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STATE OF WISCONSIN

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Before

ROBERT J. MUELLER, ARBITRATOR

In the Matter of the Interest Arbitration
Between the

CUDAHY EDUCATION ASSOCIATION

and

SCHOOL DISTRICT OF CUDAHY

Case 42
No. 39493
INT/ARB 4590
Decision No. 25124-A

APPEARANCES:

Mr. James Gibson, Executive Director, Council #10
for the Association.

MULCAHY & WHERRY, S.C., Attorneys at Law by Mr.
Daniel G. Vliet, for the District.

BACKGROUND

On February 17, 1988 the Wisconsin Employment Relations Commission appointed the undersigned as arbitrator to resolve the impasse between the parties by selecting the total final offer of one or the other parties and issue a final and binding award pursuant to Section 111.70(4)(cm)6 and 7 of the Municipal Employment Relations Act. A hearing was held on April 15, 1988 in Cudahy, Wisconsin. The parties were present and were afforded opportunity to present such documents and testimony as they deemed relevant. Post hearing briefs were filed in the case.

THE FINAL OFFERS

The final offers present three issues. They are: 1) wage increase to the agreed upon schedule for 1987-88, 2) wage increase to the agreed upon schedule for 1988-89, and 3) organ transplant added benefit coverage to the health insurance plan.

Although the computation of the two parties varies ever so slightly as to the dollar amounts generated by their respective wage offers, I find the District's statement of the parties final offers as contained on page four of their brief to be concise and clear in illustrating the differences between the two final offers. Such statement of the issues is as follows:

	<u>1987-88</u>	<u>1988-89</u>
District: (ER 12)		
Wages only:		
% increase	4.44%	5.35%
Average increase	\$1,378	\$1,734
Total compensation:		
% increase	6.50%	6.15%
Average increase	\$2,655	\$2,676
Association: (ER 5)		
Wages only:		
% increase	6.44%	6.06%
Average increase	\$1,999	\$2,002
Total compensation:		
% increase	8.38%	6.80%
Average increase	\$3,423	\$3,018

2. Coverage for Organ Transplants

The parties' final offers regarding coverage for organ transplants are:

District: The District proposes no change in the existing level of health insurance coverage.

Association: The Association proposes to change the status quo by adding a new benefit providing for organ transplant coverage under the existing standard health insurance plan at the District's expense.

DISCUSSION

THE COMPARABLE DISTRICTS

The association argued that the 22 districts in the Milwaukee metropolitan area constitutes the appropriate group of districts to which comparisons should be made. They contend the three groups developed by Arbitrator Zeidler in a prior arbitration should be followed. In such case the arbitrator concluded that the districts of Cudahy, South Milwaukee, St. Francis and Oak Creek constituted the "most comparable" group. Those four districts along with Greendale, Greenfield, Franklin and Whitnal districts constituted the second most useful group of comparables which arbitrator Zeidler labeled as "regionally comparable." The third grouping which was labeled "generally comparable", consisted of the eight south suburban districts constituting the "regionally comparable" group, along with the other 14 Milwaukee metropolitan area districts which generally were situated north and west of the City of Milwaukee. The Association contends such groupings have been utilized by a number of arbitrators subsequent to the Zeidler case. In addition, the parties themselves have followed such groupings and utilized them for comparative purposes over the years. The Association contends in this case the district is engaging in district shopping and is arguing that only the southern tier group of 8 districts constituting the "regionally comparable" group should be utilized. They contend that such group of schools is insufficient to constitute a viable group to which comparison could be made because of the fact that a number of them have reached settlements through arbitration and some are simply not settled. They point out that there are five settlements among the 8 in such group and that 4 of such settlements have resulted from arbitration. They argue that those settlements reached through voluntary

negotiations and agreement should be afforded the greatest weight and in that respect all 14 of the other districts have reached voluntary settlements for 1987-88 and 13 of the 14 have reached voluntary settlements for 1988-89. They suggest then that when there is sufficient settlement data within the 4 "most comparable " districts or among the 8 "regionally comparable" districts on which to base a determination as to a settlement pattern, then those groups can logically be relied upon and be afforded the greatest weight in a comparison situation. When, however, there is not sufficient data in the "most comparable" or "regionally comparable" groups to afford a good base as a settlement pattern, one must of necessity look beyond for other settlement data with which to make comparison determinations.

