

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

FINAL OFFER ARBITRATION  
 WERC Case VII No. 23417  
 MED/ARB-198  
 Decision No. 16612-A  
 April 5, 1979

**RECEIVED**

MAY 29 1979

WISCONSIN EMPLOYMENT  
 RELATIONS COMMISSION

APPEARANCES:

For Hustisford Education Association

Armin Blaufuss, UniServ Director  
 Kay Ebert, President  
 Donald A. Baumann, Negotiator  
 Jon Urban, Negotiator  
 David Johnson, Teacher

For Hustisford School District

Kenneth Cole, Representative, Wisconsin Association of School Boards  
 Paul Endres, Administrator  
 Curtis Becker, President, School Board  
 Louise Wissell, Clerk, School Board  
 Shirley Strapich, Treasurer, School Board

JURISDICTION OF MEDIATOR-ARBITRATOR

On October 26, 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 Thursday, November 30, 1978, at 3:30 p.m. in the John Hustis Elementary School, Hustisford, 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 January 15, 1979. Reply briefs were waived by the Parties with final notification given on February 24, 1979. In addition, the Association submitted the contract settlement between the Waterloo Education Association, Waterloo, Wisconsin and Waterloo School District, Waterloo, Wisconsin. It was received on February 11, 1979.

ISSUE AT IMPASSE

On October 9, 1978, the Parties stipulated to the following tentative agreements:

1. The 1978-79 School Calendar (see enclosure #1)
2. Health Insurance (See enclosure #2)
3. Dental Insurance (See enclosure #3)
4. The Hustisford Education Association agrees to drop the issue of "Life Insurance".
5. The point dollar value, as shown on page 16 in Appendix B of the Professional Agreement called "Extra Curricular Salary Schedule" to be \$85.00. (See enclosure #4)
6. The pay for "Bus Chaperone" as shown on page 16 in Appendix B of the Professional Agreement called "Extra Curricular Salary Schedule" to be \$12.00. (See enclosure #4)
7. The pay for "Game Duty", as shown on page 16 in Appendix B of

the Professional Agreement called "Extra Curricular Salary Schedule" to be \$8.75 at high school level and \$6.00 at the Jr. High Level. (See enclosure #4)

On the same day, the Parties exchanged their final offers for the purpose of mediation-arbitration pursuant to Section 111.70 (4) (cm) 6 of the Municipal Employment Relations Act.

The Hustisford Education Association (HEA) proposed a BA base of \$9,500 for the 1978-79 school year and that the number of steps and credit lanes contained in the salary schedules of previous years would remain status quo. Retention of the same salary schedule structure (4.37% increase) results in an advancement in increment levels from \$385 to \$415 in the BA lanes and from \$428 to \$459 in the MA lanes.

The Hustisford School District proposed a BA base of \$9,350 for the 1978-79 school year with retention of the salary schedule structure. Under the SD proposal the increments would also be increased by 4.37%, resulting in a BA level increase from \$385 to \$409 and from \$428 to \$452 in the MA lanes.

Thus, the germane issue before the purview of the Arbitrator is whether the 1978-79 BA base should be \$9,350 or \$9,500 coupled with the increment increases generated by the salary schedule structure. The Parties also stipulated that the 1978-79 budget contains funds sufficient to cover the proposal of the HEA. In addition, the Arbitrator on behalf of the Parties stipulated that he will correct a \$50 error in the MA lane of the School District's final offer if the Employer's position is awarded.

#### POSITION OF THE HUSTISFORD EDUCATION ASSOCIATION

The HEA contends that its comparability groups (Athletic Conference, Cooperative Education Service Agency Region #13 and School Districts in a Twenty Mile Radius of the Employer) are more appropriate and meaningful than the School District's comparability groups. The reasons are due to general close geographic proximity of the HEA comparables to Hustisford as opposed to the substantial geographic dispersion of the School District comparables. In addition, the Employer is avoiding the economic factors relative to Hustisford's geographic locations, particularly Hustisford's very close proximity to the Milwaukee Metropolitan area. Certainly the Hustisford's teachers buying market is more closely related to the HEA comparables.

