

RECEIVED
JAN 16 1996

In the Matter of Arbitration Between :
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 150 - : WISCONSIN EMPLOYMENT
RELATIONS COMMISSION
SECRETARIAL AND FOOD SERVICE EMPLOYEES :
and : AWARD
PEWAUKEE SCHOOL DISTRICT :
WERC Case 11, No. 49521 INT/ARB-6956 : Decision No. 28414-A

NATURE OF PROCEEDING. This is a proceeding in final and binding arbitration pursuant to Section 111.70 (4) (cm) 6 and 7 of the Municipal Employment Relations Act of Wisconsin. On May 19, 1995, the Wisconsin Employment Relations Commission issued an Order requiring that arbitration be initiated for the purpose of resolving an impasse arising in the collective bargaining between the parties, on the matter affecting wages, hours and conditions of employment of all full-time and regular part-time non-professional employees of the district. Supervisory, confidential, managerial and executive employees of the District were excluded. The parties having selected the undersigned as arbitrator, the Commission issued an Order appointing him on July 5, 1995. A hearing on the matter was held on September 15, 1995, at the School District. Parties were given full opportunity to give testimony, present evidence and make argument. Briefs and Reply Briefs were filed, the last Reply Brief being received on December 22, 1995.

APPEARANCES.

PREVIANT, GOLDBERG, UELMEN, GRATZ, MILLER & BRUEGGEMAN, S.C., by
MARIANNE GOLDSTEIN ROBBINS, appeared for the Union.

DAVIS & KUELTHAU by MARK L. OLSON, appeared for the District.

II. THE FINAL OFFERS.

A. THE UNION OFFER:

1. **Section 9.4.1 Retirement.** Full-Time employees: Revise as follows:
"Full-time employees shall have up to 6.2% of the employee gross earnings paid by the employer to the retirement program.

2. **Section 13.8. Severance.** Upon retirement, 25% of such sick leave still credited to the account of the retiring employee shall be paid to said employee having a minimum of 10 years of service.

RECEIVED
MAR 20 1995

— WISCONSIN EMPLOYMENT —
RELATIONS COMMISSION

SECRETARIAL SALARY SCHEDULE: UNION FINAL OFFER

1992-93

BASE YEAR

Hourly rates.

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
SECRETARY I	8.66	9.22	9.78	10.35	10.92
SECRETARY II	7.76	8.25	8.74	9.23	9.72

MODIFY APPENDIX A AS FOLLOWS:

1993-94 (Effective July 1, 1993) 4.25% INCREASE

UNION FINAL OFFER:

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
SECRETARY I	9.03	9.61	10.20	10.79	11.38
SECRETARY II	8.09	8.60	9.11	9.62	10.13

1994-95 (Effective July 1, 1994) 3.88% INCREASE

UNION FINAL OFFER:

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
SECRETARY I	9.38	9.98	10.60	11.21	11.82
SECRETARY II	8.40	8.93	9.46	9.99	10.52

FOOD SERVICE SALARY SCHEDULE: UNION FINAL OFFER

1992-93

BASE YEAR

Hourly rates.

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
HEAD COOK/BAKER	7.04	7.35	7.55	7.75	7.97
ASSISTANT COOK	6.35	6.55	6.70	6.85	7.02

MODIFY APPENDIX A AS FOLLOWS:

1993-94 (Effective July 1, 1993) 4.25% INCREASE

UNION FINAL OFFER:

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
HEAD COOK/BAKER	7.34	7.66	7.87	8.08	8.31
ASSISTANT COOK	6.62	6.83	6.98	7.14	7.32

1994-95 (Effective July 1, 1994) 3.8% INCREASE

UNION FINAL OFFER:

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
HEAD COOK/BAKER	7.62	7.95	8.17	8.39	8.63
ASSISTANT COOK	6.87	7.09	7.25	7.41	7.60

PLAYGROUND SALARY SCHEDULE: UNION FINAL OFFER

1992-93

BASE YEAR

Hourly rates.

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
PLAYGROUND	6.52	6.66	6.79	7.04	7.29

MODIFY APPENDIX A AS FOLLOWS:

1993-94 (Effective July 1, 1993) 4.25% INCREASE

UNION FINAL OFFER:

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
PLAYGROUND	6.80	6.94	7.08	7.34	7.60

1994-95 (Effective July 1, 1994) 3.8% INCREASE

UNION FINAL OFFER:

YEARS OF SERVICE	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5+</u>
PLAYGROUND	7.06	7.20	7.35	7.62	7.89

Probationary period starting salary to be figured 10 cents per hour less than lowest rate for each category.

RECEIVED
MAR 20 1995

— WISCONSIN EMPLOYMENT —
RELATIONS COMMISSION

B. THE DISTRICT OFFER:

1. ARTICLE I - WAGES (p. 9)

Section 9.4.1 - Full-Time Employees: Revise as follows:

"Full-time employees shall have up to ~~6.2%~~ 6% of the employee gross earnings paid by the employer to the retirement program.

2. Section 13.8 (New) - Severance (p. 14)

"Upon retirement, 25% of such sick leave (to a maximum of 22.5 days, i.e., 25% of noncumulative sick leave days) shall be credited to the account of the retiring employee and shall be paid to said employee if the employee has a minimum of ten (10) years of service to the District."

3. 1993-94/1994-95 SALARY SCHEDULES

See attached.

Secretary Salary Schedule: School District Final Offer
April 7, 1995

1992-93
(Base Year)

	<u>Year 1</u>	<u>Year 2</u>	<u>After Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Secretary I	\$ 8.66	\$ 9.22	\$ 9.78	\$10.35	\$10.92
Secretary II	\$ 7.76	\$ 8.25	\$ 8.74	\$ 9.23	\$ 9.72

1993-94
(District Final Offer): To be effective 7/1/93

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Secretary I	\$ 9.03	\$ 9.59	\$10.15	\$10.71	\$11.28
Secretary II	\$ 8.09	\$ 8.59	\$ 9.09	\$ 9.59	\$10.11

1994-95
(District Final Offer): To be effective 7/1/94

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Secretary I	\$ 9.38	\$ 9.88	\$10.38	\$10.88	\$11.36
Secretary II	\$ 8.40	\$ 8.90	\$ 9.40	\$ 9.90	\$10.40

Food Service Salary Schedule: School District Final Offer
April 7, 1995

1992-93
(Base Year)

	<u>Year 1</u>	<u>Year 2</u>	<u>After Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Head Cook/Baker	\$ 7.04	\$ 7.35	\$ 7.55	\$ 7.75	\$ 7.97
Assistant Cook	\$ 6.35	\$ 6.55	\$ 6.70	\$ 6.85	\$ 7.02

1993-94
(District Final Offer): To be effective 7/1/93

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Head Cook/Baker	\$ 7.34	\$ 7.66	\$ 7.87	\$ 8.08	\$ 8.31
Assistant Cook	\$ 6.62	\$ 6.83	\$ 6.98	\$ 7.14	\$ 7.32

1994-95
(District Final Offer): To be effective 7/1/94

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Head Cook/Baker	\$ 7.62	\$ 7.95	\$ 8.17	\$ 8.39	\$ 8.63
Assistant Cook	\$ 6.87	\$ 7.09	\$ 7.25	\$ 7.41	\$ 7.60

Playground Salary Schedule: School District Final Offer
April 7, 1995

1992-93
(Base Year)

	<u>Year 1</u>	<u>Year 2</u>	<u>After Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Playground Aide	\$ 6.52	\$ 6.66	\$ 6.79	\$ 7.04	\$ 7.29

1993-94
(District Final Offer): To be effective 7/1/93

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Playground Aide	\$ 6.80	\$ 6.94	\$ 7.08	\$ 7.34	\$ 7.60

1994-95
(District Final Offer): To be effective 7/1/94

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5+</u>
Playground Aide	\$ 7.06	\$ 7.20	\$ 7.35	\$ 7.62	\$ 7.89

III. FACTORS TO BE CONSIDERED. On July 29, 1995, Wisconsin Act 27 became effective. This act provided for the following matters and factors to be considered by an arbitrator.

ARBITRATION FACTORS

Section 111.70(4)(cm)7. 'Factor given greatest weight.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and give the greatest weight to any state law or directive lawfully issued by a state legislative or administrative officer, body, or agency which places limitations on expenditures that may be made or revenues that be collected by a municipal employer. The arbitrator or arbitration panel shall give an accounting of the consideration of this factor in the arbitrator's or panel's decision.

