In the Matter of the Interest Arbitration Between

School District of Greendale

and

Greendale Education Association

RECEIVED

FEB 4 1981

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

Voluntary Impasse Procedure

APPEARANCES:

James H. Gibson, UniServ Director, WEAC UniServ Council No. 10, for the Association

Michael L. Roshar, Mulcahy & Wherry, S.C., for the District

BACKGROUND

The above mentioned parties commenced negotiation for a 1980-81 collective bargaining agreement on March 4, 1980. The parties met on five occasions through June 17, 1980, after which they implemented their voluntary impasse procedure in lieu of the procedure set forth in Section 111.70(4)(cm)(6) Wis. Stats. Pursuant to the terms of said procedure, the undersigned was selected by the parties to hear and decide the dispute. The undersigned met with the parties on November 5, 1980, at which time an attempt to mediate the dispute occurred. On November 12, 1980 the parties presented evidence in support of their respective positions. Briefs and reply briefs were submitted by both parties by January 14, 1981.

In their voluntary impasse procedure the parties provide that the Arbitrator must adopt either the final offer of the District or that of the Association. The procedure further provides that the Arbitrator, in selecting a final offer, must give weight to the factors set forth in Section 111.70(4)(cm) Wis. Stats. Based upon a review of the evidence and arguments and utilizing the criteria set forth in Section 111.70(4)(cm), Wis. Stats, as prescribed in the parties' voluntary impasse procedure, the undersigned renders the following award.

DESCRIPTION OF FINAL OFFERS

Essentially one issue is in dispute between the parties, and that is the teachers' salary schedule. Both parties agree to continue the current cost of living clause, which provides:

> If the Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series-CPI-W) as reported for the Milwaukee Metropolitan Area by the Bureau of Labor Statistics, exceeds an increase of 3.5% from January, 1979 to January, 1980,1/ the base salary will be adjusted by one-half of whatever percent over 3.5% the increase has been. The resulting adjustments in each teacher's salary shall be paid in one sum on the last pay period in April, 1980.2/

The 1979-80 Post COLA salary schedule is as follows:

1/ Making appropriate amendments to the dates set forth therein.

2/ Ibid.

GREENDALE PUBLIC SCHOOLS
Salary Schedule
1979-80 Post COLA

Yr.	BS		BS + 10		BS + 20		MA		MA + 10		MA + 20		MA
0	100	11699	103	12050	106	12401	109	12752	112	13103	115	13454	118
	105	12284	105	12653	105	13021	105	13390	105	13758	105	14127	105
2	111	12986	111	13376	111	13765	111	14155	111	14544	111	14934	111
3	117	13688	117	14099	117	14509	117	14920	117	15331	117	15741	117
4	123	14390	123	14822	123	15253	123	15685	123	16117	123	16548	123
5	129	15092	129	15545	129	15997	129	16450	129	16903	129	17356	129
6	135	15794	135	16268	135	16741	135	17215	135	17689	135	18163	135
7	141	16496	141	16991	141	17485	141	17980	141	18475	141	18970	141
8	147	17198	147	17714	147	18229	147	18745	147	19261	147	19777	147
9	153	17899	153	18437	153	18974	153	19511	153	20048	153	20585	153
10			158	19039	159	19718	159	20276	159	20834	159	21392	159
11			163	19642	164	20338	164	20913	164	21489	164	22065	164
12					169	20958	169	21551	169	22144	169	22737	169
13							174	22188	174	22799	174	23410	174
14							179	22826	179	23454	179	24083	179
		297		326		349		380		389		401	

The District's final offer proposes to increase the current base rate to $11,797, and increase the current longevity amounts as follows:

BS:	$356	MA:	$456
BS+10:	$391	MA+10:	$467
BS+20:	$419	MA+20:	$481
		MA+30:	$492

Assuming a 14.5% increase in the cost of living, the Post COLA Salary Schedule for 1980-81 if the District's offer were selected, would be as follows:

Yr.	BS		BS + 10		BS + 20		MA		MA + 10		MA + 20		MA
0	100	12446	103	12819	106	13193	109	13566	112	13940	115	14313	118
1	105	13068	105	13460	105	13853	105	14244	105	14637	105	15029	105
2	111	13815	111	14229	111	14644	111	15058	111	15473	111	15887	111
3	117	14562	117	14998	117	15436	117	15872	117	16310	117	16746	117
4	123	15309	123	15767	123	16227	123	16686	123	17146	123	17605	123
5	129	16055	129	16537	129	17019	129	17500	129	17983	129	18464	129
6	135	16802	135	17306	135	17811	135	18314	135	18819	135	19323	134
7	141	17549	141	18075	141	18602	141	19128	141	19655	141	20181	141
8	147	18296	147	18844	147	19394	147	19942	147	20492	147	21040	147
9	153	19042	153	19613	153	20185	153	20756	153	21328	153	21899	153
10			158	20254	159	20977	159	21570	159	22165	159	22758	159
11			163	20895	164	21637	164	22248	164	22862	164	23473	164
12					169	22296	169	22927	169	23559	169	24189	169
13							174	23605	174	24256	174	24905	174
14							179	24283	179	24953	179	25620	179

Salary Schedule for 1980-81, if the Association's offer were selected would be as follows:

GREENDALE EDUCATION ASSOCIATION
1980-81
POST COLA ("quesstimate")

	BS	BS + 10	BS + 20	MA	MA + 10	MA + 20	MA ·
0	12818 1.00	13203 1.03	13587 1.06	13972 1.09	14356 1.12	14741 1.15	1.18
1	13459 1.05	13863	14266	14671	15074	15478	
2	14228 1.11	14655	15082	15509	15935	16363	
3	14997 1.17	15448	15897	16347	16797	17247	
4	15766 1.23	16240	16712	17186	17658	18131	
5	16535 1.29	17032	17527	18024	18519	19016	
6	17304 1.35	17824	18342	18863	19381	19900	
7	18073 1.41	18616	19158	19701	20242	20785	
8	18842 1.47	19408	19973	20539	21103	21669	
9	19612 1.53	20201	20788	21378	21965	22554	
10		20861 1.58	21603 1.59	22216	22826	23438	
11		21521 1.63	22283 1.64	22915	23544	24175	
12			22962 1.69	23613	24262	24912	
13				24312 1.74	24979	25649	
14				25010 1.79	25697	26385	
*	833	918	976	1066	1092	1124	

*This amount will be paid in addition to the amount at the last step (column beginning with the second year at placement at the top of tha· column.

