

JUL 27 1987

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In The Matter Of The Petition Of

LOCAL 2765, AFSCME, AFL-CIO

To Initiate Mediation/Arbitration
Between Said Petitioner

Decision No. 24124-A

-and-

MENOMONEE FALLS SCHOOL DISTRICT

Appearances: Richard W. Abelson, Staff Representative, for the Union
Gary M. Ruesch, Attorney at Law, for the Employer

Local 2765, AFSCME, AFL-CIO, hereinafter referred to as the Union, filed a petition with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, and Menomonee Falls School District, hereinafter referred to as the Employer, alleging that an impasse existed in their collective bargaining. It requested the Commission to initiate mediation/arbitration pursuant to Section 111.70(4)(cm)6 of the Wisconsin Statutes.

At all times material herein the Union has been and is the exclusive collective bargaining representative of certain employees of the Employer in the collective bargaining unit consisting of all regular full-time and all regular part-time clerical employees, but excluding professional, supervisory, managerial, confidential and executive employees. The Union and the Employer have been parties to a collective bargaining agreement covering wages, hours and working conditions of the employees in the bargaining unit that expired on June 30, 1986. On June 18, 1986 the parties exchanged their initial proposals on matters to be included in the new collective bargaining agreement and thereafter the parties met on one occasion in an effort to reach an accord. On July 18, 1986 the Union filed a petition requesting the Commission to initiate mediation/arbitration. A member of the Commission staff conducted an investigation on October 7 and November 19, 1986 that reflected that the parties were deadlocked in their negotiations. The parties submitted their final offers to the investigator by November 19, 1986 and on November 20, 1986 he notified them that the investigation was closed. He advised the Commission that the parties were at impasse.

The Commission concluded that the parties have substantially complied with the procedures of the Municipal Employment Relations Act required prior to the initiation of mediation/arbitration and that an impasse existed with respect to negotiations leading toward a new collective bargaining agreement covering wages, hours and conditions of employment. It ordered that mediation/arbitration be initiated for the purpose of issuing a final and binding award to resolve the impasse and directed the parties to select a mediator/arbitrator from the panel submitted to them. Upon being notified that

the parties had selected Zel S. Rice II, the Commission issued an order on January 6, 1987 appointing him as the mediator/arbitrator to endeavor to mediate the issues in dispute; and should such endeavor not result in a resolution of the impasse he was directed to resolve the dispute by selecting either the total final offer of the Union or the total final offer of the Employer.

The final offer of the Union, attached hereto and marked Exhibit A, proposed that the Employer pay \$203.50 per month toward the cost of the family health insurance plan and \$78.00 per month toward the cost of the single plan effective July 1, 1986 to June 30, 1987. It proposed that for the 1987-88 contract year the premium amounts be adjusted to the dollar amounts representing the full family and single premiums. The Union proposed that the Employer pay \$31.66 per month toward the cost of the family dental insurance plan and \$10.78 per month toward the cost of the single plan effective July 1, 1986 to June 30, 1987 and the premium amounts be adjusted for the 1987-88 contract year to the dollar amounts representing the full family and single premiums. The Union proposed that wages be increased by 6% effective July 1, 1986. It proposed that the agreement be for two years, effective July 1, 1986 and expiring June 30, 1988; and there would be a wage reopener in the second year providing that either party could reopen the agreement for negotiating changes to become effective July 1, 1987. The subject of such negotiations would be limited to wages. The Employer's final offer, attached hereto and marked Exhibit B, proposed that the Employer pay a maximum of \$77.18 per month during the 1986-87 school year toward the cost of the premium for hospitalization and medical insurance for the single plan employees and \$200.00 per month toward the cost of the premium for hospital and medical insurance for family plan employees. It proposed that the Employer provide a dental insurance program and pay premiums in the amount of \$30.76 per month for family coverage and \$10.73 per month for single coverage. The Employer proposed that the agreement would be in effect as of July 1, 1986 and remain in full force and effect through June 30, 1987. It proposed that the bargaining schedule set forth in the contract be revised to require that the Union advise the Employer of its intent to reopen this agreement on or before March 1, 1987 and that within 30 days following receipt of the reopening notice the parties hold a meeting that would be open to the press and to the public for the purpose of exchanging proposals on the desired contract modifications. The Employer proposed that wages be increased by 6% effective July 1, 1986.

On January 1, 1987 the Employer had 14 ten month clerical employees in the classifications of Secretary II or Secretary III with seniority ranging from as little as four months to more than 23 years. It had five 12 month employees in the classification of Account Clerk and Secretary IV with seniority ranging from more than eight years to more than 20 years. The Employer had five part-time employees with seniority ranging from three months to more than six years. It had five part-time employees who worked ten months a year and received \$5.86 an hour, nine employees in the Secretary IV classification working ten months a year who received \$7.06 an hour, five in the Secretary III classification working ten months and receiving \$7.21 an hour, three in the Secretary IV classification who worked 12 months a year and received \$7.79 an hour and two

Account Clerks who worked 12 months a year and received \$7.92 per hour. The Employer paid an average hourly wage to the bargaining unit employees during the 1985-86 school year of \$7.17 an hour. Both the Employer and the Union proposed the same 1986-87 salary schedule. An Account Clerk would start at \$7.56 per hour and receive \$8.40 after 120 days. A Secretary IV would start at \$7.44 per hour and receive \$8.26 per hour after 120 days. A Secretary III would start at \$6.87 per hour and receive \$7.64 per hour after 120 days. A Secretary II would start at \$6.73 per hour and receive \$7.48 per hour after 120 days. A Secretary I would start at \$6.55 per hour and receive \$7.30 per hour after 120 days. A part-time secretary would start at \$5.63 per hour and receive \$6.21 per hour after 120 days. Each of the wage proposals would increase the existing wage rate by 6% and the average increase per hour would be 43¢. There is no difference between the wage proposals of the Employer and the Union for the 1986-87 school year. The Union makes a 1987-88 proposal but the Employer does not.

During the 1985-86 school year the health insurance premium for family coverage was \$211.28 per month. The Employer paid \$194.40 and the employees paid \$16.88. The 1986-87 insurance premiums would be \$211.92. The Union proposes that the Employer pay \$203.50 per month of the family premium and the employee pay \$8.42. The Employer proposes that it pay \$200.00 per month toward the family premium and the employees pay \$11.92. In the 1985-86 school year the single coverage health insurance plan cost \$81.40 per month and the Employer paid \$74.25. The employees' share was \$7.15. In the 1986-87 school year the single coverage health insurance premium would cost \$81.68 per month. The Union proposes that the Employer pay \$78.00 per month of the single health insurance premium and the employee pay \$3.68. The Employer proposes that it pay \$77.18 per month toward the single health insurance premium and the employee pay \$4.50. The Union's health insurance proposal would cost the Employer \$743.52 per year more than the Employer's proposal. That would amount to \$39.54 per year per employee. The Employer would be required to spend 1.9¢ per hour more toward health insurance under the Union's proposal than it would under its own proposal. That would be .27% of the average hourly wage.

In the 1985-86 school year the dental insurance family coverage had a monthly premium of \$32.06 per month toward the premium and the employee paid \$1.80 per month. The 1986-87 family dental insurance premium would be \$33.06 per month. The Union proposes that the Employer pay \$31.66 of that premium and the employee pay the remaining \$1.40. The Employer proposes that it pay \$30.76 of the monthly premium and the employee pay the remaining \$2.30. The 1985-86 dental insurance premium for the single plan was \$10.48 and the Employer paid all of it. During the 1986-87 school year the single coverage dental insurance plan would cost \$11.08 per month. The Union proposes that the Employer pay \$10.73 per month of the single coverage dental insurance premium during the 1986-87 school year and the employees pay the remaining 35¢. The Union's proposal would cost the Employer \$196.20 more per year than its own proposal. It would require the Employer to pay \$10.44 more per employee each year for dental insurance coverage than would result from the Employer's proposal. It would have a cost of 1/2¢ per hour which would be .07% of the average hourly wage.