7g. 'Factor given greater weight.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator or arbitration panel shall consider and shall give greater weight to economic conditions in the jurisdiction of the municipal employer than to any of the factors specified in subd. 7r.

7r. 'Other factors considered.' In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services.
- e. Comparison of the 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 generally in public employment in the same community and in comparable communities.
- f. Comparison of the 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 in private employment in the same community and in comparable communities.
- g. The average consumer prices for goods and services, commonly known as the cost-of-living.
- h. The overall compensation presently received by the municipal employes, including direct compensation, vacation, holidays, and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- j. Such other factors, not limited to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise voluntarily between the parties. in the public service or in private employment.

NOTE: Statute amended pursuant to 1995 Wisconsin Act 27, effective July 29, 1995.

IV. **LAWFUL AUTHORITY.** There is no question as to the lawful authority of the Employer to meet the terms of either offer.

V. **STIPULATIONS.** The parties have stipulated to all other matters between them.

VI. **COSTS OF THE OFFERS.**

Table I

COSTS OF OFFERS - DISTRICT ESTIMATE, SECRETARY
AND FOOD SERVICE COSTING

Board Offer

1992-1993		1993-1994				1994-1995			
Wages	Total	Wages	% Inc.	Total	% Inc.	Wages	% Inc.	Total	% Inc.
238,765	345,021	253,457	6.15	366,442	6.21	262,910	3.73	379,870	3.66
Union Offer		254,454	6.57	367,699	6.56	268,136	5.38	386,197	5.04

Dist. Exs. 10-14

The District provided Exhibit 15 from which the following information is abstracted:

Table II

HOURLY AVERAGE INCREASES FOR SECRETARIES
AND FOOD SERVICE WORKERS

	1993-1994				1994-1995			
	Union	% Inc.	Board	% Inc.	Union	% Inc.	Board	% Inc.
Wages w/o Step	.38	4.24	.35	3.89	.36	3.86	.25	2.66
Wages w/Step	.59	6.57	.55	6.15	.52	5.38	.36	3.73
Package	.85	6.56	.81	6.21	.70	5.04	.51	3.66

It should be noted that in the instant matter as far as wages are concerned, only the wage rates of Secretaries are at issue. Both parties have the same offers on Food Service employees. The Union exhibits on costing relate only to Secretaries. The following information is abstracted from Union Exhibit 13, C.

Table III

COST OF SECRETARY WAGES ONLY

	<u>Base</u>	<u>Union</u>	<u>% Inc.</u>	<u>District</u>	<u>% Inc.</u>
1992-93	180,853				
1993-94		193,705	7.1	192,660	7.0
1994-95		204,494	5.56	199,366	3.48

VII. COMPARABLE DISTRICTS. The Union is using as comparables the school districts contiguous to Pewaukee. These districts are Arrowhead, Elmbrook, Hamilton, Kettle Moraine and Waukesha. The Union is also using districts which are in the athletic district. Besides Hamilton, the athletic district includes Brown Deer, New Berlin, Shorewood, St. Francis, Slinger and Whitnall.

The District, besides contiguous districts, includes districts within Waukesha County, which are Menomonee Falls, Mukwonago, Muskego, New Berlin and Oconomowoc. Characteristics of these districts are shown in the following tables:

Table IV

CHARACTERISTICS OF ATHLETIC CONFERENCE DISTRICTS

<u>District</u>	<u>Pupils</u>	<u>Cost/ Pupil</u>	<u>School Property Tax (000,000)</u>	<u>Equalized Values (000,000)</u>	<u>Mill Rate</u>
Brown Deer	1,784	9,435	11.6	683.2	17.02
Hamilton	3,164	7,658	16.2	934.1	17.34
New Berlin	4,710	9,165	34.4	1,845.6	18.63
St. Francis	1,322	7,847	4.6	268.5	17.19
Shorewood	2,211	9,643	13.6	672.8	20.22
Slinger	2,491	6,375	9.4	610.6	15.37
Whitnall	2,618	8,418	14.6	836.7	17.49
Pewaukee	1,700	7,799	11.3	668.1	16.95

Table V

CHARACTERISTICS OF DISTRICTS CONTIGUOUS TO PEWAUKEE

<u>District</u>	<u>Member</u>	<u>Cost/ Member</u>	<u>Property Taxes Schools (000,000)</u>	<u>Equalized Val.</u>	<u>Mill Rate</u>
Arrowhead	1,694	7,368	8.8	1,491.3	5.94
Elmbrook	7,063	8,643	47.2	3,785.5	12.49
Hamilton	3,164	7,658	16.2	934.2	17.34
Kettle Moraine	4,016	7,366	20.6	1,138.1	18.13
Waukesha	13,122	7,263	68.6	3,844.1	17.85
Pewaukee	1,700	7,799	11.3	668.1	16.95

UN Exs. 3 H-L

The District is using a list of contiguous districts and other districts in Waukesha County. The following table is abstracted from District Exhibits 18, 20, 21 and 22.

Table VI

CHARACTERISTICS OF DISTRICT'S LISTS OF COMPARABLES
1994-95

<u>Contiguous Districts</u>	<u>Teacher FTE</u>	<u>Members</u>	<u>Cost/ Member \$</u>	<u>Equalized Value/Member (000)</u>	<u>Prop. Tax Schools (000)</u>	<u>Equalized Prop. Value (000,000)</u>	<u>Mill Rate</u>
Arrowhead UHS	110	1,694	6,041	796.3	8,857	1,491.3	5.94
Elmbrook	465.6	6,818	7,106	554.0	47,262	3,785.4	12.49
Hamilton	191.8	3,027	6,148	272.5	16,195	934.1	17.34
Kettle Moraine	250.8	3,850	6,369	257.9	20,634	1,138.1	18.31
Waukesha	835.7	12,558	6,120	404.6	68,624	3,844.1	17.85
Pewaukee	103	1,618	6,740	372.0	11,325	668.1	16.95
<u>Comparable Districts</u>							
Meno. Falls	269.6	3,823	6,665	404.6	24,429	1,534.7	15.92
Mukwonago	306.2	4,893	5,391	197.3	16,897	1,086.2	15.56
Muskego	232	3,912	5,982	234.1	17,591	999.0	17.60
New Berlin	317.6	4,533	7,341	397.5	34,385	1,845.5	18.63
Oconomowoc	268.1	4,027	6,209	337.4	68,624	1,555.3	16.68

Union Position on Comparables Summarized. The Union notes that the parties both have selected contiguous districts as comparables, but differ in additional comparables. The Union holds that its additional comparables which are the athletic districts meet the criteria of comparability in size and cost per member, overall property taxes and property values and mill rate. The Union objects to the District's additional comparables as being larger, though proximate.

The District Position on Comparables Summarized. The District holds that the ten school districts it selected for a pool of comparables provides a fair and reasonable basis for the arbitrator to determine comparability. All of the districts selected are in Waukesha County, and six of them are contiguous to Pewaukee. Though Pewaukee is the smallest of the districts in the comparable pool, yet the other districts with the exception of Waukesha are comparable in size and geographically proximate. As for Waukesha, both parties are using it as a comparable, but because of its size, it impacts the calculation of statistics. In student enrollment among these comparables and in total FTE, Pewaukee is 11th among eleven, and in teacher FTE 10th.

However in the District's list, Arrowhead is almost identical, and Muskego, Hamilton and Menomonee Falls are relatively close to Pewaukee. The District however disputes those districts selected by the Union which are non-contiguous. The District objects to the Union exclusion of Menomonee Falls while it includes Slinger which is farther away. The District objects to the inclusion of Whitnall when the Union excludes Mukwonago and Muskego. The District also objects to the inclusion of Brown Deer, St. Francis, Shorewood, all located in Milwaukee County. The District objects to the use of the athletic conference. Use of athletic conference criteria is usually reserved for teachers, while in this case the labor pool area should be dominant.

Discussion. What emerges in the list of comparables offered by the parties is one comparison based on size and one based on geography. The use of an athletic conference list as offered by the Union is usually more comparable in size than a list based on geography. However the type of work involved in this matter is non-professional, though skilled, and the labor market for it is likely based on nearness to the work place. This argues for the use of contiguous districts. Both parties use the same list of contiguous districts. These are Arrowhead, Elmbrook, Hamilton, Kettle Moraine and Waukesha. Though the districts vary substantially in other characteristics, the arbitrator feels that these other conditions do not outweigh the concept of the validity of a nearby labor market.

