

BEFORE THE ARBITRATOR

RECEIVED
JAN 26 1990

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of	:	
LOCAL 523, AFSCME, AFL-CIO	:	Case 40
To Initiate Arbitration	:	No. 41171 INT/ARB-5043
Between Said Petitioner and	:	Decision No. 26060-A
	:	
JANESVILLE SCHOOL DISTRICT	:	
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Appearances:

Mr. Thomas E. Larsen, Staff Representative, Wisconsin Council 40, AFSCME, AFL-CIO, Beloit, Wisconsin, on behalf of Local 523, AFSCME, AFL-CIO.

Ms. Anne L. Weiland, Attorney at Law, Menomonee Falls, Wisconsin, on behalf of the Janesville School District.

ARBITRATION AWARD

Local 523, AFSCME, AFL-CIO, hereinafter referred to as the Union, and the Janesville School District, hereinafter referred to as the District or Board, having between May 26, 1988 and October 12, 1988 met on seven occasions in collective bargaining in an effort to reach an accord on the terms of a new collective bargaining agreement to succeed an agreement, which by its terms was to expire on June 30, 1988, and which agreement covered all regular full-time and regular part-time secretarial, aides and clerical employees employed by the District. Failing to reach an accord on the new agreement, the Union, on October 12, 1988 filed a petition with the Wisconsin Employment Relations Commission (WERC), requesting the latter agency to initiate arbitration pursuant to Sec. 111.70 (4)(cm) 6 of the Municipal Employment Relations Act;

and following an investigation conducted in the matter, the WERC, after receiving the final offers from the parties, on June 22, 1989, issued an Order wherein it determined that the parties were at an impasse in their bargaining, and wherein the WERC certified that the conditions for the initiation of arbitration had been met, and, further, wherein the WERC ordered that the parties proceed to final and binding arbitration to resolve the impasse existing between them, and in that regard the WERC submitted a panel of seven arbitrators from which the parties were to select a single arbitrator. After being advised by the parties of their selection, the WERC, on July 11, 1989, issued an Order appointing the undersigned as the Arbitrator to resolve the impasse between the parties, and to issue a final and binding award, by selecting either of the total final offers proffered by the parties to the WERC during the course of its investigation.

Pursuant to arrangements previously agreed upon, the undersigned conducted hearing in the matter on September 27, 1989 at the offices of the District in Janesville, Wisconsin, during the course of which the parties were afforded the opportunity to present evidence and argument. The hearing was tape recorded, and copies of the tapes were received by the parties and the Arbitrator. The parties agreed to file initial and reply briefs. Both parties filed initial briefs. The District filed a reply brief, while the Union chose not to do so. The Arbitrator closed the record as of December 6, 1989.

THE PROPOSALS IN ISSUE

The issues between the parties, as reflected by the proposals contained in their final offers, are as follows¹:

Subcontracting of Unit Work

The 1986-88 collective bargaining agreement between the parties, in Article IV - Board Rights, specifically in Section 4.01, provides that the Board "retains and reserves" to itself various rights, including the right "...to subcontract any and all work...". The Union proposes that said language be excluded from the 1989-90 agreement. The Board would retain the provision as expressed in the 1986-88 agreement between the parties.

Leave Days for Union Business

The 1986-88 agreement does not provide for leaves for Union business. The Union proposes that the following provision be included in the successor agreement under Article V - Union Activity:

"5.03 At the beginning of every school year, the Union shall be credited with five (5) contract leave days to be used by the officers or agents of the Union at the discretion of the Union. The Board Administrator will be notified in writing not less than one week prior to the commencement of such leave. The leave days shall not be cumulative from year to year. The Union shall reimburse the Board for the cost of the Employee's wages."

The Board opposes the inclusion of the above provision in the 1988-90 collective bargaining agreement.

¹The issues are set forth in the order in which they would impact on the provisions in the expiring collective bargaining agreement, and not in the order of importance as deemed by the Arbitrator.

Proposed Changes Relating to Dues Deduction

The initial paragraph of Article VI - Dues Deduction in the expiring agreement provides as follows:

"6.01 The Board agrees to deduct union dues from employee's checks semi-monthly in uniform amounts that are as equal as possible. Such deductions shall be forwarded to the treasurer of the local union, within ten (10) days of such deductions. The officers of the union shall certify the amount of dues to be deducted, and changes in the amount of dues shall be certified by the officers of the Local, thirty (30) days prior to July 1 of any year. The Board agrees to notify the treasurer of the local union each month, of the number of employees from whom union dues have been deducted."

In its final offer the Board proposes that the reference to "July 1 of any year" be changed to read "August 1 of any year". The Union proposes no change in said paragraph.

The second paragraph in Section 6.01 of the 1986-88 agreement reads as follows:

"The Union shall submit to the Personnel Office by July 1 of each year, the signed check-off authorization, alphabetical by assignment, of those who have chosen to pay union dues. Such authorization shall be in force until terminated by the employee upon at least sixty (60) days written notice to the Union and the Board prior to expiration of the current contract."

The Union proposes that said second paragraph be amended to read as follows:

"The Union shall submit to the Personnel Office the signed check-off authorization cards of those who have chosen to pay Union dues. Such authorization shall be in force and effect until terminated by the employee giving at least thirty days' written notice of such termination. The Union shall supply the authorization forms."

The Board would amend the existing second paragraph of Section 6.01 to read as follows:

"The Union shall submit annually to the Personnel Office by

the close of the second school day for students the signed check-off authorizations, alphabetically, of those who have chosen to pay union dues. Such authorization shall be in force until terminated by the employee at the end of any year of its life by the employee giving at least thirty days' written notice of such termination."

The parties would retain the remaining provisions in Article VI.

Fair Share Agreement

Both parties propose the inclusion of a new Article VII, entitled "Fair Share". However, the inclusion thereof in the successor agreement, in the Board's proposal, would require that the bargaining unit employees approve same in a fair share referendum conducted by the WERC, pursuant to Sec. 111.70(2), Wisconsin Statutes. The Union's proposal does not require such an approval by unit employees. Further, under the Board's offer, once incorporated in the agreement, the Union would have to notify the District by August 1 of the year involved of any change in the amount of the fair share contribution.

Article XII - Grievance Procedure

Both parties propose that Steps 3 and 4 of Section 12.03 of the expiring agreement be changed. Step 3 of the expiring agreement provides as follows:

"If the grievance is not resolved at Step 2, the grievant or the Union may within ten (10) days following the receipt of the response from the Director of Personnel, file the grievance with the District Administrator. The District Administrator shall provide a written answer to the grievant within ten (10) days of the receipt of the grievance."

Both parties agree that the above provision should be changed to read as follows:

"If the grievance is not resolved at Step 2, the grievant or the Union shall, within ten (10) days following the written receipt of the response from the Director of Personnel, notify the District Administrator in writing that the grievance is to be submitted to the Janesville Board of Education. A notification not timely filed shall be deemed resolved in favor of the Board. The Board shall consider the grievance at a closed hearing within twenty (20) days after the grievance has been received by the District Administrator. The Board shall notify the grievant in writing of its decision within fifteen (15) days of the hearing."

The parties, except for the wording of the first sentence, are in agreement as to the Step 4 provision providing for arbitration of grievances. The Union would have the first sentence read as follows:

"If the Union is not satisfied with the decision of the Board, the Union shall within thirty (30) days of the receipt of the written decision notify the District Administrator that the grievance is to be submitted to arbitration."

The District would word the first sentence as follows:

"If the Union is not satisfied with the decision of the Board, it may within thirty (30) days of the receipt of the written decision notify the District Administrator that the grievance be submitted to Arbitration."