The District contends the Association's reliance upon the districts that are geographically distant and economically unrelated to the southern tier group of 8 districts is inappropriate and not consistent with the determination of arbitrator Zeidler. They contend that the northern tier districts have in fact become more distinguishable and different from the southern tier districts since Zeidler first considered the comparability issue and arrived at the three groupings. Generally, the northern tier districts are much more affluent and have enjoyed a substantial growth rate compared to a negative growth rate in several of the southern districts. Cudahy in particular has incurred substantial decreases in property values due to loss of businesses and in turn a reduced amount of taxable property. Cudahy has incurred a decrease in the number of students in the school and has been forced to reduce its teaching staff as a result. The economic characteristics of the districts in the two areas also differs. The range of aggregate income among the 19

districts ranges from \$20,726 to \$44,107. The majority of the southern tier districts are in the lower half of that range.

Stated in the simplest of terms, the Association is arguing in this case that a wider group of comparables should be utilized for the simple fact that the use of such wider group is more favorable to the Association's position and final offer. The District, on the other hand, has argued for utilizing the smaller group of comparables because of the fact that they are able to make a stronger case in their favor and place their final offer in a more favorable light.

One must acknowledge that the matter of comparability consists of a number of different analyses dealing with comparability. For example one may compare school district A with its comparables with respect to the pattern of settlement in percentage of increase to the salary schedule for a particular year. Another comparison may be that of comparing the annual dollar increase granted each teacher at district A compared to those comparables. Another method may examine the various benchmarks and give consideration to evidence of where the greater number of teachers are located on the salary schedule. Another method may be that of comparing an historic relationship of district A to its comparables to determine whether it has gained or lost ground and examine any reasons that may be responsible for the results. It is generally recognized that voluntary settlements should be entitled to somewhat greater weight than that of settlements that are placed upon the parties through arbitration. For example one may accept as a settlement pattern that of two settlements out of four districts where they are both voluntary. On the other hand the existence of two settlements through arbitration out of four districts is likely to be accepted less readily as a settlement pattern. That is not to say that they are not both patterns because they in fact are in place and exist.

They would be equally relevant with respect to some comparisons. For example whether they be voluntary or by arbitration, once the amounts are set and in place they establish what the particular teacher is paid in each district. When one then makes an analysis of comparative ranking and/or historic evaluation of how the districts have evolved over time and compared one to the other, they are equally relevant in that type comparison.

If, for example, there existed but one settlement through arbitration in the most comparable group of 8 schools, it's not likely that such arbitrable level of settlement would be accepted as the standard for all others or accepted as the pattern. Under such circumstances one would normally look to the next most comparable group where there had been sufficient settlements or arbitral decisions to reasonably establish a base pattern.

In this case there apparently are four settlements through arbitration and one through voluntary negotiations among the 8 southern tier districts. There is no doubt but that the levels of settlement at those districts are relevant for some comparative purposes. There is no doubt but that such group as settled are not as binding a consideration for establishing a pattern for all comparison purposes as would be where all other school districts in the comparative group were to have settled on a voluntary basis. In such case a very definite pattern of settlement would be found to exist.

ARGUMENTS AND APPLICATION OF STATUTORY FACTORS

The Association has addressed the vast majority of its argument to factor D constituting the comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services.

The District, on the other hand, spent a great deal of its argument addressed toward factor H constituting the overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pension, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

The Association argues that factor D should be afforded the greatest weight by the arbitrator in judging whether or not the Association or District final offer should be adopted.

The District argues that the greatest weight should be afforded factor H and should control the selection by the arbitrator.

The reasons for the partys' argument and positions on the statutory factors is evident without saying. Clearly the Association makes its strongest case by arguing the salary only increase afforded teachers under the two final offers compared to the level of settlements on salary only to teachers in other districts. The District makes its strongest case by arguing overall compensation and including the dramatic increase in cost of health insurance during the recent past to the salary only increases.

The Association examined and evaluated the settlements that were in place in the other southern tier school districts individually. At pages 20 and 21 of their brief, the Association stated as follows concerning the Whitnall School district arbitration results.

