

IN THE MATTER OF ARBITRATION) INTEREST ARBITRATION
)
 between)
)
 Lac qui Parle County,)
 Madison, Minnesota) BMS Case No. 06-PN-511
)
 -and -)
)
 AFSCME Council 65) June 24, 2006
))

APPEARANCES

For Lac qui Parle County

Susan K. Hansen, Attorney, Frank Madden & Associates, Plymouth,
 Minnesota
 Todd Patzer, Commissioner
 Harold Solem, Commissioner

For AFSCME Council 65

Teresa Joppa, Staff Attorney
 Jon Anderson, Staff Representative
 Dallas Schellberg, Dispatcher/Deputy Sheriff
 Mitch Wellnitz, Dispatcher
 Rick Halvorson, Deputy Sheriff
 Barb Fernholz, Jail Administration

JURISDICTION OF ARBITRATOR

AFSCME Council 65 (hereinafter referred to as the "Union" or "AFSCME") is the certified bargaining representative for all essential law enforcement employees hired by Lac qui Parle County (hereinafter referred to as the "County" or "Employer") in the County Sheriff's Office in the denoted classifications of Deputy Sheriff and Jailer/Dispatchers, including a Chief Jailer/Dispatcher.

RECEIVED BMS-

The Parties are signatories to an expired Collective Bargaining Agreement which endured from January 1, 2004 through December 31, 2005.

The Parties entered into negotiations for a successor collective bargaining agreement. The Parties negotiated and mediated to no success. As a result, on January 5, 2006, the Bureau of Mediation Services (BMS) received a written request from the Union to submit the unresolved issues to conventional interest arbitration. On January 10, 2006, the BMS determined that the following issues were certified for arbitration pursuant to M.S. 179A.16, subd. 2 and Minn. Rule 5510.2930:

1. OT/On Call - Overtime/On Call Pay - 9A-D
2. Holidays - Holidays - 12A-C
3. Sick Leave - Sick Leave - 14A-D
4. Insurance - Health Insurance/VEBA - 20A-D
5. Wages - Salary Schedule/Retroactive Pay - Appendix A
6. Duration - Contract Duration - 24

At the commencement of the hearing, the Parties resolved Article XIV, Sick Leave, and therefore the current language of the sick leave article will be retained.

The Parties selected Richard John Miller to be the sole Arbitrator from a panel submitted by the BMS. A hearing in the matter convened on May 12, 2006, at 11:00 a.m. in the Commissioner's Room at the County Courthouse, 600 Sixth Street, Madison, Minnesota. The Parties were afforded full opportunity

to present evidence and arguments in support of their respective positions. Pursuant to the statute and the agreement of the Parties, post hearing briefs were timely submitted by the Parties on May 26, 2006, and received by the Arbitrator on May 30, 2006, after which the record was considered closed.

ISSUE ONE: DURATION - ARTICLE XXIV

COUNTY POSITION

The County proposes a three year contract, effective January 1, 2006 through December 31, 2008.

UNION POSITION

The Union proposes a three year contract assuming that the wage and insurance issues are awarded in AFSCME's favor. If the Arbitrator is not going to make a market adjustment for wages and, if this bargaining unit is to receive different health insurance benefits than the rest of the County employees, then a contract of a shorter duration should be awarded so the Parties can return to the bargaining table sooner than 2009.

AWARD

A three year contract, effective January 1, 2006 through December 31, 2008.

RATIONALE

This interest arbitration involves a Sheriff's Department in a small rural county with a shrinking population of only 8,413 in

southwestern Minnesota. There are three Deputy Sheriffs and four Jailer/Dispatchers, including a Chief Jailer/Dispatcher in the AFSCME Sheriff's Department bargaining unit.

The Sheriff's Office provides law enforcement/public safety services for the County. These services include general patrol and investigation of crimes, dispatching, paper service, detention of prisoners, etc.

While the evidence establishes that there is no external comparison data among the comparable counties advocated by both Parties for 2008, this is successfully offset by the fact that a three year contract is consistent with the duration of the voluntarily settled contracts with the three other bargaining units at the County including the AFSCME Courthouse Unit, AFSCME Road and Bridge Highway unit and AFSCME Road and Bridge Technical Unit. All of these contracts settled for three year terms effective January 1, 2006 through December 31, 2008.

