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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In The Matter Of The Arbitration Between:

CITY OF RICE LAKE (Police Department)

-and-

Decision No. 24646-A

NORTHWEST UNITED EDUCATORS - RICE LAKE
PROFESSIONAL POLICEMAN'S ASSOCIATION

Appearances: Alan D. Manson, Executive Director, for the Union
Kathryn J. Prenn, Attorney at Law, for the Employer

The City of Rice Lake (Police Department), hereinafter referred to as the Employer, filed a petition with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, to initiate compulsory final and binding arbitration pursuant to 111.77(3) of the Municipal Employment Relations Act for the purpose of resolving an impasse arising in collective bargaining between it and the Northwest United Educators - Rice Lake Professional Policeman's Association, hereinafter referred to as the Union, on matters affecting the wages, hours and conditions of employment of law enforcement personnel. An investigation was conducted by a member of the Commission staff on May 18, 1987 and he advised the Commission that the parties were at impasse on the existing issues as outlined in their final offers and the investigation was closed. The Commission concluded that an impasse within the meaning of the Municipal Employment Relations Act existed between the Union and the Employer with respect to negotiations leading toward a collective bargaining agreement for the year 1987 covering wages, hours and conditions of employment for law enforcement personnel. It ordered the parties to select an arbitrator and notify the Commission in writing of the name of the neutral arbitrator. Upon being advised that the parties had selected Zel S. Rice II as the arbitrator the Commission issued an order appointing him as the impartial 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 final offer of the Union proposed that all wages of the bargaining unit be increased by 18¢ per hour on January 1, 1987 and by another 18¢ per hour on July 1, 1987. It also proposed that if the Employer changed a regularly scheduled shift involuntarily with a notice of less than 90 days, the officer affected would receive additional compensation based on the number of such changes in any quarter. The first change would result in no extra pay. The second change would provide for an increase of \$10.00. The third change would provide for an increase of \$20.00 and the fourth and subsequent changes would result in compensation in the amount of \$40.00 for each change.

The final offer of the Employer, attached hereto and marked Exhibit B, proposed that all wage rates be increased by 27¢ per hour effective January 1, 1987 and the language on health insurance be revised to provide that the Employer pay up to \$222.22 per month for family coverage and \$86.26 per month

for single coverage for the employees' health and welfare insurance. It gave the Employer the unilateral right to change the insurance carrier and/or self fund its health insurance program if it elected to do so, provided the level of benefits is substantially equivalent to the current level.

In 1986 the Employer paid a dispatcher \$9.42 an hour. Under the Union's offer a dispatcher would increase to \$9.60 an hour on January 1st and \$9.78 an hour on July 1st. The cost of the increase would be 2.9% but the lift for the year would be 3.8%. The Employer's final offer of 27¢ an hour would increase the dispatcher wage to \$9.69 per hour or 2.9%. The head dispatcher received a salary of \$9.70 an hour in 1986. The Union's offer would pay the head dispatcher \$9.88 on January 1, 1987 and \$10.06 an hour on July 1, 1987. It would result in a 2.8% increase in cost but a lift of 3.6%. The Employer's proposal would pay the head dispatcher \$9.97 an hour which would be an increase of 2.8%. A patrolman with less than six months of service received \$9.69 an hour in 1986. The Union's proposal would increase that wage to \$9.87 on January 1st and to \$10.05 on July 1st. The increase in cost would be 2.8% but the lift would be 3.7%. The Employer's proposal would pay that patrolman \$9.96 an hour and that would result in a 2.8% increase in cost. A patrolman with more than six months of service but less than one year received \$10.29 per hour in 1986. The Union's proposal would increase that rate to \$10.47 on January 1, 1987 and to \$10.65 on July 1st. The increase in cost would be 2.6% and the lift would be 3.5%. The Employer's final offer would pay that patrolman \$10.56 an hour which would be a 2.6% increase. A patrolman with more than one year of service received an hourly salary of \$11.12 an hour in 1986. The Union's proposal would increase that to \$11.30 an hour on January 1st and \$11.48 per hour on July 1st. The increase in cost would be 2.4% and it would provide a lift of 3.2%. The Employer's proposal would pay that patrolman \$11.39 per hour which would be an increase of 2.4%. The high patrolman received \$11.32 an hour in 1986. The Union's proposal would raise that wage to \$11.50 per hour on January 1st and \$11.68 on July 1st. That would result in an increase in cost of 2.4% for the year but the lift would be 3.2%. The Employer's final offer would increase the wage to \$11.59 per hour and that would be an increase of 2.4%. In 1986 the sergeant received \$11.80 an hour. The Union's proposal would increase that wage to \$11.98 per hour on January 1st and to \$12.16 an hour on July 1st. The increase in cost would be 2.3% but the lift in the wage would be 3.1%. The Employer's proposal would increase the sergeant's wage to \$12.07 on January 1st and that would be an increase of 2.3%. The lieutenant received an hourly wage of \$12.24 an hour in 1986. The Union's proposal would increase the wage to \$12.42 on January 1st and \$12.60 on July 1st. The cost of the increase would be 2.2% but the lift in the wage would be 2.9%. The Employer's proposal would result in a salary for the lieutenant of \$12.51 an hour which would be a 2.2% increase. The average 1986 wage paid by the Employer to this bargaining unit was \$10.70 an hour. The Union's proposal would raise the average wage to \$10.88 per hour on January 1, 1987 and \$11.06 per hour on July 1st. The overall cost of that increase would be 2.5% but the average salary would be increased 3.3% as of July 1, 1987. The Employer's proposal would raise the average salary to \$10.97 which would be a 2.5% increase.

