

FEB 05 1987

WISCONSIN EMPLOYMENT
RELATIONS COMMISSIONBEFORE THE ARBITRATOR

In the Matter of the Arbitration of an
Interest Dispute Between

VOLUNTARY IMPASSE PROCEDURE

GREEN BAY AREA PUBLIC SCHOOL DISTRICT

Sherwood Malamud
Arbitrator

and

GREEN BAY EDUCATION ASSOCIATION

APPEARANCES

Mulcahy & Wherry, S.C., Attorneys at Law, by Dennis W. Rader, 414 East Walnut Street, Green Bay, WI 54301, appearing on behalf of the Municipal Employer.

Kelly, Haus & Katz, Attorneys at Law, by Robert C. Kelly, 121 East Wilson Street, Madison, WI 53703, appearing on behalf of the Association.

JURISDICTION OF ARBITRATOR

The Green Bay Education Association, hereinafter the Association, and the Green Bay Area Public School District, hereinafter the District, the Board or the Employer, agreed to a voluntary impasse procedure, a copy of which was filed with the Wisconsin Employment Relations Commission, pursuant to Sec. 111.70(cm)5, Wis. Stats. By said Agreement, the parties collectively bargained and participated in mediation before a mediator selected by them. All matters in dispute were not resolved in mediation. The parties established that:

5. If the parties fail to reach a voluntary settlement after a reasonable period of mediation as determined by the mediator, the mediator shall advise both parties, in writing, that an impasse exists whereupon the parties shall submit the dispute to final and binding arbitration.

The mediator selected by the parties, George Fleischli, advised the parties of the existence of an impasse; the parties proceeded in accordance with paragraph 6 of the procedure. They selected Sherwood Malamud to serve as the Arbitrator. In paragraphs 8 and 9 of this Voluntary Impasse Procedure, the parties agreed that:

8. The arbitrator shall thereafter proceed as provided in Sec. 111.70(4)(cm)6(c) and (d), Wisconsin Statutes.

9. In making his decision, the arbitrator shall give weight to the "factors considered" all as set forth in Sec. 111.70(4)(cm)7, Wisconsin Statutes.

On October 7, 1986, the Arbitrator received a petition signed by 8 electors of the District requesting that a public hearing be held, ". . . for the purpose of providing the opportunity for the Green Bay Education Association and the Green Bay Board of Education to explain or present supporting arguments for their positions, and to members of the public to offer their comments and suggestions concerning terms and conditions of the 1986-87 contract for teachers in the Green Bay School District." The Employer and the Association agreed to participate in a public hearing. Under procedures established by the Arbitrator, the public hearing convened on

Monday, October 20, 1986 at which time the District and the Association had an opportunity to explain their positions to the public and, the assembled members of the public were provided with an opportunity to address comments and suggestions to the Arbitrator and to the parties.

An evidentiary hearing was held on October 21 and 22, 1986. A transcriptual record of the evidentiary hearing was made. The transcript was received by the Arbitrator on October 31, 1986. The parties filed briefs and reply briefs which were exchanged by the Arbitrator on December 1 and December 17, 1986, respectively. Based upon a review of the evidence, testimony and arguments submitted, and upon the application of the criteria set forth in Sec. 111.70(4)(cm)7.a-h Wis. Stats., to the issues in dispute herein, the Arbitrator renders the following Award.

SUMMARY OF THE ISSUES IN DISPUTE

There are two issues in dispute. The District proposes to increase the BA base from \$17,050 to \$17,585. The Association proposes to increase the base to \$17,950.

The second issue concerns the District's proposal to create a hiring step at step 2 of the salary schedule. The adoption of this proposal means that new teachers to the District for the 1986-87 school year would be hired at step 2, \$18,464, if they are credited with a BA and no additional credits.

The Association proposes that new teachers be hired at step 1 of the salary schedule, as they have in the past.

The parties could not agree on the appropriate comparability group to which the Green Bay Area Public School District is to be compared. The District argues that the 9 other largest districts in the State of Wisconsin are the school districts to which Green Bay is to be compared. The Association argues that the 14 largest school districts in the State of Wisconsin constitute the appropriate comparability base.

The parties agree on the method and base data to be used in costing the final offers of the Association and the District. The Association proposal to increase the base by \$900 results in a 5.3% increase in the salary cost generated by the salary structure and a total package cost of 6.8%.

The District proposal to increase the base by \$535 results in a 3.1% increase in the cost generated by the salary schedule and the total package cost of 4.7% for the 1986-87 school year.

STATUTORY CRITERIA

As noted above in the introductory paragraph, the parties directed that the Arbitrator employ the statutory criteria found at Sec. 111.70(4)(cm)7 in determining which final offer is to be selected and included in a successor to the 1984-86 Agreement. This statutory provision establishes that the:

Factors considered. In making any decision under the arbitration procedures authorized by this subsection, the Mediator/Arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interest 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 employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services and with other employes 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 employes, 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.

POSITIONS OF THE PARTIES

The Employer Argument

The District argues that it constructed its final offer on the basis of the statutory criteria to be employed by the Arbitrator in determining this dispute. The District notes that in its offer it emphasizes four of the eight statutory criteria. The criteria identified by the District as most important in the evaluation of its offer are as follows:

1. Comparison with wages of employees performing similar services in public employment.
2. The average consumer prices for goods and services.
3. The continuity and stability of employment.
4. Other factors normally and traditionally considered when determining wages for public sector employees.
(Employer brief, at page 3)

The Employer identifies nine school districts which, with Green Bay, comprise the ten largest school districts of the state as the comparability group. Those districts are: Appleton, Eau Claire, Janesville, Kenosha, Madison, Milwaukee, Racine, Sheboygan and Waukesha. The District notes that when measured by the number of full time equivalent teachers and pupil population, Green Bay ranks fourth among the ten largest districts. The Employer argues that adding the Districts which are 11 through 15 in size to the group of comparables does not render the larger group a more reliable or valid basis for comparison. The District quotes from the recent arbitration award of Arbitrator John J. Flagler in Elroy-Kendall-Wilton, (23327-A) 9/86 who observed that:

The fundamental consideration which distinguishes valid and reliable comparison groups from mere aggregations is to be found in elemental concepts of sample design. To be included within a valid and reliable, statistical sample, the individual school district must be truly representative of the population with which it is grouped. In short, it must share enough of the key characteristics of that comparison group as to provide some confident level of predictive value to the variable being examined (in this case, salary levels and trends).

In the present case, the Association argues that the selected school districts from surrounding conferences should be included in its structured comparison group because they are of comparable size and proximity, . . .

. . . coefficients of variance show that the distribution wanders from acceptable norms by wide margins at several benchmark levels and in its overall composition. The variances are so great at certain benchmarks as to confound any reasonable comparisons.

The District urges the selection of its group of comparables on the basis of the following indicators of comparability: pupil population, geographic distribution; percentage of families with family incomes of \$25,000; equalized value per member and level of state aids. The District notes that from 1982-83 to 1985-86 and in the 1986-87 school years, there were slight declines in the pupil populations in Green Bay and in the average of its comparables.

The District notes that its selection of comparable school districts fall within a geographic distribution such that no more than one district is located within a particular county. Under the Association comparability pool, three districts lie within Milwaukee County and two within Waukesha County.

The District then notes that with regard to the income characteristics of its comparability grouping as compared to the Association's, the median family income in Green Bay is \$20,690, the average median family income among the comparables is \$22,288. The deviation in median family income of Green Bay to the comparables is 7.7%. The median family income among the Association's comparables is \$23,180. The deviation from the median in Green Bay is 12%.

The District notes as well that 33.8% of the families residing in Green Bay have incomes in excess of \$25,000. The average among the comparables is 40.4%. Among the Association's comparable districts, 42.5% of the families residing therein have incomes in excess of \$25,000. The deviation of the grouping of comparables relative to Green Bay are 6.2% for the District's group, and 8.7% for the Association's group of comparables.

The District argues that with regard to ability to support educational programs, its group of comparables more closely approximates the Green Bay School District than the comparables suggested by the Association. In 1985-86, Green Bay had \$165,790 of equalized value per member to support education. The average of the comparables available was \$160,054. The deviation from one to the other is 3.5%. On the other hand, the Association's comparable districts had available to them \$191,571 of equalized value per member for the 1985-86 school year as compared to the \$165,790 available in Green Bay. The deviation is 15.6%. Similarly, the District points to the 1982-83 through 1985-86 trends and the total equalized value for the 1985-86, 1986-87 school years which indicate little deviation from Green Bay to the equalized value available to support education among the nine other districts, proposed by the Employer, as comparables in this case.

The District charts the state aid per pupil provided to Green Bay and its comparables. The deviation for 1985-86 was 8.7% between Green Bay and its comparables, but it was 15.3% between Green Bay and the 14 comparable districts proposed by the Association.

The District maintains that the Association did not present enrollment data for the 14 districts it asserts are comparable to Green Bay for the 1986-87 school year. Changes in pupil population may have altered which are the 15 largest districts. Furthermore, the District argues that the five additional districts proposed by the Association are smaller than Green Bay, therefore, they are less comparable. The District maintains that 5 of the 14 comparable districts are located in Milwaukee and Waukesha counties. Thus, a disproportionate emphasis is placed on the Milwaukee urban area by the comparability set selected by the Association.

The District maintains that Mediator/Arbitrators in establishing comparability for the larger school districts of the State of Wisconsin prefer

to look to similarly sized school districts in a limited geographic area rather than to a state-wide collection of districts. In support of this assertion, the District cites Appleton Area School District, (17202-A) and (23343) 1986; Elmbrook School District (16617-A), 1979; School District of Janesville, (17169-A), 1980, Sheboygan Area School District, (18508-A), 1981; and (20975-A), 1984; School District of Waukesha, (18391), 1981; School District of West Allis, West Milwaukee, et al., (17580), 1979. In Racine Unified School District, (17527-A), 1980, the Arbitrator used CESA 18 School Districts and the 10 Largest school districts in the state, as well as, the southern tier of school districts contiguous to Racine County. In Madison Metropolitan School District (22007-A), 1985, the Arbitrator relied principally on data from Milwaukee, Madison, Racine, Green Bay and Kenosha, in that regard, Arbitrator Stern observed that:

. . . the use of averages based on the top 15 or 20 school districts gives greater weight to the small districts than is proper. In a nutshell, it is a case of the tail wagging the dog. Surely, Milwaukee, Madison, Racine, Green Bay and Kenosha, with enrollments of 16,000 or more students are pattern setters, rather than pattern followers of a pattern set by the district with enrollments of 6,000 to 8,000 students. If the list of comparables includes these relatively smaller districts, the averages should be weighted by size of district to prevent them from having an undue affect on the average.

The District emphasizes that the parties have identified and agreed upon a group of comparables during the course of their long bargaining history. The District concludes that the data it has presented supports the selection of the nine largest school districts, in addition to Green Bay, as the comparability group to be used by the Arbitrator in determining the issue in dispute, herein.

The District asserts that its wage offer is more reasonable when compared to the salary levels of other comparable school districts. In this regard, the District argues that the Arbitrator must give considerable weight to the absence of any limit on the earning capacity of a Green Bay teacher. The schedule affords longevity to the date on which a teacher quits or retires. Furthermore, the District notes that 76% of the teaching staff are placed on the longevity steps of the salary schedule. Nearly 40% of the staff has more than 20 years experience in the District. In light of this data, the Arbitrator should give significant weight to the levels of salaries paid by comparable school districts at the maximum levels of the salary schedule.

The District argues that the Arbitrator should use, the half masters and the BA+15 benchmarks in making his comparison among the school districts. Furthermore, in order to properly compare the salary levels paid to teachers at the very limits of their respective salary schedules, the District identifies the teacher who receives the highest salary on a particular lane in the schedule and compares that salary to the salary paid by a comparable school district to a teacher on that particular benchmark lane with same amount of experience. The District generates the following charts for the 1984-85, 1985-86 and 1986-87 school years. With regard to the 1986-87 school years, the District represents that only five of the nine districts are settled and therefore are included in the Employer's data for the current school year. Those Employer charts are reproduced below.

The District emphasizes that the highest salary paid to a teacher with 30 or more years of service at each lane of the salary schedule is much greater in Green Bay than at a comparable school district. On the average, the difference in 1985-86 for highest salaries paid by Green Bay and its comparables was \$4,896. That difference is reduced under the District's offer for 1986-87. On the whole, only Madison schools pays higher salaries than Green Bay to teachers with 30 or more years of longevity. However, in Green

1984-85 ACTUAL MAXIMUMS

	BA	BA+15	BA+30 (half MA)	MA	MA+15	MA+30	MA+45
Ave. of Comps.	25,999	27,044	27,904	29,890	31,094	31,950	31,971
Green Bay	30,400	30,688	28,866	33,600	33,696	34,176	34,080
Exceeds							
Average: \$	4,401	\$ 3,644	\$ 962	\$ 3,710	\$ 2,602	\$ 2,226	\$ 2,109
%	14.5	11.9	3.33	11.04	7.72	6.5	6.2
Rank Order:	2	2	3	2	2	2	2

(Source: ER. 67, 68)

1985-86 ACTUAL MAXIMUMS

	BA	BA+15	BA+30 (half MA)	MA	MA+15	MA+30	MA+45
Ave. of Comps.	27,704	28,739	29,748	31,781	32,923	33,697	33,938
Green Bay	32,600	32,907	31,849	36,010	36,112	36,623	36,521
Exceeds							
Average: \$	4,896	\$ 4,168	\$ 2,101	\$ 4,229	\$ 3,189	\$ 2,926	\$ 2,583
%	15.0	12.7	6.6	13.3	8.8	8.0	7.1
Rank Order:	2	2	2	2	2	2	2

(Source: ER. 69, 70)

1986-87 ACTUAL MAXIMUMS
(5 settled districts)

	BA	BA+15	BA+30 (half MA)	MA	MA+15	MA+30	MA+45
Ave. of Comps.	30,139	31,089	31,761	34,238	35,448	36,419	36,502
Green Bay Board:	33,834	34,150	33,060	37,351	37,456	37,984	37,878
Exceeds							
Average: \$	3,695	\$ 3,061	\$ 1,299	\$ 3,113	\$ 2,008	\$ 1,565	\$ 1,376
Assn:	34,536	34,859	33,746	38,126	38,234	38,772	38,664
Exceeds							
Average: \$	4,397	\$ 3,770	\$ 1,985	\$ 3,888	\$ 2,786	\$ 2,353	\$ 2,162

(Source: ER. 71, 72)

Bay, the teacher receives this increase of 1.2% of the BA base automatically. In Madison, the teacher must earn four professional improvement credits and obtain the recommendation of a supervisor before receiving the next longevity step payment. The District argues that despite a very advantageous early retirement program, most teachers of the District opt to continue teaching and obtain the benefit of the Green Bay salary schedule with its infinite number of salary steps.

