BEFORE THE ARBITRATOR

ROSE MARIE BARON

In the Matter of the Petition of

City of Rice Lake, Petitioner

and

Rice Lake Professional Police Association, Respondent

Case 76 No. 6514
MIA-2712
Decision No. 31750-A

APPEARANCES

Richard J. Ricci, Esq., Weld, Riley, Prenn & Ricci, S.C., appearing on behalf of the City of Rice Lake.

Thomas W. Bahr, Executive Director, WPPA/LEER, appearing on behalf of the Rice Lake Professional Police Association.

I. BACKGROUND

The City of Rice is a municipal employer (hereinafter referred to as the "City" or the "Employer"). The Rice Lake Professional Police Association (the "Association" or the "Union") is the exclusive bargaining representative of certain City employees, i.e., a unit consisting of all police officers, excluding supervisory personnel. The City and the Association have been parties to a collective bargaining agreement which expired on December 31, 2005. The City filed a petition requesting final and binding arbitration with the Wisconsin Employment Relations Board on January 23, 2006 (Union Ex. 1). Following an investigation and declaration of impasse, the Commission issued an order of arbitration on August 1, 2006. The undersigned was selected by the parties from a panel submitted by the Commission and received the order of appointment dated August 23, 2006. Hearing in this matter was held on September 27, 2006 at the Rice Lake City Hall. No transcript of the proceedings was made. At the hearing the parties had the opportunity to present documentary evidence and the sworn testimony of witness.

Briefs were submitted by the parties according to an agreed-upon schedule. The City submitted a reply brief; the Union elected not to do so. The record was closed on December 1, 2006.

## II. ISSUES AND FINAL OFFERS

Three issues remain in dispute, i.e., wages, a personal leave/sick leave buy-down program, and a new disability insurance benefit.

### A. Wage increases

**City offer**: Effective 1/1/06 - increase all rates 1.5% across the board
Effective 1/1/07 - increase all rates 1.5% across the board

**Association offer**: Effective 1/1/06 - increase all rates 3% across the board
Effective 1/1/07 - increase all rates 3% across the board

### B. Disability Insurance

**City offer**: The City proposes the following new language:

Article XIII - INSURANCE AND RETIREMENT (add new section):

Disability Insurance. The City agrees to pay 100% of the costs of Disability insurance. The Association agrees that United Wisconsin Group will provide the coverage. The City may also change the insurance carrier to another provider or self-fund provided the insurance coverage under the new carrier or self-funding is substantially equivalent to the current coverage.

**Association offer**: No change to the status quo

### C. Personal Leave/Sick Leave Buy-down

**City offer**: The City proposes the following new language:

NEW ARTICLE - PERSONAL LEAVE

Police officers, hired after 1/1/2007, will earn personal leave, at the rate of 16 hours per month, in lieu of sick leave, vacation, and floating holidays. Personal leave will be available for use as it is earned, beginning with the first full month of employment. Personal leave will be available to be used by the employee for "vacation" or "sick leave" purposes.

Personal leave may be taken by the employee for vacation subject to the following maximums per year:

| Completed Year of Service | Hours of Vacation |
|---|---|
| 0 | 96 |
| 1 | 96 |
| 2 | 96 |
| 8 | 136 |
| 15 | 176 |
| 21 | 184 |
| 22 | 192 |
| 23 | 200 |
| 24 | 208 |
| 25 | 216 |

Time taken for vacation purposes shall be scheduled in accordance with Article VII. Time to be taken for sick leave purposes shall be taken in accordance with Article XII.

Employees shall not be permitted to accrue and maintain more than 480 hours of unused personal leave longer than 10 days after the end of the accrual cycle (10 days past their anniversary date). Unused personal leave in excess of 480 hours will be paid to the employee at ½ of the regular rate of compensation, subject to a maximum of 96 hours.

