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WISCONSIN EMPLOYMENT RELATIONS COMMISSION

MAY 16 1980

BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

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In the Matter of the Mediation-Arbitration	*	OPINION and AWARD
	*	
Between	*	Case V
	*	No. 24971
NEOSHO TEACHERS EDUCATION ASSOCIATION,	*	MED/ARB-491
	*	Dec. No. 17305-A
CLUE, WEAC, NEA	*	
	*	
And	*	
	*	
JOINT SCHOOL DISTRICT #3, VILLAGE OF	*	
	*	
NEOSHO, TOWNS OF HUBBARD, HUSTISFORD,	*	
	*	
LEBANON & RUBICON	*	

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APPEARANCES:

Dennis G. Eisenberg, Executive Director, Cedar Lake United Educators,  
 appearing on behalf of Neosho Teachers Education Association

William G. Bracken, Wisconsin Association of School Boards, appearing  
 on behalf of the School District

On July 30, 1979, the Neosho Teachers Education Association, CLUE, WEAC, NEA (referred to hereafter as the Association) filed a petition with the Wisconsin Employment Relations Commission (WERC) pursuant to Section 111.70(4)(cm)(6) of Wisconsin's Municipal Employment Relations Act (MERA) to initiate mediation-arbitration. The Association and the Joint School District #3, Village of Neosho, Towns of Hubbard, Hustisford, Lebanon and Rubicon (referred to hereafter as the School District or the Employer) had begun negotiations on February 14, 1979 under a limited reopener clause contained in their collective bargaining agreement. The parties failed, however, to reach agreement on all the issues in dispute covering this unit of approximately 20 full-time and part-time non-supervisory teaching personnel. On October 16, 1979, following an investigation by a WERC staff member, the WERC determined that an impasse existed within the meaning of Section 111.70(4)(cm)(6) and that mediation-arbitration should be initiated. On November 1, 1979, the undersigned, after having been selected by the parties, was appointed by the WERC as mediator-arbitrator to resolve the impasse. She met with the parties on January 15, 1980 at 4 P.M. in Neosho, Wisconsin, to mediate the dispute. When mediation efforts proved unsuccessful, she held an arbitration hearing on March 12, 1980 at 7 P.M. in Neosho, Wisconsin. Public notice of the arbitration proceeding was given. At the arbitration hearing, the parties were given a full opportunity to present evidence through exhibits and testimony and to make oral arguments. Thereafter written briefs and reply briefs were submitted and exchanged through the arbitrator.

ISSUES AT IMPASSE

Of all the issues which were subjected to the collective bargaining process under the parties' limited reopener clause applicable to 1979-80, the salary schedule remains the only unresolved issue. The Association's final offer on salary is attached hereto as Appendix A; the School Board's final offer is attached hereto as Appendix B. Since the parties have not agreed to an alternative dispute resolution procedure, the undersigned must choose either the final offer of the Association or the final offer of the Employer.

## STATUTORY CRITERIA

Under Sec. 111.70(4)(cm)(7) the mediator-arbitrator is required to 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 and with other employes 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 employes, 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.

## POSITIONS OF THE PARTIES

### The Association

While the Association relies upon a number of arguments to support its final offer salary schedule proposal, its primary argument is that there should be similar pay for similar work and that the appropriate measure for teacher pay in Neosho should be the Hartford High School District where work is "nearly identical." Indeed, the Association notes that Hartford High School District (and Hartford Elementary School District) salaries may be low when compared to the appropriate comparables such as the constituent school districts comprising CESA #16 and the athletic conference schools used by Arbitrator Kay Hutchinson in a recent (1979) decision resolving an impasse dispute between the Hartford High School District and its teachers association.

Additional arguments advanced by the Association include the following: that special teachers from Hartford Elementary work side by side with Association teachers at the Neosho school pursuant to a contractual relationship between the two school districts with Neosho teachers earning significantly less than their Hartford colleagues; that cost of living data clearly supports the Association's salary proposal (indeed the cost of living is so high that even the Association's final offer is too low); and that the School District has made no inability to pay argument so that this is solely an unwillingness to pay situation.

The Association rejects the Employer's final offer as being based upon inappropriate and limited comparables, noting additionally that three out of the eight key Employer comparables have voluntarily adopted the basic framework of the Hartford High School District salary schedule. The Association also disagrees with the Employer's method of computing costs for the salary packages as well as the Employer's fringe benefit comparables and rejects the Employer's inclusion of prior increments in its costs of living analysis.

