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IN THE MATTER OF ARBITRATION
between
Holmen Education Association,
Holmen, Wisconsin
and
Holmen School District,
Holmen, Wisconsin
* * * * *

FINAL OFFER ARBITRATION
WERC Case VII No. 23117
MED/ARB-125
Decision No. 16588-A
April 17, 1979

RECEIVED

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

APPEARANCES

On behalf of the Holmen Education Association

Thomas C. Bina, Executive Director, Coulee Region United Educators

On behalf of the Holmen School District

Kenneth Cole, Representative, Wisconsin Association of School Boards
Larry Rodenstein, Representative, Wisconsin Association of School Boards

JURISDICTION OF MEDIATOR-ARBITRATOR

On November 2, 1978, the Wisconsin Employment Relations Commission (WERC), pursuant to the provisions of Section 111.70 (4) (cm) of the Municipal Employment Relations Act, appointed the undersigned as the mediator-arbitrator.

A hearing in the matter convened on Monday, January 8, 1979, at 3:30 p.m., in the Library of the Holmen High School, Holmen, Wisconsin. Mediation was unsuccessful and the Parties immediately proceeded to final offer contract arbitration. The Parties filed post hearing briefs and were exchanged by the Arbitrator on February 13, 1979. The Parties also filed post hearing briefs. They were received in evidence on March 15, 1979. In addition, the Holmen Education Association submitted the contract settlement between the Onalaska Education Association and the Onalaska School District. It was received on March 13, 1979.

ISSUES AT IMPASSE

The final offers of the Parties enumerate specific differences in: (1) Base Salary Increase; (2) Vertical Increment Increase; (3) Horizontal Lane Increase; (4) Longevity Increase; (5) Extra-Curricular Increase; (6) Health Insurance Increase; (7) School District's Share of STRS Increase; and (8) Calendar.

The final position of the Holmen Education Association (HEA) in each of the aforementioned impasse items is contained in Appendix A, B, C and D. In addition, the School District's final offers are denoted in Appendix E, F and G.

POSITION OF THE HOLMEN EDUCATION ASSOCIATION

The law in Wisconsin under which this arbitration is being conducted was really designed to benefit schools like Holmen. The comparables in this district are made for the last best offer arbitration law in Wisconsin. The District's tax rates are low, their state aids are high, their overall compensation package (both in terms of salary and the combination of overall benefits) is substantially below average. It is exactly this kind of school district, based on its size and its location near a larger urban area, that in the past has had no bargaining leverage to gain equitable salaries. That lack of bargaining equity is what has caused

the erosion of the pay rates at Holmen from the near-average 1967-68 level to the present status. The law was passed to provide equity for small schools such as Holmen so they could lay their proposals before neutral arbitrators to have the proposals evaluated in light of the factors spelled out in Wisconsin Statutes. In all those areas, the Holmen Education Association proposal is absolutely supportable. Much more so than that of the District which would tend to reduce further our relative ranking in terms of dollars earned when held not against the highest paid school in the conference or CESA but when matched against the average. The idea of accepting a last best offer that would further reduce Holmen's relative standings against only an average of other schools is unthinkable. The Association feels the Arbitrator must grant the Association's offer as the "best last offer."

POSITION OF THE HOLMEN SCHOOL DISTRICT

The Board believes that a careful review of the data presented by both parties reveals that the Association's continual attempts to support its position by providing data and rationale outside its normal context. The data presented by the Board demonstrates that the Board's offer is reasonable in terms of:

1. The consumer Price Index
2. Comparisons with other school district's salary schedules
3. Comparisons with other school district's percentage and dollar increases.
4. Comparisons with other districts in terms of financial resources
5. The Holmen School District's ability-to-pay

Therefore, the Board believes that the arbitrator must select the Board's offer.

ANALYSIS OF THE EVIDENCE

In resolving this dispute, the mediator-arbitrator is directed by W.S. Section 111.70 (4) (cm) 7 to consider and 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 employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.
- e. The average consumer prices for goods and services, commonly known as the cost-of-living.
- f. The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors not confined to the foregoing which are normally and traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

In reviewing the HEA's documents, in support of its final offers, one noticeable distortion appears in its statistical data. That being the effect of Holmen's longevity payment of \$315 at the BA Maximum, MA Maximum and Schedule Maximum in comparison to school districts in CESA #11 and the Coulee Athletic Conference. The Arbitrator is cognizant that besides the Holmen School District, the school districts of West Salem, Westby and Elroy-Kendall-Wilton possess longevity payments to employees. In West Salem the 1977-78 contract provides that "Teachers beyond MA+15 with 15 years experience, or more, will receive the MA+8 base raise plus an increment of \$300.00." This figure was subsequently raised to \$350.00 for the current school year and is an annual increment with no limit. In addition, the Westby School District provides for 2% of lane base until 25 years of service, then it increases to 4%. Also, the Elroy School District grants a longevity payment of \$200 per year for each of the next five (5) years for those teachers above the salary schedule at the BA lanes 24 and beyond.

