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STATE OF WISCONSIN

BEFORE THE MEDIATOR/ARBITRATOR

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

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In the Matter of the  
Mediation/Arbitration Between

STANLEY-BOYD EDUCATION ASSOCIATION

and

STANLEY-BOYD AREA SCHOOL DISTRICT

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Case XVI  
No. 26219 Med/Arb 719  
Decision No. 18002-A

APPEARANCES:

Mary Virginia Quarles, Executive Director, Central Wisconsin UniServ Council-West appearing on behalf of the Stanley-Boyd Education Association.

Kenneth Cole, Director, Employee Relations Service, Wisconsin Association of School Boards, Inc., appearing on behalf of the Stanley-Boyd Area School District.

ARBITRATION HEARING BACKGROUND:

On August 25, 1980, the undersigned was notified by the Wisconsin Employment Relations Commission of appointment as mediator/arbitrator, pursuant to Sec. 111.70(4)(cm)6 of the Municipal Employment Relations Act in the matter of impasse between the Stanley-Boyd Education Association, referred to herein as the Association, and the Stanley-Boyd Area School District, hereinafter referred to as the Employer. Pursuant to the statutory requirements, a public hearing was held as the result of public petition and mediation proceedings were conducted between the parties on November 5, 1980. Mediation failed to resolve the impasse and an arbitration hearing was held on December 9, 1980. At that time, the parties were given full opportunity to present relevant evidence and make oral argument. The proceedings were not transcribed but post hearing briefs were filed with and exchanged through the mediator/arbitrator.

THE ISSUES:

Three issues remain at impasse between the parties: vertical increment in the salary schedule, the naming of the insurance carrier for long term disability insurance and determination of rate for health insurance in 1981-82. The final offers of the parties are attached as Appendix A and B.

STATUTORY CRITERIA:

Since no voluntary impasse procedure was agreed to between the parties regarding the above impasse, the undersigned, under the Municipal Employment Relations Act, is required to choose the entire final offer of one of the parties on all unresolved issues.

Section 111.70(4)(cm)7 requires the mediator/arbitrator to consider the following criteria in the decision process:

- 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 the government to meet the costs of any proposed settlement.
- D. Comparison of wages, hours and conditions of employment of 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 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 public service or in private employment.

THE POSITION OF THE EMPLOYER:

The Employer contends that the major issue in dispute between the parties is the salary schedule increment and that the number of issues to be bargained in the second year of the contract is an issue of lesser significance. The most significant area of comparison, the Employer declares, is the actual size of the increment in the salary schedule and not base salary, maximum salaries or even salaries at various points in the schedule. Positing that if the athletic conference is used for the basis of comparison, the Employer argues its offer as to level of increment compares favorably with increases offered by other districts and that when the double increment at the first step of the Stanley-Boyd schedule is considered, the average increment becomes equal to increments offered in other districts.

Further, the Employer states that when base salary, schedule maximums and BA and MA lane maximums are considered, the District has shown improvement in rank over the averages during the past two years. And, continues the Employer, when overall compensation is considered, its position is more favorable because it pays full premiums on health insurance and disability insurance; it provides dental insurance and in this round of bargaining has added a longevity benefit and long term disability insurance protection. Thus, the Employer concludes, it has "either maintained or enhanced its position with respect to the conference schools in the salary schedule area and made substantial additions in the area of fringe benefits...."

Finally, the Employer argues that its offer represents a 10.5 percent increase in wages compared to the Association's 11.5 percent

increase and that its 10.5 percent increase is in the middle of the percentages granted by other districts in the athletic conference and that no district in the conference has granted an increase as large as that proposed by the Association.

Referring to cost of living increases, the Employer, using the Small Metro Areas Consumer Price Index states that the index needs to be adjusted downward some because the District assumes the costs attributed to medical and dental care reflected in the index and because the home ownership component of the index incorrectly inflates the percentage increase. When this is done, the Employer declares that its offer is in line with current inflationary trends.

The Employer concludes by stating that its current offer provides for "fairly substantial" increases in medical and dental premiums in 1981-82 and that if the amount is not enough, the Association could seek additional compensation in the salary schedule to adjust for any shortage in the premium payment. The Employer contends, however, that it does not believe that any need to discuss health insurance premiums will exist because it has offered a premium payment in 1981-82 which would exceed any increase in cost.

