

**IN THE MATTER OF INTEREST ARBITRATION BETWEEN**

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**BUTTE POLICE PROTECTIVE  
ASSOCIATION,**

Union,

and

**CITY-COUNTY OF BUTTE-SILVER BOW,**

Employer.

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**OPINION AND AWARD**

**Before:** Carl C. Bosland, Esq., Interest Arbitrator

**APPEARANCES**

For the Union: Nate McConnell, Esq.  
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For the Employer: Cynthia L. Walker  
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**Hearing:** August 20-23, 2024

**Close of Record:** November 16, 2024

**Date of Award:** December 12, 2024

**AWARD SUMMARY**

The Employer's last, best, and final offer should, and hereby is, selected.

## **INTRODUCTION**

This interest arbitration arises between the BUTTE POLICE PROTECTIVE ASSOCIATION (“BPPA or “the Union”) and the BUTTE-SILVER BOW CITY-COUNTY (“BSB” or “the Employer”). CARL C. BOSLAND, Esq., was selected to serve as Interest Arbitrator.

At the hearing held on August 20-23, 2024, in Butte, Montana, the parties had the opportunity to examine and cross-examine witnesses, introduce relevant testimony and exhibits, and argue the issues in dispute. The hearing was transcribed. By agreement, the parties submitted closing briefs by November 18, 2024.

## **BACKGROUND**

The Employer is a consolidated city/county government with a population of 36,000, 35,000 of whom live within the Butte city limits. The Employer provides law enforcement services, including police, detention, and 911 dispatch, to the residents of BSB. The BPPA represents police, detention officers, and dispatchers of the BSB Law Enforcement Department, excluding the Sheriff, his immediate subordinates, and Captains. At the time of the arbitration hearing, the law enforcement bargaining unit consisted of 46 of 47 sworn officer positions, 21 of 28 detention officer positions, and 11 of 12 dispatcher positions. For FY2024, the Employer reached 4% wage increase agreements with 15 of its 17 other BSB unions and 3% wage increase agreements with 7 unions for FY2025. The BSB FY2025 budget for law enforcement services is \$8,768,619.

BSB police officers and detectives work alternating 12-hour shifts, with three shifts one week and two shifts the following week. Detention officers follow a rotating 12-hour shift schedule, working three days on and three days off. There are four detention officers assigned per shift at the Butte Detention Center. Dispatchers work 1,946 hours per year, following a schedule of six days on and three days off, with each shift being 8 hours long and staffed by two dispatchers.

The BPPA and BSB have engaged in successive collective bargaining agreements, the most recent covering July 1, 2022, through June 30, 2023. In May 2023, the parties began negotiating a successor agreement. The BPPA initially sought a 14% wage increase for Year 1, but BSB responded with a 4% offer. The BPPA then countered with a 10% increase, which BSB again

rejected and reiterated its 4% proposal. Negotiations continued from May to September 2023, during which the parties tentatively agreed on several issues, including holdover premium pay, increases to the Employer's monthly maximum health insurance premium contributions, and a 2-year contract term of July 1, 2023, to June 30, 2025. However, wages for the first and second years of the contract remained unresolved.

In September 2023, the parties agreed to participate in mediation, which took place from October 2023 through February 2024, but it was unsuccessful. Around March 2024, the parties acknowledged an impasse and agreed to proceed to arbitration. After selecting the interest arbitrator, the parties held a pre-arbitration conference on August 14, 2024, to exchange their last final, and best offer packages. The interest arbitration took place August 20-22, 2024, where each side presented evidence and testimony supporting their respective wage proposals. Wages are the only remaining item in dispute.

### **LAST, BEST, AND FINAL OFFERS**

#### **BBPA Last Best and Final Offer**

BBPA's last best offer on wages is an 8.5% wage increase to base pay retroactive to July 1, 2023, for Year 1, and a 4% wage increase to base pay plus a wage opener for Year 2 retroactive to July 1, 2024.

#### **BSB Last Best and Final Offer**

BSB's last best offer on wages is a 4% increase to base pay retroactive to July 1, 2023, for Year 1, and a 3% increase to base pay retroactive to July 1, 2024, for Year 2.

### **ISSUE**

The parties agreed on the following statement of the issue to be decided:

**Which party's last best offer regarding annual wage increases is appropriate for the two-year contract term of July 1, 2023, through June 30, 2025?**

## **RELEVANT LEGAL AND CONTRACTUAL LANGUAGE**

### **Mont. Code Ann. 39-31-503(1)**

#### **39-31-503. Binding arbitration -- policy.**

(1) It is the policy of the state that because the right of police officers to strike is prohibited by 39-31-501, it is necessary to the high morale of police officers and to the efficient operation of police departments to provide an alternative, expeditious, and effective procedure for the resolution of labor disputes through binding arbitration

### **Mont. Code Ann. 39-31-504(b)**

#### **39-31-504. Selection of arbitrator – procedure – cost sharing**

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(b)(2) The arbitrator shall establish the dates, times, and places of hearings. The arbitrator may issue subpoenas. Within 14 calendar days prior to the date of a hearing, each party shall submit to the other party a written last best offer package on all unresolved mandatory subjects. The last best offer package may not be changed. The arbitrator may administer oaths and shall afford the parties the opportunity to examine and cross-examine all witnesses and to present evidence relevant to the dispute.

(b)(3) The arbitrator shall decide the unresolved mandatory subjects contained in the last best offer package. The arbitrator shall base findings and opinions on the criteria listed in subsections (3)(a) through 3(h). Primary consideration must be given to the criteria in subsection (3)(a). The criteria are:

- (a) the interest and welfare of the public;
- (b) The reasonable financial ability of the unit of government to meet the costs of the proposed contract, giving consideration and weight to the other services provided by the unit of government, as determined by the governing body of the unit of government;
- (c) the ability of the unit of government to attract and retain qualified personnel at the wage and benefit levels provided;
- (d) the overall compensation presently received by the police officers, including direct wage compensation, holiday pay, and other paid excused time, insurance, and all other direct and indirect monetary benefits;
- (e) comparison of the overall compensation of other police officers in comparable communities with similar populations in Montana and contiguous states.
- (f) inflation as measured by the consumer price-index, U.S. city average, commonly known as the cost of living;
- (g) the stipulations of the parties; and
- (h) other facts, consistent with subsections (3)(a) through (3)(g), that are traditionally taken into consideration in the determination of wages, hours, and other terms and conditions of employment. However, the arbitrator may not use other factors if, in

the judgment of the arbitrator, the factors listed in subsections (3)(a) through 3(g) provide a sufficient basis for an award.

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(b)(4) Within 30 days after the conclusion of the hearings or an additional period agreed upon by the parties, the arbitrator shall select only one of the last best offer packages submitted by the parties and shall make written findings along with the opinion and order. The opinion and order must be served on the parties and the board of personnel appeals. Service may be made by personal delivery or by certified mail. The findings, opinions, and order must be based upon the criteria listed in subsection (3).

