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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of:

OSHKOSH AREA SCHOOL DISTRICT NON-TEACHING
EMPLOYEES ASSOCIATION

to Initiate Mediation Arbitration Between
said Petition and

Decision No. 21126-A

OSHKOSH AREA SCHOOL DISTRICT

Appearances: Gordon Myse, Attorney at Law, for the Union
James Gunz, Attorney at Law, for the Employer

The Oshkosh Area School District Non-Teaching Employees Association, hereinafter referred to as the Union, filed a petition on June 27th, 1983 with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, wherein it alleged that an impasse existed between it and the Oshkosh Area School District, hereinafter referred to as the Employer, in their collective bargaining. It requested the Commission to initiate Mediation/Arbitration pursuant to Section 111.70 of the Municipal Employment Relations Act. Amedeo Greco, a member of the Commission staff, conducted an investigation in the matter.

The Union is the exclusive collective bargaining representative of employees in a bargaining unit consisting of custodial, maintenance, auxiliary service and clerical employees. The Union and the Employer were parties to a collective bargaining agreement covering wages, hours and working conditions that expired on June 30, 1983. On March 29, 1983 the parties exchanged proposals on matters to be included in a new agreement. Thereafter the parties met on six occasions in efforts to reach an accord. The investigation by Greco reflected that the parties were deadlocked in their negotiations and by October 18, 1983 the parties submitted their final offers to the Commission.

The Commission has certified that conditions precedent to the initiation of mediation as required by the Municipal Employment Relations Act have been met and it ordered that mediation be initiated for the purpose of issuing a final and binding award to resolve the impasse existing between the parties. Upon being advised by the parties that they had selected Zel S. Rice II as the arbitrator, the Commission issued an order on November 14, 1983 appointing the

him as the Mediator/Arbitrator to endeavor to mediate the issues in dispute and should such endeavor not result in the resolution of the impasse between the parties, to issue a final and binding award to resolve said impasse by selecting either the total final offer of the Union or the total final offer of the Employer.

The parties met with the Mediator/Arbitrator at Oshkosh, Wisconsin on Friday, January 27th, for a mediation session. After a lengthy period of negotiation and discussion it became obvious that the parties remained at impasse. The Mediator/Arbitrator then declared the mediation session at an end and advised the parties that they could both withdraw their final offers and resort to traditional collective bargaining techniques. Neither party indicated a desire to withdraw its final offer and the Mediator/Arbitrator scheduled the arbitration proceedings for Tuesday, March 13th, at Oshkosh, Wisconsin.

The Union's final offer, hereinafter referred to as Exhibit A, consisted of four items. It demanded a 5.25% across the board salary increase. There was a demand for a longevity plan for full time employees that would provide 1% per month after five years of employment, 2% per month after ten years of employment, 3% per month after fifteen years of employment, 4% per month after twenty years of employment, 5% per month after twenty-five years of employment and 6% per month after thirty years of employment. Part time employees would receive prorated longevity. The Union demanded that the Employer pay 100% of the individual premium and 100% of the family premium of the employees' group health insurance plan and 100% of the employees' contribution to the Wisconsin Retirement Fund.

The Employer's final offer, hereinafter referred to as Exhibit B, proposed a 3% increase for each step of each wage classification in addition to roll up costs. It proposed that the Employer pay up to \$54.00 per month of individual health insurance premiums and 95% or up to \$140.00 per month for family coverage, whichever was the greatest. The Employer proposed to pay \$64.00 per month per employee to the retirement fund. Its longevity proposal provided for \$13.00 after five years, \$22.00 after ten years, \$31.50 after fifteen years, \$45.00 after twenty years and \$50.00 after twenty-five years.

The Employer has reached agreement for the year in question with its teachers and with its paraprofessional employees. The teachers were given a wage increase of 6.38% and the paraprofessional employees received a 4.8% increase. The City of Oshkosh which comprises a great part of the area and students encompassed by the Employer and in which the Employer's school is located has reached agreement with all of its employees. Six of the bargaining units agreed on a 5% increase and the Employer and its firefighters agreed on a 6.5% increase. The salaried employees in the library agreed on an increase of \$54.00 a month. Winnebago County has reached agreement with all of its employees and the settlements with the five bargaining units range from a low of 7% to a high of 7.75%. The Union relies on a comparable group, hereinafter referred to as Comparable Group A, consisting of nine school districts in the Fox River Valley area. They include Appleton, Fond du Lac, Green Bay, Kaukauna, Kimberly, Manitowoc, Menasha, Neenah and Sheboygan. All of those school districts except Green Bay have reached agreement for the 1983-84 school year with their custodial and secretarial employees. The settlements with the custodial employees range from a low of 5.2% to a high of 7.8% and three of those school districts reached agreement with their secretarial employees on increases of 5%, 5.4% and 6.3%.

The Employer reached agreement with its teachers on a health insurance provision requiring it to pay \$53.12 a month for a single premium and \$138.90 a month for a family premium. The agreement with its paraprofessionals requires it to pay \$36.00 of the \$53.12 monthly single premium and \$90.00 of the \$138.90 monthly family premium. The City of Oshkosh has agreements with seven of its bargaining units that require it to pay 100% of the total health insurance premium. Winnebago County has reached agreements with its five bargaining units requiring it to pay 100% of the single premium for all employees. It has agreed to pay 100% of the family premium for the employees represented by AFSCME and the sheriff's department. There is a cap for sheriff's department employees of \$70.79 per month on the single premium and \$156.86 on the family premium. The county pays \$82.04 per month of the family premium for employees of the highway department. Six of the school districts in Comparable Group A pay amounts ranging from 90% to 100% of the total health insurance premiums for their custodial employees. Two other school districts pay dollar amounts that cover 100%

of the health insurance premiums of the custodial employees. Two of the school districts in Comparable Group A pay 95% of the family premium for secretarial employees and two others pay 100% of the total premium.

The Employer has agreed to pay 6% of a teacher's contract salary toward retirement. It has agreed with its paraprofessionals to pay \$5.00 a month toward retirement for employees with five to ten years of service and \$10.00 a month for those employees with over ten years of service. The City of Oshkosh pays 5% of the employee's salary toward retirement for city hall employees and city hall professional employees and 6% of an employee's salary for police officers. It pays up to 8% of an employee's salary for firefighters. Winnebago County pays 5% of the gross wages toward retirement for courthouse employees. The county pays \$50.00 a month, \$59.00 a month, \$71.00 a month and \$114.00 a month toward retirement for its four other bargaining units. Five of the school districts in Comparable Group A pay 5% of an employee's gross salary toward retirement. Kaukauna pays 4 1/2% through the first five years and 5% thereafter. Appleton pays 100% of the contribution toward its employees' retirement.

The Employer's agreement with its teachers requires it to make longevity payments of 4% after 18 years, 8% after 22 years and 12% after 26 years. It makes no longevity payments to paraprofessional employees. The City of Oshkosh makes longevity payments to city hall employees, city hall professionals and police of \$2.70 bi-weekly after five years, \$5.54 bi-weekly after ten years, \$9.23 bi-weekly after fifteen years and \$12.92 bi-weekly after twenty years. The city's other three bargaining units do not receive longevity pay. Winnebago County provides longevity pay to four of its bargaining units. Three of them receive \$5.00 after five years, \$10.00 after ten years, \$15.00 after fifteen years and \$20.00 after twenty years while the sheriff's department receives \$10.00 after ten years, \$15.00 after fifteen years and \$20.00 after twenty years. There are a variety of longevity plans for custodial and secretarial employees in Comparable Group A. Appleton pays \$130.00 a year after five years, \$225.00 a year after ten years and \$300.00 a year after fifteen years. Fond du Lac pays 3% after six years, 6% after ten years and 9% after fifteen years. Green Bay pays \$16.50 a month after the eighth year, another \$16.50 a month after the twelfth year and another \$16.50 after the sixteenth year. Manitowoc

pays \$.03 an hour above the base after three years, \$.06 an hour above the base after six years, \$.14 an hour above the base after eleven years, \$.20 an hour above the base after fifteen years and \$.25 an hour above the base after twenty years. Sheboygan makes longevity payments of 3% after five years, 6% after ten years and 9% after fifteen years. Kaukauna, Kimberly and Menasha make no longevity employments for their custodial and secretarial employees. The distance of the nine school districts in Comparable Group A from the Employer ranged from as close as 15 miles to as far as 57 miles. The population of the cities in which those school districts are located ranges from a low of 5,000 to a high of 87,889. The Employer is close to the average of Comparable Group A with a population of 49,678. The school population in Comparable Group A ranges from a low of 1,728 to a high of 16,780. The Employer is about average with a school enrollment of 8,276 students.