Without the implementation of the longevity payment to teachers, the HEA's comparisons pervert the differentials from 1977-78 to 1978-79 of school districts in CESA #11 and the Coulee Athletic Conference at the BA Maximum, MA Maximum and Schedule Maximum. This occurs because the majority of these school districts do not grant longevity to their employees. It is unfair and bias to totally disregard the longevity payments of these school districts in the statistical data presented by the HEA. To do so, implies that the school districts that grant longevity are on an equal basis with the majority of school districts who do not provide longevity payment. As in Holmen's case an employee could have accumulated longevity from 1973-1979 of \$1505, if the School District's proposal is employed. If you add the maximum step (10th) of the BA lane (\$12,300) on the School District's proposal to the accumulated longevity a total of \$13,805 is achieved. Thus, by the HEA using either the School District's proposal of \$12,300 or its final offer of \$12,450 at the BA Maximum in its comparisons is not a valid representation without the addition of the longevity payment. This distortion also occurred at the MA Maximum and the Schedule Maximum. Furthermore, the distortion is greater, since Holmen's longevity payment is one of the highest in the Coulee Athletic Conference. This further invalidates the HEA's rationale for its final offers in regard to the BA Maximum, MA Maximum and Schedule Maximum, as shown in its data.

Assuming arguendo that the Arbitrator disregards the longevity payment of the School District, the HEA's comparisons did not produce prima facie evidence that the School District's final offers were unreasonable and would diminish its relative overall ranking with school districts in CESA #11 and the Coulee Athletic Conference.

In Chart No. 1, the School District's final offer at the BA Base improves its position (12th) when compared to the HEA's final offer (13th) concerning other CESA #11 school districts. Chart No. 2 also illustrates that only in the BA Maximum will teachers decline from the 1977-78 school year (-850 to -1,032) if the School District's final offer is accepted. At the MA Maximum and the Schedule Maximum, the School District's final offer diminishes the gap between other CESA #11 school districts. Also, the Employer's proposal places its rank above average both at the BA and at the MA lane.

In Chart No. 3, the fringe benefits of STRS and Family Health Insurance is compared to other CESA #11 school districts. Standing alone, the final offer of the HEA would be granted for STRS. The majority of schools in CESA #11 grant 5% STRS for the 1978-79 school year. (HEA Exhibit No. 21) Furthermore, the rank in Family Health Insurance would decrease one (1) place (12th from 11th) if the School District's final offer is accepted. It, however, was noted that the Employer's final position places it at the median of Family Health Insurance in these school districts.

In regards to the comparison of Holmen with the Coulee Athletic Conference schools, the final offers of both Parties are equal in ranking of salary. (Chart No. 4) In Chart No. 5, the School District's final offer at the

BA Base, BA Maximum and MA Maximum increases the differential from school year 1977-78. At the BA Base, however, the HEA's final offer further increases this differential. Furthermore, the School District's final offer decreases the differential at the MA Base and the Schedule Maximum. Thus, the School District's final offer does not adversely affect the differential from 1977-78 in the BA Base (compared to HEA's proposal), MA Base and Schedule Maximum.

The HEA argues that one of the reasons for the BA Maximum, MA Maximum and Schedule Maximum falling substantially below the conference average is the increment level. Chart No. 6 shows that the increment level is below average at both the BA and MA levels in the Coulee Athletic Conference. It, however, is noted that even though the School District's proposal would reduce the rank from 1977-78 (6th) to 1978-79 (7th), the differential in the increment average would be reduced at both the BA and MA lanes. Clearly, the HEA would not be in a worse situation than in 1977-78, if the Employer's final offer is accepted by the Arbitrator.

The fringe benefit ranking of Holmen in STRS and Family Health Insurance in comparison to the Coulee Athletic Conference is contained in Chart No. 7. The relative ranking would not change if the School District's proposal is awarded. Reviewing HEA Exhibit No. 33 discloses that four (4) other school districts (Black River Falls, West Salem, Gale-Ettrick-Trempealeau and Onalaska) for 1978-79 grant STRS at 5%. This patently favors HEA's final offer of 5%. Furthermore, the School District's final offer concerning Family Health Insurance is at the median. The HEA, therefore, would not suffer in ranking.