Assuming a 14.5% cost of living increase according to the District's calculations the average Post COLA wage and longevity increase under each of the party's offers would be as follows:

District's offer	$1753 or 9.24%
Association's offer	$2523 or 13.3%

The total dollar difference between the parties' respective positions is $209,009.00.

the parties' final offers is so significant, particularly when contrasted with the estimated cost differences, that said differences become relatively insignificant in determining the relative merit of the parties' final offers.

POSITIONS OF THE PARTIES

District's Position

The District contends that its offer is more reasonable than the Association's when considered in light of comparisons with teachers' wages in comparable districts. This argument is based upon the assumption that the Milwaukee Area Consumer Price Index would increase 14.5%.

The District, as well as the Association, argues that the analysis of comparable districts utilized by Arbitrator Zeidler in South Milwaukee Board of Education3/ is relevant and applicable to the instant proceeding. Utilizing that analysis, the districts "most comparable" to Greendale are Franklin, Greenfield, and Whitnall.

A second most comparable grouping of districts, identified as "regionally comparable" by Arbitrator Zeidler includes the above mentioned districts plus Cudahy, South Milwaukee, Oak Creek, and St. Francis.

A third grouping of districts, somewhat less comparable than the above two groupings, referred to by Arbitrator Zeidler as "generally comparable" districts, includes all of the above districts plus West Allis, Elmbrook, Wauwatosa, New Berlin, Muskego, Menomonee Falls, Germantown, Brown Deer, Shorewood, and Nicolet.

In discussing comparable districts, the District notes that as of the date of the hearing in the instant proceeding, only the following Milwaukee area school districts have settled their 1980-81 agreements: Elmbrook, New Berlin, Nicolet, Wauwatosa, West Allis and Whitefish Bay. Not a single district on Milwaukee's southside had settled.

Utilizing the data available on this limited number of settlements, the District notes that whereas in 1979-80 the minimum salaries in each of the lanes on the Greendale salary grid exceeded the average minimum salary of those comparable districts which have settled in 1980-81, under the District's offer, this continues to hold true. In fact, in not one instance does the District fall below the average minimum salary in each of the lanes among said districts.

This same conclusion applies at the maximum salary in each lane among said districts. In 1979-80, the District ranked above the average maximum salary scheduled rates at all but the beginning, or BS lane. This position is maintained under the District's 1980-81 offer.

Assuming that all of the associations' certified final offers in pending mediation-arbitration proceedings in comparable districts are selected, the District points out that its final offer at the BA base exceeds the average minimum in the "most comparable" districts by $356; it exceeds the average minimum in the "regionally comparable" districts by $131; it exceeds the average minimum in the "generally comparable" districts by $329; and it exceeds the average minimum overall average by $272. The same general conclusion would apply in each of the remaining Bachelor degree columns.

Again, assuming that the associations' final offers are selected in all comparable school districts, at the minimum of the BS lane, only one Association final offer would exceed that proffered by the District in the instant case.

The same conclusion can be reached when comparing the other salary schedule lane minimums. At the BS+10 level, not one Association final

3/ Case XIII, No. 24754, MED/ARB-438 (2/80).

offer would exceed the minimum contained in the District's final offer. At the BS+20 lane, only the Association's final offer in Oak Creek exceeds the minimum contained in the District's offer.

Further, the District's offer at the BS, BS+10, and BS+20 lanes exceeds the average maximum rates in said lanes should the associations' final offers prevail either in the grouping of districts termed "generally comparable" or in the overall comparability unit.

At the BS+20 lane, the District's final offer exceeds the average maximum in any of the comparable groupings, even if the associations' final offers prevail in all comparable districts.

In 1979-80, in all of the MA lanes, Greendale ranked well above the average maximum salary in all comparable groupings of districts. Again, assuming that the Association's final offers prevail in all of the comparable districts, in not a single instance will the maximums in the MA lanes exceed the Greendale maximums should the District's offer prevail.

In 1979-80 Greendale ranked in the upper half of the "most comparable" districts when comparing the maximum MA rate. Further, it ranked in the upper fourth of the "regionally comparable" districts, and the entire comparable pool of districts. Assuming the Associations' final offers are chosen in the comparable districts, Greendale will continue to maintain its position in each of these comparative groupings in 1980-81, should the District's offer prevail.

Furthermore, the District's final offer constitutes a 20% increase in existing longevity amounts prior to any further adjustment pursuant to the cost of living clause. Following the cost of living adjustment, those longevity amounts will have increased by over 26% this school year. The Association, on the other hand, is proposing longevity increases which, following the cost of living adjustment, will generate increases of over 180% in those amounts.

In summary, in 1979-80 the Greendale District, both at the minimum and maximum levels and on the average, maintained a highly competitive relationship amongst the comparable districts. The District's final offer in no way diminishes the District's relationship vis-a-vis the comparable districts.

Furthermore, if the Consumer Price Index maintains its current level (15.1% November 1979-November 1980), the District's position with respect to comparable districts will be enhanced because its projections and arguments are based upon a 14.5% increase.

Based upon a projected 14.5% increase in the CPI, the District's final offer represents an average wage, longevity, and COLA increase of $1753 or a 9.24% increase. Further, the District's offer represents a total compensation increase of $2,215 or a 9.38% increase. The Association's final offer, on the other hand represents an average wage, longevity and COLA increase of $2,523 or a 13.3%. The Association's offer also represents an average total compensation increase of $3,128 or 13.25%.

As of the date of the hearing in the instant proceeding, five comparable districts have settled their 1980-81 collective bargaining agreements. These districts are Elmbrook, Nicolet, Wauwatosa, West Allis and Whitefish Bay. The average wage increase among these districts ranges from a low of $1622 in Elmbrook to a high of $2298 in Wauwatosa. The average wage increase amongst these settled districts is $1993, a figure much closer to the District's offer than the Association's.

In percentages, the settlements range from a low of 9.24% in Elmbrook to a high of 12.5% in Wauwatosa, with an average of 10.47%, which again is closer to the District's offer than the Association's.

The average total compensation increase ranges from a low of $2111 to a high of $2870, or a low of 9.51% to a high of 12.17%. The average total compensation increase equals $2523 or 10.7%. Again, these average figures are closer to the District's position than the Association's.