The Employer has made a cost analysis of its final offer and compared its 1983-84 cost with its 1982-83 cost. Total wages for the 1982-83 fiscal year were \$2,101,597.00. Contributions toward retirement, social security, health insurance and life insurance totaled \$528,472.00, making a total compensation cost for the 1982-83 fiscal year of \$2,630,969.00. The Employer's proposed 3% increase for the 1983-84 year would result in total wages of \$2,226,926.00. Its contributions towards retirement, social security, health insurance and life insurance would total \$591,841.00, making a total compensation for the 1983-84 fiscal year of \$2,818,767.00. This is an increase of \$188,698.00 over the 1982-83 total compensation cost. A 3% increase in the wage schedule would increase the Employer's 1983-84 wage cost over the preceding year by 5.96%. The cost of retirement, social security, health insurance and life insurance would increase by 11.99% over the preceding year and the total compensation cost would increase by 7.17%. The dollar cost per employee for the 1983-84 fiscal year would increase by \$1,349.00 over the preceding year. The 1983-84 wage cost of the Union's proposal is \$2,289,930.00 which is \$188,333.00 increase over the preceding year. That would constitute an 8.96% increase in total expenditures by the Employer for wages alone. The Union's proposal would result in employee benefits costing \$611,494.00 which would be an increase of \$83,022.00 over the preceding year. The cost of employee benefits would increase by 15.71%. The

Union proposal would have a total cost for wages and employee benefits of \$2,901,424.00 which is \$271,355.00 more than the preceding year. The Employer's cost for wages and employee benefits would increase by 10.32%. The dollar increase in cost per employee of the Union's proposal is \$1,939.00 for the 1983-84 fiscal year.

The Employer's school secretary I who was earning \$5,568.00 per year during the 1974-75 school year earned \$12,452.00 during the 1982-83 school year. Under the Employer's proposal that secretary would earn \$13,224.00 during the 1983-84 school year and \$13,488.00 under the Union's proposal. A school secretary II earning \$6,348.00 per year during the 1974-75 school year earned \$13,781.00 during the 1982-83 school year. Under the Employer's offer the school secretary would earn \$14,628.00 during 1983-84 and the Union's offer would result in an annual wage of \$14,945.00. An accounts payable clerk that the Employer paid \$7,128.00 during the 1974-75 school year earned \$15,612.00 during the 1982-83 school year. Under the Employer's proposal the accounts payable clerk would receive \$16,548.00 and the Union's proposal would result in a wage of \$16,952.00. A janitor III who earned \$7,356.00 during the 1974-75 school year earned \$15,516.00 during the 1982-83 school year. Under the Employer's proposal the janitor III would receive \$16,476.00 during the 1983-84 school year while the Union's proposal would result in a wage of \$16,879.00. The building custodian II who earned \$8,316.00 in the 1974-75 school year earned \$17,735.00 during the 1982-83 school year. The Employer's proposal would pay the building custodian \$18,816.00 during the 1983-84 school year while the Union's proposal would result in a wage of \$19,315.00. The auxiliary service worker I who earned \$8,796.00 during the 1974-75 school year was paid \$18,707.00 during the 1982-83 school year. The Employer's proposal would pay that employee \$19,836.00 during the 1983-84 school year while the Union's proposal would pay \$20,380.00. A painter for the Employer who earned \$9,960.00 during the 1974-75 school year received \$20,897.00 during the 1982-83 school year. The Employer's proposal would pay the painter \$22,128.00 during the 1983-84 school year while the Union's proposal would pay the employee \$22,766.00. During the period from the beginning of the 1974-75 school year to the end of the 1982-83 school year the Consumer Price Index increased from 149.9 to 292.4.

The Employer relies on a comparable group, hereinafter referred to as Comparable Group B, consisting of the five school districts in the Fox Valley Association Athletic Conference. They are Appleton, Kaukauna, Kimberly, Menasha, Neenah and the Employer. During the 1983-84 school year the Secretary I in Comparable Group B will receive beginning salaries ranging from \$739.00 per month to \$900.00 per month. The Employer's proposal would provide a Secretary I with a beginning salary of \$924.00 per month while the Union's proposal would provide the Secretary I with a monthly salary of \$944.00. A Secretary II in Comparable Group B will receive a 1983-84 beginning salary ranging from \$821.00 a month to \$921.00 per month. The Employer's proposal would pay a Secretary II a beginning salary of \$1,039.00 a month while the Union's proposal would pay \$1,062.00 per month. The 1983-84 beginning salary for an Account Clerk II in Comparable Group B ranges from a low of \$725.00 a month to a high of \$921.00. The Employer's proposal would pay an Account Clerk II a beginning salary of \$1,159.00 while the Union's proposal would result in a monthly pay of \$1184.00.

A Secretary I in Comparable Group B at the mid point of the pay range would receive a monthly salary ranging from \$839.00 to \$1,040.00. The Employer's proposal would pay that Secretary I a monthly salary of \$1,001.00 while the Union's proposal would result in a monthly salary of \$1,023.00. A Secretary II in Comparable Group B at the mid point of the pay range would receive a monthly salary ranging from \$885.00 to \$1110.00. The Employer's proposal would pay that Secretary II \$1117.00 per month while the Association's proposal would pay \$1141.00 per month. An Account Clerk II in Comparable Group B at the mid point of his or her pay range would receive a monthly wage ranging from \$725.00 a month to \$1110.00 per month. The Employer's proposal would pay that Account Clerk II \$1257.00 per month while the Union's proposal would pay \$1284.00 per month.

The maximum salary for Secretary I in Comparable Group B ranges from a low of \$900.00 to a high of \$1200.00. Both the Employer's and the Union's proposal would pay the Secretary I a maximum salary of \$1,078.00 and that would rank second in the Comparable Group. The maximum salary for Secretary II in Comparable Group B ranges from a low of \$900.00 a month to a high of \$1312.00 per month. The Employer's proposal would pay the Secretary II a maximum salary

of \$1194.00 a month while the Union's proposal would be \$1221.00 per month. Either proposal would rank third in the comparable group. The 1983-84 maximum salary for an Account Clerk II in Comparable Group B ranges from \$725.00 a month to \$1312.00 per month. The Employer's proposal would pay an Account Clerk II a maximum salary of \$1355.00 a month while the Union's proposal would pay \$1385.00 per month.

The starting rate for a Janitor III in Comparable Group B for the 1983-84 school year ranges from a low \$1222.00 a month to a high of \$1367.00 per month. The Employer's proposal would pay a Janitor III a starting rate of \$1263.00 a month which would rank fourth in the comparable group while the Association would pay \$1290.00 per month which would rank third. The starting rate for a Building Custodian II in Comparable Group B for 1983-84 ranges from a low of \$1290.00 a month to a high of \$1494.00 per month. The Employer's proposal would pay a Building Custodian II a starting rate of \$1338.00 and the Union's proposal would pay \$1367.00 per month. Either proposal would rank fifth in the comparable group. The starting rate for an Auxiliary Service Worker I in Comparable Group B for the 1983-84 school year would range from a low of \$1290.00 to a high of \$1397.00. The Employer's proposal would pay an Auxiliary Service Worker a starting wage of \$1420.00 per month and the Union's proposal would result in a starting salary of \$1451.00 per month. The 1983-84 starting salary for a painter in Comparable Group B ranges from a low of \$1350.00 per month to a high of \$1397.00 per month. The Employer's proposal would pay a painter a starting wage of \$1541.00 per month and the Union's proposal would pay \$1575.00 per month.

The 1983-84 Janitor III salary at the mid point of the pay range in Comparable Group B would range from a low of \$1335.00 per month to a high of \$1376.00 per month. The Employer's proposal of \$1373.00 per month would rank second in the comparable group while the Union's proposal of \$1403.00 would rank first. The 1983-84 Building Custodian II salary for an employee at the mid point of the pay range in Comparable Group B ranges from a low of \$1350.00 a month to a high of \$1569.00 per month. The Employer's proposal would pay a Building Custodian II at the mid point of the pay range \$1444.00 per month and the Union's proposal would result in a monthly rate of \$1476.00 per month.

Either proposal would rank third in the comparable group. The 1983-84 salary of an Auxiliary Service Worker I at the mid point of the pay range in Comparable Group B ranges from a low of \$1350.00 a month to a high of \$1569.00 per month. The Employer's proposal would pay an Auxiliary Service Worker I at the mid point of the salary range \$1525.00 per month and the Union's proposal would pay \$1559.00 per month. Either proposal would rank second in the comparable group. The 1983-84 salary for a painter at the mid point of the pay range in Comparable Group B ranges from a low of \$1402.00 a month to a high of \$1569.00 per month. The Employer's proposal would pay a painter at the mid point of the pay range \$1670.00 per month while the Union's proposal would pay \$1706.00 per month.

