



STATE OF WISCONSIN  
IN THE MATTER OF THE INTEREST ARBITRATION BETWEEN  
WOOD COUNTY (SHERIFF'S DEPARTMENT)

AND

Case 152  
No. 61693  
Mia-2485  
Dec. No 30639-A

WISCONSIN PROFESSIONAL POLICE ASSOCIATION/  
LAW ENFORCEMENT EMPLOYEE RELATIONS DIVISION  
ON BEHALF OF THE  
WOOD COUNTY DEPAUTY SHERIFF'S ASSOCIATION

APPEARANCES:

Dean Dietrich on behalf of the County  
Thomas Bahr on behalf of the Association

This is an interest arbitration award under Section 111.77 Wis. Stats. Pursuant to said Statute, the parties selected the undersigned to serve as a single arbitrator in the matter, and pursuant thereto, a hearing in the matter was conducted on July 14, 2003, during the course of which the parties presented evidence and arguments in support of their respective positions. Post hearing exhibits and briefs were filed thereafter and the record was closed on December 17, 2003. Based upon a review of the record the undersigned renders the following award based upon consideration of the factors set forth in the Act:

The dispute is over the terms of the parties' 2003-2004 Agreement.

The parties agreed to a two-year agreement, an increased clothing allowance, and that employees shall continue to pay 5% of their health insurance premium for 2003 and 10% in 2004. They also agreed that that employees may participate in a number of plans, including an indemnity plan without a health card (as long as 10 unit members sign up for this plan), and a new indemnity plan that includes a co-pay for drugs, and a new standard PPO plan and an extended PPO plan.

Two issues are in dispute:

Wages—

The County proposes a 3% increase effect 1/1/03.

The Association proposes a 2% increase effective 1/1/03 and a 2% increase 7/1/03

The County proposes a 3% increase effective 1/1/04

The Association proposes a .5% increase effective 1/1/04 (as a quid pro quo for increased health insurance premiums) a 2% increase at the same time, and another 2% increase effective 7/1/04.

A Quid Pro Quo for the elimination of the right of deputies to use squad cars for personal use during non-working hours--

The County proposes a one-time payment of \$700.

The Association proposes a .5% wage increase effective upon implementation of this award.

## WAGES

### ASSOCIATION ARGUMENTS---

Since 1995 Unit employees' wages have eroded amongst agreed upon comparables, from 3rd place to 6<sup>th</sup> place. The County's wage offer would deteriorate that situation.

The record contains no evidence are argument that the County lacks the ability to meet the costs of the Association's offer.

Percentage increases in the top rate for comparable municipalities from 1995 to 2002 have outdistanced the deputies in Wood County by four percent.

Average hourly rates should not be utilized in making such comparisons because Wood County deputies work more hours than do the deputies in comparable counties. Comparisons of top deputy rates is how the parties presented their data in the prior arbitration in 1995 and is consistent with well established arbitral precedent. Noteworthy is the fact that the length of time it takes deputies to reach the top rate in comparable departments ranges between 7 and 10 years, and the average time on the job, for wage purposes, of deputies in the County is 14 years, which allows for appropriate comparisons between the top rate of deputies in the County and the top rate in comparable counties.

This decline has had an impact on average hourly rates as well. In 1995 Wood County deputies were paid \$.28 per hour below the average of their comparables. By 2002 the disparity has more than tripled to \$.87 per hour below the average.

For 2003, with all but one of the comparable departments settled, the average wage increase was 3.2%. Due to the limited settlements available for 2004, exact comparisons are difficult.

The County's wage offer in 2003 is not only below the average settlement, but also fails to address the disparity in wages the Association has identified.

The County's agreement with a 12 person nursing unit, the smallest unit in the County, is not a persuasive internal comparable to utilize in this matter. More telling is the fact that no other County unit has settled for 2003 or 2004.

In response to the County's reliance on the troubles the paper industry is confronting in the area, that industry no longer dominates the labor market in the area.

Arbitral precedent recognizes that the best measure of responses to cost of living increases is the pattern of settlements in the area, and this record demonstrates that pattern supports the Association's position. (Citations omitted)

Under the new health insurance indemnity plan without a drug card, employee contributions for a family plan increase from \$945.12 per year to \$1894.56 per year, an increase equivalent to 2.2% of the wage for a deputy at the top rate. While a deputy could enroll in the standard PPO plan and effectively reduce their premium contribution, doing so would expose the deputy to several categories of out of pocket expenses in the form of co-pays and/or out of network charges. In light of these changes, exposure to substantial out of pocket expenses is likely, and thus, the Association requests a quid pro quo of ½ percent wage increase.

#### COUNTY POSITION—

When external comparables demonstrate clear support for a proposed change, many arbitrators do not require a quid pro quo. (Citations omitted)

The record amply demonstrates that the County had to take steps to control its health insurance costs.

In all of the external comparables in this matter (except one) employees contribute at least 5% toward health insurance premiums. Of the six, four will be paying at least 10% by 2004.

The County's employees also have very low levels of deductibles and co-pays. Four of the six external comparables have deductibles higher than the County's; all have prescription drug co-pay.

Although a few of the comparables may have lower employee contributions, the high levels of costs in the form of deductibles, co-pays and prescription drug cards equalize the total out cost to employees.

Ultimately, the County is paying higher amounts toward health insurance than most of the comparables.