The HEA further avers that its final offer is fair, equitable and reasonable in light of the cost of the base salary offer of \$9,500 over the previous 1977-78 salary schedule cost (approximately 9.067%); the cost impact of the entire HEA package (approximately 9.23%); that over a two year span has lost as much as five (5) places in ranking (MA Minimum and MA+9) among Athletic Conference comparables, due in part to a substantial turnover of faculty between 1976-77 and 1977-78 (39%); the other HEA comparables (CESA #13 or 20 Mile Radius School Districts) with noticeable improvement in its rank order within the BA lanes and that there is no real improvement at the MA lane; the School District's comparables lack credibility, since an Athletic Conference comparison for 1975-76 is not included among its exhibits; that employing School District Exhibit Nos. 22 and 23 is self-serving, inasmuch as these documents ignore basic geographic and economic relationships; the reason for the large Hustisford increment is due to the low base salary and salary schedule structure; and the total compensation of all economic factors relegates Hustisford at or near the bottom among Athletic Conference comparables with the exception of the BA Maximum.

Another argument by the HEA is that the teacher workload does not correlate with their compensation. The School District demands a substantial and possibly unreasonable amount of work from its teachers. Examples of six (6) or seven (7) classroom preparation support that contention. Further, the Employer demands that teachers do extra duties,

some paid and some unpaid. Finally, the compensation level is not adequate to retain teachers.

The HEA also contends that impact of the 1977-78 turnover was a breakdown in the morale among teachers and students and that because only one of the thirteen new teachers had previous experience, student discipline problems increased. Experienced teachers are sought out for class advisorships (four [4] year job and unpaid) and bear the brunt of student discipline problems.

Also, in view of consumer price index increases implementation of the HEA's final offer is necessary to maintain the purchasing power of the Hustisford salary schedule. Clearly, the Board's offer does not substantially meet or exceed the CPI increases. First, the Employer includes increment in its percentage increases. Increments are a reward to teachers as experience is gained and are not designed to offset inflation or cost of living increases. Secondly, in light of the November 1977 to November 1978 CPI increase of 10.5% for the City of Milwaukee urban wage earners, the teachers will need all their salary increase (increment and salary schedule increase) to keep pace with the increased cost of living. If the Employer is awarded, the teachers will need all of the increase.

Lastly, the President's voluntary Wage and Price Guidelines must not be given any weight by the Arbitrator for the following reasons:

- A. The present agreement between the Employer and Association does not expire until August 27, 1979 (Article XIII Terms of Agreement). Agreements in effect prior to October 24, 1978 are excluded from the voluntary wage-price guidelines.
- B. The document is incomplete. The President directed the Council on Wage and Price Stability to monitor changes in wages and prices. The Council has proposed an addendum to the Code of Federal Regulations. That proposed addendum is not part of Employer Exhibit #1.
- C. Congress has not yet acted upon the enforcement aspects of the voluntary wage and price guidelines.
- D. The status of fringe benefits has recently been revised. Increases in present fringe benefit programs are not excluded from the wage guidelines. The status of increments and lane changes is not yet fully resolved. Under President Nixon's mandatory controls increments and lane change costs were excluded.
- E. Municipal employers are not specifically covered by the controls.
- F. Under the proposed addendum to the Code of Federal Regulations, 7058-5, Tandem Pay Rate changes are excluded. Thus if Hustisford teacher salaries are linked to some other unit in a comparable fashion wage increases exceeding the guidelines may be excluded.
- G. Under the proposed addendum to the Code of Federal Regulations, 7058-7, exceptions may be granted to avoid undue hardships or gross inequities. Certainly to demand that Hustisford teachers meet the guidelines while others have exceeded within the comparable groups would create an undue hardship and/or a gross inequity. The Association has demonstrated the need for implementation of its final offer.
- H. The Employer's costing of its final offer substantially exceeds the voluntary wage-price guidelines.