The 1983-84 schedule maximum for a Janitor III in Comparable Group B ranges from a low of \$1376.00 to a high of \$1478.00. The Employer's proposal would pay a Janitor III a maximum salary of \$1472.00 which would rank second in the comparable group while the Union's proposal would pay \$1504.00 per month which would rank first. The 1983-84 salary for a Building Custodian II at the mid point of the pay range in Comparable Group B ranges from a low of \$1472.00 a month to a high of \$1610.00 per month. The Employer's proposal would pay a Building Custodian II a maximum salary of \$1544.00 which ranks fourth in the comparable group while the Union's proposal would pay \$1578.00 which ranks second in the comparable group. The 1983-84 maximum salary for an Auxiliary Service Worker I in Comparable Group B ranges from a low of \$1399.00 per month to a high of \$1614.00. The Employer's proposal would pay an Auxiliary Service Worker I a maximum salary of \$1629.00 per month while the Union's proposal would pay \$1665.00 per month. The 1983-84 maximum salary for a painter in Comparable Group B ranges from a low of \$1472.00 a month to a high of \$1742.00 per month. The Employer's proposal would pay the painter a maximum salary of \$1820.00 per month while the Association's proposal would result in a salary of \$1860.00 per month, either of which would rank first in the comparable group.

The Employer utilizes a third comparable group, hereinafter referred to as Comparable Group C. It consists of the school districts of Green Bay, Fond du Lac, Manitowoc and Sheboygan. Green Bay has not yet reached agreement with its clerical and custodial employees and is in arbitration. Fond du Lac reached agreement with its clerical employees on a \$30.00 per month wage increase and a

total package increase of 6.41%. Manitowoc has a two year agreement with its clerical employees providing an increase of 14.5%. Fond du Lac has reached agreement with its custodial and maintenance employees on a wage increase of 4.97% and a total package increase of 6.13%. None of the other school districts in Comparable Group C have reached agreement with their custodial employees.

A Secretary I in Comparable Group C has a 1983-84 starting wage ranging from a low of \$875.00 a month to a high of \$933.00 a month. The Employer's proposal would pay its Secretary I a starting wage of \$886.00 a month which would be the second lowest in Comparable Group C. The Union's proposal would make the starting wage \$944.00 which would be the highest in the comparable group. The wage for a Secretary I at the mid point of the pay range in Comparable Group C ranges from \$1,003.00 per month to \$1,039.00 per month. The Employer's proposal of \$1,001.00 would be the lowest in the comparable group while the Union's proposal of \$1,023.00 a month would be the second highest in Comparable Group C. The maximum salary for Secretary I in Comparable Group C ranges from a low of \$1,037.00 a month to a high of \$1463.00 per month. The Employer's proposes a 1983-84 maximum salary for a Secretary I of \$1,078.00 which would be the second lowest in the comparable group while the Union proposes a maximum salary of \$1102.00 per month which would be third highest in the comparable group. The starting salary for a Secretary II in Comparable Group C ranges from a low of \$875.00 a month to a high of \$972.00 per month. Both the Employer's proposal of \$1,039.00 per month and the Union's proposal of \$1,062.00 per month would be the highest starting salary for a Secretary II in Comparable Group C. The Employer's proposal of \$1116.00 per month and the Association's proposal of \$1141.00 per month for a Secretary II at the mid point of the pay range would be the highest in Comparable Group C. The 1983-84 maximum salary per month for a Secretary II in Comparable Group C ranges from a low of \$1,081.00 to a high of \$1,463.00. The Employer's proposal of \$1194.00 per month would rank it third in the comparable group while the Union's proposal of \$1221.00 per month would be the second highest. The starting salary for an Accounts Payable Clerk in Comparable Group C for the 1983-84 school year ranges from a low of \$953.00 a month to a high of \$1107.00 per month. The Employer's proposal of \$1159.00 per month and the Union's proposal of \$1184.00 a month would be the highest in the comparable group. The monthly salary for an Accounts Payable Clerk at the mid

point of the pay range in Comparable Group C ranges from a low of \$1,039.00 a month to a high of \$1232.00 per month. Both the Employer's proposal of \$1257.00 a month and the Union's proposal of \$1284.00 would be the highest in Comparable Group C. The maximum salary for an Accounts Payable Clerk in Comparable Group C for the 1983-84 school year ranges from a low of \$1,081.00 per month to a high of \$1,541.00 per month. The Employer proposes a maximum salary of \$1355.00 which would rank third in the comparable group while the Union's proposal of \$1385.00 per month would rank second.

The 1983-84 starting salary for a Building Custodian I in Comparable Group C ranges from a low of \$1,069.00 per month to a high of \$1355.00 per month. The Employer's proposal of \$1263.00 a month and the Union's proposal of \$1290.00 a month would rank third in the comparable group. The 1983-84 salary for a Building Custodian I at the mid point of the pay range in Comparable Group C ranges from a low of \$1191.00 to a high of \$1326.00 per month. The Employer's proposal of \$1373.00 per month and the Union's proposal of \$1403.00 per month would rank first in Comparable Group C. The maximum salary for a Building Custodian I in Comparable Group C for 1983-84 ranges from a low of \$1234.00 a month to a high of \$1505.00 per month. Both the Employer's proposal of \$1472.00 per month and the Union's proposal of \$1504.00 per month would rank second in Comparable Group C. The starting salary for a Building Custodian II in Comparable Group C for the 1983-84 school year ranges from a low of \$1141.00 to a high of \$1391.00. Both the Employer's proposal of \$1338.00 per month and the Union's proposal of \$1367.00 a month would rank second in Comparable Group C. The salary for a Building Custodian II at the mid point of his pay range in Comparable Group C ranges from a low of \$1269.00 to a high of \$1392.00. Both the Employer's proposal of \$1444.00 per month and the Union's proposal of \$1476.00 per month would rank at the top of Comparable Group C. The maximum salary for a Building Custodian II in Comparable Group C for the 1983-84 school year ranges from a low of \$1312.00 per month to a high of \$1545.00 per month. The Employer's proposal of \$1544.00 per month would rank second in the comparable group while the Union's proposal of \$1578.00 per month would be the highest. The starting salary for an Auxiliary Services I in Comparable Group C for the 1983-84 school year ranges from a low of \$1116.00 a month to a high of \$1379.00 per month. The Employer's proposal of \$1420.00 a month and the Union's

proposal of \$1451.00 a month would both be the highest starting salary in Comparable Group C. The salary for an Auxiliary Services I at the mid point of the pay range in Comparable Group C for the 1983-84 school year ranges from a low of \$1153.00 a month to a high of \$1265.00 per month. The Employer's proposal of \$1525.00 per month and the Union's proposal of \$1559.00 per month would be the highest in Comparable Group C. The maximum salary for an Auxiliary Services I in Comparable Group C for the 1983-84 school year ranges from a low of \$1208.00 per month to a high of \$1321.00 per month. Both the Employer's proposal of \$1629.00 per month and the Union's proposal of \$1665.00 a month would be the highest in the comparable group. The starting salary for a painter in Comparable Group C for the 1983-84 school year ranges from a low of \$1259.00 a month to a high of \$1609.00 per month. The Employer's proposal of \$1541.00 per month and the Union's proposal of \$1575.00 per month would both rank second in the comparable group. The salary for a painter at the mid point of his pay range in Comparable Group C for 1983-84 school year ranges between \$1393.00 a month and \$1418.00 per month. The Employer's proposal of \$1670.00 per month and the Union's proposal of \$1706.00 per month would both be the highest in Comparable Group C. The maximum salary for a painter in Comparable Group C for the 1983-84 school year ranges from a low of \$1434.00 a month to a high of \$1788.00 per month. Both the Employer's proposal of \$1820.00 per month and the Union's proposal of \$1860.00 per month would be the highest in Comparable Group C.

Fond du Lac, Green Bay and Sheboygan all have longevity provisions in their collective bargaining agreements. Fond du Lac pays 3% after six years, 6% after ten years and 9% after fifteen years. Sheboygan pays 3% after five years, 6% after ten years and 9% after fifteen years. All of the schools in Comparable Group C pay the full 5% of the employee's contribution towards retirement. Three of the school districts in Comparable Group C pay 100% of the health insurance premium for single employees. One pays 100% of the family premium while two pay 94% and 95%. Manitowoc pays 11 months of the family and single premium and the employees pay one month.

The Employer uses another comparable group consisting of local area municipal employees, hereinafter referred to as Comparable Group D. This comparable group is comprised of the City of Oshkosh, the Winnebago County courthouse

employees, Park View, Department of Social Services and the Employer itself.