During the 1978-79 and the 1979-80 school years the Employer paid all of the health insurance premium. In the 1980-81 school year the family coverage premium increased to \$94.44 per month and the Employer paid \$85.85 of that amount and the employee paid the remaining \$8.59. The single coverage monthly premium was \$36.11 and the Employer paid \$32.83 and the employee paid \$3.28. In the 1981-82 school year the family coverage health insurance premium was \$122.25 and the single coverage was \$46.75 per month. The Employer paid all of the health insurance premium that year. In the 1982-83 school year the family plan premium increased to \$150.36 per month and the Employer paid \$140.59 per month and the employee paid \$9.75. The single plan had a cost of \$57.50 per month and the Employer paid \$53.75 and the employee paid \$3.75. In the 1983-84 school year the family plan premium increased to \$186.44 and the Employer paid \$172.91 per month of the premium and the employee paid the balance of \$13.53. The single coverage premium was \$71.30 per month. The Employer paid \$66.13 and the employee paid \$5.17. In the 1984-85 school year the family plan health insurance premium was \$196.06 per month. The Employer paid \$181.06 and the employees paid the remaining \$15.00 each month. The single coverage plan had a monthly premium of \$75.60. The Employer paid \$69.35 each month and the employee paid the remaining \$6.25.

In January of 1983 the employees received dental insurance benefits. The family plan cost \$30.26 per month. The Employer paid \$26.46 and the employees paid \$3.80. The single plan premium was \$10.48 per month. The Employer paid \$9.00 of the premium and the employee paid the remaining \$1.48. In the 1983-84 school year the family dental insurance premium was \$32.06 per month. The Employer paid \$30.26 each month and the employee paid \$1.80. The single plan had a cost of \$11.90 and the Employer paid \$10.48. The employees paid the remaining \$1.42. In the 1984-85 school year and 1985-86 school year the dental insurance premium for family coverage remained the same as it was in the 1983-84 school year and the Employer and the employees have paid the same amounts as they did then. The single coverage premium declined to \$11.09 per month. The Employer continued to pay \$10.48 per month and the single employees paid 10 cents.

The Employer's collective bargaining agreement with its custodial/maintenance unit has provided health insurance coverage to its employees since the 1978-79 school year. The Employer has paid 100% of the premium each year. It has provided a dental insurance plan for its custodial/maintenance unit since the 1981-82 school year and it has always paid 100% of the premium.

During the 1983-84 school year the health insurance program the Employer provided for its teachers had a monthly premium for the family plan of \$174.60. It is a different plan than the one covering other employees. The Employer paid \$161.92 and the employees paid \$12.68. The single coverage plan that year cost \$66.76 per month. The Employer paid \$61.92 and the employees paid \$4.84. In the 1984-85 school year the teachers' health insurance premium increased to \$188.22 per month for the family coverage. The Employer paid \$177.22 and the

employees paid \$11.00. The single coverage premium was \$71.98. The Employer paid \$67.98 of the premium each month and the employees paid the remaining \$4.00. In the 1985-86 school year the teachers' health insurance premium was \$188.78 per month for the family coverage. The Employer paid \$178.56 of the premium and the employees paid the remaining \$10.22. The single coverage premium was \$73.58 per month. The Employer paid \$69.79 of that amount and the employees paid the remaining \$3.79.

The Union relies on a comparable group of 18 school districts in the Milwaukee suburban area hereinafter referred to as Comparable Group A. Those school districts are Waukesha, West Allis, Elmbrook, Wauwatosa, Mukwonago, New Berlin, Oconomowoc, Oak Creek/Franklin, Menomonee Falls, Muskego-Norway, Kettle Moraine, Greenfield, South Milwaukee, Cudahy, Hamilton-Sussex, Germantown, Greendale, Mequon-Thiensville, and West Bend. The enrollments in those schools during the 1984-85 school year ranged from a low of 2,679 at Greendale to a high of 12,501 at Waukesha. The Employer had the ninth highest enrollment with 3,517 pupils. The per pupil cost in Comparable Group A ranged from a low of \$3,289.31 per pupil at Waukesha to a high of \$4,940.35 at Wauwatosa. The Employer's per pupil cost was \$4,313.45 which was the fifth highest in Comparable Group A. The local share of the per pupil cost in Comparable Group A ranged from a low of 48.6% at Muskego-Norway and Mukwonago to a high of 92.6% at West Allis. The Employer's local share of the per pupil cost was 81.44% and that was the fourth highest in Comparable Group A. All of the school districts in Comparable Group A are included in either CESA No. 16 or CESA No. 19. All of the school districts in Comparable Group A except West Allis, Hamilton-Sussex and the Employer pay 100% of the health insurance premium. West Allis pays 95% and Hamilton-Sussex pays 97.8%. The Union proposes that the Employer pay 96% of the family premium in the 1986-87 school year and 95% of the single coverage premium and the employees pay the balance. The Employer proposes to pay 94% of the single premium and the family premium. The amount of the monthly premium per employee for family coverage in Comparable Group A ranged from a low of \$177.92 per month at Waukesha, \$251.13 at Mequon-Thiensville. 13 school districts in Comparable Group A pay more for the family premium than the Employer. The single premium for health insurance coverage in Comparable Group A ranges from a low of \$68.75 per month at Waukesha to a high of \$110.00 per month at Kettle Moraine. Six school districts in Comparable Group A pay more for the single premium health insurance coverage than the Employer. Every school district in Comparable Group A pays 100% of the dental insurance premium except Cudahy which pays 90%, Hamilton-Sussex which pays 97.8%, and Germantown which pays 95% and the Employer. The Union proposes that the Employer pay 96% of the family premium and 97% of the single premium and the Employer proposes to pay 93% of the family premium and 97% of the single premium. The monthly premium for family coverage dental insurance in Comparable Group A ranges from a low of \$31.22 at Waukesha to a high of \$55.20 at Cudahy. The Employer's family premium is \$33.06 per month and only three school districts in Comparable Group A pay less for the family coverage. The single coverage dental insurance premium in Comparable Group A ranges from a low of

\$8.88 at West Bend to a high of \$18.59 at Cudahy. The Employer's monthly premium for its single coverage dental insurance is \$11.08 per month and only three school districts in Comparable Group A pay less.

The elementary school principal secretary salaries in Comparable Group A during the 1986-87 school year ranged from a low of \$7.43 per hour at Germantown to a high of \$10.52 at New Berlin. The Employer's elementary school principal secretary was \$7.64 per hour in the 1986-87 school year and Germantown was the only school district in Comparable Group A that paid less. The middle school principal secretary salary in Comparable Group A ranges from the Employer's low of \$7.64 to a high of \$10.52 at New Berlin. The administrator's secretary salaries in Comparable Group A ranged from the low of \$8.03 per hour at Hamilton-Sussex to a high of \$11.12 per hour at Elmbrook. The Employer pays its administrator's secretary \$8.26 per hour and Mukwonago and Hamilton-Sussex are the only school districts in Comparable Group A that pay less. The payroll/accounts clerk salaries in Comparable Group A for the 1986-87 school year ranged from a low of \$8.22 at Mukwonago to a high of \$11.38 at Germantown. The Employer pays its payroll/accounts clerk \$8.40 per hour. Hamilton-Sussex and Muskego-Norway are the only school districts in Comparable Group A that pay their payroll/accounts clerk less than the Employer does.

During the period from June of 1984 to June of 1985 the US city average all urban consumer price index increased from 310.7 to 322.3 or 11.6 points. That was an increase of slightly over 3.7%. During the period from June of 1985 to June of 1986 it increased to 327.9 or 5.6 points. That was an increase of slightly over 1.7%. During the period from June of 1984 to June of 1985 the US city average urban wage earners and clerical workers consumer price index increased from 306.2 to 318.7 or 12.5 points. That was an increase of just over 4%. Between June of 1985 and June of 1986 it increased 323 or 4.3 points. That was an increase of slightly more than 1.3%. During the period from July of 1984 to July of 1985 the Milwaukee area urban wage earners and clerical workers consumer price index increased from 341.6 to 350.4 or 8.8 points. That was an increase of almost 2.6%. By July of 1986 it had decreased to 350.1 which was a decrease of .3 points or .1%. Between July of 1984 and July of 1985 the Milwaukee area urban consumer price index increased from 321.3 to 331.1 which was an increase of 9.8 points or slightly over 3%. By July of 1986 it increased to 331.3 which was .2 of a point. That was less than a .1 percent increase.