According to 111.70 (4) (cm) 7f of the Wisconsin Statutes, the Arbitrator is required to review the comparison of overall compensation received. In considering the ranking of Holmen regarding salary, retirement and annual health insurance to CESA #11 school districts, it is discovered that the School District's final offer reduced the relative ranking at the BA Base level but improved that ranking at the BA Maximum, MA Base, MA Maximum and Schedule Maximum. (Chart No. 8) In comparing the Parties' final offer in dollar differentials, it is found that the Employer's final offer improves at the MA Base, MA Maximum and Schedule Maximum. It also reduces the differential in the BA Base, when compared to the HEA's final offer. (Chart No. 9)

Chart No. 10 reveals that both final offers of the Parties (salary, retirement and annual health insurance) are equal in ranking to each other when compared to the Coulee Athletic Conference school districts. The dollar differentials disclose that the School District's final offer still is above average in the BA Base and MA Base but lags behind in the other categories. (Chart No. 11)

Another additional economic item before the purview of the Arbitrator is the area of extra-duty pay. Chart No. 12 denotes that by awarding the School District's position the Boys Basketball Coach will rank 5th. Whereas, in 1977-78, the rank for this position was 7th for schools in the Coulee Athletic Conference. In dollar differentials the School District's offer increases this amount from the 1977-78 school year. The School District's final offer, however, equals a 10% increase of all duties compared to a 15% increase sought by the HEA. The Employer's proposal is more appropriate to the change in the Consumer Price Index from August 1977-78 (7.86%).

One further economic issue at impasse concerns whether the longevity payment should be increased from \$315 to \$355, as proposed by the HEA. No compelling evidence was introduced by the HEA to substantiate this increase. The record reveals that \$315 exceeds most other school districts in the Coulee Athletic Conference that grant longevity to their employees. The sum of \$315 will not greatly reduce the School District's ranking in comparison to these school districts.

It must be concluded that even without the longevity payment being

implemented in the HEA's aforementioned Charts, the School District's final offers in most items (except STRS) would not manifest an adverse affect on the teachers when compared to CESA #11 and Coulee Athletic Conference Schools. When the Arbitrator calculated the longevity payment into the same data produced by HEA, the School District's final offer was abundantly more meritorious than the HEA's final offer.

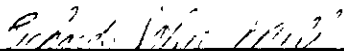
The School District's final offer of 8% ranked 14 of 25 in the Coulee Region United Educators (HEA Exhibit No. 51), 4 of 18 in CESA #11 (Board Exhibit No. 31) and 6 of 8 in the Coulee Athletic Conference. (HEA Exhibit No. 51) The evidence, however, reveals that the Employer's final offer in most cases, increased or maintained its ranking and dollar differentials in the aforementioned Charts (Association Exhibits) even when the data failed to include the longevity payment. Furthermore, the 8.0% total package settlement exceeded the Consumer Price Index from August 1977-78 of 7.86%. This being the period of time that this contract is in effect.

The only remaining issue concerns the School Calendar. This impasse item is somewhat moot, since many of the issues once raised by the Parties are no longer in dispute. The Association, however, seeks that time devoted to parent-teacher conferences should be included as teaching days. Whereas, the School District insists that they continue to be identified as non-teaching days. The effect of the HEA proposal would be to reduce the actual number of days of teacher-pupil contact to 179 from the present 180 days which represents the equivalent of approximately 0.5% increase in salary for teachers. The adduced evidence was void of any compelling rationale by the HEA in support of its position. Also, the Parties and not the Arbitrator should decide what teaching days to substitute for the January 3 disputed day.

The Arbitrator is also compelled by Wisconsin Statute 111.70 (4) (cm) 7c to ascertain whether the Holmen School District has the ability to pay for the HEA proposal. After scrutinizing the voluminous arguments produced at the hearing and in the briefs, a simple conclusion can be derived. The School District could meet the HEA's demands (9.2% total package) without causing undue hardship upon the School District. The evidence, however, does not support the HEA's final offer as being the best.

AWARD

The Holmen School District's final offers are decreed to be the best in light of Wisconsin Statute 111.70 (4) (cm) 7.