The Union proposes a comparable group, hereinafter referred to as Comparable Group A, consisting of the cities of Altoona, Hudson, Menominee, New Richmond, Rhinelander and River Falls. The populations of those communities range from a low of 4,792 at New Richmond to a high of 13,654 at Menominee. The Employer's population is 8,027. Four of the communities in Comparable Group A have reached agreement with their police departments on wage increases for 1987. Altoona and Hudson gave increases of 5% and 4% respectively. Menominee has a two year agreement and it gave its police a 3% increase on January 1, 1986 and a 2% increase on July 1, 1986 and a 3% increase on January 1, 1987. New Richmond gave its police a 4% increase on April 1, 1987 and a 4% increase on April 1, 1988. Rhinelander gave its police an \$85.00 a month increase that averaged 5%. In River Falls the city offered the police a 3% increase while the police asked for a 2% increase on January 1, 1987 and another 2% increase on July 1, 1987.

The 1986 tax rate in Comparable Group A ranged from a low of \$24.16 per thousand in Altoona to a high of \$26.24 in New Richmond and the average was \$24.91. The Employer had a 1986 tax rate of \$25.49 per thousand and the state average was \$27.81 per thousand.

The Employer reached agreement with the labor organization representing its electrical utility employees on a wage rate increase of 23¢ per hour on March 1, 1987 and another increase of 23¢ per hour on July 1, 1987. The provision in that collective bargaining agreement on health insurance reflects the same terms that the Employer proposes for the Union. It provides that the Employer will pay \$222.22 for family coverage and \$86.20 per month for single coverage for health and welfare insurance and it gives the Employer the right to change insurance carriers or self-fund the program if the level of benefits is substantially equivalent to the current level. There was a letter of agreement that for the calendar year 1987 the Employer will continue to pay the full health insurance premium for all bargaining unit employees currently enrolled in the Blue Cross/Blue Shield health insurance program but the health insurance premium payments for all bargaining unit members shall revert to the language in the collective bargaining agreement. The letter of agreement suspending the health insurance provision in the collective bargaining agreement for 1987 was the result of the fact that the agreement was reached too late to give the employees an opportunity to enroll in the HMO program. The Employer's electrical utility workers had a salary schedule that ranged from a low of \$7.00 per hour for the Meter Technician II to a high of \$11.40 for a Line Crew Foreman. On July 1, 1986 the rates were increased. The Meter Technician II received a salary of \$7.50 per hour and the other salaries ranged up to \$11.62 an hour for the Line Crew Foreman.

During the 1986-87 school year the school districts in Barron County gave their teachers increases ranging from a low of 6% per cell to as high as 7.1% per cell. Four of those school districts have reached agreement for the 1987-88 school year and three of them provide increases of 6% per cell while the fourth one provides a 5.75% increase per cell.

The cities in Comparable Group A pay 100% of the health insurance premium for their police. The Union's proposal would require the Employer to pay 100% of the insurance. The Employer's proposal would pay 100% of the health maintenance plans but only 93.5% of the premium for the standard plan. At the present time all of the employees in this bargaining unit are enrolled in the health maintenance plan but the Employer is required to offer the standard plan. Only one city in Comparable Group A permits the city to self-fund the health insurance plan for its employees. None of the cities in Comparable Group A permit the chief of police and other supervisors to work shifts that are part of the rotating schedule for the other offices.

The Barron County Sheriff's Department has ten full-time dispatchers who have the power to arrest and make trips to prisons, to mental hospitals and transfer prisoners from one county to another. One dispatcher per year is sent to recruit school and becomes certified to work on the road doing deputy sheriff's work.

Since 1985 all of the employees in the bargaining unit have been in an HMO but they can change from one HMO to another at the start of each year or opt for the Blue Cross plan offered by the Employer. In 1986 the monthly premium for the Blue Cross plan was \$206.70 for family coverage and \$80.24 for single coverage. In 1987 the rates are \$237.71 for family coverage and \$92.28 for single coverage. In 1986 the HMO plans had monthly premiums for family coverage ranging from \$184.00 a month to \$199.00 per month. The single coverage monthly premiums ranged from \$71.00 to \$73.15. In 1987 the HMO plans had monthly premiums for family coverage ranging from \$189.10 to a high of \$201.82 and the single coverage premiums ranged from \$73.66 a month to \$74.00 a month.

The Employer relies on a comparable group, hereinafter referred to as Comparable Group B, consisting of eight communities within a 50 mile radius of the Employer plus the Barron County Sheriff's Department. The populations of those communities range from a low of 1,311 at Shell Lake to a high of 3,811 at Ladysmith. Barron County has a population of 38,730 and the Employer has a population of 8,027. The number of employees in the police departments range from three at Shell Lake to six at Barron and Bloomer. The Employer has 13 full-time police officers and Barron County has nine. The ratio of the number of police officers to total population ranges from a low of 436 to 1 in Amery to a high of 702 to 1 at Cumberland. Barron County has a ratio of 4,303 to 1 and the Employer has a ratio of 617 to 1. All but two of the police departments in Comparable Group B are represented by Unions.

The Employer's officers work on a five-two/five-three cycle and they work eight hours a day. Each cycle encompasses 15 days. In a year an employee works 24.33 cycles. There are 80 hours in a cycle and an employee works 1,946.4 hours in a year. The dispatchers are on a 40 hour week. In 1986 the hourly wages were \$9.42 for a dispatcher, \$9.70 for a head dispatcher, \$11.12 for a patrolman, \$11.32 for a high patrolman, \$11.80 for a sergeant, and \$12.24 for a lieutenant. The annual base salaries were \$19,595.00 for a dispatcher,

\$20,166.00 for a head dispatcher, \$21,653.00 for a patrolman, \$22,038.00 for a high patrolman, \$22,973.00 for a sergeant, and \$23,825.00 for a lieutenant. The actual salaries earned by the employees in 1986, including overtime, ranged from a low of \$20,324.00 for one dispatcher to a high of \$27,726.00 for one sergeant. Every employee in the bargaining unit earned more than his base salary. The Employer's proposal would provide each employee with a wage increase ranging from a low of 2.2% to a high of 2.9% and a wage lift in the same amount. The Union's offer would provide an increase with the same cost as the Employer's proposal, but the two step increase would produce a wage lift ranging from a low of 2.9% to as high as 3.8%.