The arbitrator considers the list of schools in the athletic conference and the list of other districts in Waukesha County has having a secondary value. All information submitted by the parties however will be considered.

VIII. WAGE COMPARISONS. A principal issue in this matter is comparison of wages of Secretaries. As noted, the Food Service wage offers are identical, and there is a minor matter on the language of use of accumulated sick leave. In the wage matters the Union is making a point of comparisons for Secretaries at the top step and percentage increases at that step, while the District is emphasizing total wages costs and percentage increases related to them.

According to District Exhibit 1C of five Secretaries I in 1993-94, three were at the top step. Of seven Secretaries II, five also were at the top step. In 1994-95 of five Secretaries I, four were at the top step. Of seven Secretaries II, six were at the top step.

Table VII makes comparison of dollar amounts of wages for top Secretary among the primary comparables which are the contiguous districts.

Table VII

COMPARISON OF TOP SECRETARY HOURLY WAGE AND RANK IN PEWAUKEE CONTIGUOUS DISTRICTS, RATES COMMENCING 7/1

<u>District</u>	<u>1992</u>	<u>Wage Rank</u>	<u>1993</u>	<u>Wage Rank</u>	<u>% Inc.</u>	<u>% Rank</u>	<u>1994</u>	<u>Wage Rank</u>	<u>% Inc.</u>	<u>Rank</u>
Arrowhead										
Guidance	10.12		10.43		3.06		10.74		2.98	
Special Ed.	8.87		9.14		3.04		9.41		2.95	
Office Staff	7.93		8.10		2.14		8.30		2.47	
Elmbrook										
Grade 8	13.23		13.46		1.74		13.69		1.71	
Hamilton	11.74		12.22		4.08		12.70		3.92	
Kettle Moraine	12.00		12.71		5.47		13.12		3.23	
Waukesha										
Secy. V	11.83		12.18		2.95		12.55		3.04	
Secy. IV	11.11		11.45		3.06		11.79		2.97	
Secy. III	10.68		11.01		3.08		11.34		3.00	
Pewaukee-Union										
Secy. 1	10.92	5	11.38	5	4.22	2	11.82	5	3.87	2
Secy. 2	9.72		10.13		4.22		10.52		3.85	
Pewaukee-Dist.										
Secy. 1	10.92	5	11.28	5	3.30	3	11.36	5	0.71	6
Secy. 2	9.75		10.11		3.69		10.40		2.87	

Un. Exs. 4, F-J

The next two tables give information on the rank of the offers in Pewaukee among the secondary comparables, the athletic conference districts.

Table VIII

RANK OF PEWAUKEE TOP SECRETARY WAGE AMONG EIGHT ATHLETIC CONFERENCE

Districts Top Secretaries

	<u>1992</u>	<u>Rank</u>	<u>1993</u>	<u>Rank</u>	<u>1994</u>	<u>Rank</u>
Union	10.92	7	11.38	7	11.82	7
District	10.92	7	11.28	7	11.36	7

Un. Exs. 4, A-C

Table IX

RANK OF PEWAUKEE TOP SECRETARY IN PERCENTAGE
INCREASES AMONG EIGHT ATHLETIC CONFERENCE DISTRICT
TOP SECRETARIES

	<u>1993</u>	<u>Rank</u>	<u>1994</u>	<u>Rank</u>
Union	4.25	5	3.88	3
District	3.30	8	.71	8

Un. Ex. 4, B, E

The top step salary percentage increases do not show the range of percentage increases in the various steps of the salary range in each district. The following table reports the percentage increases in the salary ranges in Pewaukee contiguous districts.

Table X

PERCENTAGE RANGE OF INCREASES IN SALARY RANGES,
LOWEST TO HIGHEST SALARY, IN PEWAUKEE CONTIGUOUS DISTRICTS

	<u>7/1/93</u>	<u>7/1/94</u>
Arrowhead		
Guidance	3.0	3.0
Special Ed.	3.0	3.0
Office Staff	2.2	2.4
Elmbrook		
Grade 8	9.73-1.74	5.56-1.71
Hamilton	9.09-4.09	5.56-3.93
Kettle Moraine	4.15-4.25	2.41-1.99
Waukesha	3.0	3.0
Pewaukee-Union		
Secy. 1	4.25	3.88
Secy. 2	4.25	3.88
Pewaukee-District		
Secy. 1	4.25-3.30	3.88-.71
Secy. 2	4.25-4.01	3.88-2.87

Un. Ex. 4, I-J

In the five step salary changes proposed by the District cents per hour increases and percentage increase by steps are shown in the next table.

Table XI

CENTS PER HOUR AND PERCENTAGE INCREASES BY STEPS
UNDER DISTRICT OFFER

1993	<u>Steps</u>				
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Secy. I					
Cents	37	37	37	36	36
%	4.27	4.01	3.78	3.48	3.30
Secy. II					
Cents	33	34	35	36	39
%	4.25	4.12	4.00	3.90	4.01
1994					
Secy. I					
Cents	35	29	23	17	8
%	3.88	3.02	2.27	1.59	0.71
Secy. II					
Cents	31	31	31	31	29
%	3.83	3.61	2.41	3.23	2.87

The information supplied by the District has been given with the classifications of High School Principal's Secretary, Middle School Principal's Secretary, Elementary School Secretary, High School/Middle School Guidance Secretary. The following tables are abstracted from District Exhibits 25-28.

Table XII

MAXIMUMS, HIGH SCHOOL PRINCIPAL'S SECRETARY
AND RANK OF PEWAUKEE

<u>Primary Comparables</u>	<u>1992/93</u>		<u>1993/94</u>		<u>1994/95</u>	
	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>
Arrowhead	7.93		8.10		8.30	
Elmbrook	13.23		13.46		13.69	
Hamilton	11.74		12.22		12.70	
Kettle Moraine	12.05		12.56		12.97	
Waukesha	11.83		12.18		12.55	
Pewaukee	10.92					
Union		5/6	11.38	5/6	11.36	5/6
District		5/6	11.28	5/6	11.82	5/6
<u>Secondary Comparables</u>						
Menomonee Falls						
Mukwonago	10.76	(1)	10.96	(1)	11.73	
Muskego	11.62	(1)	12.32	(1)	12.64	
New Berlin	14.01		14.68		15.38	
Oconomowoc	12.97		13.87		14.47	
Pewaukee						
Union		4/5		4/5		4/5
District		4/5		4/5		4/5

(1) Top of Split Wage Rate

Table XIII

MAXIMUMS, MIDDLE SCHOOL PRINCIPAL'S SECRETARY
AND RANK OF PEWAUKEE

<u>Primary Comparables</u>	<u>1992/93</u>		<u>1993/94</u>		<u>1994/95</u>	
	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>
Arrowhead	7.93		8.10		8.30	
Elmbrook	13.23		13.46		13.69	
Hamilton	11.74		12.22		12.70	
Kettle Moraine	12.05		12.56		12.97	
Waukesha	11.83		12.18		12.55	
Pewaukee	10.92	5/6				
Union			11.38	5/6	11.82	5/6
District			11.28	5/6	11.36	5/6
<u>Secondary Comparables</u>						
Menomonee Falls	11.04		11.54		11.89	
Mukwonago	10.76		10.96 ⁽¹⁾		11.73	
Muskego	11.62 ⁽¹⁾		12.32 ⁽¹⁾		12.64	
New Berlin	14.01		14.68		15.38	
Oconomowoc	12.97		13.87		14.42	
Pewaukee		5/6				
Union				5/6		6/6
District				5/6		6/6

(1) Top of Split Wage Rate

Dist. Ex. 26

Table XIV

MAXIMUMS, ELEMENTARY SCHOOL PRINCIPAL'S SECRETARY
AND RANK OF PEWAUKEE

<u>Primary Comparables</u>	<u>1992/93</u>		<u>1993/94</u>		<u>1994/95</u>	
	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>
Arrowhead	7.93		8.10		8.30	
Elmbrook	13.23		13.46		13.69	
Hamilton	11.74		12.22		12.70	
Kettle Moraine	12.05		12.56		12.97	
Waukesha	11.47		11.82		12.17	
Pewaukee	10.92	5/6				
Union			11.38	5/6	11.82	5/6
District			11.28	5/6	11.36	5/6
<u>Secondary Comparables</u>						
Menomonee Falls	10.24		10.70		11.02	
Mukwonago	10.76		10.96 ⁽¹⁾		11.73	
Muskego	11.62 ⁽¹⁾		12.32 ⁽¹⁾		12.64	
New Berlin	14.01		14.68		15.38	
Oconomowoc	12.97		13.87		14.42	
Pewaukee		5/6				
Union				4/6		4/6
District				4/6		5/6