## POSITION OF THE HUSTISFORD SCHOOL DISTRICT

The School District argues that the HEA did not provide any data or testimony that would indicate that either the turnover or the workload was significantly different from any of the districts that the HEA or the Employer had identified as comparable to Hustisford. Furthermore, the Board's final offer is in excess of the Presidential Guidelines. However, the HEA's final offer is even higher. The Employer's final offer must be regarded as the position more nearly in compliance with the spirit of the Guidelines and therefore must be judged by the Arbitrator to be the more reasonable of the two (2) final offers.

The School District further contends that comparisons with larger neighboring school districts are inappropriate. The Employer is willing to make comparisons with school districts of similar size that are located in those CESA areas in which Athletic Conference Schools are located. In addition, these school districts are comparable because they share another characteristic that being higher costs. The Employer's cost per pupil is among the highest costs per pupil of any of the comparable school districts.

The Employer also contends that within the Athletic Conference the historic relationship between school districts has been maintained as it has existed over the past several years. Most apparent is the absolute dollar amounts of the increases in bases and maximums that either have occurred or would occur in the Athletic Conference school districts. Moreover, the school districts identified as School Board comparables improve from the prior year using the Board's final offer. Finally, the HEA has not demonstrated that it is necessary for these historic relationships to be modified. Not every school district can be the highest paying school district at all levels of the salary schedule. Each school district has its own philosophy, as evidenced by the fact that the Parties have placed greater emphasis on the value of experience and the availability of insurance programs and retirement than they have on raising the base compensation levels.

In addition, the school district identified as Hartford (School Within a 20 Mile Radius of Hustisford) is a high school district and there are eight (8) separate and independent elementary school districts that serve as feeder schools to the high school district. No data, however, was provided by the HEA regarding these elementary districts and yet all of them lie within the 20 mile radius and in many cases these districts are similar in size to Hustisford.

Furthermore, the Board's final offer is in excess of consumer price index increases at the time the collective bargaining agreement is to become effective. The new agreement is retroactive to August 1978 and the annual percentage increase in the consumer price index indicates that the increase from August 1977 to August 1978 is only 7.86%.

Also, the percentage calculations offered by the HEA are spurious. Their calculated rates of increase have no relationship to increases in other school districts or to comparisons with increases in the CPI. Furthermore, the majority of teachers under the School District's final offer would receive actual increases in excess of 10%. Also, those teachers receiving the smaller percentage adjustments in the HEA's proposal are generally receiving absolute dollar increases in excess of \$1,000 and these teachers are those not receiving experience increments. In the Board's proposal these same instructors receive increases in excess of \$800 again without experience increments. In addition, the Board has already made increased commitments to health insurance, extra-curricular payments and retirement that would raise its offer in excess of 9% and the HEA offer in excess of 10%.

Lastly, the Employer contends that it is not an appropriate interpretation of the statutory criterion concerning average consumer prices and cost-of-living or a correct application of the CPI itself for the percentage

increases in the index to be measured against the actual increase in total expenditures for employee compensation and fringe benefits for the School District.

#### ANALYSIS OF THE EVIDENCE

The undersigned evaluated the final offers of each Party based on the criteria set forth in Wisconsin Statutes 111.70 (4) (cm) 7. The criteria include:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and 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 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 between the parties, in the public service or in private employment.