To change a status quo a party must show that the change is needed, the proposal addresses the need, and an offer of a quid pro quo must accompany it unless the proposal has significant comparable support. Here the County needed to make health insurance changes. There is arbitral support for the premise that contribution increases need not be accompanied by a quid pro quo in the absence of a strong bargaining history showing full contribution by employers. (Citation omitted)

Here the County is offering the employees a plethora of options in order to save money for both the employees and the County. The County is not taking away benefits; it is simply adding more choices. By offering the employees quality health care plans that decrease employee costs, the County has, in fact, offered employees a quid pro quo for the 10% health insurance premium contribution.

Internal comparables in this regard support the County's position, including a County nursing unit and non-represented employees.

The County's wage offer is also not out of line with external comparables, five of which have settled for 2003. Three of those have settlements at or below the County's offer. For 2004, only three external comparables are settled. Two of those offered wage increases at or below the level of the County's Final offer. (Emp. Ex. 19)

Three percent is an average wage increase across the state of WI. There are no extenuating circumstances in this case that warrant an above-average wage increase. In fact, unit members have very competitive fringe benefits.

Looking at a comparison of maximum wages, as the Association proposes, does not give the County credit for having paid their deputies well above-average for the first few years of their employment. While many of the comparables take numerous years to reach the maximum rate, Wood County deputies receive their top level at a much quicker rate (2.5 years compared to 12 to 15 years in some cases). Because of this one must take into account that for the first few years an Association member will receive a higher salary than any of the other comparables.

The Association's contention that the County is continuing to fall in the rankings of the comparables is untrue. The County's maximum rate has remained in sixth place for the last few years and will remain so.

The Association's offer does little to diminish the disparity between top ranking deputies. If it intended to do so it could have added steps to the top of the schedule, which it did not.

The Associations' assumption to justify its .5% quid pro quo for the health insurance changes is misleading. It does not take into account that members can choose to significantly lower their health insurance contribution amounts by choosing any of the three new health insurance plans.

The Association's requests for a 4.5% increase in 2003 simply cannot be justified.

Local economic conditions also justify the County's wage offer. The County relies heavily on the paper mill industry for employment. The record demonstrates that industry has been going through some tough economic time. While the County's financial situation is not dire, the threat of additional mass layoffs and problems facing the paper mill industry dictate caution.

The County's offer is also more in line with the CPI.

#### DISCUSSION—

As is often the case in interest arbitration proceedings such as this, in the undersigned's opinion, the most reasonable wage settlement in this matter would fall somewhere between the parties' final offers.

The County's offer is too low based upon a number of considerations, including declining standing amongst its external comparables, particularly in the context of the fact that a considerable number of unit members are senior deputies, the fact that its offer is at the low end of the external comparables and thus would do nothing to address that issue, the fact that average earnings is not a reliable measure of comparability based upon the differences that exist in the number of hours worked by deputies in comparable settings, and the fact that it is highly likely that many deputies will experience at least some increased expenses related to their health care under the new arrangement. While the parties' agreement pertaining to health insurance is clearly warranted and reasonable, it is not likely that many deputies will experience savings resulting therefrom.

On the other hand, the Association's wage proposal seems somewhat excessive based upon external comparability, cost of living considerations, the general level of agreements covering this period of time, and the legitimacy of the considerations that led to the parties' health insurance agreement.

Keeping in mind the foregoing, the undersigned must nevertheless select the least unreasonable of the wage proposals, and with that in mind, the undersigned believes that the Association's proposal is closer to what the wage bargain should look like than the County's, in that it is more likely to keep senior deputies comparable in terms of their wages, it gives some recognition to the fact that part of the wage package will be eaten up by increased health care expenses many deputies and their families will be required to incur, and there is no indication that adoption of such a wage package will harm the County and its programs in any way.

## QUID PRO QUO FOR THE PERSONAL USE OF THE SQUAD

### ASSOCIATION POSITION—

The Association calculated the value of this benefit as being \$183.36 per year, or the equivalent of approximately .5% of the top rate deputy, which is its offer.

### COUNTY POSITION—

Using squad cars for personal reasons during non-working hours enjoys no support in the comparables. The comparables prohibit personal use of squad cars during non-work hours. With limited exceptions, virtually all other Wisconsin counties do not allow deputies personal use of squad cars.

The County has offered a fair quid pro quo for the loss of this benefit. The County's offer will reimburse deputies for four years worth of squad car usage. The offer is more than adequate in the context of the fact that no comparables provide such a benefit. The Association's proposal in essence asks for a quid pro quo that will continue to impact the County forever. The Association's proposal would also benefit new hires unfairly, since it would compensate them for the loss of a benefit they never enjoyed.

### DISCUSSION—

The County's position on this issue is clearly more reasonable than the Association's under these circumstances. In fact, the unreasonableness of the Association's position, based upon its permanent impact on deputies not affected by the loss of the benefit, the reasonableness of the County's action based upon comparability considerations, as well as the value of the Association's total package, which is somewhat excessive with respect to its wage component, seriously jeopardizes the acceptability/reasonableness of the Association's total package.

### TOTAL PACKAGE

#### DISCUSSION—

Clearly, but for statutory constraints, the undersigned would in this matter award the Association's proposal on wages (which in and of itself is a bit excessive) and the County's proposal on the loss of the squad car personal usage benefit.

Although a good case could be made for awarding the County's total package in view of the excessiveness of the Association's total package, in view of the relatively low ranking

of the senior deputies in the unit, whose number are quite considerable, the undersigned will reluctantly issue an award in this matter adopting the Association's total final offer.

Based upon all of the foregoing considerations the undersigned hereby renders the following:

INTEREST ARBITRATION AWARD

The Association's final offer shall be incorporated into the parties' 2003-04 collective bargaining agreement.

Dated this 16<sup>th</sup> day of January 2004 at Chicago, IL 60640.

  
Byron Yaffe  
Arbitrator