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In the Matter of Arbitration :
 :
 : AWARD
 :
 : Case No. [REDACTED] 30324
 : [REDACTED] MED/ARB-1895
 :
 : Decision No. 19978-A

Between :
 BROWN COUNTY HANDICAPPED CHILDREN'S :
 EDUCATION BOARD :
 and :
 BROWN COUNTY SPECIAL EDUCATORS ASSOCIATION

MAR 16 1983
 WISCONSIN EMPLOYMENT
 RELATIONS COMMISSION

I. HEARING. A hearing in the above entitled matter was held on December 22, 1982, at the Northern Building, Green Bay, Wisconsin, beginning at 2:15 p.m. The parties were given full opportunity to present evidence and give testimony. Briefs and reply briefs were supplied, the last reply brief being supplied on February 5, 1983.

II. APPEARANCES.

LAWRENCE J. GERUE, Program Director, Bayland Teachers United, appeared for the Association.

JOHN C. JACQUES, Assistant Corporation Counsel, Brown County, appeared for the Board.

III. NATURE OF THE PROCEEDINGS. This is a final and binding, final offer arbitration under Section 111.70 of the Municipal Employment Relations Act of Wisconsin. The Association having filed a petition requesting the Wisconsin Employment Relations Commission to initiate mediation-arbitration pursuant to the act, the Commission conducted an investigation through William C. Houlihan, a staff member. The staff investigator reported that the parties remained at impasse on September 20, 1982, and the Commission thereafter concluded that an impasse within the meaning of Section 111.70 (4) (cm) 6 of the Act existed. The Commission certified that conditions precedent to mediation-arbitration as required by the Act had been met and ordered mediation-arbitration on October 8, 1982. The parties selected Frank P. Zeidler as mediator-arbitrator, and the Commission under an Order of October 28, 1982, appointed him. Mediation took place on December 22, 1982, but the impasse was not resolved. Arbitration took place later on the same day.

IV. THE OFFERS. There is only one issue here. That is the issue of base salary. The Brown County Special Education Association proposes a base salary of \$14,000 for the school year, 1982-1983. The Board proposes a base salary of \$13,338.50.

V. FACTORS TO BE CONSIDERED BY THE ARBITRATOR. The following factors are to be considered by the arbitrator in making an award pursuant to Section 111.70 (4) (cm) 7:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with 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 in comparable communities and in private employment in the same community and in comparable communities.

e. The average consumer prices for goods and services, commonly known as the cost of living.

f. The overall compensation presently received by the municipal employees including direct wage compensation, vacation, holidays, and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

h. 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.

VI. **LAWFUL AUTHORITY.** There is no question as to the lawful authority of the Employer to meet either offer.

VII. **STIPULATIONS.** The parties have stipulated as to all other matters affecting their 1982-83 agreement.

VIII. **FINANCIAL ABILITY OF THE EMPLOYER.** The matter of the financial ability of the Employer to pay the costs involved in either offer was not directly expressed by the Employer. However, the administrator for the Board said that he was advised by the County that it had a ceiling on the amount of tax it could raise, and this therefore affected the Board's position. No absolute statement was made that the Board could not meet the Association offer.

IX. **THE INTERESTS AND WELFARE OF THE PUBLIC.** This matter is addressed in the discussions on the wage offer.

X. **WAGES AND TOTALS THEREOF.** There are differences between the parties on what the cost of the offers are. The Brown County Handicapped Children's Education Board has a salary system based on an index. The fitting of teachers into the index and the obtaining of their wages is subject to differences between the parties as to the number of teachers, the percentage of time engaged, and the means of comparing the cost of the proposed offers with last year's costs.

The following information is derived from various Association exhibits:

TABLE I

COSTS OF THE OFFERS DERIVED FROM ASSOCIATION EXHIBITS

<u>Exhibit No.</u>	<u>Item</u>	<u>Cost</u>	<u>% Inc.</u>
6	1981-82 Salary Cost, 31 Teachers	\$584,062	
7	1982-83 Salary Cost, 31 Teachers moved forward, <u>Association Offer</u>	649,964	11.28
8	1982-83 Salary Cost, 31 Teachers moved forward, <u>Board Offer</u>	619,252	6.03
10	1982-83 Actual Staff Cost, 30 Teachers <u>Association Offer</u>	624,596	6.94
11	1982-83 Actual Staff Cost, 30 Teachers <u>Board Offer</u>	595,084	1.89
12	Average Salary		
	1981-82, 31 Teachers	18,841	
	1982-83, 30 Teachers		
	<u>Board Offer</u>	19,836.13	5.28
	<u>Association Offer</u>	20,820	10.50

TABLE I - continued

<u>Exhibit No.</u>	<u>Item</u>	<u>Cost</u>	<u>% Inc.</u>
13	Costs with salary, retirement payments and social security		
	1981-82	\$690,264	
	1982-83		
	<u>Association Offer</u>	738,272	6.96
	<u>Board Offer</u>	703,379	1.90

The following information is derived from Board Exhibit 8:

TABLE II

COMPARISON OF OFFERS: TOTAL COSTS, DOLLAR INCREASES, PERCENTAGE INCREASES AND AVERAGE SALARIES, 30 TEACHERS ON STAFF, 1982-83

<u>Year</u>	<u>Total Salary</u>	<u>% Inc.</u>	<u>\$ Inc.</u>	<u>Aver. Salary</u>	<u>Average Inc.</u>	<u>Total % Inc. of 30 Teachers Individually</u>	<u>Aver. % Inc.</u>
1981-82	\$563,707 ⁽¹⁾			\$18,790			
1982-83							
Board	597,446	5.98	\$33,758	19,915	\$1,125	187.90	6.26
Assn.	627,332	11.28	63,625	20,911	2,121	347.2	11.57

(1) The Association states in its brief that there is a discrepancy in Board exhibits with three salaries. The discrepancy comes to \$2,882, and this figure then should be \$566,599. If this figure is correct, it would produce a drop in the percentage increases of about 0.5%.