In 1983 the beginning salary for a Secretary I in Comparable Group D ranged from a low of \$858.00 per month to a high of \$956.00 per month. The Employer's proposal of \$924.00 a month and the Union's proposal of \$944.00 a month would rank second in Comparable Group D. The beginning salary for a Secretary II in Comparable Group D ranged from a low of \$964.00 a month to a high of \$975.00 per month. The Employer's proposal of \$1,039.00 per month and the Union's proposal of \$1,062.00 a month would both rank first in Comparable Group D. The beginning salary for an Account Clerk II in Comparable Group D ranged from a low of \$928.00 to a high of \$971.00 and both the Employer's proposal of \$1159.00 per month and the Union's proposal of \$1184.00 per month would rank highest in Comparable Group D. The 1983 salary at the mid point of the salary range for a Secretary I in Comparable Group D for 1983 ranged from a low of \$919.00 to a high of \$1,017.00. The Employer's proposal of \$1,001.00 per month would rank second in Comparable Group D while the Union's proposal of \$1,023.00 per month would rank first. The salary for a Secretary II at the mid point of the salary range in Comparable Group D during 1983 ranged from a low of \$1,026.00 per month to a high of \$1,073.00 per month. The Employer's proposal of \$1116.00 per month and the Union's proposal of \$1141.00 per month would both rank first in Comparable Group D. The salary for an Account Clerk II at the mid point of the salary range in Comparable Group D for 1983 ranged from a low of \$994.00 per month to a high of \$1,037.00 per month and the Employer's proposal of \$1257.00 per month and the Union's proposal of \$1284.00 per month would both rank highest in Comparable Group D. The maximum salary in 1983 for a Secretary I in Comparable Group D ranged from a low of \$988.00 to a high of \$1,087.00. The Employer's proposal of \$1,078.00 per month would rank second in Comparable Group D and the Union's proposal of \$1102.00 per month would rank first. The maximum salary for a Secretary II in 1983 in Comparable Group D ranged from \$1,093.00 per month to \$1,008.00 per month. The Employer's proposal of \$1194.00 per month and the Union's proposal of \$1221.00 per month would both rank the highest in Comparable Group D. The maximum salary in Comparable Group D for an Account Clerk II in 1983 ranged from a low of \$1,034.00 a month to a high of \$1,117.00 per month. The Employer's proposal of \$1,355.00 per month and the Union's proposal of \$1,385.00 per month would both rank first in Comparable Group D.

The starting salary for a Janitor I in Comparable Group D ranged from \$945.00 a month to \$984.00 per month. The Employer's proposal of \$1263.00 per month and the Union's proposal of \$1290.00 per month would both rank first in Comparable Group D. The beginning salary for a Building Custodian in Comparable Group D during 1983 ranged from a low of \$988.00 per month to a high of \$1211.00 per month. The Employer's proposal of \$1338.00 per month and the Union's proposal of \$1367.00 per month would both rank number one in Comparable Group D. The courthouse is the only municipal employer in Comparable Group D that has a painter and its starting wage for that classification is \$1102.00 per month. The Employer's proposal of \$1541.00 per month and the Union's proposal of \$1575.00 per month would both rank higher. The 1983 salary for a Janitor III at the mid point of the salary range in Comparable Group D ranged from \$1,002.00 to \$1,042.00. The Employer's proposal of \$1373.00 and the Union's proposal of \$1403.00 would both rank number one in Comparable Group D. The 1983 salary for a Building Custodian II at the mid point of the salary range in Comparable Group D ranged from a low of \$1,045.00 per month to a high of \$1347.00. The Employer's proposal of \$1444.00 per month and the Union's proposal of \$1476.00 a month would both be the highest in Comparable Group D. The courthouse paid its painter at the mid point of the pay range \$1165.00 per month during 1983. The Employer's proposal of \$1670.00 per month and the Union's proposal of \$1706.00 a month for a painter at the mid point of the salary range would be higher. The maximum salary in 1983 for a Janitor III in Comparable Group D ranged from \$1,064.00 to \$1,011.00. The Employer's proposal of \$1472.00 per month and the Union's proposal of \$1504.00 per month would both be the highest in Comparable Group D. The Building Custodian II maximum salary in Comparable Group D for 1983 ranged from a low of \$1120.00 per month to a high of \$1347.00 per month. The Employer's proposal of \$1544.00 per month and the Union's proposal of \$1578.00 per month would both be the highest in Comparable Group D. The courthouse paid a painter a maximum salary of \$1234.00 a month in 1983 and the Employer's proposal of \$1795.00 a month and the Union's proposal of \$1835.00 per month would both be higher.

The Employer used nine major area private sector employers as another comparable group. They were Arrowhead Conveyor, Buckstaff, C-E Morgan, Leach Company, Medalist Machine, Oshkosh Truck, North American Rockwell, SNC

Manufacturing and Universal Foundry, hereinafter referred to as Comparable Group E. Comparable Group E consists of employers with from 120 to 600 employees. Their 1983 wage increases ranged from a low of 0% to a maximum of 4.5%. North American Rockwell gave no 1983 wage increase and the employees forfeited six personal days. The 1984 wage increases in Comparable Group E range from a low of 0% to a maximum of 4.5%. The employees of two of the members of the comparable group gave back COLA clause provisions and Universal Foundry employees forfeited six personal days, four paid holidays and some vacation days in 1984.

The 1983-84 wage increases in Comparable Group A for custodial maintenance employees range from a low of 4.5% to a high of 5.5%. The Employer's proposed increase of 3% would be the lowest increase over the preceding year in Comparable Group A but the cost of the new proposal over the cost of the wages for the preceding year would be 6.11% which would be the highest in Comparable Group A. The Union's proposed salary increase of 5.25% over the preceding year would be the second highest in Comparable Group A; but the increase in cost over the preceding year would be 9.44%, which would be the highest in Comparable Group A. The total package increases for custodial and maintenance employees in Comparable Group A range from a low of 4.6% to a high of 7.2%. The Employer's proposal would result in a total package increase of 7.17% which would be the second highest in total package increase in Comparable Group A while the Union's total package increase of 10.32% would be the highest in Comparable Group A.

The 1983-84 wage increases for clerical employees in Comparable Group A ranged from a low of 5% to a high of 7.3%. The Employer's proposed increase of 3% would be the lowest in Comparable Group A but it would increase its wage costs by 5.66% which would be fourth highest in Comparable Group A. The Union's proposal of 5.25% would be fourth highest in Comparable Group A but its increase in wage costs over the preceding year of 8.03% would be the highest in Comparable Group A. The total package cost of clerical employees in Comparable Group A ranges from a low of 6.08% to a high of 9%. The Employer's total package increase of 7.17% would be the third highest in Comparable Group A and the Union's proposal would have a total package increase of 10.32% which would be the highest in Comparable Group A.

Winnebago County increased its employee's wages by 7.73% in 1983 and by 4%

in 1984. The total package cost increased by 7.97% in 1983 and 3.87% in 1984. The social services employees of Winnebago County received increases of 7.5% in 1983 and 3.5% in 1984. The total package cost increased 8.7% in 1983 and 3.56% in 1984. Winnebago County gave Parkview employees increases of 7.74% in 1983 and 3.24% in 1984. The total package increase for the Parkview employees in 1983 was 7.88% and for 1984 it was 3.67%.

Three of the Employers in Comparable Group A provide longevity plans for their custodial and maintenance employees during the 1983-84 school year. After five years they range from a low of \$5.00 per month to a high of \$10.83. The Employer proposes to pay \$15.00 after five years while the Union demands 1% of the wage rate after five years. Either one would be the highest in Comparable Group A. After ten years the longevity pay in Comparable Group A ranges from a low of \$10.00 per month to a high of \$20.00 per month. The Employer proposes to pay \$22.00 a month longevity while the Union demands longevity pay of 2% of the wage rate. Either the Employer's proposal or the Union's proposal would be the highest in Comparable Group A. After fifteen years the longevity benefits in Comparable Group A range from \$15.00 a month to \$30.00 a month. The Employer's proposal of \$31.50 a month and the Union's proposal of 3% of the wage rate would both be the highest in Comparable Group A. The longevity benefits in Comparable Group A after twenty years range from a low of \$20.00 to a high of \$35.00. The Employer proposes a longevity payment of \$45.00 a month and the Union proposes 4% of the wage rate. Either one would be the highest in Comparable Group A. After twenty-five years the longevity payments in Comparable Group A range from a low of \$25.00 a month to a high of \$40.00 per month. The Employer proposes to pay \$50.00 a month longevity pay while the Union demands 5% of the regular wage rate. Either one would be the highest in Comparable Group A. After thirty years the Union demands that the longevity pay be increased to 6% which would be the highest in Comparable Group A.

