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WISCONSIN ... RELATIONS COMMISSION

STATE OF WISCONSIN

BEFORE THE ARBITRATOR

In the Matter of the Voluntary Impasse Resolution Procedure between

GREENDALE SCHOOL DISTRICT

and

GREENDALE EDUCATION ASSOCIATION

Appearances:

Mulcahy & Wherry, S. C., Attorneys at Law, by Mr. Gary M. Ruesch, appearing on behalf of the Employer.

Mr. James Gibson, Executive Director, Council #10, appearing on behalf of the Association.

ARBITRATION AWARD:

On September 2, 1987, the Greendale School District, hereinafter the Employer, and Greendale Education Association, hereinafter the Association, entered into the following Voluntary Impasse Resolution Procedure:

A. This impasse procedure shall be in lieu of that provided in Section 111.70 (4) (cm) 6, Stats. This procedure shall become effective as of its execution by the parties and shall continue in full force and effect until the impasse over the successor agreement to the 1985-87 collective bargaining agreement is resolved.

B. Arbitration. If a dispute has not been settled after a reasonable period of negotiations and the parties are deadlocked with respect to any dispute between them, the parties may initiate arbitration as provided herein. At this time the parties shall also prepare a stipulation, in writing, with respect to all matters which are agreed upon for inclusion in the new or amended collective bargaining agreement. Such stipulation shall be signed by the parties prior to submission of the final offers to the arbitrator.

1. The parties have agreed to request that Mr. Byron Yaffe serve as mediator of this dispute. The mediation is scheduled for October 8, 1987, beginning at 4:30 p.m. at the District office.

2. The parties shall submit a final offer to the mediator with a copy to the other party, postmarked on September 23, 1987. Either party may modify its final offer within seven (7) days of receipt of the other party's final offer and shall immediately transmit that modification to the other party and mediator. Either party shall have until October 6, 1987 to deliver to the other party a change in its final offer. In no event may final offers be altered without mutual agreement after October 6, 1987. It is the intent of this paragraph to assure that each party will have a full opportunity to review the other party's position before the final offers become unalterable.

3. The parties have agreed to request that Mr. Joseph Kerkman serve as arbitrator. The arbitration session shall be held, if necessary, on October 28, 1987, beginning at 4:30 p.m. at the District office.

The final offers shall be considered public documents and shall be available upon request from the arbitrator. Written arguments may be submitted at the arbitration hearing. The parties shall also have twenty-one (21) calendar days following the hearing to file additional written arguments with the Arbitrator. The Arbitrator shall adopt without further modification the final offer of one of the parties in total. The decision of the Arbitrator shall be final and binding on both parties and shall be incorporated into a written collective bargaining agreement. The Arbitrator shall serve a copy of the written decision on both parties.

4. Arbitration proceedings shall not be interrupted or terminated by reason of any prohibited practice complaint filed by either party at any time. Failure to implement the Arbitrator's award and the executed stipulation shall constitute a prohibited practice pursuant to 111.70, Stats.

5. The cost of the mediation and arbitration shall be divided equally between the parties. However, each party shall bear the cost for any out-of-pocket expenses, including witnesses and attorneys fees. The arbitrator shall submit a statement of his or her costs to both parties.

6. If a question arises as to whether any proposal made in the final offer of either party is covered under this procedure, the arbitrator shall first decide the arbitrability of the offer as allowed herein before proceeding to the merits of the offer. The parties reserve the right to object to permissive subjects contained in the offers within ten (10) days of receipt of the final offers pursuant to 111.70 (4) (cm) 6.a., Wis. Stats.

7. Factors Considered. In making any decision under the arbitration procedures authorized by this subsection, the Arbitrator shall give weight to the factors set forth in Section 111.70 (4) cm, Stats.

C. Review of Arbitrator's Award. Any arbitration award rendered under the terms of this article may be reviewed, upon petition of either party, pursuant to Section 788.10, et seq., Stats.

Mediation efforts were pursued by Mediator Byron Yaffe on October 8, 1987, however, the mediation efforts failed to produce a resolution of the dispute.

The undersigned conducted arbitration hearing on October 28, 1987, at Greendale, Wisconsin, at which time the parties were present and given full opportunity to present oral and written evidence and to make relevant argument. The proceedings were transcribed, and briefs were filed in the matter. Final briefs were received by the undersigned on January 11, 1988.

THE ISSUES:

Disputed between the parties are:

1. The salary schedule to become effective for the 1987-88 school year and for the 1988-89 school year.

2. The amount of health insurance premium to be contributed by the Employer for the 1988-89 school year.

3. A study committee proposed by the Employer to determine viable options for cost effective, reliable and efficient health care coverage.

The offers of the parties reflect the following:

I. SALARY SCHEDULE - Employer Offer:

The Employer proposes a base salary of $17,930 for 1987-88 school year, and a base salary of $18,672 for the 1988-89 school year.

