparables submitted by the Employer should not be considered the primary comparables in these proceedings. It contends that there is a sound basis for comparing law enforcement personnel with other law enforcement personnel. It is true that the nature of the work of law enforcement personnel is significantly different than that performed by blue collar and white collar employees in the community. However, there is not much justification for providing a different health insurance program than is provided to the other employees with which the Employer has reached agreement. They all live in the same community and deal with the same medical providers and pay the same prices for the services they receive. Under the circumstances, the Arbitrator is satisfied that there is justification for offering all of it's employees the same type of medical coverage under normal conditions.

The Association points out that the parties in this proceeding will have been without a current bargaining agreement for more time than is contained in the City's final offer. It contends that the Employer provided no evidence, testimony or rationale for it's position other than it's exhibits indicating that there were voluntary settlements entered into for a one year agreement with other bargaining units. It asserts that adopting the Employer's final offer containing a one year duration that would have expired by no less than 3 months by the time this proceeding is resolved, cannot stabilize the parties' collective bargaining process. It contends that stability is not enhanced if the parties are in continuous negotiations and a multi-year agreement is preferred to a one year agreement. The Arbitrator is a firm believer in stabilizing the parties' collective bargaining process and considers a long term agreement a worthwhile objective. However, it should not be reached at the expense of creating inequities between the police and the Employer's other bargaining units. To do that, creates real turbulence in collective bargaining relationships. Agreements reached at the bargaining table, no matter what the length of the period involved, are always better than those provided by an arbitrator giving an award that creates inequities and turbulence and labor unrest. There is a compelling reason for providing uniform fringe benefits to all of the Employer's employees. Arbitrators should not be establishing settlement patterns that differ from those reached through collective bargaining. A settlement reached through collective bargaining, even if only for one year, is preferable to one that disrupts a pattern. The Association's proposal is very similar to the proposal reached by the Employer with all of it's other bargaining units. It can truly be said that the Employer and the Association and all of the other bargaining units have reached agreement on settlements for the year 2001. The Arbitrator believes that they should have the opportunity to reach similar agreements for the years 2002 and 2003. For 2001, the Employer and the final offer of the Association are almost identical. The Employer's proposal for 2001 matches the agreements it has reached with it's other bargaining units for 2001.

In reviewing the statutory factors to which an arbitrator is to give weight under Sec.

111.77, the final offer of the Employer is most reasonable. It's ability to meet the increasing cost of the Police Department in 2002 and 2003 could become an issue. It would be better to bargain the impact of wages and benefits in 2002 and 2003 to make sure the Employer has the necessary funds without placing an undue burden on tax payers to compensate it's law enforcement's professionals. The comparison of wages, hours and conditions of employment between the Employer's police officers and the other police departments in Comparable Group A show that the Employer provides a fair and equitable level of benefits and working conditions for it's police officers as compared to other law enforcement agencies. Comparing the 2 final offers of the Employer and the Association, the Employer's one year offer is fair and reasonable. It gives the Employer a chance to protect itself from escalating insurance costs that it has no ability to either reduce through benefit modifications or defer by employee contributions through greater premium contributions, deductibles or co-pays.

It therefore follows from the above facts and discussion thereon, that the undersigned renders the following:

**AWARD**

After full consideration of the criteria set forth in the statutes and after careful and extensive evaluation of the arguments, exhibits and briefs of the parties, the Arbitrator finds the Employer's final offer more closely adheres to the statutory criteria than that of the Association and directs that it's proposal contain in Exhibit 2 be incorporated in to the Collective Bargaining Agreement as a resolution of this dispute.

Dated at Sparta, Wisconsin this 28<sup>th</sup> day of March, 2002.