Article XII - LEAVES, Section A - Add the following:

For those employees hired on or before 1/1/2007, whose sick leave accrual exceeds 480 yours on 1/1/2007, the City will "buy down" accrued hours in excess of *480 hours at the* employees rate of pay on 1/1/2007.[1] Officers with accruals of more than 720 hours of sick leave will be compensated for all sick leave in excess of 720 hours at ½ the 1/1/2007 rate. The hours in excess of 480 will be divided into five equal installments, payable in 1/2008. 12009, 1/2010, 1/2011, and 2012. These hours hall not be used in the calculation of the end-of-the-calendar-year compensation for hours in excess of 480. In lieu of a cash payment, the employee may elect payment to a "deferred compensation" plan. Employees retiring during the "buy down" period will have the option of continuing to receive the installments or being paid the balance owed in one lump sum.

An employee shall be compensated for all unused sick leave time in excess of 480 hours at the end of the calendar year at the rate of one-half times his/her regular rate of compensation.

[1]In its brief the City states: "The italicized phrase in this sentence reflects the addition of language to correct a typographical error in the original language of the City's final offer. At the hearing, the Union stipulated to this revision of the City's final offer."

Employees who qualify for a disability benefit may convert unused sick leave to pay 100% of the cost of group health insurance premiums. Such sick leave will be included as a taxable benefit on the employee's W-2.

**Association offer**: No change to the status quo.

III. STATUTORY CRITERIA

The parties have not established a procedure for resolving an impasse over terms of a collective bargaining agreement and have agreed to binding interest arbitration pursuant to Section 111.77. In reaching a decision the arbitrator shall give weight to the following factors enumerated in Sec. 111.77(6):

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 these costs.

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 and with other employees generally:
1. In public employment in comparable communities
2. In private employment in comparable communities

e. The average consumer price for goods and services, commonly known as the cost of living.

f. The overall compensation presently received by the employees, 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.

g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

h. 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. POSITION OF THE PARTIES

The following statement of the parties' positions does not purport to be a complete representation of the arguments set forth in their extensive briefs and the City's reply brief which were carefully considered by the arbitrator. What follows is a summary of these materials and the arbitrator's analysis in light of the statutory factors noted above. Because the selection of the appropriate communities for purposes of external comparability will have a major impact on the selection of one of the parties' final offers, that matter will be addressed first. A review of the internal comparables will follow.

### A. The External Comparables

The parties were involved in interest arbitration in 1987, 1990, and 1991 in which three arbitrators relied on the following six cities as the appropriate comparables[2]:

| | |
|---|---|
| Altoona | New Richmond |
| Hudson | Rhinelander |
| Menomonie | River Falls |

The City has now proposed a new set of comparables consisting of six cities that it asserts are similar to Rice Lake in terms of population and several key economic factors. They are:

| | |
|---|---|
| Antigo | Rhinelander |
| Ashland | Shawano |
| Portage | Tomah |

1. <u>The City's position</u>: The City argues that the comparables which have previously been relied on are no longer appropriate (with the exception of Rhinelander) because they have changed drastically in the intervening 15 years. Employer exhibits were presented at hearing to

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[2] Decision No. 24646-A (Rice, 1987); Decision No. 26331-A (Krinsky, 1990); Decision No. 26836-A (Gunderman, 1991).

demonstrate the significant increases in population which have occurred, for example, in some western communities which it is asserts have become “bedroom communities” for Minneapolis and St. Paul, Minnesota. Data were also submitted showing differences in median household income, housing values, unemployment rates, and economic activity. Commuting rates of the counties of the original six cities show a significantly higher rate of commuters to the Twin Cities in counties other than Barron County in which Rice Lake is located.

The City further argues that the original comparables were established based on geographic proximity (with the exception of Rhinelander) and that proximity *alone* cannot be relied upon. Rhinelander, it is noted, is a significant distance from Rice Lake in an entirely different part of the state but was accepted as a comparable in the past.

City Administrator Curt Snyder presented a report to the City Council in May of 2003 which sets forth an analysis of the criteria upon which the City has selected its proposed comparables, i.e., population, distance from closest urban area, i.e., whether the city is a “service center”[3], percent of county population, per capita sales, equalized value, et al (Employer Ex. 30).