" Of the six salary schedule benchmark positions compared by both Arbitrator Kerkman in his Whitnall award and by the CEA on Exhibit #27, two of the most important positions are the MA Maximum salary and the MA+30 Maximum salary. There are currently 75 teachers (37%) at the maximum Masters Degree salary. In 1986-87 a Whitnall teacher who was placed at the maximum salary

of the Masters Degree column earned \$37,258. That same teacher would have earned only \$33,803, or \$3,455 less in the Cudahy district. The CEA's offer for 1987-88 will decrease this disadvantage by a modest \$154 to -\$3,301 while the District's offer will exacerbate this negative differential by another \$515 to -\$3,970. A similar situation occurs at the Masters plus 30 credits, maximum salary benchmark position. The differential in 1986-87 between Whitnall and Cudahy was -\$3,604. The CEA's offer will reduce this negative differential to -\$3,249 while the District's offer will increase the differential by \$372 to -\$3,976.

At the time of the writing of this brief, the Whitnall salary schedules for 1988-89 through 1990-91 were not available. Published reports, which have been confirmed by the chief negotiator for the teachers' union, stated that the average increase per teacher for each year of the new Agreement were as follows: 1988-89 = +\$1,850, 1989-90 = +\$1,950, 1990-91 = +\$2,050. The two year increase, then, for Whitnall teachers for the years in dispute in the instant case, 1987-88 and 1988-89, will be \$1,914 + \$1,850 = \$3,764. The increase for the same two year period of time under the CEA offer will be \$4,002, \$238 more than the Whitnall increase. The increase for the same two years under the Cudahy School Board's offer will be \$3,115, \$649 less than the Whitnall increases. The CEA offer, then, is closer to the Whitnall settlement than is the Cudahy School Board offer."

The second case evaluated by the Association was the Greendale School District. In that case the arbitrator ruled in favor of the district final offer. The Association, however contended the arbitrator found the Association's proposal with respect to the salary increase to be the most preferable and the one most comparative under his analysis but found the second issue which involved insurance to be more important than the salary issue and one that favored the district's final offer. the Association pointed out that at the two Masters degree maximum benchmark positions, teachers at Greendale are paid at approximately \$1500 to \$3000 more than are teachers at the same benchmarks at Cudahy.

The third district evaluated by the Association was that of Greenfield. In such case the arbitrator found the wage offer of the Association to be the more reasonable and so awarded. In such case the Association's wage offer amounted to \$2,006 per teacher whereas the District's offer amounted to \$1,601 per teacher. The Association further evaluated various of the benchmarks with the conclusion that the district's offer would create a greater disparity between that paid teachers at Greenfield at various benchmarks in comparison to teachers at Cudahy at the comparable benchmarks.

In evaluating the Oak Creek arbitration award, the Association points out that the final offer of Cudahy is lower than that offered by the district in Oak Creek. Additionally, the Oak Creek award covers 1987-88 and therefore for the 1988-90 contract year the Association will have an opportunity to try and negotiate and recoup some of their losses. The Cudahy district offer, however, would impose a substandard increase below that of comparables for a two year period. Also, the district's final offer at Cudahy would fail to make up any differences or afford any movement toward equality at various benchmarks with Oak Creek.

The final settlement examined by the Association of the southern tier districts was that of South Milwaukee. In such case the parties negotiated a three year agreement covering 1987-88, 1988-89 and 1989-90. The Association offered the following evaluative comments concerning the benchmarks at pages 27-28 of its brief as follows:

" At the BA, Minimum benchmark position, the CEA offer will increase the 1986-87 negative differential of -\$44 to -\$238 in 1987-88 while the Board's offer will increase this differential to -\$604. In 1988-89, the CEA offer will wipe out the negative differential and achieve a modest \$36 advantage for Cudahy teachers while the Board's offer will maintain a -\$455 disadvantage.

The CEA offer will increase the -\$1,081 1986-87 disadvantage at the BA maximum benchmark position to -\$1,102 in 1988-89 while the Board's offer will increase the disadvantage to -\$1,917. A similar result will occur at the MA Minimum benchmark position.

The CEA offer will change the 1986-87 disadvantage of -\$61 at the MA, Step 10 position to a modest \$160 advantage in 1988-89 while the Board's offer will increase the disadvantage to -\$697.

The CEA offer will improve the negative disadvantage of Cudahy teachers at the MA Maximum position from -\$1,667 in 1986-87 to -\$705 in 1988-89 while the Board's offer will provide for almost no catch-up at all at this critical benchmark.

Finally, the CEA offer will change the -\$17 disadvantage at the MA+30 position to an \$1,199 advantage in 1988-89 while the Board's offer will only provide an advantage of \$167."