Three of the Employers in Comparable Group A pay the full 5% of custodial and maintenance employees contributions toward retirement. The Employer proposes to pay \$64.00 a month toward retirement while the Union demands the full 5%. Three of the Employers in Comparable Group A pay 100% of the single or family insurance premium for custodial and maintenance employees during the 1983-84

school year. The Union demands 100% of the premium and the Employer would contribute a dollar figure that constitutes 100% of the premium.

None of the Employers in Comparable Group A make longevity payments to clerical employees after five years but the Employer proposes to pay \$15.00 a month and the Union demands 1% of the wage rate. After ten years the longevity payments for clerical employees in Comparable Group A range from a low of \$10.00 a month to a high of \$25.00 a month. The Employer's proposal would pay clerical employees \$22.00 a month after ten years while the Union demands that they be paid 2% of their wage rate. After fifteen years the longevity payments in Comparable Group A range from a low of \$15.00 a month to a high of \$30.00 a month. The Employer proposes to pay \$31.50 a month towards the longevity pay while the Union demands 3% of the wage rate. After twenty years the longevity payments in Comparable Group A range from a low of \$20.00 per month to a high of \$35.00 per month. The Employer proposes to make longevity payments of \$45.00 a month and the Union demands 4% of the wage rate. After twenty-five years the Employer would pay clerical employees \$50.00 per month longevity pay while the Union demands 5% of the wage rate and 6% after thirty years. The retirement and health contributions for clerical employees are the same in Comparable Group A as they are for custodial and maintenance employees.

The monthly longevity payments after five years in Comparable Group C range from \$5.00 to \$6.00. After ten years they range from \$10.00 to \$12.00 and after fifteen years they range from \$15.00 to \$20.00. Longevity payments peak in Comparable Group C after twenty years when they range from \$20.00 to \$28.00. Two of the Employers in Comparable Group C pay \$50.00 and \$59.00 per month toward the employees contribution to retirement while two others pay the full amount of the retirement. All of the Employers in Comparable Group C pay 100% of the single health insurance premium and one pays 100% of the family plan. Two others pay the single premium and \$75.00 per month toward the family plan and the third pays the single premium and \$80.00 per month toward the family plan.

From June of 1979 to December of 1983 the consumer price index has increased from 117.7 to 165.1. The rate of the annual increase in the consumer price index during that period ranged from a high of 14.4% to a low of 2%. In

December of 1983 the rate of increase in the consumer price index was 3.4%.

The City of Oshkosh bargaining units represented by five unions received 4% pay increases for 1984. Winnebago County gave three of its bargaining units wage and fringe benefit increases ranging from 3.56% to 3.67%. These increases were less than half of the 7.75% increases received by those unions in their 1983 collective bargaining agreements. The Winnebago County police officers were awarded a 7% pay hike in 1983 as a result of an arbitration. Employees of the Winnebago County Courthouse received 4% wage increases for 1984. Their combined wage and fringe benefit increase is 3.87%.

The Employer compared the 1983 wage rates of private sector employees in the geographical area of the Employer with its proposals and the proposals of the Union. A Secretary II in a financial institution in the Oshkosh area received a minimum salary of \$800.00 a month with a high of \$1,003.00 and an average of \$911.00. The Employer's 1983-84 proposal would pay a Secretary II a minimum salary of \$1,039.00 a month and a maximum salary of \$1,195.00 per month with an average of \$1,117.00. The Union's proposal would pay a Secretary II a minimum salary of \$1,062.00 a month and a maximum salary of \$1,221.00 a month with an average of \$1,141.00 per month. An Account Clerk in the Oshkosh area in the private sector receives a low of \$695.00 a month and a high of \$1,188.00 a month and an average of \$888.00 a month. The Employer's proposal for an Account Clerk would pay a minimum of \$1,159.00 per month and a maximum of \$1,355.00 a month with an average of \$1,257.00 per month. The Union's proposal would pay a minimum of \$1,184.00 a month and a maximum of \$1,385.00 a month with an average of \$1,284.00. A janitor in the private sector in the Oshkosh area receives a minimum of \$607.00 a month and a maximum of \$1,480.00 a month with an average of \$1,035.00 a month. The Employer's proposal would pay its janitors a minimum of \$1,192.00 per month and a maximum of \$1,349.00 a month with an average of \$1,271.00. The Union's proposal would pay a janitor a minimum of \$1,218.00 a month and a maximum of \$1,379.00 a month with an average of \$1,299.00. A painter maintenance employee in the private sector in the Oshkosh area receives a minimum of \$1,085.00 a month and a maximum of \$2,158.00 a month with an average of \$1,563.00 per month. The Employer's proposal would pay a painter a minimum of \$1,541.00 per month and a maximum of \$1,820.00 with an average of

\$1,670.00. The Union's proposal would pay a painter a minimum of \$1,575.00 per month and a maximum of \$1,860.00 with an average of \$1,706.00. A truck driver in the private sector in the Oshkosh area receives a minimum of \$881.00 and a maximum of \$1,622.00 with an average of \$1,309.00. The Employer's proposal would pay a truck driver a minimum of \$1,420.00 per month and a maximum of \$1,629.00 and the average would be \$1,525.00. The Union's proposal would pay a truck driver a minimum of \$1,451.00 per month and a maximum of \$1,665.00. The average would be \$1,559.00 per month.

The Union proposes that the Employer pay 100% of the employee's contribution to the Wisconsin Retirement Fund while the Employer proposes to pay \$64.00 per month per employee to the retirement fund. Since the 1975-76 school year the Employer has always made a flat dollar contribution toward the employee's contribution to the retirement fund. The Employer's proposal represents an almost 25% increase over the 1982-83 combined average for retirement payment. In 1982-83 the Employer paid \$45.00 per month toward retirement for the first seven months of the year and \$60.00 per month the remaining five months. The City of Oshkosh pays 100% of the retirement contribution for its employees and Winnebago County does the same for its courthouse employees. The school districts in Appleton and Menasha pay 100% of the employee's share of their retirement plan. The Employer and the Union have historically negotiated a dollar figure to be paid by the Employer on behalf of each employee for retirement. The Union is attempting to alter a long standing practice of the parties in handling retirement contributions. This arbitrator is reluctant to alter long standing contractual provisions through arbitration without a showing of some substantial inequity. Major changes should usually result from negotiations between the parties. Standing by itself the arbitrator finds the Employer's proposal with respect to retirement to have more merit than the proposal of the Union. Either party could point to employers in one of the comparable groups on which they rely for support of its position. The long standing practice of the parties in changing retirement contributions through bargaining tips the scale in favor of the Employer's proposal. The Union argues that the cost of the employee's contribution toward their retirement plan when paid by the Employer represents a substantial tax benefit. It also represents an additional cost to the Employer. Over the years the Employer has been

willing to bargain over the amount that it contributes toward retirement each year and its current proposal constitutes an improvement over the prior year. The thrust of the Union's proposal is to institutionalize a payment of the 100% of the employees' contribution to retirement without bargaining over it each year. The arbitrator concedes that this is a legitimate objective of the Union and one worth achieving through the process of collective bargaining. In the absence of a strong showing of substantial inequity the arbitrator finds the position of the Employer to be preferable to that of the Union. The interests and welfare of the public dictate that substantial changes in agreements reached by the parties are best achieved through the give and take of collective bargaining as opposed to being imposed by an arbitrator. The Employer has proposed an improvement in its contribution towards retirement over the preceding year and it measures up quite well with the contributions made by comparable employers.

The Union proposes that the Employer pay 100% of the health insurance premium while the Employer proposes to pay 95% of the cost or \$140.00, whichever is greater. The \$140.00 constitutes 100% of the family health insurance premium for the 1983-84 school year. The Employer's proposal is an improvement over the 1982-83 agreement which provided that the Employer pay 92% or \$125.00, whichever is greater, towards the health insurance premium. The Union argues that there is no substantial dispute between the parties in regard to either the cost or the benefit. It points out that there is no economic impact on the issue of health insurance. The Union contends that the Employer has traditionally covered the full cost of health insurance and the Union wishes to institutionalize the practice by language representing the Employer's historic contribution toward the health insurance premium. The City of Oshkosh pays 100% of the full cost of health insurance and Winnebago County pays 100% of the single cost and an additional stipend that covers the actual cost of family coverage. The Fond du Lac and Appleton school districts have agreed to pay 100% of the actual health insurance premium cost but none of the other school districts in Comparable Group A have agreed to do it. The Employer opposes the language sought by the Union. It points out that the language would institutionalize the 1982-83 settlement. It contends that the Union is trying to move from a long history of negotiating the health insurance premium to the institutionalization

of 100% health insurance premium payment by the Employer.