SALARY SCHEDULE - Association Offer:

The Association proposes a base salary of $18,255 for the 1987-88 school year, and a base salary of $19,295 for the 1988-89 school year.

Both parties propose to continue the same salary schedule format as reflected in the salary schedule in force in the predecessor Collective Bargaining Agreement, except that the Association modifies the amounts of longevity.

II. INSURANCES - Association Offer:

The Association proposes to retain the language of the predecessor Agreement relating to health and medical insurance.

INSURANCES - Employer Offer:

The Employer proposes to modify Article VI, Section A, Paragraph 3 as follows:

> Effective July 1, 1988, the Board of Education shall pay toward the premium for all persons employed during the 1984-85 school year, one-half (1/2) of any increase of the premium towards the plan referenced in paragraphs 1 and 2 above. The difference in premium, if any, will be paid on a payroll deduction basis by the employee.

The Employer proposes to make the following modification to Article VI, Section A, Paragraph 4 as follows:

> Effective July 1, 1988, the District agrees to contribute on behalf of all persons employed during the 1984-85 school year an amount equal to the Board's contribution for the single or family premium for the hospital and medical plan referenced above toward the cost of participating in an HMO Program.
>
> Create a new Article VI, Section A to read as follows:
>
> *Effective as soon as practicable, the parties agree to establish* a joint study committee to consider all viable options for cost-effective, reliable and efficient health care coverage with special emphasis on "fee for service" plan options. The Board *and the GEA shall* each appoint three members to the committee. A written report addressing the merits and costs of all alternatives available to the parties shall be submitted to the parties on or before March 1, 1988. (The Board agrees to contribute up to $3,000 toward an independent consultant selected by the committee to assist in its responsibilities.)

POSITIONS OF THE PARTIES:

EMPLOYER POSITION:

The Employer argues as follows:

1. The Board selection of comparable districts is appropriate based upon the facts adduced in these proceedings.

2. A reasoned consideration of relevant factors supports the Board's final offer on wages.

3. Compared to the CPI increases the Board offer is undeniably more reasonable.

4. Comparisons with other relevant employee groups substantially support the Board offer.

5. Total compensation of Greendale teachers favors acceptance of the Board offer.

6. The Board's proposal concerning health insurance is firmly grounded in cogent public policy considerations and is, therefore, more reasonable.

ASSOCIATION POSITION:

The Association makes the following argument:

1. The District has the burden to show why the Arbitrator should impose a health insurance premium cap on Greendale teachers, and has failed to do so for five specific reasons.

2. Comparison districts advocated by the Association are the appropriate districts for the purposes of comparing the wage offers of the parties.

3. The interest and welfare of the public criteria supports the Association offer in this matter.

4. The comparison of wages, hours and conditions of employment of the municipal employees involved herein with the wages, hours and conditions of employment of other employees generally in public employment in the same community and in private employment in the same community and comparable communities supports a selection of the Association final offer on wages.

5. The cost of living factor should be given little weight in this matter, and the settlement patterns of suburban comparable school districts should be relied on.

Alternatively, the Association argues that since the Employer agreed to a

5.8% increase in 1986-87, an amount 4.7% above the CPI increase at that time; if one were to conclude that a 4.7% increase above the amount of increase in the CPI was an appropriate level of increase, then, the Association offer here of 6% would be 1.3% below the total of the CPI increase and 4.7% above that amount.

6. The overall compensation factor shows that the comparable school districts and the instant Employer provide for the same insurance participation and fringe benefit participation.

In response to the Association argument, the Employer argues as follows:

1. The relative wage position of Greendale teachers must be viewed in light of the unique history of settlements and arbitration awards in the District.

2. When compared to the one comparable settlement among south shore districts, the Greendale offer is more reasonable.

3. Contrary to the assertion in the Association brief, the District has provided a sound basis for encouraging health care cost containment as a part of its final offer because:

a) Evidence of the District's negotiation posture concerning the health insurance premium in past rounds of negotiations is irrelevant;

b) Past Association concessions provide bargaining history which supports the District's final offer in the instant case.

c) The Employer's proposal to share health insurance premium increases (if any) for the 1988-89 school year will encourage a rational resolution of the health insurance crisis;

d) The District's final offer provides both parties with a real incentive to resolve the health insurance crisis while at the same time provide a reasonable wage increase.

In response to the Employer's argument, the Association responds as follows:

1. Prior arbitration awards by Arbitrators Zeidler and Yaffe support the Association comparables which include the tiers of comparables as follows: a) most comparable districts; b) regionally comparable districts; c) generally comparable districts; the Association arguing that where data is not sufficient to rely on the most comparable or regionally comparable districts, the generally comparable districts must be relied on.