Commenting on the thirteen northern tier districts, all of them reached voluntary settlements for the 1987-88 year. The Association points out that the average of such salary increases was \$2,047 per teacher. If the settlement at New Berlin, which is exceedingly high and Germantown which is the lowest of the settlements were excluded, the remaining 11 average would be \$2,004.

Twelve of the same group of districts are also settled for 1988-89. The average per teacher in those 12 districts will be \$2,100.

In examining an historical comparison between Cudahy and the 21 districts, the Association stated as follows at pages 31-32 of its Brief:

"CEA Exhibits 12 through 23 provide an historical perspective on the salary schedule benchmark comparisons between Cudahy and the other twenty-one (21) districts in our comparison pool. We can determine from these exhibits whether Cudahy teachers are "catching up" to or falling behind the average salary paid at each benchmark for each of the three comparison groupings. At the BA Minimum salary position (Assoc. Ex. #12), for instance, Cudahy teachers were \$63 ahead of the average of the four "most comparable" districts in 1984-85, \$192 behind the average of the eight "regionally comparable" districts, and \$722 behind the average of the twenty-two "generally comparable" districts. In 1985-86 the comparative position compared to the second and third groups worsened. Cudahy teachers moved \$5 further ahead of the average in the "most comparable" group but they moved further behind the "regionally comparable" group to -\$258 and further behind the "generally comparable" group to -\$1,084. In 1986-87, the relative position of Cudahy teachers compared to

the "most comparable" group was reduced back to +\$63 while the negative disadvantage compared to the "regionally comparable" group grew to -\$321 and the negative disadvantage compared to the "generally comparable" group was reduced by \$3 to -\$1,084. The conclusion that we draw from this data is that the BA Minimum salary for Cudahy teachers has remained slightly ahead of the average in the "most comparable" group over the past three years; that the salary at this position has steadily diminished compared to the average in the "regionally comparable" grouping; and the salary at this position has worsened compared to the average in the "generally comparable" group where a great deal of "catch-up" is deserved.

Similar conclusions can be drawn regarding the historical benchmark status of Cudahy teachers at the BA maximum, MA minimum and MA, Step 10 benchmark positions."

The Association entered as Appendix "B", attached to its brief, a summary of what they viewed as the impact of the two final offers at the MA maximum and MA + 30 maximum salary schedule benchmark positions in comparison to the other listed districts. Such exhibit is as follows:

APPENDIX B

Council #10
Cudahy Teachers
May 20, 1988

DISTRICT	1986-87 DIFF.	1987-88			1987-88			1988-89			1988-89		
		(ASSOC. OFFER)	GAIN (+)	LOSS (-)	(BO. OFFER)	GAIN (+)	LOSS (-)	(ASSOC. OFFER)	GAIN (+)	LOSS (-)	(BO.) OFFER)	GAIN (+)	LOSS (-)
<u>MA Maximum Salary</u>													
New Berlin	-1677	-2232		-555	-2901		-1224	-2772		-540	-3725		-824
Maple Dale	-4430	-4575		-145	-5244		-814	-4620		-45	-5573		-329
Wauwatosa	-969	-798	+171		-1467		-498	-643	+155		-1596		-129
Fox Point	-2972	-2292	+680		-2961	+11		-3403		-1111	-4356		-1395
Germantown	+1351	+1667	+316		+998		-353	+1918	+251		+965		-33
Nicolet	-3547	-3492	+55		-4161		-614	-3267	+255		-4220		-59
Glendale	-3597	-3641		-44	-4310		-713	-3447	+194		-4400		-90
Whitefish Bay	-2286	-2344		-58	-3013		-727	-2016	+328		-2969	+44	
Brown Deer	-818	-1371		-553	-2040		-1222	-1836		-465	-2789		-749
Menomonee Falls	-607	-641		-34	-1310		-703	-571	+70		-1524		-214
Elmbrook	-1651	-1717		-66	-2386		-735	-1700	+17		-2653		-267
Muskego	-1992	-1738	+254		-2407		-415	NS			NS		
Shorewood	-2127	-2177		-50	-2846		-719	-2114	+63		-3067		-221
Average	-1948	-1950		-2	-2619		-671	-2039		-89	-2992		-373
<u>MA+30, Maximum Salary</u>													
New Berlin	-1107	-1617		-510	-2344		-1237	-2263		-646	-3295		-951
Maple Dale	-2130	-2130		00	-2857		-727	-2186		-56	-3218		-361
Wauwatosa	-2377	-2212	+165		-2939		-562	-2225		-13	-3257		-318
Fox Point	-1322	-442	+880		-1169	+153		-1499		-1057	-2531		-1362
Germantown	+595	+940	+345		+213		-382	+1054	+114		+22		-191
Nicolet	-2822	-2667	+155		-3394		-572	-2543	+124		-3575		-181
Glendale	-1947	-1692	+255		-2419		-472	-1693		-1	-2725		-306
Whitefish Bay	-1002	-943	+59		-1670		-668	-632	+311		-1664	+6	
Brown Deer	+67	-363		-430	-1090		-1157	-849		-486	-1881		-791
Menomonee Falls	+47	+60	+13		-667		-714	+19		-41	-1013		-346
Elmbrook	-754	-58	+696		-785		-31	-80		-22	-1112		-327
Muskego	-2337	-2026	+311		-2753		-416	NS			NS		
Shorewood	-1465	-742	+723		-1469		-4	-801		-59	-1833		-364
Average	-1273	-1069	+204		-1796		-523	-1142		-73	-2174		-378