A contract with a duration other than three years will create an undue burden on both Parties. There is currently one cycle of negotiations in the County, and the Union's conditional position for a shorter contract duration will result in a second cycle of negotiations. This will require the expenditure of human and financial resources and necessitate bargaining committee members, such as the Commissioners and the Stewards, to

be absent from their regular jobs which is not necessary by the awarding of a three year agreement.

The awarding of a three year agreement will be more beneficial to the Parties than a one or two year agreement.

**ISSUE TWO: Wages - Salary Schedule/
Retroactive Pay - Appendix A**

CURRENT CONTRACT LANGUAGE:

Effective January 1, 2005, employees will be paid in accordance with the following monthly wage schedule:

CLASSIFICATION	START	6 MONTHS	1 YEAR	7 YEARS	8 YEARS
Jailer/Dispatcher	\$2,133.86	\$2,252.42	\$2,370.95	\$2,486.06	\$2,560.63
Chief Jailer/ Dispatcher	\$2,314.16	\$2,442.72	\$2,571.29	\$2,696.12	\$2,777.00
Deputy	\$2,920.42	\$3,082.67	\$3,244.91	\$3,339.41	\$3,439.61

COUNTY POSITION

The County proposes to retain the current salary schedule structure. Effective January 1, 2006, employees will receive a 2.5% general wage increase. Effective January 1, 2007, employees will receive a 2.0% general wage increase. Effective January 1, 2008, employees will receive a 2.0% general wage increase.

The difference between the Employer's share of the premium costs of the VEBA Plan #830 and First Dollar Plan shall be subtracted from the 2.5% general wage increase that employees receive from January 1, 2006, to the first of the month following receipt of the arbitration award.

UNION POSITION

The Union's position is essentially a 3.0% + 4.0% new top step for Deputies and 3% + 8% top step for Jailer/Dispatcher and Chief Jailer/Dispatcher for 2006, with a 2% general wage increase for both 2007 and 2008. The Union's position is stated as follows:

Classification DEPUTY

2006

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$3,008.03	\$3,121.01	\$3,233.99	\$3,346.97	\$3,459.95	\$3,572.93	\$3,685.91

2007

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$3,068.19	\$3,183.43	\$3,298.66	\$3,416.96	\$3,529.14	\$3,644.38	\$3,759.62

2008

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$3,129.53	\$3,247.09	\$3,364.64	\$3,485.30	\$3,599.73	\$3,717.27	\$3,834.82

Classification CHIEF JAILER/DISPATCER

2006

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$2,383.58	\$2,501.17	\$2,618.76	\$2,736.35	\$2,853.94	\$2,971.53	\$3,089.12

2007

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$2,431.25	\$2,551.19	\$2,671.13	\$2,791.07	\$2,911.01	\$3,030.96	\$3,150.90

2008

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$2,479.87	\$2,602.21	\$2,724.55	\$2,846.89	\$2,969.23	\$3,091.57	\$3,213.91

Classification JAILER/DISPATCER

2006

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$2,197.87	\$2,306.29	\$2,414.71	\$2,523.13	\$2,631.55	\$2,739.97	\$2,848.44

2007

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$2,240.94	\$2,352.41	\$2,463.00	\$2,573.59	\$2,684.18	\$2,794.76	\$2,905.40

2008

START	6 MONTHS	1 YEAR	4 YEARS	7 YEARS	10 YEARS	12 YEARS
\$2,285.75	\$2,399.45	\$2,512.26	\$2,625.06	\$2,737.86	\$2,850.65	\$2,963.50

AWARD

Retain the current salary schedule structure. Effective January 1, 2006, employees will receive a 3% general wage increase. Effective January 1, 2007, employees will receive a 2.0% general wage increase. Effective January 1, 2008, employees will receive a 2.0% general wage increase.

There shall be no wage offset between the Employer's share of the health insurance premium costs of the VEBA Plan #830 and First Dollar Plan from the 3.0% general wage increase that employees receive on January 1, 2006.