2. The Association’s position: The Association argues that its proposed comparables have been confirmed by three prior arbitrators and there is no reason to deviate from them. It is claimed that the City’s attempt to change the external comparables without any prior discussion with the Association eliminates any possibility of meaningful discussion prior to resorting to arbitration. Arbitrator Gunderson, who concurred with the two earlier arbitrators regarding

[3]Rice Lake is a service center with a population of 8,320 which provides its residents with police and fire protection; a “bedroom community” of a large city such as Milwaukee with a similar population would rely on Milwaukee for such municipal services.

comparability, is cited as following:

> The undersigned can find no compelling reason to deviate from the comparables utilized by the arbitrators in the two prior cases. The undersigned can find compelling reasons to adopt the comparables previously used in those cases. The parties are entitled to a degree of predictability in the arbitration process and if individual arbitrators accept different comparables in cases involving the same parties, without overwhelming justification for doing so, the predictability of the process would be significantly reduced. . . . (Association Brief, p. 11).

The Union asserts that the City's proposed comparables, set forth in its Exhibit 30, were never discussed with the Union since it was created in 2003. By failing to discuss its position on comparables with the Union, the City negated the predictability of the arbitration process as set forth by Arbitrator Gunderson. The Union concludes that the City should not be rewarded by the adoption of its comparables.

3. Discussion and findings:

I have carefully reviewed the parties' positions regarding the external comparables and agree with the Association's argument that it would undermine predictability if arbitrators were to disregard long-standing reliance on certain communities. Nonetheless, it is necessary to consider whether comparables which have been relied on in the past remain relevant to present conditions. Application of a set of comparables which have been of value to arbitrators in the past may not be applied in a mechanical fashion when, in fact, the party proposing a new set of comparables can meet the burden of proving that they are no longer a reliable measure. The burden of proof is, therefore, on the City to show that, as Arbitrator Gunderson held, there is a "compelling reason" to deviate from the comparables utilized in the past and which the Association relies upon in the instant case.

The three awards relied upon by the Association were issued nineteen, sixteen, and fifteen years ago. The record demonstrates that since that time there have been substantial changes in the growth of the economy and other demographics in the original comparable communities. The City provided extensive data showing, for example, the population growth in

three of the former comparables, New Richmond, Hudson, and River Falls, which are near the Minneapolis-St. Paul area (Employer Ex. 47). The City also points to the great differences in growth of population to underscore its argument that these "bedroom communities" of the Minneapolis-St. Paul labor market are no longer appropriate, relying on data supplied by the Association (Union Ex. 5a)[4]:

**Population**

| **Municipality** | **1990** | **2000** | **2005** |
|---|---|---|---|
| New Richmond | 5,106 | 6,310 | 7,726 |
| River Falls | 10,612 | 12,560 | 13,254 |
| Hudson | 6,387 | 8,775 | 11,367 |
| *Rice Lake* | *7,998* | *8,320* | *8,361* |

Analysis of these data show an increase in population from 1990 to 2005 of 51.3% for New Richmond; an increase of 24.9% for River Falls; an increase of 78.2% for Hudson. Rice Lake shows only a 4.5% increase in population over the same period of time.

The City's proposed comparables have populations in 2005 which range from a high of 9,981 in Portage to a low of 8,052 in Rhinelander with Rice Lake at the median with 8,603 (Employer Ex. 28). In terms of population the City's proposed communities more accurately reflect that of Rice Lake.

Similarly, the City has shown that increase in adjusted gross income for counties in

[4]Union Ex. 5a also contains data on Menomonie, Rhinelander, and Altoona, all of which have higher percentages of growth than Rice Lake but at a lesser quantum.

which the previous comparables are located far outstrips that of Rice Lake (Employer Ex. 48). For example, from 1986 to 2003, Rice Lake's gross income increased by only 161.23% while the six earlier comparables ranged from a low of 196.60% to a high of 327.19%. The City's six proposed communities show a range of percent increases from a low of 106.34% in Ashland to a high of 190.99% in Portage. Rice Lake increased at 161.23% which places it above the median of the group.

The data on equalized value also reflect a very large increase of 460.75% from 1985-2005 for St. Croix County in which are located Hudson, River Falls and Richmond, the Twin Cities' bedroom communities, while Rice Lake's increase is lower than Altoona and River Falls and higher by only 7.74% than Menomonie (Employer Ex. 49). Further data indicate that in a ten year period, 1995 to 2005, equalized value in Hudson, River Falls and Richmond increased by 237.90% compared to Rice Lake's increase of 167.30%. Among the City's proposed comparables the range of increase is from a low of 91.34% in Tomah to a high of 187.45% in Shawano with Rice Lake falling at the median with 167.30% (Employer Ex. 50).