This bargaining unit had an increase in wages only for the 1981-82 school year of 7.79%. In the 1982-83 school year it received an increase of 4.64%. In the 1983-84 school year it received an increase of 6.014%. In the 1984-85 school year it received an increase of 6.24%. In the 1985-86 school year it received an increase of 7.97%. Both the Employer and the Union have proposed a 6% increase for the 1986-87 school year. During the 1977-78, 1978-79, 1979-80, 1980-81, and 1981-82 school years the Employer paid the entire health insurance premium for the members of the bargaining unit. During that period the family premium rose from \$79.94 per month to \$122.24 per month. The single premium rose from \$31.16 a month to \$46.74 per month. In the 1982-83 school year the

family premium increased to \$150.36 per month. As the result of an arbitrator's award the Employer paid \$140.58 and the employee paid \$9.78. The single premium was \$57.50 per month and the Employer paid \$53.75 and the employee paid \$3.75. The Employer was paying 93.5% of both the single and family health insurance premiums and the employee paid 6.5%. In the 1983-84 school year the parties agreed that the Employer would pay 92.7% of the health insurance premium and the employee would pay 7.3%. In the 1984-85 school year the parties agreed that the Employer would pay 91.7% of the single premium and the employee would pay 8.3%. The Employer would pay 92.3% of the family premium and the employee would pay 7.7%. In the 1985-86 school year the parties agreed that the Employer would pay 91.2% of the single premium and the employee would pay 8.8%. The Employer would pay 92% of the family premium and the employee would pay 8%.

The dental insurance program was established in the 1982-83 school year and the premium was \$10.48 per month for single coverage and \$30.26 for family coverage. The Employer paid \$9.00 per month toward the single premium and \$26.46 toward the family premium and the employees paid \$1.48 per month of the single premium and \$3.80 per month of the family premium. In the 1983-84 school year the single premium was \$11.90 per month and the family premium was \$32.06. The Employer contributed \$10.48 per month toward the single premium and \$30.26 toward the family premium. The employees contributed \$1.42 per month toward the single premium and \$1.80 toward the family premium. In the 1984-85 and 1985-86 school years the single premium was \$10.58 and the family premium was \$32.06 per month. In both of those years the Employer contributed \$10.48 per month toward the single premium and \$30.26 toward the family premium and the employees contributed 10¢ per month toward the single premium and \$1.80 toward the family premium.

In the 1982-83 school year the Employer contributed 87.6% of the single dental premium and 87.4% of the family premium and the employees contributed 12.4% of the single premium and 12.6% of the family premium. In the 1983-84 school year the Employer contributed 88.1% of the single dental premium and 94.4% of the family premium. The employees contributed 11.9% of the single premium and 5.6% of the family premium. In the 1984-85 and 1985-86 school years the Employer contributed 99.1% of the single premium and 94.4% of the family premium and the employees contributed .9% of the single premium and 5.6% of the family premium.

The Employer's custodial employees have had the same health and dental insurance coverage as the custodial employees since the 1977-78 school year and the premium has been the same for both bargaining units. The Employer has always paid 100% of the premium. The teacher aides have had the same health insurance coverage as the employees in the clerical bargaining unit and the premium has always been the same. In the 1977-78 school year the teachers aides contributed nothing towards either the single or family premium. In 1978-79, 1979-80, 1980-81 and 1981-82 school years the employees contributed nothing towards the single coverage health insurance premium but they began making contributions toward the family coverage. In the beginning of the 1982-83

school year employees in the teacher aides bargaining unit began contributing \$3.75 a month toward the premium for single coverage. The employee contribution increased along with the premium each year until the 1986-87 monthly contribution of the teacher aides was \$31.68 towards the single premium. In the 1982-83 school year the Employer contributed 93.5% toward the single and family premiums in the teacher aides bargaining unit and the employees contributed 6.5%. The Employer's percentage contribution declined to 70.1% for the single premium and 63.3% for the family premium in the 1983-84 school year and the employees contribution increased to 29.9% for the single coverage and 36.7% for the family coverage. By the 1986-87 school year the Employer's contribution to the teacher aides health insurance program was 61.2% of the premium for single employees and 55.7% of the family premium. The employees contributed 38.8% of the single premium and 44.3% of the family premium. The food service employees have had health insurance coverage since the 1983-84 school year and the premiums have been the same for them as the other employees. During the 1983-84 school year the Employer contributed \$66.13 toward the single premium and \$172.91 toward the family premiums. The employees contributed \$5.17 toward the single premium and \$13.53 toward the family premium. In the 1984-85 school year the Employer contributed \$69.45 per month toward the single premium and \$181.31 per month toward the family premium. The employees contributed \$6.15 per month toward the single premium and \$14.75 per month toward the family premium. In the 1985-86 school year the Employer contributed \$74.78 toward the single premium of the food service employees and \$195.38 toward the family premium. The employees contributed \$6.62 per month toward the single premium and \$15.90 per month toward the family premium. In the 1986-87 school year the Employer again contributed \$74.78 towards the single premium for the food service employees and \$195.38 toward the family premium. Employees contributed \$6.90 toward the single premium and \$16.64 toward the family premium. In the 1983-84 school year the Employer contributed 92.7% toward both the single and family premiums of the food service employees and the employees themselves contributed 7.3%. In the 1984-85 and 1985-86 school years the Employer contributed 91.9% of the single premium and 92.5% of the family premium and the employees contributed 8.1% of the single premium and 7.5% of the family premium. In the 1986-87 school year the Employer contributed 91.6% of the single premium and 92.2% of the family premium for the food service employees and the employees contributed 8.4% of the single premium and 7.8% of the family premium.

The Employer's teachers have had insurance coverage since the 1977-78 school year and the coverage and monthly premiums have been different than those of the other bargaining units. In the 1977-78 school year the single premium was \$25.86 and the family premium was \$71.00. By the 1981-82 school year the single premium had risen to \$43.76 per month and the family premium was \$114.46 per month. In the 1982-83 school year the single premium was \$53.82 per month and the family premium was \$140.80 per month. The Employer contributed \$50.33 per month toward the single premium and \$131.63 toward the family premium. The employees contributed \$3.49 per month toward the single premium and \$9.17 toward the family premium. During the 1983-84 school year the single premium for teachers rose to \$66.76 and the family premium was \$174.60. The Employer paid

\$61.92 of the single premium and \$161.92 of the family premium. The employees paid \$4.84 per month of the single premium and \$12.68 of the family premium. In the 1984-85 school year the single premium rose to \$71.98 per month and the family premium was \$188.22 for teachers. The Employer paid \$67.98 of the single premium and \$177.22 of the family premium. The employees contributed \$4.00 per month toward the single premium and \$11.00 per month toward the family premium. In the 1985-86 and 1986-87 school year the single premium for the teachers was \$73.58 per month and the family premium was \$188.78. The Employer contributed \$69.79 toward the single premium and \$178.56 toward the family premium. The employees contributed \$3.79 toward the single premium and \$10.22 toward the family premium. The Employer's teachers have had a dental program since the 1980-81 school year. During the first two years the single premium was \$7.83 per month and the family premium was \$22.01 per month. The Employer contributed \$7.62 per month toward the single premium and \$22.93 toward the family premium. The employees contributed 21 cents per month toward the single dental insurance program and 78 cents per month toward the family program. In the 1982-83 school year the single premium rose to \$10.48 and the family premium rose to \$30.26. The Employer contributed \$8.76 per month toward the single premium and \$25.68 toward the family premium. The employees contributed \$1.72 per month toward the single premium and \$4.58 toward the family premium. Ever since the 1983-84 school year the Employer has contributed \$10.48 a month toward the single dental insurance program for its teachers and \$30.26 per month toward the family premium. The employees contributed \$1.42 per month toward the single premium in the 1983-84 school year and \$1.80 towards the family premium. In the 1984-85 and 1985-86 school years the employees paid 10 cents per month toward the single premium and \$1.80 per month toward the family premium. In the 1986-87 school year the employees contributed 60 cents per month toward the single premium and \$3.40 per month toward the family premium. Prior to the 1982-83 school year the Employer paid 100% of the teachers health insurance premiums. In the 1982-83 school year it contributed 93.5% of both the single and family premiums and the employees paid 6.5%. In the 1983-84 school year the Employer contributed 92.8% of the single premium and 92.7% of the family premium. The employees contributed 7.2% of the single premium and 7.3% of the family premium. In the 1984-85 school year the Employer contributed 94.4% of the single premium and 94.2% of the family premium. The employees contributed 5.6% of the single premium and 5.8% of the family premium. In the 1985-86 and 1986-87 school years the Employer contributed 94.8% of the single premium and 94.6% of the family premium and the employees paid 5.2% of the single premium and 5.4% of the family premium.

