

The County and Union (hereinafter referred to as the "Parties") are signatories to an expired collective bargaining agreement that existed from January 1, 2003 to December 31, 2005.

The Parties entered into negotiations for a successor contract. The Parties negotiated and mediated but were unable to all of the outstanding issues. As a result, on January 31, 2006, the Bureau of mediation Services (BMS) received a written request from the Union to submit the unresolved issues to conventional interest arbitration. On February 28, 2006, the BMS determined that the following items were ready for arbitration pursuant to M.S. 179A.16 and Minn. Rule 5510.2930:

1. Wages - Amount of Adjustment 2006 - Article 24.6
2. Wages - Amount of Adjustment 2007 - Article 24.6
3. Wages - Amount of Adjustment 2008 - Article 24.6

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 June 22, 2006, at 9:00 a.m. at the County Government Center-West, St. Paul, 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 postmarked on July 10, 2006, and received by the Arbitrator on July 12, 2006, after which the record was considered closed.

ISSUE ONE: WAGES- AMOUNT OF ADJUSTMENT 2006 - ARTICLE 24.
ISSUE TWO: WAGES- AMOUNT OF ADJUSTMENT 2007 - ARTICLE 24.6
ISSUE THREE: WAGES- AMOUNT OF ADJUSTMENT 2006 - ARTICLE 24.6

UNION POSITION

1. Wages - Amount of Adjustment 2006:

24.6 The following general wage increases will be applied to the wage rates in effect on December 31, 2005:

January 1, 2006 - Wages will be increased by 5.67% for Step 1, 5.35% for Step 2, 5.41% for Step 3, and 6.62% for Step 4.

2. Wages - Amount of Adjustment 2007:

24.6 The following general wage increases will be applied to the wage rates in effect on December 31, 2005:

January 1, 2006 - Wages will be increased by 5.67% for Step 1, 5.35% for Step 2, 5.41% for Step 3, and 6.62% for Step 4.

January 1, 2007 - Wages will be increased by 3.5%.

3. Wages - Amount of Adjustment 2008:

24.6 The following general wage increases will be applied to the wage rates in effect on December 31, 2005:

January 1, 2006 - Wages will be increased by 5.67% for Step 1, 5.35% for Step 2, 5.41% for Step 3, and 6.62% for Step 4.

January 1, 2007 - Wages will be increased by 3.5%.

January 1, 2008 - Wages will be increased by 3.5%.

COUNTY POSITION

24.6 The following wage increases will be applied to the wage rates in effect on March 1, 2005:

Effective March 1, 2006, increase wages by 2%
Effective March 1, 2007, increase wages by 2%
Effective March 1, 2008, increase wages by 1.5%
Effective July 1, 2008, increase wages by 1.5%

All general salary increases will be effective the first full pay period following the effective date.

AWARD

The Employer's position is sustained.

RATIONALE

Employees promote to the Deputy Sheriff-Sergeant ("Sergeant") position from the classification of Deputy Sheriff. The Sergeant pay ranges has four steps, including an entry step, a 10 year step, a 15 year step and a 20 year step. Movement to the 10, 15 and 20 year steps is based on total length of County service.

The Union's goal in this arbitration was to widen the gap between the positions of Sergeant and Correctional Officer 3 ("CO3"). The Union's final position for increases of 5.67% at Step 1, 5.35% for Step 2, 5.41% for Step 3 and 6.62% for Step 4 effective January 1, 2006, along with general wage increases of 3.5% for both 2007 and 2008, represents their intent to achieve this goal by widening the gap between the positions to approximately 10%.

The Union cites justification for their position due to a negative gap between the positions, whereby the Sergeants make

.55% less at the maximum salary than CO3s. The Union asserts that licensed supervisors (Sergeants) should be paid more than unlicensed employees (CO3s).

The comparison of licensed Sergeants to unlicensed CO3s is not as valid as comparing licensed Sergeants to licensed Sergeants in other comparable counties. Arbitrators strive to compare similar or same positions to those in other comparable jurisdictions. Most certainly, comparing licensed employees to unlicensed employees in the same jurisdiction is less comparable than a licensed to licensed comparison in comparable counties.

The Parties agree that Ramsey County should be compared to the other six metropolitan counties of Anoka, Carver, Dakota, Hennepin, Scott and Washington. This agreement is consistent with previous interest arbitration cases dealing with County law enforcement employees.

Even assuming arguendo that the Arbitrator should compare licensed Sergeants to unlicensed CO3s, the evidence establishes that differentials ranging from 3.92% to 34.1% between Sergeant and CO3, or its equivalent, are found among the other six counties in the seven county metropolitan area, with an average differential of 15.5%.

While this differential is noteworthy, Ramsey County pays significantly more than all but one of those counties for CO3s

and that the first 8 years, the 20 year step and the range maximum are above all of the comparable counties. While Sergeants make .55% (\$369) less at the maximum salary (25 years) than CO3s, this comparison might support the freezing or even lowering of the CO3 wage rate, but it does not provide a valid reason to raise the Sergeants pay. The main reason for this disparity at the maximum salary is that the Sergeants used to have a 25 year step like the CO3s, but it was negotiated out of the Sergeant contract some years ago in exchange for another benefit.

Whatever disparity exists at the maximum salary is mitigated by the fact that comparing the career of a CO3 and a Sergeant, both hired at the same time, at the entry rate, and moving through the pay scale at the prescribed intervals, shows that after 24 years, the Sergeant would have made \$67,079 more than the CO3. The Sergeant would make only \$369 per year less after 25 years than a CO3 due to the lack of the 25 year step, which was voluntarily removed from the Sergeant contract several years ago.