These data, as well as other comparisons provided by the City, demonstrate that substantial changes have occurred in the demographics and economic status of the comparables relied upon in the past.

The Union has argued that it would be inequitable to adopt the City's comparables because the City did not engage in any discussion about relying on them with the Union prior to the arbitration hearing. The City responds by denying that there was any effort to avoid discussing comparables during bargaining but that the issue never came up. Administrator Snyder testified that the City's focus during bargaining was internal comparables regarding wage offer, disability insurance, and personal leave. The City further contends that the proposed six comparables have been relied upon in a two-year study involving consolidating dispatch services with Barron County which involved the direct participation of members of the

police department. The same comparables have been used in, for example, budget cycles, and were reported in several newspaper articles (see, e.g., Employer Ex. 5 and 9). I have considered these positions of the parties and can find no rationale which would require the City to specifically discuss which external comparables it would rely upon if and when collective bargaining failed and the parties would need to resort to mediation and binding arbitration.

Based on the documentary evidence, the arguments of the parties, and the arbitral precedent cited, I conclude that the City has met its burden of proving that substantial changes have occurred in the original comparables since the prior arbitrations as proposed by the Union. I therefore find that City's proposed comparables are the more appropriate.

B. The Internal Comparables

The City of Rice Lake has five employee groups:

Police: 19 bargaining unit members (WPPA)

Firefighters: 10 bargaining unit members (IAFF)

Streets: 8 bargaining unit members (IUOE)

Transit: 2 bargaining unit members (Teamsters)

Non-represented staff: 34 employees

The City's wage offer to all of the bargaining units was 1.5%; the Association's demand for the police bargaining unit is for 3.00%. The 1.5% increase was implemented for the non-represented employees for 2006 and there is a tentative agreement on this increase with the transit workers for 2006, 2007, and 2008 (Employer Ex. 11). The streets, firefighters, and the police unit are currently in arbitration. The Association asserts that the Employer has not produced any evidence to show that it does not have the financial ability to meet the costs of the Association's final offer. The City argues that it is true that it is not claiming an inability to pay the Association's higher wage demand. However, it does assert an unwillingness to pay the Association's higher wage demand in light of the City's serious financial difficulties evidenced by

shortfalls in several budgetary cycles, declining shared revenues, depletion of general fund, et al (see, e.g., Employer Ex. 4).

The record reflects that many of the fringe benefits received by employees of Rice Lake are internally consistent, i.e., health insurance, dental insurance, life insurance, retirement, holidays, length of probationary period, and longevity payments. The City now proposes to implement a uniform personal leave/sick leave buy-down/disability insurance program. Such a program was implemented in 1998 for the non-represented employees. The streets employees agreed to the program in the 2001-2003 contract, and the transit employees agreed to all but the disability insurance portion in the 1999-2002 contract. Only the police and firefighters bargaining units have not agreed to this provision and are both in arbitration for the 2006-2007 contracts.[5]

The City has provided extensive arbitral precedent to support its argument that great weight is placed on internal comparables when it comes to general benefit levels (citations omitted). The City's stated goal is to achieve and maintain internal consistency for all employees when it comes to fringe benefits. The Association argues that the City has not met the standard set forth by many arbitrators where one party is proposing a change in contract language – in this case, the change in the personal leave, disability insurance and sick leave buy down proposal. The three-part test cited by the Association is as follows:

1. Does the present contract language give rise to conditions that require change?

2. Does the proposed language remedy the condition?

3. Does the proposed language impose an unreasonable burden upon the other party? *(Edgerton School District*, Case 30 40835 INT/ARB-4975 Decision No. 25993-A, Reynolds, 11/90)

[5] Employer's Ex. 11, wage increases, shows that the streets unit is also in arbitration for the 2006-2007 contract, however, it is not clear if the 1 1/2% wage increase is the only issue (the City states that the streets unit adopted the personal leave et al program in 2001).

The issues of the proposed changes in fringe benefits contract language as well as the wage increase will be discussed below.