2. The information which the District has presented regarding 1986-87 benchmark comparisons, historical increases compared to the CPI and total compensation comparisons are incomplete.

3. The District's health insurance changes amount to much more than just a study committee proposal.

DISCUSSION:

The parties in their Voluntary Impasse Resolution Procedure as agreed to on September 2, 1987, adopt the criteria of factors considered found in Wis. Stats. 111.70 (4) (cm). The undersigned, therefore, in arriving at his decision in this matter, will consider the evidence adduced at hearing, the arguments of the parties, and the statutory criteria which were addressed by the parties.

Prior to addressing either of the issues, i.e., salary schedules and health insurance, the undersigned must necessarily resolve the dispute of the parties as to what constitutes the comparables for the purpose of applying that statutory criteria. The Employer in this matter proposes that the comparables should be limited to the eight south suburban school districts contingent to the City of Milwaukee. They are: Cudahy, Franklin, Greendale, Greenfield, Oak Creek, St. Francis, South Milwaukee and Whitnall.

The Association includes the eight south suburban districts proposed by the Employer, but also includes eleven other Milwaukee suburban school districts as follows: Brown Deer, Elmbrook, Germantown, Menomonee Falls, Muskego, New Berlin, Nicolet, Shorewood, Wauwatosa, West Allis/West Milwaukee and Whitefish Bay.

A review of the record evidence and all of the argument causes the undersigned to adopt the comparables proposed by the Association, except that the districts of Wauwatosa and West Allis/West Milwaukee are excluded from the Association proposed comparables. The foregoing conclusion that the Association comparables are the appropriate comparables is based on the following:

1. The theory of tiers of comparables was established by Arbitrator Frank Zeidler in South Milwaukee Board of Education (Case XIII, No. 24754, MED/ARB-438). In that decision, Zeidler found that Greendale, Greenfield, Franklin and Whitnall School Districts were the most comparable to one another. He further found that the four additional south suburban districts of Cudahy, South Milwaukee, St. Francis and Oak Creek should be considered regionally comparable to the first grouping. Finally, Zeidler found that the remaining Milwaukee Metropolitan Sub-

urban Area School Districts constituted a third level of comparability which he labeled as generally comparable to the Greendale, Greenfield, Franklin and Whitnall grouping. Subsequent to that, Arbitrator Byron Yaffe in School District of Greendale, Voluntary Impasse Resolution Procedure (2/2/81) relied on the same comparability groupings in arriving at his decision. From the foregoing, it is clear to the undersigned that the previously identified awards have created an expectation on the part of the parties that the comparables proposed by the Association, except for West Allis/West Milwaukee and Wauwatosa, are to be considered comparables for the purposes of negotiating successor Collective Bargaining Agreements or in arbitration of a dispute in the event impasse occurs.

2. The evidence establishes from Association Exhibit No. 38 that the Employer itself relied on the generally comparable grouping in the Voluntary Impasse Resolution Procedure before Arbitrator Yaffe. Consequently, unless the Employer can demonstrate that significant changes have occurred in the statistical data comparing the generally comparable group to the instant school district, a rejection of the comparables heretofore relied on by the Employer would smack of comparability shopping solely for the purpose of enhancing its own position before this Arbitrator. Obviously, that should be avoided. The undersigned has compared the statistical data in evidence in this matter as Association Exhibits Nos. 4 through 10, and Employer Exhibits 15 through 31, and Employer Exhibits 70-A through O. Employer Exhibit No. 70, A through O, sets forth indicia of comparability for the generally comparable school districts proposed by the Association, and contains data from 1985-86 through 1987-88 for enrollment numbers, FTE teachers, pupil membership, gross equalized value, aid per pupil, comparisons of expenditure and pupil data-fiscal year 78 and fiscal year 87, school aid tax credits, school district tax levy, 1986-87 budgeted cost per pupil and full value tax rate, peak and low year enrollments, cost per pupil by educational program, operating costs-support services, school district cost per pupil total, distribution of staff age and years of experience. We have compared the information contained within those exhibits to the information contained in Employer Exhibit Nos. 15 through 23, which set forth similar data for the Employer proposed comparables of the south suburban district. The comparison is made to determine whether the general comparability found by Zeidler and Yaffe dating back to the early 80s has been materially altered in the years since the early 80s to the present time.

We conclude that the data fails to establish that the indicia has been significantly altered to the point where the holdings of Zeidler and Yaffe should be repudiated, and that the school district is not justified in changing its view of the comparables from the time of the Yaffe arbitration when it espoused the generally comparable districts as comparables for the purposes of that arbitration. That data base is not changed in a sufficiently significant manner so as to repudiate the previously established comparables which were relied on by this Employer.