RATIONALE

The factors generally relied upon by interest arbitrators to resolve impasse items are the ability or willingness of the employer to pay for the economic demands of the union, internal and external comparison, and the consumer price index (CPI).

The evidence discloses that the County lost approximately \$107,750 in 2003 State aids which were previously certified to the County. In 2004, the County's State aids were reduced by a cumulative amount of approximately \$190,960. In response to these cuts in State aid, the County eliminated two full-time positions and reduced all part-time positions by 50 percent. The

County's State aids continued to decrease by approximately \$56,860 in 2006. These monies were part of the County's operating funds, and the cuts in State aid directly impacted the financial resources available in the County.

In spite of these State aid reductions, which were offset in part by the reduction in personnel, the County has maintained a healthy financial situation. For example, for the year ended December 31, 2004 (the last audited year), the unreserved fund balance of the General Fund was \$3,669,178 or 157 percent of the total General Fund expenditure for the year. The 2004 unreserved fund balance as a percent of total current expenditures amounted to 107.2 percent.

The State of Minnesota Office of the State Auditor ("OSA") recommends that counties maintain unreserved fund balances in their general fund and special revenue funds of approximately 35 to 50 percent of fund operating revenues or no less than five months of operating expenditures. Clearly, the County has surpassed the recommendation from the OSA, as they are classified as a "very high Fund balance."

The record is devoid of any specific costing data by either Party of the Union's economic proposals. It is clear, however, that the Union's proposal for the Deputy of a new 4% top step at 12 years with \$113 steps at 6 months, 1 year, 4 years, 7 years

and 10 year, plus the proposal for Jailer/Dispatcher and Chief Jailer/Dispatcher of a new 8% top step at 12 years with \$108 steps at 6 months, 1 year, 4 years, 7 years and 10 years should not exceed \$40,000 more than the Employer's position. This increase would also include all of the other Union's economic proposals. The awarding of all of the Union's economic proposals would not jeopardize the financial condition of the County nor would it affect the County's obligation to efficiently manage its operations. In fact, the County never alleged an inability to pay argument, but instead argued for financial constraint based upon the other factors generally considered by interest arbitrators.

As noted previously, one of these factors considered by interest arbitrators is internal comparison. The Sheriff's Department bargaining unit includes a total of seven employees, or 10% of the County's work force. All other union employees at the County including the AFSCME Courthouse unit, the AFSCME Road and Bridge Highway unit and AFSCME Road and Bridge Technical unit voluntarily settled their terms and conditions of employment for 2006, 2007 and 2008. Additionally, the 2006 terms and conditions of employment have been set for non-union employees.

Since 2004, there has been a history of uniform wage settlements among all County bargaining units and non-union

employees. The three other AFSCME bargaining groups within the County all settled for general wage increases in the amount of 3.0%, 2.0% and 2.0% for 2006, 2007 and 2008. This uniform settlement pattern has been established through voluntary negotiations with AFSCME, as well as the 2006 wages established for non-union employees. Consequently, the AFSCME Sheriff's Department bargaining unit should not be treated differently than the majority of other AFSCME and non-union employees at the County merely because they are essential employees under PELRA. The Sheriff's Department bargaining unit, however, should not be penalized because they are essential employees, which would have been the result had the Arbitrator upheld the Employer's position with regard to the 2006 wage offset between the Employer's share of the health insurance premium costs of the VEBA Plan #830 and First Dollar Plan.

The wage settlements within the County over the last few years demonstrate the consistency that has been maintained. Such an internal pattern should not be altered through interest arbitration based upon this historical practice. The award is consistent with the negotiated settlements reached with the other County bargaining units and non-union employees for 2006-2008.

The Union's position on the wage schedule structure results in completely new schedules for Sheriff's Department employees in

2006. For the Deputy classification, the Union is proposing a new 4% top step at 12 Years with \$113 steps at 6 Months, 1 Year, 4 Years, 7 Years, and 10 Years. For the Jailer/Dispatcher and Chief Jailer/Dispatcher classification, the Union is proposing a new 8% top step at 12 Years with \$108 steps at 6 Months, 1 Year, 4 Years, 7 Years, and 10 Years.