Source: CEA Exhibits 24-39

The District addressed the Association's salary only arguments in its reply brief. They contend the Association's position is predicated upon benchmark levels and settlement patterns in geographically unrelated and economically unrelated school districts. they contend the Association simply dismisses the total compensation factor because it is unfavorable to their position.

The district argues that the Association's contention that a \$2,000 average settlement pattern for teachers exists is not supported by the evidence. They contend that with the sole exception of greenfield among the southern tier districts, no 1987-88 or 1988-89 settlements grant a \$2,000 increase. At page 6 of their reply brief they set forth the following data:

WAGES ONLY SETTLEMENTS
(Employer Exhibit 31)

<u>District</u>	<u>1986-87</u>		<u>1987-88</u>		<u>1988-89</u>
Cudahy	\$1,964	Bd:	\$1,378	Bd:	\$1,734
		Assn:	\$1,999	Assn:	\$2,002
Franklin	\$1,963	Bd:	\$1,270	Bd:	\$1,325
		Assn:	\$2,000	Assn:	\$2,000
Greendale	\$1,892		\$1,600		\$1,800
Greenfield	\$1,994		\$2,006		Not Settled
Oak Creek	\$1,929		\$1,460		Not Settled
St. Francis	\$2,320	Bd:	\$1,750	Bd:	\$1,850
		Assn:	\$2,102	Assn:	\$2,104
S. Milwaukee	\$1,950		\$1,800		\$1,700
Whitnall	\$1,624		\$1,915		Not Settled
AVERAGE:	\$1,955		\$1,756		\$1,750

The District argues that the above data shows that the District's second year wage offer is directly in line with the comparable settlements/final offers established by five of the eight southern tier districts. Given the significant insurance costs thrust upon the district, its first year offer still remains within the range of average wage settlements. They contend the southern tier districts maintain comparability to one another based on present circumstances. They argue that Cudahy never has and should not now be viewed as comparable to the northern tier 14 districts or that it should move closer to the levels of their salary structures. In fact the evidence reveals that the southern tier districts, as a group, have tended to move farther away rather than closer to, the salary levels paid in the northern tier of districts. The District offered the following comparison of averages over a three year period at page 9 of its reply brief as follows:

	<u>Average - Southern Tier</u>	<u>Average - 14 Other Area Districts</u>	<u>Difference</u>
<u>BA Minimum</u>			
1984/5	15192	16025	- 833
1985/6	16158	17441	-1283
1986/7	17277	18413	-1136
<u>BA Maximum</u>			
1984/5	26954	26185	769
1985/6	28333	27776	557
1986/7	29778	29292	486
<u>MA Minimum</u>			
1984/5	17236	17990	- 754
1985/6	18415	19490	-1075
1986/7	19771	20748	- 977
<u>MA Maximum</u>			
1984/5	31584	32047	- 463
1985/6	33382	33886	- 504
1986/7	35105	35804	- 699
<u>M+30 Maximum*</u>			
1984/5	33821	33720	101
1985/6	35719	35861	- 142
1986/7	37584	37946	- 362

(Source UN 12-23)

The District argues that the total compensation consideration and application of such factor to the final offers clearly favors the District's final offer. To better understand its total final offer compensation argument, it is necessary to first discuss the increase in cost of health insurance which the District contends is crucial to consideration of this case. The District addresses such issue at pages 11-13 of its brief as follows:

" A comparison of the annual health and dental premiums paid in each of the comparable districts reveals that the current District paid insurance rates are significantly above average. (A range of paid premiums, low and high, is utilized where more than one plan is offered.)