The District argues that when the Arbitrator reviews the data generated with respect to the comparability criterion, it is the size of the monetary increases generated by the parties' offers which should be given the most weight by the Arbitrator. The District cites the decision of Arbitrator Gundermann in Waukesha County Technical Institute, (18804-A) 1/82 and the decision of Arbitrator Grenig in School District of Sturgeon Bay, (20263-A) 6/83 in support of this point. When applied to Green Bay, the District notes that from 1982-83 through 1985-86 school years, teachers in Green Bay have received increases at the benchmarks, with but two exceptions, which exceed the average increase paid at the benchmarks of the comparable school districts.

The District argues that the hiring step reflected at the BA base presents a continuing weakness relative to the hiring steps paid by the comparable school districts. Accordingly, it proposes to hire new teachers at step 2 of its proposed schedule. It maintains the BA base step 1 as the "driver" for the salary schedule, because of the indexed nature of the salary schedule and the already high level of salaries generated by the infinite salary schedule in effect in Green Bay. The District charts the benchmark increases from 1982-83 through the 1986-87 school years. The District notes that to establish step 2 as the hiring step, as a result of its offer, the increases at the base over the four year period from 1982-83 through 1986-87 is slightly above the average increase paid by comparable school districts during the same four year period. Under the Association's offer, the BA and MA hire steps have absorbed increases of \$330 less than that paid by comparable school districts during the same period of time. The Employer chart illustrating this argument is reproduced below.

In the quote below, which appears at page 20-21 of the Employer's brief, the Employer summarizes its argument on the reasonableness of its salary offer:

On an historical basis, this clearly demonstrates the fair and equitable increases that the Board has offered the Green Bay teachers. Although the dollar increases on the BA maximum without longevity, the MA maximum without longevity and the schedule maximum both with and without longevity are smaller as to dollar amount during this five year period measured, we would refer the arbitrator to the chart which appears on page 15 (which is reproduced above) which establishes the relationship of a Green Bay teacher's actual earning potential in the District to the average of comparable districts. Clearly, the parties over a long period of voluntary settlements, have traded interim salary step adjustments for the dollars distributed on the infinite salary schedule. Therefore, it may be asserted that other districts within the comparable grouping are striving to keep up with Green Bay's never ending salary schedule. Any modest erosion in 1986-87 will have little or no impact on those teachers already paid between \$2,000 and \$4,400 in excess of their counterparts in other districts.

The District argues that in the past ten years, salary increases received by Green Bay teachers far outstrip the increase in the CPI during the same period. Under the Association offer, that historical trend is exaggerated. In fact, the Employer total package increase of 4.7% for 1986-87 is almost four times the increase in the CPI for 1985-86 of 1.2%. The District argues

that none of the indicators of the cost of living support the Association total package increase of 6.8%. There is no possible argument for catch up either based on a historical analysis of the increase in teacher salaries in the last ten years or in the short term over the 1985-86 school year. The District points to Board Exhibit #30 which demonstrates that the total compensation received by Wisconsin teachers has outstripped the rate of inflation by 16.1% over the past ten years.

The District argues that the increases afforded to teachers under its proposal is in excess of the increases received by other employees of the District and other area employees. In this regard, the District notes that the wage increases received by employees of the City of Green Bay and Brown County are slightly over 4%. The District's offer of 4.5% and the Association's offer of 6.7% exceed those public employee settlements achieved in this area. In the District's view, it is apparent that the Association's demand for 2.67% in excess of the wage increases achieved by other municipal employees, is not justified.

The wage settlements of other employees of this Employer range from 4.0 to 4.4%. The District's offer of 4.5% exceeds the internal settlements achieved by all other District employees.

The District compares the salary and total compensation offered by the District to its teachers to the salary levels received in 1986 by other Green Bay professionals such as, Brown County Social Workers, Community Health Nurses, etc. The range of compensation to be paid to a Green Bay teacher at the highest salary levels range from \$38,410 to \$42,697 in total compensation for a 190 day contract. The total compensation paid to social workers, city assessors, city engineers, etc. ranges from \$32,334 to \$27,854 for professionals who must work 260 days per year.

The Association argues that it takes 30 years for a teacher to reach maximum earnings, whereas other professionals reach their maximums in their salary schedules after much fewer years of service. The District meets this argument with the following data. The Green Bay teacher who works only 190 days a year with 16 years of experience under the Employer's offer receives total compensation which ranges between \$33,265 to \$38,671 depending on the educational achievement of the teacher. Whereas, the total compensation paid to a Brown County or City of Green Bay professional employee ranges from \$32,334 for a social worker to \$27,854 for registered occupational therapists and \$38,408 for the deputy controller for the City of Green Bay to \$28,204 for a personnel analyst. The District also recomputes these total compensation levels on the basis of 190 days of employment for teachers and for the other professionals. The salary level difference is demonstrated in that no professional employee of Brown County or the City of Green Bay, including the city assessor and deputy controller would receive as much as a Green Bay teacher with a BA and no additional credits who would be paid under the District offer \$33,265 in total compensation for the 1986-87 school year.

The District argues that its total final offer including all benefits, such as health insurance, dental insurance, life insurance, long term disability insurance and retirement, are equal to or better than the level of contribution by other comparable school districts for these benefits. In this regard, the District notes the percentage contribution level made by Green Bay as compared to the average of the comparables. The Employer concludes that the level of benefits offered by the Green Bay School District is equal to or better than other districts.

The District concludes on the basis of all these arguments, that its offer is fair and equitable and should be selected for inclusion in a successor agreement.

The Association Response

First, the Association strenuously disputes the District's assertion that there is but one issue in dispute between the parties. The use of a hiring step is a second issue which is separate and apart from the parties' proposal on the BA base.

On the comparability issue, the Association notes that 11 of the 14 districts it suggests as comparables have settled for the 1986-87 school year. Those districts are: Madison, Racine, Kenosha, Waukesha, Eau Claire, Sheboygan, Oshkosh, West Allis, Wausau, Elmbrook and Wauwatosa. Six of these districts are identified by the District as comparables to Green Bay. However, the District chose to omit the Racine data for 1986-87 from its computations.

The Association acknowledges that the five additional districts it identifies as comparable to Green Bay are smaller than Green Bay. However, it asserts these school districts with approximately 500 teachers and 8,500 students are more comparable to Green Bay which employs 971 teachers and has an enrollment of 16,569 students than it is to Milwaukee with 5,187 teachers and an enrollment of 90,392 students.

Furthermore, the Association points to the inconsistency in the District's argument that the Association's list of comparables includes districts from all over the state. The Green Bay list includes school districts in Eau Claire and Racine, as well.

The Association disputes the use of median family income as a basis for establishing comparability. First, the Association notes that the data underlying that factor is stale. Its source is the 1980 census. Secondly, to compare the median income in Green Bay to data of comparable districts, the Employer has employed a mathematical procedure of taking an average of an average. In this regard, the Association asserts that such an exercise yields a meaningless result.

The Association maintains that the 15 largest school districts comprise a valid reliable comparability pool. The sample size is large enough to permit the Arbitrator to draw valid conclusions on the basis of the data generated. The Association emphasizes that whether the 9 or 14 other largest school districts in the State are used as a comparability pool, the benchmark analysis using either set of data yields the same result; the Association's proposal is the more reasonable. In this regard, the Association compares the benchmark data utilizing both the Association and District comparables in the following chart excerpted from pages 6 and 7 of its reply brief: (see next page)

The Association, in its reply brief, then attacks the District's proposal to establish step 2 of the salary schedule as a hiring step. The Association argues that the comparison by the District of its hiring step to the BA base at step 1 of the Association and the use of the 7th and 10th step at the BA and MA lanes respectively, as a source of comparison distorts the facts. The Association notes it is only those few teachers hired subsequent to July 1, 1986 who would receive the benefit of the District's offer. The Association notes that Arbitrator Kerkman rejected an attempt by Sheboygan Schools to eliminate the first step of the salary schedule. He noted the distortion resulting from such a proposal as the primary basis for his rejection of that proposal. Kerkman stated in that award, Sheboygan School District, (18508) as follows:

The undersigned (Kerkman) disagrees with the comparison the Employer attempts to show between the Employer offer and the Association offer at the fifth and tenth steps, because of the Employer proposed method of implementation to its new schedule. No employee, except

SUMMARIES OF BENCHMARK COMPARISONS

UTILIZING ASSOCIATION DATA	UTILIZING DISTRICT COMPARABLES
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BA Base¹

Settlement Range: \$716-\$1111 (4.4% - 6.7%)	
Average: \$971 (5.7%)	Average: \$980 (5.7%)
Board: \$535 (3.1%)	Board: \$535 (3.1%)
GBEA: \$900 (5.3%)	GBEA: \$900 (5.3%)

BA(7)²

Settlement Range: \$923-\$1497 (4.4% - 6.7%)	
Average: \$1278 (5.8%)	Average: \$1277 (5.9%)
Board: \$ 722 (3.1%)	Board: \$ 722 (3.1%)
GBEA: \$1215 (5.3%)	GBEA: \$1215 (5.3%)

BA MAX

Settlement Range: \$1449-\$1870 (5.3%-6.9%)	
Average: \$1632 (6.0%)	Average: \$1692 (6.3%)
Board: \$ 856 (3.1%)	Board: \$ 856 (3.1%)
GBEA: \$1440 (5.3%)	GBEA: \$1440 (5.3%)

BA LANE MAX

Settlement Range: \$1511-\$2150 (5.1%-7.3%)	
Average: \$1785 (6.1%)	Average: \$1,852 (6.4%)
Board: \$ 872 (3.1%)	Board: \$ 872 (3.1%)
GBEA: \$1467 (5.3%)	GBEA: \$1467 (5.3%)

MA BASE

Settlement Range: \$831-\$1210 (4.4%-6.7%)	
Average: \$1080 (5.7%)	Average: \$1076 (5.8%)
Board: \$ 578 (3.1%)	Board: \$ 578 (3.1%)
GBEA: \$ 972 (5.3%)	GBEA: \$ 972 (5.3%)

MA102

Settlement Range: \$1167-\$1790 (4.4%-6.8%)	
Average: \$1576 (5.8%)	Average: \$1565 (5.9%)
Board: \$ 899 (3.1%)	Board: \$ 899 (3.1%)
GBEA: \$1512 (5.3%)	GBEA: \$1512 (5.3%)

MA MAX

Settlement Range: \$1573-\$2065 (5.1%-6.8%)	
Average: \$1876 (6.0%)	Average: \$1899 (6.2%)
Board: \$ 963 (3.1%)	Board: \$ 963 (3.1%)
GBEA: \$1620 (5.3%)	GBEA: \$1620 (5.3%)

SCHEDULE MAX

Settlement Range: \$1697-\$2310 (5.1%-6.8%)	
Average: \$2017 (5.9%)	Average: \$2056 (6.2%)
Board: \$1011 (3.1%)	Board: \$1011 (3.1%)
GBEA: 1701 (5.3%)	GBEA: \$1701 (5.3%)

¹ Kenosha excluded from BA base and MA base benchmarks because of structure change (Step 1 deleted from Schedule).

² BA5 and MA8 benchmarks used for Sheboygan because of advancement on schedule frozen in 1984-85 and 1985-86.

those hired after January 1, 1980, will benefit by the shortening of the salary schedule proposed by the Employer as stated earlier in this award. Therefore, the proper comparison when considering the Employer offer should be at one step earlier than the Employer suggests in Employer Exhibit 15. Having concluded that the Employer Exhibit 15 properly represents fifth and tenth step rankings of the Association's proposal which shows that the Association offer leaves employees of this Employer at a disadvantageous position when making those comparisons among the primary comparables; the case for the Association offer is significantly strengthened.

The Association argues that there is no increasing weakness relative to the BA base of the salary schedule. The Association employs the Employer comparable grouping to demonstrate that for the five year period, 1982-83 through 1986-87, there is no increasing weakness at that benchmark whether the Arbitrator selects the offer of the Association or the District for inclusion in the successor agreement.

<u>Year</u>	<u>BA Base</u>	<u>Rank</u>	<u>MA Base</u>	<u>Rank</u>
1982-83	14,156	3	15,288	5
1983-84	15,000	5	16,200	6
1984-85	16,000	4	17,280	7
1985-86	17,050	4	18,414	6
1986-87 (Assoc.)	17,950	3	19,386	5
Emp.	18,454	3	20,047	3

The Association asserts that there is no data in this record to indicate that the District is having any difficulty recruiting new teachers on the basis of the BA or MA base paid in the past years. Furthermore, the Association argues that there is no buyout as there was in Kenosha for the institution of a hiring step. Similarly, in Sheboygan, where the base was significantly increased through the shortening of the schedule, teachers in Sheboygan received increases of \$1,950 per teacher in 1984-85 and \$1,950 per teacher in 1985-86. Here, the District attempts to institute a hiring step by paying \$1,325 per teacher. The Association concludes that the District has failed to demonstrate any basis for altering the status quo with regard to the salary structure.

The Association underscores the District's failure to provide data with regard to the percentage and dollar increases provided by its offer at each of the benchmarks. Furthermore, the District failed to provide any total salary package comparisons between its offer and settlements achieved by other comparable school districts. The Association asserts that the reason for this omission, is that the Employer's offer generates significantly lower increases at each of the benchmarks or salary package comparisons. The Association maintains that the District's \$1,325 per teacher increase, which is 4.5%, is \$600 lower than the next lowest settlement.