3. If one were to accept only the regionally comparable and the most comparable, i.e., the south shore suburban districts, there would be only one settlement for the purpose of comparing patterns of settlement. The Employer argues that no comparison should be made beyond that level. The undersigned considers that one settlement (an award in Whitnall School District) is too narrow a base for the purpose of making comparisons. Furthermore, the undersigned is convinced that where there are regionally comparable data available, that data necessarily must be considered by reason of the mandates of the statutes, which require a comparison of wages among comparable communities. Since the exclusion of comparables previously relied on by the Employer in previous arbitrations would practically eliminate the consideration of comparables which the statute requires; it follows that a generally comparable community should be considered for the purpose of making these comparisons.

For all of the foregoing reasons, then, the undersigned will consider the wage comparisons and the patterns of settlement among the eight suburban districts and the generally comparable districts as described supra.

WAGE AND PATTERNS OF SETTLEMENT COMPARISONS AMONG THE COMPARABLE COMMUNITIES

The undersigned will first consider the patterns of settlement comparing the patterns that exist among the comparables to the offers of the parties. The record evidence establishes that the Employer offer here proposes an average increase per returning teacher for the year 1987-88 of $1600 and for the year 1988-89 of $1800. The Association offer proposes an increase of $2016 per returning teacher for 1987-88 and $2001 for the year 1988-89. The foregoing increases, salary only, represent a salary only percentage increase proposed by the Association of 6.03% for 1987-88 and 5.64% for 1988-89. The Employer proposal represents a 4.78%

salary only increase for the year 1987-88 and a 5.14% salary only increase for 1988-89.

The sole settlement among the most comparable grouping, or for that matter, among the eight suburban southshore districts for 1987-88, is the Whitnall School District, which was part of a two year award of an arbitrator. The Whitnall settlement represented an average per returning teacher of $1914 and a salary only percentage increase of 5.4%. Thus, among the most comparable districts and the regionally comparable districts as determined by Zeidler and reinforced by Yaffe, only one district has settled. The Whitnall settlement as awarded reflects $314 more per returning teacher than the Employer offer here for 1987-88, and the Whitnall settlement for 1987-88 represents $102 less per returning teacher than the Association proposal here. Obviously, the Association offer more nearly approximates the dollars per returning teacher at Whitnall School District than does that of the Employer. However, one district is simply insufficient data to draw valid conclusions with respect to the propriety of either party's final offer.

The evidence discloses that among the most comparable districts there are final offers in each of the districts for both 1987-88 and 1988-89. The final offers of the Association in those districts mirror the final offers here. In Franklin, the Association proposes $2001 for 1987-88 and $2003 for 1988-89, and in Greenfield the Association proposes $2006 for 1987-88. In Franklin, the Employer proposes $1271 for 1987-88 and $1322 for 1988-89, and in Greenfield the Employer proposes an increase per returning teacher of $1601 for 1987-88. Thus, the final offers in Greenfield for 1987-88 mirror the final offer here. The same can be said for the Association final offer in Franklin. Similarly, the Employer offer here mirrors the final offer in Greenfield for 1987-88. In Franklin, the Employer offer, however, is approximately $330 lower than the Employer offer in either Greendale or Greenfield at $1271, and in 1988-89 the Employer offer in Franklin is approximately $478 lower than the Employer offer in Greendale. From all of the foregoing, it is clear that the parties have staked out nearly identical positions among the most comparable school districts as the positions set forth in the final offers here. While the foregoing is of some interest to the undersigned, it is certainly uninstructive for the purpose of resolving the instant dispute.

Having concluded that there is insufficient data to select the final offer of one of the parties based on the criteria of patterns of settlement among the most comparable and regionally comparable districts, the undersigned now turns to the settlements that have been entered into among the generally comparable districts as determined by Zeidler and reinforced in the decision of Yaffe. Among the generally comparable districts, and including the one settlement for 1987-88 of the most comparable districts, i.e., Whitnall, the data reflects that the average per returning teacher ranges from a low of $1850 (6.3% at Germantown) to a high of $2670 (8.3% at New Berlin). Specifically, there are six districts settled among the generally comparable and most comparable districts for 1987-88. (The district of Wauwatosa is settled, however, the undersigned excludes Wauwatosa by reason of the dicta in the Zeidler Award excluding Wausatosa and West Allis because of size) The settlements range from a low of $1850 (6.3% at Germantown) to a high of $2670 (8.3% at New Berlin). If one were to exclude New Berlin by reason of its extraordinarily dollar high per returning teacher and percentage settlement, the average among the remaining districts totals $1967.60 for the year 1987-88. That average approximates the Association final offer here of $2016 and, therefore, those patterns militate for a finding that the Association offer should be adopted. The settlement data for 1988-89 among the four settled schools (Whitnall has not settled for 1988-89) shows the average settlement per returning teacher to be $2009.75. Again, the average settlement among those comparables for 1987-88 favors the Association offer. The undersigned would comment that while these data favor the Association offer, the five settlements for the purposes of determing a pattern for 1987-88 and the four settlements for determining that pattern for 1988-89 are narrow for the purpose of determining the appropriate wage increase here. It appears, however, that a pattern is emerging even though it is not complete at this point, and, consequently, the undersigned concludes that that pattern is appropriate for the purpose of these comparisons.