#### **Mont. Code Ann. 7-1-4111. Classification of municipalities**

- (1) Every city having a population of 10,000 or more is a city of the first class.
- (2) Every city having a population of less than 10,000 and more than 5,000 is a city of the second class.
- (3) Every city having a population of less than 5,000 and more than 1,000 is a city of the third class.
- (4) Every municipal corporation having a population of less than 1,000 and more than 300 is a town.

#### **Mont. Code Ann. 7-4112. Exceptions from the classification system.**

Notwithstanding the provisions of 7-1-4111:

- (1) every municipal corporation having a population of more than 9,000 and less than 10,000 may, by resolution adopted by the city council pursuant to 7-1-4114 through 7-1-4118, be either a first-class city or a second-class city;
- (2) every municipal corporation having a population of more than 5,000 and less than 7,500 may, by resolution adopted by the city council pursuant to 7-1-4114 through 7-1-4118, be either a second-class city or a third-class city; and
- (3) every municipal corporation having a population of more than 1,000 and less than 2,500 may, by resolution adopted by the city or town council pursuant to 7-1-4114 through 7-1-4118, be either a city or town.

#### **Collective Bargaining Agreement**

##### **Article 1 – Recognition**

The Employer recognizes the Union as the sole and exclusive bargaining agreement for those employees that are employed by the Butte-Silver Bow Law Enforcement Department, consisting of all uniformed and investigatory officers including the ranks of Sergeant and Lieutenant and all 911 Communications Officers and Detention Officers, excluding the Sheriff and immediate subordinates and Captains.

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## Article 8 – Metropolitan Police Law

The parties hereto agree and recognize that the Law Enforcement Department is subject to the regulations of the Metropolitan Police Law of the State of Montana as set forth in Title 7, Chapter 32, Part 41 MCA, and any ordinance that has been adopted by the Local Government of Butte-Silver Bow, not in conflict therewith.

### **ANALYSIS AND FINDINGS**

Under Montana law, interest arbitrators must choose one of the final contract proposals submitted by the parties, and then issue written findings, an opinion, and a binding order. Mont. Code Ann. §39-31-504(4). The goals of binding arbitration are to maintain high morale among police officers and ensure the efficient operation of police departments by providing an alternative, expeditious, and effective procedure for resolving labor disputes through binding arbitration. Mont. Code Ann. §39-31-503(1).

Montana law requires that the interest arbitrator decide the unresolved mandatory subjects contained in the last best offer package based on the criteria listed in subsections (3)(a) through 3(h), with primary consideration given to the interest and welfare of the public. The criteria are:

- (a) the interest and welfare of the public;
- (b) The reasonable financial ability of the unit of government to meet the costs of the proposed contract, giving consideration and weight to the other services provided by the unit of government, as determined by the governing body of the unit of government;
- (c) the ability of the unit of government to attract and retain qualified personnel at the wage and benefit levels provided;
- (d) the overall compensation presently received by the police officers, including direct wage compensation, holiday pay, and other paid excused time, insurance, and all other direct and indirect monetary benefits;
- (e) comparison of the overall compensation of other police officers in comparable communities with similar populations in Montana and contiguous states.
- (f) inflation as measured by the consumer price-index, U.S. city average, commonly known as the cost of living;
- (g) the stipulations of the parties; and
- (h) other facts, consistent with subsections (3)(a) through (3)(g), that are traditionally taken into consideration in the determination of wages, hours, and other terms and conditions of employment. However, the arbitrator may not use other factors if, in

the judgment of the arbitrator, the factors listed in subsections (3)(a) through 3(g) provide a sufficient basis for an award.

At the time of the interest arbitration hearing, the parties had reached tentative agreements on all issues except wages. The Union proposed an 8.5% wage increase to base pay retroactive to July 1, 2023, for Year 1, and a 4% wage increase to base pay plus a wage opener for Year 2, retroactive to July 1, 2024. In contrast, the Employer proposed a 4% increase to base pay retroactive to July 1, 2023, for Year 1, and a 3% increase to base pay retroactive to July 1, 2024, for Year 2.

The parties submitted cost estimates of their proposals. BSB estimated that its offer of a 4% retroactive wage increase in the first year and a 3% retroactive wage increase in the second year would cost \$604,606.50. The BPPA estimated that its proposal of an 8.5% retroactive wage increase in the first year and a 4% retroactive wage increase in the second year would cost \$1,287,899.85. Neither the BPPA nor the BSB assigned an estimate to the Union's proposed wage opener in the second year. Without the wage opener, the Union asserted that the difference between the two proposals for the 2-year contract is \$616,791.78.

### **Overall Compensation Presently Received**

#### **Union**

The Union claims the 2024 base pay for all Union law enforcement employees is \$5,036,870.54. The Union compares its wage proposals in three ways: 1) wages only, 2) wages plus indirect benefits like overtime cash-out, holiday bank, and clothing allowance, and 3) wages, indirect benefits, and retirement, workers' compensation, and Medicare.

The Union determined the total cost of BSB's 2-year proposal to be \$671,108.07. In contrast, the BPPA claimed the total cost of its 2-year proposal as \$1,287,899.85. According to the Union, the difference between the BSB and BPPA proposals is \$616,791.78, or \$732,972 when factoring in benefits tied to wages. The Union noted that BSB represented the total cost of its proposal as

\$604,606.50. The Union rejected BSB's excuse for not calculating the Union's second-year 4% proposal because it included a wage opener.

### Employer

The Employer argues that the overall compensation currently received by BPPA members strongly supports adopting BSB's wage proposal. According to the Employer, the proposed 7% wage increase for FY2024-2025, combined with BPPA members' existing annual cost-of-living adjustments and automatic step increases, provides adequate compensation. The Employer asserts that BPPA members' total compensation includes numerous additional benefits, such as a fitness incentive, special premiums for call-backs and job-related hearings, shift differentials, tactical response team pay, training pay, canine officer maintenance pay, holiday emergency pay, uniform allowances, EMT certification pay, holiday pay, health plan contributions, sick leave buyback, and pension contributions equating to 44% of wages. The Employer also cited the additional 104 hours of work per year for patrol officers under the new Pittman work schedule, as well as opportunities for extra duty pay for special events, as further sources of overall compensation for BPPA members.

### Analysis and Findings

The Union's inclusion of a wage opener in its wage proposal frustrates the analysis of this factor. A "wage opener" allows a party to reopen wage negotiations at a specified time during the contract's lifespan, essentially giving them the right to renegotiate mid-contract wage rates. As proposed, the Union's wage opener in Year 2 does not limit the scope of what it might seek as additional wages, if any. The record is void of agreements or bargaining history reflecting what the Union had sought in the past when it exercised a mid-contract wage opener. Indeed, there was no evidence presented that the parties had ever agreed to a mid-contract wage opener. As a consequence of the inclusion of a wage opener that can be exercised after the interest arbitration, the true cost of the Union's 2-year wage proposal is unknown.