Article XV - Furlough Days

The expiring agreement contains the following provision with respect to employee furlough days:

"All school-year secretaries, aides, and clerks in classifications IV through VI are required to take three (3) unpaid furlough days per year. The days must be approved by the appropriate supervisor. The Board reserves the right to exempt individual occupational groups or employees from this requirement. The Union will be informed of any exemption."

The Union proposes that the second sentence be deleted from the provision and, further, that the following new provision be included as Section 15.02:

"Employees shall be able to select the days to be taken off, however proper notification shall be submitted to the employee's supervisor in writing at least two (2) school days prior to the date requested to be taken off. In the event of extreme emergency, the two (2) school days notification requirement shall be waived; however, the employee must notify the supervisor by telephone before 7:00 a.m. of the days to be absent and the nature of the emergency must be stated at the time."

The District proposes no change in the furlough provision.

Article XXI - Insurance

Section 21.01 of the expiring agreement contains provisions relating to "Health, Prescription Drug and Dental Benefit Coverage". The parties agree that Section A, relating to "Eligibility", as set forth in the expiring agreement, be included in the 1988-90 agreement.

Section 21.01, B (Benefits - Health) in the expiring agreement is set forth as follows:

"Eligible employees and their eligible dependents, if any, shall be granted hospital, surgical and major medical benefits; premiums will be paid by the Board of Education for employees and dependents, if any. The Board reserves the right to select the plan/administrator; however, if the carrier/administrator is changed, the coverage shall be equal to or an improvement over that which was in existence at the time of change. The current annual premium as of September 1, 1986 is \$696.00 for single coverage and \$1,908.00 for family coverage."

The Union proposes a change in the final sentence of the above paragraph, so that it will read as follows:

"The current annual premium as of September 1, 1988 is \$1,056 for single coverage and \$2,892 for family coverage."

In its final offer the District agrees to said premium changes, but it also proposes a change in the second sentence of the paragraph by the insertion of the word "substantially" in the

phrase "the coverage shall be equal to or an improvement...", resulting in the following new phrase - "the coverage shall be substantially equal to or an improvement...".

Section 21.01, B of the expiring agreement also contains the following subsections, 1 through 6:

"The plan will contain the following features:

1. No non-emergency admissions shall occur on Friday afternoons or Saturdays. If an employee is admitted on Friday afternoon or Saturday, no room and board or ancillary charges shall be paid for such days.
2. Payment for inpatient treatment of nervous and mental conditions including treatment for substance abuse is limited to thirty (30) days.
3. All diagnostic testing shall be conducted on an outpatient basis unless admission is medically necessary. Medically unnecessary inpatient diagnostic testing shall be covered at seventy-five percent (75%) of the coverage otherwise in force.
4. All hospital admissions shall require binding precertification and concurrent hospital review. Failure to follow the precertification requirements shall result in coverage of seventy-five percent (75%) of the coverage otherwise in force.
5. Normal coverage will be available for the medical procedures listed in Appendix C when they are performed on an outpatient basis (physician's office, clinic, or hospital outpatient department). If the procedures are performed on an inpatient basis in conjunction with other procedures (not included on the list) requiring inpatient care, or if these medical procedures must be performed on an inpatient basis for a medical necessity as certified in writing by the patient's physician, and the plan administrator agrees or if these medical procedures are begun on an outpatient basis and complications require subsequent inpatient care, normal coverage will apply. Participants in the health benefit plan having any of these medical procedures performed on an inpatient basis will be responsible for charges representing the difference between the cost of the service on an inpatient and outpatient basis.
6. All modes of ambulance services shall be covered only

as medically necessary."

The Union, in its final offer, would renumber the above sections to read 2 through 7, and would include the following new provision:

"1. There shall be a one-hundred dollar (\$100) deductible for all covered services which must be satisfied by each covered person during the calendar year with the exception of the following:

(1) If two or more covered persons in the same family are injured in a common accident, the deductible shall apply only once.

(2) After three deductibles have been satisfied in any one family during a calendar year, no further deductibles will be required for that year.

(3) If any portion of the deductible has been satisfied by charges incurred during the last three months of a calendar year, the deductible amount for the following calendar year will be reduced to the extent of these charges."

The District's offer would renumber the existing 1 through 6 sections to 3 through 8, and it would incorporate new subsections 1 and 2 as follows:

"1. There shall be a hospital, surgical-medical annual deductible of one hundred dollars (\$100) per individual up to a maximum of three hundred dollars (\$300) per family after three (3) one hundred dollar (\$100) deductibles have been met.

2. There shall be a major medical annual deductible on one hundred dollars (\$100) per individual up to a maximum of three hundred dollars (\$300) per family after three (3) one hundred dollar (\$100) deductibles have been met. Thereafter, the major medical plan pays 80% of reasonable charges for covered services up to the maximum in benefits."

Section 21.01 of the expiring agreement also contains the following:

"C. Benefits - Prescription Drug

The Board will make available a two dollar (42.00) deductible prescription drug plan and shall pay the monthly premium. Current annual premium as of September 1, 1986 for this is \$144.00 for single coverage and \$408.00 for family coverage."

Both parties agree to amend the above provision by increasing the deductible from \$2 to \$5, as well as to increasing the annual premiums to be paid by the Board, as of September 1, 1988 to \$186 for single coverage and \$522 for family coverage.

The parties, in their respective offers, agree that the provisions with regard to dental benefits be modified to read as follows:

"D. Benefits - Dental

The Board will provide and pay on behalf of eligible employees the premium for the following dental plan during the life of this contract.

No deductible, \$400 annual maximum per individual. For purposes of this Section "annual" means September 1 through August 31. Basic coverage of diagnostic, prevention, ancillary, regular restorative care and surgical extractions, all at 100% of usual and customary charges. Precious metal restoration and oral surgery at 100% of usual and customary charges.

The current annual premium as of September 1, 1988 is \$177 single coverage and \$516 family coverage.

Effective September 1, 1989 increase the annual maximum to \$800 per individual and provide for a twenty-five dollar (\$25) deductible per individual per year for all non-preventive covered services."

The parties agree to incorporate in their successor agreement the provisions numbered 21.02, 21.03 and 21.04 in their expiring agreement. The Board proposes that the following provisions be included in the new agreement:

"21.05 In the event of any dispute regarding coverage,

the master contract between the Board and the carrier/administrator shall control unless the master contract is expressly contradicted by this agreement.

21.06 If an employee's daily hours of work drop below seven (7) hours or the employee is laid off, the employee's insurance premium will be paid for a maximum of three (3) months or until June 30 whichever comes first. If the reduction occurs after the 15th calendar day of any contract month, it will not count as one of three (3) months."

The Union's final offer contains a provision identical to the Board's proposed 21.06. The Union's offer contains no counter proposal to the Board's proposed 21.05.

The District prefaces its proposed changes in Article XXI by indicating the intent that such changes would become "effective 30 days after the receipt of the arbitration award."

The expiring agreement contains the following provisions relating to insurance for retirees:

Article XXII - INSURANCE-RETIRES

22.01 An employee fifty-five (55) years of age or older and having ten (10) full years of creditable employment with the School District of Janesville immediately prior to retirement, may continue coverage in the group health benefit program and prescription drug plan up to sixty-five (65) years of age. However, the premium for the coverage must be paid by the individual. The employee must be receiving an annuity from the Wisconsin Retirement System and must be eligible for the district's health and drug plan in order to qualify.

22.02 An employee sixty-two (62) years of age or older and having twelve (12) full years of creditable employment with the School District of Janesville immediately prior to retirement, may continue coverage in the group health insurance program up to sixty-five (65) years of age and the District agrees to pay the premium for a maximum of thirty-six (36) months. Premiums will not be paid by the

board after the month in which the individual reaches age sixty-five (65). The employee must be receiving an annuity from the Wisconsin Retirement System in order to qualify and must be eligible for the district's health and drug plans.