The medium family income in the counties of Barron, Chippewa, Polk, Rusk, and Washburn which encompasses the 50 mile radius from the Employer in which Comparable Group B communities are located had medium incomes in 1980 ranging from a low of \$13,596.00 in Rusk County to a high of \$17,548.00 in Chippewa County. In Barron County, where the Employer is located, the median family income was \$15,799.00 in 1980. The per capita income in those same counties ranged from a low of \$5,039.00 in Rusk County to a high of \$5,868.00 in Chippewa County. Barron County, in which the Employer is located, had a per capita income of \$5,670.00. In 1986 the Employer had total revenues of \$3,289,572.00 and its tax levy was \$1,588,492.00. The Employer's 1986 expenditures totaled \$4,878,064.00. In 1987 the Employer has revenues of \$3,286,043.00 and its tax levy is \$1,643,018.00. Its expenditures in 1987 will be \$4,929,062.00.

A decline in the farm economy has had an impact on employment in the agribusiness sector of local communities. There has been a reduction in employment in farm supply firms that provide feed, seed and fertilizer. Agribusinesses of those types have had reduced sales volumes, unpaid bills and lower net margins.

In 1985 the local tax in Comparable Group B range from a low of \$188,361.00 in Barron to a high of \$363,860.00 in Bloomer. The Employer's local tax in 1985 was \$1,588,592.00. In 1986 the local tax in Comparable Group B ranged from a low of \$185,093.00 in Barron to a high of \$364,778.00 in Bloomer. The Employer's 1986 local tax was \$1,643,019.00. Amery had a 6.59% increase in its local tax between 1985 and 1986 and that was the highest in Comparable Group B. The Employer had the next highest with a 3.43% increase. Five of the communities in Comparable Group B had either decreases or no increase in the local tax between 1985 and 1986. In 1985 the communities in Comparable Group B received other taxes ranging from a low of \$6,874.00 in Shell Lake to the \$291,404.00 the Employer receives. In 1986 the range was from the low of \$6,758.00 received by Shell Lake to a high of \$374,603.00 received by the Employer. The amount of other taxes received by the Employer in 1986 was an increase of 28.55% and that was more than twice as high as any other community in Comparable Group B received. Amery and Shell Lake received a smaller amount in other taxes in 1986 than they did in 1985.

The private sector increases among major Employers in Barron County range from a low of 2% at Hartzel Manufacturing, Inc. in Turtle Lake to a high of 5%

at Ebner Box, Inc. in Cameron. The Ebner Box employees' 5% increase was the first in four years.

The 1987 settlements in Comparable Group B have ranged from a low of 15¢ to 18¢ an hour or 2% in Amery to a high of 40¢ an hour in Chetek. These settlements should be compared to the Employer's proposal of a 27¢ an hour increase and the Union's proposal of an 18¢ per hour increase on January 1, 1987 and another 18¢ per hour on July 1, 1987.

Only two communities in Comparable Group B have dispatchers and they are Bloomer and Barron County. At the end of 1986 Bloomer paid its dispatcher \$4.00 an hour and Barron County paid a minimum of \$7.47 an hour and a maximum of \$8.99 an hour. The Employer paid a dispatcher a minimum of \$9.42 an hour and a maximum of \$9.70 an hour. In 1987 Bloomer continues to pay a dispatcher \$4.00 an hour and Barron County has not yet reached agreement with its dispatchers. At the end of 1986 the beginning hourly wage for a patrolman in Comparable Group B ranged from a low of \$7.08 an hour at Barron to a high of \$9.14 an hour at Cumberland and the average minimum was \$8.28 an hour. The maximum ranged from \$8.47 an hour at Chetek to a high of \$10.24 an hour for Barron County and the average was \$9.22 per hour. Five communities in Comparable Group B have reached agreement on wages for 1987 and on July 1st of that year the minimum salary for a patrolman ranged from \$7.62 an hour at Amery to a high of \$9.73 per hour at Barron and the average minimum was \$8.68 per hour. The maximum salary ranged from a low of \$8.87 per hour at Cumberland to a high of \$9.73 an hour at Barron and the average was \$9.22 an hour. The hourly wages of a sergeant in Comparable Group B at the end of 1986 ranged from a low of \$8.24 an hour at Shell Lake to a high of \$9.88 at Ladysmith and the average was \$9.19 per hour. On July 1, 1987 the average wage of a sergeant in those communities in Comparable Group B who have reached agreement ranged from a low of \$8.59 per hour at Shell Lake to a high of \$9.73 per hour at Barron and the average was \$9.18 per hour. None of the communities in Comparable Group B had lieutenants in their police department.

Every community in Comparable Group B except one paid 100% of the single health insurance premium in 1986 and all but three paid 100% of the family premium. In 1987 only seven of the communities in Comparable Group B have reached agreement and all but one of them pays 100% of the single and family premium. The family premiums in Comparable Group B in 1987 range from a low of \$59.97 at Chetek to a high of \$144.50 at Shell Lake. The family premiums in Comparable Group B in 1987 range from a low of \$164.38 per month at Chetek to a high of \$253.18 per month at Spooner. The dollar increase in the family premium in Comparable Group B for 1987 ranges from 0 at Bloomer and Barron County to a high of \$42.72 per month in Spooner. The increase in the Employer's family premium was \$31.01 per month. Barron County is the only municipal employer in Comparable Group B that has a self-funded insurance program. Cumberland was the only community in Comparable Group B that provided a dental insurance program to its police in 1986 and it is the only one that has provided one in 1987. It pays 100% of the premium. All but three of the communities in Comparable Group

B pay 100% of the life insurance premium and only one pays 100% of the long term disability insurance. Another community pays 85% of the long term disability insurance and the rest of the communities in Comparable Group B do not pay anything toward the long term disability insurance. All of the communities pay 100% of the employees contributions to the Wisconsin Retirement System.