(1) Top of Split Wage Rate

Dist. Ex. 27

Table XV

MAXIMUMS, HIGH SCHOOL/MIDDLE SCHOOL GUIDANCE SECRETARY
AND RANK OF PEWAUKEE

<u>Primary Comparables</u>	<u>1992/93</u>		<u>1993/94</u>		<u>1994/95</u>	
	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>
Arrowhead	7.98		8.10		8.30	
Elmbrook						
Guid. Secy.	12.23		12.46		12.69	
Guid. Secy.-MS	10.48		10.71		10.94	
Hamilton	11.74		12.22		12.70	
Kettle Moraine	12.05		12.56		12.97	
Waukesha	11.11		11.44		11.79	
Pewaukee	10.92	5/7				
Union			11.38	5/7	11.82	5/7
District			11.28	5/7	11.36	5/7
<u>Secondary Comparables</u>						
Menomonee Falls	10.04		10.49		10.81	
Mukwonago	10.76		10.96 ⁽¹⁾		11.73	
Muskego	10.86 ⁽¹⁾		11.52 ⁽¹⁾		11.84	
New Berlin	11.86		12.42		13.01	
Oconomowoc	12.97		13.87		14.42	
Pewaukee	10.92	3/6				
Union			11.38	4/6	11.82	4/6
District			11.28	4/6	11.36	4/6

(1) Top of Split Wage Rate

Dist. Ex. 28

Secretaries II at Pewaukee perform functions which the District compares to Library Clerk/Typist, Switchboard Operator, and Attendance Secretary. The following table is abstracted from District Exhibits 29, 30 and 31.

Table XVI

RANK OF PEWAUKEE SECRETARY II AT MAXIMUM AMONG
COMPARABLES IN CERTAIN SPECIALIZED FUNCTIONS

<u>Primary Comparables</u>	<u>1992/93</u>		<u>1993/94</u>		<u>1994/95</u>	
	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>
<u>Function</u>						
Library Clerk/Typist	9.72	3/4				
Union			10.13	3/4	10.52	3/4
District			10.11	3/4	10.40	3/4
Switchboard	9.72	3/5				
Union			10.13	3/5		3/5
District			10.11	3/5		3/5
Attendance	9.72	3/4				
Union			10.13	3/4	10.52	3/4
District			10.11	3/4	10.40	3/4

The District in its Exhibit 15 presented the following information, based on averaging (total annual wages divided by total hours), for all classes of employees, secretaries and food service workers.

Table XVII

COMPARISON OF FINAL OFFERS AVERAGE HOURLY INCREASES

<u>District Offer</u>	<u>1993/94</u>		<u>1994/95</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
<u>Wages Only</u>				
W/O Step	.35	3.89	.36	2.60
W/Step	.55	6.15	.36	3.73
Total Package	.81	6.21	.51	3.66
<u>Union Offer</u>				
<u>Wages Only</u>				
W/O Step	.38	4.24	.36	3.86
W/Step	.59	6.57	.52	5.38
Total Package	.85	6.56	.70	5.04

The District also presented information on percentage increases in wages and total package. The next two tables are abstracted from District Exhibits.

Table XVIII

PERCENTAGE INCREASES AMONG DISTRICT COMPARABLES
WAGES WITHOUT STEP MOVEMENT

<u>Arbitrator's Primary Comparables</u>	<u>1993/94</u>	<u>1994/95</u>	<u>2 Year Inc.</u>
Arrowhead	3.03	3.03	6.06
Elmbrook	2.05	2.00	4.05
Hamilton	5.69	4.66	10.35
Kettle Moraine	4.90	3.20	8.10
Waukesha	3.00	3.00	6.00
Pewaukee			
Union	4.24	3.86	8.10
District	3.89	2.66	6.55
<u>Arbitrator's Secondary Comparables</u>			
Mukwonago			
Average	1.50	4.80	6.30
Lift	2.00	4.80	6.80
Muskego			
Average	5.00	3.17	8.17
Lift	6.00	3.17	9.17
New Berlin	3.20	2.96	6.16
Oconomowoc	5.25	4.80	10.05

Table XIX

PERCENTAGE TOTAL PACKAGE INCREASES AMONG DISTRICT COMPARABLES

<u>Arbitrator's Primary Comparables</u>	<u>1993/94</u>	<u>1994/95</u>	<u>2 Year Inc.</u>
Arrowhead	3.47	18.58	22.05
Elmbrook	5.80	4.68	10.48
Hamilton	4.58	3.79	8.37
Kettle Moraine	3.11	3.81	6.92
Waukesha			
Pewaukee			
Union	6.56	5.04	11.60
District	6.21	3.66	9.87
<u>Arbitrator's Secondary Comparables.</u>			
Menomonee Falls	3.10	4.30	7.04
Mukwonago	2.92	1.77	4.69
Muskego			
New Berlin			
Oconomowoc			

Union Position on Wages Summarized. The Union holds that its wage offer is supported by comparison to the comparable school districts used by either party. It holds that the District offer is below increases provided by the large majority of the comparables, and under it the top Secretaries will lose ground. The Union notes that the District is proposing a wage increase for top step Secretary I at 0.71%, which is extraordinarily low. The Secretary I position in Pewaukee lags behind comparables' Secretaries, and the position deserves a larger percentage increase, not a smaller one.

The Union points out that under the District offer, the Secretary position will receive \$10.40 and under the Union offer \$10.52. These rates are below all but two comparables. Also only at Slinger and Arrowhead are rates less than those of Pewaukee. The Union in comparing the two year percentage increases with all districts including contiguous and athletic conference districts, notes that its two year increase is about average. Of those in which the percentage increases are lower than that in Pewaukee, the Pewaukee percentage increase is only 1% per year or less, but in most cases the Secretaries are at a higher level of actual pay than in Pewaukee.

The Union holds that the District offer produces a wage increase of 4.01% in two years, less than the increase provided every other district with the exception of the top step Elmbrook Secretary who nevertheless earns about \$2.00 above the Pewaukee top step Secretary.

The District offer is simply too low when compared to comparable districts.

The Union objects to the District presentation, holding that it does not show actual changes in classifications and steps, but only averages. The District claims a figure of 2.66% increase in 1994, but it does not show that the range in Secretary I was from 3.88% to 0.71%. Also the claimed average increase of \$0.25 for per hour increase does not show that top Secretary I's will receive only \$0.08. The top Secretary's I represent 42% of the bargaining unit. Also the top step Secretary's I will receive only a 2.87% increase in 1994.

The Union also challenges the calculations of percentage increases shown by the District for New Berlin and Elmbrook. The Union contends that a top step Secretary at New Berlin received 4.7% in both 1993 and 1994 rather than the 3.2% in 1993 and 2.96% in 1994 reported by the District. The reporting of the District that the Elmbrook increase in 1994 was 2% was inaccurate since increases ranged from 5.56% to 1.71%.

The Union also holds that the District comparison of total packages fails to make a valid comparison. The District is holding that District Exhibit 33 did not include any cost of step movement on the salary schedule, but in fact the Exhibit does include such movements. If the District had not included such movements, the reported increases of 6.21% and 3.66%, the percentage increases would be less. The only valid increases are those shown in the Union figures.

The Union holds that the District offer for top Secretary I of less than 1.0% is illogical, unfair and unjustified. The Union says that the figures used by the District for top step Secretary I in 1993 and 1994 were figures used by the District in averaging a maximum rate during bargaining. The figures to support these average maximums are grossly inaccurate as shown by numerous figures subsequently submitted by the District and the Union. The Union says that the most glaring error of the District is a reported \$9.07 for top step of an Elmbrook building secretary when the actual rate for an Elementary School Secretary for 1993-94 was \$13.46. The Union claims error in District figures reported on New Berlin, Waukesha, Menomonee Falls, Arrowhead and Mukwonago. The result of the numerous and serious errors does not support placing Pewaukee at an average among comparables. The District offer is far below standard and would cause Pewaukee to lose ranking.