Both the Whitefish Bay and Nicolet districts settled with their teachers in late January or early February of 1980, when the Milwaukee Area Consumer Price Index was registering a 19.4% increase over the past twelve months. The total cost of the Nicolet settlement was 10.5% and the cost of the Whitefish Bay settlement was 10.29%. Those settlements are, by far, more comparable to the District's offer made in a period of lower inflation than to the Association's final offer.

When comparing certified final offers in comparable districts not yet settled, the Association's final offer on wages exceeds in actual dollars the final offers of the associations in Menomonee Falls, St. Francis and South Milwaukee. When comparing total compensation, the Association's final offer exceeds the associations' final offers in Cudahy, Greenfield, Menomonee Falls, Oak Creek, St. Francis and South Milwaukee.

Last year's unanticipated settlement distorted the relative comparative position of the District's teachers, and that distortion has a legitimate bearing upon an analysis of the final offers of the parties in this proceeding. It is therefore relevant to weigh the actual salary adjustment resulting from the cost of living clause during the 1979-80 school year when comparing this year's final offers to settlements in comparable districts.

The reasonableness of the parties' final offers must therefore be assessed in light of what occurred in 1979-80. In that regard, the average post COLA wage increase in the District in 1979-80 was $2371 or 13.9%. Not a single district in the area even closely approximated this increase. In fact, the average increase in the District exceeded the area average by $786. In this same regard, the average percentage wage increase in comparable districts was 9.47% while the average percentage increase in Greendale was 13.9%.

When comparing the value of increases in total compensation, the average increase among comparable districts was $1717 or 8.96%, while the average increase in Greendale was $2844 or 13.595%.

Based upon a cost analysis utilizing the West Allis salary schedule which was in effect for the last half of the 1979-80 school year as the basis for comparison, the average total compensation increase in West Allis for 1980-81, including full STRS and Social Security, is $2735 or 11.2%. The average wage increase is $1994 or 10.01%, a figure much closer to the District's final offer than the Association's.

When analyzing and comparing the Wauwatosa 1980-81 settlement with the final offers submitted herein, it is important to keep in mind that in 1979-80, Wauwatosa teachers received an average wage increase of only $1220 or 7.4%. The average total compensation increase in Wauwatosa for that year was $1372 or 7.3%. These averages were the lowest by far in the Milwaukee area. Thus, it is clear that both parties in Wauwatosa were bargaining a catch up settlement in 1980-81, which limits the comparative value of that settlement to the instant dispute.

Thus, the settlements in West Allis and in Wauwatosa are not truly supportive of the Association's position when the totality of the circumstances in Wauwatosa are considered and the dispute between the parties over the costing of the West Allis settlement is taken into consideration.

Further, as Arbitrator Zeidler stated:

> ...the larger size of West Allis and Wauwatosa militate against full comparability with South Milwaukee and other smaller suburbs.4/

4/ South Milwaukee School Board of Education, Supra.

If the District's final offer is selected, the average two-year increase in wages alone in the District would be $4,124 or 23.14%. Of the settled districts for which complete data was available, the average two-year wage increase is $3557 or 19.64%.

The average two-year total compensation increase in the comparable districts which have settled for 1980-81 is $4118 or 19.27%. The average in Greendale, assuming the District's offer is selected, is $5059 or 22.98%.

Further, if the assocations' final offers in those comparable districts currently in mediation-arbitration are selected, the District's offer with respect to wages will exceed the two-year totals in Franklin, Greenfield, St. Francis and Menomonee Falls, four the the seven districts where certified final offers are pending.

If the Association's final offer were selected, in that event, in not one instance would the certified final offer of an association in a comparable district match the two-year average wage or total compensation increase in Greendale.

In addition to the foregoing comparability arguments, the District contends that the financial condition of the District renders the Association's wage demands unsupportable.

The District is in the midst of a financial crisis which is in part the result of unprecedented and unanticipated increases in the cost of living adjustment made available to District teachers in the 1979-80 school year.

The 1980 cost of living adjustment received by the Greendale teachers was an unanticipated windfall. At the time of the 1979-80 settlement both parties projected that the cost of living clause would generate between a three and four percent salary adjustment. In fact, the adjustment actually generated was 7.97% or some $200,000 in excess of the expectations of the parties at the time of settlement.

Because of this unanticipated increase, the District took immediate steps to cut back on travel, maintenance and the purchase of supplies and textbooks. In spite of those efforts, the District needed its fiscal year on June 30, 1980 with a $170,000 deficit attributable directly to the unexpectedly high cost of living adjustment.

The unexpectedly high cost of living adjustment had a significant impact upon the next budget cycle.

In May 1980 the District administration was aware that it would be facing a serious revenue problem during the 1980-81 fiscal year. The first "clean" budget run prepared and presented to the Board in May of 1980 showed an $830,000 negative discrepancy between revenues and expenditures. Between May 1980 and late July, the Board began the task of narrowing that gap.

The starting point for budget deliberations was a determination by the Board of what constituted a fair salary offer, and the remainder of the budget was tailored around that determination.

The Board considered a number of factors when attempting to determine how many dollars to allocate to teacher salaries. They included:

1. the already high comparative position of Greendale teachers;
2. the impact of the unanticipated windfall cost of living adjustment which served only to widen an already existing comparative gap;
3. the clear fiscal problems confronting the District; and
4. the status of negotiations in other districts.

After consideration of the above factors, the Board concluded that a salary offer of approximately 9.3% would be reasonable, and that amount was budgeted and offered to the teachers well before major budget revisions in other areas were addressed. It was offered before the

Board made its final decisions to:

1. begin double bus runs at the high school, which, while inconveniencing some parents and students, resulted in a savings of about $100,000;
2. eliminate all thirty-five regular teacher aide positions thereby saving over $220,000;
3. reduce the extra-curricular program;
4. eliminate several department heads and teacher leader positions; and
5. cease all curricular development work.

By mid October, the District had reduced the $170,000 deficit by $64,000. To make up the remaining amount, the Board:

1. decided to repay $40,000 from the proceeds of a capital improvement loan rather than spend the proceeds as planned, and
2. increased the tax levy by an additional $66,000.

However, this projected balanced budget was short lived, since, based upon final enrollment figures, the District projects receiving $50,000 less in state aid than anticipated, plus additional cuts in state aid pursuant to the Governor's budget cutting plan.