The Association acknowledges that 76% of the staff is off the schedule and receives longevity. It admits and it cites several arbitral awards noting the propriety of giving significant weight to teacher placement on the salary schedule. However, the Association disputes the District's use of 30 year salary levels as a basis for comparison between the Green Bay School District and its comparables. In this regard, only 6.89% of the staff has 30 or more years of service. The Association notes that there are 97.605 teachers at the 13th and 14th longevity steps on the Green Bay schedule. The Association notes that 18 years represents the median level of experience in the District. The Association's 20 year salary comparison, therefore, is a far more reliable benchmark for comparison than the 30 year salary levels employed by the District, in its arguments. The Association comparison at the 20 year salary level reveals that the District's proposal results in significant erosion in the dollar differential at this salary level between Green Bay and its

comparable school districts. In the BA lane, this erosion amounts to \$731. In the MA lane, it results in a \$971 loss. The Association also questions the District's use in its brief of the BA+30 lane. The District's own witness testified that there are no longer any teachers in this half master's lane of the salary schedule.

The Association's strongest criticism of the District's suggestion for use of additional benchmarks to measure the impact of the longevity portion of the Green Bay teacher's salary schedule is reserved for the District's use of Actual Maximums in its analysis. The Association notes that the District attempts to determine the salary levels for just under 1,000 teachers by using the salary levels to be paid to seven individuals with in excess of 30 years of teaching experience at each of the lanes of the salary schedule.

The Association disputes its use of a historical analysis of salary increases paid to teachers at the benchmarks over a five year period of time. The Association argues that the District's citation of Arbitrator Gundermann is misplaced. In Waukesha County (18804-A), Gundermann employed percentage and dollar amount increases as a basis for comparison. In doing so, Arbitrator Gundermann stated that:

While percentage increases serve as a useful guide to settlements, the ultimate comparison must be made in dollars. It is impossible, based on the information available, to calculate the effect of salary increases on the schedules of comparable districts, as figures include increments and earned credits. Assuming a similar distribution of teachers on the salary schedules for all districts, even if the Board's percentage increase is somewhat less than the percentage of comparable districts, its dollar increases at least approximate the settlements.

The Association notes that Arbitrator Gundermann based his award in significant part on his comparison of the dollar increases generated by the proposals before him from the year immediately preceding the one in dispute.

The Association cites with approval the decision of Arbitrator Michelstetter in Clintonville Schools, (23051-A) 9/86 who opted to compare the actual earnings to be received by a particular teacher placement on the salary schedule where both the Employer and the Association proposed adjustments to the salary schedule. Similarly, the Association cites the decision of Arbitrator Yaffe in Berlin Schools (22248-A) 6/85 wherein he rejected an Association argument concerning wage erosion which allegedly occurred as a result of a multi-year agreement. In this decision, Arbitrator Yaffe noted the risks inherent and implicit in multi-year agreements. Similarly, the Association cites the decision of Arbitrator Petrie in Ripon Schools, (20103-A) 6/83 in which he rejected a claim for catch-up where salary levels were achieved as a result of voluntarily negotiating the settlements.

The Association cites with approval, the remarks made by Arbitrator Rice in Plum City Schools, (22049-A) 4/85 where the Employer in that case referred to historical realignments in rankings over a period of five years to justify its offer. Arbitrator Rice noted that:

There is merit in maintaining the existing relationships. If they are to be changed, they should be changed as a result of collective bargaining. An arbitrator should not change them in the absence of evidence of unique circumstances that were justified disturbing the existing relationships between the salaries paid teachers by the Employer and those paid by the others in the comparable group.

The Association concludes that the District has failed to establish a basis for the Arbitrator's acceptance of the District's substandard wage offer in this case.

The Association maintains that it is most appropriate to compare teacher settlements to other teacher settlements in determining this salary dispute. The Association argues that non-teacher settlements should not be given the same weight as teacher settlements. The Association claims that the non-teacher settlements obtained by the District from personnel directors is inaccurate when that data is compared to the information culled from the collective bargaining agreements. The Association attacks the District's comparison of benchmark increases in the case of teachers to non-teacher settlements which exclude step increment increases, adjustments in longevity and reclassification adjustments. The Association notes that Arbitrator Imes in Brown County Handicapped Children Education Board, (23118-A) 6/86 rejected such an approach and stated in doing so that:

Although the average increase for the teachers under the Board's offer calculated at 7.76%, this increase reflects a salary increase of 4.9% and an increase in salary reflected by experience and education increments. The 4.9% salary increase is quite similar to the 5% wage increases agreed upon by the other employees within the County.

. . .

Arbitrators have frequently used voluntary settlements among the comparables as another valid indicator of the reasonableness of offers when compared to the cost-of-living criterion. Given the fact that percentage settlements for teachers are generally higher than settlements in other bargaining units, partially because the percentages reflect not only the increase but the experience and education increment increase, it is also appropriate to compare the offers with voluntary settlements among comparable teaching groups when considering the reasonableness of the offers compared to the cost-of-living criterion.

The Association attacks the total compensation comparison made by the District. The Association argues that the total compensation figures used by the District ignores fringe benefits as paid holidays, paid vacation days, shift differentials, overtime, holiday pay, compensatory time and out of class pay. The Association notes that the comparison is based upon the 30 year teacher or actual maximum as the District calls it. The Association notes, as well, that non-teacher employees reach their maximums at a far earlier stage than teachers. The Association maintains, therefore, that as a result, teachers probably never catch up in terms of career earnings to the sums paid to non-teachers over their work life. Non-teachers reach their maximums and are paid at the maximum rate for a far longer period of time than teachers. In addition, the Association notes that most of the classifications referred to by the District are unorganized. The Association notes further that the District failed to provide the total dollar package work percentage increase for the various bargaining units referred to in the City of Green Bay and Brown County where there are such bargaining units. The Association notes that the District's total package proposal of \$1,805 per teacher or an increase of 4.7% in total compensation is significantly lower than the total compensation paid by other comparable school districts to its teachers.

The Association urges the Arbitrator to reject the cost-of-living argument proffered by the District. The historical comparison of wages received by teachers in Green Bay relative to the cost-of-living is deceptive. The Employer used a ten-year period. However, if an eight-year period is used, the Green Bay teacher has received increases which exceed the cost of living by only 2.4%. In other words, had the Association only bargained for a COLA increase over this eight year period, together with its final offer for the 1986-87 school year, salary increases achieved would only exceed the cost of living during that period by 2.4%. The Association argues that it is

inappropriate to include step advancements, etc. when making cost-of-living comparisons.

The Association concludes the application of all the statutory criteria support the inclusion of the Association's final offer in a successor agreement.

The Association's Argument-in-Chief

The Association applies all eight statutory criteria to what it considers the two issues in this case; the proposals of the parties concerning the size of the increase in salary and the District's proposal to establish a hire step at step 2 of the salary schedule.

The Association notes that neither party has made any argument with regard to lawful authority of the municipal employer to implement either the District's or the Association's offer.

The Association notes that the parties have agreed to the manner in which the offer of each is to be costed.

With regard to the criterion, the Interest and Welfare of the Public . . . , the Association notes that the total package cost difference between the offers of the parties is \$757,793. The total package cost of the Association offer is \$39,632,895 as compared to the cost of the District's final offer which is \$38,875,102. The Association notes further that the Employer has not presented any argument or data to indicate that it will be financially unable to implement either final offer. The Association refers to Employer Exhibit #11 which indicates that the levy rate for 1986-87 will increase over the levy rate for 1985-86 by 16.5% inclusive of state aid credits. The Association anticipates the District argument that the placement of a three quarters of a million dollar additional burden on the local taxpayer would not be in the public interest. The Association maintains that the double digit levy increase is not the result of salary increases given to teachers, rather, the magnitude of the increase stems entirely from the budget decisions made by the Board of the District for the 1985-86 school year. The Board increased the levy by 3.6% for 1985-86. It was that decision which is the direct cause of the levy increasing by at least 14.7% for the 1986-87 school year. In prior years, the Board always created as part of its budgeting process, an undesignated, unreserved fund balance which amounted to as much as \$2,262,875 for the 1983-84 school year. In fact, the Board had before it three alternative budgets which it could adopt for the 1985-86 school year. Under budget A the Board could have increased the levy after state aid credits by 7.6% for 1985-86. That budget would have created an unreserved, undesignated fund balance of \$1,172,618 to be applied against a 1986-87 levy. As a result, the levy for the 1986-87 school year would have had to increase by but 6.7%.

Under budget B, the levy for the 1985-86 school year would have been increased over the size of the levy for 1984-85 by 5.3%. This would have generated an undesignated, unreserved fund balance of \$510,421. The application of this fund balance to the 1986-87 levy would have resulted in an 11.1% increase in the levy for 1986-87.

Budget C is the one which the Board opted to implement for the 1985-86 school year. Under that budget, no undesignated, unreserved funds were identified in the budget. Under this budget, the levy was increased in 1985-86 by 3.6%. Without any undesignated, unreserved funds to apply to the 1986-87 levy, it increased by 14.7%. The Association argues that the Board should not be permitted to manipulate its budgetary decisions in a manner such that a double digit increase in the size of the levy occurs in the year in which the salaries of teachers are to be bargained. The District should not

be permitted to assert the interests and welfare of the public as a basis for rejecting the final offer proffered by the Association.

The Association goes on to argue that the economic health of the District is excellent. Employment in the Green Bay area is at 94.7% of the labor force which translates into 96,400 persons employed out of a potential labor force of 101,700 persons. The average unemployment rate for calendar year 1986 was 6.2%. The unemployment rate for the remainder of the State during this period of time was 7.4%.

The Employer enjoyed an increase in the value of property located in the District, on an equalized basis for the 1986-87 school year. Statewide, equalized property values declined by 1.9%. Only Appleton and Madison of the 10 largest districts, enjoyed a greater dollar increase in equalized property values. Although the Board adopted a budgeting strategy which requires a 14.7% increase in levy rates for the 1986-87 school year over the levels of 1985-86, the levy rate itself of \$13.60 per thousand in 1985-86 is the third lowest levy rate among the 15 largest school districts in the state. Only Wauwatosa and Appleton with levy rates of \$13.10 and \$13.14, respectively, have lower levy rates. The levy rate for 1986-87 is \$14.23 per thousand. Seven school districts, Eau Claire, Kenosha, Madison, Milwaukee, Racine, Sheboygan, and West Allis have higher levy rates. Seven have lower rates, Appleton, Elm Brook, Janesville, Oshkosh, Waukesha and Wauwatosa. Green Bay ranks eighth out of the fifteen largest school districts in the amount of equalized property valuation available to support education. The Association argues that the interests and welfare of the public does not work against the selection of the Association's offer for inclusion in a successor agreement.

The Association makes the following three-pronged argument with regard to the comparability criterion. First, it argues that when measured by pupil population, faculty size, tax base as reflected by assessed valuations, tax rates and economic activity, the 14 largest school districts other than Green Bay:

Appleton	Oshkosh
Eau Claire	Racine
Elm Brook	Sheboygan
Janesville	Waukesha
Kenosha	Wausau
Madison	Wauwatosa
Milwaukee	West Allis

are comparable to Green Bay. This large data base provides the Arbitrator with sufficient data from which valid conclusions may be drawn.

Furthermore, the Association argues that in the course of bargaining over a period of 12 years, the parties have referred to and used on occasion, the 14 other largest school districts as the comparability pool to which the Green Bay School District is to be compared. The Association maintains that the Arbitrator should not reduce the number of school districts used as a basis for comparison, when the parties have employed and identified the larger pool of 15 school districts, as the comparability base.

The Association notes that only three of the fourteen school districts which it has identified as comparables, have not settled for the 1986-87 school year; they are: Appleton, Janesville and Milwaukee. The Association proposes to increase each step of the salary schedule by 5.3%. The District proposes to increase each step by 3.1%. The Association notes that the District's offer is far below the range of settlement among the comparables at each and every benchmark. The settlement range at the BA base is \$716 to \$1,111 (4.4 to 6.7%). The average increase at this benchmark is \$971 or 5.7%. The District proposes an increase at this benchmark of \$535 or 3.1%. The Association proposes an increase of \$900 or 5.3%.

At the BA lane with seven years experience, the settlement range is from \$923 to \$1,497 (4.4% to 6.7%). The average increase at this benchmark is \$1,278 or 5.8%. Again, the Association proposes a 5.3% increase at this benchmark which generates \$1,215, whereas, the District proposes an increase of 3.1% which generates \$722 at this benchmark.

At the BA maximum, the settlement range is \$1,449 to \$1,870 (5.1% to 6.9%). The average increase at this benchmark is 6% generating \$1,632. The Association proposes a 5.3% increase at this benchmark which generates an increase of \$1,440. The District proposes a 3.1% increase which generates an increase of \$856.

At the BA lane maximum, the settlement range is \$1,511 to \$2,150 (5.1% to 7.3%). The average increase is \$1,785 or 6.1%. The Association proposal of a 5.3% increase at this benchmark generates \$1,467; the District 3.1% proposal generates an increase of \$872.

At the MA base, the settlement range is \$831 to \$1,210 (4.4% to 6.7%). The average increase at this benchmark is 5.7% which results in an increase of \$1,080 over the amount paid at this benchmark in 1985-86. The Association 5.3% proposal generates an increase of \$972. The District proposal to increase this benchmark by 3.1% generates an increase of \$578.

At the MA lane with 10 years experience, the settlement range is \$1,167 to \$1,790 (4.4% to 6.8%). The average increase among the comparables is 5.8% which yields an increase of \$1,576. The Association proposes a 5.3% increase which generates \$1,512 at this benchmark. The District proposes a 3.1% increase which generates \$899.

At the MA lane step maximum, the settlement range is from \$1,573 to \$2,065 (5.1% to 6.8%). The average increase at this benchmark amounts to \$1,876 (6%). The Association 5.3% proposal generates an increase of \$1,620 at this benchmark. The District's 3.1% proposal generates an increase of \$963.

At the schedule maximum, the settlement range is from \$1,697 to \$2,310 (5.1% to 6.8%). The average increase at this benchmark is 5.9% or \$2,017. The Association proposes an increase of 5.3% which generates \$1,701 at this benchmark. The District proposes a 3.1% increase which generates \$1,111 at this benchmark.

The Association argues that its offer is far closer to the average benchmark increase when measured both in terms of percentage and dollar increases. Its proposal is well within the range of settlement. In fact, at the BA maximum and BA lane maximum, the Association's offer is slightly less than the lowest dollar increase among the comparables. The District's proposed increase of 3.1% falls totally outside the range of settlements agreed to and in place among the comparable school districts. In fact, the Association notes that the District's dollar increase is substantially lower than any settlement of the other comparable school districts. The Association concludes that the District's offer falls far short of the mark.