1987-88

Range of Annual Paid Premiums for
Health and Dental - Family Plan

<u>Comparable</u>	<u>Low</u>	<u>High</u>
Franklin	\$3,034	\$3,911
Greendale	3,009	4,152
Greenfield	2,993	3,618
Oak Creek	3,106	4,076
St. Francis	2,925	3,495
South Milwaukee	3,090	3,342
Whitnall	---	3,178
<hr/>		
Average	3,026	3,682
<hr/>		
Cudahy	\$3,060	\$4,933

For the 1987-88 school year the District experienced a staggering increase in its standard health insurance coverage: a 70% increase in the District's Blue Cross/Blue Shield (BC/BS) and, for the 1988-89 school year, an additional increase of 16%. This unprecedented increase in 1987-88 as well as the substantial increase for 1988-89 caused the District to bear significant additional costs for employee benefits, especially since over 55% of the teachers have coverage under BC/BS.

Under either offer before the Arbitrator, the District would shoulder a considerable financial burden for providing paid insurance benefits. The Association's salary proposal cannot be treated in isolation, but must be examined as a component of the teacher's total compensation. Employer Exhibit 31, provides the total compensation settlements among the comparables for school years 1986-87, 1987-88 and 1988-89. In each instance, the District ranks the highest in total compensation settlements.

District	TOTAL COMPENSATION SETTLEMENTS AMONG COMPARABLES					
	1986-87		1987-88		1988-89	
	\$	%	\$	%	\$	%
Cudahy	2,726	7.10%	Bd: 2,655 Assn: 3,423	6.50% 8.38%	Bd: 2,679 Assn: 3,020	6.15% 6.82%
Franklin	2,759	6.00%	Bd: 2,234 Assn: 3,148	5.33% 7.50	Bd: 2,360 Assn: 3,039	5.34% 6.74%
Greendale	Not Available		2,424	5.51%	2,555	5.50%
Greenfield	2,645	7.15%	2,595	6.50%	Not Settled	
Oak Creek	2,610	6.86%	2,186	5.35%	Not Settled	
St. Francis	2,816	7.74%	Not Available		Not Available	
So. Milwaukee	2,510	6.60%	2,412	6.12%	2,565	6.10%
Whitnall	2,261	6.13%	2,477	5.35%	Not Settled	

In 1987-88 the District offer of a 6.50% increase shares the first ranking among the comparables in both percentage increase and actual dollar increase. Among the Board offers and actual comparable settlements for 1988-89, the District's offer is highest with an increase of 6.15%."

The association argued that the District is simply using the health insurance issue as a smoke screen to justify what they know is an untenably low salary offer. They are in fact proposing an insurance premium cap. They contend that if the District wanted the teachers to pay a part of the premium they should have made such a proposal in conjunction with a salary proposal that would be fair and equitable. Instead, they have attempted to justify a less than fair salary settlement by arguing that the health insurance premiums have increased to where it is simply unfair and unjustified.

Two other areas of consideration received attention by the parties. The District argued that the City of Cudahy is experiencing extreme hardship due to significant job loss, layoffs and plant closings. They presented a number of exhibits showing the loss in private sector jobs, the loss of businesses, vacant business properties, and evidence and exhibits tending to show a negative economy. They argued that such economic hardships had caused a loss of real estate valuation which in turn directly affects the amount of taxes that taxpayers are required to pay to make up for loss in property values. They contend the District has the second highest total cost per pupil among the comparables. In addition, the growth in school expenditures and

the decline in enrollment has contributed to Cudahy's economic woes. The District argues that in view of the City of Cudahy's economic condition, the District offer is the more reasonable as being in accord with the interests and welfare of the public.

The Association contends that it is inappropriate to base a decision on teacher's salaries on economic conditions confronting the City. Teachers are employed in an entirely different sector than that of the private sector to which the District has referred and to which its exhibits are addressed. Further, there is no evidence to show that the loss of workers at the manufacturing plants located in Cudahy in fact live in Cudahy. It is a fact of life that the fortunes of a community's various industries ebb and flow over time. The school system, however, is expected to continue on an even keel. The Association further contends that the economic conditions in the community are not as bleak as the District would have one believe. There are reports and articles that indicate to the contrary. They contend such factor is not determinative of the issues in this case.