In addition, between the 1979-80 and 1980-81 school years, the District lost 258 or 7% of its 1979-80 enrollment. This one-year loss is greater than the losses exprienced by the District in the preceding five years. The state aid loss resulting from this decline will equal approximately $50,000, an amount not originally anticipated by the District at the time the budget was being prepared.

The District is currently under the state imposed cost control ceiling by approximately $91,000. It will remain under the cost control ceiling if it receives all pending appeal requests. However, an award in favor of the Association's final offer would place the District over cost controls by over approximately $110,000.

In this same regard, it has been determined that an award by a mediator-arbitrator is only eligible for cost control appeal if it involves the school year prior to the issuance of the award. An award in the instant case will therefore not be eligible for appeal.

If the District exceeds the 1980-81 cost control limit, the impact will be felt in 1981-82. Thus, an award in favor of the Association's final offer would create additional serious economic concerns for the District in the ensuing school year.

In addition to cost control limitations, the District is faced with other significant revenue concerns.

The value of taxable personal property in Greendale in 1979 was $23,671,680. In 1980 the value dropped to $17,943,960 because of new personal property state tax exemptions. The impact on the District is that in this time of increasing costs and decreasing state aids, the District must turn to its tax base to support the loss in state monies, but the District now has less property tax base upon which to levy taxes.

Further, it is possible that the District stands to lose additional state aid depending upon judicial and legislative action pertaining to the Governor's request for cuts in such aid because of a statewide budgetary shortfall.

Thus, while the District does not claim impossibility to pay an award of the teachers' offer, it is:

1. unwilling to begin a pattern of deficit financing to meet current expenses;
2. unwilling to eliminate its entire extra curricular program to finance a teacher salary offer which would further widen the gap between Greendale teachers and nearly all other comparable districts seeking to catch up with them;
3. unwilling to lay off a significant portion of its teacher staff

with a resultant increase in class size and decline in the quality of education;
4. unwilling to close and sell a school building when a study committee has already determined that there is not enough space available to do so and when the building may be needed to meet a projected rise in enrollment;
5. unwilling to go to the taxpayer by referendum to ask for more than an 11.3% increase in school tax burden; and
6. unwilling to gut its curriculum and course offerings.

With respect to the cost of living criterion, the District argues that although the nature of the parties' collective bargaining agreement locks it into the Consumer Price Index (CPI), the CPI is an exaggerated measure of the cost of living.

In support of its contention, the District notes that several Wisconsin arbitrators have concluded that strict adherence to the Consumer Price Index cannot be considered an absolute in the collective bargaining arena.5/

A truer measure of the cost of living is the implicit price deflator for personal consumption expenditures (PCE) which is an inflation index derived from the Commerce Department's quarterly report on the gross national product. This index uses CPI expenditure categories, but it utilizes actual consumer spending patterns to weight the categories, and thus it measures the prices of goods and services currently purchased by consumers, in contrast with the CPI, which measures constant items in a hypothetical basket of goods selected in 1972.

The PCE has increased 10.5% from the second quarter of 1979 to the second quarter of 1980. These dates more accurately conform to the expiration of the parties' collective bargaining agreement than do any others.

The District's offer more nearly matches the increase in the PCE than does the increase demanded by the Association.

In support of its contention in this regard, the District notes that at least one arbitrator has viewed the PCE as a viable alternative measure of the cost of living.6/

Regardless of the index used in measuring the cost of living, the District's offer is closer to the national experience than is the Association's demands. American workers on a nationwide basis are not receiving wage increases, with or without escalator clauses, that offset the purported high cost of living.

In further support of the fairness of its position in this regard, the District notes that the Greendale teachers are the only teachers in the entire comparable pool of districts who benefit from the operation of a lucrative cost of living provision. At the same time Greendale teachers receive the cost of living adjustment, they automatically commence bargaining at a higher rate the subsequent year.

Lastly, with respect to the interests and welfare of the public, the District argues that it has been forced to lay off personnel, cut back services and develop other methods of retrenchment to provide a fair and equitable wage proposal for its teachers while retaining essential district services. The District must provide in full measure for the educational needs of its community and it must recognize the financial limits of its taxpayers.

5/ City of Oak Creek WERC Dec. No. 17587-A (7/80). See also Clark County Law Enforcement, WERC Dec. No. 17584-A (9/80).

6/ Buffalo County Social Services, WERC Dec. No. 17744 (8/80).

The District ranks sixth of fourteen communities in and around the Milwaukee area in average median income. It ranks tenth of nineteen districts in its full value tax rate, while it ranks thirteenth of nineteen districts in total per pupil cost. Because the District's tax effort ranks tenth, this indicates that a substantial tax effort is made by the Greendale populace to support the total cost of educating Greendale students.

In further support of this contention, the District notes that according to the December 20, 1980 issue of the Citizen's Governmental Research Bureau Bulletin, the per pupil costs in Greendale increased by 19.4% in 1980-81. That increase was by far the highest of any district in the comparable pool of districts.

In response to the Association's deferred compensation argument, the District contends that it does not take into account the bargaining realities in comparable districts. The fact is that negotiations in the great majority of comparable districts have generally extended well into the school year for which bargaining is occurring, and therefore, retroactive settlements of many months are commonplace.

Furthermore, the District asserts that the Association's historical differential argument is without merit. The District's comparative position in 1979-80, which the Association is using here as a base year in establishing a historical differential, was the result of an unforeseen event not contemplated by the parties. The argument cannot reasonably be applied where a comparative position has been established which was beyond the conscious design of either party.

Association's Position

The Association has raised several arguments in support of its final offer.

1. The District has the lawful authority to accept the Association's final offer. In this regard state imposed cost controls should not be an issue. The law does not prohibit a district from exceeding its cost control limit, it simply will not pay state aids on the excess costs and it will not allow the excess costs to be used in calculating the cost control limit for the following year. The District had the opportunity to avoid these consequences if it had sought a public referendum to allow it to exceed the cost control limit and if the referendum had succeeded.

2. The interest and welfare of this comparatively well-educated, high income community is best served by the Association's final offer, which the District has the ability to pay.

The interests of the public will not be adversely affected if the Association's final offer is selected. The income level of the community is comparatively high. The equalized value per pupil is quite comparable to that which exists in the "most comparable" and "regionally comparable" districts. School taxes in the District are not comparatively high. Per pupil costs in the District are not all that comparatively high. In fact, the vast majority of the comparable districts have higher per pupil costs than does the District. And lastly, selection of the Association's offer will not increase taxes during the term of this contract since the tax levy has already been set.