- 22.03 For the purpose of paragraphs 23.01 and 23.02 above, ten (10) and twelve (12) years refers to ten (10) or twelve (12) years of creditable service in the Wisconsin State Retirement System."

The Union's offer contained no proposed changes in Article XXII. The District proposed that the provisions therein be amended to read as follows:

"Article XXII - INSURANCE-RETIREEES

- 22.01 An employee fifty-five (55) years of age or older and having ten (10) full years of creditable employment with the School District of Janesville immediately prior to retirement, may continue coverage in the district's group health benefit program as a member of the retiree benefits group. Dental coverage is not provided. Drugs are under major medical coverage. The premium for the coverage must be paid by the individual. The employee must be receiving an annuity from the Wisconsin Retirement System and must be eligible for the district's health plan in order to qualify.
- 22.02 An employee sixty-two (62) years of age or older and having twelve (12) full years of creditable employment with the School District of Janesville immediately prior to retirement, may continue coverage in the district's group health program as a member of the retiree benefits group. Dental coverage is not provided. Drugs are under major medical coverage. The district agrees to pay its share of the premium for a maximum of thirty-six (36) months or until the retiree reaches age sixty-five (65) whichever comes first. Thereafter, the premium for coverage must be paid by the individual. The employee must be receiving an annuity from the Wisconsin Retirement System and must be eligible for the district's health plans in order to qualify.
- 22.03 For the purpose of the paragraphs above, ten (10) and twelve (12) years refers to ten (10) or twelve

(12) years of creditable service in the Wisconsin State Retirement System."

Section 24.05 of the expiring agreement sets forth that the duration of said agreement is for a two year period, July 1, 1986 through June 30, 1988. In each of their offers both parties propose that the successor agreement also be for a two year term.

Wage Increases

In its final offer the Union proposes that the base rate for all employees in the unit be increased by 4% as of July 1, 1988, and by an additional 4% as of July 1, 1989, and, further, that the cells in the 1987-88 salary schedule be increased by like amounts during the 1988-89 and 1989-90 terms of the agreement.

The District proposes an increase of 2.6% for the first year of the agreement, and a 2.9% increase during the agreement's second year.

The salary schedule for the 1987-88 school year is reflected in Appendix A. The salary schedule proposed by the Union for the school years 1988-89 and 1989-90 are shown in Appendix B. The District's proposed salary schedules are reflected in Appendix C.

POSITIONS OF THE PARTIES

Subcontracting

The Union contends that neither of the collective bargaining agreements covering teachers, and the custodial employees, in the employ of the District, grant the District the right to subcontract the work performed by either of said units of employees. It also contends that the inclusion of the right to subcontract in the provision involved "means that the Employer has no obligation to

bargain over the decision to subcontract", and that it is necessary to protect the Union's right to bargain that issue should it arise in the future.

The District did not submit any argument in its brief, or reply brief, with respect to said issue.

Leave Days for Union Business

The Union argues that its proposal involving time off to unit members without pay for the purpose of attending Union conferences and conventions permits the employees to participate in the democratic processes of the Union, and, further, that the "education of employees of matters of significance to the collective bargaining process can help the parties in their future dealings." It points out that the collective bargaining agreement covering teachers provides ten (10) paid leave days for that purpose, with the teacher organization reimbursing the District for the costs incurred in the utilization of substitute teachers for such leave days taken by the teachers. The Union also contends that the District's data as to the practice in other districts contended by the District as being compatible is invalid, since it did not take into account the number of unions which do not have state or federal affiliations.

The District argues that the Union's proposal is not limited to leave for conferences and conventions, since it would permit time off for any Union business. It also contends that the Union does not point out that "there are almost three times the number of teachers as there are employees in this unit, and many more years

of collective bargaining." The District also points out that the Union failed to produce any evidence with regard to the comparison with other comparable districts.

Dues Check-off

The Union interprets the District's proposed change in the language in the dues check-off provision as requiring the Union to submit executed checkoff authorizations on August 1 of any year of the agreement. It argues that the August 1 deadline comes during the summer when the majority of the unit employees are not working.

The District argues that its proposed change in the first paragraph of Section 6.01 merely refers to a change in the amount of dues to be deducted, and that the August 1 date "gives the Union more time to determine the appropriate amount of dues." With regard to its proposed change in paragraph 2 of Section 6.01, the District contends as follows:

"This time frame gives four work days after the start of school to identify the Union members and submit the cards. This is more than adequate time for the Union to complete its responsibilities. Furthermore, the current language, which the Union has proposed to eliminate, allows a twenty working day window for enrollment of new employees. The bottom line from the Board's perspective is that it must have the signed cards in order to make a legal deduction and it must have them in sufficient time to program the appropriate deductions into the computer. The Union's complaint is based upon the erroneous belief that the cards would have to be submitted in the summer. Given the true facts, that complaint is groundless."

Fair Share

The Union claims that the District's proposal requiring employees' approval of a fair share provision, in a referendum conducted by the WERC, imposes a requirement which is "unnecessary

and burdensome". It also argues that the District's proposal does not establish the majority requirement necessary for such an approval.

According to the District, the decision as to whether non-members of the Union should be required to pay their fair share of the costs of collective bargaining and contract administration should be determined by unit employees in a referendum, even though the "Board is not philosophically opposed to the notion of fair share".

Grievance Language

The Union characterizes the proposals relating to the grievance language as a "non-issue", claiming that in the context in which the term "shall" is utilized, there is no difference in the intent of the language.

The District depicts the differences between the language in the two proposals as being "minute". It, however, contends that the use of the term "shall" could mislead "employees to believe that advancement of a grievance to arbitration is obligatory", and therefore "is confusing and the potential for unnecessary litigation".

Furlough Days

The Union claims that its proposal seeks to reinstate a former District policy which existed prior to the 1987-88 school year, which permitted employees to select the three days on which to take furlough days without pay. The existing contractual language does not permit the employee choice.

The District indicates that during the 1988-89 school year furlough days were fixed in the school calendar. It opposes the Union's proposal, contending that it is detrimental to the educational program, since many of the employees, who are subject to furlough days, work directly with students, and that permitting such employees to take their furlough days when students are in school would seriously disrupt student programming.

Dental Plan and Drug Plan Deductibles (Regular Employees)

The parties have proposed identical changes to the dental plan and to the deductibles for the drug plan applicable to regular employees. No explanation was proffered as to why their proposals continued to be reflected in their final offers.

Insurance

The Union expressed no position with regard to the District's proposed language change in Section 21.01, B relating to coverage which shall be "substantially equal" when a change is made with respect to the carrier/administrator. The District did not explain, nor present any argument, with respect to such change.

With respect to the annual deductibles for health and dental insurance, the Union's final offer proposes a change to a comprehensive deductible of \$100/\$300 for all services, while the District's offer provides for a new deductible of \$100 per individual, up to \$300 per family for medical surgical type services.

The District would incorporate a provision in the agreement providing that disputes regarding insurance coverage and benefits

would be resolved by reference to the master insurance agreement between the District and the insurance administrator. Further, the District has proposed changes in insurance benefits for retirees. In its brief the District characterizes the impact of its proposal as follows:

"Under the insurance plan in the 1986-88 Labor Agreement an employee who retires at age 65 would be allowed to continue in the health insurance group on a self-paid basis in the 'retiree group', under the major medical portion of the health insurance plan which is subject to a \$100 deductible and payment of 20% thereafter. Early retirees age 62 and older with 12 years of service are eligible for three years of Board paid health insurance. The 'retiree' group has its coverage for prescription drugs to age 65. These early retirees remain in the 'active group' of the health insurance plan until age 65 at which time they go into the 'retiree group'. For the period of their Board paid insurance, prescription drugs are under a \$2,00 deductible plan and at age 65 this changes to the level of coverage for prescription drugs provided to regular retirees. The Board's proposal would place all retirees in the 'retiree group' irrespective of the age of retirement. The Union has proposed no change in the retiree insurance."