The Employer contributed 97.3% of the single dental insurance premium for teachers during the 1980-81 and 1981-82 school years and 96.6% of the family premium. The employees contributed 2.7% of the single coverage dental premium during those years and 3.4% of the family premium. In the 1982-83 school year the Employer contributed 83.6% of the single premium and 84.9% of the family premium and the employees contributed 16.4% of the single premium and 15.1% of the family premium. In the 1983-84 school year the Employer contributed 88.1%

of the single premium and 94.4% of the family premium. The employees contributed 11.9% of the single premium and 5.6% of the family premium. In the 1984-85 and 1985-86 school year the Employer contributed 99.1% of the single premium for teachers and 94.4% of the family premium. The employees contributed .9% of the single premium and 5.6% of the family premium. In the 1986-87 school year the Employer contributed 94.6% of the single premium for teachers and 89.9% of the family premium. The employees paid 5.4% of the single premium and 10.1% of the family premium.

The Employer's administration employees are not represented by a labor organization. They initially received the same health insurance coverage with the same insurance premium as all of the other employees except the teachers. During the 1985-86 school year the administration employees were switched to the same insurance plan with the same benefits and premiums as the teachers. From the 1977-78 school year to the 1981-82 school year the administration employees were not required to make any contribution toward the health insurance premium and the Employer paid it all. During the 1982-83 and 1983-84 school years the Employer made the same contribution to their health insurance premiums as it did to the clerical employees and they were required to pay the same amount as the clerical employees. During the 1984-85 school year the Employer contributed \$71.10 per month toward the single premium and \$184.06 toward the family premium. The employees were required to contribute \$4.50 per month toward the single premium and \$12.00 toward the family premium. In the 1985-86 school year the Employer contributed \$76.55 per month toward the single premium and \$198.78 towards the family premium. That was the first time that the Employer had made a different contribution toward the administration employees health insurance premium than it made toward the clerical employees health insurance premium. The employees contributed \$4.85 per month toward the single premium and \$13.00 toward the family premium. Sometime in the 1985-86 school year the monthly premium for the administration employees became different than the monthly premium for the clerical employees because of the switch to the new plan. The single premium became \$73.58 per month and the family premium became \$188.78 per month. The premium remained the same for the 1986-87 school year. After the switch in the plan during the 1985-86 school year the Employer contributed \$70.08 toward the single premium for the administration employees and \$180.00 toward the family premium. The employees contributed \$3.50 per month toward the single premium and \$8.78 toward the family premium. In the 1986-87 school year the Employer increased its contribution to \$72.08 for the single coverage and \$183.78 for the family coverage. The employee contribution was reduced to \$1.50 per month for the single premium and \$5.00 per month for the family premium. When the Employer first began requiring contributions toward the premiums by the employees in the 1982-83 school year and 1983-84 school year the Employer contributed the same percentage of the health insurance premiums for administration employees as it did for clerical employees. In the 1984-85 school year the Employer began contributing 94% of the single premium for administration employees and 93.9% for the family premium and the administration contributed 6% of the single premium and 6.1% of the family premium. In the 1985-86 school

year the Employer contributed 95.2% of the single family premium for administration employees and 95.3% of the family premium. The employees contributed 4.8% of the single premium and 4.7% of the family premium. In the 1986-87 school year the Employer contributed 98% of the single premium and 97.4% of the family premium. The administration employees were required to contribute 2% of the single premium and 2.6% of the family premium.

The administration employees have had dental insurance coverage since the 1980-81 school year and the premiums have been the same for the administration employees as they have been for the Employer's other employees. During the 1980-81 and 1981-82 school years the Employer paid all of the single and family premiums for the administration employees. In the 1982-83 school year the Employer contributed \$10.42 per month toward the single premium and \$26.46 for the family premium. The employees contributed \$1.48 per month towards the single premium and \$3.80 toward the family premium. Since the 1983-84 school year the Employer has contributed \$10.48 per month toward the single family premium of the administration employees and \$30.26 per month for the family premium. That is the same amount that it contributed toward those premiums for the teachers bargaining unit and the clerical employees. The contributions of the administration employees have been the same as the teachers and clerical employees were required to make. During the 1986-87 school year the Employer has made the same contributions to the teachers dental insurance program that it made to the administration employees dental insurance program and the teachers have been required to make the same contribution that the administration employees make. However the Employer proposes a different contribution toward the dental premium for the clerical employees for the 1986-87 school year than it has agreed to make for its teachers and administration employees.

The Employer requires the teachers, food service employees, aides and clerical employees to pay part of the premium for the health insurance program but it does not require its custodial employees to contribute toward the premium. It requires its teachers and clerical employees to make contributions toward the dental insurance program but does not require custodial employees to make a contribution. Neither the food service employees or aides are covered by a dental insurance program. The Employer contributes the same percentage amount as the employees share toward the Wisconsin Retirement System for all of its employees. It pays 32% of the life insurance premium for its teachers, 41% for its food service employees and aides and 38% for the custodial employees and the clerical employees. The Employer has had one year agreements with its clerical employees in the 1983-84, 1984-85 and 1985-86 school years.

The Employer's gross tax levy during the 1983-84 school year was \$11,995,895.00. In the 1984-85 school year it increased by 6.11% to \$12,728,645.00. In the 1985-86 school year the gross tax levy increased by 14.28% to \$14,546,553.00. In the 1986-87 school year the gross tax levy of the Employer increased by 6.85% to \$15,543,061.00. The Employer's 1983-84 mill rate was \$22.20 per thousand. In the 1984-85 school year it increased by 4.77% to \$23.26 per thousand. In the 1985-86 school year it increased by 4.43% to \$24.29

per thousand. In the 1986-87 school year the Employer's mill rate increased by 15.31% to \$28.01 per thousand. The tax on a \$70,000.00 home in the Employer's school district was \$1,554.00 in the 1983-84 school year and by the 1986-87 school year it had increased to \$1,961.00. In 1985 the population of the Employer's school district was 30,035 people. The full value of property within the school district was \$838,621,205.00 and the school district levy was \$14,769,984.00.

UNION'S POSITION

The Union argues that its final offer calling for a phasing in of fully paid health insurance and dental insurance is justified by the internal and external comparability factors, stipulations reached in negotiations, overall compensation and the bargaining history between the parties. It asserts that in the first year of the agreement the annual cost of its health insurance proposal over that of the Employer is about \$750.00 per year or .3% and its dental insurance proposal is about \$200.00 or .07% more than the Employer's proposal. The Union points out that the school districts comprising Comparable Group A are all metropolitan Milwaukee school districts with student enrollments exceeding 2,600. They share a similar labor market and economic concerns and the Employer falls in the middle of the population figure of the comparable group. The Union contends that only the Employer and two other school districts in Comparable Group A do not pay 100% of the health insurance premium for full-time employees. It points out that the Employer and three other school districts are the only members of Comparable Group A that do not pay 100% of the premium for the dental insurance program for full-time employees. The Union argues that the premium level for health insurance and dental insurance for the Employer's clerical employees falls in about the middle of the pattern established by the school districts in Comparable Group A.