The arguments enumerated by the School District in support of its final position are generally more meritorious than those given by the HEA. Initially, the HEA argues that its final offer should be accepted by the Arbitrator to reduce the turnover of teachers that has occurred in the past and also the excessive workload that teachers were required to perform. These contentions by the HEA were not substantiated by prima facie evidence that either the teacher's workload or turnover were appreciably diverse when compared to the school districts utilized by the Parties as a basis for comparison. Moreover, Mr. Urban's testimony concerning the workload of Mrs. Berg, Ms. Kathy Wagner and Mr. David Johnson (who also testified on his own behalf) did not sustain the HEA's argument that the Employer demands a substantial and possibly unreasonable amount of work from its teachers. The testimony only represents three (3) teachers, it does not reveal that all remaining teachers in the School District are required to fulfill these teaching responsibilities mandated by the Employer. In regards to teacher turnover, HEA is convinced that the impact of the 1977-78 turnover (39%) created a breakdown in morale among teachers and students and that only one of the thirteen new teachers had previous experience, student discipline problems increased. Assuming arguendo that these contentions are correct, the HEA did not demonstrate that by the Arbitrator accepting its final offer these problems would be alleviated. Furthermore, HEA

Exhibit No. 4 indicates that teacher turnover in 1978-79 (16%) is greatly reduced from the previous year (39%). Also, Employer Exhibit No. 2 reveals that the 50% of teachers in the School District are in the upper range (step 6 and above) of the existing salary schedule. Finally, the HEA did not prove that teachers who terminated their employment with the School District left because salary levels were not sufficient.

The Arbitrator also concludes that the comparison of salaries and the overall compensation contained at statutory criteria d and f, further supports the School District's final offer. The HEA comparables (Athletic Conference, CESA #13 and School Districts in a Twenty Mile Radius of Hustisford) contained many school districts that were substantially larger in size (student enrollment) than Hustisford. This is not a fair comparison, since the School District is unique in that it is very small but also is within close proximity to the major metropolitan area of Milwaukee and as a result is surrounded by vastly larger school districts. Even in the Athletic Conference, the School District with the exception of Williams Bay is the smallest school district. (Employer Exhibit No. 11)

The best comparison group in this case is Athletic Conference schools and those school districts contained in HEA Exhibit No. 12 (Board Comparables).

In addition to similar size, these school districts possess the characteristic of higher cost per pupil. Besides the substantial per pupil valuation (HEA Exhibit Nos. 6 and 19), the Hustisford School District is among the highest costs per pupil of the school districts denoted in Employer Exhibit No. 13, 14, and HEA Exhibit No. 19.

The adduced evidence clearly indicates that the School District's relative position among its comparables will improve using the Employer's final offer. (Employer Exhibit Nos. 22 and 23; HEA Exhibit Nos. 12 and 13) Utilizing the HEA final offer would increase the School District's relative ranking, especially at the BA lane. In 1977-78 the Hustisford BA base was one of the lowest as compared to the school districts in Employer Exhibit 22. Using the HEA final offer for 1978-79 situates the Hustisford BA base as the second highest. (Employer Exhibit No. 23)

The HEA places great emphasis on the diminishing rank of Hustisford in comparison to the Athletic Conference school districts for year 1975-76, 1976-77, 1977-78 and 1978-79. (HEA Exhibits Nos. 2, 3, 5 and 14) It was noted that Hustisford has lost ranking in various steps of the salary structure. (HEA Post Hearing Brief, page 12) It, however, appears that the Parties have in the past years placed greater emphasis on the value of experience rather than on the BA starting rates. This was shown in Employer Exhibit Nos. 20 and 21, where salary increments are larger than in most other Athletic Conference schools. This seems reasonable since about one-third (1/3) of the Hustisford teachers are situated at the maximum steps of the salary schedule and one-half (1/2) of the faculty is contained in the upper one-half (1/2) of the salary schedule.