The Union indicates that it proposes a change in the drug plan which causes the deductible to be raised from \$2.00 to \$5.00, which change would also be applicable to early retirees. It opposes the District's proposal to place drug prescriptions under the major medical plan.

The Union characterizes the District's proposal which results in resolving disputes involving insurance by reference to the master insurance contract with the Insurance Administrator, as appearing "to be an attempt to separate the terms of the health insurance plan from the collective bargaining agreement in order to make changes in the insurance plan without negotiating with the Union".

The Union contends that the District has failed to show that its proposal would result in any reduction in the overall health insurance costs, and it contends that the proposal merely shifts the costs from the District to the employees, and the fact that the teachers in the employ of the District, in their negotiated agreement presently in effect, absorbed such increased costs does not mean that the employees in the instant unit are in a financial position to absorb said costs. The Union further argues that

"the Board failed to increase the premium equivalency for the 1987-88 school year. This resulted in the trust fund having to live off its reserves to cover the increased costs incurred that year. Then for the 1988-89 year the Board had to increase the premium equivalency to cover two years worth of increased costs as well as include the additional amount to build up the reserves which had been depleted.... It does not appear to be coincidental that none of the Board's bargaining units were negotiating in 1987-88 and that the large increases were necessary in 1988-89 when all three bargaining units would be negotiating new contracts. This appears to be an attempt by the Board to precipitate an 'insurance crises' during the period of time that the Unions would be negotiating new contracts".

The Union characterizes the insurance issue as a "minority issue", calling attention to the fact that only 64 employees in the 217 employee bargaining unit are covered by the District's insurance plan, and therefore the majority of the employees will only enjoy the benefits of the general wage increase and any increments to which they may be entitled. Therefore, according to the Union, "it would be improper to consider the total package costs, including the insurance cost, when most of the employees will not receive the benefit".

The District contends that it elected to implement an increase in the deductible before utilizing the more drastic measure of

requiring employees to pay premiums, arguing that the increasing of the deductibles will influence the employees to become more cost conscious consumers of health care, thus in addition to cost shifting, it will also result in cost containment. The District also points out that it has consistently bargained uniform health benefits for the employees in its three bargaining units (teachers, maintenance and custodial, and the instant unit), and that it would be unreasonable to establish through binding arbitration insurance benefits that vary from unit to unit.

The District points out that its proposal to place early retirees with the regular retiree group for health insurance immediately upon retirement is designed to correct an inequity between the two groups, contending that under the expiring agreement early retirees enjoy up to three years of the free standing drug plan with a modest deductible, while regular retirees have drug coverage under major medical, subject to a \$100 annual deductible and 20% payment thereafter. It asserts that of the 19 school districts within a 30 mile radius of Janesville, only three have any type of district paid insurance for early retirees.

The District takes issue with the Union's assertion that the District "precipitated a crisis" during the bargaining year, contending that the Union has a lack of understanding of the nature of the insurance benefits and the funding thereof. The District urges the Arbitrator to reject said argument, contending that the Union did not take the opportunity to investigate the health care cost information, and that the Union did not offer any evidence to

establish that the District's cost data was inaccurate, or that the insurance costs were manipulated. It calls the Arbitrator's attention to the same charge made by the Union in its interest arbitration case involving the maintenance and custodial unit, and the conclusion of Arbitrator Michelstetter in response thereto, as follows:

"The preponderance of the evidence indicates that the employer set its premium equivalents in good faith on the basis of its practice, the facts known at the time and sound planning assumptions. It did not do so for the purpose of creating an 'insurance crisis'".

Wages

In its brief the Union offers no argument pertaining to the wage increases granted to aides and clerical employees in the employ of the school districts of Madison, Sun Prairie and Waukesha. Rather, it argues that its proposed wage increases of 4.0% for each of the two years of the new agreement "is more in line" with the average of the increases granted to similar employees in the employ of the 19 districts claimed to constitute the most appropriate comparable grouping by the District. The Union's brief included a tabulation reflecting that the highest paid aides in said districts increase their hourly rates for the 1988-89 school year by an average of \$.29 per hour, or a 4.4% increase, over their 1987-88 average hourly wage of \$6.41 per hour; and that in 1989-90 the average increase for said employees will amount to an average of \$.23, or 3.5% per hour, over their 1988-89 hourly rate. Said tabulation also reflected that the highest paid secretaries in the employ of said 19 districts averages an hourly

rate of \$7.85 during the 1987-88 school year, and that said positions received an average increase of \$.33 per hour, or a 4.3% increase for the 1988-89 school year. The Union's tabulation did not reflect the increase for the latter position for the 1989-90 school year.

The Union also compares both wage offers with the average increases granted by the six districts determined to be the most appropriate comparables by Arbitrator Michelstetter. In that regard the Union's tabulation indicates that the increases granted to the highest paid aides employed by said districts in the 1988-89 school year averaged \$.23 (3.2%) and \$.30 (4.3%) respectively. The increases granted to head school secretaries for the 1988-89 school year averaged \$.32 (4.2%). The tabulation did not reflect the average increase for the 1989-90 school year for employees holding said positions. The Union argues that comparisons with both groupings indicate that its wage offers "could best maintain the established wage patterns for the area school districts", and that its wage offers are supported by cost of living increases. In addition, the Union urges the Arbitrator not to include the costs of increments in determining the economic packages generated by the two offers.

The District would have the Arbitrator view the salary and insurance costs together because of the impact of same on the total economic package. It acknowledges that the salary offers differ by 1.8% in the first year, and by 1.4% in the second year of the collective bargaining agreement. It indicates that its offer

generates a 2.6% and a 2.9% increase per cell on the salary schedule in each year of the agreement. It points out that increment costs "roughly" amounts to a .5% increase, thus the District's offer generates a 3.15% increase for 1988-89 and 3.37% for 1989-90. It claims that the total salary increase generated by the Union's offer, including salary costs associated with the promotion pay proposal, amounts to a 4.9% and 4.8% for two year contract term. The District further points out that its final offer provides for 6.1% and 6.14% increases in total compensation for the first and second year of the agreement, as compared to 7.7% for each year, which would be generated by the Union's offer.

The District also avers that its offer maintains its traditional, competitive wage package in comparison to the 19 school districts claimed by the District to comprise the most appropriate comparable grouping. It also claims that its offer, when compared to the secondary group of comparables agreed upon by the parties², also maintains its competitive wage scale.

Most Appropriate Comparables

While not reflected in either of the final offers, an issue exists between the parties as to most appropriate comparables to be utilized by the Arbitrator in considering the applicable statutory criteria in this interest arbitration proceeding. The Union claims that the school districts of Beloit, Madison, Sun Prairie and Waukesha are the most appropriate for said consideration, in as

²Cities of Janesville and Beloit, Rock County and Blackhawk Technical Institute.

much as said districts are within a 50 mile radius of the instant District, that Beloit, Madison and Sun Prairie are in the same athletic conference as the instant District, and that all four districts, like Janesville, have a student population of over 2,500 students. It indicates that in an award issued in February 1980 involving teachers, Arbitrator Joseph Kerkman found districts within the 50 mile radius of Janesville to constitute the most appropriate comparable grouping. The Union, like the District, would include among a secondary group of comparables the cities of Janesville and Beloit, Rock County and the Blackhawk Technical Institute, the latter situated in the Beloit-Janesville area.