From the 1977-78 school year through the 1981-82 school year the Employer only paid a percentage of the family health insurance premium. It was only in the 1982-83 agreement that the Employer agreed to pay 92% or \$125.00, whichever was larger; and that \$125.00 did constitute 100% of the premium. The Employer's 1983-84 proposal is a substantial improvement over the preceeding year because it proposes to pay 95% of the cost or \$140.00, whichever is greater. The arbitrator finds that the Union's proposal is an attempt to eliminate the traditional practice of voluntary negotiations on the health insurance issue and institutionalize payment of 100% of the health insurance premium. The arbitrator personally feels that the payment of 100% of a health insurance premium is a worth while benefit particularly when the preferential tax treatment given to it is considered. However, throughout their collective bargaining history the Employer and the Union have never agreed on a 100% payment of the family health insurance premium. The percentage paid by the Employer was increased in the 1979-80 agreement from 90% to 92%. In the 1982-83 agreement the Employer agreed to pay a dollar figure towards the single premium and the option of 92% or \$125.00 whichever is greater for the family premium. Now it proposes to continue that pattern with a proposal to pay \$54.00 towards a single premium and 95% or \$140.00, whichever is greater, toward the family premium. That is a continuation of the same practice that had been agreed upon by the parties in the past and there is no evidence to indicate that the statutory criteria requires a departure from the historic pattern. The concept of free collective bargaining involves give and take by both parties. When one party is looking for a substantial improvement in the benefits, it is often necessary to yield somewhat on another issue. That is what collective bargaining is all about. The State of Wisconsin has made the determination that free collective bargaining is in the public interest and welfare. When parties have resolved an issue through free collective bargaining an arbitrator should be reluctant to disturb the practice that was agreed upon unless there is substantial evidence of an inequity or the circumstances indicate an overwhelming need to depart from the traditional method of resolving the issue. The arbitrator finds no evidence that would indicate any inequity on the health insurance issue since the Employer proposes to continue treating the issue in the manner that the parties have

agreed upon in the past by bargaining over it along with other economic issues each year. None of the statutory criteria would indicate a need to change the historical pattern of resolving the issue of health insurance. The interest and welfare of the public would best be served by continuing the practice of bargaining over the dollar amount and the percentage in the context of the other economic issues being considered by the parties.

The Union proposes a longevity schedule based upon percentage of salary. The longevity payment would be 1% after five years and increase by 1% each five years until it reached a maximum of 6% after 30 years. The Employer proposes a flat dollar figure of \$15.00 after five years, \$22.00 after ten years, \$31.50 after 15 years, \$45.00 after 20 years and \$50.00 after 25 years. The Employer's proposal represents an improvement of \$1.00 at the five year and ten year steps, \$1.50 at the 15 year step and \$2.00 at the 25 year step. None of the earlier agreements had a 30 year step. The Employer has agreed to a three step longevity schedule based on percentages with its teachers. That agreement provides for 4% after 18 years, 8% after 22 years and 12% after 26 years. The Employer does not make longevity payments to its paraprofessionals. The City of Oshkosh provides \$5.00 longevity payments to its city hall employees and law enforcement officers beginning after five years and increasing after 10, 15 and 20 years. None of its other employees received longevity payments. Winnebago County provides flat dollar longevity payments to its employees after 5 years, 10 years, 15 years and 20 years. Four school districts in Comparable Group A pay flat dollar longevity payments to custodial and secretarial employees with as many as four steps and up to a maximum of 20 years. Only one school district bases longevity payments on a percentage basis and it provides 3% after 6 years, 6% after 10 years and 9% after 15 years. Three of the five school districts in Comparable Group B provide flat dollar longevity payments and none of them base it on a percentage of salary. The maximum payment in Comparable Group B is \$40.00 after 25 years.

The Union argues that the percentage it requests are significant only at the 30 year level and the difference between the dollar amounts offered by the Employer and the percentages requested by it represent less than 1/2 of 1% of the total cost to the Employer. It argues that indexing the longevity payment

to the salary schedule avoids the difficulty of renegotiating an increase each year and maintains a relationship between the longevity payment and the salary schedule that would otherwise be distorted as time passes. The Union concedes that its longevity proposal is substantially better than offered by most school districts. The Employer argues that the Union proposes to alter the historically generous longevity pattern that has been agreed upon over the years and also add a sixth step after 30 years of service. It points out that its longevity payment cost would increase from \$36,464.00 a year to \$66,319.00 per year which would be an increase of \$19,855.00 or 54.45%. The figure represents almost a 1% increase in total labor costs and far outstrips any of the longevity schedules in any of the comparable groups. The Employer's proposal on longevity is significantly better than most of the comparables and adheres to the pattern established by the parties through bargaining. There is no evidence that would justify departing from the agreed upon schedule of flat dollar longevity payments and instituting a new schedule based upon percentages that includes an additional step and involves a substantial increase in the cost of the benefit to the Employer.

The entire fringe benefit proposal of the Union is an attempt to institutionalize a percentage system for determining the Employer's contributions to health insurance, retirement and longevity. It would result in automatic increases in some fringe benefits whenever an employee receives a wage increase because of a step move in a classification or a negotiated wage increase. In the past the parties have always bargained the amount of the increase in the Employer's contribution towards retirement, health insurance and longevity at the same time that wage increases were agreed upon. The amount of increases in the fringes were not necessarily related to the amount of increases in the wages, but were a result of the give and take of bargaining. A step increase within a classification resulted in no increase in the Employer's contribution toward retirement or longevity. Substantial changes in the existing relationship such as those sought by the Union should be the result of bargaining and trade offs by the parties. They are economic issues and their cost must be weighed by the parties in determining the amount of any increase in wages. None of the criteria set forth in the statute for consideration by an arbitrator in

making his decision would justify a departure from the agreed upon method of flat dollar payments toward retirement, longevity and health insurance. The interest and welfare of the public do not demand it nor does the consumer price index. Comparisons of these fringes with other employees would not justify such an increase and there have been no changes in circumstances or other factors normally taken into consideration in collective bargaining, mediation and arbitration that would compel the arbitrator to impose a system for determining fringes that departs from the method traditionally followed by the parties in agreements reached by them.

The remaining issue to be considered by the arbitrator is the issue of wages. The Union proposes that each employee receive a 5.25% increase of each step through the salary schedule. The Employer has offered a 3% salary adjustment across the board. The Union points out that in 1983 the cost of living index increased approximately 3.8% and the Employer's proposed increase is not sufficient to meet the increase in the cost of living. It argues that no adjustment in these times should be smaller than that necessary to retain the employees' purchasing power. It points out that the Employer's paraprofessionals received a 4.8% increase in their salary as a result of their negotiations which is 1.8% greater than that now being offered to the Union. It argues that this 4.8% increase is more comparable to the Union's proposal than the Employer's. It contends that there has been a relationship between the increases granted teachers and those granted to the employees represented by the Union. The Employer agreed to give its teachers a 6.38% increase in wages during the 1983-84 contract year and it rejects the Union's request of a 5.25% increase for employees represented by it. The Union points out that the pattern of settlements between municipal employers and their employees in the City of Oshkosh range between 5% and 6.5%. Employees in the Winnebago County courthouse occupying similar positions to the employees involved in this proceeding received increases of 7.3%. Other bargaining units received increases ranging from 7% to 7.75% in their negotiations with Winnebago County. Clerical, custodial and maintenance employees in Comparable Group A received increases ranging from 5% to as high as 7.8%. The 7.8% increase and one 5.7% increase were the result of split salary schedules. The Union takes the position that by any meaningful standard the Employer's offer of a 3% wage adjustment is grossly ina-

dequate when compared to increases given to other public employees in its geographical area and similar employees in comparable school districts.

The Employer argues that its 3% across the board increase represents a 5.46% increase in total wages to be received during the 1983-84 school year over the preceeding year for the clerical employees and a 6.04% increase for the custodial employees. It asserts the Union proposal would result in the clerical employees receiving 7.76% more in total wages for the 1983-84 school year than they received the preceeding year and 8.36% more for custodial and maintenance employees. The Employer points out that while its teachers received a 6% plus schedule adjustment for the 1983-84 school year, that figure represented the second year of a two year negotiated agreement. The Employer refers to that section of the statute requiring the arbitrator to weigh the proposals in relation to the wages of other employees doing similar work in the various bench mark positions. It points out that in almost all cases, its clerical, custodial and maintenance employees are at or near the top of most bench mark ranges. When the Employer's proposal is compared to the bench mark positions of clerical, custodial and maintenance employees of the City of Oshkosh, there are only 3 of 18 bench mark positions where the Employer's offer does not place its employees at the top and in those 3 cases the Employer's offer is a close second. The Employer points out that private sector wage settlements in the Oshkosh area were significantly lower than the cost of the Employer's final offer.