The Association calls the Arbitrator's attention to the fact that the Employer has not generated any data concerning the dollar per teacher increase to be paid under the two offers for 1986-87. The Employer's offer generates \$1,325 or 4.5%. Its total package offer increases to \$1,805 but represents only a 4.7% increase. The Association's offer generates \$1,960 or 6.7%, while its total package offer generates \$2,584 which represents a 6.8% increase. Both in terms of the increase on the salary schedule and total package dollars paid by the Employer on behalf of each teacher, the District's offer, in the Association view, is well below the range of settlement among the comparables. For salary only, the range of increase is from \$1,935 to \$2,197 per teacher

for a range of 6.9 to 8.11%. In terms of total package increase, the range is somewhat narrower from \$2,548 to \$2,712 or from 6.96% to 7.89%.

The Association anticipates the Employer's argument that one basis for the size of its salary proposal results from the longevity provisions included in the salary schedule. To counter this argument, the Association presented evidence at the hearing and argument in its brief relative to: the level of salary paid to a Green Bay teacher with 20 years of experience at the various benchmark educational lanes as compared to the salary paid to a teacher with 20 years of service in a comparable school district during the 1985-86 school year and the 1986-87 school year. The charts generated by the Association appear below. (see next page)

The Association concludes from these charts that during the 1985-86 school year, Green Bay teachers were not compensated at levels above those enjoyed by teachers in comparable school districts. Furthermore, under the District's offer, there would be substantial erosion in terms of the amount of dollars paid to teachers at this benchmark as compared to the amount paid in comparable school districts. Furthermore, the ranking of Green Bay relative to these comparable school districts would drop substantially. The Association makes the following argument relative to the District's reliance on longevity in support of its argument:

The Board desires that the Arbitrator ignore the comparable benchmark increases (dollars and percent), the historical benchmark differentials, per teacher salary statistics, overall compensation data, and the median salary levels. The Board prefers to focus on the salary level of the most senior teachers (Board Exhibit 60, 62-63, 71-72) which constitute a very small portion of the unit.

The Association notes that only 67.0263 or 6.89% of the 972.4375 FTE have more than 30 years of service with the District. Nonetheless, it is the teachers with 37 years or more experience which the District proposes to use as a basis for the level of increase to be offered to the rest of the teaching staff. The Association notes that Arbitrator Chatman rejected this approach in Washburn Schools, (22430-A) 6/85 by noting that:

The comparison of maximum salaries of the various bargaining groups with the maximum salary obtainable by the Washburn unit by the Employer, is a non sequitur. The dependent variable (time) is not similar or approaching equality in this comparison. What the Washburn unit has in reality is an 'ANNUITY', the promise to pay at regular intervals in the future an increase over the present starting salary (present value) upon satisfactory job performance.

Arbitrator Kerkman in Manitowoc Schools, (Voluntary Impasse Procedure) 6/84 found the comparison of maximum salary levels unpersuasive because it affected only few teachers, 80.68 FTE in Manitowoc. Arbitrator Petrie rejected such comparisons in Wilmot UHS (23113-A) 9/86 because in his view, he found most persuasive the size of the proposed salary increases to be generated under either offer as compared to those paid by comparable school districts.

1. The Association cites decisions by this Arbitrator in Cashton Schools, (22957-A) 9/86; and by Arbitrators Rothstein in Florence County Schools, (19381-A); Vernon in Mercer Schools, (20018-A) 5/83; Yaffe in Tomahawk Schools, (20146-A) 7/83; Petrie in New London Schools, (20101-A); Zeidler in Watertown Schools, (20212-A); Krinsky in Ladysmith Schools, (19803-A); R. U. Miller in Plat Elementary, (20292-A); Imes in Brillifon Schools, (21079-A).

**1985-1986
20-YEAR SALARY**

	BA	BA+Lane	MA	Max Lane
Eau Claire	25077	29309	30539	32091
Elmbrook	28206	31182	33440	35282
Kenosha	25897	28072	30498	32936
Madison	29400	30240	31080	36120
Oshkosh	27105	30269	32134	35252
Racine	26322	28259	30720	33082
Sheboygan	28193	29378	30562	32931
Waukesha	26685	29632	32087	33889
Wausau	24182	27725	31051	33235
Wauwatosa	27863	29793	32899	36927
West Allis	30810	31504	34866	36693
Average	27249	29578	31807	34403
Green Bay	28917	29429	32327	33862
Ranking	3/12	7/12	4/12	7/12
+/-	+1666	-149	+520	-541

**1986-87
20-YEAR SALARY**

	BA	BA+Lane	MA	MAX Lane
Eau Claire	26766	31280	32604	34264
Elmbrook	29905	33060	35454	37407
Kenosha	27632	29953	32541	35143
Madison	31325	32220	33115	38485
Oshkosh	28626	31972	33934	37234
Racine	27879	29931	32538	35039
Sheboygan	29642	30889	32135	34628
Waukesha	28535	31782	34003	35883
Wausau	25652	29410	32939	35123
Wauwatosa	29450	31490	34772	39030
West Allis	32376	33106	36640	38561
Average	28890	31372	33698	36436
Board	29825	30352	33342	34924
Ranking	4/12	9/12	6/12	10/12
+/-	+935	-1020	-356	-1512
GBEA	30444	30982	34034	35649
	3/12	8/12	4/12	7/12
	+1554	-390	+336	-787

Although the Association argues that the Arbitrator should base his decision on the data generated concerning teacher settlements, it responds in its brief to evidence submitted by the District and to remarks made at the public hearing with regard to data demonstrating the size of salary increases received by other municipal and private sector employees in 1986 and 1987.

The Association disputes the evidence summarized in Board Exhibit #18. The Employer represents in that exhibit that employees of the City of Green Bay received a 4% increase in 1986. The Association maintains that on the basis of its exhibits, nos. 32-32G, bidgetenders received 4.9%, the clerks in the transit office received 5.9 or 4%. Firefighters received 4.4 to 4% and the lead dispatcher received 1.7%. Nurses received 5.2 or 4.9%. Police officers received 4.0 to 4.4%. The Association notes that no employee of the City of Green Bay received an increase as low as 3.1%; the amount offered to teachers in Green Bay. Furthermore, the Association notes that most of the classifications of employees represented in Board Exhibit 73B are not represented by a labor organization. The Association then generates a chart, which is reproduced below, which indicates the career earnings, at least for the first 20 years of Green Bay teachers as compared to the Public Health Nurse II employed in the City of Green Bay. The Association argues that this chart demonstrates that even though the Green Bay teacher under the Association offer would earn more than the nurse in the 11th year of employment, by the 20th year, the Public Health Nurse II had greater cumulative earnings than the Green Bay teacher.

With regard to Brown County, the airport unit received increases ranging from 3.7 from 5.4%. The Courthouse unit obtained seven reclassifications in addition to the 4% general wage increase granted to all employees. Here again, the Association argues that no County employee was granted as low an increase as that offered by the Green Bay School District of 3.1%. The Association engaged in the same exercise it did relative to public health nurse and compared career-cumulative earnings over the first 20 years of employment of the Brown County Social Worker to the Green Bay teacher. The salary of the Green Bay teacher exceeds that of the social worker in the 12th year. However, the cumulative earnings of the social worker are greater even in the 20th year of employment.

With regard to the internal settlements achieved by the District with its maintenance, clerical and food service employees, the Association cites Arbitrator Kerkman in Janesville Schools, (17169-A) who noted that teacher salaries are unique and do not lend to easy comparison to other employees of a school district.

With regard to the comparison of wage increases paid to private sector employees, the Association maintains such comparisons are difficult to make. However, it argues that the wage freeze negotiated between Proctor and Gamble and the United Paperworkers International Union generated \$2,134 per employee over the entire package of that settlement. The size of the dollars received by Proctor and Gamble employees exceeds the total package dollars to be paid per teacher under the District's offer of \$1,805.

The Association notes that there is no uniform manner of costing settlements in the private sector. Therefore, it is hard to compare salary increases provided in the private sector to those in the public sector. It is even more difficult when comparing salary increases to teacher disputes where the manner of costing differs from the manner in which other kinds of settlements among other public and private employees are reported. The Association quotes Arbitrator Kerkman in Appleton Schools, (17202-A) when he observed that:

While patterns of settlement internal to the school district and patterns established within the same community are often given significant weight, the evidence in the instant matter is not

Year	GBEA Offer (7/1/86)	City of Green Bay ¹⁰ PHNII (1/1/86)	+/-	Cumulative +/-
1	17950	25812	-7862	
2	18848	27168	-8320	-16182
3	20643	27168	-6525	-22707
4	21540	27168	-5628	-28335
5	22438	27168	-4730	-33065
6	23335	27168	-3833	-36898
7	24233	27168	-2935	-39833
8	25130	27168	-2038	-41871
9	26028	27288	-1260	-43131
10	26925	27288	-363	-43494
11	27823	27288	+535	-42959
12	28720	27288	+1432	-41527
13	28935	27408	+1527	-40000
14	29151	27408	+1743	-38257
15	29366	27408	+1958	-36299
16	29582	27408	+2174	-34125
17	29797	27528	+2269	-31856
18	30012	27528	+2484	-29372
19	30228	27528	+2700	-26672
20	30443	27528	+2915	-23757

Year	GBEA Offer (7/1/86)	Brown County Social Workers ¹¹	+/-	Cumulative +/-
1	17950	19510	-1560	
2	18848	20670	-1822	-3382
3	20643	22191	-1548	-4930
4	21540	24073	-2533	-7463
5	22438	25652	-3214	-10677
6	23335	26520	-3185	-13862
7	24233	27427	-3194	-17056
8	25130	28044	-2794	-19850
9	26028	28044	-2016	-21866
10	26925	28044	-1119	-22985
11	27823	28044	-221	-23206
12	28720	28164	+556	-22650
13	28935	28164	+771	-21879
14	29151	28164	+987	-20892
15	29366	28164	+1202	-19690
16	29582	28284	+1298	-18392
17	29797	28284	+1513	-16879
18	30012	28284	+1728	-15151
19	30228	28284	+1944	-13207
20	30443	28284	+2159	-11048

persuasive because no other settlements contained in Employer Exhibit #2-N offer teacher units (given the unique salary structures over which parties bargain in teacher disputes compared to salary structures found in non-teacher disputes; and given the disparity in methods of costing utilized by parties who are non-teacher unit vis a vie teacher unit; there is insufficient evidence in this record for the undersigned to conclude that the patterns of settlement with non-teacher units constitute accurate comparisons). Consequently, the evidence contained in Employer Exhibit #2-N will be given no weight in the instant dispute.

In concluding its argument, the Association reminds the Arbitrator that the District proposes to make a structural change to the salary schedule. Such changes have been rejected by arbitrators where there has been no showing that the structure is unworkable or inequitable. In this regard, the Association cites the decision of Arbitrator Rice in Oak-Creek Schools, (18222-A) and Arbitrator Bilder in Baraboo Schools (23346-A). Arbitrator Hill in Palmayra-Eagle Schools, (23188-B) noted the burden of proof which the party seeking to change the structure must meet. Arbitrator Hill cited the standard used by Arbitrator Kerkman in Fort Atkinson Schools which is:

1. A demonstration that the existing language is unworkable or inequitable;
2. That there is an equivalent "buyout" or quid pro quo; and
3. There is a compelling need.

The Association notes that the District has meet none of these standards.

With regard to the cost-of-living argument, the Association notes the widely held arbitratl rationale that the pattern of settlement is the most compelling indicator of the cost-of-living. Here, there is a pattern of settlement. It is the Association's offer which more closely approximates that pattern. The pattern of settlement may be greater or less than the consumer price indices. The Association reminds the Arbitrator that during double digit inflation, arbitrators measured the total package cost of a teacher settlement and compared that to the pattern of settlement. Even though the cost of living exceeded the pattern, arbitrators noted that the pattern of settlement should be the measure of the offer which is to prevail. Accordingly, during double digit inflation, many teacher offers were rejected by arbitrators. Now, teacher settlements may exceed the increase in the consumer price index because of the market effect which the many studies of teacher salaries have had on the recognition that teacher salaries have been and remain inadequate. The pattern of settlement analysis is alive and well, the Association argues. It cites recent decisions by Arbitrators Grenig in Janesville School District (22823-A) 4/86 and Arbitrator Fleischli in Manitowoc School District, (22915-A) 4/86, as well as, the decisions of Arbitrator Vernon and Miller.

With regard to the criterion overall compensation, the exhibits presented by both the Employer and the Association demonstrate that the level of fringe benefits provided by this District does not differ marketedly from the level of benefits provided by comparable school districts. The Association notes that its exhibit #36 demonstrates that private sector employees enjoy benefits not available to teachers, such as paid vacation, paid holidays, profit sharing plans, shift premiums, overtime rates, merit raises and reimbursement for additional schooling.

Finally, the Association notes that there have been no changes in any of the foregoing criteria to serve as the basis for distinguishing between the offers of the Association and the District. The Association concludes that

with regard to all of the criteria, its offer is to be preferred and should be selected by the Arbitrator for inclusion in a successor agreement.

The District Response

The District observes in the introduction to its reply brief, that:

. . . the offers of the parties in this case must be considered giving due weight to the size of this District, the long history of voluntary settlements, and the unique structure of the salary schedule. Parties have stated on the record that comparisons were never a significant consideration in achieving voluntary settlements in prior years. Therefore, artificially forcing Green Bay Schools into a coercive orbit of comparison at this point in time without a view of historical negotiations between the parties, and the power relationship which exists, is akin to forcing the Lone Ranger to ride in a posse pressed into service from the local saloon.

The District argues that the Arbitrator should determine this dispute in accordance with the outcome which would be produced had the Association the legal right to strike. The District points out that nine out of ten speakers at the public hearing objected to the Association final offer in light of the 16.8% tax levy increase. The District posits that had the Association struck, they would have been unsuccessful in "bleeding more money from the turnip." The District argues that the Arbitrator should view himself as a participant in a continuum of negotiations between the parties. As such, the Arbitrator should attempt to replicate the outcome which would develop as a result of voluntary collective bargaining. In this regard, the district quotes Arbitrator Imes and Rice with regard to the relative strength of the bargaining parties in their negotiations.