Turning to a comparison of actual salaries paid under both parties' proposal, the undersigned, for the reasons stated supra, will make those comparisons with the Whitnall School District and with the generally comparable grouping discussed above. In making the comparison, the undersigned has reviewed the placement data and finds that 130.5 of the 185.6 FTE's are located in the master's lanes. The data further reveals that 93.3 of the 185.6 FTE's are at the top of the longevity steps of the master's lanes. The data further reveals that 68.3

of the 185.6 FTE's are located at the top longevity step of the MA lane and the top longevity step of the MA plus 30 lane. From all of the foregoing, the undersigned concludes that the appropriate comparisons in this matter, when comparing actual salaries paid at the various steps of the schedule should be compared at the top of the MA lane and the top of the MA plus 30 lane, because that is where 37% of the teachers in the District are currently placed. Furthermore, there are 95.1 FTE's of the 185.6 total FTE's located in the MA lane and the MA plus 30 lane. Thus, approximately 51% of the teachers in this District are placed in the MA lane and the MA plus 30 lane with expectations of getting to the top salaries in those lanes. In fact, there are no teachers in either lane who are further than seven years away from the longevity step. Based on all of the foregoing, then, the undersigned considers the crucial salary comparisons here to be the top of the MA lane and the top of the MA plus 30 lane.

Association Exhibit Nos. 19 through 22 establish the rates of pay among the comparables we have been discussing for 1986-87 compared to the years 1987-88 and 1988-89. The Association makes the comparison by comparing the average of 22 districts for 1986-87 and compares them to the settlements that have occurred for 1987-88 and 1988-89. The undersigned disagrees with that approach, because the averages for the 22 districts include more districts than there are settlements for 1987-88 and 1988-89. Consequently, the undersigned has constructed an average for 1986-87 among those districts where there is settlement data for 1987-88 and 1988-89. Those districts include Whitnall, Germantown, New Berlin, Nicolet, Glendale, Fox Point and Maple Dale. The data shows that in 1986-87 the top of the MA lane in the instant school district was $36,480 and the top of the MA plus 30 lane was $39,488. This compares with an average of the comparables recited above of $36,406 at the MA top and $38,415 at the MA plus 30 top. From the foregoing, it is seen that in 1986-87 the MA top of the Greendale teachers was $74 higher than the average of the identified comparables. The MA plus 30 top was $1073 the top of the MA plus 30 lane. From the foregoing, it is seen that with respect to the top of the MA lane, if the Association offer is adopted, the $74 advantage to the average, which Greendale enjoyed in 1986-87, becomes a $255 disadvantage; however, at the top of the MA 30 lane the $1073 advantage widens to $1350 advantage compared to these averages. In making the same comparison for the Employer offer to the average in 1987-88 compared to that same average in 1986-87, we find that the Employer offer of $37,604 at the top of the MA lane is $591 less than the average top of the MA lane among the comparables, an erosion from a position where the top of the MA lane was $74 above this same average in 1986-87. With respect to the top of the MA plus 30 lane, the Employer offer of $40,703 represents $445 above the average of the top of the MA plus 30 lane compared to a position which was $1073 above the top of the MA lane in 1986-87. Making the same comparison for 1988-89 with the exception that there is no data for Whitnall or Fox Point, we find that the Association final offer would cause an erosion at the top of the MA lane to $607 below the average, and an erosion at the top of the MA plus 30 lane to $454 over the average. The Employer final offer, if it were adopted, would cause an erosion to a minus $1013 below the average at the top of the MA lane and an erosion to a minus $13 below the average at the top of the MA plus 30 lane.

From the foregoing comparisons of salaries at the top of the MA lane and the top of the MA plus 30 lane, the Association offer is also preferred, because it more nearly reflects a maintenance of the relative positions to the average of the comparables which existed prior to 1987-88.

COST OF LIVING CRITERIA

The undersigned has reviewed all of the cost of living data, and without question, the cost of living criteria supports the Employer's final offer because it exceeds the percentage increase in the Consumer Price Index. The undersigned has considered the Association argument that since the Employer had settled for a percentage higher than the cost of living increase in the predecessor Agreement, the same percentage increase above the current cost of living should be adopted here. The Association cites no authority for that proposition, nor can the undersigned find any. The undersigned rejects the Association argument that because the Employer had previously settled with this Association for a percentage higher than the cost of living, the same percentage above cost of living should be considered in these proceedings. From all of the foregoing, then, the undersigned concludes that the cost of living criteria supports the final offer of the Employer.