The Employer reached agreement with its electrical utility consisting of five employees on an increase of 23¢ per hour on March 1, 1987 and another 23¢ per hour on July 1, 1987. The Employer reached agreement with its 11 firefighters on a 21¢ per hour increase in 1987 and that is a 2.7% increase. The street department employees reached agreement with the Employer on a 21¢ an hour or 2.27% increase. The 15 non-union employees of the Employer received 21¢ an hour increases.

The Employer relies upon another comparable group, hereinafter referred to as Comparable Group C, consisting of the nine communities in west Wisconsin that have municipal electrical utilities. They are Black River Falls, Medford, New Richmond, Richland Center, River Falls, Marshfield, Barron, Spooner, and the Employer. The wage rate for a lineman in those communities in 1987 ranges from a low of \$10.14 an hour in Barron to a high of \$14.49 per hour in New Richmond. The Employer will pay its lineman \$11.54 an hour on March 1, 1987 and \$11.70 per hour on July 1, 1987. Barron County in which the Employer is located has reached agreement for 1987 with three of its five bargaining units. Those three all agreed on 3% increases. Barron County has offered its law enforcement personnel a 2% increase and the Union has proposed a 3% increase for two year employees and a 5% increase for five year employees. Only the courthouse and highway department employees in Barron County have reached agreement for 1988 and they settled for 3% increases.

The Employer paid the total premium of each employee's health and welfare insurance policy during 1986 for its electrical utility employees and firefighters. In 1987 it has agreed to pay up to \$222.22 per month for family coverage and \$86.26 per month for single coverage for the electrical utility employees and firefighter employees and the street department employees. The contract with the electrical utility employees gives the Employer the right to change insurance carriers or self-fund health insurance. It has agreed with its firefighters that it will not change or alter health insurance benefits without the agreement of the association. The Employer's agreement with the street department employees for 1987 gives it the right to change insurance carriers provided the benefits are substantially equivalent or superior to those under the existing plan.

The City of Amery retains the right to change the insurance carrier as long as the benefits are identical or greater than the old carrier. It pays 100% of the premium up to a maximum of \$185.47 for a family plan and \$65.41 for a single plan. The City of Barron pays 100% of the insurance and retains the right to change its health insurance carrier so long as the level of benefits are substantially equal to or superior to the existing benefits. The City of

Bloomer pays all of the major medical, comprehensive, hospital and surgical coverage and dental surgery coverage for its employees, but there is a \$75.00 deductible. The City of Chetek pays 100% of the health and welfare coverage premiums for its employees. The City of Cumberland pays up to \$192.85 per month for family health insurance and \$87.75 per month for single plans. The insurance carrier can be changed by mutual consent. The City of Ladysmith pays 100% of the single premium and 85% of the family premium and can change insurance carriers if the level of benefits is at least equal to the old carrier. The City of Shell Lake pays 100% of the health insurance premium. The City of Spooner pays 100% of the health insurance premium and the carrier cannot be changed unless agreed upon by the Union. Barron County pays the full cost of the single plan and \$164.50 a month toward the family plan for its sheriff's department employees. It has the same agreement with its courthouse employees and retains the right to change insurance carriers and/or self-fund health insurance provided the level of benefits is substantially equal or superior. In 1988 Barron County agreed to pay the full cost of the single plan and 80% of any increase in the cost of the family insurance premium above \$164.50. Barron County has agreed to pay the full cost of the single plan and \$164.50 a month toward the family plan for its highway employees and in 1988 it will pay the full cost of the single plan and 80% of any increase in the family health insurance premium above \$164.50 per month.

UNION'S POSITION

The Union argues that its wage proposal of 18¢ an hour on January 1st and 18¢ an hour on July 1st would increase the cost of the Employer's wages in 1987 by 27¢ an hour or 2.5% but the average wage would increase by 36¢ an hour during the year. It points out that the Employer's offer of 27¢ an hour amounts to a 2.5% increase in the average wage rate and would cost the same as the Union's proposal during 1987 as measured in wages actually paid. It contends that the 1985-86 agreement between the Employer and the Union had split rate increases both years. It takes the position that the six municipalities in Comparable Group A are similar to the Employer because they are located in northwestern Wisconsin, have law enforcement units represented by a labor organization, have settlements for 1987 or at least certified final offers, have 1986 tax rates that are similar to the Employer, and have an average population similar to that of the Employer. It asserts that the five communities in Comparable Group A that have reached agreement for 1987 gave an average 1987 wage increase of 4.2%. The sixth city in the comparable group has a certified final offer from the municipality of a 3% increase and the employees are requesting a split final offer of 2% in January and 2% in July. The Union argues that its final offer is much closer in structure and content to the compensation increases in Comparable Group A as well as being more consistent with the bargaining history between it and the Employer. It contends that the eight communities making up Comparable Group B are not valid comparisons with the Employer because of their size. The Employer asserts that the average population of those eight communities is 2,666 which is 1/3 the size of the Employer and they have an average police force of 4.8 full-time officers compared to the 13 full-time officers of the Employer.