The District disputes the assertion made by the Association in its brief that the Board of Education had the authority to manipulate the budget in order to maximize the levy increase in a year in which the parties were to engage in collective bargaining. In this regard, the District quotes extensively from Sec. 120.44(2) and 120.10 Wis. Stats. Specifically, the District notes that under Sec. 120.12, the school board is directed to:

. . . determine the amount necessary to be raised to operate and maintain the schools of the school district and public library facilities operated by the school district . . .

and:

(c) if on or before the 3rd Monday in October, the school board determines that the annual meeting has brought in a tax greater than that needed to operate the schools of the school district for the school year, the school board may lower the taxes voted by the annual meeting.

Furthermore, the District quotes from the decisions of the Wisconsin Supreme Court in which the Court holds that a school district may not levy a tax to create a surplus, if there is no public purpose for those funds, Barth v. Monroe Board of Education, 108 Wis. 2d. 511 (1982) and State Ex Rel Garret v. Froelich, 118 Wis. 129. The District maintains the year end positive balances referred by the Association, were the product of variations in the pattern of expenditure. At the end of the 1985-86 school year, the District did have a one-half million dollar surplus. In the past, the District had larger unreserved, undesignated fund balances, which were the result of cost saving measures adopted during the school year. There is no intent to tax to create a surplus. The District maintains that the Association by its argument reveals a lack of understanding of the budget process. The District cannot overtax the residents for 1985-86 in order to carry forward such a surplus to

the following year. The District asserts that:

The fact that the tax levy may be subject to a more substantial increase in 1986-87 is a fact which is not material since the Board was legally barred from levying for a surplus in 1985-86. The District maintains that the increase in equalized value per member in 1986-87 is merely an indication that state aids to the District would decrease, in the future. The increase in the tax levy and the amount of that levy which must be spent on teacher salaries, since teacher salaries are the substantial portion of the District budget, is known to the public. As a result, the District maintains that if the Association were able to strike, it would not succeed in convincing the public to have the Employer increase its offer. The tax levy increase for 1986-87 was not avoidable.

The District attacks some of the data proffered by the Association in its brief. The District notes that the Association asserts that 11 of the 14 school districts which it deems to be comparable have settled for the 1986-87 school year. Yet, it provided total package costing for only 8 of the districts. Costing figures are not provided for Madison, Sheboygan and Racine. Furthermore, the District argues that there is no verification of the costing provided for Elmbrook, Wauwatosa or West Allis. Further, the costing employed by Eau Claire compares apples to oranges. It does not use the traditional cast forward method which would serve as a valid basis for comparison of the costs generated by the settlement in Eau Claire to the costs of the Association and District offers here. The District makes other technical observation relative to the data presented, such as, the lack of definition of what does an extracurricular activity cost in the Kenosha schedule and what constitutes schedule movement as noted on the worksheets submitted by the Association.

The District maintains that two of the settlements referred to by the Association were achieved in 1985 and the majority of the other settlements in the first half of 1986. The District maintains that such multi-year settlements, especially the second year of such settlements, should be given less weight. In this regard, the District quotes from the recent decision of Arbitrator Flagler in Ellsworth Community School District, (23296-A) 9/86 who observed that:

Disparities of like scale are commonly seen in multi-year settlements and seriously impair their usefulness for comparison purposes. The reason for this lies in the interest arbitrator's definition of what constitutes the more reasonable of the competing final offers.

In this regard, the District notes that the Association has failed to indicate the duration of the agreements reached among the districts which it deems to be comparable. The District concludes that the Association data which may support its argument, should be given little weight, here.

The District argues that the Arbitrator should discount the Association's 20 year benchmark analysis. First, the District notes that 20 years was chosen for no better reason than it was a "nice round number." The selection of a 20 year benchmark ignores the impact which the Green Bay salary schedule has on the earnings of teachers in Green Bay. The District points out that 39.56% of the teaching staff has in excess of 20 years experience. The District notes that the analysis which underlies Board Exhibits 71 and 72 comport with the rationale embraced by Arbitrator Krinsky in Joint School District No. 2, City of Sun Prairie (Voluntary Impasse Procedure) 12/86 in which he observed that:

As explained above, the salary schedule in Sun Prairie is atypical in that it allows teachers to continue to be paid longevity

increases without limiting the number of years of such payment. More than half of the bargaining unit is off-schedule on longevity, and therefore the number of teachers receiving such payments and the amounts paid are significant. It would not be realistic to compare maximum salaries without taking account of longevity payments. Thus, the maximums are shown both with and without longevity.

Furthermore, the District distinguishes the Washburn Schools award, (22430-A) 6/85 of Arbitrator Chatman. The District notes that Washburn concerned non-certified employees rather than teachers. Secondly, under the analysis employed by the Employer, here, there is no dependent variable of time. The District compares the salary levels paid to teachers in Green Bay with 30+ years of experience as compared to what teachers would be paid in comparable districts with identical longevity.

The District argues that if the 20 year benchmark is given any credence, the Green Bay teacher retains a significant advantage over teachers in other districts in terms of cumulative earnings. In this regard, the District calculates the cumulative earnings of a 20 year teacher in Eau Claire to be \$491,478; in Kenosha-\$497,190; in Madison-\$517,310; in Sheboygan-\$517,692; in Waukesha-\$490,565; in Racine-\$490,411; in Green Bay, under the District's offer-\$522,978 and under the Association's offer-\$521,127. The District's cumulative earnings exceed that of the Association's because of the District's use of the hiring step in this calculation for Green Bay. If this analysis were extended to 30 years, only a teacher in the Madison School District would have greater cumulative earnings.

The District takes issue with the Association 20 year comparison between the Green Bay teacher and the public health nurse. Hereto, the District maintains that if this analysis were projected to 30 years of service, there is a dramatic change. At 27 years of service, the cumulative earnings of the Green Bay teacher surpasses that of the Public Health Nurse II. Furthermore, the District notes that the Association has omitted from its analysis the salient fact that a Green Bay teacher works only 190 days, whereas a Public Health Nurse II must work 260 days to earn the salary reflected in the Association chart. When the salary of the public health nurse is adjusted for 190 days of employment, then the cumulative earnings of the Green Bay teacher surpasses that of the nurse by the end of the third year of service.

Again, the analysis suggested by the District is employed in the comparison between the Brown County Social Worker and the Green Bay teacher. It is in the 26th year of service that the teacher's cumulative earnings begin to exceed that of the social worker. If the social worker's employment is adjusted for 190 days rather than the 260 days, then the teacher's cumulative earnings exceed that of the social worker in the second year of service.

Finally, the Association failed to take account of any lane changes in its comparison to the Public Health Nurse II and Brown County Social Worker.

The district disputes the Association's claim that the establishment of a hire rate at step 2 of the salary schedule is a major structural modification. The District notes that the average starting salary among the comparables is \$18,092. Under the District's offer, it is \$18,464. Under the Association offer, it is \$17,950. The District notes that its starting rate provides the District with a substantial advantage when hiring new employees.

The District claims that what it has done is quite similar to what was settled upon in Kenosha, i.e., the elimination of the first step. However because of all the calculations made on the base figure, the District chose to retain that figure.

In citing the decision of Arbitrator Bilder in Baraboo School District, supra, the District notes that the Association failed to provide a full

picture of Arbitrator Bilder's analysis. Although Bilder had misgivings about the two year salary structure proposed by the Employer in that case, he concluded that the District's salary offer was the more reasonable.

In response to the Association brief, the District concludes that this Arbitrator should find that the District's offer is the more reasonable.

DISCUSSION

Background

The Green Bay Area Public School District is the fourth largest public school district in the state of Wisconsin as measured by student population, 16,546, and the size of its teaching Staff, 972.43 Full Time Equivalents. The parties have negotiated collective bargaining agreements, since, at least, the early 1970's. For the past nine years that the med/arb law has been in effect, the parties have not had a comparability grouping identified for them by an arbitrator. To their credit, the parties have resolved all disputes over wages, hours and working conditions by themselves.

In light of the strong and vibrant bargaining relationship between the Employer and the Association, the Arbitrator is most careful to make only those determinations necessary for the issuance of a decision. Where the ultimate award is not dependent upon the determination of some incidental issue, the Arbitrator has refrained from making such a determination. It is the hope of this Arbitrator, that this course will provide the parties with maximum flexibility in their future bargaining relationships.

In contrast to the argument pressed by the District, the Arbitrator agrees with the Association that the scope of the dispute between the parties is over two issues. As noted above in the section of this Award headed Summary of Issues in Dispute, the matters at issue are 1) the sum to be inserted at the BA base which is to serve as the figure upon which the salary structure of the parties is to be computed. 2) The second issue concerns the Employer's proposal to adopt a hiring step at step 2 of the salary schedule. The Association maintains that the first step of the salary schedule should continue to serve as the hiring step to be employed by the District when employing new staff.

This section of the Award is structured in the following manner. First, the Arbitrator analyzes arguments of the parties concerning the group of comparable school districts to which Green Bay is to be compared. The Arbitrator then considers the proposal of the Association to establish \$17,950 as the base figure upon which the salary structure for teachers is to be constructed; and the proposal of the District to establish \$17,585 as the base figure upon which the salary structure to be included in the 1986-87 agreement is to be structured. Each of the eight statutory criteria are considered and applied to these two salary offers. The discussion of each statutory criterion concludes with the identification of a preference for one proposal or the other on the basis of each criterion. The Arbitrator then indicates which proposal is to be preferred after all eight criteria are weighed and considered.

The Arbitrator then turns to discuss the second issue, the District's proposal to establish step 2 of the salary schedule as the hiring step for teachers new to the District. All eight statutory criteria are considered and applied. However, since only several of the criteria have any direct bearing on this second issue, the discussion of the hiring step proposal is less structured than the Arbitrator's analysis of the first and most central issue to this dispute.

The total package cost of the Association's proposal is \$39,632,895. The total package costs of the District's proposal is \$38,875,102. The difference

between the parties, the scope of the dollar amount of this dispute, is \$757,793. The District proposes to increase its total compensation costs, both salary and fringes, by 4.7% over those costs for the 1985-86 school year. The Association proposal would require the Employer to increase its total compensation costs, salary and fringes by 6.8% over the level expended by the District for the 1985-86 school year.

It is necessary for the Arbitrator to comment on his role. The District argues that the outcome of the Arbitrator's analysis should replicate the result which would emanate from a strike, had the Association been granted the right to strike. The Arbitrator has a radically different view of his role than that suggested by the District.

If the parties wanted to resolve this matter by way of a strike, the mediation/arbitration law permits them to do so. In the absence of their voluntary impasse procedure, had both the Association and the District withdrawn their final offers, a legal strike is countenanced and permitted under the present law.

Had the parties chosen that option, a legal strike, to resolve this matter, this Arbitrator is in no position to judge who would prevail. A strike tests the willingness of each side to maintain its position in the face of any pressure put upon it by the other side. Perhaps, in the public sector, the ability to muster public opinion in support of one's position, is but one element in the power struggle which constitutes the essence of a strike. The eight statutory criteria, in this Arbitrator's view, direct the Arbitrator's attention to many factors which may underlie an interest dispute. However, even the broad catch-all criterion "h", such other factors . . . , does not provide a statutory basis for arbitral speculation of whether the employer or the union in a large school district such as Green Bay would prevail in a strike situation.

Second, the parties in their arguments, allude to the dicta of several arbitrators who view their task as one in which they would replicate in their award the outcome the parties would have reached had the parties resolved the matter on their own. Unlike an employer and a union disputant, an arbitrator cannot modify any of the final offers presented to him in a med/arb dispute. For example, the parties to a dispute may resolve their dispute voluntarily at a point somewhere in between the two final offers. The arbitrator is not in the position to offer such a resolution. The Arbitrator must select the final offer of one side or the other for inclusion in a successor agreement. Therefore, the Arbitrator is not in a position, in most instances, to replicate in his award, the bargain which the parties could or should have reached had they resolved their dispute on a voluntary basis.

This Arbitrator finds the task of applying the statutory criteria to the issues presented difficult enough without attempting to speculate as to how the matter could or should have been resolved had the parties applied the statutory criteria themselves in the course of their collective bargaining and resolved the matter on a voluntary basis. This Arbitrator views his sole function to be that of applying the statutory criteria to the issues in dispute. On that basis, the Arbitrator will select the final offer to be included in a collective bargaining agreement between the Employer and the Association.

Comparability

The group of school districts to which the Green Bay Area Public School District is to be compared is a threshold issue which must be discussed prior to applying any of the statutory criteria to the two issues in dispute. Furthermore, the parties presented voluminous evidence and argument on this issue. In this Arbitrator's experience, where comparability is at issue between the parties, the determination of the comparability issue is a

principal factor in forecasting who will prevail. Where comparability is in dispute, the group of comparables selected by each side normally supports the position of the party suggesting a particular group of comparables.

The District proposes that the Arbitrator consider the nine largest districts in addition to Green Bay as the comparability group to which the Green Bay Area Public School District is to be compared. For its part, the Association would not only use the nine school districts identified as comparables by the Employer, but it would add the next five largest districts for a total of the 14 largest districts in the State of Wisconsin, in addition to Green Bay, as the comparability group. All 14 districts have settled their agreements for the 1985-86 school year. Five of the nine districts suggested by the District have agreements in place for the 1986-87 school year.² Eleven of the fourteen school districts identified as comparable by the Association have agreements in place for the 1986-87 school year.

The Arbitrator has considered the data presented on this comparability issue. The Association is correct when it argues that it makes no difference whether the Arbitrator selects the comparables proffered by the District or the Association in considering matters such as the funds available to support education be it equalized value per member, total equalized value, or state aid credits. When making the benchmark analysis of the salary schedules produced by the offer of the Association and the District, the ultimate conclusion reached is not altered by whether one uses the larger or smaller comparability group. Certainly, the average salaries paid at each of the benchmarks and the relative position of Green Bay under the Association and District offers vary whether one uses the larger or smaller comparability group. The precise numbers may vary, at one or two benchmarks depending on the comparability group used, but on the whole, whether one uses the smaller or larger comparability grouping, the analysis selected by the Arbitrator described below, yields the same conclusion, no matter which comparability grouping is used.