COMPARISON WITH OTHER RELEVANT EMPLOYEE GROUPS

The Employer has made comparisons in its Exhibit No. 47-A of national settlements compared to the offers of the parties. Without question, the data contained in Exhibit 47-A shows that settlements nationally are less than the final offer proposed by the Employer here. The data can be given little weight, however, because the statutory criteria directs the Arbitrator to consider private sector data in the same community and in comparable communities. The data contained within Employer Exhibit 47-A is not data pertaining to comparable communities and, therefore, it cannot be given significant weight in determining the outcome of this dispute.

There is, however, in the record evidence which establishes that the Village of Greendale with its bargaining unit settled for a 4% increase in 1986 and in 1987. None of the Greendale bargaining units within the employ of the Village of Greendale are settled for 1988. (Employer Exhibit No. 9) The Village of Greendale data for the year 1987 compared to the school year 1987-88 shows that the wages only offers percentage increase of both parties is higher than the 4% increase that the bargaining units negotiated with the Village of Greendale. The comparison of percentage increases is unreliable in the opinion of the undersigned because of the distinctions in methods of payment between teachers and nonteachers. Teachers have an extensive salary schedule, which is generally not applicable in units bargaining with municipalities such as cities and villages. The undersigned, therefore, places little weight on the percentage increases negotiated with the Village of Greendale. The foregoing conclusion is buttressed when considering that the 4% increase in 1987 covers only one-half of one year of the two years at issue in these proceedings. Consequently, those settlements are unpersuasive to the undersigned.

Finally, the Employer argues from its Exhibit No. 48 that teachers are well remunerated when comparing Greendale's minimum wages with the rates of accountants, civil engineers, computer programmers, computer system analysts, copywriters, mechanical engineers, occupational therapists, physical therapists, registered nurses, social workers and surveyors. The Employer, in making the comparisons, attempts to compare the monthly rates by converting the annual teacher's salary to a monthly rate based on a 185 day teaching contract, and then comparing it to monthly rates reported for the occupations listed above by the Department of Industry, Labor and Human Relations from a wage survey of labor market information. The undersigned is not satisfied that the methodology employed by the Employer is an appropriate one in order to make the comparisons in this matter, and, therefore, the data carries minimal weight.

TOTAL COMPENSATION

Both parties have adduced evidence in this matter relating to the amount of health insurance premiums and increases in those premiums which are experienced by the Greendale School District and those among the comparable school districts. In addition to the foregoing, there are the total dollar increases reflected in the record for package increases and the percentage of package increase for the two years in question. The undersigned is persuaded that there is not sufficient evidence in this record to make a judgment or determination with respect to the criteria of total compensation. The foregoing conclusion is reached because the insurance premium increases standing alone do not reach all of the costs which are reflective of total compensation. Consequently, the fact that insurance increases have escalated significantly for this Employer at a rate higher than most of the other comparables, fails to establish that the total compensation factor favors the adoption of either party's offer. Moreover, the undersigned is unable to consider the total compensation factor when measuring the percentage package increases because while the percentage package increases and dollar per returning teacher package increases are available for the teachers within the instant school district, the undersigned finds no data within the record to make a comparison of total package increases among the comparable districts. For the foregoing reasons, the undersigned concludes that the total compensation criteria favors neither party's final offer.

THE HISTORICAL BARGAINING RELATIONSHIP AS IT APPLIES TO THE SALARY SCHEDULE

The Employer, in its reply brief, devotes significant argument to the effect that when viewing the history of settlements and the buyout of a prior cost of living provision in predecessor Collective Bargaining Agreements, the Greendale Employer offer is preferred. In so doing, the Employer relies on the dicta of Arbitrator Yaffe in the Voluntary Impasse Procedure (281). The Employer cites Yaffe as follows:

> The reasonableness of the parties' final offers must therefore be assessed in light of what occurred in 1979-80. In that regard, the average post COLA wage increase in the District in 1979-80 was $2371 or 13.9%. Not a single district in the area even closely approximated this increase. In fact, the average increase in the District exceeded the area average by $786. In this same regard, the average percentage wage increase in comparable districts was 9.47% while the average percentage increase in Greendale was 13.9%.
>
> When comparing the value of increases in total compensation, the average increase among comparable districts was $1717 or 8.96%, while the average increase in Greendale was $2844 or 13.595%.