Granting the HEA's final offer would nearly restore the 1975-76 rank among the Athletic Conference schools. Whereas, the SD's final offer should not decrease its ranking among these comparables depending on the salary settlements of Deerfield and Marshall (Waterloo settled on January 21, 1979). To grant, however, the HEA's final offer negates the concept that salary is the sole criterion in the Arbitrator's decision. The undersigned must also review the overall compensation being granted to the teachers. The adduced evidence patently discloses that Hustisford has one of the best fringe benefit packages among its comparables. (Employer Exhibit Nos. 25 and 26) It is apparent that the Parties have placed greater emphasis on fringe benefits than on raising the BA base compensation rates. To grant the HEA's final offer would distort this philosophy and allow the teachers to relatively restore their 1975-76 ranking among Athletic Conference schools and at the same time possess greater fringe benefits than most of these schools. The HEA possessed

ample opportunity during the three (3) year agreement to negotiate increase compensation, since the agreement provided for annual negotiations of salary schedule, extra curricular salary schedule and insurance.


In review, the School District's final offer provides that 18 of 28 teachers receive salary increases in excess of 9% (Employer Exhibit No.3) this exceeds the August 1977 to August 1978 CPI increase of 7.86% for national urban wage earners. (Employer Exhibit No. 9) Also, it is higher than the October-November 1977 to October-November 1978 CPI increase of 8.8% for national urban wage earners. (Employer Exhibit No. 8 and Association Post Hearing Exhibit No. 2) but is lower than the November 1977 to November 1978 CPI increase of 10.5% for the Milwaukee urban wage earners. Clearly, the majority of teachers exceed the CPI except for the Milwaukee urban wage earner. Moreover, the School District agreed to increases in health insurance, extra-curricular payments and retirement that raises its final offer in excess of 9% and the HEA final offer in excess of 10%. (Employer Exhibits No. 5 and 6)

The Arbitrator is cognizant that the School District through staff changes have generated an additional savings of approximately \$5,900. (Association Exhibit No. 17) This amount has accumulated through the loss of increments or years of experience to the School District. If the Arbitrator applied this amount against the actual increase in total expenditures for employee compensation and fringe benefits for the Hustisford School District, the cost of funding the HEA proposal would diminish. This argument of the HEA becomes an ancillary consideration in light of the other statutory criteria previously discussed. Furthermore, it is unfair to compare the percentage increases in the CPI index to be measured against the actual increase in total expenditures of School District employees for salary and fringe benefits. The comparison becomes distorted where staff turnover generates inordinate individual increases through a salary schedule that produces diminutive increases in total compensation.

Lastly, the Presidential Guidelines was voluntarily exceeded by the School District and is not an important consideration in this case that warrants discussion.

#### AWARD

Based upon the statutory criteria enumerated in 111.70 (4) (cm) 7, the Hustisford School District's final offer of \$9,350 is awarded for the 1978-79 school year, coupled with the increment increases generated by the salary schedule structure. The \$50 clerical error made in the MA lane of the Hustisford School District's final offer should be corrected and incorporated in the agreement.

  
 Richard John Miller  
 Mediator, Arbitrator

Dated This 5th Day of April, 1979  
 Minneapolis, Minnesota

APPENDIX C

HUSTISFORD SCHOOL DISTRICT  
1978-79  
SCHOOL CALENDAR

AUGUST (4)

M	T	W	T	F
21	22	(23)	(24)	(25)
28	29	30	31	

SEPTEMBER (20)

M	T	W	T	F
				1
X	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

OCTOBER (20)

M	T	W	T	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	XX	XX
30	31			

NOVEMBER (19)

M	T	W	T	F
		1	[2]	(3)
6	7	8	9	10
13	14	15	16	17
20	21	22	XX	XX
27	28	29	30	

DECEMBER (15)

M	T	W	T	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	XX
XX	XX	XX	XX	XX

JANUARY (20)

M	T	W	T	F
X	X	3	4	5
8	9	10	11	12
15	16	17	[18]	(19)
22	23	24	25	26
29	30	31		

FEBRUARY (19)

M	T	W	T	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	XX
26	27	28		

MARCH (21)

M	T	W	T	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	[23]
(26)	27	28	29	30

APRIL (19)