The District cautions the Arbitrator about the determination of the comparability grouping. It notes that the parties have a very long and productive bargaining relationship in which comparability has played a limited role. The note of caution raised by the Employer, in this case, is taken to heart by this Arbitrator. Since the outcome of this case is not altered to any substantial degree by the comparability grouping to be used, the Arbitrator makes no determination as to whether it is more appropriate to have a larger or smaller comparability group. Should the parties in their future bargaining need to make reference or to employ a comparability grouping, the Arbitrator leaves them another opportunity to establish, if necessary, the comparability group to which Green Bay should be compared.

The Arbitrator now turns to apply the statutory criteria to the issue of whether a base of \$17,585 or of \$17,950 should serve as the foundation for the construction of the teacher salary schedule for the 1986-87 school year.

SALARY SCHEDULE

The Lawful Authority of the Municipal Employer

No argument was presented by either the Employer or the Association concerning this criterion.

2. The Association introduced evidence at the hearing that the Racine Unified School District and the Racine Education Association have identified and implemented the 1986-87 salary schedule, although they have not reached agreement on the terms of a successor agreement.

Stipulations of the Parties

The parties agreed to maintain the salary structure in effect in the 1984-86 expired agreement, except for the introduction by the District of its proposal to establish a hiring step at step 2 of the salary schedule. Neither the Association nor the District proposed to alter the salary schedule in terms of the ratios of one step to another or one lane to another; to extend the number of steps in the schedule or to reduce the number of steps in the schedule; or to eliminate or limit the "infinite" longevity increment built into the salary schedule. This significant stipulation will be referred to in the discussion below.

Interests and Welfare of the Public . . .

Both the District and the Association referred in their briefs to comments made by members of the public at the public hearing on October 20, 1986. The statute provides for the conduct of a public hearing when a petition of at least five electors is submitted. However, the statute does not specifically provide that any weight should be given to remarks made by members of the public. There is no prohibition in the statute from arbitral consideration of comments made by the public. On the other hand, there is no factor listed in the statutory framework which requires that the Arbitrator incorporate the suggestions or refer to the comments made by members of the public, at the public hearing. The comments of the public may be considered by the Arbitrator where those comments are directed towards one of the eight statutory criteria. To the extent that public comments fall outside of the scope of the criteria, they should not be considered by the Arbitrator. There is no provision in the statutory criteria which permits the Arbitrator to look to any factors other than the criteria listed. Many of the criteria are quite broad in the scope. Nonetheless, the Arbitrator's decision must be based on the statutory criteria and nothing else. Under this scheme of analysis, it is appropriate, therefore, for the Arbitrator to comment on an argument presented by a member of the public with regard to the comparability criterion or to the increase in levy rates and taxes. It would be inappropriate for the Arbitrator to consider in his decision the number of individuals who registered at the public hearing in support of one side or the other. The Arbitrator's decision, under the mediation/arbitration law is not a plebiscite or a popularity contest as to which offer is more acceptable to the public assembled at the public hearing.

Comments were made by members of the public with regard to the 14.7% increase in the levy rate, which would appear in the taxes to be billed in December, 1986. In fact, at the very time that the public hearing was conducted by the Arbitrator, the school board met and increased the levy rate to 16.8% above the 1985-86 levels to make up for a shortfall in the amount of state aid credits to be allotted to the District and its taxpayers by the State of Wisconsin.

The Association recognizes the significance of this increase. It argues that the magnitude of the increase has been exaggerated by budgetary decisions made by the Board of the District for the 1985-86 school year. The Association argues that had the District adopted one of the three alternative budgets submitted by the Administration of the District, it would have established an unreserved, undesignated fund balance of \$1,172,618, which could have been applied to the 1986-87 levy. Instead of a 14.7% increase, the levy would have increased by only 6.7%. This estimate was based upon early state aid projections of the District. By the date of the hearing, the levy was increased to at least 16.8 rather than the 14.7% as originally contemplated, because of the decrease in the amount of state aids allocated to the District for 1986-87.

The District's finances for 1986-87 are as follows. The total cost of operating the educational program of the Green Bay School District for the 1986-87 is \$65,772,340. Initially, the District projected that it would need a levy of \$34,421,127 under projection C, a levy increase of 14.7% over the levy for 1985-86. (Projection C did not include an undesignated unreserved fund). Under the two other projections proposed by the Employer's administrative staff, the increase in the levy was to amount to 6.7% for 1986-87 over the 1985-86 levy. The levy projected under this budgetary projection was \$33,248,509. The third projection would have required a levy increase of 11.1% for 1986-87 of \$33,910,706. All these projections assumed that state aid and credits would amount to \$23,436,320. In fact, the District received total state aids and credits amounting to \$21,823,124, a decrease of \$1,613,000 over the level of aids it anticipated for 1986-87. As a result, the levy necessary to fund the District's programs increased from \$35,500,480 to \$37,659,637. It is significant that the actual dollar level in state aid and credits which the District received for 1986-87 was less than the amount it received for 1985-86 by \$903,742.

On the basis of the early projections, the District anticipated that it would increase the levy rate from \$11.49 per thousand to \$12.97 per thousand. As a result of the decrease of 4.1% in the amount of aids received as compared to 1985-86, the levy rate increased from \$11.49 per thousand in 1985-86 to \$13.42 per thousand in 1986-87.³ Other data which reflect on the District's finances are as follows. The District spent one-half million less than budgeted for the 1985-86 school year. It District experienced a 3.6% increase in equalized value of property located in the District. However, the sums generated were not sufficient to offset or materially decrease the substantial levy increase imposed on the local taxpayer in the 1986-87 school year. In making its budgeting decisions, the District determined to budget an amount necessary to meet expenditures. It decided to reduce the amount of working capital projected in the budget. In essence, the District budgeted an amount necessary to meet the expenditures to be made in 1985-86 and then budgeted an amount necessary to meet expenditures for 1986-87. Although it is true the District had a number of alternative budgeting decisions it could have made in 1985-86 which would have muted the size of the increase in the levy and the levy rate, the Arbitrator finds no basis in the med/arb law or any other statute for that matter, which prohibits the District from budgeting on "a pay as you go" basis.

The amount of state aids and credits allocated to Green Bay constitutes a substantial portion of the income received by the District to fund its educational programs. Although the District experienced an enormous increase in state aids during the 1985-86 school year, which amounted to approximately 28% increase over the levels received during the 1984-85 school year, the 4% decrease in state aids over that received in 1985-86 and the fact that this decrease was 7% lower than the state aids projected by administration under the three budget projections referred to by the Association leads this Arbitrator to the following conclusions. The decrease in state aid for 1986-87 introduces an element of uncertainty as to whether the State of Wisconsin will increase the amount of dollars it provides to the District, in absolute terms, and whether the State will increase the level of support it

3. The \$13.42 figure is the product of several calculations by the Arbitrator. The District's witness testified that the one-half million surplus which developed in the 1985-86 school year was not considered by the Board when it established the levy rate for 1986-87 at its October meeting. The Arbitrator's calculations indicate otherwise. Furthermore, the Arbitrator believes that the \$13.42 figure includes the TIF projects located in the District.

provides for education in the Green Bay School District. The result is that the local taxpayer is to bear a larger portion of the tax burden.

The extent of this shift is reflected in the dramatic shift in ranking in the size of the levy rate among comparable districts from 1985-86 to 1986-87 levy rates. In 1985-86, Green Bay ranked 12 out of the 15 largest school districts in the size of its levy rate. As a result of the 16.8% increase, it ranked 8th among the 15 largest school districts. This shift in ranking indicates that even at the \$13.42 levy rate, the size of the levy rate in Green Bay places it in the middle of the 15 largest school districts of the State. The significant change in ranking over a short period of time of just one year testifies to the magnitude of the change which occurred in Green Bay, which apparently did not occur in the comparable school districts.

The above data does not indicate that the District has an inability to pay the salary demand of the Association or the offer of the District itself. In fact, the District does not make an ability to pay argument. However, it does indicate the dramatic increase in the local taxpayer's share of funding public education in the District. This factor supports the District's offer. The weight given to this factor is discussed below in the section of this Award labeled Selection of the Final Offer.

Comparison of Wages

This criterion directs the Arbitrator to compare the wages paid to Green Bay teachers with the salaries paid to: 1) teachers in comparable communities; employees in public and private employment in Green Bay and other comparable communities. The teachers in Green Bay are paid in accordance with their placement on an elaborate indexed salary schedule. To effectuate a comparison among complex salary schedules, arbitrators employ a benchmark analysis. The benchmarks provide the following information which serves as the basis for comparison. It permits one to compare salary levels for teachers with the same amount of experience and similar levels of educational achievement. It permits comparison of the size of salary increases to be received from year to year at various levels of teaching experience and education. It also permits the Arbitrator to identify the level of income to which teachers with different levels of educational background may aspire. Since the med/arb law has been in effect, arbitrators have identified and employed benchmarks which serve as landmarks on a salary schedule where the necessary comparisons are to be made.

Furthermore, it permits the Arbitrator to identify the extent to which salary levels of teachers with similar years of teaching experience and educational achievement are effected by the offers in dispute.

The Green Bay schedule poses difficult problems of analysis. The problem may be seen through a brief overview of the Green Bay schedule and teacher placement on that schedule. The Green Bay salary schedule contains 12 experience steps across all educational lanes. Teachers with more than 12 years of experience are "off the schedule". They receive longevity--1.2% of the BA base step. The Green Bay School District is quite unique. Seventy-six percent of its teaching staff are "off the schedule". Only 24% of the staff is on the schedule. In this regard, the Green Bay schedule poses a serious problem to the strict use of the traditional benchmark analysis. For example, it would be inappropriate for the Arbitrator to base his decision on a benchmark analysis which emphasizes the impact on salary levels which would occur at benchmarks such as BA 7th step and MA 10th step when only a few of the District's employees are progressing through the first 12 steps of the salary schedule or receiving the normal increment provided by the teacher salary schedule. Accordingly, the Arbitrator has not employed the BA 7th step and MA 10th step benchmarks in the analysis below.

A benchmark analysis assumes that teachers are placed throughout the salary schedule. Accordingly, whether or not teachers are in fact located at a particular benchmark step, is usually not a matter of concern. Where teachers are moving through the schedule, the sampling provided by the benchmark analysis will provide sufficient information on the impact a salary offer will have on both the salary levels and increases in pay to be paid to teachers during the period in question. The traditional benchmark analysis will also provide a basis for comparing the salary offers in dispute to schedules implemented by school districts who have settled their contracts for the year or years in question. But in Green Bay, since such a high percentage of the teaching staff is off the schedule, it is necessary to alter the benchmarks to be used so that the results of the analysis have direct bearing on and reflect the unique situation in Green Bay.

The Arbitrator employs the following benchmarks for the reasons set forth, herein. The Arbitrator employs the BA base and MA base benchmarks in discussing the second issue presented in this case, the District's proposal to establish a hiring step at step 2 of the salary schedule. (Those two benchmarks are included in the Arbitrator's charts. Specific reference, however, to these benchmarks is limited to the discussion of the hiring step issue.)

The Arbitrator employs the BA Maximum, BA Lane Maximum (a benchmark employed by this Arbitrator)4/ the MA Maximum and Schedule Maximum benchmarks from the traditional benchmark analysis. In addition, the Arbitrator computes the salary levels and increases to be received by teachers at the 18th step--after 17 years of experience. The Arbitrator considers the District's suggested benchmark. It is the step in the salary schedule where a teacher with the most experience at the particular educational lane is located. For the BA, BA+15 credits lane, MA and MA+45 credits at steps which equate to a teacher with in excess of 30 years of experience. The Arbitrator computes the 18 year experience benchmark, because the median of the level of experience in the Green Bay School District is 18 years of service. Step 18 has greater validity in Green Bay. However, some comparable school districts have longevity provisions which do not kick in until the 19th or 20th year, or there may be an additional bump in the 20th year. In this regard, the Arbitrator considers the Association's 20 year benchmark analysis to determine, if there is any significant divergence of the addition of longevity among several school districts, such as Oshkosh, after the 18th year, Wausau after 19 years, West Allis after 20 years. As noted above, the Arbitrator employs the comparability group suggested by the Association of the 14 other largest school districts in the state of Wisconsin as well as, the comparability grouping of the District which is limited to the 9 largest school districts in the State, other than Green Bay. Although the Arbitrator charts the comparability grouping suggested by the Employer, the Arbitrator

4. This is the educational lane in the bachelor's degree side of a teacher's salary schedule. It is the lane with the greatest number of credits short of a masters degree which does not overlap with a masters degree. The Arbitrator looks to the top step of that lane and compares the level paid at that top step among the comparable school districts. In some districts, it is the bachelor's side of the schedule which has more salary lanes. In other schedules, such as Green Bay, the emphasis lies in the master's side of the salary schedule. The analysis at step 18 reflects the Green Bay emphasis on the master's side of the salary schedule. One BA lane and two Masters lanes are subject to analysis. The top step of the BA base lane is of less significance when the analysis turns to the level of salary paid "off the schedule". A teacher in the BA base lane has an opportunity to move in all the comparable school districts, in fact, most school districts, across many lanes of the salary schedule to maximize the salary increases to be received by that teacher.

made all his computations using the Association's comparables, as well. The Arbitrator finds, as does the Association, that there is no significant difference in the conclusions reached whether the comparability grouping of the Association or the Employer is used.

The Arbitrator now turns to discuss the meaning of the data projected in Charts 1, 2, and 3 below. Under the Green Bay schedule, a teacher with 12 years of experience is placed at step 12, the top step across all the educational lanes of the schedule. Although the number of steps to the maximum at the BA and MA lane maximum varies from district to district among the comparables from the 11th step to the 13th step, the balance of the comparable districts reach the maximum, on the schedule, at the MA and schedule maximums at step 15.

Under the Green Bay schedule, a teacher with 12 years of experience is placed at step 12, the top step across all the educational lanes of the schedule. It is in the first 12 steps that a teacher is on schedule. In the BA lanes, the increment is 5/100ths of the BA base with a double increment paid to a teacher moving from the second to the third step. In the Masters lane, the increment is 6/100ths of the base with the same double increment paid at step 3 of the schedule. The longevity paid above step 12, which is paid until a teacher leaves the employ of the District, is 2/100ths of the BA base at all steps above step 12 and at the 6 operative education lanes of the schedule, 2 in the BA and 4 in the MA side of the salary schedule.