If the award has tax consequences on the District next year, it is important to note that there are no statutory limits on the amount of taxes that can be levied by the District. The only limits are spending limits (cost controls).

The actual pre-COLA cost increase to the District of the Association's final salary offer would only be 3.8%.

Based upon a projected CPI increase through January 1981 of 14.5%, the post-COLA value of the Association's final offer is 13.4%. Based upon the same assumption, the actual post-COLA cost increase to the District of the Association's final salary offer would be 9.5%, based upon changes in staff between the 1979-80 and 1980-81 school years.

Utilizing the same assumptions, the pre-COLA value of the District's offer would be 3.6%; the pre-COLA actual cost to the District would be -.08%; the projected post-COLA value to the teachers would be 9.3%; and the projected post-COLA actual cost to the District would be 5.4%.

The projected actual total cost difference between the parties for 1980-81 is $212,336.

The District is not unique in that it has problems dealing with declining student enrollments and restrictive state policies regarding cost controls, state aids and property tax exemptions.

The five-year enrollment decline in Greendale ranked fourth lowest out of the four "most comparable" districts, eighth lowest out of the eight "regionally comparable" districts, and sixteenth lowest out of the nineteen "generally comparable" group of districts. Thus, the enrollment decline in Greendale has not been as severe as most other comparable districts.

State imposed cost controls are not a barrier to awarding the Association's final offer. In fact, the District's 1980-81 budget is $91,000 under its allowable cost control limit.

The District could receive greater income in 1980-81 than it had budgeted for. In this regard, the Superintendent admitted that the District tended to be a little on the conservative side on projected receipts and a little on the more liberal side on projected expenditures.

The District might receive more state aid than anticipated.

The District might receive a higher interest rate on their investments than it had budgeted for.

The district may receive higher than anticipated transportation aid.

The District's utility costs could be lower than the budgeted amount if the winter is mild.

The inflation rate could turn out to be lower than anticipated.

The District could have sought a public referendum to allow it to exceed its cost control limit.

The threatened 4.4% reduction in state aids should not be an issue in this dispute. At the time the Board set the tax levy (October 16, 1980), the 4.4% had already been cut by the Governor. If the aid is cut, the District will "roll" the loss into the 1981-82 budget and finance it through a tax increase at that time. The potential loss in state aids, then, is a self-imposed problem to a large degree over which the District had a considerable amount of control.

In other respects as well, at least part of the District's financial difficulties are self-imposed. In this regard, despite the attempts of the Association to persuade the District to switch health insurance carriers as soon as substantial available savings became know, the District failed to act for almost four months. As a result, the District failed to take advantage of an additional $19,000 savings.

3. By comparison to other comparable districts, the District is one of the wage leaders. In order to protect that relationship, the Association's final offer must be awarded.

The Association agrees with the District on the comparable districts to be used in this proceeding.

Amongst the most comparable districts, Greendale is larger than average in size, its budgeted costs per pupil are considerably lower than the average, the full value school tax rate is about average, the state aids per pupil is below average, property taxes are slightly above average, the overall tax rate did not go down between 1979 and 1980 as much as the rate in most of the districts, and the teachers have the highest pupil/teacher ratio. In fact, Greendale teachers have the second highest pupil/teacher ratio in the entire group of eighteen districts.

Based upon the foregoing considerations, it is fair to conclude that the effort put forth in support of education in Greendale (budgeted costs per pupil) is below average in the area while the comparative ability to pay (full value taxable property per pupil) is above average.

In further support of this conclusion, it is noteworthy that according to the most recent data available (1978), Greendale ranks first among the "most comparable" and "regionally comparable" districts in income per taxpayer.

Greendale residents also possess a considerably higher education level than the residents of any of the other districts in the southern Milwaukee suburban area.

Lastly, Greendale teachers have the highest education level of the regionally comparable districts.

Greendale teachers are wage leaders among the "most comparable" and "regionally comparable" districts and rank second only to West Allis-West Milwaukee among the "generally comparable" districts, utilizing a comparison of the average salary of the same 228.96 fte Greendale teachers on each of the other schedules. Selection of the District's final offer will substantially erode the District's teachers status in this regard.

Although there are seven settlements in comparable districts for 1980-81, only two are really current. The West Allis and Wauwatosa settlements were negotiated just for 1980-81, while the settlements in Elmbrook, New Berlin, Nicolet, Glendale and Whitefish Bay are all part of multi-year agreements reached some time ago.

The West Allis and Wauwatosa settlements are the most relevant to this dispute because they are the most current and because they are geographically closer to Greendale than any of the other settled districts with the possible exception of New Berlin for which reliable 1980-81 figures are not available.

West Allis teachers worked under two different salary schedules in 1979, one in effect from July 1 through December 31, 1979, the second in effect from January 1 through June 30, 1980. The average salary increase for West Allis teachers for 1980-81 was 13.6% ($2626) over the average salary earned by that group in 1979-80. In addition, new dental and long-term disability insurance benefits were also implemented. Including the value of such benefits, the West Allis settlement was actually worth 14.9% ($2881) on the average per teacher.

The Association's final salary offer would cause the average Greendale teacher salary to fall $178 further behind what they could make on the West Allis schedule. The District's final offer would cause a loss of $962 on the average.

In this same regard, the District's conclusions regarding the West Allis settlement for 1980-81 are incorrect, since its assertion that the agreement reflects a 10.01% increase ($1994) is based on the premise that the 1979-80 teaching staff was on the January 1, 1980 to June 30, 1980 schedule for the entire 1979-80 contract year.

The Association used instead the amounts the teachers in West Allis actually earned in 1979-80 in comparing the value of their increase with the value of the increase which will be experienced by the Greendale teachers. This is the only way to fairly compare the value of increases in the two districts.

The average salary increase for Wauwatosa teachers for 1980-81 was 12.5% ($2301). The District's final sslary offer would cause Greendale teachers to lose $531 on the average to what they could earn on the Wauwatosa schedule, while the Association's final average salary offer would allow Greendale teachers to gain $253 on the average to what they could earn on the Wauwatosa schedule.

The Association takes strong issue with the District's argument that the Wauwatosa settlement for 1980-81 included a catch up raise. It asserts that said contention is not supported by any proof in the record.