The Union holds that the District offer which provides the lowest increases to top step Secretaries appears to be the result of an inaccurate survey. Exhibits presented at the hearing show that among the comparables, top step Secretaries received both higher wages and higher percentage increases. The District offer punishes Secretaries of long service and higher responsibility.

The Union contends that a District chart in a District brief is inaccurate in reporting cents per hour increases and average percentage increase because the chart provides for information on step increases which combine Secretaries and Food Service employees. The increase for Food Service employees of 4.35% and 3.85% agreed upon by the parties are similar to the Union proposal

for Secretaries. The actual increase proposed by the District for Secretaries without step increases is \$0.20 per hour or a 1.9% increase. Also the District offer for 1994/1995 is incorrect when step increases are included. It should be an increase of 3.59% instead of 3.73%.

The Union also contends that the District in its information on comparables did not note that Elmbrook provides its Secretaries with a range of increases from 9.9% at the start to 1.74% at the top, whereas the District stated the increase was 2.05% in 1993. In 1994, the range was from 5.56% to 1.71% at Elmbrook whereas the District said it was 2%. New Berlin was similarly mischaracterized by the District.

The Union in its Reply Brief supplied a chart showing wage increase percentages. The chart showed that under the Board offer the increase for Secretaries would be 3.89% on wages without step increases for 1993-94 and 1.94% for 1994-95, or a total of 5.83%. Under the Union offer the increase would be 4.24% for the first year and 3.86% for the second year, or a total of 8.10% for two years. This 8.10% compares favorably to the 8.02% average increase of the six contiguous districts.

The Union also holds that under the District offer Pewaukee will lose ground in comparison to Mukwonago, which the arbitrator considers a secondary comparable.

The Union also says that though the District may have an offer better than the settlement at Arrowhead, Arrowhead cannot be considered representative since its settlement was a first contract one for a diverse bargaining unit addressing issues other than wages.

Position of the District on Wages Summarized. The District holds that its offer is supported by rates and settlements for secretarial employees in comparable districts. The Union offer on the other hand is excessive and without any comparable support. The District offer matches settlements provided to clerical employees in other districts performing the same services. The District's final offer maintains District rank in maximum wage rates in all positions in the bargaining unit and therefore there is no need to meet the excessive increase proposed by the Union.

The District says that its Exhibit 32 (see Table XVIII herein) demonstrates that closeness of the District offer and the excessive demand offer of the Union. For the six agreed upon comparison districts (note: arbitrator's primary comparables), the District offer for 1993-94 wage increase at 3.89% is 0.24% above the average, while the Union offer at 4.24% is 0.59% above the average. For 1994-95 the District offer of a 2.66% increase is 0.48% below the average percentage increases, but the Union at 3.86% is 0.72% above the average, a greater departure. Thus in a two year increase, the District offer departs only 0.24% from the average while the Union offer is 1.55% above it. The District's settlement pattern is much closer to the comparable districts. The Union has offered no evidence to justify its excessive increase.

The District also holds that its offer maintains the District rank among the comparable pool. In preparing wage patterns the District carefully matched job duties of the positions in the Pewaukee School District with comparable districts. The District compared job duties rather than titles, and this is shown in District Exhibits 25 to 31. An analysis of the exhibits thus developed show that the District maintains its rank at maximum wage rates for each position. Thus in between 1992-93 and 1994-95 the District maintained rank for High School Principal's Secretary, Middle School Principal's Secretary, Elementary Principal's Secretary, HS/MS Guidance Secretary, Library Clerk/Typist, Attendance Secretary and Switchboard Operator. (Brief Chart 6).

The District holds that while the District may rank at the lower end of the wage rates, the District is one of the smallest districts in the pool and the District is maintaining its place. Secondly, the District asserts that the economic climate of revenue caps and statutes limit the amount of wages' increase that teachers and administrators can receive, so this is not the time to grant disproportionate or excessive increases to support staff units.

The Union has offered no rational basis why its members should receive wage increases that exceed the settlement pattern, when it does not improve the District's ranking.

The District also contends that the Union has failed to present a full and complete set of facts from which the Arbitrator could determine which offer is more reasonable. The District rejects the Union charge of incomplete and inaccurate data, and fails to acknowledge that the District's final offer and wage survey were developed more than 18 months before the interest arbitration hearing. The comparable data upon which the District relied in developing its proposal was accurate at the time. This fact applies to the Union argument on Elmbrook data. Elmbrook was not settled at the time the wage survey was developed in January 1994. The settlement at Elmbrook in arbitration did not occur until June 6, 1995. This same condition applies to the Union argument on Arrowhead. In January 1994 when the District developed its wage survey, the wage rates for Arrowhead UHS Secretaries had not been determined. It is the Union which is inaccurate and misleading in this matter.

The Union contention that the wage rates in the District exhibits in arbitration do not match those of the January 1994 wage survey fails to recognize that the two documents are not meant to be the same comparisons. The District's comparable wage data compares wage rates for each and every position within the Pewaukee secretarial bargaining unit. The 1994 survey was not meant to be as detailed, and compared two standard positions in the bargaining unit, that of Clerk/Typist and Building Secretary. The January 1994 survey was intended to provide guidance and data to the District as to wages in comparable districts. The relevant data is that prepared by the District and submitted in arbitration on September 15, 1995.

As to the Union obsession with the District offer on a lower increase to Secretaries at the top step, only three Secretaries are affected. One Secretary I will receive an 8.23% increase due to step advancement, another will receive 6.07% due to a step advancement, and three will receive 0.71% who are already at the top.

One Secretary II will receive a 9.43% increase, one Secretary II (0.8 FTE) will receive an 8.45% increase and four Secretaries II will receive a 2.87% increase. (1) The District calculated these percentage increases to average 3.73%. The Union has distorted the lucrative wage increases received by a majority of the employees in the bargaining unit. The Union's focusing on three employees is an attempt to divert attention from the overall increase in the bargaining unit which comes to a 3.73% wage increase.

Discussion. Tables VII, VIII, XII, XIII, XIV and XV reveal that as far as hourly wage in dollars for top Secretary is concerned, Pewaukee is in the lower range of compensation. When increases are measured in percentages, the percentage increase for top Secretary improves in 1993/94, but in 1994/95 the District offer drops to sixth in six comparables (Table VII) when primary comparables are concerned. The percentage rating among eight athletic conference districts is eighth (Table IX). Percentage increases in Pewaukee in 1993/94 and 1994/95 when compared in the contiguous districts appear more comparable, except for the range of 3.88% at the beginning step in Secretary I down to 0.71% in 1994/95 (Table X).

The District offer of cents per hour increase is consistent among the steps for 1993/94 and 1994/95, except for the range in steps for Secretary I in 1994/95 where the range goes from 35 cents at the lowest step to 8 cents at the top step (Table XI). The District reports a 2.66% increase for wages only in 1994/95 without step increases and 3.73% with such increases (Table XVII). Though the 2.66% increase is second lowest in 1994/95, the two years of the District offer produce a total increase of 6.55% which is third highest among the primary comparables (Table XVIII).

The foregoing information presents a call for a judgment as to whether the actual dollar payments or percentage increases should be the determining condition as to which offer is the most comparable to comparable districts. It is the opinion of the arbitrator that a realistic judgment needs to be based on the actual dollars earned. In this case there appears to be a need for catching up on the part of the District to the wage patterns established in both primary and secondary comparables, even though the percentage increases proposed by the District show an effort at catching up except for the top step Secretary I position.

As to the wage pattern proposed by the District for the Secretary I position, a pattern in which a declining dollar increase appears as the steps progress, this presents a question as to the rationale when the pattern does not appear elsewhere in the District offer. The pattern appears arbitrary and arouses a suspicion of being discriminatory against three top Secretaries. This pattern therefore militates against acceptance of the District offer.

- (1) This percentage increase does not appear to be supported by the chart in the Reply, page 7. However the percentage increase for both Food Service workers and Secretaries from 1993-94 to 1994-95, when step increases are included, comes to 3.73%.

The Union offer with its higher percentage increases while being second highest among primary comparables (Table XVIII) still leaves the actual salary rank of Pewaukee about where it was in rank among the primary comparables (5) and secondary comparables (Tables XII-XV).

For the foregoing reason it is held that the Union offer more nearly meets the criterion of comparability than the District offer, particularly as to dollar amounts.