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Zel S. Rice II, Arbitrator

STATE OF WISCONSIN  
BEFORE THE WISCONSIN EMPLOYMENT RELATIONS COMMISSION

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In the Matter of the Petition of

WISCONSIN PROFESSIONAL POLICE ASSOCIATION/LAW  
ENFORCEMENT EMPLOYEE RELATIONS DIVISION

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

CITY OF RHINELANDER

Case 97  
No. 59620  
MIA-2380

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NOTICE OF CLOSE OF INVESTIGATION  
AND ADVICE TO COMMISSION

Laura Millot, having been appointed as an Investigator by the Wisconsin Employment Relations Commission pursuant to the provisions of Sec. 111.77(4)(b) of the Municipal Employment Relations Act (MERA) for the purpose of investigating an alleged impasse in the negotiations between Wisconsin Professional Police Association/Law Enforcement Employee Relations Division and the City of Rhinelanders concerning wages, hours and working conditions for the non-supervisory law enforcement personnel employed by said Municipal Employer and represented by said Labor Organization; and the Investigator having met with the parties on March 13, 2001, in an effort to mediate the dispute and being satisfied that an impasse within the meaning of Sec. 111.77(3) of MERA exists with regard to the issues in dispute between said Municipal Employer and Labor Organization as outlined in their final offers attached hereto and marked Appendix "A" and Appendix "B" respectively; and that on said basis the Investigator has closed the investigation and recommends that the Commission issue an Order requiring arbitration in the matter.

Dated at Madison, Wisconsin, this 13<sup>th</sup> day of August, 2001.

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

Laura Millot /s/

Laura Millot, Investigator

LM/mb

D0813J02.doc

Attachments

cc: Mr. Gary Wisbrocker, Business Agent, Wisconsin Professional Police Association/LEER  
Division

Mr. Philip I. Parkinson, City Attorney, City of Rhinelanders



# CITY OF RHINELANDER



Office of the City Attorney/Administrator

Home of the Hodag

August 1, 2001

Lauri A. Millot, Investigator  
Wisconsin Employment Relations Commission  
2600 Stewart Avenue  
Wausau, WI 54401



RE: City of Rhinelander (Police Department)  
Case 97 No. 59620 MIA-2380

Dear Ms. Millot:

The City of Rhinelander has decided not to modify its final offer forwarded to you on May 7, 2001. For your convenience, a copy of that final offer is enclosed.

If you have any questions, or need anything further, please do not hesitate to contact me.

Sincerely,

CITY OF RHINELANDER

Philip I. Parkinson  
City Attorney

Enclosure

cc (w/enc): Gary W. Wisbrocker

PIP/mlr

## PRELIMINARY FINAL OFFER OF THE CITY OF RHEINELANDER

The City of Rhinelander makes the following Preliminary Final Offer on all issues of dispute for a successor agreement to commence on January 1, 2001 and remain in full force and effect through December 31, 2001:

1. All provisions of the 2000 agreement between the parties not modified by way of any previous tentative agreement and/or by this final offer shall be included in the successor agreement between the parties for the term of said agreement.
2. The term of the agreement shall be for the period of January 1, 2001 through December 31, 2001. All dates relating to term shall be modified to reflect said term.
3. The Tentative Agreements reached between the City and the Association shall be incorporated into the successor agreement between the parties. The Tentative Agreements are as follows:

A) ARTICLE 9 - OVERTIME

Section 9.02 - Call Time.

~~There shall be mandatory training sessions to be held during the following times:~~

B) ARTICLE 11 - POLICE TRAINING

Section 11.03 - Scheduled Training During Vacation

~~Officers will not be required to attend mandatory training during their scheduled vacation periods. Any scheduling will not apply if the vacation period was scheduled during the training period.~~

C) ARTICLE 17 - CLOTHING ALLOWANCE AND MAINTENANCE

Section 17.01 - Initial Allowance

New Officers will be provided with the following clothing and equipment so that they will be properly dressed and equipped when functioning as a Police Officer(s):