In Chart 1, the following relationships are highlighted, that of: the salary levels in Green Bay, particularly at the BA top step (step 12), BA lane (BA+15) top step (step 12), MA top step (step 12) and schedule maximum (MA+45) top step (step 12) relative to the average of the nine other largest school districts in the State.

Only at the MA top step is Green Bay close to the average in 1984-85. In 1985-86, Green Bay remains close to the average at the MA top step benchmark. It increases the margin above the average at the BA top step benchmark. It remains at relatively the same relationship to the average at the BA lane top step benchmark and significantly falls further below average at the schedule maximum top step benchmark. However, under the Green Bay schedule, its top step is at step 12, whereas among the comparables in the BA lane, the top step is at step 13. In the Masters lanes, the top step among the comparables is at step 15, whereas, again, the top step in Green Bay is at step 12. Nonetheless, the disparity relative to the average increases substantially at the top step benchmarks under the District's offer for 1986-87. Under the Association offer, there is less of a disparity below the average at the schedule maximum (MA+45 credits lane) top step, Masters top step and BA Lane top step. At the BA top step, the Association's offer reduces the disparity relative to the average which existed in 1984-85 and 1985-86 to \$341 above the average. However, the District's offer places it \$243 below the average. Under the District offer, there is a swing in excess of \$1,100 at this benchmark relative to the average. It is apparent from this description, that the level of change in salary levels varies significantly in 1986-87 under the District offer when compared to the District's position relative to the average in 1984-85 and 1985-86. It is necessary to look at other data to explain this phenomenon.⁵ However, before doing so, the Arbitrator directs the reader's attention to Chart 2.

5. The Arbitrator has not discussed the traditional BA and MA base benchmarks at this juncture. Those benchmarks are more fully analyzed in the discussion concerning the second issue in this dispute, the District's proposal to establish a hiring step.

In Chart 2, the Arbitrator traces the relationship between the salaries paid by Green Bay at step 18 of the salary schedule relative to what the comparable districts (districts suggested as comparable by the Employer) would pay to teachers with 18 years of experience at the benchmarks BA+ Lane Maximum (BA+15 in Green Bay).

Again, it is noteworthy that step 18 represents the median of experience among all the teachers of the District. Also, there are a number of teachers clustered around this step throughout the lanes of the schedule. In 1984-85, the teacher in Green Bay in the BA Lane Maximum and Schedule Maximum, columns 1 and 7 on Chart 2, were paid at a level which closely approximates that paid by the average of the comparables. In 1985-86, Green Bay increased the margin above the average paid by the comparables by \$44 at the BA Lane Maximum and \$6 at the Schedule Maximum. In 1986-87 under the Association offer, the Green Bay teacher at the BA Lane Maximum would receive \$163 below the average. This swing from above to below the average still approximates the level of salary paid at this benchmark by the comparable school districts (suggested by the Employer). However, under the District offer, the level of salary paid at this step declines significantly below the average to \$784 below the average. The dramatic change which occurs at this benchmark is demonstrated quite clearly in columns 1, 2 and 3 of Chart 2.

The degree of change relative to the average which occurs in the BA Lane Maximum is amplified at the Schedule Maximum. Under the Association offer, the Green Bay teacher with a Masters +45 credits and 18 years of experience would be paid at a level \$356 below the average of the comparables in 1986-87, when that teacher was paid at \$71 above the average and \$65 above the average in 1985-86 and 1984-85 respectively. Under the District's offer, there is a precipitous plunge from a salary at step 18 at the Schedule Maximum slightly above the average to a level significantly below the average, \$1,072 below the average under its offer for 1986-87.

At step 18 of the Masters Lane, the picture is quite different. In 1984-85, the Green Bay teacher is paid significantly above the average. In 1985-86, that margin increased. Under the Association offer for 1986-87, there is an increase in that margin. It remains significantly above the average. Under the District offer, the Green Bay teacher at step 18 in the Masters lane would be paid well above average. However, under the District offer, the Green Bay teacher at this benchmark would be paid closer to the average than under the Association offer.

The data developed in Charts 1 and 2 are described fully in the above analysis. However, those charts do not directly reveal the reason for the significant change relative to the average which occurs under the Association and District offers for 1986-87. In Chart 3, the reason for the significant change is detailed. First, it should be noted that in 1985-86 the salary level paid to Green Bay teachers closely approximates the average paid by the comparables at 3 of the 7 benchmarks: the Masters top step, and step 18 at the BA Lane Maximum and Schedule Maximum. (The 7 benchmarks are BA top step, BA Lane top step, MA top step and Schedule Maximum top step, as well as, step 18, BA Lane Maximum, Masters Lane step 18 and Schedule Maximum step 18).

In Chart 3 it is apparent that the reason for the change in 1986-87 is that the level of increase in pay at the benchmarks, other than the BA and MA base benchmarks, are significantly below the level of increases paid by the comparable school districts who have settled for 1986-87. The Association is correct when it states that the level of increase generated by the District's offer is below the range of settlement. In other words, the level of increase generated by the District's offer at the BA top step at \$856 is \$701 below the lowest increase offered by a comparable school district. Similarly, the increase generated at the BA Lane Maximum-step 18 at \$872 is \$739 below the lowest increase paid to a teacher at this benchmark by a comparable school district. Similarly, at the BA+ Lane Maximum (top step-step 12 in Green Bay),

the District's offer which generates a \$911 increase at this benchmark is \$761 below the lowest increase generated among the comparable school districts. The difference between the increase generated under the District offer and the lowest increase generated by a comparable school district is approximately \$600 or \$700 in the MA maximum (top step), schedule maximum (top step) MA maximum step 18 and schedule maximum step 18 benchmarks, as well. In fact, even the Association offer generates an increase which is below the average increase generated by the comparable school districts at each of these benchmarks analyzed herein.

Chart 1 and Chart 2 suggest that the Association offer brings the Green Bay teacher closer to the average level of salary paid by comparable school districts in 1986-87. However, the evidence reflected in Chart 3 is compelling. It demonstrates the clear preferability of the Association offer over that of the District's both with regard to the level of salary paid at each of the benchmarks discussed, and with regard to the size of the salary increase generated under each offer.

In Employer exhibits 71 and 72, which are summarized in the charts, reproduced in the Arbitrator's summary of the positions of the parties,⁶ the highest salary levels paid at the educational lane benchmarks, BA Base Lane, BA+ Lane Maximum (BA+15 in Green Bay), MA Maximum and Schedule Maximum are charted. These teachers, who are teaching in Green Bay during the 1986-87 school year have at least 30 years of experience with the District. As a result of the uncapped longevity feature of the teacher salary schedule, the level of salary paid to these teachers in the last several years of their career with the District is significantly higher than the highest salary level achievable in comparable districts, with the exception of Madison. As a result of this significant advantage, the District notes that teachers who retire and who have been paid under the Green Bay schedule, have a significant advantage over teachers in comparable districts in that the level of their retirement benefit is computed on the basis of the last several years of teaching. In Green Bay, a teacher's salary level is significantly above that of the teacher in a comparable district. The data reflected in the Employer exhibits is unrefuted.

The uncapped longevity feature of the Green Bay teacher salary schedule is part and parcel of that schedule. It has been a part of that schedule for some period of time. Furthermore, as noted in the section of this Award headed Stipulations of the Parties, neither the Association nor the District suggest that any change be made to the salary schedule and its structure, other than the establishment of a hiring step. By including uncapped longevity in the salary schedule, when only one other school district, Madison, has such a feature in its salary schedule, the parties must have been aware of the effect that feature would have. Over time, as teachers remain in the District and accumulate longevity, a disparity in the salary levels between the top salary achievable under comparable schedules and that paid in Green Bay would continue to exist. That disparity certainly existed in the last several years. The District points to that disparity as a major factor in favor of its offer. However, that disparity is the product of the salary schedule. There is no proposal to change that schedule. The magnitude of the disparity that would be produced under the schedule when other school districts do not provide uncapped longevity was predictable. The Arbitrator does not have before him a proposal to alter the schedule. To accept the District's argument, would be to make a structural change to the salary schedule when no such proposal is made to accomplish that end.

6. Page 5-A of this Award. The Arbitrator has different views of this evidence than the District.

Furthermore, it is noteworthy that although the salary level paid to Green Bay teachers with 30+ years of experience significantly exceeds that paid to other comparable teachers, the level of increase provided to Green Bay teachers with 30+ years of experience in 1986-87 as compared to the increases provided to teachers with similar lengths of service in comparable districts, if there be any, is significantly lower in Green Bay than among the comparable districts (again, see Chart 3).

Often times, the salary schedules developed by school districts and their teacher unions match the unique needs of that particular school district. The parties did not present scattergrams for the comparable school districts. The Arbitrator does not know if other districts have as high a percentage of teachers off the schedule and with 30+ years of experience as does Green Bay. In any event, the Arbitrator finds it inappropriate to give any weight to the disparity in salary levels paid to teachers with 30+ years experience in the absence of a proposal to amend or alter the parties' salary schedule. On the basis of the above discussion, the Arbitrator concludes that the data with regard to salaries paid to teachers in comparable school districts, as well as the increases received by teachers in comparable school districts which have settled for 1986-87 support the selection of the Association offer for inclusion in a successor agreement.

Salaries Paid to Other Municipal Employees in Brown County and Green Bay

The salary increase to be provided to teachers is what is at issue here. When comparisons are made to other municipal employees, such as clerical, maintenance and custodial employees employed by other units of government, it must be noted what is the precise purpose of the comparison.

The parties did not present evidence to support an analysis of what teachers should be paid when comparing the nature of their work and the number of days at which they perform their work to other professions. In this regard, the evidence submitted by the parties concerning the salary levels paid to other professionals in the private and public sectors may be of interest, but that data has no bearing in this case. The Arbitrator is in no position to determine whether teachers should receive more than accountants or should be paid more or less than a city accessor. The analysis of what teachers are paid by comparable school districts is in part a form of a market analysis of what teachers are paid in urban school districts in this State.

Then, what is the purpose of looking at data concerning other municipal employees? First, the statute mandates that such a comparison be made where data is presented on the subject. Secondly, teachers like all other municipal employees, reside in a community. The underlying assumption in the statute, this Arbitrator believes, is that there may be a tendency for different municipal employers, as a category unto themselves, to provide increases of the same magnitude to their employees. In order to measure the size of an increase, it is necessary to look to the percentage increase in salary and benefits provided. When comparing increases in salary and total compensation, inclusive of all benefits, by comparing the increases received, for example, by the clerical employees of Brown County or those of the District, there is no implication that the salary paid to teachers should be the same as that paid to school secretaries. Rather, by measuring the percentage increase in salary, it is possible to measure the level of change, if any, which is

7. Some districts do have longevity payments which kick in at 20 years or in the Masters lanes. However, even with those longevity payments, there is still a substantial differential between what Green Bay pays its teachers with 30+ years of experience as compared to what comparable districts, other than Madison, pay their teachers with similar years of experience.

occurring in a particular community with regard to the increase in salary levels paid to different categories of employees.

Two other points should be made. First, it is necessary to identify the size of the increase in salary offered by the Association and the District. The Association argues that the size of the increase should be the amount by which each step or cell of the salary schedule is to be increased. In this regard, the District proposes an increase of 3.1% and the Association of 5.3%. If one were to include the increment, the difference between what a teacher received last year and what that same teacher would receive in 1986-87, the increase offered by the District is 4.5% and that of the Association is 6.7%. When comparing the increases in salary, it is more appropriate to measure the increase in compensation offered by each party to the dispute. In this case, the 4.5% and 6.7% figures are the percentage increases appropriate for this comparison.

The Association objects to the inclusion of the increment, i.e., that portion of the salary schedule increase which is determined by the structure of the salary schedule. Such increases are not included in the costing of the salary increases provided to clerical and/or blue collar employees of the District, Brown County or the City of Green Bay. In this Arbitrator's experience, the observation of the Association is correct. Normally, any increases generated by step movement from the hiring step to the maximum rate to be paid to a blue collar or clerical employee is normally not included in the percentage increase costed to these employees. However, there is a reason for the different treatment accorded these different categories of employees. A teacher salary schedule may have 6 salary lanes and 15 steps on each lane. The result is 90 steps or increments which generate additional income over and above the increase in the base which is to be paid "across the board" to all teachers on the schedule. However, the schedules employed for blue collar workers may contain only four or five steps. The maximum may be achievable in two or three years. Most or all of the unit may be at the maximum rate. Philosophically, the maximum rate for a blue collar worker, often is labeled as the rate for the job. Anything which is paid below that rate, is considered to be payment less than the rate for the job. Such consideration is given to an employer in light of the time and expense expended in training and orienting a new employee to the tasks of the job. Such considerations do not enter into the establishment of a teacher salary schedule.

Secondly, employers and unions do cost any increases in longevity generated by any across the board wage increase granted to blue collar or clerical employees. Most of the employees on the Green Bay teacher salary schedule are off that schedule and are receiving a longevity increment. For both reasons, it is appropriate to include the increment in establishing the percentage increase offered by the Association and the District to teachers for 1986-87, while at the same time omitting the increment when considering the increases paid to clerical and blue collar employees employed by other units of government employed in the Green Bay metropolitan area.

Whether one uses the data provided by the Employer, here, or the Association, the level of increases paid to clerical, blue collar, as well as, professional employees employed by the City of Green Bay and Brown County range between 4 to 4.5%. These increases more closely approximate the salary increase offered by the District over that offered by the Association.

The Employer notes that it has settled with bargaining units representing its maintenance, clerical and food service employees in a range of 4 to 4.4%. Although these employees are certainly important to the accomplishment of the Employer's mission, the essential service provided by the school district is performed by employees in this bargaining unit-the teacher unit. Furthermore, the largest number of employees employed by the District are employed in this bargaining unit. To permit the increases paid to food service employees as

measured by the percentage of increase received by these employees, to determine the salary level to be paid to teachers, would be to permit the tail to wag the dog rather than the dog to wag its tail. It would deny the teacher unit the leadership position it should be accorded relative to the other employees employed by this Employer. Accordingly, the internal settlements which the District has achieved with its other employees are given no weight.