The Board in its brief and in the hearing offers different testimony about the above figures. The basis of the Board's contention is that its own data about the placement of teachers in the salary schedule and about the annual pay of one teacher who works 200 days instead of 190 days makes the difference.

The following table reflects the Board estimate of costs and percentages, as derived from its data:

TABLE III

BOARD ESTIMATES OF COSTS OF OFFERS AND PERCENTAGE INCREASES IN CORRECTION OF ASSOCIATION EXHIBITS

<u>Assn. Ex. No.</u>	<u>Item</u>	<u>Cost</u>	<u>% Inc.</u>
6	1981-82 Salary Cost, 31 Teachers	\$584,289	
	1982-83 Salary Cost, 31 Teachers		
	moved forward		
7	Association Offer	651,972	11.58
8	Board Offer	620,918	6.26
	1982-83 Actual Staff Cost, 30 Teachers		
10	Association Offer	626,604	7.24
11	Board Offer	596,751	2.13
12	Average Salary		
	1981-82, 31 Teachers	19,296.00	
	1982-83, 30 Teachers		
	Association Offer	21,120.83	9.46
	Board Offer	20,420.60	5.82

The arbitrator has developed this table of average salaries, a table which differs from the data on average salaries of the Board. The assumption of the arbitrator is that the corrected data of the Board on annual salaries is reflected in Table III. These data would produce the following on average salaries:

TABLE IV
AVERAGE SALARIES OF TEACHERS IN 1981-82 AND 1982-83 UNDER ASSOCIATION AND BOARD OFFERS

<u>Year</u>	<u>Total Salary Cost</u>	<u>No. of Staff</u>	<u>Average</u>	<u>% Inc.</u>
1981-82	\$584,289	31	\$18,848	
1982-83				
Association	626,604	30	20,886	10.81
Board	596,751		19,892	5.53

It should be noted that there are substantial differences between the total payments the Board claims it is making as shown in Table II and the information in Table III from which Table IV is derived. The Board's percentage increases of average salary in Table II are derived from totalling all the percentage increases of each individual teacher and dividing by the total number of teachers. This tends to state a percentage increase for teachers higher than the percentage increase in dollars expended.

TABLE V
AVERAGE SALARY BASED ON AVERAGE INDEX MULTIPLIED BY BASE WAGE AND PERCENTAGE INCREASE, F.T.E. STAFF

<u>Year</u>	<u>Adjusted Total Increments</u>	<u>F.T.E. Staff</u>	<u>Average Increments</u>	<u>Base Salary</u>	<u>Average Salary</u>	<u>% Inc.</u>
1981-82	45.1863	30.36	1.4883	\$12,950	\$19,273	
1982-83	44.757	29.13	1.536			
Assn.				14,000	21,504	11.57
Board				13,338.50	20.488	6.3

Position of the Association. The Association contends that the ability to cost average teachers' salaries is not clear. It notes discrepancies between the parties in salary amounts and discrepancies in the indices applied to certain teachers. The Association also notes discrepancies in what are considered average salaries. The Association stands by its calculation of an average teacher salary of \$18,841 based on total salary of \$584,062 for 31 teachers.

Position of the Board. The Board maintains that the Association data on total costs and average salary, and percentage increases, are in error. The Board states that the Association data does not reflect the increases some staff have obtained in moving across lanes, and in staff reduction, and further the indices used in some cases are incorrect. Also the Association improperly divided the 1981-82 totals by 31 teachers to get average salary when the F.T.E. staff was only 30.36, and it made the same error in 1982-83 when it used a divisor of 30 when the F.T.E. staff was 29.13.

The Board says that the way to ascertain actual percentage increases is to find the average index and multiply it by the base wage. The average index for 1981-82 was 1.49, and the average salary was \$19,926. For 1982-83 the average index was 1.538. This produces an average salary of \$20,420.60 or a 6.26% increase under the Board's offer for the same cohort of teachers who were present the previous year. The dollar percentage increase would be 5.98%.

The Board says that under the Association offer the average salary based on \$14,000 and an average index of 1.538 would be \$21,532.00 or an 11.57% increase for the same cohort of teachers. This would mean an increase of 11.28% in dollar payments.

The Board has objected to Association Exhibits 6 through 13, because the exhibits do not show the same level of staff when a reduction in staff occurred. A constant number or cohort of teachers must be used. Thus the Association's exhibits are inaccurate.

Discussion. There are differences as to what costs and percentages changes to attribute to the offers. The differences in costs and percentage increases require a judgment as to what method of calculation of costs reveals the most nearly correct picture of the offers. The arbitrator is persuaded that in this instance the use of the F.T.E. staff of teachers as the basic element in the calculation is required. Next the proper index for each F.T.E. staff both in 1981-82 and 1982-83 should be determined, and then these indices should be totalled for each year. Thereafter the division of these indices by the F.T.E. staff gives a proper average index. This average index multiplied by the base wage for the given year gives the average increase, and the average increases can thus be derived and compared. This is the process the arbitrator used to arrive at the data in Table V. The average salary increase then is about 11.57% for the Association offer and 6.3% for the Board offer. However it should be noted that these increases do not reflect the Board's costs. These costs will be less - 5.98% under its own offer and 11.28% under the Association offer.