#### THE POSITION OF THE ASSOCIATION:

Contending that there are three issues, salary schedule vertical increments; naming of the carrier for long term disability insurance and health insurance premiums as a wage reopener or as a fixed rate for 1981-82, the Association argues that implement of the District's offer would depress wage rates for the District as compared to other districts in the athletic conference and would increase the disparity between the percentage increases in wage rates and the percentage increase in the Consumer Price Index. As to comparables, the Association agrees that the appropriate comparable districts are those within the athletic conference but also maintains that the Class B schools within the conference are the most appropriate comparables since Stanley-Boyd is a Class B school and is fifth in size out of the entire fifteen schools in the conference.

The Association declares that the average on the BA and MA bases in the conference are artificially depressed by Auburndale's pre-spiraling inflation settlement and Neillsville's freeze on all bases, therefore Stanley-Boyd bases should not be viewed as improved in the past few years. Further, continues the Association, the District's offer keeps Stanley-Boyd teachers at or near the bottom of the rankings when the District's offer pertinent to increments is compared with the average increments of the most comparable districts or all districts in the conference. Finally, the Association states that while the double increment given in the first year may benefit teachers in their first year, after the first year of employment, it does not yield an advantage to District teachers.

Noting that the only difference between the parties pertinent to long term disability insurance is the naming of the carrier, the Association argues that the carrier should be named since it is compatible with the past practice of the parties. In support of its position, the Association cites the fact that the collective bargaining agreement names the carrier for both the health and dental insurance.

Maintaining that the parties have agreed to reopeners in 1981-82 on monetary items such as the salary schedule and extra-curricular pay, the Association asserts that health insurance should also be reopened. Stating that in recent months insurance rates have increased as much as 15%, the Association posits that an increase of 8% on

combined health and dental insurance rates causes concern as to whether the amount offer by the Employer is sufficient or not.

Finally, in regard to cost of living, the Association contends that when the Consumer Price Index-Urban rate for July to July shows an increase in the cost of living by 13.2%, the wages rates offered by the Employer are far too little in this inflationary time. Thus, the Association concludes its offer is more reasonable as it more closely reflects the increase in the cost of living.

#### DISCUSSION:

Both parties accept the athletic conference as the comparable districts in this dispute, however the Association proposes that the Class B schools within the athletic conference should be considered as the districts most comparable to Stanley-Boyd. In support of its position, the Association argued that Stanley-Boyd is fifth among the fifteen school districts in the conference and those that are Class B schools are more near the size of Stanley-Boyd.

The undersigned finds that the districts in this athletic conference do differ substantially in size. The largest district is over two and a half times larger than the smallest district and 60% of the districts in the conference have less student population than the average of all the students in the conference, thus, the undersigned does find merit in establishing a secondary group of districts which are more near the size and full time teacher equivalency of Stanley-Boyd. Those districts selected to be a most comparable group are Altoona, Auburndale, Cadott, Colby, Neillsville and Nekoosa which differ from Stanley Boyd by only 25% in student population and thus are more similar in size and full time teacher equivalencies. Further, per pupil expenditures are similar; the equalized valuations are similar and except for Stanley-Boyd and Cadott, they all levy an almost identical tax rate. While the Employer has suggested that net taxable income also be considered, it is difficult to do so as a measure of similarity since net taxable income is affected by reporting of income for taxing purposes and does not reflect tax exempt income or any amount of gross income which may be expended in accruing value but not reported as income at the moment. The undersigned did consider the arguments of the parties as they related both to the entire conference and to the secondary group, however.

A review of the final offers of the parties pertinent to wages finds that essentially the parties agree on the horizontal increment in the salary schedule, the BA and MA base rates, and the longevity figure. The area of significant difference between the offers is in the vertical increment. The Employer offers a \$380 increment throughout the schedule while the Association seeks a \$400 increment throughout the schedule.