The arbitrator is satisfied that a 5.25% salary increase for clerical, custodial and maintenance employees is fairly close to the pattern of increases given by the comparable employers and the 3% increase proposed by the Employer is somewhat smaller than the pattern. If the arbitrator were to consider only the percentage increases proposed by the parties, the proposal of the Union would appear to be more in line with the statutory criteria than the proposal of the Employer. In view of the fact that the Employer had a split schedule increase in the 1982-83 school year, its 3% across the board increase would represent a 5.46% increase in total wages received in 1983-84 for clerical employees and a 6.04% for the custodial employees. Those increases in total wages received by the employees are slightly higher than the pattern resulting

from agreements by municipal employers and their unions in the comparable groups. The Union proposal would result in an increase of 7.76% in the total salaries that clerical employees would receive during 1983-84 and 8.36% for custodial and maintenance employees.

The pivotal issue for this arbitration is the manner and method of estimating the cost of the proposals made by the Employer and the Union. The Employer takes the position that the increase in the cost of 1983-84 wages resulting from the split salary schedule for the 1982-83 contract year should be included as a cost and part of the increase being paid during the 1983-84 contract year. The Union contends that treating the results of the split salary schedule in that manner without an agreement would defeat the purpose of the split salary schedule and make the 1982-83 settlement an illusory one for the Union. The Employer has calculated its costs by including the increased cost to the Employer of the social security increase resulting from a change in the law and not attributable to negotiations. The Union contends that those costs cannot be assessed as a cost of negotiation since it was not a negotiable item.

Ordinarily the wage negotiations for each year stand by themselves and costs incurred as a result of the negotiations in a prior year are not considered as part of the increase given the following year. In the case of a split salary schedule there are increases in wages incurred in the following year as a result of the split salary schedule that are over and above the wage costs of the preceding year. That is why the Employer's proposal of a 3% across the board wage increase in 1983-84 would result in a total increase of wage costs of more than 5% over the preceding year and the Union's proposal of a 5.25% wage increase for 1983-84 would result in an increase in the Employer's 1983-84 wage costs of more than 7%. The Employer looks at the increase in its wage costs of more than 5% and feels that its proposal of a 3% across the board increase fits the pattern of increases paid by other employers; and it views the increase in wage costs of more than 7% resulting from the Union's proposal of a 5.25% increase in wages as excessive and out of line when compared to the increase in wage costs of other employers. Split salary schedules are primarily used as a catch up method to provide employees with a substantially larger lift in their wage rate than they might ordinarily expect to receive during a particular contract year

without increasing the actual cost in dollars to the Employer by a proportionate amount during that year. The method is usually employed as a catch up device when employees have fallen behind the rate of pay received by other employees doing similar work in similar circumstances. Unless the split salary schedule is continued in succeeding years, the Employer has substantial additional wage costs over and above the wage costs in the prior year, separate and apart from any increase that may be granted in the year following the split salary schedule.

Much discussion has taken place concerning the proper costing method to be used in determining whether or not increased costs in the year following a split salary schedule should be considered as part of the increase in the succeeding year. The Union takes the position that the additional costs in the 1983-84 contract year resulting from the split salary schedule in the 1982-83 contract year should not be considered as part of the increase received by employees in the 1983-84 contract year in the absence of an agreement to the contrary. It contends that to do so would defeat the purpose of the split salary schedule. It asserts that the common practice is to attribute all increased costs resulting from the split salary schedule agreed upon in the 1982-83 negotiations to that year. It relies upon an award of arbitrator Arlen Christensen in Madison Metropolitan School District, WERC Decision No. 18014-A (4-81) and a decision of arbitrator Richard B. Bilder in Madison Metropolitan School District, WERC Decision No. 18028-A (3-81). In the case before Christensen the employer contended that the only fair way to calculate a wage increase was to compare the total compensation paid during the preceding contract year with the total paid in the next; and the Union argued that the increase negotiated the preceding year should not affect bargaining for the following year, and the only fair way of looking at the wage increase proposals was to compare the wages being paid at the end of one year with those proposed for the next. Arbitrator Christensen stated that in his view neither of the arguments could be said to be wrong because both were an accurate reflection of reality from a particular point of view. Christensen did not indicate in his award that either way of calculating a wage increase was superior to the other. He based his decision on a comparison of the actual wages being received by comparable employees in the area and not on the amount of the increase given in the year in question.

Arbitrator Bilder was presented with a question of whether he should use the last wage rate in effect under the previous contract in measuring the percentage increase reflected by each offer or whether he should use a weighted average of the two rates in effect during the year. Bilder stated in his award that he did not consider it necessary to determine that issue and his decision turned on other considerations.

The Employer cites as authority for its position the award of Arbitrator Gil Vernon in School District of Marion, WERC Decision No. 19418-A (7-82) and Arbitrator Byron Yaffe in Rice Lake School District, WERC Decision No. 19977. In Marion the employer costed the offers based upon year end wage rates because a split schedule was involved while the Association calculated the cost based upon the average of the first and second semester schedules. Arbitrator Vernon found that the cost based upon the average of the first and second semester schedules was a more valid basis for comparison because it was a more accurate reflection of what the employees would receive in actual salary and was more consistent with the total package costing method. He found that only by using an average of the two schedules could a year to year total wage increase expressed in a percent be established. In Rice Lake Arbitrator Yaffe found that absent a specific agreement between the parties with respect to how the delayed implementation of the split salary schedule would be costed in the successor agreement, the actual value of the split salary schedule must be used in determining the value of the succeeding proposal. He found that absent an agreement on costing, a credit must be given to the value of all improvements over the actual cost of the split salary schedule, since that method would most accurately reflect the value actually received by the employees in the succeeding year.

In this case the Employer had been engaged in negotiations for a 1982-83 collective bargaining agreement with the Union for some time. The parties were involved in mediation and the Employer had offered a 5.5% increase retroactive to July 1, 1982. In discussions with the mediator the Employer stated that it would offer 8.25% effective October 15, 1982 and that would put more of its costs into the second year and it would be costed in that manner. There was no agreement with the Union on this issue. The Employer used the split schedule to

give a larger increase with a lower cost during the 1982-83 contract year. It realized it would start with a higher floor for the 1983-84 negotiations and the split salary schedule would build additional costs into the 1983-84 contract year. Neither party contends that there was any agreement on assessing costs resulting from the 1982-83 split salary schedule that occurred during the 1983-84 contract year. The Union takes the position that the method of cost estimating was done without the agreement of the Association. It contends that the costs should be assessed against the year in which the split salary schedule was negotiated because to do otherwise would result in the Union accepting a split salary schedule and then losing the benefit achieved in those negotiations by paying for the split in the succeeding year.

The arbitrator is not prepared to absolutely accept the rationale adopted in Rice Lake School District, WERC No. 19977 by Yaffe and in School District of Marion, WERC Decision No. 19418-A (7-82) by Vernon. When parties have been involved in negotiations to remedy a situation where employees have fallen behind the pattern in an area or comparable group and have negotiated a split salary schedule in order to "catch up", the arbitrator is satisfied that the parties do understand that there will be additional costs incurred in the following year that are attributable to the year in which the split schedule was negotiated. This would be particularly true if including the succeeding year costs of the split salary schedule as part of the cost of the succeeding year would result in the employees falling behind the prevailing pattern again.

There was no understanding between the Employer and the Association about the year to which the second year cost of the split salary schedule should be attributed. This is not a case where the employees were paid salaries substantially lower than the area pattern or would fall behind the pattern if the second year cost of the split salary schedule were considered as part of the increase given during the 1983-84 contract year. Comparing the total compensation paid during the past contract year with the total compensation to be paid in the 1983-84 school year gives an accurate reflection of what the employees will receive in actual salary. It gives credit for the value of all improvements that will be received in the 1983-84 contract year over the preceding year and accurately reflects the value actually received by the employees in the 1982-83 school year and the 1983-84 school year.