The Union's wage schedule structure proposal is not warranted for several reasons. First, none of the other AFSCME locals during negotiations or non-union employees were granted modifications to any of their existing wage structures. Second, Sheriff's Department employees already have one of the most generous wage structures at the County when it is coupled with the longevity structure. Third, no employees at the County have step structures that are based on a flat dollar amount between steps, as is the case with the Union's proposal. Fourth, the Union has not presented a compelling reason for its structural change to the wage schedule other than it seeks higher wages for the Sheriff's Department employees. Finally, the Union has provided no indication of what the appropriate trade off would have been in negotiations for the structural change in the wage schedule. Therefore, the Union has not met its burden of proof to modify the wage structure, and there is no justification for the Union's position on the wage structure.

Another factor to be considered is external comparability. This is the first interest arbitration between the Sheriff's Department employees and the County. As a result, there is no established external comparability group developed through prior interest arbitration decisions. There was also no evidence that the Parties agreed upon an external comparability group during previous bargaining sessions.

The Union proposes to compare Lac qui Parle County with a comparability group consisting of the counties of Big Stone, Chippewa, Lyon, Renville, Swift and Yellow Medicine. The County, on the other hand, proposes a comparability group of counties consisting of Big Stone, Chippewa, Swift and Yellow Medicine, which, with Lac qui Parle, are all in the State of Minnesota Economic Region 6W.

The appropriate comparison group for Lac qui Parle County should be limited to the Economic Region 6W counties of Big Stone, Chippewa, Swift and Yellow Medicine for several reasons. First, the Union's use of Lyon and Renville counties for comparison purposes is not justified since they are not included in Economic Region 6W and neither are contiguous to Lac qui Parle County. Second, neither of these two counties compare to Lac qui Parle County in their collective bargaining negotiations. Third, 2005 population, budget, levy, tax capacity, market value,

housing units and jail capacity in Lyon and Renville counties are all substantially larger than that in Lac qui Parle County. Finally, both Lyon and Renville counties have merit ranges wherein employees' advancement requires satisfactory performance. It is not unusual for merit ranges to have higher maximums than the maximums on standard wage structures where employees automatically advance based on years of service.

It is important to note, however, the differences between Lac qui Parle County and the other counties in the Economic Region 6W comparison group. Lac qui Parle County's 2005 population, budget, levy, tax capacity and total market value are substantially lower when compared to the counties in the comparison group. It is therefore not appropriate to average the wages paid in the larger and wealthier counties of Economic Region 6W to determine a benchmark wage for Lac qui Parle County Sheriff's Department wages. Rather, it is clear from the evidence that the Parties have relied exclusively upon an internal pattern among County employees to determine an appropriate wage increase rather than rely upon the average paid to the comparable counties.

To the extent that external comparisons are given any weight in this case, the wages paid Lac qui Parle Jailer/Dispatchers have also ranked low from a historical perspective. The 3.0%

award results in 2006 wages for Lac qui Parle Jailer/Dispatchers that is 93% of the average at the maximum of the wage schedule. The 3.0% award also results in 2006 wages for Lac qui Parle Deputies that is above average at the minimum and 97% of the average at the maximum.

However, the wages paid to Lac qui Parle Sheriff's Department employees cannot be considered in a vacuum separate and apart from the other forms of compensation and benefits at the County. In addition to the base wages on the wage structure, the County provides Sheriff's Department employees with longevity pay with employees at the top of the longevity schedule receiving an additional 5.0% increase. This is the most generous longevity schedule among the comparable counties in Economic Region 6W. Additionally, the County's contribution for both single and family health insurance coverage is also extremely generous in comparison to the counties of Economic Region 6W. The County's family health insurance contribution is the highest in the comparison group and exceeds the average contribution by almost \$200 per month and the County's single health insurance contribution is the second highest in the comparison group.

Once the maximum wage based on the County's 2006 pattern of 3.0% wage increases, the top longevity payment and family health contribution are factored in as part of the total compensation

package, Lac qui Parle Jailer/Dispatchers receive compensation in an amount \$26 per month above the average in the comparison group and Lac qui Parle Deputy Sheriffs receive compensation \$155 per month above the average in the comparison group. Clearly, the County's uniform pattern of wage increase results in a compensation package that is competitive for the Sheriff's Department unit classifications in comparison with external comparison group of counties in Economic Region 6W. Thus, there is no basis for an award any greater than the internal pattern.