The Union argues that the Employer's clerical employees are among the lowest paid in Comparable Group A in every classification. It asserts that the Employer is unreasonable when it demands a contribution toward health insurance and dental insurance premiums while paying the lowest overall wage in Comparable Group A. The Union points out that the Employer's custodial/maintenance employees have never contributed to either health or dental insurance premiums. It asserts that although the teachers have contributed toward the insurance premiums their contributions have steadily decreased while the clerical employees contribution has steadily increased. It contends that clerical employees have contributed more in actual dollars toward their health insurance and dental insurance programs than teachers. The Union argues that the Employer does not have a district wide pattern with regard to contributions toward health and dental insurance premiums. The Union points out that the employees first contribution towards health insurance was during the 1980-81 school year and there was no employee contribution in the 1981-82 school year. It asserts that since the 1982-83 school year clerical employees have been making contributions toward

their health insurance as a result of an arbitration award in which the arbitrator concluded that it would be more reasonable for the Employer to pay 100% of the insurance premium. It asserts that the historical perspective demonstrates that the only reason the Employer attain shared premiums with the employees was due to a tag-a-long item in the 1982 arbitration. The Union contends that it is more desirable for the employees to have the Employer make the full health and dental insurance contribution because the Employer makes it with tax free dollars while the employees make their contributions from gross pay that has already been taxed. The Union asserts that the total difference between the parties for both dental and health insurance premium is about \$48.00 per person each year or less than .35% of wages. It contends that the employees have agreed to a preadmission hospital certification in the current health coverage designed to be an effective cost containment program and it has resulted in a premium reduction of about 5%. The Union argues that health and dental insurance contributions by employees are inequitable and regressive because the impact is greater on lower paid employees such as the clerical employees in this bargaining unit. It contends that the Employer pays its clerical employees the lowest wages in the school district and forces them to pay a greater amount of their salary for health and dental care than its other employees are required to pay. The Union argues that because it has proposed a wage reopener in the second year of the agreement any health and dental insurance increase can be considered by the parties in their negotiations for the second year. The Union argues that it is more reasonable to have a two year agreement because it would reduce the number of issues to be bargained in the second year and would result in a more expeditious settlement while a one year contract would perpetuate delays resulting from the parties negotiating an entire contract each year.

EMPLOYER'S POSITION

The Employer argues that internal settlement comparisons among employees of the same Employer who constitute separate bargaining units are accorded great weight by arbitrators because they add an element of predictability that encourages prompt settlement and promotes equity between and among the various employee groups of the Employer. It asserts that the concept of internal consistency is increasingly significant with respect to fringe benefits such as health insurance. The Employer contends that all but one of its collective bargaining units pay a portion of the monthly payments toward health and dental insurance premiums and the contribution levels are relatively consistent among all employees in the district. It argues that its proposal requires a contribution towards health insurance that is well below the amount paid by teacher aides and food service personnel. Conceding that the clerical employees are being asked to contribute more toward insurance premiums than teachers and administrative staff, the Employer points out that the coverage of those employees includes a \$100.00/\$200.00 up front deductible whereby the carrier only contributes after the entire deductible is satisfied and the employees are faced with a greater monetary risk than the other employees. It asserts that on a yearly basis clerical employees make the smallest contribution in comparison to other

employees when the up front deductible is included in the calculations. The Employer contends that clerical employees contribute the least of all of the employees toward dental insurance except for the teacher aides and food service employees who are not provided with any dental insurance coverage. The Employer takes the position that Comparable Group A proposed by the Union is not a proper group for comparison because in a previous arbitration proceedings between these same parties the arbitrator selected a different comparable group. It argues that once a comparable group has been established by an arbitrator, that selection should not be disturbed. The Employer takes the position that the external comparables on health insurance premiums utilized by the Union are not proper because there are divergent qualifications among those school districts that makes it difficult to determine if a pattern exists. It argues that there is no comparison of the health and dental insurance plans and the Union is attempting to limit the issue to the scope of the premiums. The Employer asserts that the wage data presented by the Union should not be considered because both parties have agreed to a 6% increase in wages and there is no dispute about them. It argues that this dispute concerns the Employer's policy for maintaining employee participation in their health and dental insurance premiums and is not a monetary issue per se. The Employer contends that its gross tax levy has increased regularly over the last few years and the public interest demands that it seek cost effective ways to run the school system. It projects that the health insurance and dental insurance premiums will increase in the next year and contributions toward the premiums by the employees is a factor toward controlling runaway insurance costs. The Employer argues that the two year proposal with a wage reopener made by the Union impairs the Employer's right to negotiate over the increases in the cost of the health insurance premiums. It points out that one year agreements have consistently been agreed to by the Employer. The Employer points out that the Union has agreed to require employees to contribute to their insurance premiums and it seeks to continue that policy. It projects increases in the health insurance premiums in the second year of the agreement that would have a substantial cost attached to them and would justify requiring employee contributions toward the premiums. The Employer contends that the financial burden resulting from increased health insurance costs in the second year would have a high built in cost and the Employer would be precluded from negotiating the issue for the 1987-88 school year. It asserts that would be contrary to the interest and welfare of the public. The Employer argues that the second year proposal is a fundamental departure from the parties customary practice of one year agreements. It takes the position that its proposal maintains the status quo and internal consistency concerning health and dental insurance contributions. The Employer argues that the Union has not established a need to change the status quo with respect to either the health/dental insurance issue or the duration of the agreement. The Employer takes the position that maintaining employee contributions for health and dental premiums is a policy position regardless of the minimal cost impact that it might have.

DISCUSSION

The scope of the dispute between the parties is limited to the amount of the contribution by the employees toward the health and dental insurance premiums and the duration of the collective bargaining agreement. The cost of the Union's proposal for health insurance is about \$750.00 per year more than the Employer's proposal. The cost of the Union's dental insurance proposal is about \$200.00 per year more than that of the Employer. The total cost of these items does not exceed \$950.00 for the first year of the agreement. The Employer speculates that there will be substantial increases in the cost of the health and dental insurance premiums during the second year of the proposal but it presented no hard facts to support its position. There may very well be some increase in the cost of the health insurance and dental insurance programs during the second year of the agreement and the Employer would have to bear all of that additional cost if the Union's position is selected. However, it is quite probable that the Employer will have to bear a substantial part of any increase in the cost of the insurance programs for the 1987-88 school year regardless of which proposal is selected. Thus the actual difference in cost between the Employer's proposal and the Union's proposal is very small and the differences in their positions are primarily philosophical.

The Employer argues that the Union's reliance upon Comparable Group A is without relevance. It points out that in a 1982 arbitration award by Arbitrator Sharon K. Imes for this bargaining unit, the arbitrator utilized a comparable pool consisting of the districts of Waukesha, Elmbrook, West Bend, New Berlin, Oconomowoc, Mukwonago, Muskego, Kettle Moraine, Hamilton, Germantown and Arrowhead UHS, hereinafter referred to as Comparable Group B. All of those school districts are included in Comparable Group A except Arrowhead UHS. Comparable Group A also includes eleven other school districts in the immediate geographical area with student enrollments exceeding 2600. All of the school districts in Comparable Group A are metropolitan Milwaukee school districts that share similar labor markets and economic concerns. The Employer falls right in the middle of the population figures of Comparable Group A. Thus Comparable Group A meets the criteria of a valid comparable group. The Arbitrator agrees that it would be better to use the same comparable group adopted by Imes in the 1982 Award. However, the fact that Imes selected a different comparable group as the primary basis for comparison does not make Comparable Group A an invalid comparison group. As a matter of fact, Imes said in her award that the mere fact that she selected a different comparable group does not mean that the broader one proposed by the Union was not appropriate. She went on to state that some of those school districts in the Comparable Group proposed by the Union abutted the Employer and were of similar populations and were likely to be comparable. In this case the Union has proposed a valid comparable group by the criteria normally used by arbitrators. While the Employer contends that Comparable Group B might be more appropriate, it made no argument and presented no evidence that the comparable group proposed by it would produce any different results. As a matter of fact since all but one of the school districts in Comparable Group B are included in Comparable Group A, their impact is reflected

by it. A review of the Union's exhibits suggests that Comparable Group B would support the position of the Union to the same degree that Comparable Group A does. Accordingly the Arbitrator finds Comparable Group A to be a valid comparable group and will rely upon it. While Comparable Group B was not presented to the Arbitrator in the form of an exhibit, he takes note of the fact that all but one of those school districts was included in Comparable Group A and their impact is reflected by Comparable Group A. The exhibits reveal that Comparable Group B supports the position of the Union to the same degree that Comparable Group A does.

There are only two issues to be considered by the arbitrator. The Employer contends that the employees should continue to contribute a portion of the monthly premium for the health insurance and dental insurance while the Union proposes that practice should continue for the 1986-87 school year but be modified to require the Employer to pay 100 percent of the health and dental insurance premiums during the 1987-88 school year. The other issue involves the Employer's proposal of a one year agreement as opposed to the Union's proposal of a two year agreement with a wages only reopener in the second year.

The Employer has the lawful authority to implement its own proposal or the proposal of the Union and that factor does not support the position of either party more than the other. There have been no changes during the pendency of the arbitration proceedings that would support the position of either of the parties on any of the issues more than it supports the position of the other. The cost of living factor does not lend any support to the positions of either the Employer or the Union.