It should be noted generally that by whatever methods costs are calculated, including discrepancies between the parties, the costs to the Employer will be about 6.00% for its own offer and 11.3% under the Association offer.

The arbitrator does not believe it proper to compare the dollar amounts of the Employer's cost in 1981-82 and 1982-83 as a means of determining percentage increases. This is because the F.T.E. staff has dropped. While it is true that the dollar increase to Association members as a whole would be only 1.89% under the Board offer and 6.94% under the Association offer (Table 1), such a calculation would conceal the real percentage increase gained by the total current staff.

The percentage increases then that reflect properly the gain to the employees and the cost to the Employer are approximately 6.0% under the Board offer and 11.3% under the Association offer.

XI. COMPARISONS - DISTRICTS USED. The Association considers the following school districts which are feeder districts to the Brown County Handicapped Children's Education Board to be comparable districts. These districts are Pulaski, Howard-Suamico, Ashwaubenon, Wrightstown, West DePere, DePere, and Denmark. It did not include the Reedsville District, stating that it was not aware Reedsville was a feeder district.

The Association also considers the Green Bay District as being a comparable district. This is because Green Bay has essentially the same type of index system for teacher placement in the schedule that the Brown County HCE Board uses. The base schedules are different however, and so are the provisions for longevity.

The Association states that all districts in the area pay close attention to the Green Bay District, and it had one of the only two settlements at the time of the hearing. Further the history of the Association's settlements with the Board have shown steady improvement with respect to Green Bay, and the Board's offer would produce the worst base salary differential in the bargaining history of the parties.

While the Association does not consider the inclusion or exclusion of Green Bay as a comparable as damaging, since it has not been the leader in establishing a pattern of settlements, it nevertheless says it should be included as a comparable district.

The Board holds that only two school districts in the area are the most comparable. These are the DePere School District and the West DePere School District. This is because the Board operates its own school, the Sybil Hopp School, in West DePere. The Board objects to the use of the Green Bay District, because of the size of the district, because it has its own handicapped children's program, because only participating schools are similarly situated as the BCHCE Board system, and because the Green Bay teachers have a higher average experience in which 70% of the teachers are on post schedule increments.

The Board also contends that with respect to other districts, its "multiplier" developed from its index system is more favorable. The Board does not object to Association exhibits relating to schedules of Ashwaubenon, Denmark, DePere, Howard-Suamico, Pulaski, West DePere, and Wrightstown.

Discussion. The arbitrator believes that the schools in the feeder system furnish the basis for primary comparison, and that comparison with Green Bay has a secondary value. The limiting of comparisons to DePere (East) and West DePere constitutes too narrow a comparison in the opinion of the arbitrator.

XII. COMPARISONS - SALARIES IN COMPARABLE DISTRICTS. The Association concentrated many of its comparisons on base salaries of Ashwaubenon, Denmark, DePere, Howard-Suamico, Pulaski, West DePere and Wrightstown. The following data is abstracted from Association Exhibits 15 and 16:

TABLE VI

BASE SALARY COMPARISONS, AVERAGE OF 7 FEEDER DISTRICTS,
BCHCEB, AND GREEN BAY FOR SELECTED YEARS

<u>Year</u>	<u>Aver. of Feeder Districts</u>	<u>BCHCEB</u>	<u>Diff.</u>	<u>Green Bay</u>	<u>Diff.</u>
1974-75	8,045	8,000	- 45	8,558	- 558
1976-77	9,118	9,260	+142	9,556	- 306
1978-79	10,286	10,500	+214	10,801	- 301
1979-80	10,918	11,075	+157	11,475	- 400
1980-81	11,702	11,950	+248	12,285	- 335
1981-82	12,693	12,950	+257	13,134	- 210
1982-83					
All Board Offers prevailing	13,533	13,338.50	-194.50	14,156	- 817.50
All Assn. Offers prevailing	13,715	14,000	+285	14,156	- 156

The Board challenges all exhibits of the Association that deal with base salaries only as not being demonstrative of any actual salary received by any member of the BCHCEB staff.

The following information is derived from Association Exhibit 17:

TABLE VII

PER CENT INCREASES OF BA BASE SALARIES IN
COMPARATIVE SCHOOL DISTRICTS AND DOLLAR DIFFERENCES
1981-82 TO 1982-83

<u>District</u>	<u>Dollar Differences</u>		<u>Per Cent Inc.</u>	
	<u>Bd. Offers</u>	<u>Assn. Offers</u>	<u>Bd. Offers</u>	<u>Assn. Offers</u>
Ashwaubenon	+ 725	+ 825	5.5	6.6
DePere	+ 665	+1,025	5.1	8.0
Howard-Suamico*	+ 750	+ 750	5.8	5.8
Pulaski	+ 788	+1,115	6.4	9.0
West DePere	+ 665	+1,025	5.1	7.9
Wrightstown	+ 900	+ 800	7.5	6.7
Average			5.9	7.33
BCHCEB	+ 388.50		3.0	
BCSEA		+1,050		8.1
Green Bay*	+1,022	+1,022	7.8	7.8

* Contract for 1982-93 settled.

Association Exhibit 18 presented data to the effect that under the Board offer on base salary of \$13,338.50, the BCHCEB would be sixth in rank where Green Bay was first with a \$14,156 base and Ashwaubenon second with a base of \$14,025. Under the Association offer of \$14,000, BCHCEB would be fifth.