It points out that two of the communities in Comparable Group B have not reached agreement for 1987 with their police and the officers of two other communities are not represented by Unions. The Union asserts that three of the communities in Comparable Group B have 1987 wage settlements that are closer to its proposal than to that of the Employer. It contends that its proposal would maintain the basic relationships between the wages of the Employer's police and the wages of the police in Comparable Group B. The Union points out that five of the communities in Comparable Group B are not even eligible to utilize the statutory procedure involved in these proceedings to resolve their differences while the Union's proposed comparables have had access to the final and binding interest arbitration procedures for a number of years. It argues that its wage proposal has no financial impact in 1987 and the split rate offer resulting in a 3.3% lift with a 2.5% financial impact is fully supported by the appropriate comparables. The Union contends that the Employer's insurance proposal is out of step with the established standard in law enforcement contracts in comparable cities. It points out that the Employer proposes to pay less than the full family premium and less than the full single premium for the standard insurance plan and to remove the ability of the Union to participate in changes in the carrier and/or coverage and to allow the Employer to self-fund the insurance plan. The Union contends the Employer is trying to take away three important benefits or safeguards that protect the overall compensation of the employees. It asserts that requiring mutual consent for changes in carrier or coverage unite the Employer and the Union in trying to obtain the promised level of benefits and service for the employees while the Employer's proposal might result in them being adversaries. The Union takes the position that the Employer's proposal that it have unilateral right to self-fund may have a serious long range financial impact in the event of costly health care treatment. It contends that the Employer's proposal to change the health insurance language is contrary to established language in Comparable Group A. The Union argues that its proposal that the Employer pay a penalty when it changes the work assignments involuntarily of any officer more than once in a three month period creates an incentive to resist changing the work schedules once they are established. It takes the position that its proposal would present no problems for the Employer as long as vacations were scheduled 90 days in advance. The Union contends that a problem results from the fact that the Employer's chief of police and assistant chief work the same shifts every day and this has an impact on the bargaining unit employees as they work out their regular rotation. It points out that no supervisory officer in Comparable Group A works shifts that are part of the rotating schedule for other officers. The Union argues that the wage issue and the insurance dispute and the limitation on changing work schedules have no financial impact during 1987.

EMPLOYER'S POSITION

The Employer argues that Comparable Group B provides the most appropriate basis for comparison. It points out that each of the municipalities in Comparable Group B lies within 50 miles of the Employer and the ratio of police officers to citizens is comparable. The Employer contends that the Union's

proposal of a split increase is not justified and will result in a very high year end wage rate. It asserts that its offer is right in line with the other settlements in Comparable Group B. It takes the position that it pays the highest wage rates for police officers within the 50 mile labor market and higher than the rates of the Barron County law enforcement officers. The Employer asserts that there is no basis for the Union's proposed split increase because its police officers are not in a catchup position. It points out that its other employees have received voluntary wage increases for 1987 that are less than its proposal for the police officers. The Employer concedes that its electrical utility employees were given a wage split increase for 1987 but contends that they were in a catchup position and remain in that status even though they received a 23¢ increase on March 1st and another 23¢ increase on July 1st. The Employer argues that its offer of 27¢ per hour or 2.5% is in line with private sector increases and in Barron County. It points out that Arbitrator Richard J. Miller awarded the Barron County law enforcement officers a 2% increase on September 25, 1987 because it reflected the local economic conditions. The Employer points out that its other three bargaining units all voluntarily agreed to the insurance language proposed to the police officers and two of those units changed from the Employer paying 100% of the premium to the dollar limitations. Its street department bargaining unit had agreed in prior years to specific dollar limitations on health insurance premiums. The Employer asserts that if the Union's position is adopted it will overturn the pattern that the Employer's other bargaining units have accepted and discourage prompt voluntary settlements. It argues that adoption of the Union's final offer would be inequitable to the other bargaining units and disrupt bargaining stability. The Employer asserts that its proposed language on health insurance is supported by language in the contracts between the municipalities and their police in Comparable Group B. It takes the position that the right to change insurance carriers or self-fund the health insurance program is supported by its agreements with the electrical utility and the street department and in the contract language between some of the municipalities in Comparable Group B and their police. The Employer asserts that its proposed health insurance language will insure that all employees will have their health insurance fully paid and maintain their current level of benefits. It argues that the Union presented no evidence that there was a problem regarding involuntary assignment to shifts that would justify the language proposal of the Union. The Employer contends that it is unreasonable for the Union to request a 90 day notice of involuntary assignment when they do not give it 90 days notice for vacation leave.

DISCUSSION

The Union and the Employer have each proposed a different comparable group for consideration by the arbitrator. Comparable Group A consists of the cities of Altoona, Hudson, Menominee, New Richmond, Rhinelander and River Falls. All of those cities except Rhinelander are located in the general area of the Employer and have approximately the same populations. They employ approximately the same number of police as the Employer. The closeness in size of the communities in Comparable Group A would indicate that their police forces would have to deal with the same types of problems and with about the same degree of frequency. Rhinelander is not in the immediate geographical area in which the

Employer is located but it is somewhat similar in size and is located in an area with a similar type of economy. There is a degree of similarity between the economies of most of the communities in Comparable Group A. The Employer proposes a comparable group consisting of Barron County and eight cities within 50 miles of the Employer. The populations of those cities range from as small as 1,311 to a high of 3,811. Those communities employ fewer officers than the Employer and the problems faced by them reflect the differences in the population size. For example, Barron County and Bloomer are the only departments in Comparable Group B that have dispatchers and none of the communities have police lieutenants. Five of the communities in Comparable Group B do not even qualify, on the basis of the 1980 census population, for the procedure being utilized by the Employer and the Union to settle this collective bargaining agreement. The Employer points out that the ratio of police officers to citizens for the municipalities in Comparable Group B is very similar to that of the Employer. However the disparity between the type of police forces in Comparable Group B and the Employer's department is too great to justify it as a comparable group. Most of those communities have all together different types of police departments and they do not even perform some of the duties performed by the Employer's department. The mere fact that seven of the departments in Comparable Group B do not even have dispatchers and none of them has a lieutenant would indicate that there is a substantial difference between the organization of the Employer's department and that of those communities in Comparable Group B. Comparable Group A consists of communities with departments that have dispatchers and lieutenants that perform duties similar to those performed by the Employer's police officers. The departments in Comparable Group A have the same types of employees performing duties that encompass the same duties performed by the Employer's police officers. The very fact that the statute under which these proceedings are being brought excludes five of the communities in Comparable Group B satisfies the arbitrator that those departments should not be included in a comparable group to which the Employer is being compared. While there is enough of a similarity in the economies of the communities in Comparable Group B and the economy of the Employer to justify some consideration of them, the arbitrator finds Comparable Group A to be the most appropriate for comparison purposes and will rely primarily on it.