V. DISCUSSION AND FINDINGS

This case presents a unique challenge to the arbitrator since, despite the City's extensive brief on the subject of the appropriate external comparables, and my selection of the new set of comparables, no comparisons of Rice Lake's personal leave/sick leave buy-down or wage offer with these police departments were provided by the City.[6] I noted above that after some fifteen years there has been sufficient change in the original comparables proposed by the Association to render them no longer relevant and therefore could not rely on the data supplied in support of the Association's position. However, despite selecting what I believe to be communities most similar to Rice Lake, the record does not provide the data required to compare wages and benefits. Because of this highly unusual state of affairs, it will be necessary to limit my analysis of the final offers of the parties to the data provided for the *internal comparables*, i.e., the streets unit which has eight employees and is represented by the International Union of Operating Engineers and the transit unit which has two employees and is represented by Teamsters General Union, Local 662. The two other bargaining units, firefighters and police, are in arbitration over wages and fringe benefits. The other employee unit is composed of non-represented employees.

Employer Ex. 11 indicates that the transit unit has a tentative agreement regarding the 1.5% wage increase for the 2006-2008 contract. The revised provision regarding personal leave

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[6]Correspondence with the City's counsel confirmed that the record was complete and that there was no inadvertent omission (e-mail response dated January 15, 2007, copy to Association).

is included in the 2004-2006 contract (Employer Ex. 25).The streets unit is in arbitration on the 1.5% wage increase; its 2004-2005 contract contains the personal leave provision (Employer Ex. 26).

The changes in the personal leave/sick leave buy-down provision was implemented for non-represented employees in 1998; they have received a 1.5% wage increase for 2006. The City cites arbitral precedent which supports its inclusion of non-represented employees in its internal equity approach. However, I believe that the acceptance of wages and benefits which are not bargained for by employees cannot be equated with the give and take which occurs during collective bargaining between an employer and the unions representing its employees. That non-represented employees have acquiesced in the unilateral imposition of conditions of employment may be considered, however I believe should be given a lesser quantum of weight than that afforded to the results reached by represented employees.

The relevant statutory criteria of Sec. 111.77(6) shall be applied as follows.

c. <u>The interests and welfare of the public and the financial ability of the unit of government to meet these costs</u>. The City has argued that while it has the financial ability to meet the costs of the Association's offer, it would not be in its economic best interest to do so (see, e.g., Employer Ex. 4, "Evidence of Financial Malaise"), The Association contends that the adoption of the Employer's wage offer and the bifurcated leave proposal would lead to problems of morale among the police officers.

The Association has not produced any evidence that would support its concern regarding morale. Wage increases in the past have generally been consistent among the represented and non-represented employees and it is only surmise that officers would not be retained if the City's wage offer were adopted. Nor can it be assumed that adoption of a bifurcated leave policy would hinder recruitment efforts or cause any employees to leave. The fact that two represented units, streets and transit, have been living with the bifurcated

leave policy for several years negates the Association's morale argument.

I believe that the City's on-going efforts to reduce borrowing, shortfalls in the budget, et al have been conducted with the best interests of the City in mind. Based upon the totality of the evidence I conclude that the interests and welfare of the public would be served by adoption of the City's final offer.

d. Comparison with other City employees generally. The Association contrasts the size of its bargaining unit, i.e., 19, with that of the transit employees, one full-time and one part-time, and the eight employees in the streets unit, and implies that "the tail should not wag the dog." This argument does not negate the fact that both of these units, albeit smaller than the police unit, were represented by large labor organizations who bargained for their members. The size of a bargaining unit is not dispositive as to the outcome of the bargain. In the best of all possible worlds, there would be a larger number of represented employees upon which to base a decision. This is not the case in this arbitration and I must proceed with the record as it exists, limited though it may be. In a comparison of wages and benefits under this factor I find that the City's final offer is more preferable.

e. The average consumer price for goods and services, commonly known as the cost of living. The Association has provided data on the consumer price index for Midwest Urban (U.S. Department of Labor, Bureau of Labor Statistics) in support of its wage proposal of 3% versus the City's wage offer of 1.5% (Union Ex. 14). For 2005, urban wage earners and clerical workers received annual percent increases which ranged from 2.6% to 5.4% for twelve months. The average (median) was 3.15%; the mean was 3.42%. For the first eight months of 2006 the range was 2.9% to 4.0% with a median of 3.35% and a mean of 3.40%. In terms of the parties' wage offer, it is clear that the Association offer prevails in this factor.