In making comparisons, the Association argues that percentages between districts should only be compared to the inflation rate, not to each other, since the same percentage increase can raise a considerably larger dollar increase per teacher in a district where the teachers are paid higher salaries. Instead, it is entirely fair to compare average dollar increases from district to district to determine what is happening to the comparative earning power of different groups of teachers. Teachers take dollars to the marketplace, not percentages.

If all seven association final offers are selected in pending mediation-arbitration proceedings in comparable districts, the comparative salary position of Greendale teachers will not change at all.

The District's final offer, however, does not compare as favorably to the six other pending district final offers. Although the average increase per teacher under the District's offer ($1775) ranks third behind South Milwaukee and Greenfield, its offer to the teachers at the maximum salaries ($1221-$1685) ranks sixth out of the seven districts.

The District's final offer would cause Greendale teachers to lose more ground when compared to other district final offers than they could gain under the Association's offer when compared to other association final offers at twenty-three of the thirty-two positions on the salary schedule which were analyzed by the Association.

In response to the District's data on comparability, the Association argues that the District's comparisons are less reliable than the Association's since the District had no control over the calculations which were provided by said districts, and since most of the Association's calculations were done by the Association itself. This conclusion is reinforced by several errors which have been noted in the District's figures by the Association.

Furthermore, the District's methodology in making salary comparisons between Greendale and other districts is faulty in that comparisons of minimum and maximum salaries between districts have very little value. Emphasis on the hiring steps during a time of staff reductions and program cutbacks has little, if any, validity. Likewise, only 35% of the teachers in the District are at the maximum salaries.

The District has also neglected to add in the longevity amounts in comparing maximum salaries, and therefore the comparisons are distorted since longevity in some of the comparable districts is considerably higher than it is in Greendale.

In addition, and most importantly, comparing the salary at the minimum or maximum step of a column in Greendale with the average salary at that step in the comparable districts does not focus on the relative ranking of the Greendale salary among the districts, nor does it allow for the determination of the size of the gap between salaries and the positive or negative change in the size of that gap from year to year.

In further response to the District's arguments regarding comparability, the Association submits that there is no evidence in the record to substantiate the District's claim that the Nicolet and Whiefish Bay settlements occurred in late January and February, 1980. Therefore it is impossible to fairly assert what the cost of living was at the time these agreements were reached.

The Association also contests the accuracy of the District's contention that the Association's final salary offer is in excess of association final offers in Menomonee Falls, St. Francis, and South Milwaukee. Instead, the Association contends that its final average salary offer is $2 less than the St. Francis Association offer and $28 less than the South Milwaukee Association final offer.

4. The Association's final offer will allow the District's teachers to recoup more of their losses due to inflation over the

the previous twelve months than the District's final offer.

Because of the manner in which the parties implement the COLA provision in their agreement, Greendale teachers normally receive the same type of annual salary increase that teachers in comparable districts receive. The main difference is that Greendale teachers begin receiving only part of their raise in September (the pre-COLA portion) and receive the remainder beginning in April (the COLA adjustment), while teachers in the other districts begin receiving all of their raise in September.

When inflation has been very high, Greendale teachers gain more (or lose less) than their counterparts in neighboring districts. This is precisely the advantage the Greendale COLA is designed to provide. If this advantage is taken away, then the deferred compensation nature of the cost of living adjustment makes the provision, on balance, a severe liability. The District's final offer takes away the one advantage of the COLA (an insurance policy against high inflation) and leaves the teachers saddled with the one disadvantage (the deferred compensation aspect).

Lastly, the District's attack on the Consumer Price Index as not being the most valid measure of increases in the cost of living lacks merit. No evidence exists in the record that the PCE is being utilized by any parties in determining salaries. The PCE is at best, a relatively untested indicator and it should not be used herein. Instead, the CPI which has been incorporated by the parties into their agreement must be utilized as the most appropriate measure of the cost of living in this dispute.

Unrelated to all of the foregoing arguments, the Association finally argues that collective bargaining will be reduced to a meaningless process if the District is allowed to first decide all of their budget priorities and then look at its cost control limit and determine that the difference is all it can afford to pay its teachers.

DISCUSSION

In establishing their voluntary impasse procedure, the parties have agreed to utilize the criteria set forth in Section 111.70(4)(cm), Wis Stats. as those which the Arbitrator must utilize in resolving the dispute. Those which have been argued to be relevant and determinative of the issues raised herein are as follows:

1. The interest and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
2. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and comparable communities and in private employment in the same community and in comparable communities.
3. The average consumer prices for goods and services, commonly know as the cost-of-living.
4. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
5. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact finding, arbitration or otherwise between the parties, in the public service or in private employment.

Utilizing the statutory criteria referred to above, the undersigned has concluded that the District's final offer is the more reasonable of the two final offers submitted in this proceeding. That is not to say that the District's final offer is clearly supportable when analyzed in light of said criteria; however, it is in the undersigned's opinion more defensible than the Association's final offer when viewed in said light.

The undersigned feels compelled to point out in this regard that the final offers of both parties reflect positions which are not easily supportable when analyzed in light of the aforementioned statutory criteria. In this same regard, the voluntary impasse procedure utilized by the parties appears to have failed in bringing the parties to positions which accurately reflect their differences. The final offer arbitration process is designed to force both parties to formulate final offers which are defensible when viewed in light of the statutory criteria, which in turn should minimize the differences between the parties. In this instance however, in the undersigned's opinion the final offers do not reflect the actual minimal differences between the parties. Thus, when the process operates in the manner that it has in the instant proceeding, though one party may "win big", the harmful consequences on the parties' relationship that may result from the issuance of such an award may negate the value of that "win" in the long run. The undersigned would therefore encourage the parties to consider some device in future negotiations to assure that more extensive negotiation or mediation efforts precede the submission of final offers to facilitate minimization of the gap between the parties.

Applying the statutory criteria referred to above, the District's final offer is more reasonable for the following reasons.

The parties have concentrated primarily on three statutory criteria in defense of their respective positions. They are:

1. The interests and welfare of the public and the financial ability of the District to meet the costs of the proposed settlement.

2. The comparison of wages of teachers in the District with the wages of teachers in other comparable districts.

3. The cost of living.

The undersigned, in evaluating the parties' respective positions, has relied primarily on these same criteria. The assessment of the reasonableness of the final offers has been made on the basis of an application of all of the above criteria to the facts present herein, rather than on the basis of the application of each criterion to said facts separately. Therefore, the discussion which follows will deal with all of the criteria which have been utilized in formulating this award, including the relationship between said criteria and the relative weight which each has been given.