IX. INTERNAL COMPARISONS. Union Exhibits 11A and 11B presented information on the dollar and percentage increases of other employees in the District who rendered support services. The information in the following table is abstracted from Exhibit 11B.

Table XX

**PEWAUKEE SUPPORT SERVICES WAGE PERCENTAGE INCREASES
TOP WAGE**

<u>Employee Group</u>	<u>1993-94</u>		<u>1994-95</u>	
	<u>Start</u>	<u>Top</u>	<u>Start</u>	<u>Top</u>
Instructional Aides	2.66	2.71	22.95	18.55 ⁽¹⁾
Non-Instr. Aides	2.68	2.69	36.71	27.11 ⁽¹⁾
Custodian				
Maintenance	3.36	3.38	3.59	3.63
Head Custodian		3.77		3.78
Custodian	3.88	4.00	3.61	4.01
All Food Service		4.25		3.80
Playground		4.25		3.80
Secretaries				
Union Offer				
Secy. I		4.25		3.88
Secy. II		4.25		3.88
District Offer				
Secy. I	4.25	3.30	3.88	0.71
Secy. II	4.25	4.01	3.88	2.87

(1) Four stage lift

The information in the following table is extracted from District Exhibit 16.

Table XXI

INTERNAL SETTLEMENT FOR PEWAUKEE EMPLOYEE GROUPS IN PERCENTAGES
OF WAGE INCREASE WITH STEP INCREASES

<u>Group</u>	<u>1993-94</u>	<u>1994-95</u>	<u>2 Year Inc.</u>
Administrators	2.10	2.10	4.20
Teacher	3.80	3.60	7.40
Custodian	3.90	3.90	7.80
Aides	3.00	12.80	15.80
Food Service	4.30	3.90	7.20
Confidential Secy.	3.70	3.80	7.50
Secretaries			
District	6.50	3.60	10.10
Union	7.00	5.70	12.70

Union Position on Internal Comparisons Summarized. The Union notes that the District agreed to an across-the-board increase for food service and playground employees of 4.25% in 1993 and 3.8% in 1994. These employees are in the same bargaining unit as the Secretaries where the Union proposal is similar. The Custodians, Instructional Aides and Non-Instructional Aides received an increase on a par for far better than the Union proposal and none received an increase as low as what the top Secretaries I will receive in 1994-95. The Secretary I at top step will receive a lift of only 4% over a two-year contract period, whereas the Custodial unit will receive lifts from 7% to 8% and Aides will receive lifts ranging from 21% to 38%. The Union offer providing a lift of 8.13% is far more comparable to that provided other support units in the District.

The Union is also contending that the District comparison of the Secretaries' compensation to other District employees is misleading. The Union objects to the use of Administrators and Teachers as groups for comparisons because the Administrators and Teachers are covered by separate statutory provisions. The only valid comparisons are with employees in the same bargaining unit, Custodians and Aides, who received higher increases. These bargaining units received an increase of 3.8% in 1994, close to what the Union offer is for Secretaries.

As for Confidential Secretaries, though they are not organized, they received higher increases except for the position of Bookkeeper.

The Union contends that in comparing Secretaries with Food Service employees, the District has miscalculated, using a combined figure of increases for Secretaries and Food Service workers to get a percentage increase. However in calculating the Food Service workers, the District with its claimed increases of 4.3% in 1993-94 and 3.9% in 1994-95 is wrong in that the actual increases were 5% for 1993-94 and 4.3% for 1994-95.

The District Position on Internal Settlements Summarized. The District contends its final offer is supported by the internal settlement pattern. The District has a long-standing practice of maintaining internal equity and of at least having the internal settlements fall within 1.00% of each other. The District notes that wage increases to the Administrators and Teachers are significantly lower due to wage caps imposed by legislators. The District in a chart notes that in two years Administrators received a 4.20% increase, Teachers a 7.40% increase, Custodians a 7.80% increase, Food Service employees an 8.20% increase and Confidential Secretaries a 7.50% increase. Aides with a wage adjustment received a 15.80% increase. The average of all of these was 8.48%. Currently the District is offering Secretaries a 9.88% increase and the Union wants them to have an 11.95% increase. Thus both of the offers represent the highest wage increase any employee group will receive in the District.

The District also notes that though the Teachers received a wage settlement of 3.80% in 1993-94, they did not receive any increase in the salary schedule since they moved one step on the schedule instead. Thus the Secretaries will receive a much higher wage increase than the Teachers. The Union cannot justify the 0.42% increase above the District offer in 1993-94 when the District's final offer is already the highest wage increase offered employees internally. In 1994-95, other than Teacher's Aides, the wage increases when averaged for District settlements to other employees is 3.46% while the District offer for Secretaries is 3.73%.

Similarly the increase received by the Teacher bargaining unit for 1994-95 is 3.60% of which only 0.8% represents a salary schedule increase. The District offer to the Secretaries is closer to the increases given Custodial and Food Service employees in the same bargaining unit.

The District notes that the same line of argument holds for the issue of total package compensation.

The District stresses the two year results of its offer for Secretaries who will exceed the 8.48% average increase for other employees by 1.40% under the District offer for wages. The Union offer will exceed the average increase by 3.47% on wages. This offer is excessive.

The District emphasizes that arbitrators consider maintaining internal consistency in settlements and cites Arbitrators Vernon, Flaten and Krinsky in City of Green Bay (4/92), Douglas County (8/93) and City of Berlin (2/93) respectively in which the arbitrators supported internal consistency as a principle for basing an award.

The District notes that the Secretaries have nothing to lose by going to arbitration, hoping that the arbitrator will award them more than any other group. This should not be done particularly when two other groups in the same Union have accepted less.

The District holds that the Union did not present a complete description of the internal settlement pattern when it ignored several groups of District employees. Further the Union in its argument is focusing only on one step of one position and ignores all the rest of the increases. The Union is also ignoring the settlements reached with the largest bargaining unit, the Teachers, who are receiving much lower package increases than offered the Secretarial employees. Further it should be emphasized that the Teachers in the 1993-94 school year received no across-the-board wage increase. In 1994-95 they received only a 0.80% increase. Secretarial employees will fare better than the Teachers.

The District also holds that the Union is ignoring the Administrators and Confidential Secretaries who will receive less than the Secretaries, including Secretaries at the top step.

The District contends that the Union is unreasonably concentrating on one particular position at the top step of the Secretary I classification. However when one compares the District offer for the entire bargaining unit, the offer is seen to provide a fair and equitable increase to all employees. When compared to other settlements in the Pewaukee District, the District offer is closer to the settlement pattern.

Discussion. The situation which presents itself here is the comparing of two different types of proposed wage structures. The Union offer is an across-the-board type with all employees getting a like percentage of increase. The District offer contains a higher percentage increase for starting employees with a decline in percentage and money increases for employees at the top. Therefore when comparing percentages of increase, the District uses a percentage derived from totaling all wage increases, including step increases. This latter method tends to mask the sharp drop especially at the level of Secretary I, top step, where the District proposed increase comes only to a 0.71% increase, a fact which, as the District has pointed out, is the focus of the Union opposition to the District proposal.

There is also a challenge here as to whether the District has calculated its internal percentage changes correctly, understating among other things the change for Custodians.

Further the issue raised by the District that the Union is improperly leaving out changes in percentages for Administrators and Teachers needs consideration.

To make a determination on these matters, the arbitrator is first of the opinion that all employee groups should be considered in determining a pattern of internal settlement.

Secondly, in the matter of whether all costings provided by the District include step increases in arriving at percentages, the evidence is not clear except in the case of Teachers where the District has engaged in some discussion on the subject. The assumption here is that the District included step increases to calculate its percentage of increased costs.

A modified Table of Chart 3 in the District Brief with changes argued by the Union as resulting from claimed District errors would produce this table.

Table XXII

COMPARISON OF PERCENTAGE WAGE INCREASES WITHIN PEWAUKEE EMPLOYEE GROUPS

<u>Group</u>	<u>1993-94</u>	<u>1994-95</u>
Administrator	2.10	2.10
Teachers	3.80	3.60
Custodians	3.90	3.90
Aides	3.00	Wage Adjustment
Food Service	5.00	4.31
Confidential Secretary	3.70	3.80
Average	3.58	3.54
Secretaries		
District Offer	6.15	3.73
Union Offer	6.57	5.38

The above table indicates that even with some possible calculation errors or questionable assumptions by the District, the District offer for Secretaries is closer to the internal pattern of percentage of settlement in the Pewaukee School District, when wages and step increases are considered, even though top step increases for Secretaries I in the second year are considerably below average.