The Employer argues that its offer compares favorably to the level of increment offered by the other districts within the athletic conference but the undersigned does not find that the data accurately reflects this conclusion. If the comparisons are made of the increment offered solely in the BA+0 credit lane, then the Employer's offer exceeds the increment offered in six other districts and is substantially similar to another district. However, of those six districts where the Employer's offer is better in the BA+0 lane, four offer increasing increments when educational advancement occurs so that the average vertical increment offered for teachers with BA degrees generally exceeds the amount offered by the Employer.<sup>1</sup> Additionally, of those districts which offer an

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<sup>1</sup>Thorp was not included in this survey because 1980-81 data was not available.

increment that stays constant throughout the schedule as the Employer's offer does, the majority of those districts increase the size of the increment dependent upon the number of years of service in the district and the result is that four of those six districts have an average increment in the BA+0 lane which exceeds the Employer's offer.<sup>2</sup> These factors reflect that the Employer's offer does not compare nearly as well as is suggested.

When the District is compared with those more near its size, although Stanley-Boyd ranks fourth in size and equalized value, the increment comparison reflects that it has the lowest of those offered when the increments are averaged throughout the schedule.<sup>3</sup>

Juxtaposing the Association's offer to the same data shows that while its offer seeks a \$400 increment across the schedule, the result is that Stanley-Boyd would exceed the amount offered in the BA+0 lane in nine of the districts but when those districts' increments are averaged, it exceeds the average in only six of the districts of which one district (Cadott) is in the most comparable group. Further, three of those six districts have average increments which fall between the Employer's offer and the Union's offer. Thus, the Association's offer pertaining to vertical increment increases is not significantly different from the majority of the districts in the athletic conference nor from the districts considered most comparable.

While the Employer has stated that the most important issue is that pertinent to the vertical increment, it further supports its wage offer position by arguing that it has enhanced the position of the District among the conference schools in respect to the salary schedule and fringe benefits. The Employer also stated that its offer more nearly compared to the percentage settlements of the area which is additional reason to consider the Employer's offer as the more reasonable offer.

A review of the salary schedules for 1978-79, 1979-80 and 1980-81 reflects that although Stanley-Boyd may have improved its rank over the averages in the benchmark areas, its change in overall ranking compared to the other districts is a mixed bag and is significantly lower than its equivalent position for size and equalized value. Further, many smaller districts with less equalized values offer more in salaries and increments than does Stanley-Boyd. Additionally, a review of fringe benefits offered in the entire athletic conference indicates that over three-fourths of the districts offer benefits essentially identical to the benefits Stanley-Boyd teachers enjoy.

STANLEY-BOYD RANK IN ATHLETIC CONFERENCE

	<u>BA</u>	<u>BA Lane Maximum</u>	<u>MA</u>	<u>MA Lane Maximum</u>	<u>Schedule Maximum</u>
1978-79*	11	10	11	12	12
1979-80**	13	8	13	13	10
1980-81***	8	9/7	11	13/10	10

\* Gilman and Thorp schedules were not included in this survey.

\*\* All fifteen districts were considered in this survey.

\*\*\* The position was determined using the Employer's offer in the Colby salary schedule and Thorp was excluded because data was not available.

As is noted in the graph on the preceding page, the Employer's offer would result in a drop in rank position at the BA+0 lane maximum and a maintenance position at all other levels while the Association's offer results in an increase in rank position at the BA+0 and MA+0 lane maximums. Since both agree as to the BA and MA base rates, it is sufficient to note that the proposed rates would result in a rank increase. It should be noted also, however, that the offering of the double increment at Step 1 of the schedule has little impact on teacher's salaries at the top of the schedule and that Stanley-Boyd is not unique in offering an increment that is doubled or more at a certain step on the schedule.

From this data, it can be concluded that while the Employer's offer is low in the amount of vertical increment and that the salary schedule offered the Stanley-Boyd teachers is not equivalent or near equivalent to its size or ability to pay, the amount of money offered by the Employer does not significantly change the salary position of the teachers as compared to its previous standing in the conference. Further, while other districts with less equalized value and fewer pupils pay their teachers more, there is no indication that the Employer's offers now or in the past has significantly changed the rank of the District downward. Further, when the most comparable districts are considered, there is only a slight indication that those districts with more students and higher equalized values attempt to maintain salaries consistent with these factors, thus in the area of comparisons, no compelling reason exists for a change.