The Union's focus on the cost of the known 12.5% wage increase to determine the total cost of the Union's wage proposal does not resolve the matter. The wage opener in Year 2 remains, and,



as such, so does the unknown true cost of the Union's complete 2-year wage proposal. If the Union exercises the wage opener option, the data it provided during the interest arbitration about the cost of its wage proposal will be understated. Even assuming, *arguendo*, the accuracy of the Union's wage proposal cost calculations based on the known 12.5% part of their Last, Best, and Final Offer, because those calculations do not factor in the wage opener, they are incomplete and, therefore, inaccurate. In contrast, cost calculations based on the Employer's Last, Best, and Final Offer including definitive percentage wage increases, are complete.

The Union argued that the Employer was remiss in not calculating the Union's Year 2 wage proposal based on the known 4% wage increase because of the presence of the wage opener. BSB Finance Director Hassler testified that she would not speculate about the Union's Year 2 cost because of the wage opener. The Union argued that the BSB could have calculated the 4% based on information provided by the Union since the impasse and with the Union's hearing exhibits. For the reasons set forth above, the Union's argument is not persuasive. Calculation of the known 4% Year 2 wage proposal would have provided additional information to compare against the Union's known 12.5% proposal, but that information would not provide a complete picture of the true cost of the Union's wage proposal because of the Union's ability to increase that amount through the wage opener.

This factor supports the Employer's wage proposal.

### **Ability to Pay**

#### **Union**

The Union argues that BSB can afford the BPPA's proposal. According to the Union, in 2023, BSB law enforcement spent \$191,033 less than its budget, and in 2024, it spent \$3.3 million under its law enforcement budget. Additionally, the Union contends that BSB plans to increase its law enforcement appropriation by \$1.2 million in FY2025. The Union asserts that unspent budgeted money becomes part of BSB's reserves, and Montana law requires BSB to maintain a 16% budgetary reserve. The Union claims that between 2023-2024, BSB exceeded its required reserves by \$1.93 million. Furthermore, the Union contends that because BSB included a 4% wage increase

in the FY2024 budget, the amount exceeding the required reserves more than covers the \$616,791.78 cost difference in the parties' wage proposals.

The Union argues that BSB did not outright claim an inability to pay, but rather emphasized that the cost of the Union's proposal was not within the current budget. The Union asserts that arbitrators have held that an employer cannot avoid a wage increase simply because it had not budgeted for it. Additionally, the Union contends that BSB did not present evidence that it would need to cut programs or lay off employees if the Union's proposal were selected. The Union states that Chief Executive Gallagher conceded that BSB could levy more mills to fund the increase if necessary.

### Employer

The Employer argues that BSB's inability to afford the BPPA's wage proposal strongly supports adopting BSB's proposal instead. Specifically, the Employer claims BSB cannot pay the Union's proposed 12.5% wage increase plus an unspecified second-year wage reopener.

The Employer argues that property taxes are the most important source of revenue for BSB. They claim that BSB has the lowest property tax assessment of any urban area in Montana, despite a rise in residential property values in 2023. The Employer states that centrally assessed funds for utilities, railroads, and telecommunications have decreased considerably. The Employer forecasts only modest growth for BSB's economy, significantly less than other Montana urban areas. Another major revenue source for BSB is the gross proceeds tax on mining. The Employer asserts that BSB experienced a \$700,000 decrease in this tax revenue in FY2024. The Employer contends that the fluctuating nature of the mining gross proceeds tax significantly impacts BSB's ability to rely on that revenue to plan and meet its expenses.

The Employer claims that BSB has significant expenses, with wages and benefits being the largest portion. Other major expenses include utility costs, public works costs, and property and liability insurance. According to the Employer, BSB's payroll costs \$1.7 million every two weeks, and its monthly operating costs can range from \$1.1 million to \$3.5 million. Additionally, Montana law requires BSB to maintain reserve levels of at least 16% for all tax-supported and special assessment funds. The Employer argues that these reserves cannot be used for wage increases.

The Employer argues that the American Rescue Plan Act (ARPA) funding received in response to COVID-19 cannot be used for long-term recurring costs like salaries and benefits. Instead, the Employer claims ARPA funds were used to finance one-time projects, such as repairing dams, wastewater systems, roads, and storm drainage, as well as purchasing law enforcement vehicles. This was done to avoid impacting the general fund. The Employer further contends that all ARPA funds must be expended by December 31, 2026.

The Employer argues that to generate revenue BSB must responsibly exercise its ability to levy mills. According to the Employer, BSB reduced the number of mills levied last year by \$3.5 million to offset the increased burden on taxpayers caused by the State's failure to adjust rates to help offset increases in property taxes. This year, BSB is assessing the same number of mills. Additionally, BSB experienced a \$3 million increase to its public safety budget in FY 2023. As a result, the Employer claims that BSB was forced to use reserve funds to balance its budget for FY2023 and FY2024.

The Employer argues that, compared to other Montana communities, BSB is limited in its ability to generate tax revenue. According to the Employer, to receive the same revenue BSB would need to levy two mills to match one mill levied by Lewis & Clark County, and five mills to match Kalispell's one mill. The Employer asserts this significantly impacts BSB's financial capacity to meet the BPPA proposal.

The Employer contends that money budgeted for vacant positions within the BPPA cannot be used for wage increases. According to the Employer, savings due to vacant positions become part of the reserve which helps offset what BSB would need to raise in tax dollars to balance the budget the following year. The Employer asserts that, contrary to representations by the BPPA, BSB did not overspend its 2022 law enforcement budget or underspend its 2024 law enforcement budget.

The Employer argues that the BPPA's reliance on a 2022 BSB Salary Survey & Economic Outlook is misplaced, as it does not support the BPPA's proposed wage increases. The Employer contends that the Survey's recommendation of an 8% increase for BSB's nonunion employees is unfounded. Furthermore, the Employer asserts that the 2022 Survey significantly changed since it was first

provided, and was never actually adopted by BSB. As a result of the Survey, the Employer states BSB increased wages for nine nonunion positions at a total cost of slightly over \$35,000.

The Employer asserts that adopting the BPPA's Year 1 wage proposal would cost BSB at least \$400,000 more than their current budget can accommodate. According to the Employer, this would force BSB to request additional budget authority from the Council of Commissioners and seek their approval to cover the increased wages using budget reserves - funds not intended for recurring costs like wages. This public process would also require BSB to raise the number of mills levied the following year to balance the budget and offset the use of reserves. The Employer further claims that BSB is incapable of levying taxes at the rates of other comparable Montana communities.

### Analysis and Findings

An important issue in interest arbitration is the employer's ability or inability to pay wages or benefits. Will Aitchison, Johnathan Downes, & David Gaba, Interest Arbitration, 3<sup>rd</sup> Edition, Ch. 7, *Ability to Pay*, pg. 132 (LRIS Publications, 2022). In public sector cases, with the necessity of continuing to provide adequate public service as a given, an employer's inability to pay can be the decisive factor in a wage award even though comparable employees in the area have agreed to higher wage scales. Id.

