

STATE OF WISCONSIN  
BEFORE THE WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

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In the Matter of the Petition of:

SAUK COUNTY CORPORATION  
COUNSEL'S OFFICE

SAUK COUNTY SHERIFF'S DEPARTMENT SWORN EMPLOYEES,

LOCAL 252, AFSCME, AFL-CIO

Case 197

No. 71275

MIA – 3017 **Dec. No. 33811-A**

To Initiate Arbitration Between Said Petitioner and

SAUK COUNTY

Milo G. Flaten, Arbitrator

Scope and Background

This case arises out of an attempt to achieve a new collective labor agreement between the parties captioned above. In this case the parties are Wisconsin law enforcement employees so the proceedings are governed by the Wisconsin Municipal Employees Act, Sec. 111.77(6), Wisconsin Statutes.

The above statute governs Interest Arbitration as opposed to Grievance Arbitration and concerns the provisions of the upcoming Collective Bargaining Agreement (“the Contract”) governing the affairs of these parties at the expiration of their present contract.

## Procedure

Interest Arbitration is a method by which an employer and union attain a new contract by providing disputed issues to an arbitrator rather than by settling them through collective bargaining and economic force.

Being in the public sector, much of the settling criteria in this case is specified by statute.

In accordance with the Wisconsin law, the parties initially bargain collectively. Then, if proposed contract terms are left unsettled, either party may petition the Wisconsin Employment Relations Commission to initiate final and binding arbitration of the dispute.

Then, after the Commission verifies that a genuine impasse has been reached, an Arbitrator is selected and each party submits a Final Offer to the arbitrator.

After holding a formal arbitration hearing, after which the parties submit briefs in support of their positions, the arbitrator then selects the final offer of one of the parties incorporating that offer without modification.

While the arbitrator need not render an exact account of the reasons for his award, he must weigh the criteria suggested by Sec. 111.77(6) of the Wisconsin Statutes.

In the case at hand, after consulting with the arbitrator, a hearing date was selected, then after an aborted settlement, re-selected. The hearing was heard on September 6, 2012 in Baraboo, Wisconsin.

The hearing was concluded in one day at which four witnesses were heard and written exhibits submitted. There were over 50 written exhibits in the case, most of which were multi-paged and complex.

A court reporter recorded and produced a Transcript of Proceedings of 179 pages.

After the hearing, both parties submitted written briefs and reply briefs according to an agreed schedule.

Appearing for the Union was Neil Rainford, Staff Representative, and Martha Merrill, Research Director. For the Employer, was Todd J. Liebman, Corporation Counsel.

### Discussion

The Final Offers of the parties are somewhat blurred in that there are matters that both sides have shifted and now agreed to.

There can be no doubt, however, that the Employer wants the proposed contract to be of two years' duration while the Union seeks a three-year document.

The Employer proposes that it grant a 2% wage increase to commence on the first of January, 2012, and another to start on the first of January, 2013.

The Union's wage proposed agrees to the 2% increase on January 1<sup>st</sup>, 2012 and 2013, but it also wants the 2% wage increase for the next year, 2014, plus an additional 1% on July 1<sup>st</sup> of 2012 and 2013, and 2% more on July 1<sup>st</sup> of 2014.

In the area of contribution to the Wisconsin Retirement System, WRS, the Employer wants each employee to pay 2% of it on July 1, 2012, and another 2% on July 1, 2013.

The Union by contrast seeks a provision that would require the employee to make a 1% increase in her contribution to WRS on January 2, 2012 and an additional 1% every six months until the employee's share is fully paid by the employee on July 1, 2014.

Other areas, such as the Employer's ability to recruit in order to fill vacancies, especially from any previously laid-off employees, or the economic financial condition of the county, were

discussed at various times and through exhibits but it was somewhat difficult for this observer to see whether they pertained to the final offers or not.

Nonetheless, it's clear that the Union feels generally as follows: that through manipulation of retirement contributions and health insurance alongside the proposed wage offer, the Employer's proposal is actually tantamount to a reduction of an employee's take-home pay.

The Union fortifies its position by declaring that the county traditionally compared to it, Columbia County, pays more favorably than Sauk.

In another comparison by the Union, the public safety employees from the neighboring City of Portage have also agreed to pay more to their health insurance and pension programs but still got a wage offer providing a take-home pay increase of 3.3%. Again, the City of Wisconsin Dells has not asked its employees to pay higher health or pension contributions. Yet it granted a take-home pay increase of 3.02%. That figure was three times the Union's offer for the same period in this case.

In the area of unused sick-leave for retirees, the Union proposed a complex tax sheltering plan that eliminates the Employer's 7.65 FICA obligations on all retiree sick-leave payouts.

The Union next claims the Employer has weathered the current financial storm and still has many more salary resources. It goes on to show:

1. Sauk County is the 7<sup>th</sup> fastest growing county in Wisconsin;
2. Sauk County's population will continue to grow at an even faster rate due to improved road conditions to Madison;
3. Sauk County has lower rates of unemployment than either the state or nation;
4. Sauk County has, overall, a robust and diversified economy.

All of the above means the economic conditions in the county are favorable to support the Union's final offer.

On the other hand, the Employer points to the fact that a proper comparison would prove that Columbia County should not be the only county that can be looked at. First and foremost, that county has not even settled its current contract for law enforcement employees. Secondly, because a significant portion of Columbia County's workforce commutes daily to Dane County it causes it to compete directly with the higher wages of the urban Dane County metropolitan area. Urban counties tend to pay higher wages. Columbia County is more proximate to larger counties than Sauk. Thus, a comparison to Columbia is invalid. Comparing the Employer county to the more rural Wood and Portage Counties is more sound and is supported by the evidence. Those counties pay far less than does Sauk.

The Employer further argues that comparing it to local police departments in the cities of Portage or Wisconsin Dells is not even logical. In the first place, Portage is not in Sauk County and should be rejected out of hand. In the second, 64% of the Sauk sworn employees are county jailers who are more highly paid than highway officers. This militates against comparing those municipal police departments.

There are three other bargaining units in Sauk County besides Local 252. All three of those units have made the entire required retirement contribution. Importantly, all of the Employer's other Unions, including highway workers, snowplow drivers, and clerks, have agreed to a wage freeze. But this bargaining unit has refused.

While the law governing final offer arbitration is not the same as for the other Sauk County employees, these other county employees share the same locality, the same financial burdens and taxes. Widely divergent wage rate increases in a single county stimulates

begrudgement on the part of the rest of the Employer's workers unless extreme grounds can be justified for such divergence. This observer could find none.

Further, county comparables like Iowa, Richland, Vernon, Columbia, Wood, and Portage Counties appear to be directly in line with the Employer's proposal. The Union's cherry-picked proposals which are municipalities don't line up the same way.

The additional year added to the contract by the Union's proposal is not rational. Three years into the future makes the offer more of a surmise and involves much conjecture.

The unused sick leave retirement proposal as a tax shelter is inappropriate considering the strong possibility of diminishing revenue.

#### Decision

All in all, in view of the stipulations and concessions already made by the parties, the overall financial condition of the Employer's county, the fact that other Sauk County employees have already agreed to the pay rate proposed by the Employer, and considering the additional year of the Union's offer amounting to conjecture, and looking at pay rates in similar counties and the factors found in Section 111.76(6) of the Wisconsin Statutes, the Employer's Final Offer is more reasonable and is selected.

Award

That the terms of the Final Offer of the Employer shall be incorporated into 2012, 2013  
Employment contract without modification.

Dated December \_\_\_\_, 2012

Milo G. Flaten  
Milo G. Flaten, Arbitrator