Association Exhibit 19 is the source of the following information:

TABLE VIII

COMPARISON OF 1982-83 WITH OFFERS OF BCHCEB AND BCSEA

<u>Lane and Step</u>	<u>Green Bay</u>		<u>Howard-Suamico</u>		<u>BCHCEB</u>		<u>BCSEA</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
BA	14,156	7.8	13,700	5.8	13,338.50	3.0	14,000	8.1
BA-7	19,111	7.8	17,481	5.9	18,007	3.0	18,900	8.1
BA Max.	22,650	7.8	21,262	5.8	21,342	3.0	22,400	8.1
MA	15,288	7.8	14,650	5.4	14,406	3.0	15,120	8.1
MA-10	23,782	7.9	21,925	6.2	22,409	3.0	23,520	8.1
MA Max.	25,481	7.8	24,350	6.3	24,009	3.0	25,200	8.1

The next table is abstracted from Association Exhibits 20-26 inclusive:

TABLE IX

RANK OF BCHCEB IN SELECTED STEPS FOR SELECTED YEARS
IN NINE DISTRICTS INCLUDING GREEN BAY

<u>Year</u>	<u>BA Base</u>	<u>BA-7</u>	<u>BA Max.</u>	<u>MA Base</u>	<u>MA-10</u>	<u>MA Max.</u>	<u>Schedule Max.</u>
1979-80	5	3	2	5	3	5	4
1980-81	3	3	2	5	3	5	5
1981-82	6	3	2	5	3	5	5

Association Exhibits 30-39 inclusive and Exhibits 20, 23, 25 and 26 yielded the following information:

TABLE X

1981-82 SALARIES AT SELECTED STEPS IN COMPARABLE DISTRICTS

<u>District</u>	<u>BA Base</u>	<u>MA Base</u>	<u>MA Max.</u>	<u>Schedule Max.</u>
Ashwaubenon	13,000	14,364	25,536	28,196
Denmark	12,150	13,050	21,530	21,530
DePere	13,025	14,329	23,545	25,939
Howard-Suamico	12,950	13,900	22,910	24,756
Pulaski	12,400	13,400	21,620	22,470
West DePere	13,025	14,328	23,772	24,344
Wrightstown	12,000	13,000	19,060	19,800
BCHCEB	12,950	13,986	23,310	24,476
Green Bay	13,134	14,183	23,651	24,831

From Association Exhibit 29 comes the following information:

TABLE XI

1981-82 POST INCREMENT SCHEDULE, COMPARABLE DISTRICTS

- Ashwaubenon - 1% of base, accumulative
- Denmark - \$500
- DePere - 1.15% acc. for varying lengths of time
- Howard-Suamico - 1% of base, acc., BA lanes, 2%, acc., MA lanes
- Pulaski - \$200
- West DePere - \$130 acc. for varying lengths of time
- Wrightstown - \$150 per year
- BCHCEB - 1% of base, accumulative
- Green Bay - \$200

The Board presented in Exhibit 9 information in which it placed all of its current employees in the salary schedules of DePere (East) and West DePere, Board offer, and compared them with the offers in this matter. It then totaled the offers. In the comparison with DePere (East) the Board offer brought a higher salary for 22 of its current employees than if they had been in DePere (East). 8 employees are receiving less than they would receive in DePere (East). The Association proposal would pay all employees a higher rate than they would get in DePere (East).

In the comparison with West DePere, the Board offer exceeds in 20 instances what the same employee would have earned in the West DePere system, and is less in 10 instances. The Association offer exceeds the West DePere Board offer in every case but one. The sum of the various offers for each individual teacher as placed in the BCHCEB, DePere (East) and West DePere systems is as follows:

1982-83 Offer	BCHCEB	DePere (E)	West DePere
	597,446	592,232	593,935

The Association's Position. The Association notes from its exhibits that over the years it has been able to improve its position generally and gradually. If the Board's proposal were adopted, the BCHCEB base salary would drop from \$257 above the average to almost \$200 under the average. The Association regrets the lack of information on settlements, but it has attempted to supply what evidence there is in its Exhibit 19 (see Table VIII).

The Association objects to the attempt to limit the comparables to DePere and West DePere as shown in the Board's comparisons.

The Association in its brief presented data derived from its exhibits on dollar and percentage increases at benchmark steps used by the Association. The following table is a summary of percentage increases between 1981-82 and 1982-83 assuming either all Association offers being accepted or all Board offers:

TABLE XII

PERCENTAGE INCREASES AT SELECTED BENCHMARKS IN COMPARABLE DISTRICTS, 1981-1982 to 1982-1983

I. All Association Offers Accepted

<u>District</u>	<u>BA</u>	<u>BA- 7 Yr.</u>	<u>BA Max.</u>	<u>MA</u>	<u>MA- 10 Yr.</u>	<u>MA Max.</u>	<u>Sch. Max.</u>
Ashwaubenon	6.6	6.6	6.6	6.6	6.6	6.6	6.6
DePere	7.9	7.9	7.9	7.9	7.9	7.9	7.8
West DePere	7.9	7.9	7.9	7.9	7.9	7.9	13.8
Pulaski	9.0	8.7	8.7	10.8	10.0	9.7	9.8
Wrightstown	6.7	8.1	9.0	6.2	8.4	8.9	8.9