Employers who claim inability to pay have the burden of producing sufficient evidence to support their claim. Marlin M. Volz, Edward P. Goggin, Co-Editors, Elkouri & Elkouri: How Arbitration Works, Fifth Edition, Ch. 18, *Standards in Arbitration of Interest Disputes*, pp. 1126-27 (BNA 1997). The alleged inability must be more than speculative, and failure to produce sufficient evidence will result in a rejection of the plea. Id. There must be clear and convincing evidence of the employer's inability to raise revenue to pay for increased wages and benefits. Interest Arbitration, supra, at p. 138-139. It is generally accepted that the employer has the ability to pay for their wage proposal. Id. at p. 135. No. 4.

Factors arbitrators have cited in support of a public employer's plea of inability to pay include evidence of-

- The community's overall poor economic condition.
- The inability of the employer to raise the revenues necessary to pay for increased wages and benefits. Such evidence should focus on a history of prior levy failures, including immediate past attempts and the margin of defeat.
- The public's general unwillingness to provide the revenues necessary for a wage increase.
- A significant reduction in revenues.
- Employee layoffs and program reductions.
- Vital programs are threatened by any increase in wages.
- The bargaining unit has not borne a proportionate share of programmatic cuts or layoffs.
- That other criteria has not overshadowed the employer's claimed inability to pay.

Interest Arbitration, at p. 132-134

Here, the Employer claims it is unable to pay the Union's wage proposal. According to the Employer, it is unable to discern the total cost of the Union's wage proposal due to the inclusion of a wage opener in the second year. The Employer also asserts that it is unable to pay the Union's known 12.5% wage increase.

As addressed above, the Union's inclusion of a wage opener in its wage proposal frustrates the analysis of this factor. As a consequence of its inclusion of a wage opener, the true cost of the Union's 2-year wage proposal is unknown. Because the true cost of the Union's 2-year proposal is unknown at this time, BSB is disadvantaged from fully evaluating its ability or inability to pay for the Union's proposal. Focusing on the known 12.5% wage increase in the Union's proposal to determine the Employer's ability to pay does not resolve the matter. The wage opener in Year 2 remains, and, as such, so does the unknown true cost of the Union's complete wage proposal.

Even assuming, *arguendo*, the Employer failed to establish by clear and convincing evidence that it was unable to pay the known 12.5% part of the Union's wage proposal, the wage opener in Year 2 affords the Union the ability to alter the total percentage wage increase of its Final and Best Offer after the interest arbitration by seeking increased wages mid-contract. Had that wage opener increase been added to the disclosed 12.5% included in the Union's Best and Final Offer,

it may have aggravated existing reasons ,or given rise to new reasons, why the Employer is unable to pay for the Union's true proposed wage increase.

The use of a wage opener exercisable after the interest arbitration masks the true extent of the Union's Last, Best, and Final Offer, thereby depriving the Employer of the ability to fully assess and address its ability to pay. In so doing, the interest arbitrator is also deprived of the ability to fully judge the merits of the Employer's BSB's assertion that it is unable to pay the Union's Last Best, and Final Offer. In contrast, the Employer is assumed to be capable of paying for its proposal.

This factor supports the Employer's proposal.

### **Ability to Attract and Retain Personnel**

#### **Union**

The Union argues that low pay for police officers, detention officers, and dispatchers has led to significant recruitment and retention challenges for BSB. According to the Union, BSB employed 49 police officers, 21 detention officers, and 11 dispatchers within the BPPA bargaining unit. While police and dispatch positions have only one employee below the appropriate level, the Union asserts that detention is seven below the allotted 28 positions.

The Union contends that low wages have led to the loss of experienced police officers. According to the Union, BSB pays its police officers an average of 19% less than other comparable Class 1 Montana cities. The Union asserts that between April 2021 and July 2024, 23 officers left the BSB police force, a significant turnover. This has resulted in 18 of 49 police officers having two or fewer years of experience, a stark departure from historical norms. Only 9 of 49 police officers have between five and ten years of experience, the range both parties agree is preferable, the Union avers. According to the Union, due to this shortage of experienced officers, the Employer has had to promote younger, less experienced officers into supervisory roles. The Union avers that the dearth of veteran police officers has had a detrimental effect on public safety.

The Union argues that low pay has caused a high turnover and callouts of 911 dispatchers, which is detrimental to public safety. According to the Union, BSB allots funding for 12 dispatchers and currently employs 11. Dispatchers work 1946 hours per year on a schedule of six 8-hour days on and three days off. Starting dispatchers earn \$18.75 per hour, the lowest among Class I cities in Montana. The Union claims that BSB dispatchers are paid 18% behind the median wage for other Class I cities. The Union asserts that BSB dog catchers earn \$2.00 more per hour than dispatchers.

The Union claims that low wages have resulted in high dispatcher turnover. According to the Union, of the 12 positions within the call center, at least six have two or fewer years of experience, the Union asserts. Between May 2022 and June 2024, nine dispatchers began work at BSB, and within a year three left their positions. Between January and September 2024, dispatcher callouts – when a dispatcher calls into work to notify the Employer that they will not be showing up for their shift – occurred 174 times. Dispatcher callouts are covered by asking another dispatcher to come in, requiring a dispatcher to stay and work another shift, or by having police officers cover the shift, the Union contends.

The Union argues that detention officer short-staffing is the result of low wages and overcrowding. According to the Union, BSB detention officers are 22% below the median pay of other Class I cities. BSB funds 28 detention officer positions, but only 21 of those positions are filled. Detention officers work four-person shifts for 12 hours per shift on a rotating three-on, three-days-off schedule. The Union asserts that detention officers held over from their shift will work 18 hours with 6 hours off, followed by another 12 or 18-hour shift if they are held over again. This short-staffing has forced police officers to cover detention duties, depriving them of their regularly scheduled day, claims the Union.

The Union contends that the detention center is facing several issues. Firstly, short-staffing has led to burnout and high turnover among detention officers. According to the Union, over half of the detention officers hired between 2022 and 2024 have left their positions. As a result, 18 out of the 21 current detention officers have two or fewer years of experience. This inexperienced staffing creates a higher risk of dangerous incidents occurring, the Union asserts. Additionally, the Union avers that the detention officers' home life is negatively impacted by the exhaustion and burnout caused by their 18-hour schedules. Overall, the Union argues that the combination of short-

staffing, high turnover, and exhausted, inexperienced officers poses significant challenges for the detention center.

### Employer

The Employer argues that BSB's ability to attract and retain qualified personnel at current wage and benefit levels weighs heavily in favor of adopting its proposed wage increase. According to the Employer, BSB's current staffing rates demonstrate that it is not having trouble attracting qualified candidates due to insufficient pay. At the time of the hearing, the Employer stated that 52 out of 53 sworn officer positions, 11 out of 12 dispatcher positions, and 21 out of 28 detention officer positions were filled. Additionally, the Employer contends that one dispatcher and five detention officers were in the hiring process.

The Employer argues that it has been able to recruit and retain experienced law enforcement officers. It cites the recent hiring of three applicants with previous law enforcement experience as evidence. The Employer contends that the blend of sworn officer experience levels, including 15 out of 46 having 10 or more years, 13 out of 46 having 3-9 years, and 18 out of 46 having 0-2 years, does not support the BBPA's argument that BSB is experiencing challenges attracting or retaining employees at the current salary and benefit levels.