The District, on the other hand, contends that school districts within a 30 mile radius of the Janesville District constitute the most appropriate comparable group of districts, because of their geographic proximity, the comparability of jobs, and economic similarity. Said grouping consists of the following 19 districts:

Albany	Edgerton	Lake Mills
Beloit	Elkhorn	Milton
Beloit Turner	Evansville	Oregon
Brodhead	Fort Atkinson	Parkview
Clinton	Jefferson	Stoughton
Delevan/Darien	Lake Geneva Joint	Whitewater
	Lake Geneva UHS	

The District opposes the inclusion of the districts of Madison, Sun Prairie and Waukesha in any appropriate grouping, contending that they were included in Arbitrator Kerkman's most comparable teacher grouping for the reason that Janesville and said districts, as well as Beloit, were in the same labor market for

teachers. The District contends that the labor market area involving the nature of the work performed by instant unit employees involves the area in which the aforesaid 19 districts are situated.

DISCUSSION

Comparables

It should be noted that during the course of the hearing the parties advised that they were at the time awaiting an award pending before interest arbitrator Stanley H. Michelstetter, involving the custodial and maintenance employees in the employ of the District with respect to a successor agreement for the term 1988-90. They indicated that the instant record be kept open until such time as the undersigned received a copy of that award. A copy of that award was forwarded to the undersigned on November 8, 1989. In that proceeding the parties could not agree on the most appropriate comparable grouping, each taking positions identical to those expressed herein. Therein Arbitrator Michelstetter determined that the most appropriate comparable grouping consisted of school districts within a 30 mile radius of Janesville, which district had a student population of over 2,000 students, as follows (Janesville district has 9,431 students):

	<u>Students</u>		<u>Students</u>
Beloit	6,766	Milton	2,303
Delevan/Darien	2,052	Oregon	2,447
Fort Atkinson	2,372	Stoughton	2,752

Arbitrator Michelstetter's rationale for the selection of the above as the most comparable appropriate grouping was expressed as

follows:

"The undisputed testimony in this case is that unit employees are hired almost exclusively from the Janesville area and well within the thirty miles of the city. Under these facts, the thirty mile area does constitute a labor market from which employees are selected and comparisons to the districts of Madison, Sun Prairie and Waukesha are unwarranted. Additionally, Madison is significantly larger than Janesville and comparison on that basis is not warranted. However, while the local area is the primary comparison area, only one school district is near the Janesville size, Beloit. Size of districts is an appropriate consideration because of the ability of larger districts to pay, their ability to use personnel more effectively and the often greater complexity of their work and structure."

The Arbitrator herein agrees with the above rationale, and therefore, adopts the six districts noted above as the most appropriate comparable grouping. This Arbitrator considers the cities of Janesville and Beloit, Rock County and the Blackhawk Technical Institute, at the most, a secondary group of comparables.

Subcontracting

The Union is concerned that the continual inclusion of the right of the District "to subcontract any and all work", expressed in the management rights provision of the collective bargaining agreement, does not require the District to collectively bargain such a decision during the term of the agreement. Yet it proposes the deletion of said right of the District to do so during the contract term. Applying the logic of the Union, the District likewise would be deprived of the opportunity to bargain for permission to subcontract during the term of the agreement. The evidence adduced herein indicated that the District has only engaged in utilizing temporary outside employees sporadically,

because of an increase in the work load, and that no unit employee suffered any loss of employment or hours of work as a result thereof.

Of the six most appropriate comparable districts, only Delevan/Darien and Beloit clerical or aide employees are represented for the purposes of collective bargaining, and only the Beloit agreement (covering only aides) for the years 1988-91 was introduced into the record herein. It contains no reference to "subcontracting". It should also be noted that the 1986-88 collective bargaining agreement between the Union and the instant District applicable to the custodial and maintenance employees prohibits the subcontracting of work normally performed by employees "which could jeopardize the employment status of current employees".

The undersigned concludes that the evidence adduced during this proceeding does not establish any persuasive reason to favor the Union's broadly worded proposal on the issue of subcontracting.

Leave Days for Union Business

The 1988-91 agreement covering aides in the employ of the Beloit school district contains the following provision with regard to "Union Leave":

"Officers or designees of the bargaining unit who are selected to serve as a delegate of the union for conventions or conferences shall be granted leave time with pay, with two (2) weeks notice to the employee's supervisor. Such leave time with pay shall not exceed twenty-four (24) hours, for the bargaining unit, in any school year. Any additional leave time will be without pay, except employees may use earned vacation or compensatory time. Such time shall be pre-approved by the Superintendent or designee."

The 1986-88 agreement between the Union and District covering custodial and maintenance employees contained no provision for leave for Union business, nor did the 1988-89 agreement between Rock County and an AFSCME union, covering, among others, clerical employees, contain such a provision. The Arbitrator concludes that the proposal by the Union is overly broad in various respects, and therefore the Arbitrator does not favor its inclusion in the successor agreement.

Dues Check-Off

The dispute between the parties regarding the proposed changes in the first paragraph of Section 6.01 of the expiring agreement is of little significant import. The proposal of the District changing the date from July 1 to August 1 would grant the Union an additional period of time to certify to the District the amount of dues subject to check-off.

The District's offer relating to the second paragraph of the section would extend the "July 1st" deadline for the submission of the signed check-off authorizations to the "second school day for students". The Union's proposed change would remove the time limitation for the submission of said authorizations. Both proposals would reduce "at least 60 days" notification of revocation of the authorizations to "at least 30 days".

The Arbitrator prefers the Union's proposal to change the second paragraph of Section 6.01. The District's proposed change, like in the expiring agreement, even though an employee might execute a check-off authorization after the deadline for the

submission of such authorizations to the District, it appears that the District need not honor same until the following submission date. It is for the latter reason that the Arbitrator prefers the Union's proposed change in the second paragraph of the section.

Fair Share

The Union's offer would incorporate a fair share agreement in the 1988-90 agreement, which fair share would be implemented following the execution of said collective bargaining agreement, without the necessity of a referendum authorization. The District's offer would require that the fair share agreement could only be implemented if a majority of the eligible employees in the bargaining unit voted in favor of such implementation in a referendum conducted by the WERC. The Municipal Employment Relations Act does not require that a referendum be conducted in order to implement a fair share agreement. Where a fair share agreement is in effect, Section 111.70(1)(n) permits either the employer or the union involved to petition the WERC to conduct a referendum to determine whether the employees covered thereby desire to support the continuation of same. Should a majority of the eligible employees in the unit not vote in favor of its continuance, then the fair share agreement is deemed terminated.

The expiring agreement between the parties contains no fair share agreement. It should be noted that the District's agreement covering the District's custodial and maintenance employees provides for fair share, with no referendum required for its implementation. While contending that it is not philosophically

opposed to the concept of fair share, and even though the District is aware that a majority of the employees in the unit involved herein are Union members (147 of 217 employees have executed check-off authorizations), the District's proposal would require it to implement the fair share agreement only if the employees authorized same in a referendum conducted by the WERC. While the Employer's proposal does not set forth the voting requirement for such implementation, the District, during the course of the hearing, indicated that it would require that a majority of eligible employees must vote in favor of implementation of the fair share agreement in order to make the fair share agreement effective.

Since the District's agreement covering the maintenance and custodial employees does not require fair share authorization in a referendum, and since the District has knowledge that a majority of the employees in the instant unit are presently members of the Union, the Arbitrator favors the Union's proposal on fair share.