Private Sector Settlements in the Same Community

Again, the purpose of such comparison must be noted. The purpose is not to establish whether a teacher should be paid at a salary level which is greater or less than a worker in a paper plant or in a bank. As noted with municipal employees, the purpose is to measure the rate of increase, if any, provided to employees across many industries in this community.

The Arbitrator is the beneficiary of excellent data provided by an arm of the Green Bay Chamber of Commerce. The wage and fringe benefit survey generated by Advance, the Green Bay Area Economic Development for 1986 provides data with regard to approximately 20% of the work force in the metropolitan Green Bay area. Most of the employers surveyed are in the private sector and include the major employers in the Green Bay area. The survey contains data concerning the level of benefits provided by manufacturing, service and retail employers. The data is not provided by employer name but by category. It is most useful if an employer wishes to compare the level of salary it pays to the level of salary paid by employers in a particular category, such as retail, manufacturing, or service. However, in gathering its data, those performing the survey, did not ascertain whether increases in salary were paid during a particular period. The survey does not identify increases paid for the specific jobs which were the subject of the survey. As a result, the Arbitrator cannot employ this data when comparing the level of increases received by area employees as compared to the increases offered by the Association and the District in their final offers. However, should such data become available in the future, it would be most useful in making such a comparison.

Both the Association and the District presented data concerning settlements achieved by private employers, such as Proctor & Gamble with their employees. Whereas, such individual settlements are of interest, such settlements cannot be accorded the weight which a broad survey of employers, such as the one conducted by Advance. In the multi-year Proctor & Gamble agreement, during the year in question here, employees of the employer were subject to a wage freeze. However, the Association notes correctly that the employees did receive payments which were not folded into their hourly rate, as well as, a settlement bonus to encourage ratification. Payments received by these employees were substantial.

It is clear from the evidence presented that the level of employment and economic activity is good. Green Bay is not an area in economic recession.

However, on the basis of the limited data available, the percentage increases granted to private sector employees in this area more closely approximates the Employer's rather than the Association's offer. However, in light of the limited nature of this data, it is given little weight in the selection of the final offer for inclusion in a successor agreement.

Total Compensation

Both the Association and the District present arguments and data with regard to the total compensation paid to teachers in comparable districts, other municipal employees in the metropolitan Green Bay area and employees of private sector employers in the Green Bay area. With regard to the data concerning the total compensation paid to teachers in comparable school districts, there is no indication in those settlements that any increases in

the costs of other fringe benefits were so significant so as to serve as a factor totally apart from the wage increase paid by the comparable school districts which would serve to distinguish between the offers of the parties.

The District notes that teachers work significantly less days out of the year than employees of other municipal employers. However, the Green Bay teachers are no different from other teachers in the State of Wisconsin, in this regard. Since the Arbitrator has compared increases received by different categories of employees on the basis of the percentage increase they received, the different career advantages associated with various professions and jobs are taken into account by such percentage comparisons. Again, the Arbitrator is in no position to judge whether the money earned by a person who works nine months of the year should be less than, equal to or more than an employee in a different profession who must work 260 rather than 190 days in a year.

Cost of Living

This Arbitrator is of the view that an arbitrator should always note the level of change in the Consumer Price Index, if for no other reason than the statute mandates such consideration. In that regard, the cost of living has increased but 1.6% for All Urban Consumers, from August, 1985 to August, 1986. Since the offer of the District exceeds the CPI by a factor of three, and the Association offer exceeds the CPI by a factor of four, either settlement will generate increases far in excess of the cost of living. The District offer is to be preferred when looking at this criterion. However, the weight to be accorded this criterion depends on whether or not there exists a pattern of settlement among similar employees (teachers) in comparable communities. If there is such a pattern, this Arbitrator, like many of his colleagues, accords the most weight to the pattern of settlement rather than the CPI data standing by itself. That pattern of settlement with regard to total compensation in percentage terms most closely approximates the offer of the Association rather than the District.

To summarize, the District offer is supported by the factors, the Interest and Welfare of the Public. The large increase in the levy rate coupled with the decrease, in absolute terms, in the amount of aids allowed to this urban district has a profound impact in this case. No one argues that the District does not have the funds available to meet the Association offer for 1986-87. However, the substantial increase in operational costs represented by the \$750,000 difference between the parties' offers, would have to be absorbed in the same year in which aids to this District are reduced and the levy rate is to increase substantially.

On the other hand, the Association makes a modest request in its final offer which is below the increase in salary paid to teachers in comparable school districts for the 1986-87 school year. Although the increase demanded is above the cost of living, the pattern of settlements among teacher bargaining units has resulted in settlements both in terms of percentage and dollar increases larger on the average than the Association offer herein.

The interest and welfare of the public criterion is given greater weight, in this case. From the evidence presented, it appears that the other urban districts are not enduring a loss of state aids in absolute terms as in Green Bay. Thus, the extra margin of funds are not present here to finance an increase in salary above the range of increases paid to other municipal employees. Certainly, in the 1985-86 school year, this Arbitrator observed in a med/arb award⁸ that the large increases demanded by teachers and offered by

8. See Reedsville School District, (22935-A) 3/86, at pg. 9.

districts was directly related to the substantial increase in funding provided to school districts for the dual purpose of providing property tax relief and increasing the level of salaries to be paid to teachers.

Accordingly, the Arbitrator concludes that on the first issue, the amount by which the BA base is to be increased and the increases generated thereby by operation of the salary schedule, the District's offer is preferred.

SHOULD A HIRING STEP BE ESTABLISHED?

The District attempts to change the structure of the salary schedule in this proposal. The Arbitrator agrees with the view of Arbitrator Kerkman in Fort Atkinson Schools, supra, who gave expression to the standard to be met by a party seeking to change the status quo. It is: 1) Demonstration that what exists is unworkable; there is a need for change. 2) That there is a quid pro quo for the change.

It is apparent from Chart 1, that in 1984-85, the Green Bay BA base was above average. In 1985-86, the BA base very closely approximates the average. As a result of the District proposal to establish a hiring step, it would place the salary paid to a new teacher at a level well above average.

On the other hand, the Association would establish the salary to be paid to a new teacher in 1986-87 at a level which is below the average. There is a swing in the relationship of the level of salary paid to the new teacher in Green Bay as compared to the salary level paid by the comparables. In 1984-85, the new teacher to Green Bay received a salary \$140 above the average. Under the Association proposal in 1986-87, the new teacher would receive a salary which is \$142 below the average. The level of change under the Association is far less than that proposed by the District relative to the average.

Interestingly, the parties' offers have a much different impact at the MA base. In 1984-85, the base of this benchmark in Green Bay was \$315 below the average. As a result of the settlement in 1985-86, that base was within \$1 of the average. It should be noted, that as a result of the 1985-86 settlement, the BA base was within \$14 of the average. However, as a result of the establishment of a hiring step at step 2 of the salary schedule, the salary to be paid to a new teacher with a Masters degree is \$138 above the average. Under the Association offer, it is \$523 below the average.

The data at the BA base supports the Association's offer. However, the impact of the parties' offers at the MA base is such that it supports the District's offer at this benchmark. However, in order for the District to generate the salary levels which it claims are desirable at the BA and MA base, it must establish a hiring step at step 2 of the salary schedule, rather than step 1 of that schedule. All other steps of the salary schedule are computed on the basis of the BA base, step 1. The proposal of the District has a significant impact on the entire salary schedule. Furthermore, there is no independent evidence or data submitted which would support the District's claim that a unique change or extraordinary measure is necessary in order to keep Green Bay competitive when it enters the market to hire new teachers.

The Sheboygan School District base was established by the elimination of steps at the bottom of the schedule and by providing teachers in that district with flat dollar increases which are larger than the increases offered by the District herein. Similarly, Kenosha adjusted its Base step through the elimination of the first step of the salary schedule through voluntary collective bargaining. The lack of data demonstrating the need for a change to the salary schedule and the mixed results generated by the District's proposal, wherein its offer is supported by the results at the MA base but is not supported by the results at the BA base, establishes that the District has not carried its burden of demonstrating the need for a change to the salary

schedule. The Arbitrator concludes that on this issue, the Association's proposal to maintain the status quo is supported by the evidence. Its offer, therefore, is to be preferred on this issue.

SELECTION OF THE FINAL OFFER

In the detailed analysis above, the Arbitrator concludes that on the salary issue, the District offer is preferred. On the hiring step issue, the Association offer is preferred.

The Arbitrator selects the final offer of the District for inclusion in the successor agreement for several reasons. State aids, in all its forms, finances a large portion of the Green Bay School District's operational budget. Although, the amount of state aids received by the District increased by a significant factor in 1985-86, by 28%, in 1986-87, the level of state support decreased. As detailed above, the absolute dollar level of state aids to be received by the Green Bay School District in 1986-87 is just under one million less than it received in 1985-86. The administration of the District, when it first considered the levy necessary to support its operational budget, projected an increase in the level of state aids of approximately 3%. Instead, the amount of state aids it would receive was reduced by \$902,000 or by slightly over 4%. It must be remembered that the difference between the parties' offers is \$757,000.

The significant increase in state aids in one year and a substantial decrease in aids the next year, makes it difficult to determine whether the State of Wisconsin will undertake to assume more of the costs of educating the children of Green Bay or will increasingly place those costs on the local taxpayer.

In addition, the taxpayers of Green Bay were to have their levy rate increased by 14.5% without a decrease in state aids. The Association argues that this large increase was manufactured by the Board to bolster their position in bargaining. The Arbitrator has no basis for determining the intent of the Board's action. Even if the District had adopted the proposed budget which would have generated the smallest increase in the levy rate for 1986-87, the rate of increase would still have been 6.7%. When that rate of increase is coupled with the increase in the levy rate necessitated by the decrease in state aids, the result is an increase in the levy rate for 1986-87 which approximates 9%. The increase in the levy rate for 1986-87 altered the ranking of the District from 12th to 8th place in one year.

In other mediation/arbitration proceedings involving other school districts, this Arbitrator has observed that the level of increases to be afforded to teachers under employer and union offers were funded during the 1985-86 school year by significant increases in state aids and support. In this school district, that support has decreased in absolute terms.

There is one other issue to be considered and weighed. The District proposes the inclusion of a hiring step. It did not establish the clear need for its proposal. Since its proposal constitutes a material change to the present structure, its proposal is a negative factor which must be considered in this balance.

Here, comparability certainly favors the Association offer. However, the decrease in the level of State support for education in Green Bay together with the large increase in the levy rate is cause for caution. Accordingly, the Arbitrator selects the final offer of the District for inclusion in the successor agreement.

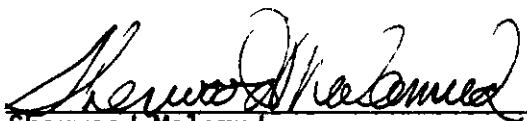
9. Ibid.

On the basis of the above discussion, the Arbitrator issues the following:

AWARD

Based upon the statutory criteria found at Sec. 111.70(4)(cm)7a-h of the Municipal Employment Relations Act which criteria were identified by the parties in their Voluntary Impasse Procedure as the basis for selecting the final offer of one or the other party for inclusion in the agreement for 1986-87, the evidence and arguments of the parties and for the reasons discussed above, the Arbitrator selects the final offer of the Green Bay Area Public School District, together with the stipulations of the parties, shall be included in the successor agreement for the 1986-87 school year between the Green Bay Area Public School District and the Green Bay Education Association.

Dated, at Madison, Wisconsin, this 4th day of February, 1987.



Sherwood Malamud
Arbitrator

CHART 2

Step 18

District	1 BA+ Lane 1984-85	2 Max 1985-86	3 1986-87	4 MA Lane 1984-85	5 1985-86	6 1986-87	7 Schedule 1984-85	8 Maximum 1985-86	9 1986-87
Appleton	28,080	29,917	Not Set.	30,844	32,856	Not Set.	32,402	34,525	Not Set.
Eau Claire	27,575	29,309	31,280	28,750	30,539	32,604	30,200	32,091	34,264
Janesville	26,063	27,787	Not Set.	26,690	28,456	Not Set.	29,853	32,425	Not Set.
Kenosha	25,921	28,072	29,953	28,163	30,498	32,541	30,412	32,936	35,143
Madison	28,377	30,240	32,220	29,165	31,080	33,115	33,895	36,120	38,485
Milwaukee	27,727	29,108	Not Set.	28,316	29,727	Not Set.	30,894	32,434	Not Set.
Racine	26,754	28,259	29,931	29,084	30,720	32,538	31,320	33,082	35,039
Sheboygan	28,020	29,970	31,512	28,612	30,562	32,135	30,981	32,931	34,628
Waukesha	25,956	27,503	29,390	27,965	29,632	31,782	31,982	33,889	35,883
Average	27,164	28,907	30,714	28,621	30,453	32,453	31,327	33,381	35,574
Green Bay	27,232	29,019	Bd. 29,930 As. 30,551	29,952	31,918	Bd. 32,919 As. 33,602	31,392	33,452	Bd. 34,502 As. 35,218
Green Bay Relative to Average	+68	+112	Bd. -784 As. -163	+1,331	+1,465	Bd. +466 As. 1,149	+65	+71	Bd. 1,072 As. -356

CHART 3

Increases 1986-87 Over 1985-86

District	BA Base	BA Max	BA+ Lane Max Step 18	BA+ Lane Max	MA Base	MA Max	MA Max Step 18	Sched. Max.	Sched. Max Step 18
Eau Claire	1,111	1,689	1,971	1,971	1,187	2,065	2,065	2,173	2,173
Kenosha	1,916	1,735	1,881	1,881	2,107	2,043	2,043	2,207	2,207
Madison	1,100	1,870	1,925	1,980	2,348	1,980	2,145	2,310	2,365
Racine	1,000	1,557	1,672	1,672	1,100	1,818	1,818	1,957	1,957
Sheboygan	973	1,449	1,511	1,542	1,050	1,573	1,573	1,697	1,697
Waukesha	716	1,850	2,150	1,887	831	1,916	1,916	1,994	1,994
Average	1,136	1,692	1,852	1,822	1,437	1,899	1,927	2,056	2,066
Green Bay	Bd. 1,414 As. 900	856 1,440	872 1,467	911 1,532	1,633 972	963 1,620	1,008 1,696	1,011 1,701	1,050 1,766