The Employer argues that any recruitment and retention challenges it faces are not due to inadequate wages and benefits. It contends that such challenges are not unique to BSB, as Sheriff Lester testified that law enforcement agencies throughout Montana and neighboring states are experiencing similar issues. The Employer avers that exit interviews and witness testimony, including that of the Union's only witness, Austin Bosch, revealed that detention officer departures were primarily for reasons other than compensation, such as work environment, retirement, and terminations.

### Analysis and Findings

The Employer's retention and hiring experience is a mixed bag. BSB employs 52/53 sworn police officer positions, 11/12 dispatcher positions, and 21/28 detention officer positions. BSB currently has one police officer and five detention officer applicants in the hiring process. Recruitment of police officers and dispatchers does not appear to be a serious problem. Being down 25% of the



detention officer workforce with only five applicants in the hiring pipeline for seven open positions, on the other hand, suggests there are recruitment and retention challenges with detention officers.

The Union argues that all three law enforcement components have retention problems, resulting in high turnover and an overabundance of less experienced employees. The loss of 23 of 52 police officers in three years appears to be a substantial turnover. The fact that over half of the detention officers hired between 2022 and 2024 have left their positions seems problematic. As a result, 18 out of the 21 current detention officers have two or fewer years of experience. Finally, the loss of a third of newly hired dispatchers in two years seems excessive. The TA agreements for premium pay for holdovers, increases to the Employer's monthly contribution to employee health insurance premiums, and favorable modifications to the work day-work week schedules provide incentives for experienced officers to remain rather than seek greener pastures. This argues marginally for the Employer's proposal to address retention concerns, albeit the larger known 12.5% wage increase proposed by the BPPA – which may increase if the Union exercises the Year 2 wage opener - would also likely enhance retention.

### **Comparison with Comparable Communities**

#### **Union**

The Union argues that the parties have a history of comparing BPPA's wages to other Montana Class 1 cities, primarily Helena and Kalispell. According to the Union, during the 2018 negotiations, the parties agreed to use Class 1 cities in Montana as comparators. The Union asserts that the parties also agreed that BPPA's wages should be at the median of these Class 1 cities, which had been the baseline in the two preceding contracts.

The Union argues that the wages of BSB police officers were 19% less than their Class 1 Montana counterparts. According to the Union, BSB's wage offer would still leave BPPA police officers 12% behind the median of their Montana Class 1 comparators. The Union asserts that BPPA's proposal would bring BSB police officers within 6% of the overall comparator median. Compared to Helena and Kalispell, BSB's 18.11% lower median wage for police officers with less than 10 years of service would be reduced to 10.39% under BSB's offer, and to under 5% with BPPA's wage proposal.

The Union's analysis shows that BSB detention officers earn significantly less than their counterparts in Montana Class 1 cities and the nearby state prison. Across years of service, BSB claims that detention officers make 18% less than those in Helena and Kalispell. Even under BSB's proposed wage increase, detention officers would still earn about 8% less than their peers. Detention officer wages would approach parity with the BPPA proposal.

The Union compared wages for dispatchers among Class 1 cities, including Helena and Kalispell. According to the Union, overall, BSB dispatchers earn over 18% less than its closest comparators. The Union claims that Ms. Wurm agreed with the Union's figures for Helena and Kalispell. With BSB's proposal, the Union asserts that dispatchers would continue to earn over 12% less, while BPPA's proposal brings that percentage down to approximately 8% under the median.

The Union challenged BSB's use of out-of-state comparators rather than the in-state comparators, primarily Helena and Kalispell, that the parties have historically used. The Union also took issue with BSB's use of county-wide data with much larger populations in some instances but not others. Even where starting wages in cities outside Montana were roughly comparable, the Union criticized the comparison for failing to account for other factors, such as the number of employees in departments and whether they were organized.

### Employer

The Employer argues that a comparison of BSB law enforcement to the most comparable Class 1 law enforcement departments in Helena and Kalispell, Montana, as well as state police departments in Aberdeen, South Dakota; Minot, North Dakota; and Lewiston, Idaho, establishes that the overall compensation for the BPPA is appropriate, supporting BSB's 7% wage proposal. The Employer asserts that comparing BPPA member compensation to law enforcement in similar-sized communities is complicated due to BSB's unique consolidated city-county government structure. According to the Employer, Montana has only one other consolidated city-county government, Anaconda-Deer Lodge, which is not comparable to BSB in population. Additionally, the Employer contends that the record lacks evidence of comparable consolidated city-county governments in neighboring states.

The Employer argues that BSB's proposed 7% increase in starting wages for detention officers and dispatchers is in line with the starting wages paid by the comparable Montana cities of Helena and Kalispell. Additionally, the Employer asserts that BSB's proposed 7% increase in starting wages for police officers is comparable to the starting wages of police officers in Aberdeen, South Dakota, Lewiston, Idaho, Minot, North Dakota, and Gillette, Wyoming.

### Analysis and Findings

The result of interest arbitration should approximate the result the parties themselves would have achieved had bargaining led to a final agreement. Interest arbitrators place great importance on the pay, benefits, and working conditions afforded to comparable work groups. Charles S. Loughran, How to Prepare and Present a Labor Arbitration Case: Strategy and Tactics for Advocates, Second Edition, Ch. 20.II.E.3 (BNA 2006); Interest Arbitration, *supra*, at Ch.2, *Selecting Comparable Jurisdictions*, at p. 40. When selecting comparable work groups from external jurisdictions, the general rule is to compare public employers of the same type (e.g., county to county, city to city) where possible. Comparisons of disparate political entities generally require the proposing party to justify their position. Key factors in selecting appropriate comparable jurisdictions include demographic characteristics such as population, physical proximity, metropolitan area status, property values, number of employees, income levels, poverty rates, jurisdiction size, crime rates, job categories, budgets, pay and benefits, cost of living, turnover, and labor representation. *Id.* at pp. 46-58. See also, Elkouri & Elkouri, *supra*, Ch.18, *Standards in Arbitration of Interest Disputes*, p. 1109.

The interest arbitration process does not have as its goal bringing wages in the subject jurisdiction to a level that equals or exceeds those of the comparators, nor even one that represents the average wages of the comparators. Rather, if one has chosen comparators that reflect a fair cross-section of comparable jurisdictions, the interest arbitration process should maintain the subject jurisdiction's relative standing vis-a-vis those comparators. Absent extraordinary and locally isolated changes in the subject jurisdiction's economy, one would not expect bargaining to result in wage increases so out of step with similar jurisdictions as to change relative standings significantly. In the Matter between Anaconda Police Protective Association and Anaconda/Deer Lodge County, Interest Arbitration No. 22-2011, pp. 7-8 (Leulla E. Nelson, June 6, 2011).