 Richard John Miller
 Mediator-Arbitrator

Dated this 17th day of April 1979
 Minneapolis, Minnesota

HOLMEN EDUCATION ASSOCIATION
1978-1979 Negotiation

September 14, 1978

- I. The following ammended offer will modify the 1977-1978 teacher contract as follows:

<u>Item</u>	<u>Offer</u>	<u>Cost</u>
Base Pay	\$9,455	\$38,340
Increment increase	40	17,040
Increase in lane differences	50	8,100
Longevity	355	9,940
Extra Duty (Includes DECA \$138 and girls volleyball and girls gymnastics \$676) Includes \$2000 extended contracts.	3,224 or 15%	3,224
Estimated step increase		23,390
Actual lane increase		<u>1,400</u>
SALARY TOTAL		\$101,434
FICA-increase		\$ 6,137
District STRS		6,999
Employee STRS, paid in full by employer		<u>13,827</u>
TOTAL FICA AND STRS		26,963
Insurance		
\$77.00 of \$81.00 family policy		
\$30.50 of \$31.00 single policy		
INCREASE ON INSURANCE		<u>9,642</u>
TOTAL PACKAGE COST		<u>\$138,039</u>
PERCENTAGE 9.2%		

Retroactivity upon settlement--one check as soon as practical, and not more than 20 days after settlement.

II. The following items have been agreed upon:

1. All language in the master contract
2. Mileage of 15 cents per mile

III. Attached: Holmen Education Association school year calendar, which is part of this amended offer.

SCHOOL CALENDAR 1978-1979
HOLMEN EDUCATION ASSOCIATION
SEPTEMBER 5, 1978

<u>Significant Dates</u>			<u>Student Days</u>	<u>Teacher Days</u>
August	23	Teacher In-Service		
August	24	Teacher In-Service		
August	25	First Student Day		
TOTAL DAYS FOR AUGUST			5	2
September	4	Labor Day		
TOTAL DAYS FOR SEPTEMBER			20	1
October	27	End of first quarter		
TOTAL DAYS FOR OCTOBER			22	0
November	9	Early Dismissal and Conf. (1.00) Afternoon and evening		
November	10	High School visitation and Others conference		
November	23	Thanksgiving		
TOTAL DAYS FOR NOVEMBER			19	2
December	22 - Jan. 2	Inclusive (Christmas Recess)		
TOTAL DAYS FOR DECEMBER			15	0
January	3	School Resumes		
January	12	End of Second Quarter		
January	15	High School Record Keeping Others Visitation		
TOTAL DAYS FOR JANUARY			20	1
February	8	Conferences Day and Evening		
February	9	WWEA Conference		
TOTAL DAYS FOR FEBRUARY			19	1½
March	23	End of Third Quarter		
TOTAL DAYS FOR MARCH			22	0
April	13 - 16	Inclusive (Easter Recess)		
TOTAL DAYS FOR APRIL			19	0
May	25	Last Day of School		
TOTAL DAYS FOR MAY			19	½
			180	8
				Equiv. Day 1
				In-Service 1
				10

Note: February 8 conference day is considered a student day.
 Labor Day, September 4, is a paid teacher holiday.
 Snow days would be made up at end of school year.

Sept. 15, 1918

	DA + 8	BA + 16	CA + 24	DA	EA + 8	FA + 16
1	9455	9705	9955	10205	10455	10705
2	9775	10025	10275	10525	10775	11025
3	10095	10345	10595	10845	11095	11345
4	10430	10680	10930	11180	11430	11680
5	10765	11015	11265	11515	11765	12015
6	11100	11350	11600	11850	12100	12350
7	11435	11685	11935	12185	12435	12685
8	11770	12020	12270	12520	12770	13020
9	12110	12360	12610	12860	13110	13360
10	12450	12700	12950	13200	13450	13700
11			13290	13540	13790	14040
12				1	14130	14380

HOLMEN AREA SCHOOLS

APPENDIX E



V
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September 13, 1978

Mr. Ken Cole
Employee Relations Service
Wisconsin Assoc. of School Boards
122 West Washington Avenue
Madison, Wisconsin 53703

Dear Mr. Cole,

The Holmen Board of Education wishes to amend their teacher contract proposal filed on September 8, 1978 in the following manner:

Item #4 to read: Pay teachers that are over the schedule an additional longevity increment of \$315 plus the base at whatever lane those teachers are located. The additional cost to the district will be \$3,250.00.

A copy of the revised offer is included. This makes the total package offer \$121,814.01, which represents an 8.0% increase.