1 - raincoat	1 - magazine holder	1 - pepper case
1 - leather jacket	1 - baton	O.C.
1 - regular jacket	1 - baton holder	1 - key-holder
1 - winter hat	4 - belt keepers	handcuffs and key
1 - dress hat	1 - riot helmet	ticket holder
2 - long-sleeved shirts	1 - ballistic vest	1 - handcuff case

2 - short-sleeved shirts	1 - Sam Brown (nylon)	<del>1 - name tag</del>
2 - pair pants	<del>1 - tie</del>	1 - hat badge
<del>2 - badges</del>	1 - tie clasp	1 - duty weapon
<del>1 - name tag</del>	<del>2 - badges</del>	w/ 3 magazines

Clothing ~~(column one)~~ and equipment ~~(columns two and three)~~ issued to new Officers is subject to change, depending upon Department policies and procedures.

D) ARTICLE 17 - CLOTHING ALLOWANCE AND MAINTENANCE

### Section 17.02 - Clothing And Allowance

Police Officer(s) shall be granted the amount of four hundred dollars (\$400.00) per year per Officer(s) for clothing allowance and maintenance. Clothing and maintenance allowance shall be paid one-half (1/2) of the allowance on the first (1<sup>st</sup>) pay period of January and the second (2<sup>nd</sup>) half of the allowance on the first (1<sup>st</sup>) pay period in July. ~~Said allowance shall be paid for clothing and maintenance~~

One-dimensional elements listed in columns two and three shall be supplied and maintained by the Department and will remain the property of the Department.

4. ARTICLE 15 - INSURANCE

Section 15.01 - Hospital and Surgical Insurance

After thirty (30) days employment, all regular employees may participate in the hospital and surgical insurance program, including major medical coverage, with the employee paying \$40 ~~\$50~~ of the monthly premium for family coverage, or \$30 ~~\$40~~ of the monthly premium for couple coverage, or \$20 ~~\$30~~ of the monthly premium for single coverage, and with the Employer paying the remaining amount of the premium for the plan selected by the employee. The City shall provide a Section 125 plan for the employees.

Employees who retire may, at their own option and at their own expense, maintain the coverage at the group rate then in effect. The City may change insurance carriers, provided that the benefits of the present program are not reduced and the City provides the Union with notification of the details of the change and of the new coverage as soon as the City receives such information. This fund shall pay the premiums and the claims for hospital and surgical insurance under the rules as approved by the Insurance Committee and the City of Rhinelander Finance Committee. After all premiums and claims have been paid, the Insurance Committee shall have control of the remaining balance. The Insurance Committee may apply the balance toward following years' premiums. The Insurance Committee, which shall control these funds, shall be made up of two members of the 1226 Public Works unit, one from the local 178 City Hall unit, two members of the Police union, two members of the Fire union, two members of City of Rhinelander non-union employees, one member from the Rhinelander District Library, one member representing the retirees and the City Attorney as representative of the Rhinelander Finance Committee. The insurance committee may apply a portion of the



balance to cover the premiums for group dental insurance coverage. No benefits, payment or deductible limits will be changed or modified from those in effect as of January 1, 1987, without agreement between the City of Rhinelander Finance Committee and the Employee Health Insurance Committee.

5. ARTICLE 15 - INSURANCE

Section 15.02 - Retired Employees

A retiring employee may choose to apply unused accumulated sick leave credit as a payment of hospital and surgical insurance if done according to this Section. Retiring employees for the purpose of this section shall be defined as being eligible to receive benefits under the Wisconsin Retirement System, either through retirement or disability. Not less than two weeks prior to retirement, the employee shall notify the City Clerk, except in emergency situations, of his/her intent to apply unused accumulated sick leave. The retired employee will be granted a dollar credit equal to exactly ~~forty-two percent (42%)~~ ~~of the unused maximum of 120 days sick time to a maximum of 5000 days, times the base rate of daily pay in effect for the employee at the time of retirement.~~ ~~This dollar credit may be applied only to the payment of hospital and surgical insurance premiums for an employee, single or family plan. If an employee commences this plan properly and then dies, his/her spouse may continue until the employee's credit is exhausted. The City agrees to pay from the aforesaid dollar credit, one-half of the monthly premium for said insurance until the dollar credit accumulated is exhausted. Employee must pay the other one-half. The retired employee or his/her spouse agrees to make prompt payment of the balance of the above premium to the City Clerk when due or forfeit any and all coverage under this agreement. The dollar credit provided above may only be used for the purposes of payment of health insurance. It cannot be rebated to the employee or his/her spouse in cash form.~~