All of the communities in Comparable Group A and seven of the eight communities in Comparable Group B pay the full family and single health insurance premiums for their law officers. The Employer's 1985-86 agreement with its law officers provide that it would pay 100% of family and single health insurance premiums and required that there be no change in the insurance carrier without the approval of the Union. The Employer proposes to pay less than the full premium for both the single and family coverage in 1987 and to remove the ability of the Union to participate in changes in the carrier and to allow the Employer to self-fund the insurance plan. The Employer's proposal would change the current insurance language in three major respects. It would replace the obligation of the Employer for full insurance payment with a dollar amount that is less than the full amount for conventional insurance. It would eliminate the right of the Union to participate as an equal in the choice of insurance

carriers and it would eliminate the Union's right to participate in any decision to self-fund the insurance plan. The Employer presents no evidence of a need to make any of these changes other than the fact that its electrical utility, firefighter and street department bargaining units all voluntarily agreed to the dollar figures proposed by the Employer. The street department bargaining unit had agreed to dollar amounts in its contract language in previous years and the electrical utility and firefighter bargaining units agreed to the dollar figures for the first time in 1987. It is understandable that the Employer would desire to have uniform language with respect to health insurance with all of its bargaining units but that has not been the pattern in the past. In prior years only the street department has agreed to the dollar limit. Obviously the Employer has not had uniformity with respect to health insurance language in the past. It was not disruptive of the Employer to have one bargaining unit have dollar limitations on health insurance premiums in the past while the other three required the Employer to pay the full premium. It would not be disruptive to have the contract language with three bargaining units provide for dollar limitations on the health insurance premiums and have the Employer pay 100% of the premium for its police. The cities in all of the police departments in Comparable Group A pay 100% of the health insurance premiums for their police officers. Only two communities in Comparable Group B pay less than 100% of the health insurance premiums for police officers. Thus the external comparables in both Comparable Group A and Comparable Group B support the Union's position with respect to the full payment of the health insurance premiums.

The Employer's electrical utility and street department both agreed to the language permitting it to unilaterally change insurance carriers or self-fund its health insurance program and the contract with the firefighters bargaining unit prevents it from changing or altering health insurance benefits without the agreement of the Association. The Employer presents no evidence of the need to self-insure or unilaterally change carriers other than the fact that the agreements with its other bargaining units has given it that authority. A number of the bargaining units in Comparable Group B give the municipalities the right to unilaterally change carriers as long as the level of benefits remains the same. Only Barron County has the authority to self-fund its own insurance program.

The health insurance program is an economic benefit that is as important to the employees as wages. The initiation of a requirement that the employees pay part of the health insurance premium has the same effect as reducing the amount of the wages by the cost of the employees contribution toward insurance. Usually wage and insurance packages are worked out in tandem because each one has an effect on the amount of money available for the other. The Union's proposal does not change the cost of the insurance for 1987 and has no impact on the amount of money that will be available for wages in 1987. All of the police officers in the bargaining unit are enrolled in the HMO programs and the proposed language of the Employer will not make any more money available to pay its proposed wage increase. The Employer has provided no evidence that would justify an arbitrator changing the language of the insurance provision of the

collective bargaining agreement that has been agreed upon as the result of bargaining. The Employer will not save any money in 1987 and the language would not free up any savings that could be made available to pay wages or provide other benefits.

Under the circumstances there is no justification for the arbitrator to impose the language proposed by the Employer on the Union. Changes in health insurance are best worked out through collective bargaining as a trade off in reaching agreement on other economic aspects of the agreement.

The Union's proposal with respect to the imposition of a payment to an employee if the work schedule is changed involuntarily a second time in a three month period creates an incentive for the Employer to resist changing the work schedules once they are established. Currently the Employer posts rotating work shift schedules for all employees at least 90 days in advance and a schedule of at least 90 days is posted. Most of the reassignments made are because of sick leave and 1% were due to vacation changes. If an officer is on leave and unavailable for work, the chief or assistant chief will fill in for the absent officer provided he was to work a day shift. However, if the absent officer was to work an evening or night shift, an officer from the day shift is reassigned to fill in for him and the chief or assistant chief fills in for the reassigned day officer. The system was initiated unilaterally by the chief and does save the Employer some money. But it does result in more involuntary reassignments of officers from day shifts to evenings and nights than otherwise would be the case. The Union's proposal would prevent the Employer from allowing its supervisory personnel to bump into day shifts and involuntarily reassign officers just to save money. The proposal would permit the Employer to make such involuntary reassignments at least once every three months to each employee but if an officer was reassigned more than once he would receive the payment proposed by the Union. The Employer contends that if the Union requests a 90 day notice for an involuntary work assignment the Employer should require the employees to give it a 90 day vacation notice. The fact is that the Employer already has the authority to require a reasonable notice of a vacation request before it can be scheduled. The Employer argues that the Union has provided no support for its language proposal. Employees want to be able to rely on their scheduled shifts so that they can plan the rest of their lives. If the Employer is going to have the authority to change an employee's shift and thereby inconvenience him, some sort of financial penalty does not seem out of order. The entire matter of involuntary shift changes is under the control of the Employer and it can do as it sees fit. There is no reason why it should be able to inconvenience an employee just to save it some money. Under the circumstances a payment for more than one involuntary reassignment every 90 days seems reasonable. None of the municipalities in Comparable Group A permit the chief of police and other supervisors to work shifts that are part of the rotating schedule of the other officers and then reassign the officer.