The Union also argues in favor of their position by the data contained in the County's most recent Pay Equity Compliance Report, which was issued in February of 2006. According to this data, the Sergeants have a job point value of 935 points. The

CO3s have a job point value of 870, yet they earn more at the maximum salary.

There are several different types of CO3s, including the CO3 - Cook and CO3 - Nursery Coordinator. Both types of CO3s earn more than the Sergeants but have even lower job point values than the general CO3. Essentially, the CO3 - Cook supervises the kitchen. It has a job point value of 855. The position does require experience as a correctional officer. The CO3 - Nursery Coordinator position has a job point value of 855. It is essentially a gardening position. It does not require experience or training as a correctional officer. Yet this position earns more than a Sergeant.

There are numerous other unrelated positions with less job points than the Sergeants but are paid higher. The Deputy Sergeants are the lowest paid job class with a job point value of 935. The Union does not contend that the Pay Equity Act requires that all job classifications with the same job point values be paid the same wages. However, the Union asserts that these disparities in the Pay Equity Compliance Report shows that the Sergeants are not being compensated in a fair manner compared to other County employees with similar job point values.

The evidence clearly shows that some jobs with the same or similar point values as a Sergeant have a higher maximum pay rate

than the Sergeant. However, a review of the Pay Equity Compliance Report shows that at every level, not all jobs with the same or similar point values have the same or similar maximum salary. Such exact correlation between point values is not required for Pay Equity compliance. It is undisputed that Ramsey County is in Pay Equity compliance.

The County's final position is consistent with the negotiated settlements reached for 2006-2008 collective bargaining agreements with the fourteen bargaining units that have settled for the years 2006-2008. The County's final position is also consistent with the wage adjustments made for non-represented employees for 2006-2008.

It is significant to note that among those settled bargaining units, Correctional Officers 1 and 2, represented by the Union, are essential employees, along with another unit of essential employees, the Assistant County Attorneys. The employees in the units with settled contracts represent 91% of the County's represented workforce. It is clear that both essential and non-essential employees, along with non-represented employees have overwhelmingly agreed to the Employer's position offered in this case. Thus, it is difficult for the Arbitrator to deviate from the pattern of wage adjustments that has been negotiated with bargaining units representing 91% of the County's

represented workforce, and has also been applied to non-represented employees based on the Union's argument that Sergeants receive less pay than others with same or similar Pay Equity point values within the County.

The external comparisons show that for the year 2006, the County's final position keeps the County within the mainstream of wage rates among the other six counties in the seven county metropolitan area. In fact, Ramsey County will be about \$31 per month above the average at maximum pay among the comparables. Although some of the comparable counties have a higher pay range than the County, the differences are not sufficient to justify deviation from the internal comparison with 91% of represented employees.

The only known wage settlement for 2007 is in Hennepin County. At the hearing, the Employer provided information that Hennepin County had received 0% wage increases for 2004 and 2005, and 2.5% increases for 2006 and 2007, except that the top of the pay range was increased by 4% for 2006 and 2007. The Employer's wage settlement for the Sergeants for 2004 was 2% and for 2005, 2%. Taking that together with the Employer's proposal of 2% for each of the two years, 2006 and 2007, results in an increase of 8.24%, including compounding, for the four year period. Hennepin County's wage increases for the same four year

period, for all but the top of the pay range, result in an increase of 5.06%, including compounding, for the four year period. The four year increase for the top of the pay range is 8.16%, including compounding. Consequently, there is no compelling or convincing reason based on this single comparison for deviating from the Employer's established wage pattern for 2007 of 2%.

There is no external settlement data for 2008. As a result, the Employer's proposal of 1.5% effective the first full pay period following March 1st and an additional 1.5% effective the first full pay period following July 1st is justifiable since it is the same as the wage pattern established and approved for 91% of the represented employees and the non-represented employees of the County. The Union provided no rationale for the 3.5% proposal, except that it would increase further the differential between the Sergeant and CO3.

Clearly, it is not necessary to award the Union's wage proposal in any of the three years in order to maintain the County's competitive salary position with respect to comparable counties.

The Employer's request for delayed wage increases in each of the three years is justified not only based on the pattern of delayed increases negotiated with fourteen bargaining units for

2006-2008, and applied to the non-represented employees, but also the previous agreement with the Sergeants. The Sergeants agreed to delayed increases in their contract covering the years 2003-2005. These increases were 2% effective March 15, 2003, 2% effective March 1, 2004, and 2% effective March 1, 2005. Under the Employer's final position, the Sergeants would receive an increase effective approximately one year after their most recent increase, with the next two increases also at approximately one-year intervals.

The County's experience with recruitment of Sergeants and retention of Sergeants does not support the dramatic increase wage proposed by the Union. The evidence shows that from the years 2001 through 2005, the Employer has had no difficulty recruiting applicants for Sergeant positions, nor in obtaining an adequate list of successful job applicants from which to select Sergeants. These applicants have come from among Deputy Sheriffs employed by the County. The data shows that the great majority of Sergeants who leave County employment leave through retirement, and that those who retire have an average of 13 years of employment with the County. These statistics on recruitment and retention illustrate that the Employer has been fair with Sergeants in the past and the County's wage proposal for 2006-2008 will maintain this fairness.

Both Parties are to be complimented on their professional conduct at the hearing and the comprehensiveness of their written and oral presentations.

Richard John Miller

Dated August 9, 2006, at Maple Grove, Minnesota.