II. All Board Offers Accepted

Ashwaubenon	5.5	5.5	5.5	5.5	5.5	5.5	5.5
DePere	5.1	5.1	5.1	5.1	5.1	5.1	5.1
West DePere	5.1	5.1	5.1	5.1	5.1	5.1	8.9
Pulaski	6.4	6.7	6.8	6.2	7.4	7.0	5.6
Wrightstown	7.5	6.1	5.1	6.9	5.1	4.7	4.6

The following table is also derived from tables in the brief:

TABLE XIII

AVERAGES, SALARIES OF SELECTED STEPS IN DISTRICTS USED BY ASSOCIATION FOR COMPARISON INCLUDING GREEN BAY

<u>Year</u>	<u>BA</u>	<u>BA 7th</u>	<u>BA Max.</u>	<u>MA</u>	<u>MA 10th</u>	<u>MA Max.</u>	<u>Sch. Max.</u>
1981-82 Aver.	12,771	16,467	19,282	13,838	20,463	22,771	24,038
BCHCEB	12,950	17,483	20,720	13,986	21,756	23,310	24,476
% Diff.	1.4	6.2	6.9	1.1	6.3	2.4	1.8
1982-83							
Assn. Offer							
Aver.	13,806	17,806	20,654	14,991	22,285	24,722	26,429
BCHCEB	14,000	18,900	22,440	15,120	23,520	25,200	26,460
% Diff.	1.4	6.1	8.5	0.9	5.6	1.9	0.1
1982-83							
Board Offers							
Aver.	13,586	17,481	20,238	14,716	21,836	24,200	25,770
BCHCEB	13,339	18,007	21,342	14,406	22,409	24,009	25,210
% Diff.	-1.8	3.0	5.5	-2.1	2.6	-0.8	2.2

The Association contends that the data shows that even with its own offer compared against all Association offers the teachers in the top ranges will fall back and with the Board offer the dollar income and percentage increases would be significantly lower. It holds that the final offer submitted by the Board is so low that it would have a substantial adverse impact on teachers in their relative standing among comparables. The Association offer is reasonable when compared to other districts, and the actual increase in total staff salary budget would be modest since one full-time position has been eliminated.

The Board's Position. The Board, relying on its comparison with the two DePere systems, notes that its Exhibit 9 shows that the Board's offer would yield an actual salary greater for the majority of its teachers than in either of the two DePere systems. The Board says that the Association's final offer would yield higher salaries for its teachers in all of the same placements in DePere (East) and in all but two of the positions in West DePere. Since during the pendency of this arbitration an arbitrator has given an award to the DePere (East) final offer, the Board's offer in this matter would award its teachers \$5,214 more than the DePere system gives, and the Association offer would amount to \$35,100 more.

Comparing BCHCEB to West DePere, the Board offer of BCHCEB would amount to \$3,511 more, whereas the Association offer would yield \$33,397 more. The Board holds that the DePere systems are the most nearly comparable, and therefore the Board's offer more nearly meets the statutory position of comparability.

Discussion. Several points need to be noted in the comparisons of the BCHCEB and BCSEA offers to other districts. One is that settlements or offers in other districts range from 5.1% upward. From Association Exhibit 15, if one takes the lowest possible upward movement by taking all board offers and averaging them, the average offer amounts to 5.88% for base wages alone. If there is any validity in using base wages for comparison, the Board offer of 3.0% for base wages is 2.88% less than the average, and the Association offer at 8.1% is 2.22% above the average. The Association offer therefore deviates less from the average than does the Board offer.

The arbitrator is cognizant of the contention of the Board that the DePere districts with their 5.1% increases are most comparable, but as noted in the section on comparable districts, the arbitrator believes that this comparison is too narrow in scope.

The observation next to be made is that the offer of the Board varies too much from the average of all base wage offers of Boards in percentage increases, and the Association offer is too high; but that the one deviating least from the average is the more comparable offer.

The next matter to consider is whether base wages offers tell the full story of what is happening to the teachers at the various steps in the index system. The Board argues explicitly that while its offer is not as high as other base wage offers, yet its index system produces a superior result at the higher ranges. The evidence from Table XIII is that at the BA-7th step, BA maximum and MA-10th step, this may be the case, but at the highest ranges this is not so.

Another matter to be considered is whether the offers on wages alone without gains made by the changes in increment or lanes of teachers should be considered. The total costs of the salary schedules in other districts considered comparable were not supplied so that the arbitrator is limited to making comparisons on the base salary and from data in selected steps. From Table VII it appears that the Board offer is substantially lower than other Board offers and does not meet comparability in this respect. This might be justified if the Brown County HCEB could demonstrate that it was substantially ahead of other comparable systems in all ranges. Table IX in this respect yields spotty results when samples are taken of some of the steps.

The arbitrator's conclusion then is that the base wage offer of the Board is too low.

Against this must be weighed some of the terms of the Association offer. It is the second highest offer in comparison with Association offers in comparable districts (Table VII). It would gain on other districts (Table VII) and on Green Bay (Tables VI and VII). The arbitrator sees no compelling argument that this pattern of gaining continue. On the other hand, the Board's offer would produce a substantial fall in relationships (Tables VI and VII).

Weighing two proposals that deviate from the average base wage settlement that appears likely to prevail, the arbitrator concludes that the Association proposal which deviates less is therefore the most comparable when districts are compared.