The financial ability of the Employer to meet the costs of either proposal is another factor that the arbitrator is required to consider. The Employer does not argue that it does not have the financial ability to meet the cost of either its proposal or the proposal of the Union. The difference in the cost of the two proposals is less than \$1,000.00 during the first year of the agreement. Even if the Employer's speculations about the possible increase in the cost of health and dental insurance for the 1987-88 school year were accepted, the cost would not be beyond the financial ability of the Employer.

The interest and welfare of the public is a factor that the arbitrator must consider in arriving at his award. Generally it is considered in the interest and welfare of the public for an employer to maintain the same level of benefits, particularly with respect to fringes, for all of the bargaining units with which it negotiates. This is particularly true when a pattern agreement is reached with a number of bargaining units. In such a circumstance, an arbitrator will not ordinarily depart from the pattern agreement reached with other bargaining units and award a level of benefits superior to those achieved by the other bargaining units in an atmosphere of free collective bargaining in the absence of unusual circumstances that would justify such a departure. It is in the interest and welfare of the public to maintain equitable treatment of employees to avoid the negative effect on morale that divergent settlements

would have and the bargaining instability that would result when an arbitrator awards something to one unit that the others were not able to secure by bargaining. In this case, the Employer has no pattern agreement. It has offered the same health insurance program to its clerical employees, custodial employees, teacher aides and food service employees. Up until the 1985-86 school year it offered that same health insurance program to its administration employees but in that year they were switched to the same health insurance program that was agreed upon by the teachers. The Employer offered the same dental insurance program to its clerical employees, custodial employees, teacher and administrative employees but it does not offer any dental insurance program to the food service employees and teacher aides. From the 1977-78 school year through the 1985-86 school year, the Employer paid 100 percent of the health insurance premium and dental insurance premium for its custodial employees. In the 1986-87 school year, it is seeking to have the custodial employees contribute 28 cents per month toward the single coverage health insurance premium and 65 cents a month toward the family health insurance premium. It seeks to have the custodial employees contribute 50 cents a month towards the single coverage dental premium and a dollar a month toward the family coverage premium. Up until the 1982-83 school year, the Employer paid 100 percent of the clerical employee's contributions toward the health insurance program. Beginning that year, as a result of an arbitration award, the employees were required to contribute \$3.75 per month toward the single coverage health insurance premium and \$9.78 toward the family coverage premium. Both the premiums and the employee contributions increased each year and by the 1985-86 school year the employee's contribution was \$7.15 per month for the single premium and \$16.88 per month for the family premium. In the 1986-87 school year, the Employer proposes to have the employees contribute \$4.50 per month toward the single premium and \$11.92 toward the family premium. The employee contribution toward the health insurance premium in the 1982-83 school year was 6.5 percent. That amount increased each year and during the 1985-86 school year the employee's contribution toward the single premium was 8.8 percent and for the family premium it was 8 percent. The Employer proposes to have the employees contribute 5.5 percent of the single premium in the 1986-87 school year and 5.6 percent toward the family premium. The teacher aides contributed nothing toward the single family premium until the 1982-83 school year when they began contributing \$3.75 per month. The teacher aides began contributing \$7.23 per month toward the family health insurance premium in the 1978-79 school year. By the 1985-86 school year, the teacher aides were contributing \$31.40 per month toward the single coverage health insurance premium and \$93.28 toward the family premium. In the 1986-87 school year the teacher aides contribute \$31.68 per month toward the single coverage premium and \$93.92 toward the family coverage premium. The percentage contribution toward the health insurance premium of the teacher aides has increased from 0 percent in the 1977-78 school year to 38.8 percent of the single premium and 44.3 percent of the family premium during the 1986-87 school year. The Employer's food service employees have always contributed toward their health insurance premium. In the 1983-84 school year, the contribution was \$5.17 per month toward the single coverage premium and \$14.53 per month

toward the family coverage premium. By the 1986-87 school year the contributions had risen to \$6.90 per month toward the single premium and \$16.64 per month toward the family premium. The initial contributions of the food service employees were 7.3 percent of both the single and family premiums but by the 1986-87 school year the percentage of the contribution had risen to 8.4 percent of the single premium and 7.8 percent of the family premium. The Employer's teachers have had different health insurance coverage than the Employer's other employees and the premiums have been less than those of the other employees. Initially the teachers made no contribution toward the health insurance premiums but in the 1982-83 school year they agreed to contribute \$3.49 toward the single premium and \$9.17 toward the family premium. During the 1986-87 school year the teachers single premium is \$73.58 per month and the family premium is \$188.78 per month. The teachers are required to pay \$3.79 per month toward the single premium and \$10.22 per month toward the family premium. The initial contributions of the teachers was 6.5 percent of the premium in the 1982-83 school year. By the 1986-87 school year the teacher's contributions were 5.2 percent of the single premium and 5.4 percent of the family premium. The Employer's administration employees made no contribution toward the health insurance premium until the 1982-83 school year when they began contributing \$3.75 per month toward the single premium and \$9.78 toward the family premium. In the 1985-86 school year the administration employees switched to the same insurance plan as the teachers and their single premium contribution was \$3.50 per month and the family premium was \$8.78 per month. In the 1986-87 school year the administration employees contributed \$1.50 per month toward the single premium and \$5.00 toward the family premium. The administration employees began contributing 6.5% of the single and family premiums in the 1982-83 school year and that contribution declined to 2% of the single premium and 2.6% of the family premium in the 1986-87 school year. A review of the Employer's insurance programs and the contributions toward the premiums by its employees reveal that the Employer has had and still has no pattern in the type of health insurance program or the amounts employees contribute toward their insurance premiums. Those contributions have fluctuated and there has been no uniformity in them. In the 1986-87 school year the Employer will provide its clerical employees with a health insurance program costing \$81.68 per month for the single employees and \$211.92 per month for the family coverage. It proposes to have the employees contribute \$4.50 per month toward the single premium and \$11.92 per month toward the family premium. It would provide that same program at the same cost to its custodial employees during the 1987-88 school year. The custodial employees have never made any contribution toward their health insurance premiums but the Employer seeks to have them pay 28 cents per month towards the single premium and 65 cents per month toward the family premium. The teacher aides have the same coverage and are required to pay \$31.68 per month toward the single premium and \$93.92 toward the family premium. The food service employees have the same health insurance coverage at the same cost and they are required to pay \$6.90 towards the single premium and \$16.54 toward the family premium. The teachers and the administration employees have a different insurance program with a cost of \$73.58 per month for the single coverage and \$188.78 per month for the family coverage. The teachers contribute \$3.79 per month toward the single premium and

\$10.22 per month toward the family premium. The administration employees contribute \$1.50 per month toward the single premium during the 1986-87 school year and \$5.00 a month toward the family premium. All of the employees have the same dental insurance program and the 1986-87 cost is \$11.08 per month for the single premium and \$33.06 for the family premium. The Employer seeks to have the clerical employees contribute 35 cents per month toward the single dental premium and \$2.30 per month toward the family premium. It proposes to have the custodial employees contribute 28 cents per month toward the single dental premium and 65 cents per month toward the family dental premium. It provides no dental insurance program for the teacher aides or the food service employees. The teachers and the administration employees contribute 60 cents a month toward the single dental premium and \$3.40 toward the family dental premium.

Over the years the Employer has had no pattern with respect to health insurance and dental insurance premiums for its different bargaining units. All of them have health insurance coverage but the teachers and administration employees have a different type of coverage than the other employees. The amounts of the employees contribution to the health insurance premiums have ranged from no contribution at all to as much as 44 percent. The food service employees and teacher aides are not offered any dental insurance coverage and only the teachers and administration employees make the same contribution toward the dental insurance premiums. The Employer has not persuaded all of its employees to adopt a uniform contribution toward health and dental insurance premiums and it has not even persuaded them to adopt the same health insurance programs. The Employer has not maintained a consistent level of benefits for all of its bargaining units. The record reveals that it has agreed on different contributions toward health and dental insurance premiums by each of the bargaining units. The interest and welfare of the public apparently has not required that there must be uniformity in health and dental insurance programs and the amounts that the employees contribute toward the premiums in the past. Accordingly the arbitrator finds that the interest and welfare of the public does not justify or preclude a contribution toward the health and dental insurance program by the employees in the clerical bargaining unit.