Another factor to be considered by the Arbitrator is the Consumer Price Index. The Union notes that the CPI increased by 3.4% from March 2005 to March 2006. The uniform County-wide pattern for 2006 is a 3.0% general wage increase with no modifications to the wage schedule. This is very close to the CPI increase of 3.4%. Moreover, other County employees are affected by cost of living increases in the same manner as the AFSCME Sheriff's Department unit -- if not more given the fact that Deputy Sheriffs drive take home squads, they do not pay fuel and maintenance costs and they receive significant amounts of overtime compensation ranging up to \$5,500, \$6,250 and \$7,400 for some members of the Sheriff's Department unit. The seven Sheriff's Department unit members, comprising a minority of the

total workforce, should not be treated more favorably than the other 63 County employees.

ISSUE THREE: ARTICLE XX, INSURANCES - HEALTH INSURANCE/VEBA

RELEVANT CURRENT CONTRACT LANGUAGE - ARTICLE XX

Section A. (Amended 2004) The County shall continue to carry the present insurance program with any changes in policy and/or coverages to be negotiated with the Union. The County shall pay the full insurance premiums for the employee. Effective January 1, 2004, for each employee who selects family coverage, the Employer will contribute up to \$970 towards the premium cost for dependent coverage. Effective January 1, 2005, any increase in premium cost for dependent coverage shall be shared equally between the County and the employee. Premiums for \$10,000 term life insurance policy for each employee shall be paid by the Employer.

COUNTY POSITION

The County proposes to modify Article XX, Section A as

follows:

The County shall continue to carry the present insurance program with any changes in policy and/or coverages to be negotiated with the Union. The County shall pay the full insurance premiums for the employee. Effective January 1, 2006, any increase in premium cost for dependent coverage shall be shared equally between the County and the employee. Premiums for \$10,000 term life insurance policy for each employee shall be paid by the Employer.

Effective the first of the month following receipt of the arbitration award, the County shall pay the full insurance premium of the VEBA Plan #830 for the employee, and a \$100 per month contribution toward the employee's single coverage VEBA account. Effective the first of the month following receipt of the arbitration award, for each employee who selects family coverage, the Employer will contribute up to \$973.25 per month towards the cost for dependent coverage, which consists of a \$773.25 contribution toward the premium

cost of the VEBA Plan #830 and a \$200 contribution toward the employee's family coverage VEBA account. Effective January 1, 2007 and January 1, 2008, any increase in premium cost for dependent coverage shall be shared equally between the County and the employee. Four months of the VEBA account contribution shall be made on the first work day after the first of the month following receipt of the arbitration award. The contribution toward the VEBA account shall be monthly thereafter with no retroactive payments made in 2006 and no more than 12 monthly payments made per year in 2007 and 2008.

UNION POSITION

The Union proposes the same insurance language/contributions as the other county employees groups have already agreed to, and that has been proposed by the Employer. Such language would read as follows:

Article XX Insurances. Health Insurance: The County shall pay the full insurance premium for the employee, and a \$100 per month contribution towards the employee's single coverage VEBA account. Effective January 1, 2006, for each employee who selects family coverage, the Employer will contribute up to \$973.25 per month towards the cost for dependent coverage, which consists of a \$773.25 contribution toward the premium cost and a \$200 contribution toward the employee's family coverage VEBA account. Effective January 1, 2007, and January 1, 2008, any increase in premium cost for dependent coverage shall be shared equally between the County and the employee. Four months of the VEBA account contribution shall be made on the first work day following January 1, 2006. The contribution towards the VEBA account shall be monthly thereafter with no more than 12 payments made per year.

AWARD

The Union's position is sustained. Employees are entitled to receive the County's \$100 monthly contribution to the single

insurance VEBA account and the County's \$200 monthly contribution to the family insurance VEBA account effective January 1, 2006.