~~This benefit is not to be used for payment of hospital and surgical insurance premiums for an employee, single or family plan. If an employee commences this plan properly and then dies, his/her spouse may continue until the employee's credit is exhausted. The City agrees to pay from the aforesaid dollar credit, one-half of the monthly premium for said insurance until the dollar credit accumulated is exhausted. Employee must pay the other one-half. The retired employee or his/her spouse agrees to make prompt payment of the balance of the above premium to the City Clerk when due or forfeit any and all coverage under this agreement. The dollar credit provided above may only be used for the purposes of payment of health insurance. It cannot be rebated to the employee or his/her spouse in cash form.~~

6. ADDENDUM A - WAGE SCHEDULE

Revise all wage rates to reflect an across-the-board increase of 3.50% effective January 1, 2001.

DATED May 7, 2001

CITY OF RHINELANDER

  
Philip I. Parkinson  
City Attorney/Administrator

In the Matter of a Negotiation Dispute

Between

The City of Rhinelander (Police Department)

And

Rhinelander Professional Police Association

Case 97 No. 59620

MIA - 2380

### REVISED FINAL OFFER OF THE ASSOCIATION

The Rhinelander Professional Police Association (Association) makes the following Revised Final Offer on all issues in dispute for a successor Agreement to commence on January 1, 2001 and remain in full force and effect through December 31, 2003:

1. All provisions of the 2000 Agreement between the parties not modified by way of any previous tentative agreements, and/or by this final offer shall be included in the successor Agreement between the parties for the term of said Agreement.
2. The term of the Agreement shall be for the period of January 1, 2001 through December 31, 2003. All dates relating to term shall be modified to reflect said term.
3. The Tentative Agreements reached between the City and the Association shall be incorporated into the successor Agreement between the parties.
4. Modify Agreement language as follows: Section 15.01 - Hospital And Surgical Insurance; After thirty (30) days employment, all regular employees may participate in the hospital and surgical insurance program, including major medical coverage, with the employee paying ~~\$40~~ \$50 (\$60, effective 2002; \$70, effective 2003) of the monthly premium for family coverage, or ~~\$30~~ \$40 (\$50, effective 2002; \$60, effective 2003) of the monthly premium for couple coverage, or ~~\$20~~ \$25 (\$30, effective 2002; \$35, effective 2003) of the monthly premium for single coverage, and with the Employer paying the remaining amount of the premium for the plan selected by the employee. The City shall...(remaining language of Section unchanged.)

June 7, 2001

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*Appendix B*

5. APPENDIX A - Wage Increases

- A. The Association proposes that all rates of pay set forth in Appendix "A" of the 2000 Agreement for each classification be increased by the following rates:
- |                            |      |
|----------------------------|------|
| Effective January 1, 2001: | 2.0% |
| Effective July 1, 2001:    | 3.0% |
- B. The Association proposes that the December, 2001, rates of pay for each classification be increased by the following rates:
- |                            |      |
|----------------------------|------|
| Effective January 1, 2002: | 2.0% |
| Effective July 1, 2002:    | 2.0% |
- C. The Association proposes that the December, 2002, rates of pay for each classification be increased by the following rates:
- |                            |      |
|----------------------------|------|
| Effective January 1, 2003: | 2.0% |
| Effective July 1, 2003:    | 3.0% |

  
For the Association

06/07/01  
Date