f. The overall compensation presently received by employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and

hospitalization, the continuity and stability of employment, and all other benefits received. The City argues that its goal is to achieve and maintain internal consistency for all employees when it comes to fringe benefits. At this time the City provides the same benefits to all of its organized units with respect to health insurance, dental insurance, life insurance, Wisconsin Retirement System, holidays, length of probation period, and longevity payments. Arbitral precedent is sited for the proposition that internal equity is deserving of great weight (citations omitted). Thus it is asserted that the City's proposal to include a major fringe benefit – personal/sick leave and disability insurance coverage– is reasonable.[7]

The Association has provided comparable data on wage rates (Union Ex. 7a and 7b) and on fringe benefits (Union Ex. 6a-6k) utilizing the former *external* comparables but has not addressed the question vis-a-vis the other Rice Lake employees. As noted earlier, my analysis is to be based upon internal comparables alone, therefore, based upon the evidence before me, I find that the City's position on this factor must prevail.

h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration . . . The Association raises a question as to whether there is a need to change the relationship of the parties as it relates to the City's personal leave, disability insurance, and sick leave buy down proposal. The Association suggests that the answer may be found by applying a three-part test that many arbitrators have utilized in evaluating proposed changes in contract language in arbitration (see *Edgerton School District,* Case 30 No. 40835 INT/ARB-4975 Decision No. 25933-A, Arbitrator Reynolds (11/90):

1. Does the present contract language give rise to conditions that require change?
2. Does the proposed language remedy the condition?
3. Does the proposed language impose an unreasonable burden upon the other party?

[7]Both the streets and the transit units have already adopted the proposed non-wage fringe benefits provision. The transit unit did not adopt the disability insurance provision; no explanation for the exclusion of this benefit in their contract.

Arbitrator Reynolds held that the last test may be defined as a “quid pro quo” and may be a guide as to reasonableness, although there may be no “direct quid pro quo” involved in the analysis. The burden it is asserted is on the City to demonstrate that its fringe benefit proposal satisfies the requirements of this test. The Association concludes that the City has failed to meet its burden.

The City argues that it has met the 3-prong test for changing the status quo. As to number 1, the City contends that the current sick leave provision exposes it to an unfunded liability of more than $400,000 for the police unit alone. The provision is already in effect for three employee units thus demonstrating that change was and continues to be required.

As to number 2, the City maintains that it has shown that its proposal will cut the unfunded liability exposure by at least half.

As to number 3, the City states there is no unreasonable burden on the police unit. Almost half the members will receive, on average, a substantial annual payout for the next five years as well as wage increases. The proposal will provide a payout of accumulated sick leave up to 480 hours upon retirement. The police unit will receive nothing less than that which was agreed to by other employee groups.

In applying this test to the evidence I make the following findings:

1. The present contract language does give rise to conditions that require change.

2. The adoption of the City’s final offer will remedy, or at least minimize, the City’s economic difficulties.

3. I find no unreasonable burden on the police unit. Two bargaining units have already been functioning under the proposed benefit plan. The police unit will share the same burden as other co-workers which is an appropriate response considering the economic conditions which now exist.

I note that the City has offered a new benefit as part of its package, that of disability

insurance. I can find no discussion as to whether it was the City's intent that this benefit was to be a "quid pro quo." The Association claims that the proposal is ill-conceived and lacks sufficient specificity; it does not appear that the Association views the disability insurance proposal as being of benefit to its member. I do not believe that I have sufficient evidence to make a determination as to whether the inclusion of anew disability insurance provision is a "quid pro quo" and will therefore make my decision without relying on this factor in my analysis.

## VI CONCLUSION

I find that the City has prevailed in all but one of the statutory factors, i.e., that of Sec. 111.77(6)e, the consumer price index or cost of living. I therefore find that the City has met its burden of proof.

## VII. AWARD

Based upon the discussion above, the final offer of the City of Rice Lake shall be adopted and incorporated in the parties' Collective Bargaining Agreement for the period January 1, 2006 to December 31, 2007.

Dated this 24th day of January, 2007 at Milwaukee, Wisconsin.

Rose Marie Baron