The parties have given considerable attention to the criterion of comparable wages. In doing so, they have mutually accepted the analysis of comparability developed by Arbitrator Zeidler in South Milwaukee Board of Education. 7/

Utilizing that analysis, the "most comparable" districts are: Greendale, Franklin, Greenfield, and Whitnall. A second most comparable grouping, identified as "regionally comparable", includes the "most comparable districts" plus: Cudahy, South Milwaukee, Oak Creek, and St. Francis. A third grouping, somewhat less comparable than the foregoing two groupings, referred to by Arbitrator Zeidler as "generally comparable districts" includes the "regionally comparable districts" plus West Allis, Elmbrook, Wauwatosa, New Berlin, Muskego, Menomonee Falls, Germantown, Brown Deer, Shorewood, and Nicolet.

In view of the parties' mutual willingness to accept the above analysis, it has been utilized by the undersigned in assessing comparability arguments.

As of the date of the hearing, none of the districts in the "most comparable" or the "regionally comparable" groupings had settled their 1980-81 agreements. Of those comparable districts which have settled, several were in the second year of a two-year collective bargaining

7/ Supra.

agreement. The value of the increases granted in those settlements, as calculated by both parties to this dispute,8/ are as follows:

	Approximate Average teacher increase	Approximate Average % increase
Elmbrook	$1620	9.2
New Berlin	information not available	
Nicolet	$2050-$2070	10.2
Whitefish Bay	$1900-$2000	9.9-10.4

Although the above settlements were negotiated at other times when economic circumstances may not have been identical with those currently in existence, said agreements do reflect, concededly to a limited extent, a segment of the wage pattern that is in the process of being developed among comparable districts. To the extent that the districts are at least "generally comparable", the size and value of those settlements cannot be ignored in evaluating the fairness of the final offers submitted herein.

The Wauwatosa settlement, the value of which on the average approximates $2300 per teacher or 12.5%, followed a 1979-80 settlement of approximately a $1220 average teacher increase (7.4%), which was significantly smaller than the increases that teachers received in all comparable districts except the Franklin district. Thus, this settlement, though closer both in dollars and in percentages to the Association's final offer, is of limited value in terms of comparisons because of the fact that the parties in Wauwatosa are coming off an unusually low settlement from the prior year, whereas in the instant proceeding, the parties are coming off of an unusually high settlement as a result of the unanticipated rise in the cost of living.

In this regard, the undersigned believes that it is appropriate, indeed necessary, to compare not only the amount of the proposed increases, both in dollars and percentages, but as well, the relative salary position of teachers in comparable districts, not only at a given point in time, but over a period of time as well. This is necessary in order to determine whether relationships have remained relatively stable over a period of time. It also helps one determine the relative progress teachers have made over a period of time. All of these factors are relevant in comparing the experience of teachers in comparable districts. It is clearly necessary to understand many of these relationships in order to preserve established wage relationships, if that is desirable, and in order to allow teachers who have fallen behind among teachers in comparable districts to catch up, again assuming that is a desirable objective.

Therefore, it is relevant in comparing the Wauwatosa teachers 1980-81 settlement with the final offers of the parties herein to note that in 1979-80 said teachers received an average increase of approximately $1200 while the teachers in Greendale received an average post-COLA increase of approximately $2370.

The undersigned wishes to point out at this time that strict adherence to established wage relationships among teachers in comparable districts would prevent those who have always lagged behind from ever cathing up, and furthermore it would prevent the parties through the processes of collective bargaining or interest arbitration from ever correcting inequities which exist in those relationships. Accordingly, although there is precedent for the recognition of established wage relationships, the undersigned does not believe that strict adherence to this principal is either desirable or fair.

The 1980-81 West Allis-West Milwaukee settlement has generated substantial disagreement between the parties as to its value. This disagreement has arisen because in 1979-80 West Allis had a split salary schedule in which one salary schedule was in effect for the first semester and another higher schedule was in effect during the second semester. The

8/Variations reflect the parties' differing calculations.

Association, utilizing the average salary earned by the West Allis teachers in 1979-80, calculates the value of their 1980-81 salary settlement as an average of $2626 per teacher of 13.6%. The District, utilizing the salary schedule in effect during the last half of the 1979-80 school year as its basis for comparison, calculates the value of the West Allis settlement as approximately an average increase per teacher of $1990 or 10%.

The undersigned is persuaded that although neither party's West Allis calculations may properly be characterized as incorrect, the Association's valuation of said settlement is more persuasive as a basis for comparison with the circumstances present herein. This analysis gives some credibility to the Association's contention that 1980-81 settlements negotiated last year may not be in accord with those negotiated this year. On balance however, although the West Allis settlement is more supportive of the Association's position than the District's, a stronger case has been made for the comparability of the District's final offer than the Association's. This conclusion is based upon the value of the few 1980-81 agreements which exist, the likelihood that the Greendale teachers will be able to retain a relatively advantageous position with respect to salaries among comparable districts, and the District's ability to pay, which will be discussed hereafter.

In giving limited weight to the West Allis settlement, the undersigned wishes to note with agreement Arbitrator Zeidler's statement in South Milwaukee Board of Education:

> ...the larger size of West Allis and Wauwatosa militate against full comparability with South Milwaukee and other smaller suburbs.

The undersigned acknowledges that should association final offers prevail in pending mediation-arbitration proceedings in comparable districts, that the status of the District as a wage leader may be adversely affected. However, the outcome of these proceedings is an uncertainty, and moreover, even if many of the Association final offers do prevail, the Greendale teachers will be able to retain a relatively advantageous position in salaries among comparable districts. This is particularly true in light of the fact that the District's teachers achieved unanticipated salary gains in 1979-80 because of the size of their cost of living adjustment. These unanticipated gains increased the gap in salaries between the District's teachers and those teachers in many comparable districts. Again, assuming that association positions were to prevail in most or all pending mediation-arbitration proceedings, although that gap might be narrowed somewhat again, the Greendale teachers are not likely to lose much ground in their relative ranking in salaries among comparable districts.

The foregoing analysis of comparisons and the conclusions reached therein have been affected and reinforced by the undersigned's analysis of the parties' contentions regarding the interest and welfare of the public and the financial ability of the District to meet the costs of the proposed settlement.