For all the above reasons, the Association concludes that the statutory criteria, indeed the cost of living standard alone, requires the arbitrator to select the Association's final offer in this proceeding.

### The Employer

The School Board's main argument in support of its final salary schedule offer is based upon comparability. The Employer rejects the use of Association comparables as being inappropriately broad, including many significantly larger school districts. For the School District, the primary comparables are the other K-8 school districts which "feed" into the Hartford High School District and which constitute their own athletic conference for K-8 schools. Even Hartford Elementary School District, the School Board believes, should not be a primary comparable since it has four times the enrollment of Neosho.

The School Board further argues that selection of the Association's final offer will significantly restructure the parties' collective bargaining relationship and threaten the very existence of this autonomous K-8 district by eliminating the historical salary differential which has existed between Neosho elementary school teachers and Hartford high school teachers. In addition, the School Board expresses its concern that selection of the Association's final offer based upon the Hartford High School District model will remove the necessary bargaining flexibility for the parties during their next round of bargaining for a successor contract to the existing multi-year agreement.

To support its final offer proposal, the School District has costed out the total package of 1979-80 improvements as 9.6% and the Association's package as 14% (the increase in average salary alone under the Board's salary offer is 9.1% and under the Association's salary offer it is 13.8%). Put somewhat differently, according to the Employer, the average salary percentage increase for returning teachers (actual staff members who taught in 1978-79 and continue to teach during 1979-80) is 9.9% based upon the Board's offer and 14.7% based upon the Association's offer. Moreover, the relative ranking of Neosho will be maintained if the Employer's salary proposal is implemented.

Finally, the School Board argues that the salaries paid to Neosho teachers over the past ten years has outdistanced cost of living increases and that very generous fringe benefit and leave provisions must also be taken into account in this proceeding.

Accordingly, the School Board concludes that the statutory factors clearly favor the selection of its final offer as more reasonable.

### DISCUSSION

Although there is only one issue in dispute during this impasse, this is a difficult and close case to decide. The Association has made several strong equitable arguments: 1) the Neosho School District must be placed in the context of a broader grouping of comparables rather than restricting its relative ranking to the smaller K-8 districts which comprise the majority of feeder elementary school districts of Hartford High School District; 2) it is unfair to have teachers working side by side at the Neosho School with a significant disparity of pay; 3) experienced teachers are leaving Neosho for better working conditions nearby; and 4) even the Association's offer fails to account fully for the dramatic increases in the cost of living which has adversely affected bargaining unit members. On the other hand, it must be noted that this is the final year of a three year collective bargaining agreement; that the parties have reached agreement on all other outstanding issues subject to the contract's limited re-opener for 1979-80; and that while there is a discernable trend within the feeder elementary schools toward adopting the Hartford High School District salary schedule, to date only a minority of these districts have adopted such a schedule. Moreover, while it must be admitted that the Board's final offer presents a special problem for the 5.5 teachers at the top step of the B.A. column who will receive only a 5.6% salary increase, yet other teachers will receive increases (excluding lane changes but including increments) calculated between 8.8% to 11.6% on an individual salary basis. However, under the Association's proposal, the teachers at the top step of the B.A. column will receive a 9.7% increase with other teachers receiving from 12.3% to 17.7% (including increments).

In the judgment of this arbitrator, there is no doubt that there is a high likelihood in the near future that the majority of "feeder" elementary school districts (including Neosho) will be on a Hartford High type salary schedule. The sole question facing her is whether that step should be taken now in the context of an arbitration proceeding concerning a limited one year reopener or whether it is not more appropriate for such a major change in the salary schedule to be subjected again to the give and take of the collective bargaining process during the next round of negotiations which will be taking place very shortly for a successor agreement. In view of the imminence of collective bargaining for 1980-81, the arbitrator concludes that under these circumstances that the Employer's offer (although flawed) should be selected. The Employer's offer provides some significant absolute dollar improvement for most members of the bargaining unit for 1979-80 without impeding 1980 collective bargaining for a successor agreement. Although all bargaining unit members will be adversely affected by recent cost of living increases, few employees (public or private sector) can reasonably expect absolute protection against the inflationary spiral. The best that most employees can currently expect is that they will not slip too far behind. However, just as employees cannot reasonably expect absolute salary protections against the adverse impact of inflation, so too, small K-8 school districts cannot reasonably expect to be insulated against escalating pressures to treat their employees in a manner similar to the treatment of employees in nearby larger school districts. While an accomodation of these competing interests may be difficult to negotiate, the arbitrator is hopeful that the parties will be able to utilize the collective bargaining process to achieve such a mutually satisfactory, voluntary accomodation in 1980; the continued viability of the School District depends upon it.