RATIONALE

Both Parties have submitted final positions for the adoption of the VEBA Plan. The only issues before the Arbitrator relate to the effective date of the County's contributions to the VEBA plan and a 2006 wage setoff, with the latter already been awarded in favor of the Union in the wage section of the Arbitrator's decision.

The first issue before the Arbitrator relates to whether the County's contributions to the VEBA plan including both the premium contribution and the monthly \$100/\$200 contributions to the VEBA account should be effective January 1, 2006 as proposed by the Union or on the first of the month following receipt of the arbitration award as proposed by the County.

The second issue relates to whether the difference between the County's share of the costs of the VEBA plan and First Dollar Plan should be subtracted from the general wage increase that employees receive from January 1, 2006 to the first of the month following receipt of the arbitration award.

By virtue of its final position, the Union is seeking to receive the County's \$100 monthly contribution to the single insurance VEBA account and the County's \$200 monthly contribution

to the family insurance VEBA account effective January 1, 2006. This would result in the Sheriff's Department bargaining unit realizing the benefit of the VEBA plan for the first six months of 2006 when the unit members did not participate in the VEBA plan during that period of time.

The Employer alleges that in order to prevent the unjust enrichment of members of the Sheriff's Department unit, the implementation of the monthly \$100/\$200 contributions to the VEBA account should be effective on the first of the month following receipt of the Arbitrator's award, which will be July 1, 2006, concurrent with the implementation date of the VEBA plan.

The County's position relating to a 2006 wage setoff is similar with its approach in negotiations with all bargaining units wherein the County established a deadline for the ratification of the collective bargaining agreements so that the VEBA plan could be implemented January 1, 2006. The County's negotiated agreements with the AFSCME Courthouse unit and AFSCME Road and Bridge Technical unit include the VEBA Plan. The Courthouse and Road and Bridge Technical units had the modified health insurance article in place since January 1, 2006. In contrast, members of the Sheriff's Department unit have continued to receive higher contributions under the previous First Dollar Plan. Specifically, from January 1, 2006 to July 1, 2006, the

County will have already paid the single and family insurance coverage contributions associated with the more expensive First Dollar Plan for members of the Sheriff's Department bargaining unit.

It is noteworthy, however, that for the AFSCME Road and Bridge Highway unit, the County agreed not to enforce a wage setoff given the fact that there was only a one month delay in the implementation of the VEBA plan for Road and Bridge Highway unit members. Thus, it is clear that the County made an exception to one bargaining unit, and there is no valid reason for the County to not make the same exception for six months to this bargaining unit. This is warranted by the fact that during negotiations the Union agreed to make the switch to the new VEBA plan effective January 1, 2006, but the Employer refused because the Union did not settle the issue of wages along with insurance. Consequently, the Union should not be penalized for pursuing their legal claims in interest arbitration, which would have been result if the Employer's position had been sustained on this issue. The Employer's proposed penalty would be contrary to the intent under PELRA for essential employees, such as the Sheriff's Department bargaining unit, to have their disputes resolved before an impartial interest arbitrator, since they do not have the legal right to strike for their rights.

ISSUE FOUR: ARTICLE IX, OVERTIME AND ON-CALL PAY

RELEVANT CURRENT CONTRACT LANGUAGE - ARTICLE IX

Section D. (Amended 1990) Each full-time deputy shall receive \$125.00 (1990) and \$150.00 (1991) per month on-call pay. Effective July 1, 2002, the on-call pay shall be \$200.00 per month. Effective January 1, 2003, the on-call pay shall be \$250.00 per month. Employees other than full-time deputies who are required to be on-call shall receive \$1.00 per hour for each hour he/she is required to be on call with a limit of \$100.00 per month...

COUNTY POSITION

The County proposes to retain the current contract language in Article IX, Section D by maintaining the existing \$250 per month on-call payment for full-time employees and the \$1.00 per hour on-call payment for part-time employees with the \$100 per month limit.

UNION POSITION

The Union proposes to change Article IX, Section D so that full-time employees will be paid \$350 per month for on-call duties, and part-time employees who are assigned on-call duties will be paid \$1.50 per hour of on-call, up to a maximum of \$150 per month.