X. COMPARISON WITH OTHER MUNICIPAL EMPLOYEES. The District presented Exhibit 35 which reported on settlements of municipal employees in Pewaukee and Waukesha County. The following table is abstracted from this exhibit.

Table XXIII

TOP PERCENTAGE INCREASES IN SETTLEMENTS
IN PEWAUKEE AND WAUKESHA COUNTY

<u>Village of Pewaukee</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
DPW	5.0	4.5	3.5
Police	5.0	5.0	3.5
<u>Waukesha County</u>			
Highway	3.0 (1)	3.0	3.0
Courthouse	3.0 (1)	3.0	3.0
Dispatchers	3.0 (1)	3.0	3.0
Dep. Sheriffs	3.0 (1)	3.5	3.5
Nurses	3.0 (1)	3.0	3.0
Non-Union	3.0 (1)	3.5	3.5

(1) Top of split wage with 2.0% on 1/12/93 and 3.0% on 7/3/93.

The District has noted that municipal settlements in the area of the Pewaukee School District have ranged from 2% to 5%, with none receiving a 6.57% increase as the Union is asking. The Union did not address this factor.

The figures in the above table appear to represent percentage increases in wages without step increases included. In Pewaukee the percentage increases for the two years without step increases at the top step are these:

Table XXIV

PERCENTAGE INCREASES WITHOUT STEP INCREASES INCLUDED
UNDER OFFERS AT PEWAUKEE

	1993-94		1994-95	
	District	Union	District	Union
District				
Secretary I	3.30	4.21	0.71	3.87
Secretary II	4.01	4.21	2.87	3.85

Dist. Exs. 8, 9

A comparison of the above table with Table XXIII indicates that the Union offer is closer to the comparables in the Village of Pewaukee itself, and the District offer is closer to the comparables in Waukesha County.

XI. OVERALL COMPENSATION - FRINGE BENEFITS. The comparison of overall compensation will be addressed here in two categories. One relates to fringe benefits. The other to the cost of total compensation.

District Exhibit 17A and 17B listed benefits for the employees who are 12 month employees, full-time, with the bargaining unit. Three groups are involved: Custodians, Food Service and Clerical. For Food Service and Clerical workers, the District pays all premiums for health, dental and LTD insurances. In the case of Custodians, they contribute to the health insurance premiums, single and family, but have their dental, LTD and life insurance paid by the District. Life insurance is optional for Food Service and Clerical workers and is to be paid by them. The District in effect pays the employee's portion of retirement in all three cases. For vacation benefits, holidays, funeral leave, sick leave and sick leave payout, the benefits for all three categories of workers are identical.

District Exhibit 34A to E reports on fringe benefits in the District's list of comparables. The arbitrator's primary list of the five contiguous districts and Pewaukee will be reported on here. Of the five districts in family insurance, three require some payment from the employee. Pewaukee and Arrowhead pay 100% for single coverage and Arrowhead pays a pro-rated amount for family coverage while Pewaukee does not. In dental insurance, two Districts, Waukesha and Pewaukee, have caps. Elmbrook pays 100% and Hamilton requires employee contribution. In LTD insurance all districts pay the full amount. In life insurance four districts pay the full amount, and Waukesha has a cap. In Pewaukee the District pays 20% of the premium. In all districts, the districts pay for retirement.

In holidays Pewaukee with 20 days maximum after 12 years appears comparable with only Waukesha and Elmbrook reaching that award sooner. The 20 holidays given at Pewaukee equal the maximum offered in any of the districts. Similarly the funeral leave of three days is comparable. The 10 days a year sick leave afforded at Pewaukee is among the lower level of days afforded in comparable districts, but the 90 days accumulation of sick leave is near the top among the primary comparables. For accumulated sick leave, the 25% payout of a maximum accumulation is one of three payout provisions among the six primary comparables.

These benefits were not generally commented upon by the parties except that an issue on sick leave payout will be addressed later. It is the arbitrator's opinion that the fringe benefits available to bargaining unit employees here are currently comparable.

Total Compensation. District Exhibit 15 provides information on total package costs. The following table is derived from it.

Table XXV

TOTAL COMPENSATION COSTS OF OFFERS IN PEWAUKEE

	<u>Dollar</u> <u>Cost</u>	<u>Cents/Hr.</u>	<u>% Inc.</u>	<u>Dollar</u> <u>Cost</u>	<u>Cents/Hr.</u>	<u>% Inc.</u>
District Offer	\$366,442	0.81	6.21	\$379,870	0.51	3.66
Union Offer	367,649	0.85	6.56	386,197	0.70	5.04

District Exhibit 33 provided the following data on package settlements.

Table XXVI

PERCENTAGE PACKAGE SETTLEMENT AMONG COMPARABLES

<u>District</u>	<u>1993-94</u>	<u>Rank</u>	<u>1994-95</u>	<u>Rank</u>	<u>Two Year Inc.</u>	<u>Rank</u>
<u>Arbitrator's Primary Comparables</u>						
Arrowhead	3.47		18.58		22.05	
Elmbrook	5.80		4.68		10.48	
Hamilton	4.58		3.79		8.37	
Kettle Moraine	3.11		3.81		6.92	
<u>Waukesha</u>						
Pewaukee						
Union	6.56		5.04		11.60	
Rank		1/5		2/5		2/5
District	6.21		3.66		9.87	
Rank		1/5		5/5		3/4
<u>Secondary Comparables</u>						
Menomonee Falls	3.10		4.30		7.04	
Mukwonago	2.92		1.77		4.69	

Union Position on Total Compensation. The Union notes that in the District Exhibit 33 the percentage total package figures are said not to include any step increases. However the Union contends that the calculations for Pewaukee do include step increases, and when these are excluded, the percentage increases reported for Pewaukee must of necessity be lower.

The District did not address substantially the comparison of total wages within the primary comparables, but noted that internally, percentagewise, the Secretaries came with a high total percentage increase.

Discussion. The arbitrator is unable to compare dollar amounts of full-time top Secretaries in total compensation, but only percentage increases given that position. The evidence is that over a two year period the percentage increases afforded the average Secretary I of the Secretary classification is near the middle of ranges afforded in the primary comparable districts. Given the size of the District, the District offer is reasonable as far as average percentage increase is concerned.

XII. COST OF LIVING. The previous Agreement, which is to be replaced, ended on June 30, 1993. Union Exhibit 20 showed a change in the CPI-W of 3.2% for the Milwaukee area at that time. In July 1995 the same index in the Milwaukee area had a 2.8% increase from the previous July. District Exhibit 36 showed that the Milwaukee area CPI-W changed 3.6% in the first half of 1994, and from 1994 to 1995 it changed 3.1% in the first half.

The following information is abstracted from District Exhibits 37 and 38.

Table XXVII

WAGE PROGRESSION UNDER DISTRICT FINAL OFFER
AS COMPARED TO CHANGES IN CONSUMER PRICE INDEX

<u>Position</u>	<u>Years Involved</u>	<u>Step Progress</u>	<u>% Salary Inc.</u>	<u>% CPI Inc.</u>
Secretary I	1992-95	1-3	18.98	5.30
Secretary I	1990-95	1-5	38.39	12.80
Secretary I	1990-95	2-5	33.03	12.80
Secretary I	1990-95	5 only	18.42	12.80
Secretary II	1992-93	1-3	20.13	5.30
Secretary II	1990-95	1-5	36.29	12.80
Secretary II	1990-91	2-5	32.53	12.80
Secretary II	1990-91	5 only	18.28	12.80

Union Position on Cost of Living. The Union holds that the increase in the cost of living supports the Union's offer. It notes that most arbitrators have not emphasized the increase in the cost of living in selecting a final offer, because they recognize the limitation of the one dimensional nature of the figures. Also since the changes in the cost of living affect all comparables, comparisons between external comparables normally reflect the increase in the cost of living. It cites arbitral opinion to this effect.

Further the Union notes that top step Secretaries I will not keep pace with the increase in the cost of living over two years, since they will have an increase of 4.01% when the increase in the cost of living for two years is 6.6%. The Union states that the District contention that the cost of living changes favor the District offer is misleading, since the District has averaged increases in salaries and not considered the effect of its offer on top secretaries.