#### AWARD

Based upon full consideration of the exhibits, testimony, and oral and written arguments presented by the parties and due weight having been given to the statutory facts set forth in Sec. 111.70(4)(cm)(7) of MERA, the mediator-arbitrator selects the final offer of the Employer and orders that the Employer's final offer be incorporated into a written collective bargaining agreement as required by statute.

Madison, Wisconsin  
May 14, 1980

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June Miller Weisberger  
Mediator-Arbitrator

ASSOCIATION PROPOSAL

Appendix A  
79-80 Schedule

Step	BA	BA+8	BA+16	BA+24	BA+30 MA(NIF)	MA	MA+8	MA+16	MA+24
1	10,650	10,916	11,182	11,448	11,714	11,980	12,246	12,512	12,778
2	11,183	11,449	11,715	11,981	12,247	12,513	12,779	13,045	13,311
3	11,716	11,982	12,248	12,514	12,780	13,046	13,312	13,578	13,844
4	12,249	12,515	12,781	13,047	13,313	13,579	13,845	14,111	14,377
5	12,782	13,048	13,314	13,580	13,846	14,112	14,378	14,644	14,910
6	13,315	13,581	13,847	14,113	14,379	14,645	14,911	15,177	15,443
7	13,848	14,114	14,380	14,646	14,912	15,178	15,444	15,710	15,976
8	14,381	14,647	14,913	15,179	15,445	15,711	15,977	16,243	16,509
9	14,914	15,180	15,446	15,712	15,978	16,244	16,510	16,776	17,042
10		15,713	15,979	16,245	16,511	16,777	17,043	17,309	17,575
11			16,512	16,778	17,044	17,310	17,576	17,842	18,108
12				17,311	17,577	17,843	18,109	18,375	18,641
13					18,110	18,376	18,642	18,908	19,174
14					18,643	18,909	19,175	19,441	19,707
15					19,176	19,442	19,708	19,974	20,240

Salary Schedule

Amendment VI, Change as follows:

For the first thirty-eight (38) contract days each employe will receive his/her daily salary (i.e., the same experience and training level) previously received for the 1978-79 school year.

For the remaining number of contract days (152 days) each employe will be properly placed on the salary schedule attached. No employe, however, shall receive more than an annual salary increase of \$2,300 over the salary said individual received in 1978-79.

All credits applied to this salary schedule will be graduate credits earned towards a graduate degree in the field of the teacher present teaching responsibility.

Appendix A

*B Offer*

FINAL OFFER OF JOINT SCHOOL DISTRICT #3  
VILLAGE OF NEOSHO, ETC.

<u>Step</u>	<u>BA</u>	<u>BA+10</u>	<u>BA+20</u>	<u>MA</u>	<u>MA+10</u>	<u>MA+20</u>	<u>MA+30</u>
0	10,000	10,300	10,600	10,900	11,200	11,500	11,800
1	10,450	10,750	11,050	11,350	11,650	11,950	12,250
2	10,900	11,200	11,500	11,800	12,100	12,400	12,700
3	11,350	11,650	11,950	12,250	12,550	12,850	13,150
4	11,800	12,100	12,400	12,700	13,000	13,300	13,600
5	12,250	12,550	12,850	13,150	13,450	13,750	14,050
6	12,700	13,000	13,300	13,600	13,900	14,200	14,500
7	13,150	13,450	13,750	14,050	14,350	14,650	14,950
8	13,600	13,900	14,200	14,500	14,800	15,100	15,400
9	14,050	14,350	14,650	14,950	15,250	15,550	15,850
10		14,800	15,100	15,400	15,700	16,000	16,300
11			15,550	15,850	16,150	16,450	16,750
12				16,300	16,600	16,900	17,200

All credits applied to this salary schedule will be graduate credits earned towards a graduate degree in the field of the teacher present teaching responsibility.

*Appendix B*