AWARD

Change Article IX, Section D so that full-time employees will be paid \$282 per month for on-call duties. Maintain the

existing \$1.00 per hour on-call payment for part-time employees with the \$100 per month limit.

RATIONALE

On-call pay is unique to only the employees in the Sheriff's Department, as no other County employees are required to be on-call or receive this payment for being on-call.

The instances in which Sheriff's Department employees are subject to being on-call has generally remained the same over time. The responsibilities and duties associated with being on-call have not increased or changed since the predecessor collective bargaining agreement. As a result, the Parties historically have not regularly increased the on-call payment amount. For example, the on-call payment for full-time employees was voluntarily maintained by the Parties at \$150 per month for ten years from 1991 to 2001. The on-call payment was increased to \$250 three years ago in 2003 by agreement of the Parties.

The external comparability, however, establishes that comparable counties pay an average of \$282 per month for employees being on-call compared to only \$250 per month in the County. Thus, the Parties' 2003 agreement of \$250 per month is no longer keeping pace with the comparable counties and a \$32 per month on-call adjustment is justified.

There was no external data pertaining to part-time employees being on-call. Consequently, there is no evidence to justify increasing the on-call payment to part-time employees.

ISSUE FIVE: ARTICLE XII, HOLIDAYS

CURRENT CONTRACT LANGUAGE - ARTICLE XII

Section A. All hours worked on Christmas Eve from 4:00 p.m. to 12:00 p.m. shall be paid at time and one-half (1 1/2) the employee's regular rate of pay.

Section B. (Amended 1986) Regular employees will be allowed to take eleven (11) days off each year with pay for holidays as arranged with the Sheriff. These days may not be carried over into the next year.

Section C. (1988) Up to two (2) holidays accrued by an employee but not taken by the date of termination of employment shall be paid to the employee at the date of termination.

COUNTY POSITION

The County proposes to retain the current language of the collective bargaining agreement.

UNION POSITION

The Union proposes that Article XII, Section A be changed as follows:

All hours worked on Thanksgiving Day, Christmas Eve (4 p.m. to 12 midnight), and Christmas Day, will be paid at double time rates.

AWARD

Retain the current language of the collective bargaining agreement in Article XII, Holidays.

RATIONALE

Based on the existing Contract language of Article XII, Holidays, Sheriff's Department employees are allowed to take 11 days off with pay each year as holidays. Additionally, in accordance with Article IX, Overtime, Section A, Sheriff's Department employees receive time and one-half (1 1/2) their regular rate for all work performed on these 11 holidays, in addition to work performed during the evening of Christmas Eve as provided in Article XII, Section A.

The Union is proposing to enhance the holiday overtime benefit that Sheriff's Department employees would receive by having three "family holidays" - Christmas, Christmas Eve and Thanksgiving be paid at double time rates if the employee is required to work on the holiday. The Sheriff's Department employees are the only County employees required to work on these "family holidays" unless the snowplow drivers are called out. Snowplow drivers receive time and one-half their regular wage rate if called out during these holidays.

The Union argues that additional compensation in the form of double time is only fair since no other County department is required to have employee coverage 24 hours a day, seven days per week. Yet, the Parties have voluntarily agreed during negotiations of past and current collective bargaining agreements

for at least the last 15 years to preclude Sheriff's Department employees from receiving double time for working Thanksgiving, Christmas Day and the evening of Christmas Eve. These employees have always received time and one-half their regular rate of pay for working these "family holidays." The Parties' voluntarily historical agreements to exclude such a double time provision for any holidays, including "family holidays", demonstrates the Parties willingness to maintain the historical practice.

While it is true that Sheriff's Department employees required to work on these "family holidays" sacrifice time away from their families on these important holidays, other similar employees in the comparable counties also make the same sacrifice. None of the comparable counties in Economic Region 6W provide employees with double time for working on Thanksgiving Day, Christmas Day or the evening of Christmas Eve. Thus, based upon external equity the Union's proposal is not justified.

Both the Union and Employer representatives are to be complimented on their professional and courteous conduct at the hearing and the comprehensiveness of their oral and written presentations.



Richard John Miller

Dated June 24, 2006, at Maple Grove, Minnesota.