Grievance Procedure

Both parties have proposed a change in the first sentence of Step 4 of the grievance procedure, reflecting that the Board, rather than the District Administrator, is involved in the grievance step immediately prior to arbitration. The parties, however, cannot agree as to whether the Union "shall" or "may" notify the District Administrator of its desire that the grievance proceed to arbitration "if the Union is not satisfied with the decision of the Board..." This Arbitrator agrees with the characterization of each party with regard to the proposal of the

other. Neither proposal has any significant impact on the Arbitrators' determination in this proceeding.

Furlough Days

The record discloses that commencing in 1982, prior to any union representation for employees in the instant unit, the District found it necessary to require some employees to take days off without pay as a result of necessary budget cuts. The days so taken off were at the discretion of the employees, with the approval of their supervisor. Such practice continued, and the expiring agreement contains a provision relating thereto, as reflected in Article XV. Under said provision the practice existed for some unit employees, however, during the 1988-89 school year aides in the elementary schools were not given permission to take their furlough days on days when students were receiving instruction.

The existing furlough day provision is consistent with the expression of the Board rights as set forth in Article IV, e.g.- "to schedule work loads, hours of work..." The Union's proposal would result in an emasculation of such rights, at least with regard to furlough days. Further, the exercise of the rights which would be granted to the employees in the Union proposal, as worded, by a number of employees requesting off on identical furlough days, could seriously interrupt the District's educational program. The Arbitrator favors the retention of the provision expressed in the 1986-88 agreement.

Insurance

The record discloses that a minority of employees in the bargaining unit are not covered by the District's insurance plans. It may be that such employees either do not qualify for same, or chose not to be covered because they may be covered under their spouse's insurance. Be that as it may, the costs of the premiums paid by the District for the employees who are covered are substantial, under either of the offers, as reflected in Appendix F. The fact that the District's teachers, as well as the custodial and maintenance employees, are included in the insurance plan maintained by the District, as voluntarily bargained for by the representatives of said employees, is indeed a strong argument in support of the District's offer, especially where, in the past, the employees in the instant unit were also covered by the uniform plan.

The District's proposal placing early retirees in the regular retiree group for health insurance is deemed practical and reasonable. With respect to insurance coverage for retirees, of the six comparable districts, only Oregon and Stoughton pay for the insurance premiums. At Oregon the early retirees are entitled to three years of paid insurance, provided they have at least 10 years of service. At Stoughton the amount of premium paid by that employer is based upon a conversion of the available severance pay of the employee who is retiring. This Arbitrator is also satisfied that the District did not create an "insurance crises" in order to support its offer on insurance during this course of bargaining.

The unexpected rise in medical treatment costs and hospital rates have been general throughout the nation, and especially during the past two years.

The District introduced exhibits reflecting health and dental insurance premium costs for single and family coverage for the school years 1987-88, 1988-89 and 1989-90 for insurance coverage relating to aides and secretarial type employees in the employ of the 19 school districts within the 20 mile radius of the instant District.

The following tabulation reflects the average of the costs of health insurance provided by the six most appropriate comparable districts with the health insurance costs of the District for the school year 1987-88 and those costs which would be generated by the District's offer on health insurance for the school years 1988-89 and 1989-90:

	<u>Total Cost</u>		<u>Employer Cost</u>	
	<u>Single</u>	<u>Family</u>	<u>Single</u>	<u>Family</u>
	<u>1987-88</u>			
Six District Avg.	\$ 75.27	\$195.65	\$ 61.24	\$187.57
Janesville	\$ 70.27	\$193.00	\$ 70.27	\$193.00
	<u>1988-89</u>			
Six District Avg.	\$ 94.18	\$245.03	\$ 90.35	\$234.80
\$ Increase	\$ 18.91	\$ 49.38	\$ 29.11	\$ 47.23
% Increase	26.5%	25.2%	47.5%	47.4%
Janesville	\$103.50	\$284.50	\$103.50	\$284.50
\$ Increase	\$ 33.23	\$ 91.50	\$ 33.27	\$ 91.50
% Increase	47.9%	47.4%	47.9%	47.4%

1989-90

Six District Avg.	\$123.87	\$322.65	\$118.88	\$286.47
\$ Increase	\$ 29.69	\$ 77.62	\$ 28.53	\$ 51.67
% Increase	31.5%	31.7%	31.6%	22.0%
Janesville	\$136.37	\$374.90	\$136.37	\$374.90
\$ Increase	\$ 32.87	\$ 90.40	\$ 32.87	\$ 90.40
% Increase	31.8%	31.8%	31.8%	31.8%

Note: The above figures represent monthly costs per employee. In 1988-89 and 1989-90 the Beloit district assumed less of the premium costs for aides than it did for clerical/secretarial employees. The Oregon district, for the school years 1988-89 and 1989-90 did not assume any premium costs for the single or family coverage, if any, for aides, although it did so for clerical/secretarial employees. The above averages do not include the Beloit or Oregon experience with aides for the two years noted.

The above tabulation indicates that the District's increases in its health insurance premium costs, percentage wise, closely parallels the percentage increases reflected as the percentage average increases experienced by the six most comparable districts, except for the employer cost for family coverage for the 1989-90 school year, wherein the instant District will experience an increase of 9.8% over the average increase to be experienced by the six comparable districts. Further, for such coverage the instant District's cost per month will exceed that of the average by \$88.43 per month per employee covered.

The following tabulation reflects the average of the costs of dental insurance provided by the most appropriate comparable districts with the dental insurance costs of the instant District for the school year 1987-88 and those costs which would be generated by the District's offer on dental insurance for the

school years 1988-89 and 1989-90³:

	<u>Total Cost</u>		<u>Employer Cost</u>	
	<u>Single</u>	<u>Family</u>	<u>Single</u>	<u>Family</u>
	<u>1987-88</u>			
Six District Avg.	\$ 12.35	\$ 37.76	\$ 12.15	\$ 32.76
Janesville	\$ 10.00	\$ 28.00	\$ 10.00	\$ 28.00
	<u>1988-89</u>			
Five District Avg.	\$ 12.10	\$ 37.30	\$ 11.57	\$ 35.81
\$ Increase				3.05
% Increase				9.3%
\$ Decrease	- \$.25	- \$.46	- \$.58	
% Decrease	- 2.0%	- 1.2%	- 4.8%	
Janesville	\$ 14.75	\$ 43.00	\$ 14.75	\$ 43.00
\$ Increase	\$ 4.75	\$ 15.00	\$ 4.75	\$ 15.00
% Increase	47.5%	53.6%	47.5%	53.6%
	<u>1989-90</u>			
Six District Avg.	\$ 13.88	\$ 42.25	\$ 13.63	\$ 31.49
\$ Increase	\$ 1.78	\$ 4.95	\$ 2.06	
% Increase	14.7%	13.3%	17.8%	
\$ Decrease				-\$ 4.32
% Decrease				- 12.1%
Janesville	\$ 17.59	\$ 51.20	\$ 17.59	\$ 51.20
\$ Increase	\$ 2.84	\$ 8.20	\$ 2.84	\$ 8.20
% Increase	19.3%	19.1%	19.3%	19.1%

The comparison with respect to the costs to the employer with respect to dental insurance reflects a greater disparity between the higher costs resulting from the District's offer, both in

³Note: The figures represent monthly costs per employee. The Beloit district in all of the three school years assumed less of the premium costs for aides than it did for clerical/secretarial employees. In 1987-88 and 1988-89 the Oregon district assumed none of the costs for the aides insurance. The above averages do not include the Beloit and Oregon experience with aides for the years noted. In 1988-89 the Stoughton district did not assume any of the premium costs, thus in that year only five districts were included in computing the average.

dollars and in percentage than the disparity which exists in premium costs for health insurance.