From the evidence found in Table V where the overall cost of wages comes to about 11.57% for the Association offer and 6.3% for the Board offer, and from Table VII where the percentage in base offers alone are at 8.1% for the Association and 3.0% for the Board, the arbitrator concludes that the costs attributable within the BCHCEB system to advances in steps and lanes is about 3.3%. It can be surmised then that the boards' offers in other districts will cost perhaps 3.0% above the cost of increases in base wages alone. Thus an average of 5.9% for all boards' average cost for base wages could mean an 8.5% to 9.0% total cost in wages when advances in lanes and increments are taken into consideration in each system. These percentages then can be recognized as more closely related to the total BCHCEB costs of 6.3% and 11.57%. The arbitrator thus is of the opinion that the Association offer is not to be barred because of its percentage increase in total costs.

XIII. COST OF LIVING. The succeeding table is taken from Association Exhibit 28A-1 inclusive:

TABLE XIV

CONSUMER PRICE INDICES 1975-1982, JULY TO JULY
- ALL CITIES

<u>Year</u> <u>(July)</u>	<u>Index</u>	<u>% Change</u>	<u>Year</u> <u>(July)</u>	<u>Index*</u>	<u>% Change</u>
1974	148.0		1978	196.7	7.72
1975	162.3	9.66	1979	219.4	11.54
1976	171.1	5.42	1980	248	13.03
1977	182.6	6.72	1981	274.6	10.72
			1982	291.8	6.26

* CPI-Urban Wage Earners and Clerical Workers. Revised

Board Exhibit 2 used the CPI-U XI Rental Equivalence index. It showed the following in abstract:

TABLE XV

CPI-U XI RENTAL EQUIVALENCE INDEX FOR
SELECTED MONTHS IN SELECTED YEARS

<u>Month</u>	<u>Year</u>	<u>Index</u>	<u>% Change</u> <u>Annually</u>
July	1981	249.0	9.6
Dec.	1981	255.8	8.5
July	1982	265.0	6.4
Oct.	1982	268.0	5.6

The Association compared increases in base salary to cost of living index changes. The following table is abstracted from Association Exhibit 27:

TABLE XVI

COMPARISON OF CHANGE IN SALARY BASE TO CPI CHANGES

<u>School Year</u> <u>August to August</u>	<u>% Change</u> <u>in CPI</u>	<u>Next School Year</u>	<u>% Change</u> <u>in Salary Base</u>
1974-75	8.6	1975-76	8.4
1975-76	5.6	1976-77	6.8
1976-77	6.6	1977-78	6.5
1977-78	7.7	1978-79	6.5
1978-79	12.0	1979-80	5.5
1979-80	12.7	1980-81	7.9
1980-81	10.8	1981-82	8.4
1981-82	5.8	1982-83	
		Board	3.0
		Assn.	8.1

Board Exhibit 3 was a table using the CPI-All Urban Consumers and gave the following percentage increases annually: July 1981 - 10.7%; December 1981 - 8.9%; July 1982 - 6.5%; October 1982 - 5.1%; November 1982 - 4.6%.

Using implicit price deflators for personal consumption expenditures, the percentage increases were shown to be:

1981 2nd quarter - 8.2%
 4th quarter - 7.8%
 1982 2nd quarter - 6.5% (Bd. Ex. 1)

The Board developed an exhibit, Board Exhibit 4, in which a cost of living index "Intercity Cost of Living Index" of the American Chamber of Commerce Researchers Association was used. This index showed that in Green Bay the cost of living for a business executive stood at around 92%-93% of a national average for two quarters in 1981 and three quarters in 1982. The Association objected to this exhibit on the grounds that the method of collecting information was not valid since it does not measure inflation.

The Board made a further comparison of average salaries in its jurisdiction with changes in the CPI. The following table is an abstraction of Board Exhibit 5 together with a calculation made by the arbitrator to reflect an actual over-all increase.

TABLE XVII

COMPARISON, AVERAGE SALARY INCREASES, BCHCEB WITH CHANGES IN CPI-U, 1978-79 TO 1981-82

<u>Year</u>	<u>Average Salary</u>	<u>% Inc.</u>	<u>Sept.-Sept. CPI-U</u>	<u>% Inc.</u>
1978-79	\$13,860		223.4	
1979-80	15,505	11.9	251.7	12.7
1980-81	17,328	11.8	279.3	11.0
1981-82	19,296	<u>11.4</u>	293.3	<u>5.0</u>
		35.1		28.7

Actual overall % increase of Salary = 39.22%
 Actual overall % increase of CPI-U = 31.29%

Board Exhibit 10 was a news clipping from the Green Bay Press Gazette, December 21, 1982, to the effect that the CPI rose 0.1% in November 1982.

The Association's Position. The Association relied on comparing base salary increases to base salary increases. It contends that the information shown in its Exhibit 27 (Table XVI) shows that the Board in the years of high inflation rates did not meet the rate of inflation with equal percentage increases in salary, but it did nearly meet or exceed the inflation rate in years of lower increases. The base salary, though it does not present the total picture, nevertheless is the base on which all salaries are calculated. The Association noting that the change in the CPI from August 1981 to August 1982 is 5.8% says that its base salary offer at 8.1% is closer to this rate than the Board's offer at 3.0%.

The Association challenges the validity of the CPI-U, the CPI-U XI, and the PCE indices, stating that they are not commonly used. The Board's exhibits show that the CPI-U shows an increase of 5.9% for August 1982 which strengthens the Association position, but nevertheless the Board data should be disregarded. The Association also discounts the press account of December 21, 1982, saying in effect that it is not the best evidence.

The Board's Position. The Board argues from a position in which its overall payments in salary of 6.26% to the Association is considered, and not just base wages. It also uses the November 1982 index of 4.6% and states that its percentage increase therefore is justified. It contends that the Association offer would produce a percentage increase of 11.57% per teacher or 11.28% in dollar payments. Further it notes that the cost of living in the Green Bay metropolitan area is 92.8% of a national figure in 231 cities. The Association wage offer would more than double the change in the CPI.