Here, the parties presented different sets of communities as comparators for wage data, with some overlap with the inclusion of the cities of Helena and Kalispell. The Union challenged BSB's use of out-of-state wage data, arguing that past practice limited comparators to Montana Class I cities. As evidence, the Union cited the parties' previous agreements to use the median wage of Montana Class 1 cities during contract negotiations in 2018-2019 and 2020-2021, the results of which were incorporated into the wage classification matrix in Article 26 of those contracts.

A “past practice” is a pattern of prior conduct consistently undertaken in recurring situations to evolve into an understanding of the parties that the conduct is the appropriate course of action. Theodore J. St. Antoine, Editor, The Common Law of the Workplace: The Views of Arbitrators, Second Edition, §2.20 (BNA 2005). Factors establishing a “past practice” are (1) clarity and consistency of the pattern of conduct, (2) longevity and repetition of the activity, (3) acceptability of the pattern, and (4) mutual acknowledgment of the pattern by the parties. See Richard Mittenenthal, Past Practice and the Administration of Collective Bargaining Agreements, 59 Mich. L. Rev. 1017 (1961).

The Union did not establish a past practice limiting comparators to the median wage of Montana Class 1 cities. While the Union’s expectation is understandable, the use of the practice twice for the two preceding contracts over three years was not sufficient to satisfy the longevity and repetition requirement. Moreover, the record does not establish that the parties agreed to limit comparators to the median wage of Montana Class 1 cities moving forward. Absent such agreement, Montana Code 39-31-504(b)(3)(e) provides that interest arbitrators “shall base findings and opinions on the criteria listed in subsections (3)(a) through 3(h),” which include comparison data from within Montana and contiguous states.

The record reflects that the parties did not agree on the source or methodology for comparing police officer, detention officer, and dispatcher wages. Not surprisingly, as a result, the parties' wage information does not align. For example, the Union claimed that the starting wage of a dispatcher in BSB without the 7% added was \$18.75/hr, in Helena it was \$24.62/hr, and in Kalispell it was \$23.74/hr. The Employer presented evidence that the starting wage of a dispatcher in BSB without adding the 7% was \$18.75/hr, in Helena it was \$24.37/hr, and in Kalispell it was \$20.35/hr.

The lack of agreement regarding the comparator wage data continues with detention officers. The Union claimed that the starting wage of a probationary detention officer in BSB was \$18.75/hr, in Helena it was \$24.62/hr, and in Kalispell it was \$24.42/hr. The starting wage rate for a BSB and Helena detention officer is apparently the same as the Union reported for a newly hired dispatcher. Either that or the dispatcher wage data was inadvertently carried over to the detention officer data. The Employer had the starting detention officer wage in BSB as \$20.62/hr, in Helena as \$21.56/hr, and in Kalispell as \$20.33/hr.

For police officers, the Union claimed the starting wage of police officers in BSB was \$25.64/hr, in Helena as \$32.75/hr, and in Kalispell as \$33.70/hr. The Employer claimed that the starting wage of a police officer in BSB with the 7% added was \$27.47/hr. Subtracting the 7% equals \$25.68. Interestingly, the Employer did not provide comparative police officer wage data for Helena or Kalispell. Instead, it provided information for Minot, North Dakota, Aberdeen, South Dakota, Lewiston, Idaho, and Gillette, Wyoming. Not surprisingly, BSB's police officer pay rate was a lot closer to the police pay rates in Minot, North Dakota, Aberdeen, South Dakota, Lewiston, Idaho, and Gillette, Wyoming, than the rates paid in Helena and Kalispell reported by the Union.

Due to a lack of agreement on data sources and methods, the wage rate data is inconsistent and renders unreliable most of the comparator evidence. However, the available information suggests that BSB's wage rates are among the lowest, falling at or near the bottom of the scale for Montana and neighboring state comparators.

Unfortunately, the record lacks key wage data for the selected comparators, including the percentage increases negotiated over multiple contract cycles, especially the most recent. This information would be useful to understand BSB's position relative to its peers, and whether the comparators secured modest or substantial wage hikes in their latest agreements. Notably, the Union did not identify any comparator that recently achieved a 12.5% wage increase (plus a wage opener). Likewise, the Employer failed to demonstrate that its comparators recently negotiated only modest wage increases in line with BSB's proposal.

The snapshot comparator evidence provided by the parties is the sole evidence of the pay hierarchy between BSB and the comparator entities. As mentioned previously, one would not expect

collective bargaining to yield wage increases so out of step with similar jurisdictions as to substantially alter the relative standings, unless the subject jurisdiction's economy had undergone extraordinary and locally isolated changes. The record in this case does not reflect any recent extraordinary changes in BSB's economy. Unfortunately, the record also does not reflect whether the large disparity in some comparator wages was due at least in part to their achieving a new collective bargaining agreement with wage increases, while the parties in this case pursued interest arbitration. Additional wage data over several bargaining cycles of BSB and comparators would have been helpful to identify the wage pecking order of these jurisdictions to better judge whether the Union or Employers current wage proposals were line with the established pecking order.

The comparator evidence, although opaque, suggests a need to increase wages for BSB law enforcement bargaining unit members to stay competitive with other comparative jurisdictions and enhance recruitment and retention. This factor alone does not determine the appropriate wage raise. Given the issues with the reliability of the wage data, the uncertainty around the Union's wage opener, and the party's tentative agreements on holdover premium pay, increased Employer payments toward employee health benefits, guaranteed step increases, and cost of living adjustments, this factor slightly favors the Employer's more moderate wage proposal.

## **CPI Inflation**

### **Union**

The Union argues that increasing living expenses warrant its wage proposal. Both sides acknowledge that the CPI-U inflation rate has risen by 16.7% between 2021 and 2023. The cost of housing rose 57%. According to the Union, while housing costs are included in statutory guidelines, this figure represents only one aspect of the situation. Even if the Union's proposed wage increase is approved, the BPPA contends that employees will still be far behind.

### **Employer**

The Employer argues that the cost of living in BSB, compared to other Montana cities, strongly supports adopting BSB's wage proposal. According to the Employer, BSB's wage proposals align with the city's cost-of-living increases. BSB asserts its 4% wage proposal for 2023 will match the

4.1% average CPI inflation rate that year. Although the Employer acknowledges that the cost of living and housing prices have risen in BSB, the city remains one of the more affordable larger communities in Montana. The Employer provided data showing housing costs, affordability, and overall cost-of-living expenses in BSB are lower, and in some cases significantly lower, than in comparators Helena, Kalispell, Lewiston (Idaho), and Aberdeen (South Dakota).

### Analysis and Findings

While not determinative, this factor marginally argues for the Employer's wage proposal. Inflation as measured by the consumer price index, U.S. city average, is one of the enumerated factors interest arbitrators are required to consider by Montana Code, 39-31-504(b)(3)(f). Both parties relied on the annual average CPI percentage increase based on data from the Montana Association of Counties CPI-U. The Employer relied on the 4.1% average inflation in 2023 in support of its wage proposal, while the Union relied on the 16.7% aggregate inflation for the years 2021-2023 in support of its wage proposal.