The Employer further cites Arbitrator Fleischli, who decided the terms of the 1984-85 Contract as follows:

> As the Association's own data demonstrates, the settlements reached with other comparable districts for the 1981-1982 and (to a lesser extent) the 1982-1983 school years were generally equivalent to the increases granted under the terms of the parties' prior three-year agreement. That same data also demonstrates that the settlement for the 1983-1984 school year was substantially higher than the pattern of settlements in that year. Partly as a result of that higher than average settlement, and partly as a result of the substantial longevity payments received by teachers at the top of the salary schedule, the salary received by a majority of the teachers in the District has been above average, and in some cases substantially so. On the other hand, the data also demonstrates that the recruiting level salaries and salaries paid to teachers with relatively little experience, remains somewhat low, in some cases substantially below average. Finally, while the data with regard to the settlement pattern for 1984-1985 is somewhat incomplete, it would appear that the Association's offer, as measured by dollar increase or percentage increase, is closer to, but still below, that settlement pattern. (Emphasis added)

The Employer then argues that this Arbitrator, by reason of the foregoing, should pay little heed to the Association argument at page 25 of its brief, where it argues that its salary advantage is shrinking when comparing Greendale teachers' salaries to those of the comparables. The undersigned has considered the Employer argument and finds it is inapposite in this matter, because there is nothing in the deliberations of the undersigned or in any of the discussion set forth above, to establish that this Arbitrator has placed any weight on the Association argument that its salary advantage is shrinking. Since there has been no weight credited to that argument, it is unnecessary to address the history of the bargaining relationships between the parties as it applies to prior settlements and awards.

SUMMARY AND CONCLUSIONS RE SALARY:

With respect to the salary dispute, the evidence satisfies the undersigned that the patterns of settlement and the wage comparisons at the MA max and MA plus 30 max favor the adoption of the Association offer in this matter. The undersigned has concluded that the cost of living criteria favors the adoption of the Employer offer in this matter, and that the total compensation factor favors the offer of neither party. After due deliberation, the undersigned concludes that the Association offer is supported by the record evidence because of the greater weight to be accorded the patterns of settlements among comparable school districts, and the comparison of wages teacher to teacher among comparable school districts than the weight of the cost of living criteria. The other comparable school districts who have negotiated settlements with their teacher bargaining units have been impacted by the same cost of living increases as those that were experienced in the instant school district, and, consequently, the settlement patterns and the comparison of wages to wages at the appropriate benchmarks as outlined above, in the opinion of the undersigned, carry more weight. For that reason, the wage proposal of the Association is favored here.

THE INSURANCE ISSUE

There are two issues to be determined with respect to the insurance issue. The undersigned turns initially to the issue of the study committee as it is proposed by the Employer. The Association has argued in its brief that it does not oppose a study committee, and that it will continue to join the Employer in attempting to resolve the problems of the insurance matter. The Association further states that its sole opposition to this Employer proposal is that it emphasizes the fee for service plans which the Association considers inappropriate. In view of the fact that it is a fee for service plan which has created the escalation of premiums for coverage of the employees in this bargaining unit, the undersigned views it appropriate to emphasize the fee for service plans in the study committee. Consequently, the undersigned concludes that the Association's opposition to the study committee concept of the Employer is without merit. It follows therefrom that the Employer proposal with respect to the study committee for insurances is preferred.

With respect to the issue of premium participation in the event of additional increases in the health insurance premiums in 1988-89, the Association advances five arguments why the Employer proposal is unreasonable. The Association first argues that the District has not presented any evidence to show that it has attempted to negotiate this type of insurance cap in past rounds of negotiations. The undersigned has reviewed the record evidence, and it is clear from Joint Exhibit No. 2 that the Employer has established at least a partial cap on insurance premium payments in the predecessor Collective Bargaining Agreement, where at Article VI, Section A, we find the following:

> Effective July 1, 1985, all new hirees will have the option of participating in any of the health insurance programs referenced in paragraphs one and four, above. However, the District's contribution toward the premium amount will be limited to the lesser of the average premium cost as of July 1 of any year of the HMO programs agreed to by the GEA and the Board or the premium cost as of July 1 of the plan referenced in paragraphs 1-3 above. The difference in premium, if any, will be paid on a payroll deduction basis by the new hiree.

Thus, it is clear that the parties have negotiated the concept of caps as it applies to new employees. Consequently, the Association argument that no caps have heretofore been discussed or bargained in prior rounds is rejected. Furthermore, there is in this record the proposal of the Employer of June 2, 1987, and the Association response to that proposal on June 15, 1987. (Employer Exhibit Nos. 57 and 57-A) We find at subparagraph 5 of the Association response the following:

> The GEA is opposed to shifting the payment of the health insurance premium from the District to the teachers. The GEA is willing to share the health insurance premium increase with the District. The agreed upon teacher share would be offset against the salary settlement. The GEA would be willing to make a specific proposal in this regard as soon as bids are received from Blue Cross and Fireman's Fund and as soon as the new enrollment figures are known.