Of the six most comparable districts, only Oregon provides health insurance coverage without deductibles, and of the remaining five, only Beloit approaches the amount of the deductibles proposed by the District and the Union. With regard to dental insurance, none of the six districts provide for deductibles. The District's offer provides for a deductible - that of \$25.

Wage Increases

Attached hereto, as Appendices D and E, are tabulations reflecting the comparisons between the hourly wages paid to Aides and Secretaries, by the six school districts comprising the most appropriate comparable grouping, with the wages paid to like employees in the employ of the instant District, as well as the latter's ranking when included with the districts in said comparable grouping, for the school year 1987-88, as well as similar comparisons involving the increases which would be generated by the offers of the District and the Union for the years 1988-89 and 1989-90. Said tabulations reflect that the District's offer generates increases nearer to the average increases granted by the comparable districts, both monetarily and percentage wise, to Aides, at the minimum rate, for the 1988-89 and 1989-90 years; at the Secretary Entry Level in the 1988-89 year; and at the Head Secretary minimum rate for both of said years. The Union's offer would generate increases nearer to the average increases granted by the comparable districts, monetarily and percentage wise, at the

maximum rate for Aides for the 1989-90 year; at the Secretary Entry Level in the 1989-90 year; and at the maximum of the range of the Head School Secretary, for both of said years. Both offers applicable to the maximum rate for Aides in 1988-89 decreases the rate previously in effect and paid by the District in 1987-88. The Union's offer does not decrease said rate as much as would the District's offer. It should be noted that, while there is a difference in the rates proposed by the parties in the various classifications set forth, both offers generate identical rankings of the District when compared to the wage rates of the comparable districts.

The Statutory Criteria

There is no issue regarding the District's lawful authority relating to any matters in dispute herein. Nor has any issue arisen with regard to the District's ability to meet the financial costs which would be generated by either of the offers. The Arbitrator had considered and determined that most appropriate comparable grouping of school districts, and the conditions of employment applicable to employees similarly employed by the instant District. While a limited amount of evidence was introduced relating to employees employed by neighboring municipal employers other than school districts, as well as employees of private sector employers generally, such evidence was inconclusive in a number of areas, and therefore of little assistance toward a meaningful consideration in this matter.

Neither offer offends the interests and welfare of the public.

The District and the Union have been parties to a collective bargaining agreement, which contains provisions which have encouraged individuals to seek employment with the District, as well as provisions which have encouraged employees to retain their employment.

Appendix F, attached hereto, reflects the costing of each of the final offers. The Union's offer generates a total compensation package cost which would constitute an increase of \$161,396 (7.7%) for the 1988-89 school year over the total package costs for the previous school year. For the 1989-90 school year, the Union's offer would generate an increase of \$173,959 (7.7%) over the 1988-89 costs. The total package costs generated by the District's offer would result in an increase of \$128,020 (6.1%) for 1988-89, and an increase of \$137,261 (6.14%) for the 1989-90 school year. Take home pay increases generated by the Union's offer, for both years involved, would total \$79,077 (4.9%) and \$82,559 (4.8%). The District's offer would generate take home pay increases of \$51,200 (3.15%) and \$56,585 (3.37%). The total compensation costs of the Union's offer exceeds that of the District's offer, for the two year period involved herein by \$103,450.

The Consumer Price Index reflected that the cost of living as of August, 1989 increased by 4.7% over the August, 1987 cost of living. The total package costs involved herein must be considered in applying the "cost of living" criterion set forth in the statute. The total package not only includes "take home pay", but also the costs of retirement, social security, and insurance, all

of which accrue to the benefit of employees covered by the collective bargaining agreement in issue herein.

Conclusion

The Arbitrator has herein indicated that he favors certain proposals contained in the final offer of the Union, as well as certain proposals contained in the final offer of the District. Had the subject matter of those proposals constituted the only matters in issue between the parties the Arbitrator has a strong suspicion that the parties could have resolved the issues pertaining thereto in their collective bargaining without proceeding to final offer binding arbitration. None of those issues have any persuasive impact on the Arbitrator's final determination in this matter. The issues arising out of the proposals generating monetary costs have the greatest impact, by far, on the Arbitrator's determination. While the Union's proposal relating to wage increases, standing alone, results in costs which are closest to the cost of living, however the total costs resulting from the implementation of both offers must be considered. It is quite apparent to the Arbitrator that the District's offer, rather than that of the Union, is the more reasonable when considering and applying the statutory criteria.

AWARD

The final offer of the District is deemed to be the more acceptable towards meeting the statutory criteria set forth in Sec. 111.70(4)(cm)7 of the Municipal Employment Relations Act, and therefore it shall be incorporated into the 1988-90 collective

bargaining agreement between the parties, together with the items and changes agreed upon during their bargaining, and, further, together with the provisions of their expired agreement which remain unchanged, either by the District's final offer, or by mutual agreement during bargaining.

Dated at Madison, Wisconsin, this 25th day of January, 1990.



Morris Slavney
Arbitrator

1987-1988 SALARY SCHEDULE

	<u>0</u> <u>Months</u>	<u>4</u> <u>Months</u>	<u>16</u> <u>Months</u>	<u>28</u> <u>Months</u>	<u>40</u> <u>Months</u>	<u>52</u> <u>Months</u>	<u>64</u> <u>Months</u>
Classification #2	\$ 6.58	\$ 6.87	\$ 7.14	\$ 7.43	\$ 7.70	\$ 7.98	\$ 8.26
Classification #3	6.25	6.53	6.80	7.09	7.37	7.65	7.93
Classification #4	5.91	6.13	6.36	6.58	6.80	7.03	7.25
Classification #5	5.58	5.80	6.03	6.25	6.48	6.70	6.93
Classification #6	5.30	5.53	5.75	5.98	6.20	6.42	6.64

Longevity

88 Months Add \$.10 To Base Pay

124 Months Add \$.20 To Base Pay

171 hours = 1 Month

Full-time 12 month employee schedule is 2,050 hours

UNION PROPOSED 1988-1989 SALARY SCHEDULE

	<u>0</u> <u>Months</u>	<u>4</u> <u>Months</u>	<u>16</u> <u>Months</u>	<u>28</u> <u>Months</u>	<u>40</u> <u>Months</u>	<u>52</u> <u>Months</u>	<u>64</u> <u>Months</u>
Classification #2	\$ 6.84	\$ 7.14	\$ 7.43	\$ 7.73	\$ 8.01	\$ 8.30	\$ 8.59
Classification #3	6.50	6.79	7.07	7.37	7.66	7.96	8.25
Classification #4	6.15	6.38	6.61	6.84	7.07	7.31	7.54
Classification #5	5.80	6.03	6.27	6.50	6.74	6.97	7.21
Classification #6	5.51	5.75	5.98	6.22	6.45	6.68	6.91

UNION PROPOSED 1989-1990 SALARY SCHEDULE

	<u>0</u> <u>Months</u>	<u>4</u> <u>Months</u>	<u>16</u> <u>Months</u>	<u>28</u> <u>Months</u>	<u>40</u> <u>Months</u>	<u>52</u> <u>Months</u>	<u>64</u> <u>Months</u>
Classification #2	\$ 7.12	\$ 7.43	\$ 7.72	\$ 8.04	\$ 8.33	\$ 8.63	\$ 8.93
Classification #3	6.76	7.08	7.35	7.67	7.97	8.27	8.58
Classification #4	6.39	6.63	6.88	7.12	7.35	7.60	7.84
Classification #5	6.04	6.27	6.52	6.76	7.01	7.25	7.50
Classification #6	5.73	5.98	6.22	6.47	6.71	6.94	7.18