The average 1986 hourly rate for the bargaining unit was \$10.97 an hour. The Union's offer provides a 1.6% raise in January and another 1.6% raise in

July of 1987. The average wage would become \$11.33 per hour in July which would provide a lift of 3.3%. It would increase the Employer's payroll cost by 2.5% or 27¢ per hour. The Employer's offer of 27¢ an hour provides a 2.5% increase in the average wage rate and would increase the Employer's wage cost by 2.5%. The average wage rate would become \$11.24 per hour.

The six communities in Comparable Group A have given their police officers wage increases for 1987 ranging from a low of 3% at Menomonee to 5% at Altoona and Rhinelander. At River Falls the Employer has proposed a 3% increase and the Union has proposed a split of 2% on January 1st and 2% on July 1st which would have a 3% cost but would provide a 4% lift. The percentage increase of 2.5% proposed by the Employer and the Union is below all of the percentage increases in Comparable Group A and the Union's proposed lift of 3.3% is only slightly above the minimum lift for 1987 in Comparable Group A. The Union's proposed increase is closer to the average in Comparable Group B with respect to percentage increase in cost as well as in the amount of lift than the Employer's proposal. The communities of Barron, Chetek, Shell Lake and Spooner in Comparable Group B propose 1987 wage increases that are closer to the Union's final offer than that of the Employer. Barron has agreed to a split increase of 2% on January 1st and 1% on July 1st that would have a 2.5% increase in cost and a lift of 3%. Chetek has proposed an increase of 40¢ an hour which has a higher increase in cost and a greater lift than either the Employer's or the Union's proposal. Shell Lake has agreed to a 35¢ per hour increase which would have a greater cost than the proposals of either of the Employer or the Union and would have almost as much lift as the Union's proposal. The same could be said for Spooner which has agreed to increases ranging from 30¢ to 33¢ per hour.

In 1986 Bloomer paid its dispatcher \$4.00 an hour and Barron County paid a dispatcher a minimum of \$7.47 an hour and a maximum of \$8.99 per hour. The Employer paid a dispatcher a minimum of \$9.42 an hour and a maximum of \$9.70 an hour. In 1987 Bloomer continues to pay a dispatcher \$4.00 an hour and Barron County has not yet reached agreement with its dispatchers. The Union proposes to pay a dispatcher \$9.60 an hour on January 1st and \$9.78 an hour on July 1st during 1987 and the Employer proposes that the dispatcher receive \$9.69 per hour. Five communities in Comparable Group B have reached agreement on wages for 1987 and on July 1st the minimum salary for a patrolman ranged from \$7.62 an hour to \$9.73 an hour and the average minimum was \$8.68 per hour. The maximum salary for a patrolman ranged from a low of \$8.87 an hour to a high of \$9.73 an hour and the average was \$9.22 an hour. The Union's proposal would pay a patrolman with more than one year of experience \$11.30 per hour on January 1st and \$11.48 per hour on July 1st and the Employer would pay that patrolman \$11.39 per hour in 1987. On July 1, 1987 the average wage of a sergeant in Comparable Group B ranged from a low of \$8.59 per hour to a high of \$9.73 an hour and the average was \$9.18 per hour. The Union's proposal would pay a sergeant \$11.98 per hour on January 1st and \$12.16 an hour on July 1st while the Employer would increase the sergeant's wage to \$12.07 an hour in 1987. It is evident that the smaller cities in Comparable Group B pay their police a much lower rate than the Employer. Only two of them have dispatchers and the rest of them just have

patrolman and sergeants. They do not even have positions such as the Employer's head dispatcher, high patrol and lieutenant. Even though the communities in Comparable Group B pay their officers lower wages than the Employer, four are giving increases in 1987 that have a greater cost than is proposed by either the Union or the Employer and provides a lift similar to or more than would result from the Union's proposal. The basic relationships that were established between the Employer's police force and the officers in Comparable Group A and B through collective bargaining would best be maintained by implementation of the Union's proposal.

The Employer contends that the Union's proposed split increase is not justified because it results in a year end wage rate that is 9¢ per hour higher than the Employer's proposal would provide even though the cost to the Employer is the same for either proposal. The 1987 settlements in Comparable Group A have cost ranging from a low of 3% to a high of 5%. The evidence does not indicate the amount of lift provided by those increases. A 1987 increases in Comparable Group B provide increases ranging from 15¢ an hour to 40¢ an hour with corresponding lifts. It would appear that neither the increase in cost nor the wage lift provided by the Union's proposal are unreasonable when compared to the increases in cost and the amount of the wage lifts resulting from the increases given to police officers in Comparable Groups A and B.

The Employer argues that its police officers are not in a catch-up position. No evidence has been presented by the Union that would indicate that the Employer's officers are in a catch-up situation. The Employer takes the position that the only basis for a split increase is when a catch-up is justified and it is necessary to avoid the increase in cost in the year in which the split increase is given. Ordinarily the justification for a split increase is a catch-up situation. However, that is not the only time that a split increase is given. The Employer gave its police a split increase in both 1985 and 1986 and there is no claim that it was a catch-up situation. The percentage increase of the lifts in Comparable Group A range from 3% to 5%. The Union's proposal that results in a 3.3% lift is not unreasonable in comparison. The communities of Chetek, Shell Lake and Spooner have reached agreement on increases for 1987 that provide percentage lifts comparable to that proposed by the Union. The lift in cents per hour in those communities is similar to or greater than the lift proposed by the Union.