One of the factors to which the arbitrator is required to give weight is the stipulations of the parties. The Union takes the position that its agreement to include a preadmission hospital certification provision in the health coverage demonstrates its willingness to bring health care costs under control and should be considered by the arbitrator as a factor that would justify its position that the Employer should pay 100% of the health insurance premium. Apparently the preadmission hospital certification provision has resulted in a decrease of about 5% in the health insurance premium for the 1986-87 school year. However that 5% reduction in the premium did not decrease the cost of the insurance. It did hold the premium level to an increase of just a few cents over the preceding year. The Employer seeks to compensate for that by proposing to reduce the contribution made by the employees by an amount that more than reflects their proportionate share of the premium reduction.

Accordingly the arbitrator finds that the stipulations do not favor the position of the Union any more than it favors the position of the Employer.

The Employer contends that the internal comparability factor demonstrates that the Union's demand that it pay 100% of the health and dental insurance premiums is unreasonable while the Union asserts that the internal comparables support its position. The arbitrator is of the opinion that the internal comparability factor does not support the position of either party more than the position of the other. The Employer has tried to initiate a policy that requires all employees to make a contribution toward their insurance. Most of the bargaining units have agreed to make some contribution but there is no uniformity in the amount or the percentage of the contributions made by the employees. As of the date of the hearing there was at least one bargaining unit that made no contribution. The internal comparables reflect no pattern that supports the position of the Employer. The mere fact that the Employer has expressed a desire to have all employees contribute toward their insurance premiums does not establish a pattern indicating a uniformity that would justify its position. On the contrary, it indicates that over the years the Employer has agreed upon either no contribution or different amounts of contribution towards the insurance premiums as a regular practice in order to reach agreement on other phases of its collective bargaining agreements with each bargaining unit. The internal comparability factor does not support the Union's position on employee contributions any more than it supports the Employers. The mere fact that the employees in one bargaining unit have made no contribution toward their insurance premiums does not establish an internal comparability pattern that would justify the Union's position on the issue.

The external comparables support the Union's position that the Employer should pay 100% of the health insurance and dental insurance premiums. With the exception of Hamilton-Sussex and West Allis, all of the school districts in Comparable Group A pay 100% of the premium for the health insurance of full-time employees. A similar pattern exists in Comparable Group A with respect to dental insurance premiums. There are different policies within the comparable group with respect to the payment of health insurance premiums for part-time employees. The overall pattern in Comparable Group A and in Comparable Group B indicates that it is the pattern in the area for the school districts to pay 100% of the premium for its full-time employees and that would tend to support the position of the Union. The premium level in Comparable Group A and Comparable Group B indicate that the rates for the Employer's health and dental insurance are not out of line with the rest of the comparable group. The Employer suggests that there are so many divergent qualifications among the employees in Comparable Group A that it is impossible to determine if a pattern exists. While that may be true with respect to the part-time employees, it is not the case with full-time employees. Most of the employees in the clerical bargaining unit are full-time employees and the Employer has made no effort to distinguish them from part-time employees with respect to health insurance premiums. The Employer states the Union has not demonstrated that the health and dental insurance plans of the external comparables are the same. The arbitrator

concedes that this is true but the Union has demonstrated the amount of the health insurance premiums for the clerical workers are similar to the health insurance premiums for other employees in Comparable Group A. What the arbitrator is concerned with in this proceeding is the contribution toward the health and dental insurance premiums made by the employees. The external comparables demonstrate that it is the overwhelming practice in Comparable Group A for the Employer to pay 100% of the premium regardless of the coverage provided by the plans themselves. In view of the fact that the Employer's premiums fall within the general range of the premiums paid by the school districts in Comparable Group A the arbitrator is satisfied that the external comparables support the position of the Union that the Employer should pay 100% of the premium.

The overall compensation factor supports the position of the Union on the issue of health insurance contributions. The Employer's wage rates for its clerical employees are the lowest or very close to the lowest in Comparable Group A. The health and dental insurance contributions demanded by the Employer, when viewed in conjunction with the extremely low ranking of its clerical wage rates, demonstrate that the Employer's clerical employees do not compare favorably with respect to overall compensation with the other school districts in Comparable Group A. Even if the Employer paid the full amount of the health insurance premium, the overall compensation of its clerical employees would still be among the lowest in Comparable Group A in every classification. Contributions by the employees toward the health and dental insurance premiums tend to make the overall compensation factor even less favorable for the Employer. It argues that the wage comparisons presented by the Union should not be given any weight in this proceeding because wages are not an outstanding issue. Wages as well as insurance premiums are part of the overall compensation and the Wisconsin Statutes specifically include them as part of that factor. Accordingly the arbitrator has considered a comparison of the overall wages paid by the Employer with the other school districts in Comparable Group A in determining that the overall compensation factor supports the position of the Union.

Bargaining history is a factor that is normally taken into consideration by arbitrators and that factor supports the position of the Employer with respect to a contribution toward the insurance premiums by the employees. Even though the Union first began to contribute toward health insurance premiums as the result of a 1982 award by Arbitrator Sharon K. Immes in which she found that it would be more reasonable for the Employer to pay 100% of the health insurance premium, the Employer and the Union have reached agreements in subsequent years that the employees should contribute toward the health insurance and dental insurance premiums and in increasing amounts. In effect the Union has agreed to the Employer's policy requiring contributions by employees toward the health and dental insurance premiums in order to obtain the other benefits that were included in the collective bargaining agreement. That is what the give and take of collective bargaining is all about and it demonstrates an acquiescence on the part of the Union to the policy of employee contributions toward health and dental insurance premiums. The 1986-87 health insurance premiums have increased a few cents per month but the Employer has proposed a substantial reduction in the

amount of the employees contribution while increasing the amount that it pays. The Employer's proposal continues the bargaining history pattern that requires employees to make contributions toward the health and dental insurance premiums.

The Union contends that its proposal of a two year agreement is more reasonable than the Employer's one year proposal. It is true that the Wisconsin Statutes have established a policy favoring a two year agreement but it also precludes a reopener during the term of the agreement. That policy is not applicable to this proceeding but it does indicate the intent of the legislature. The Union's proposal is a two year proposal but it provides for a reopener during the second year. The current legislative direction does not support a two year agreement of the type proposed by the Union more than a one year agreement as proposed by the Employer. The award in this matter is being issued after the completion of the 1986-87 school year and the 1987-88 school year is fast approaching. The collective bargaining process might be better served by a two year agreement. However the two year proposal of the Union would not wrap up the bargaining for the 1987-88 school year. There would still be the economic issue of wages that must be bargained and the Employer would not be able to make trade offs.

In a previous arbitration involving the Employer and one of its bargaining units the Union proposed a two year agreement with a wages only reopener. Arbitrator Sherwood Malamud issued an award in November of 1985 in which he stated that stability in collective bargaining agreements was usually enhanced by multi-year agreements and they should ordinarily be preferred. Malamud stated that the exception to the rule in a mediation/arbitration proceeding is a wage reopener in the second year because it impairs the ability to negotiate the health insurance premiums along with the wages. Negotiations limited to wages only restrict the trade offs that facilitate agreement compared to the situation when the parties are negotiating other economic items as well as wages. When parties have to negotiate about wages anyway, the added problems of having to negotiate about health and dental insurance premiums are less than the advantage of being able to do so. This is particularly true because the Employer projects substantial increases in the cost of health and dental insurance for the 1987-88 school year. Those increases may or may not result, but it will be to the advantage of both the Employer and the Union to know the cost of the health and dental insurance at the same time that the wages are being negotiated. The arbitrator finds that the interest and welfare of the public support the Employer's proposal of a one year agreement under the circumstances. The Employer has traditionally had a one year agreement with this bargaining unit and most of the others. The Union's second year proposal is a departure from the practice in this collective bargaining relationship and the overall pattern between the Employer and its other bargaining units. A similar pattern exists in Comparable Group A. Given the pattern of one year agreements among the internal comparables and the external comparables, the arbitrator finds that the Employer's proposal of a one year agreement is most appropriate.