Both parties also addressed and argued the effect of the CPI. In May of 1986, the CPI was reported as having increased at an annual rate of 1.6%. For the first half of 1987, the increase was 2.6%. Prolonged discussion is not necessary on this factor. It is clear that such factor strongly favors the District's final offer.

The District presented into evidence Exhibits 18 and 19 which purported to show the levels of settlement with other public employees employed by the District and the City of Cudahy. It show that the majority of employee groups received 2% at the start of the one year contract and 2% at the midpoint of such contract for contract year 1988. No data is supplied for 1989.

The Association argues that such limited information does not allow meaningful comparisons to be made because there is no historical evidence showing the relationship of other employee classifications to that of teachers, there is no evidence as to how long employees take to progress to the top of their pay range and there is no evidence on any other aspects of comparability that would permit a meaningful

evaluation.

DISCUSSION CONCERNING ORGAN TRANSPLANT INSURANCE COVERAGE

The District argued that the external comparables support the District maintaining its status quo position on organ transplant coverage. They contend the Association has not met its burden of proof to justify changing the status quo. They have not established that a legitimate problem exists which requires contractual attention. Further, the district contends the parties negotiated that issue and that the Association insisted and stayed with its proposal without offering a quid pro quo in exchange therefore. Finally, the District argues that the comparable districts are divided on providing such coverage. They contend only five of the eight comparables provide organ transplant coverage but only three of those five expressly state such coverage in their collective bargaining agreement. They point out that no other group of employees is provided such benefit in the school district nor do any other Cudahy city units receive that benefit. The District argues that if the Association felt so strongly in need of such coverage, that they should have offered a quid pro quo in exchange for the District assuming such additional coverage and cost or to have assumed the additional cost by employees paying the approximate single coverage cost of 0.86¢ per month and that of family coverage of \$1.73 per month. They did neither.

The Association contended that the organ transplant issue became a priority as the result of a very unfortunate incident involving a secretarial employee of the District. Such employee incurred a need for a liver transplant. It was not discovered until after a claim was filed for health insurance benefits for the transplant that it was not covered under the insurance plan. The carrier rejected coverage. The cost of such procedure is in the neighborhood of \$52,000 plus the probability of some very extensive follow up treatments.

The Association contends that the cost of such added coverage is minimal. It is not a high price for the District to pay to calm the fears of the District's teachers concerning such a significant gap in their insurance coverage. Finally, the Association contends that organ transplant coverage is provided in five of the other seven districts. A comparative analysis clearly supports the Association's position on this issue.

SUMMARY AND CONCLUSIONS

The Association would have me place the greatest and controlling consideration on factor d and its arguments regarding benchmarks, salary only settlements and other comparisons within that factor. I am of the judgment that I cannot properly do so under the Statute. The Statute does not provide that one or two factors are to be entitled to more weight and consideration as opposed to one or two others. I believe that the application of the Statute requires equal weight and consideration to each and every factor to the extent that evidence is presented into the record sufficient to allow meaningful analysis and consideration to be made thereof.

In this case it seems to me that the Association has made the most persuasive case with respect to factor d as it relates to the salary only level of settlements and the benchmark comparisons. Also I find that the Association has made a more persuasive case in favor of its organ transplant proposal.

I find that the District has made a more persuasive presentation as to factors c,e,f,g and h. Although subject to some of the criticisms verbalized by the association, I find that the District's evidence supports a finding that the District has and is undergoing a somewhat more severe economic experience than normal. Such facts do have an adverse impact on the ability of the District to meet its obligations.

Settlements in the private sector and involving other public employees in the same and in comparable communities are shown to be less than either the District or Association final offer. Under said factors the District's final offer is subject to preference.

The CPI (factor g) requires no discussion. The District offer is to be preferred under such factor.

Finally, under factor h the District's offer is more supportable by the comparables. In that respect I find the southern tier of districts and their levels of total compensation settlements to be most relevant as applied to this factor in this case.

I am of the judgment that in the final analysis and under the responsibility to give due regard and weight to all relevant factors upon which relevant and meaningful evidence is presented that I must award as follows:

AWARD

The final offer of the District , 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 contact years 1987-88 and 1988-89.

Dated at Madison, Wisconsin this 3rd day of August, 1988.



Robert J. Mueller