The Employer has an agreement with its street department that provides an increase of 21¢ per hour or 2.27% in 1987. Its firefighters have agreed to an increase of 21¢ per hour and that is an increase of 2.7%. The Employer's electrical utility employees appear to be in a catch-up situation and they have received increases of 23¢ per hour on March 1st and another 23¢ per hour on July 1st. Apparently the Employer has no firmly established wage pattern that it seeks to impose on all of its employees. It appears that the proposal of the Union is less than the electrical utility employees received and provides a greater increase in cents per hour than the firefighters and street department employees receive. However, the percentage increase in cost of the Employer's

agreement with the firefighters is greater than the percentage increase in cost of the Employer's proposal for its police. In the absence of a firm internal pattern the arbitrator does not feel restricted by the increases agreed to by the Employer's other bargaining units.

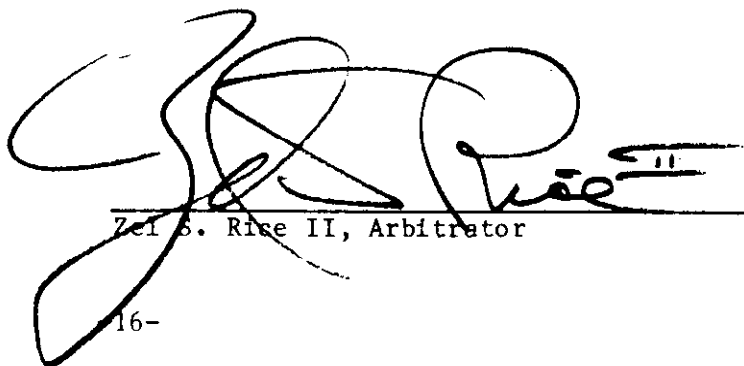
The three items in dispute in this case do not generate any significant differences in money during the 1987 period. Either proposal results in the same cost to the Employer. The only monetary difference is that the police will be receiving 9¢ more per hour at the end of the contract year under the Union's proposal than it would receive under the Employer's proposal. Because all of the employees in the police department are currently enrolled in one of the two health maintenance options that cost less than the dollar amount listed in the Employer's offer, the cost to the Employer under the two final offers is identical over the term of the agreement. The parties have stipulated that if the Union's proposal is accepted by the arbitrator the payments for more than one involuntary change in shift during a 90 day period will be made perspectivevly. Since this decision will not impact until the last month of 1987 it will have little if any economic impact for that year. All three issues in this case will have no real impact on the cost of the 1987 compensation for the represented employees. It is only in 1988 and beyond that the 9¢ per hour difference on wages will have an impact or that the less than full Employer payment of conventional health insurance may result in wage deductions or that an officer is eligible for payments for involuntary changes in their established work schedule. Since these increased costs will not take effect until 1988, the Employer and the Union can consider them and measure them as part of the Employer's 1988 increase in cost when they bargain the 1988 agreement.

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 examination of the exhibits and briefs of the parties, the arbitrator finds that the Union's final offer more closely adheres to the statutory criteria than that of the Employer and directs that the Union's proposal contained in Exhibit A be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin this 25th day of November, 1987.


Zel S. Rice II, Arbitrator

"EXHIBIT A"

June 23, 1987

WERC CASE 33, NO. 38175, MIA-1183

FINAL OFFER OF NORTHWEST UNITED EDUCATORS
FOR THE 1987 RICE LAKE POLICE CONTRACT
WERC CASE 33, NO. 38175, MIA-1183

Unless indicated below, all the provisions of the 1985-86 contract between the parties shall be extended for a one-year (1987) term.

1. Appendix A - Effective 1/1/87 increase all wage rates by 18 cents per hour; effective 7/1/87 increase all rates by 18 cents per hour.
2. Add the following paragraph to Article IV - Hours:

"If the employer changes a regularly scheduled shift involuntarily with a notice of less than 90 days, the officer affected shall receive the following additional compensation based on the number of such changes in any quarter (January-March; April-May; July-September; October-December): First change - no extra pay; Second change - \$10; Third change - \$20; Fourth and subsequent changes - \$40 each."

ALAN O. MANN

LS-1

6/18/87

ADM/lab
061887

EXHIBIT B

11-1-1987

JUN 24 1987

CITY OF RICE LAKE

OFFICE OF THE CITY CLERK
EDUCATION CENTER

FINAL OFFER FOR A 1987 CONTRACT
WITH THE RICE LAKE PROFESSIONAL POLICEMENS' ASSOCIATION
NORTHWEST UNITED EDUCATORS

1. Except as stated below, the terms and conditions of the 1985-86 collective bargaining agreement shall become terms and conditions of the 1987 agreement.

2. ARTICLE XIII - INSURANCE

Revise Paragraph 1 to read:

The City agrees to pay up to \$222.22 per month for family coverage and up to \$86.26 per month for single coverage for the employee's health and welfare insurance policy. The City may, from time to time, change the insurance carrier and/or self fund its health insurance program if it elects to do so, provided the level of benefits is substantially equivalent to the current level of coverage.

3. APPENDIX A:

Increase all wage rates by \$.27/hour, effective 01/01/87.

Dated this 22nd day of June, 1987

ON BEHALF OF THE CITY OF RICE LAKE

By: Kathryn J. Prenn
Kathryn J. Prenn

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JUN 24 1987

WISCONSIN
MELDMAN & WAINE DIVISION
WISCONSIN 800-242-9696
CABLE: TAXCOUNSEL

June 22, 1987

Mr. Robert M. McCormick, Investigator
Wisconsin Employment Relations Commission
Post Office Box 7870
Madison, WI 53707-7870

RE: City of Rice Lake (Police Department)
Case 33, No. 38175, MIA - 1183

Dear Investigator McCormick:

Enclosed are the final offers of the parties in the above-referenced matter. The parties are in agreement that the investigation may be closed and that these offers may be certified as the final offers of the parties.

Thank you for your assistance with this matter.

Very truly yours,

MULCAHY & WHERRY, S.C.

Kathryn J. Prenn

Kathryn J. Prenn

KJP/maf
Enclosure
c : Rhoda Schnacky
Alan D. Manson