The external comparability factor and the total compensation factor would

seem to favor the Union's position with respect to the issue of contribution toward the health insurance premium. The overall pattern in Comparable Group A has been for the Employer to pay 100% of the premium. The Employer's clerical wages have lagged behind the other school districts in Comparable Group A and the total compensation factor would tend to support the position of the Union that employees should not be required to contribute toward health and dental insurance premiums when they are receiving lower wages than most of the other school districts in the comparable group. Those two factors favor the position of the Union. While the internal comparability factor does not indicate any pattern in the amount of contribution by employees toward their health and dental insurance premiums, it does indicate that all of the Employer's bargaining units except one make some sort of a contribution. The amount of the contribution has been an issue that was bargained along with wages. The give and take at the bargaining table has resulted in the lack of a pattern in the amount of contribution by the employees. The bargaining history between the Union and the Employer establishes that the amounts and percentages of contributions have fluctuated each year along with the amounts and percentages of the wage increases. These two economic items have a very direct relationship with each other because they constitute the major economic items in the collective bargaining agreement. The ability to make trade offs is the key to successful collective bargaining. A determination by the arbitrator that the Employer should pay 100% of the health and dental insurance premiums during the 1987-88 school year while leaving the issue of wages open for further collective bargaining would deprive each of the parties of the ability to make trade offs. That would handicap both parties in reaching an agreement in their collective bargaining.

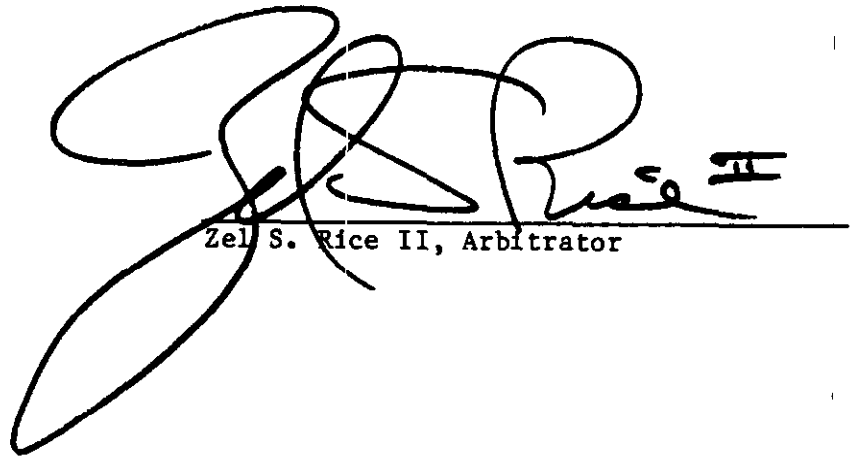
The arbitrator is satisfied that the parties are bargaining principles and not wages, hours and conditions of employment. The economic impact of any award the arbitrator might make in this matter amounts to less than 2 cents per hour during the first year and very little more than that during the second year. The arbitrator is of the opinion that the rigid positions of both parties indicate an unwillingness on the part of either of them to bend on the issue of health and dental insurance premiums and engage in the give and take that results in successful collective bargaining. A little bargaining experience on that issue along with wages for the 1987-88 school year will be a good prescription for the ailment that seems to have afflicted both parties. The arbitrator is satisfied that resolution of those two issues by the parties themselves will result in a healthier collective bargaining relationship than would be the case if he resolved just one of those issues by this award.

It therefore follows from the above facts and discussion thereon that the undersigned renders the following

AWARD

After full consideration of the criteria set forth in the statutes and after careful and extensive examination of the exhibits and briefs of the parties the arbitrator finds that the Employer's final offer more closely adheres to the statutory criteria than that of the Union and directs that the Employer's proposal contained in Exhibit B be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin this 23rd day of July, 1987.



Zel S. Rice II, Arbitrator

Name of Case: Menomonee Falls
Case 51 No 37296
(MIA - 3978)

The following, or the attachment hereto, constitutes our final offer for the purposes of mediation-arbitration pursuant to Section 111.70(4)(cm)6. of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

11-19-86
(Date)

Jary M. Ruess
(Representative)

On Behalf of: BOARD

FINAL OFFER
of the
MENOMONEE FALLS SCHOOL BOARD
with the
MENOMONEE FALLS SCHOOL DISTRICT EMPLOYEES
LOCAL 2765, DISTRICT COUNCIL 40, AFSCME
AFL-CIO (clerical employees)

1. Article XIV - Insurance - Section 14.01 - Revise the first paragraph to read as follows:

Hospitalization and Surgical Insurance: The District agrees to pay a maximum of 77.18 per month in 1986/1987 (fully retroactive to the commencement of the 1986/1987 contract year) toward the cost of the premium for hospitalization and medical insurance for the single plan employees, and 200.00 per month in 1986/1987 (fully retroactive to the commencement of the 1986/1987 contract year) toward the cost of the premium for hospital and medical insurance for family plan employees eligible for such insurance.

2. Article XIV - Insurance - Section 14.04 - Revise to read as follows:

Dental Insurance: The District shall provide a dental insurance program providing the following premium amounts for all eligible employees, for appropriate family or single membership in the plan: Thirty Dollars and Seventy-Six Cents (\$30.76) per month family (fully retroactive to the commencement of the 1986/1987 contract year); Ten Dollars and Seventy-Three Cents (\$10.73) per month single (fully retroactive to the commencement of the 1986/1987 contract year). It is agreed that the program will be essentially equivalent, from the basis of total package benefits, to that provided to other school district employees as of July 1, 1982.

3. Article XXXI - Duration of Agreement - Section 31.01 - Effective Date: This agreement shall be in effect as of July 1, 1986, and shall remain in full force and effect until and through June 30, 1987.

Section 31.02 - Revise to read as follows:

Bargaining Schedule: The time table for future negotiations and conferences shall be as follows:

Step 1: The Union shall advise the District of its intent to reopen this Agreement on or before March 1, 1987.

Step 2: Within thirty (30) calendar days following receipt of said reopening notice, the parties shall hold a meeting which shall be open to the press and to the public, for the purpose of exchanging proposals on desired contract modifications.

MR, 9-86

4.

APPENDIX A

1986/1987 SALARY SCHEDULE

Effective July 1, 1986

	<u>Start</u>	<u>After 120 Days</u>
Accounts Clerk	\$7.56 per hour	\$8.40 per hour
Secretary IV	7.44 per hour	8.26 per hour
Secretary III	6.87 per hour	7.64 per hour
Secretary II	6.73 per hour	7.48 per hour
Secretary I	6.55 per hour	7.30 per hour
Secretary Part-Time	5.63 per hour	6.21 per hour

MR
11-19-8


5. Other items not contained in this final offer or agreed upon stipulation shall continue as set forth in the current agreement.

MR
19-86

Name of Case: Menomonee Falls S.D.

The following, or the attachment hereto, constitutes our final offer for the purposes of mediation-arbitration pursuant to Section 111.70(4)(cm)6. of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

4/15/80
(Date)


(Representative)

On Behalf of: Local 2765, AFSCME

FINAL OFFER OF THE
UNION
LOCAL 2765, AFSCME, AFL-CIO
CLERICALS

1. Amend Section 14.01, Hospitalization and Surgical Insurance, to provide that the District pay \$203.50 per month toward the cost of the family plan, and \$78.00 per month toward the cost of the single plan, effective July 1, 1986 to June 30, 1987. For contract year 1987-88, the premium amounts will be adjusted to the dollar amounts representing the full family and single premiums.
2. Amend Section 14.04, Dental Insurance, to provide that the District pay \$31.66 per month toward the cost of the family plan, and \$10.78 per month toward the cost of the single plan, effective July 1, 1986 to June 30, 1987. For contract year 1987-88, the premium amounts will be adjusted to the dollar amounts representing the full family and single premiums.
3. Wages: Effective 7/1/86, a six percent increase applied to all rates in Appendix A
4. Duration: A two (2) year agreement, effective July 1, 1986, and expiring June 30, 1988.

A wage re-opener in the second year of the contract as follows:

"31.03 Reopening Contract: Either party may reopen this Agreement for negotiating changes to become effective July 1, 1987. The subject of such negotiations shall be limited to "Wages (Appendix A)." The party requesting negotiations shall notify the other party in writing of its desire to reopen negotiations on the subjects enumerated above on or before April 1, 1987."

5. OTHER ITEMS NOT CONTAINED IN THIS FINAL OFFER OR AGREED UPON STIPULATION SHALL CONTINUE AS SET FORTH IN THE CURRENT AGREEMENT.

11/19/86
[Signature]