In this regard, the undersigned believes that the District has persuasively demonstrated that selection of the Association's final offer would impose serious economic hardship on the District with a likely adverse impact on the public.

Although it is true, as the Association points out, that the District is not alone in experiencing financial constraints on many fronts, the undersigned does not agree with the Association's characterization of the District's response to these economic problems as irresponsible and in violation of the District's responsibilities to its teaching staff.

It is unrefuted that the District has experienced a significant recent decline in student enrollment with a resulting loss in state aid, a substantial decrease in the value of taxable personal property because of new state tax exemptions for personal property, potential loss of additional state aids of an undetermined amount because of a statewide projected budget shortfall, and perhaps most significantly, a substantial budget deficit in 1979-80 resulting from the unanticipated cost of living adjustment which occurred that year. All of thesee factors had to be dealt with in the budget for the 1980-81 fiscal year.

Because of the deficit which the District carried over in 1980-81 and because of projected shortfalls in the current fiscal year, the District took a variety of actions to reduce expenditures and increase revenues, including:

1. In 1979-80, reducing travel, maintenance, and the purchase of supplies and textbooks.
2. In 1980-81, reducing bussing services, elimination of teacher aides, reducing extra curricular programs, elimination of some department head and teacher leader positions, termination of curricular development work, repayment of the proceeds of a capital improvement loan rather than spending the proceeds as planned, and increasing the tax levy.

While it is true that there were other alternatives available to the District to possibly increase revenues and to reduce expenditures, the record demonstrates that the District went through a conscientious, responsible, and non-arbitrary decision making process in deciding how to deal with the budget problems it faced. In this regard there is no evidence that it has been totally inflexible in determining the amount which should be made available in the budget for teachers' salaries, nor does the record indicate that decisions were made regarding teachers' salaries only after all other budgetary considerations were completed.

Instead, the record demonstrates that if the Association's final offer were selected, the District's financial problems would be significantly exacerbated and the interest and,welfare of the public the District serves would in all likelihood be harmed either by additional cuts in educational programs or by the consequences of deficit spending carried over into the next fiscal year. Most assuredly, selection of the Association's final offer would require future expenditures unsupported by state aids. While it is true that the District could seek additional tax support in lieu of cutting programs and that to do so would not place the District in a non-competitive position in its tax effort in support of education, the District apparently has chosen to utilize relatively prudent budgeting practices without sacrificing the quality of the educational program or the benefits it has made available to its teaching staff. If it can continue to utilize such budgeting and taxing priorities without significantly jeopardizing the interests and status of its teaching staff among comparable districts, it is not appropriate for the undersigned to mandate either deficit financing, program cuts, or higher school taxes in order to assure that the relative ranking of teachers in comparable districts will not be affected in any way. The District's budgeting decisions and priorities have not been shown to have been in bad faith or illegitimate. Unless the teachers' legitimate rights and interests are jeopardized by such budget making decisions, the undersigned does not believe that it is his preogative to requires that said decision be reassessed or that the District's priorities be substantially reordered.

As the undersigned has indicated above, the District's final offer may be less than the District can actually afford and less in several respects than many of the settlements that may be forthcoming in comparable districts. However, the harmful consequences for the District and the public it serves resulting from the selection of the Association's final offer would be substantially more profound than the harmful consequences the teachers will experience resulting from the selection of the District's final offer.

The undersigned has also been requested to consider the impact of the cost of living on the reasonableness of the parties' final offers. Although the District has presented a rather persuasive argument in support of its contention that the Consumer Price Index may be a somewhat inflated measure of the impact of the cost of living on wage earners who for example have fixed housing costs and whose medical costs are primarily covered by group insurance plans, the undersigned feels compelled to utilize the Consumer Price Index as the more generally accepted measure of the cost of living, recognizing of course that it, like most other economic criteria, is an imperfect instrument, particularly when applied to a given set of facts. Use of the CPI as a relevant measure in this dispute is particularly appropriate since it has been utilized by the parties as a basis for determining teachers' salaries.

In applying the CPI to the final offers in the instant dispute, on its face it is clearly supportive of the reasonableness of the Association's position. However, like all other criteria, the application of the CPI to this dispute cannot be viewed in a vacuum. As has been pointed out by the District and other interest arbitrators, few employees in either the organized or the unorganized sectors of the economy have been able to keep up with the recent inflationary spiral. At best, unions have sought to minimize losses in real income. This in fact reflects the position of the Association herein. However, in many sectors of the economy, both in the public and private sectors, employees have been losing ground steadily in this regard.

In this respect, the District's teachers, comparatively speaking, have been better able to keep up with inflation than have teachers in other comparable districts, as well as other public and private sector employees. This inflationary protection continues in the parties' collective bargaining agreement and may afford the District's teachers a larger increase than that discussed herein if the Milwaukee Metropolitan Area CPI for Urban Wage Earners and Clerical Workers exceeds 14.5% from January 1980 to January 1981, a distinct possibility in light of the size of recent CPI increases.

In summary, the undersigned is of the opinion that the District's final offer is the more reasonable of the two final offers which have been submitted in this proceeding for the following reasons:

1. Selection of the Association's final offer would result in either harmful cuts in educational programming, continued and exacerbated deficit financing of the District's educational program, or a reordering of the District's budget making and taxing priorities which cannot be justified on the basis of the consequences that will flow from the selection of the District's final offer.

2. Though the District's final offer will probably prove to be at the lower end of the settlements among comparable districts, both in dollars and percentages, said result will not seriously diminish the status of the District as a wage leader among comparable districts. In this regard, although the gap between the salaries between the District's teachers and the salaries of teachers in other comparable districts may be narrowed, and the relative ranking among comparable districts with respect to certain aspects of their salary schedules may be altered, overall, it is highly likely that the District will continue to be ranked as one of the top paying districts among the comparables the parties have agreed upon.

3. Although the inflationary spiral supports the need for a generous settlement in order to avoid a substantial loss in real income, in light of the relative protection against inflation that has been afforded the District's teachers over a period of time, particularly when viewed in the light of the factors discussed above, the District's final offer, though it will most assuredly result in a loss of real income, is the more reasonable of the two parties' positions.

AWARD

The 1980-81 agreement between the School District of Greendale and the Greendale Education Association should include the final offer of the District which has been submitted herein.

Dated this 2nd day of February, 1981 at Madison, Wisconsin.

Byron Yaffe
Byron Yaffe
Mediator-Arbitrator