The District Position on Cost of Living. The District notes that the CPI-W for 1993 showed an increase of 2.0% and in December 1994 a 2.7% increase and in August 1995 a 3.1% increase. None of these figures approach the 4.24% wage increase without the step movement in the first year and the 3.8% increase in the second year. The District's offer of 3.89% in the first year and 2.66% in the second year is much closer to the changes in the cost of living that averaged 2.7% in the last three years. The District points to its exhibits 37 and 38 on wage progression for Secretaries I and II as evidence of increases experienced by Secretaries which exceed the changes in the cost of living. The District emphasizes that the Secretaries I and Secretaries II at the maximum step for the last five years will have received wage increases that exceed the changes in the cost of living by 5.62% and 5.48% respectively. Additional increases demanded by the Union are unnecessary and unsubstantiated.

Discussion. When the offers are viewed in relation to the changes of the cost of living, and the District's averages are taken, it can be seen that the District offer exceeds the changes in the cost of living. However when the position of Secretary I, top step, is considered, independently, the District offer does not meet the recent changes in the cost of living over a two year period. Thus it must be reported that for the term of the intended contract, the percentage increase of the District offer exceeds the percentage increase of the Consumer Price Index except for top step Secretaries, a fact which clouds the full acceptance of the District offer as meeting the statutory criterion.

XIII. SEVERANCE - SICK LEAVE PAY OUT. The Union is proposing that employees with a minimum of ten years service on retiring shall be paid for 25% of sick leave still credited to the employee's account. The previous Agreement allowed an accumulation of 90 days. (Sec. 13.1).

The District provision provides that employees who retired after a minimum of ten years of service shall have paid to the employee to a maximum of 22.5 days. In the District offer the 22.5 days are described as "25% of non-cumulative sick leave days."

Union Position on Sick Leave Pay Out. The Union holds that its proposal, while not specifically stating so, provides for the same maximum pay out of sick leave days on retirement as does the District offer. However the Union proposal is less ambiguous and follows the language of the previous contract. The Union says that if in the future the parties decide to increase the maximum of sick days which could be accumulated, the District proposal would produce an ambiguity as to whether the employee would be entitled to 25% of the days accumulated or 22.5 days.

Further the District creates a serious ambiguity by stating that the pay out is 25% of non-cumulative sick leave days. According to the Union the term "non-cumulative" days would be the ten sick leave days offered per year which cannot be accumulated if the employee already has accumulated 90 days. The language of the District offer raises the question as to whether only 25% of the ten annual sick leave days is meant. The Union holds that the District intended to use the word "cumulative" instead of "non-cumulative".

District Position on Sick Leave Pay Out. The District holds that both parties have proposed the same language on pay out, and the Union is irrationally claiming the District's language is ambiguous. Both parties have proposed the same benefit level. The District used the word "non-cumulative" to describe sick leave days to be paid out. This term distinguished between the ten days of sick leave that accumulate each year from those already accumulated and in the employee's sick leave bank. These days in the bank are non-cumulating sick days which are to be paid out.

Discussion. The evidence is that the benefit level of both parties is intended to be the same under the present contract, namely with a top at 22.5 days of accumulated sick leave. The District's placing a specific number cap instead of a percentage is the main difference here. The arbitrator is of the opinion that the percentage statement not modified by a number cap is more likely to be useful in future negotiations than the specifying of the number of days.

XIV. INTEREST AND WELFARE OF THE PUBLIC AND THE ABILITY OF THE UNIT OF GOVERNMENT TO MEET THE COSTS. A main argument of the District for its offer is that the interests and welfare of the public are better served under the District offer. The criterion of "public interest and welfare" has a new meaning because the Legislature set revenue limits for the school district. The revenue limits consequently limit the amount of spending. They are calculated on a per pupil cost and new revenues cannot increase by more than \$190 per year or the average percentage increase in the CPI-U. The formula on revenue limits does not take into account the relative "wealth" of a school district. The exhibits of the Union to show the wealth of the District and low tax rates have no probative value here. The District must reduce its spending and stay within state imposed revenue limits.

The District is arguing that if the Union offer is awarded, the additional dollars must come from somewhere. The District quotes Arbitrator Yaffe in Arrowhead Union High School District (Support Staff) Dec. No. 27823-A (8/94) to the effect the Arrowhead School District would be faced with cutting programs if a Union offer were to receive an award, and the problems of the District would be exacerbated by the growth of the District and under legislative restraints. The District here says that its situation is no different. The Union offer in Pewaukee would exacerbate the economic problems facing the District.

The District also notes the legislative caps placed on wages and benefits for school employees, especially Teachers. Though the caps apply primarily to Teachers and Administrators, the law for them provides guidance and direction as to what increases the Legislature believes is fair and equitable for school district employees.

The Union offer far exceeds the settlement pattern in comparable school districts, in wage increases to other Pewaukee groups and wage increases legislatively set for Teachers and professional employees. The cost of living, the local economy, and municipal settlements along with legislative directives call for moderation. In light of these factors the Union offer is unreasonable and excessive.

The District is not arguing inability to pay, but if it has to meet the Union offer, it must take the money from another program, since its ability to raise revenue has legislative restraints.

Union Position on Interests and Welfare of the Public. The Union did not extensively address this subject except to produce exhibits which show that Pewaukee has a relatively low mill rate in taxes.

Discussion. The argument here of the District is of partial inability to pay the costs of the Union offer because of new fiscal restraints on school districts. The differences in the costs of the offers is that the Union offer amounts to \$7,534 more than the District offer (Dist. Exs. 11-15). It is the arbitrator's conclusion that the Union offer would produce an additional cost of about \$4.69 per pupil. The arbitrator thinks the District can meet this cost even under the present legislative restrictions on revenue sources. The interest of the public is not so adversely affected by the Union offer as to bar it on this ground.

XV. CHANGES DURING THE PENDENCY OF THE PROCEEDING. No major changes were brought to the attention of the arbitrator during the pendency of the proceedings.

XVI. SUMMARY OF FINDINGS AND CONCLUSIONS.

1. There is no question as to the lawful authority of the Employer to meet the terms of either offer.

2. The parties have stipulated to all other matters between them.

3. The arbitrator finds a primary list of comparable districts to be Arrowhead UHS, Elmbrook, Hamilton, Kettle Moraine, Waukesha and Pewaukee districts which are contiguous to Pewaukee. Though the districts are disparate in size, they are in the same labor market for clerical workers.

4. The Union offer when considered in dollar amounts for Secretaries more nearly meets the criterion of comparability than the District offer, and there is evidence of a need for catch up in Pewaukee for Secretaries salaries. The percentage increases offered by the District in 1993-94 show evidence of an effort to catch up, and the 1994-95 District offer does not sustain the effort.

5. In internal comparisons percentagewise, the District offer is the more comparable for the first year, but is below average in the second year.

6. In the comparison of Pewaukee offers with the Village of Pewaukee and Waukesha County settlements in percentage terms, the Union offer more nearly meets the Village settlements and the District offer more nearly meets the County settlements.

7. In fringe benefits, the District's present situation is comparable.

8. In total compensation, the arbitrator was unable to compare dollar amounts of total compensation for Secretaries among comparables, but as far as percentage increases the District offer when averaged is reasonable, but at the top step for Secretary I it is not comparable.

9. The District offer in percentage increase exceeds the changes in the cost of living except at the top step for Secretary I.

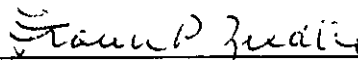
10. On sick leave payment, the language of the Union offer is likely to be the more useful in future negotiations than the District language although they currently have a similar effect.

11. It is the opinion of the arbitrator that the Union offer costing \$7,534 more than the District offer will not so adversely affect the District as to bar acceptance of the Union offer.

12. The arbitrator notes no changes during the pendency of the proceedings.

In reviewing the foregoing list of factors, the arbitrator is of the opinion that the weightiest matter is that of evidence of a need of catch-up for Secretaries at Pewaukee when measured against primary comparable districts. For this reason the following Award is made.

XVII. AWARD. The Agreement between the Pewaukee School District and Service Employees International Union, Local 150 (Secretaries and Food Service Employees) should contain the final offer of the Union.



FRANK P. ZEIDLER
ARBITRATOR

Date January 15, 1996
Milwaukee, Wisconsin