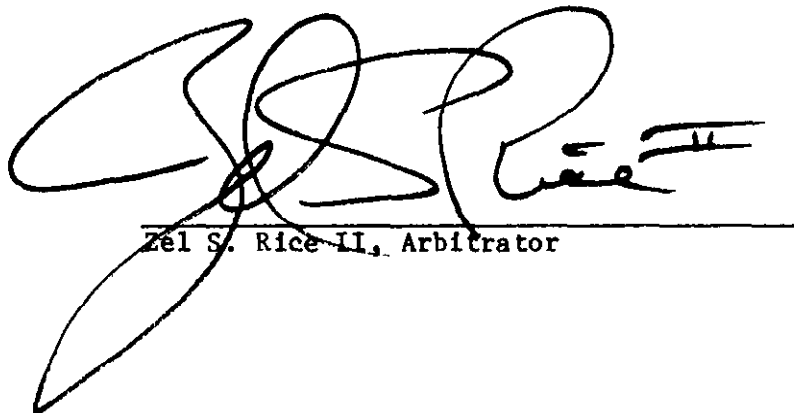
Utilization of the Employer's method of costing is not conclusive in this matter. If the salary increase was the only issue before the arbitrator the Union's proposal might have been selected. This was not a case of an Employer with very little bargaining experience and a lack of understanding of the ramifications of the split schedule agreement that it reached for the 1982-83 contract year. Since there was no discussion of when the total impact of the split salary schedule cost increases should be attributed, the Employer certainly understood that the Union had not agreed that any of the split salary schedule costs would be attributed to the 1983-84 school year. There are other items at issue in this dispute and the arbitrator must consider them in making his decision as to which proposal best meets the criteria set forth in the Wisconsin Statutes. The Union proposal would have the arbitrator completely change the manner of determining the Employer's contribution to retirement, health insurance and longevity from that which has been worked out by the parties through collective bargaining over a number of years. The Union's proposals on retirement, health insurance and longevity would require the Employer to provide the best fringe benefit package of any Employer in any of the comparable groups along with a salary schedule that is one of the best when compared to any of the comparable groups.

The arbitrator is satisfied that the statutory criteria do not justify such a dramatic improvement in all aspects of the Employer's fringe benefits and wages. Large overall improvements in benefits and wages that move employees substantially ahead of employees doing comparable work for comparable employers should be worked out by the parties through collective bargaining. The statutory criteria require arbitrators to adhere to the existing patterns of overall increases and not disturb the existing relationships between employees of comparable employers unless there is a substantial inequity. The Employer proposed a modest wage improvement and an attractive fringe package. It represents the kind of tradeoff that usually results in agreement and it comes closer to meeting the statutory criteria than the proposal of the Union.

FINDINGS AND AWARD

After full consideration of the criteria set forth in the statutes and after careful and extensive examination and evaluation of the exhibits and arguments of the parties, the arbitrator finds the Employer's final offer is preferable to that of the Union and directs that Exhibit B be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin, this 29th day of May, 1984.



Zel S. Rice II, Arbitrator

EXHIBIT A

NEIL J. TOMAN LAW OFFICES

ATTORNEYS AND COUNSELORS AT LAW

September 8, 1983

Green Lake Office
P O Box 18
790 Forest Glen Beach Road
Green Lake, Wisconsin 54941
Phone (414) 294-6700

RESPOND TO

THE RIPON OFFICE

Ripon Office
P. O. Box 61
850 W. Fond du Lac St
Ripon, Wisconsin 54971
Phone (414) 748-7441

RECEIVED

SEP 9 1983

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Mr. Amedeo Greco
Wisconsin Employment Relations
Commission
Post Office Box 7870
Madison, Wisconsin 53707-7870

RE: "Final Offer" of Non-Teaching Employee's Association for
Contract with Oshkosh Area School District for 1983-84
Contract; Case XVIII No. 31827 MED/ARB 2328.

Dear Mr. Greco:

Please find enclosed herewith duplicates of the tentative final offer of the Non-Teaching Employee's Association in accordance with your letter of August 26, 1983. I understand that I will receive a copy of the District's offer. Thank you.

Very truly yours,

NEIL J. TOMAN LAW OFFICES

Neil J. Toman
Attorney At Law

NJT:ijs

Enclosure

CC: Mr. Leslie Derr
Mr. Herb Tesch
Mr. George Youngwirth

NTEA FINAL OFFER
NON-TEACHING EMPLOYEE'S ASSOCIATION TO
OSHKOSH AREA SCHOOL BOARD
SEPTEMBER 8, 1983

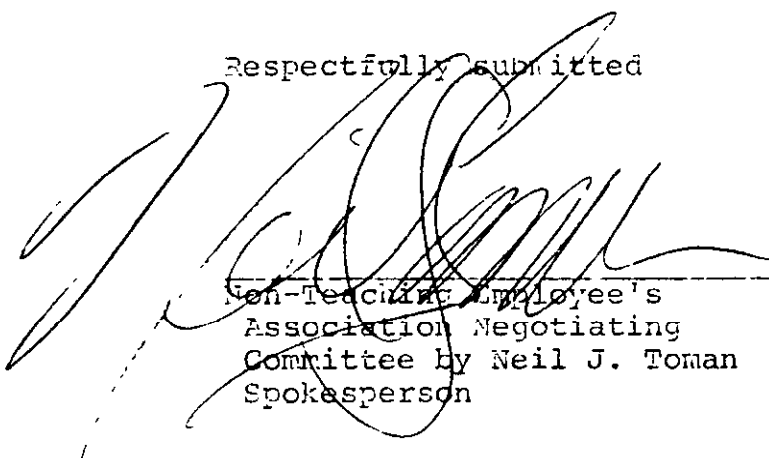
SEP 9 1983
WISCONSIN EMPLOYMENT
RELATION BOARD

The below listed items together with stipulations previously arrived at in negotiations and all other terms and conditions of the 1982-83 employment contract not otherwise changed by the above constitute this final offer for the contract between the parties hereto for the 1983-84 term:

1. SALARY: 5.25% increase across the board.
2. LONGEVITY PLAN: Article XV, Contract page 15, as in NTEA original proposal 11 (as attached hereto).
3. HEALTH INSURANCE: Article XIII, Contract page 14, as in NTEA original proposal 6 (as attached hereto).
4. RETIREMENT FUND: Article XIV, Contract page 14, as in NTEA original proposal 8 (as attached hereto).

Dated this 3th day of September, 1983.

Respectfully submitted



Non-Teaching Employee's
Association Negotiating
Committee by Neil J. Toman
Spokesperson

PROPOSAL 11

Article XV: Longevity Plan (Contract Page 15)

There will be a longevity plan in effect for full-time employees, as follows:

- 1% per month after 5-years of employment
- 2% per month after 10 years of employment
- 3% per month after 15 years of employment
- 4% per month after 20 years of employment
- 5% per month after 25 years of employment
- 6% per month after 30 years of employment

Part-time employees shall receive longevity prorated on the above schedule.

PROPOSAL 6

Article XIII: Insurance (Contract Page 14)

1. HOSPITALIZATION AND MEDICAL BENEFITS

The employer shall pay 100% of the individual premium, and 100% of the family premium of the employees group health insurance plan. The group health insurance plan may be changed provided the benefits are equal to, or better than the existing coverage.

Would like to have new language on the individual premium to read 100%.

PROPOSAL 8

Article XIV: Retirement Fund (Contract Page 14)

The employer shall pay 100% of the employee's contribution to the Wisconsin Retirement Fund.

EXHIBIT B

Oshkosh Area School District

1500 SOUTHLAND AVENUE .. P.O. BOX 3048 .. OSHKOSH, WISCONSIN 54903 (414-424-0100)

JOSEPH PELLEGRIN
Superintendent of Schools

WILLIAM HARVEY
Director of Finance

September 1, 1983

RECEIVED

SEP 2 1983

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Mr. Amedeo Greco, Investigator
Wisconsin Employment Relations Commission
14 West Mifflin Street, Suite 200
P. O. Box 7870
Madison, Wisconsin 53707-7870

Dear Mr. Greco:

Enclosed you will find the Oshkosh Area School District Board of Education's revised final offer in the matter of mediation between the school district and its Non-Teaching Employees union.

FINAL PROPOSAL SUBMITTED TO MEDIATOR, AMEDEO GRECO
BY THE OSHKOSH AREA SCHOOL DISTRICT BOARD OF EDUCATION
TO BE SUBMITTED TO ARBITRATION - August 30, 1983

(1) Pay Policy (Revised)

3% increase to each step of each classification (in addition to roll up costs)

(2) Hospitalization and Medical Benefits

- (A) Up to \$54.00 per month of individual premium
- (B) 95% or up to \$140.00 per month for family coverage, whichever is greatest

(3) Retirement Fund (Article 14) (Revised)

\$64.00 per month per employee

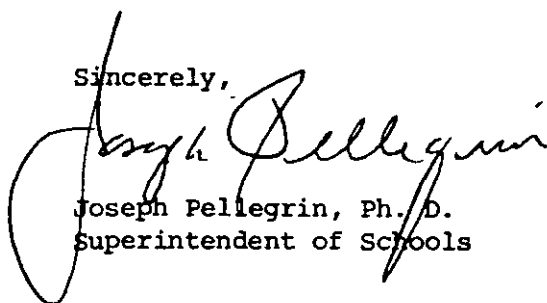
Mr. Amedeo Greco, Investigator
Wisconsin Employment Relations Commission

Page 2

(4) Longevity

5 years	\$15.00
10 years	22.00
15 years	31.50
20 years	45.00
25 years	50.00

Sincerely,



Joseph Pellegrin, Ph. D.
Superintendent of Schools

JP/hc