M	T	W	T	F
2	3	4	5	6
9	10	11	12	XX
XX	17	18	19	20
23	24	25	26	27
30				

MAY (22)

M	T	W	T	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
XX	29	30	31	

JUNE (1)

M	T	W	T	F
				[1] (2)

<p>X=NO SCHOOL ( )=INSERVICE [ ]=QUARTER ENDS</p> <p>1st Quarter-46 days 2nd Quarter-44 days 3rd Quarter-44 days 4th Quarter-46 days</p>
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One parent-teacher conference day to be arranged at the building level. The first four (4) inclement weather school closings will not be made up. Beginning with the fifth inclement weather school closing and all other emergency school closings will be made up June 4,5,6, etc. Last inservice day of year will follow last student day of year.

- August 28 - 1st day for students
- May 25 - Graduation
- June 1 - Last day for students

Paul J. Endres  
For Board of Education

Jon M. Wilson  
For Hustisford Education Association

3-30-78  
date

3/30/78  
date



ARTICLE 12 INSURANCE

A. Health Insurance

1. The Board agrees to pay 100% of the health insurance for both single and family plan which is \$81.24 for the family plan and \$30.48 for the single plan, to go into effect on September 1, 1978.
2. All new teachers to the district must be half time or more to be eligible for the health insurance program.
3. The monthly health insurance payments shall begin in September and end in August. Exceptions will be made for those teachers employed and/or terminated between those months.
4. The current insurance vendor will be the WEA Insurance Trust, and any changes in the insurance, carrier, or coverage will be negotiated between the Board and the Association.

B. Dental Insurance

1. The Board agrees to pay 100% of the dental insurance for both single and family plan, which is \$16.72 for the family plan and \$5.30 for the single plan, to go into effect on September 1, 1978.
2. All new teachers to the district must be half time or more to be eligible for the dental insurance program.
3. The monthly dental insurance payments shall begin in September and end in August. Exceptions will be made for those teachers employed and/or terminated between those months.
4. The current insurance vendor will be the WEA Insurance Trust, and any changes in the insurance, carrier, or coverage will be negotiated between the Board and the Association.

1978-79 EXTRA CURRICULAR SALARY SCHEDULE

<p><u>Class A (10 points)</u>      \$850.00                  Head Football</p>	<p><u>Class H (2 points)</u>      \$170.                  Elem. Boys Basketball                  Elem. Girls Basketball                  Elem. Volleyball</p>
<p><u>Class B (9 points)</u>      \$765.00                  Head Wrestling                  Head Boys Basketball                  Head Girls Basketball</p>	<p><u>Class I (1 point)</u>      \$ 85.                  Elem. Basketball Cheerleading                  Advisor</p>
<p><u>Class C (7 points)</u>      \$595.00                  Assistant Football</p>	<p><u>No Class</u></p>
<p><u>Class D (6 points)</u>      \$510.00                  Track                  J.V. Football                  J.V. Boys Basketball                  Head Baseball                  Musical Director                  J.V. Girls Basketball                  J.V. Wrestling</p>	<p>#6 Bus Chaperone*      \$ 12.00                  #7 Game Duty*                      high school      8.75                      Jr. High          6.00</p> <p>*per bus or per night</p>
<p><u>Class E (5 points)</u>      \$425.00                  Volleyball                  Band Director                  Head Forensics (No Class)</p>	<p>#5                  1 point = \$85.00</p>
<p><u>Class F (4 points)</u>      \$340.00                  Asst. Musical Director                  Asst. Track                  H.S. Winter Cheerleading Advisor</p>	<p>This schedule does not mandate                  that the position must be                  filled.</p>
<p><u>Class G (3 points)</u>      \$255.00                  Flag Football                  Asst. Volleyball                  Head Forensics (with class)                  Drama Director (per play)                  Asst. Forensics                  Elem. Wrestling                  Elem. Track                  H.S. Fall Cheerleading Advisor</p>	