Discussion. The issue arises here as to what index to apply. The pattern which this arbitrator had believed to be the most valid is the CPI-W, the index relating to urban wage earners and clerical workers. While other indices have value, the CPI-W has been an index which has been generally accepted even though the matter of its housing costs or rental equivalence has now officially been accepted. Whether the CPI should be adjusted for employees covered by health insurance paid for by the employer is currently subject to review.

The next matter is whether to apply the CPI to just base wages or to the overall effort of the Employer on wages alone, or to the value of the total compensation. The pattern of applying the cost of living increase just to base wages in the case of school districts with an index or cell system does not appear to be justified, because the application does not reflect either accurate percentage increases for any employees other than those on the base step, or the actual effort of the Employer.

As to whether the CPI comparison should be made just to total wages alone, the use of this is justified when there is no comparative data on other districts as to the amounts of their total compensation increases. In the absence of such data, the CPI comparison then can be made on total wage costs.

Using the CPI-W (see Table XVI) for changes in August 1981-82, at 5.8%, applied to total wage costs alone, the Board offer of "schedule to schedule" changes of 6.26% more nearly conforms to the change in the CPI-W than the Association offer of 11.58% (Table III). The same can be said of changes in the average teacher's salary (Table IV).

The problem of "catch-up" for teachers in the BCHCEB system does not appear to be present (Table VI).

XIV. OVERALL COMPENSATION. Board Exhibits 7 A, B and C presented a "Progression Comparison of Wage and Fringe Benefits with Consumer Price Index". The following is derived from these exhibits:

TABLE XVIII

COMPARISON OF PERCENTAGES OF WAGE INCREASES AND FRINGE BENEFITS WITH CONSUMER PRICE INDEX FOR SELECTED YEARS

A. Bachelor's Degree

<u>Year</u>	<u>BA Lane Step</u>	<u>% Wage Inc.</u>	<u>% Wages and Fringes</u>	<u>CPI</u>	<u>% Inc.</u>
1978-79	1			223.4	
1979-80	2	10.8	10.4	251.7	12.7
1980-81	3	18.2	18.0	279.3	11.0
1981-82	4	<u>13.1</u>	<u>14.5</u>	293.3	<u>5.0</u>
Acc. Total					
% Inc.		42.1	42.9		28.7
1982-83	5				
Board Offer		<u>7.3</u>	<u>7.6</u>		
Total		<u>49.4</u>	<u>50.5</u>		
Assn. Offer		<u>12.6</u>	<u>12.7</u>		
Total		<u>54.7</u>	<u>55.6</u>		

B. Bachelor's Degree + 15

1978-79	5			223.4	
1979-80	6	9.6	9.2	251.7	12.7
1980-81	7	12.0	12.4	279.3	11.0
1981-82	8	<u>12.3</u>	<u>13.1</u>	293.3	<u>5.0</u>
Acc. Total		33.9	34.7		28.7
1982-83	9				
Board Offer		<u>6.6</u>	<u>8.1</u>		
Acc. Total		<u>40.5</u>	<u>42.88</u>		
Assn. Offer		<u>11.9</u>	<u>13.0</u>		
Acc. Total		<u>45.8</u>	<u>47.7</u>		

C. Master's Degree

1978-79	8			223.4	
1979-80	9	9.5	9.2	251.7	12.7
1980-81	10	11.9	12.3	279.3	11.0
1981-82	11	<u>12.2</u>	<u>12.9</u>	293.3	<u>5.0</u>
Acc. Total		33.6	34.4		28.7
1982-83	12				
Board Offer		<u>6.6</u>	<u>7.8</u>		
Acc. Total		<u>40.2</u>	<u>42.2</u>		
Assn. Offer		<u>11.8</u>	<u>12.7</u>		
Acc. Total		<u>45.4</u>	<u>47.1</u>		

In the foregoing table the Board totalled the percent increases for each year. The overall percent increases for the period in question would be these:

	BA Steps 1-5	BA+15 Steps 5-9	MA Steps 8-12
Wages			
Board	58.79%	46.88%	46.57%
Assn.	66.67%	54.17%	53.84%
Wages and Fringes			
Board	60.45%	49.99%	49.27%
Assn.	68.00%	56.82%	56.17%

The arbitrator using the CPI-W from Association Exhibit 27 finds that the CPI in September 1978 was 199.1 and in September 1982 was 292.8, or a change of 47.06%. The change from September 1979 to September 1982 was from an index of 223.7 to 292.8, or 30.89% increase.

The Board presented data on health and dental insurance. It currently pays 100% of single person benefits, and 95% of family benefits. The following table is derived from Board Exhibit 6:

TABLE XIX

ASPECTS OF HEALTH AND DENTAL MONTHLY INSURANCE
PREMIUM INCREASES ABSORBED BY BCHCEB
FEBRUARY 1981 TO FEBRUARY 1983

Feb. 1981 to Feb. 1982

	Mo. \$ Cost Inc. to Bd.	% Inc. Represented
Health		
Single	14.86	44.6
Family	37.16	44.2
Dental		
Single	4.39	34.0
Family	9.23	41.1

Feb. 1982 to Feb. 1983

	Mo. \$ Cost Inc. to Bd.	% Inc. Represented
Health		
Single	8.09	16.8
Family	19.89	16.4
Dental		
Single	1.91	11.0
Family	3.54	11.2

The Association's Position. The Association considers Board Exhibits 7A, 7B and 7C misleading. It does not dispute the basic premises but contends that since 30% of the staff are in a post schedule situation, they did not get the percentage increases claimed by the Board. From the 1978-79 school year to the 1981-82 school year, staff in BA steps 12 to 15 would experience a cumulative yearly percentage increase of only 25.6%, whereas the CPI has gone up 32.0%. Under the Board offer they would gain only 1.0% and under the Association offer they would gain 8.8% for 1982-83.