The contract at issue covers the years July 2023 to June 2025. It is unclear why the Union chose 2021 as the base year for analyzing the cost of living. The Montana Code neither prescribes nor proscribes a three-year lookback period for purposes of the CPI element. The three-year lookback period selected by the Union does not align with the prior contract, which ran from July 1, 2022, through July 30, 2023. What stands out during the lookback period selected by the Union is the 8 percent average inflation rate in 2022, almost twice the inflation rate in 2022 and 2023.

The record reflects that, balanced against the CPI inflation rate, BPPA employees received annual step increases and cost-of-living adjustments to their wages. For example, in July 2022, employees with a base wage exceeding their classification wage received a 5% increase to their base wages plus an unspecified cost-of-living increase. In addition to rewarding seniority and incentivizing retention, another purpose of step increases is to help employees maintain their purchasing power as living costs rise, ensuring that their wages keep pace with inflation.

It is unfortunate that the record does not include an analysis by either party of the net impact of CPI inflation during the base lookback period balanced against contractual annual step increases and cost of living adjustments to BPPA wages. Additionally, the record is void of evidence that

the 2024 CPI inflation rate up to the August 2024 hearing, or the closing date for briefs, has or is expected to return to anything close to the 8% inflation rate in 2022. On the contrary, during the recent national election, news media reported that inflation nationally was down substantially.

On these facts, the Employer's wage proposal appears better aligned with Montana's CPI inflation.

### **Stipulations of the Parties**

#### **Union**

The Union did not address this element in support of their last, best, and final wage proposal.

#### **Employer**

The Employer argued that the parties agreed to additional benefits in the new contract and that the 7% wage increase in addition to these new benefits adequately compensates the BPPA. According to the Employer, those new benefits include:

- Modifications to Step 1(b) of the grievance procedure to provide more days to respond to grievances.
- Modifications to the special pay provisions to ensure mandatory first holdovers are paid at 1.5 times the employee's regular pay and that mandatory second holdovers are paid at 2 times the employee's regular pay.
- Increases to the monthly Employer maximum health insurance premium contributions: (1) \$1,155.29 for Year 1; and (2) \$1,185.29 for year 2;
- Favorable modifications to the work day-work week; and
- A 2-year contract term of July 1, 2023, to June 30, 2025.

### **Analysis and Findings**

While the facts addressing this factor do not definitively determine the issue, they lend support to the Employer's proposal. The parties have agreed to several beneficial provisions favoring BBPA employees, including more flexible work schedules, premium pay for holdovers, and increased employer contributions to health insurance. Along with the BSB's proposed 7% wage increase, these provisions provide BPPA employees with additional compensation and an improved work-life balance, which should contribute to law enforcement recruitment and retention.



## **Other Traditional Factors**

### Union

Other than what has been addressed above, the Union did not identify other traditional factors in support of their wage proposal.

### Employer

The Employer argues that other factors support acceptance of the BSB's wage proposal. Specifically, the Employer noted that:

1. 15 of 17 other unions in BSB accepted the same 4% wage increase offered to the BPPA for 2023.
2. Seven BSB unions have accepted the same 4% and 3% wage increases offered to the BPPA.
3. The Union's inclusion of a wage opener in Year 2 could lead to costly negotiations and arbitration, making it difficult for BSB to estimate the cost of the BPPA's Year 2 wage offer.

### Analysis and Findings

When determining wage settlements, arbitrators pay great attention to other wage agreements within the municipality. These internal wage settlements reflect the prevailing "going rate" and provide insight into the municipal employers' capacity and willingness to pay given the current economic climate. See Interest Arbitration, at Ch. 8, *The "Other Factors" Element*, pp. 161-62 & n.12; Charles S. Loughran, How to Prepare and Present a Labor Arbitration Case: Strategy and Tactics for Advocates, Second Edition, Ch. 20.II.E.1, F.9 (BNA 2006) ("A very significant factor in determining what constitutes fair compensation, benefits, and working conditions is what an employer provides to other work groups in its employ").

The record does not reflect wage agreements proposed or accepted by BSB unions above or below the 7% two-year agreement in this case. As such, the agreement of 89% of BSB unions to a 4% increase in the first year, and 41% of BSB unions to a 7% increase over 2 years, while not determinative, supports the Employer's wage proposal.

## **Interest and Welfare of the Public**

### **Union**

The Union argues that arbitral authority supports its contention that the “interest and welfare of the public” factor is judged by the other statutory criteria. As elaborated previously, the Union essentially posits that the cost of living in Butte has risen over 16% in the past three years; furthermore, the wages of the BBPA have lagged behind those of its closest comparators. Consequently, the BSB has encountered challenges in the recruitment and retention of police officers, detention officers, and dispatchers. The Union maintains that its wage proposal is financially prudent, adheres to statutory requirements, and that the BSB can afford the BPPA’s request. Therefore, it asserts that the BPPA’s proposal should be selected.

### **Employer**

The Employer argues that adopting BSB’s last, best, and final wage proposal is in the public interest and welfare. The Employer claims that fiscal responsibility on government spending is crucial for the BSB community, given its aging, lower-income demographics, and the recent 57% increase in taxable property values due to state action. In response, BSB stated that it lowered the tax mills assessed in 2023 and instructed department heads to focus on needs rather than wants when developing budgets. BSB asserts that it is in the public’s interest and welfare to ensure that taxpayers are not unduly burdened by significant tax increases. As additional support for fiscal restraint, the Employer argued that Montana voters recently failed to pass the majority of fire and first responder levies and bond obligations on the general election ballot. The Employer opined that the voters’ failure to pass these levies reflected their concern about increasing property taxes.

The Employer argues that the BPPA's focus on overcrowding at the BSB Detention Center is misplaced. According to the Employer, the BPPA failed to show how paying detention officers more than BSB’s proposed 7% increase would alleviate detention center overcrowding. Instead, the Employer asserts that the detention center’s overcrowding is due to three key factors: (1) the inability to transfer inmates from the BSB facility to Montana Department of Correction facilities; (2) the influx of methamphetamine and fentanyl into the community; and (3) an increase in the service of warrants post-COVID-19. Similarly, the Employer contends that the BPPA has not

demonstrated how paying dispatchers and police officers its proposed wage increase would decrease the number of 911 calls or drug-related crimes in BSB.

The Employer claims the union's proposed wage increase would negatively impact the public interest and welfare. They argue that taxpayers should not have to bear the additional tax burden of wage hikes beyond the city's budgeted amount, as this would go against the collective interests of the public. Accordingly, the Employer asserts that this factor weighs in favor of adopting BSB's proposal.

### **Analysis and Findings**

Interest arbitration is primarily a legislative function where the neutral arbitrator acts somewhat like a legislature in determining what terms would be appropriate for the parties to include in their next labor agreement. How to Prepare and Present a Labor Arbitration Case, *supra*, Ch. 20.II.A. The public interest is an important consideration in public sector disputes. Elkouri & Elkouri: How Arbitration Works, *supra*, at Ch. 18, *Standards in Arbitration of Interest Disputes*, p. 1139. Under Montana law, the interest and welfare of the public is the primary consideration. Mont. Code Ann. 39-31-504(b)(3). The interest and welfare of the public are evaluated by reference to the factors listed in Mont. Code Ann. 39-31-504(b)(3). See City of Ashland, 2023 LA 159, 164 (Alpern, 2023); Bend Firefighters Ass'n. and City of Bend, IA-09-95 (Snow, 1996); Deschutes Country and Deschutes County Sheriff Assoc., IA-18-95, 19 (Lankford, 1996).