From the foregoing, it is clear that the Association, during the course of bargaining, considered the proposal of the Employer to place a cap on the insurance premiums and responded that it was willing to share the premium increase, if any. Here, the Employer proposal for 1988-89 does precisely what the Association said it was willing to do on June 15, i.e., share the premium increase. Since there was an indication to the Employer in bargaining that the Association would be willing to share premium increase, and the Employer offer herein does precisely that for 1988-89, the Association argument that the Employer offer is unsupported by the record is rejected, because the bargaining history shows to the contrary.

The Association also indicates that it has made prior concessions in previous rounds of bargaining, and as a result has not been oblivious to the health insurance needs of the Employer. The record evidence establishes that in the last round of bargaining there were modifications made to the health insurance program to which the Association agreed, i.e., the change from a $50 major medical deductible to a $100 front end deductible; the adoption of a prehospital admission review requirement; the imposition of a second opinion requirement for certain types of surgical procedures; and the limit placed upon the District's payment for new hirees hired after July 1, 1985. All of the foregoing reflects that the Association has been willing in the past to negotiate modifications to the program which would attempt to control costs. That, however, does not militate against the adoption of the Employer's offer here, because the record evidence is clear that the problems the parties now face with respect to the insurance premiums for the fee for service plan created new problems for the Employer and the Association which must be dealt with. Consequently, the undersigned considers it immaterial that the Association has been willing to make modifications to the plan in years past.

The Association further argues that the modification proposed by the Employer, wherein future premium increases in the year 1988-89 will be shared between the Employer and the Association, will exacerbate the adverse selection problem, and furthermore, will fail to comply with the WEAIT requirement that the District continue to pay 100% of the premium for all programs offered to the employees. While the foregoing statements of the Association are accurate, the undersigned is unpersuaded that the foregoing reasons are sufficient to reject the Employer proposal in this matter. While adoption of the Employer proposal here may ultimately result in the unwillingness of the Insurance Trust (the present carrier) to continue carrying the program for the Employer, that is not a sufficient reason to reject the Employer proposal, since the Agreement permits a change of carrier provided that benefit levels are maintained.

The Association further argues that the comparables do not support premium participation on the part of the employees, in that, only 4 of the 22 districts in the Milwaukee Metropolitan Area require their teachers to pay any part of group health insurance premiums. The undersigned rejects that Association argument in view of the fact that "the camel's nose is already under the tent" with respect to the participation in insurance premium on the part of employees in this District. The record establishes, as recited above, that new hires are subject to premium participation. It cannot be argued, in the opinion of the undersigned, that if new hires may participate in insurance premiums, employees who have previously been hired by the districts are immune from that treatment. The undersigned, therefore, rejects that Association argument.

Finally, the Association argues that capping the insurance premium, when viewed in conjunction with what it labels an inadequate salary offer on the part of the Employer, is patently unfair. The undersigned, in arriving at his final decision in this matter under the conclusion section which will follow, will address the propriety of which final offer to adopt in its entirety. Further discussion on this Association argument is deferred until that point.

The undersigned has reviewed all of the testimony and exhibits with respect to the Employer's proposal on insurance, and is satisfied, particularly since the Association at one point in this round of bargaining expressed a willingness to participate in sharing insurance premium increases, that the Employer offer on the insurance program is reasonable. Therefore, the undersigned would adopt the Employer insurance proposal if it were the sole issue before the Arbitrator. It is not, and consequently, which party's final offer should be adopted in its entirety without modification will be addressed in the next section of this Award.

SUMMARY AND CONCLUSIONS:

The undersigned has concluded that the Association offer with respect to salary schedules should be adopted, if that issue were standing alone, and that the Employer's insurance proposal should be adopted if that issue were standing alone. It remains to be determined which of the issues should control the entirety of this dispute.

The undersigned has given lengthy reflection to which of the final offers should be adopted, and because the Association in bargaining at one time took the position it was willing to accept the sharing of premium increases now advocated by the Employer; and because the final offer of the Employer, though it is below the patterns of settlement emerging in the generally comparable districts, does, nevertheless, exceed the salaries of the average of those generally comparable districts which are settled for 1987-88 by $445 at the MA plus 30 max, and is only $13 under that average for 1988-89; the undersigned concludes that the Employer offer should be adopted in this matter.

Therefore, based on the record in its entirety and the discussion set forth above, after considering all of the arguments of the parties, and the statutory criteria, the Arbitrator makes the following:

AWARD

The final offer of the Employer, along with the stipulations of the parties, and those terms of the predecessor Collective Bargaining Agreement which remain unchanged through the course of bargaining, are to be incorporated into the parties' written Collective Bargaining Agreement for the school years 1987-88 and 1988-89.

Dated at Fond du Lac, Wisconsin, this 11th day of March, 1988.

Jos. B. Kerkman,
Arbitrator-Mediator

JBK:rr