APPLICABLE FOR BOTH YEARS OF THE AGREEMENT

LONGEVITY

88 Months Add \$.10 To Base Pay

124 Months Add \$.20 To Base Pay

171 hours = 1 Month

Full-time 12 month employee schedule is 2,050 hours

DISTRICT PROPOSED 1988-1989 SALARY SCHEDULE

	<u>0</u> <u>Months</u>	<u>4</u> <u>Months</u>	<u>16</u> <u>Months</u>	<u>28</u> <u>Months</u>	<u>40</u> <u>Months</u>	<u>52</u> <u>Months</u>	<u>64</u> <u>Months</u>
Classification #2	\$ 6.75	\$ 7.05	\$ 7.33	\$ 7.62	\$ 7.90	\$ 8.19	\$ 8.47
Classification #3	6.41	6.70	6.98	7.27	7.56	7.85	8.14
Classification #4	6.06	6.29	6.53	6.75	6.98	7.21	7.44
Classification #5	5.73	5.95	6.19	6.41	6.65	6.87	7.11
Classification #6	5.44	5.67	5.90	6.14	6.36	6.59	6.81

DISTRICT PROPOSED 1989-1990 SALARY SCHEDULE

	<u>0</u> <u>Months</u>	<u>4</u> <u>Months</u>	<u>16</u> <u>Months</u>	<u>28</u> <u>Months</u>	<u>40</u> <u>Months</u>	<u>52</u> <u>Months</u>	<u>64</u> <u>Months</u>
Classification #2	\$ 6.95	\$ 7.25	\$ 7.54	\$ 7.84	\$ 8.13	\$ 8.42	\$ 8.72
Classification #3	6.60	6.89	7.18	7.49	7.78	8.08	8.37
Classification #4	6.24	6.47	6.71	6.95	7.18	7.42	7.65
Classification #5	5.89	6.12	6.37	6.60	6.84	7.07	7.32
Classification #6	5.60	5.84	6.07	6.31	6.55	6.78	7.01

APPLICABLE FOR BOTH YEARS OF THE AGREEMENT

LONGEVITY

88 Months Add \$.10 To Base Pay

124 Months Add \$.20 To Base Pay

171 hours = 1 Month

Full-time 12 month employee schedule is 2,050 hours

WAGE COMPARISONS

	<u>Aide Range</u>	<u>Entry Level Secretary Rate</u>	<u>Head School Secretary Range</u>
		<u>1987-88</u>	
Beloit	\$ 5.51 - 6.72	\$ 6.66	\$ 7.36 - 8.46
Delevan/Darien	4.79 - 7.14	5.42	8.11 - 8.87
Fort Atkinson	4.30 - 7.00	4.90	5.12 - 9.02
Milton	5.00 - 6.50	NA	5.75 - 7.60
Oregon	4.10 - 6.76	5.20	NA 9.51
Stoughton	6.80 - 7.41	6.92	7.90 - 9.14
Average	\$ 5.08 - 6.92	\$ 5.82	\$ 6.85 - 8.77
Janesville	\$ 5.30 - 7.25	\$ 5.58	\$ 6.58 - 8.26
Rank	3 2	2	4 6
		<u>1988-89</u>	
Beloit	\$ 5.73 - 6.99	\$ 6.92	\$ 7.66 - 8.79
Delevan/Darien	4.96 - 7.46	5.64	8.00 - 9.40
Fort Atkinson	4.25 - 7.23	5.17	7.97 - 9.61
Milton	5.00 - 6.50	NA	6.30 - 9.03
Oregon	4.10 - 7.01	5.00	8.10 - 8.24
Stoughton	7.09 - 7.70	7.21	8.22 - 9.46
Average	\$ 5.19 - 7.15	\$ 5.99	\$ 7.71 - 9.09
% Increase	2.2% - 3.3%	2.9%	12.6% - 3.6%
District Offer	\$ 5.44 - 6.81	\$ 5.73	\$ 6.75 - 8.47
% Increase	2.6%	2.9%	2.9% - 2.5%
% Decrease	6.5%		
Rank	3 6	3	6 6
Union Offer	\$ 5.51 - 6.91	\$ 5.80	\$ 6.84 - 8.59
% Increase	4.0%	3.9%	4.0% 4.0%
% Decrease	4.9%		
Rank	3 6	3	6 6

NA - Rate Not Available

NS - Rate Not Established

WAGE COMPARISONS

	<u>Aide Range</u>		<u>Entry Level Secretary Rate</u>		<u>Head School Secretary Range</u>	
			<u>1989-90</u>			
Beloit	\$ 5.40 - 6.51		\$ 7.20		\$ 7.96 - 9.15	
Delevan/Dairen	5.13 - 7.78		5.86		7.88 - 9.87	
Fort Atkinson	4.55 - 7.00		4.73		5.60 - 10.04	
Milton	5.00 - 6.96		NA		6.50 - 9.33	
Oregon	4.61 - 7.59		NS		NS	
Stoughton	7.46 - 8.12		7.63		8.64 - 9.88	
Average	\$ 5.36 - 7.33		\$ 6.33		\$ 7.32 - 9.65	
% Increase	3.2%	2.5%	5.7%		6.2%	
% Decrease					5.0%	
District Offer	\$ 5.60 - 7.01		\$ 5.89		\$ 6.95 - 8.72	
% Increase	2.9%	2.9%	2.8%		3.0%	3.0%
Rank	2	4	3		4	6
Union Offer	\$ 5.73 - 7.18		\$ 6.04		\$ 7.12 - 8.93	
% Increase	4.0%	3.9%	4.1%		4.1%	4.0%
Rank	2	4	3		4	6

NA - Rate Not Available

NS - Rate Not Established

COSTING OF FINAL OFFERS

Appendix F

	<u>1988-89</u>		<u>1989-90</u>	
	<u>Union Offer</u>	<u>District Offer</u>	<u>Union Offer</u>	<u>District Offer</u>
Salary	\$ 1,692,539	\$ 1,669,754	\$ 1,774,779	\$ 1,727,322
Increment	9,008	8,887	8,295	7,904
Additional Pay For Change In Promotion Pay Provisions	4,971	-0-	6,003	-0-
	<u>\$ 1,706,518</u>	<u>\$ 1,678,641</u>	<u>\$ 1,789,077</u>	<u>\$ 1,735,226</u>
Wis. Retirement System	\$ 203,706	\$ 199,758	\$ 212,900	\$ 206,492
Social Security	128,160	126,066	135,612	131,530
	<u>\$ 331,236</u>	<u>\$ 325,824</u>	<u>\$ 348,512</u>	<u>\$ 338,022</u>
<u>Insurance</u>				
Health	\$ 165,932	\$ 165,932	\$ 220,323	\$ 214,787
Dental	29,512	29,512	39,983	39,983
Drug	30,572	30,572	38,631	38,631
Life	5,345	5,258	6,548	6,351
	<u>\$ 231,361</u>	<u>\$ 231,274</u>	<u>\$ 305,485</u>	<u>\$ 299,752</u>
<u>Total Package Costs</u>	<u>\$ 2,269,115</u>	<u>\$ 2,235,739</u>	<u>\$ 2,443,074</u>	<u>\$ 2,373,000</u>
<u>Increase Over Previous Year</u>				
Dollars	\$ 161,396	\$ 128,020	\$ 173,959	\$ 137,261
Percentage	7.7%	6.1%	7.7%	6.14%
<u>Take Home Pay Increase Costs</u>				
Dollars	\$ 79,077	\$ 51,200	\$ 82,559	\$ 56,585
Percentage	4.9%	3.15%	4.8%	3.37%