The Board's Position. The Board says that the increase in health and dental insurance costs shown in its Exhibit 6 (Table XIX) should be given weight by the arbitrator. The Board holds that its Exhibits 7 A, B and C show that the Board's final offer not only surpasses the CPI but also continues to provide additional advances to the relative position of Association members with regard to the cost of living.

Discussion. The information on the total compensation of the offers is meager. That which exists relates primarily to the consumer price index and to costs which include retirement and social security plus salary, but are not related in comparison to total compensation in comparable districts. The arbitrator must limit himself to the information in Table XIX which shows that the Employer is absorbing cost increases in health and dental increases, those in the year 1981-82 having been substantial.

As to the value of showing the progression of an employee in the steps as contained in Table XVIII, this exercise has limited value only. It's principle defect is that it does not show what happens to employees beyond the top of the schedule, and since these employees do not experience the kind of percentage increases enjoyed by persons in the steps, the information tends to be an overstatement of the costs to the Board and of the benefit to the Association members as a whole.

The arbitrator, however, concludes that the fringe benefits to the Association members offered by the Board are reasonable and the Board meets the statutory criterion of comparability.

XV. CHANGES DURING THE PENDENCY OF THE PROCEEDINGS. There were two changes during the pendency of the proceedings. One is that there was a settlement in the DePere District by an arbitrator, and the other is that the consumer price index was changed to recognize rental equivalence in January 1983, and the January CPI-U was at 292.2, a zero percent increase for the previous month and a 3.5% increase for the year. This latter situation weighs in favor of the Board's offer.

XVI. THE INTEREST AND WELFARE OF THE PUBLIC. The Board Exhibits 10, 11 and 12 were newspaper stories relating to a decline in interest rates which is slowing inflation and causing economic downturn, also affecting public employees. The Board argues that these exhibits and the slowing increases in the cost of living support its offer. The Association offer is excessive. The Association asks that these Board exhibits be disregarded, since they are merely reprints, are hearsay, and have no probative value. Further the articles are up to seven months old and are an attempt of the Board to introduce "doom and gloom".

The evidence is that there is an economic downturn in the nation, but the degree to which it is affecting the Green Bay area is not clear.

XVII. OTHER FACTORS. The Association has protested certain documentation supplied in the District's brief as being new evidence. The arbitrator has used only such material from the briefs of either party which can be supported by the evidence submitted at the hearing. The one exception is the evidence of the arbitration award in the DePere District. This is received as a part of the changes occurring during the pendency of the proceedings.

XVIII. SUMMARY. The following is a summary of the conclusions, findings and opinions of the arbitrator:

1. There is no question as to the lawful authority of the District to meet either offer.

2. The evidence is that the District has the ability to meet the costs of either offer.

3. There is only one issue here and that is the wage base. The arbitrator concludes that the average salary increase under the Association offer would be about 11.57%, and under the Board offer it would be 6.3%; but that the actual costs to the Board would be about 11.3% under the Association offer and 6.00% under its own offer.

4. The arbitrator is of the opinion that the districts with which the Brown County Handicapped Children's Education Board is most comparable are the feeder districts of Ashwaubenon, Denmark, DePere, Howard-Suamico, Pulaski, West DePere, and Wrightstown, and that the Green Bay District has a secondary value.

5. As to comparison of base wage offers, the Association offer more nearly compares with the offers found in the averages of offers of Boards and settlements, than does the BCHCEB offer, and it is likely that in total costs when advances in steps and lanes are considered, that the same relationship of the Association offer more nearly meeting comparative offers will hold true.

6. The Board offer for total wage increases at about 6.0% including base and wage increases in lanes and steps more nearly conforms to the changes in the cost of living using the CPI-W for August 1982 without the rental equivalence.

7. Information on comparison of overall compensation between the BCHCEB system and comparable districts is absent and no judgment can be made on it.

8. From meager information, the arbitrator concludes that the situation of BCHCEB with respect to fringe benefits is reasonable.

9. During the pendency of the proceedings, it is reported that the January 1983 CPI-W for all cities now including rental equivalency, stood at 292.2, a zero percent increase over the previous month and a 3.5% increase for the year. This information weighs in favor of the Board offer.

10. As to the interests and welfare of the public, the evidence is that there is an economic downturn in the nation, but the degree to which it is affecting the Green Bay area is not clear from the evidence presented.

11. From the foregoing, there are two major factors to be weighed against each other, one is the factor of the comparison of offers in the BCHCEB system with the average of the pattern of settlements based on known offers that is likely to merge in the area. In this pattern the Association offer, though a high offer in comparison to some districts' situations, more nearly conforms to the probable settlements, which settlements would be based on Board offers alone. Against this is the fact that the Board offer more nearly conforms to the changes in the cost of living. The arbitrator believes that the comparisons with other districts is the more weighty factor, and so the following award is made:

XIX. AWARD. The agreement between the Brown County Special Educators Association and the Brown County Handicapped Children's Education Board should include the Association's offer.



FRANK P. ZEIDLER
ARBITRATOR

DATE March 14, 1983