Also, the board has costed out the teacher proposal and feels that it is low in the following areas:

- a) Salary items are low because no dollar amount is given for teachers gaining lane increases.
- b) We estimate this to be an additional cost to the district of \$3,000 + \$538.50 in FICA and STRS increases.
- c) Under the teacher proposal the district will also be obligated to pay 5% STRS on the original extra duty, approximately \$21,500, adding \$1,075 to the STRS amount.

No monetary value has been affixed to the conference day which the teachers have included in their calendar as one of the 180 student days.

Sincerely,

A handwritten signature in cursive script that reads "Dr. Donald Jacobson". The signature is written in dark ink and is positioned above the printed name.

Dr. Donald Jacobson
District Administrator

DLJ/lj
cc: T. Yager
R. Munderloh

LAND OF THE VIKINGS — HOLMEN, WISCONSIN 54636

Holmen Board of Education
 Teacher Contract Proposal
 September 8, 1978

The Holmen Board of Education submits the following contract offer for teaching personnel in the Holmen School District for the 1978-79 school term: The language to remain the same as in the 1977-78 agreement; a calendar calling for 180 student days and 190 teacher days to be retained; mileage for approved travel to be increased to 15¢ per mile; all pay to be made retroactive to the school term once an agreement is made, such payment to be made in a lump sum payment within twenty (20) days.

Contract salary proposal to include the following:	<u>Cost</u>
1) Increase the salary base by \$400 over the 1977-78 base making base pay \$9,500 for a starting teacher with a bachelor's degree.	\$ 43,200
2) Increase the increments granted for each years experience by \$20.00.	\$ 8,520
3) Increase the lanes by \$50.00 at each lane above the bachelor's making them read as follows:	\$ 5,200
BA - \$ 9,500	
BA + 8 - 9,750	
BA + 16 - 10,000	
BA + 24 - 10,250	
MA - 10,500	
MA + 8 - 10,750	
MA + 16 - 11,000	
* 4) Pay teachers that are over the schedule an additional longevity increment of \$315.00 plus the BA base increase of \$400.00 each.	\$ 8,820 +3,250= \$12,070
5) Increase the districts contribution to the employees share of STRS:	\$ 2,025
1-2 years experience \$450	
3-7 years experience \$480	
8-15 years experience \$550	
Over 15 years experience \$600	
Other STRS increase (employee share)	\$ 905
6) Increase the districts contribution to the health insurance plan to \$75 for family premiums and \$27 for single premiums.	\$ 7,008
7) Increase in extra pay for extra duty by 10%.	\$ 1,913
8) Estimated lane and regular step increases	\$ 27,665
9) Increase in F.I.C.A. Increase due to change in FICA contribution.	\$ 5,766.74 834.33
10) Increase in STRS Employers share.	\$ 6,576.94
11) Increase in Life Insurance.	\$ 130
TOTAL PACKAGE OFFER of \$118,564.01 which represents a 7.8% increase.	<u>\$118,564.01</u> = *\$121,814.01

*As amended 9-12-78

1978-79 Proposed Teacher Salary Schedule

	BA	BA + 8	BA + 16	BA + 24	MA	MA + 8	MA + 16
1.	9,500	9,750	10,000	10,250	10,500	10,750	11,000
2.	9,800	10,050	10,300	10,550	10,800	11,050	11,300
3.	10,100	10,350	10,600	10,850	11,100	11,350	11,600
4.	10,400	10,650	10,900	11,150	11,400	11,650	11,900
5.	10,715	10,965	11,215	11,465	11,715	11,965	12,215
6.	11,030	11,280	11,530	11,780	12,030	12,280	12,530
7.	11,345	11,595	11,845	12,095	12,345	12,595	12,845
8.	11,660	11,910	12,160	12,410	12,660	12,910	13,160
9.	11,980	12,230	12,480	12,730	12,980	13,230	13,480
10.	12,300	12,550	12,800	13,050	13,300	13,550	13,800
* 11.	13,015 (2)	13,010 (1)	13,120	13,370	13,620	13,870	14,120
	13,135 (1)	13,675 (2)					
12.	13,315 (1)	13,965 (7)	13,450 (1)	13,700 (1)	13,940	14,190	14,440
	13,715 (1)		13,635 (2)	14,175 (1)			
					14,240 (2)	14,490 (1)	14,535 (1)
					14,425 (1)	14,890 (1)	15,215 (1)
					14,715 (1)		
					14,915 (1)		

District Contribution to State Teachers Retirement:

Teachers with 1 - 2 years of experience	\$450
Teachers with 3 - 7 years of experience	\$465
Teachers with 8 - 15 years of experience	\$550
Teachers with over 15 years of experience	\$600