The primary goal of interest arbitration is to reach a final decision that closely reflects the outcome the parties would have achieved through continued negotiations. Under Montana law, this requires the arbitrator to select between the final best offer packages presented by the parties. As discussed earlier, no single factor overwhelmingly supports the wage proposal of either side. Both parties made compelling arguments during their presentations. However, upon careful examination, the statutory factors tend to favor the wage proposal put forth by the Employer. This inclination is reinforced by the adoption of a comparable wage proposal by numerous other BSB bargaining units, the tentative agreements aimed at enhancing holdover pay, the increased Employer contributions towards employee health insurance premiums, and the implementation of more advantageous work schedules. Additionally, a significant portion of BSB's revenue is derived from its lower tax revenue base which was just hit with significantly higher property

taxes, and fluctuating mining proceeds. Collectively, these factors, along with the Employer's modest wage increase, are expected to enhance recruitment and retention efforts without further straining the community. Therefore, it is in the best interest and welfare of the public to accept the Employer's last, best, and final offer.

### **OPINION AND ORDER**

1. Based on the foregoing analysis and findings, the Employer's last, best, and final offer should be and is, hereby, selected.
2. Per MCA 39-31-504(5), the cost of the arbitration shall be borne equally by the parties.

A handwritten signature in blue ink, reading "CC Bosland". The signature is fluid and cursive, with the initials "CC" clearly visible at the beginning.

**Dated: December 12, 2024**

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**Carl C. Bosland, Esq,  
Arbitrator**

# ADDENDUM

## WITNESSES

### **For the BPPA**

Matthew Sayler  
Austin Bosch

Margaret (“Maggie”) Peterson  
Josh Stearns  
Angel House  
Kathy Grego

Patrol Sergeant/President, BPPA  
Operator, Montana Resources/former Detention Officer, Butte-Silver Bow Detention Center  
Consultant, Management Consultants, Inc.  
Patrol Sergeant, Butte Police Department/CBA Negotiations  
Sergeant, Butte-Silver Bow Detention Center  
Labor Relations Consultant

### **For BSB**

Patrick Barkey

Jim J. Kambich  
Beth Wurm  
Ed Lester  
J.P. Gallagher  
Karen Hassler

Director, Bureau of Business and Economic Research,  
University of Montana  
Chief of Staff, Office of the Chief Executive, Butte-Silver Bow  
Human Resources Director, Butte-Silver Bow  
Sheriff, Butte-Silver Bow  
Chief Executive, Butte-Silver Bow  
Director, Finance & Budget, Butte-Silver Bow

## ADMITTED EXHIBITS

### **Joint**

1. 2020-2023 BBPA CBA & 2 MOUs
2. BPPA’s Last Best and Final Offer and Cost Summary
3. BSB’s Last Best and Final Offer on Wages

### **For the BPPA<sup>1</sup>**

5. NBCMontana.com Article: Butte residents seek clarity on property taxes
6. 4KXLF Butte Article: Butte police had more calls for service, and arrests in 2023 than last year
7. MT Standard.com Article: Defense Lawyers: Overcrowding at Butte jail is out-of-hand
8. Emails re: Staffing Issues at Detention Facility
9. Chart: Detention Officers by Years of Service
10. Chart: Detention Officers Retention, 2022-2024
11. Chart: Police Officers by Years of Service
12. Chart: Dispatchers by Years of Service

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<sup>1</sup> The first three exhibits of the Union’s exhibit binder were previously identified as Joint exhibits

13. Table: Dispatch Start & End Dates
14. Table: Dispatch Callouts for 2024
15. Montana Cities by Population
16. Chart: 911 Dispatcher Starting Wage
18. Tables: Dispatch Wage Comparison
19. Chart: Detention Officer Starting Wage
20. Tables: Detention Officer Wage Comparison
21. 2022 Employment Summary for Municipal Police: Helena, Kalispell, Butte-Silver Bow
22. BPPA Law Enforcement Numbers
23. Butte-Silver Bow Budget Overview
24. Table: Hourly Wage Comparison Butte PD & Other MT Cities
25. Table: Hourly Wage Comparison Butte PD & Other MT Cities- BSB 1<sup>st</sup> Year
26. Table: Hourly Wage Comparison Butte PD & Other MT Cities – BPPA
27. Tables: Hourly Wage Comparison BSB & BPPA
28. Table: PD Start & End Dates
29. Table: PD End Dates Last 3 years
30. BPPA/BSB CBA 2018-2020
31. U.S. Bureau of Labor Statistics: CPI Urban Wage Earners & Clerical Workers U.S. City Average
34. Table: CPI 1985-2023
35. Chart: FRED Housing Inventory Average Listing Price Butte-Silver Bow, 2017-2024
36. Chart: % Housing Value Change 2023 by MT county
37. Table: Butte-Silver Bow Cost Estimated
38. Tables: Hourly wage rates of various positions
39. BSB Salary Survey
40. ACFR FY 2023
41. FY2024 Line Item B

#### **For BSB**

1. U.S. Census Bureau Population Data for Cities in Montana and Contiguous States
2. Montana Assoc. of Counties, CPI Index Data
3. PowerPoint Presentation by Pat Barkey
4. Montana Assoc. of Counties, County Population Data
5. Montana Assoc. of Counties, Taxable Values by County

6. Cost of Living Comparisons
7. Spreadsheet of Wage Rates of Detention Officers in Montana
8. Spreadsheet of Wage Rates for Dispatchers in Montana
9. BSB FY25 Budget
10. 2023 Certified Taxable Valuation Information from MT Dept. of Revenue for Silver Bow County
11. 2024 Certified Taxable Valuation Information from MT Dept. of Revenue for Silver Bow County
12. FY 24 and FY 25 BSB Budget Resolutions
13. BSB's Cost Estimate
14. Cost Estimate of BPPA's Year 1 Proposal
15. BSB's Estimate of Wage Increases for Sworn Officers by Positions
16. 8-12-2024 Letter to BSB Council from Beth Wurm Re Non-Union Wage Increases and spreadsheet of increases
17. List of Items Tentatively Agreed Upon by Parties
18. Spreadsheet of Wage Rates for Police Officers in Montana and Contiguous States
19. BPPA Wage Increases 2015 – 2022
20. Police Officer Job Postings
21. List of BPPA Benefits
22. BPPA Exit Interviews
23. Letter of Understanding between BPPA and BOS (Jan. 2022)
24. June 27, 2024, Email from Tim McMahon re Arrest Restrictions -BSB Detention Center
25. Mine Chart Taxable
26. Lewis & Clark 2024 County Wide Levie Data