The Association, contending that the cost of living from July to July increased 13.2%, argues that this increase should be a major consideration when addressing the wage packages offered by the parties and is a contributory factor to making its offer the more reasonable one. The undersigned does not concur with the Employer's argument that the Consumer Price Index percentage increase in the cost of living should be adjusted downward for its teachers because the District picks up the cost of health and dental insurance. The factors in calculating the index are not just the cost of insurance, but the cost of actual services which may or may not be picked up by the insurance. However, the undersigned is also not persuaded by an argument that suggests that the higher percentage package offer is more reasonable since it more nearly equates to the percentage increase in the cost of living. In times of inflation, nearly all individuals suffer loss in purchasing power and in this instance it is clear that while not all percentage increases in cost to the districts in the conference are known, a review of the dollar increases given on salaries indicates that the Employer's offer is not out of line with other district settlements that also occurred during these high inflationary times.

The undersigned concurs with both parties that the remaining two issues are not the deciding issues in this instance. While the Association has presented convincing evidence to indicate that

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<sup>2</sup>Ibid.

<sup>3</sup>Colby was included in this comparison using the Employer's offer since the salary schedule was not available for 1980-81.

precedent has been set for naming carriers of insurance coverage it is not crucial that the carrier be named as long as the coverage provided is that which was agreed upon by the parties. Additionally, while the undersigned does not believe that it is in the best interest of the parties to attempt to negotiate wage increases because health or dental insurance costs increase, it does not significantly affect the monetary benefit to the employee if, in fact, the situation does occur and the employee must negotiate wage increases because of that factor. Thus, if the Employer's offer for 1981-82 pertaining to the dollar amount paid for health in dental insurance is not sufficient, the opportunity to compensate for an increase in cost in this area does exist in the wage reopener.

Thus, having reviewed the evidence and arguments and after applying the statutory criteria, and having concluded that the Employer's offer is reasonable, the undersigned makes the following

AWARD

The final offer of the Employer, along with the stipulations of the parties which reflect prior agreements in bargaining, as well as those provisions of the predecessor collective bargaining agreement, are to be incorporated into the collective bargaining agreement as required by statute.

Dated this 20th day of March, 1981.

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Sharon K. Imes  
Mediator/Arbitrator

SKI

Name of Case: Stanley-Boyd Area School District Case XVI.M 26219  
Med/Arb-719

The following, or the attachment hereto, constitutes our final offer for the purposes of mediation-arbitration pursuant to Section 111.70(4)(cm)6. of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

7/23/80

(Date)

Thomas J. Coffey

(Representative)

On Behalf of:

Stanley-Boyd Education Association



~~STANLEY BOYD BOARD OF EDUCATION~~

The <sup>Association</sup> ~~Board~~ proposes that the provisions of the 1979-80 Professional Agreement between the Stanley-Boyd Education Association and the School District of Stanley-Boyd Board of Education remain unchanged for the 1980-81 and 1981-82 Professional Agreement except as modified by the Stipulation of Tentative Agreements between the parties and the attached amendments proposed by the ~~Board~~ <sup>Association</sup> to be incorporated into the successor agreement.

## Association Second Final Offer

1. BA base: \$ 11,000
  2. Vertical Increment: \$ 400<sup>00</sup>
  3. Horizontal Lane Increment: \$ 150<sup>00</sup>
  4. Maintain present salary structure; include horizontal and vertical increments; include \$ 200<sup>00</sup> horizontal increment between BA +24 and MA lane; longevity \$ 300
  5. LTD: per Association Proposal # 12 (see below)
  - ~~6. Health and dental insurance: 1980-81 lid of \$ 125<sup>00</sup> for board contribution toward dental and health insurance. Delete lines 21 and 22 from present contract page 14.~~
  7. Health and dental insurance: 1980-81 lid of \$ 125<sup>00</sup> for board contribution toward dental and health insurance. Delete lines 21 and 22 from present contract page 14.
- Duration: All terms and conditions of this agreement shall be effective from July 1, 1980 to June 30, 1982 except for a recaper for the salary schedule, extra-curricular pay and health insurance for the 1981-82 school year.

(#12)

The Joint shall provide, without cost to the employee, a long term disability plan to be provided through WEA Insurance Trust. The long term disability plan provided, after a sixty (60) calendar day qualifying period, sixty-seven percent (67%) of covered salary to age sixty-five (65), per accident or illness up to a two thousand dollar (\$2,000.00) maximum benefit with a Social Security freeze, Primary Only Social Security Offset, and twenty-five percent (25%) minimum benefit.

Name of Case: Stanley-Bryd Area School District Case XVI No. 26219  
Med/Arb - 719

The following, or the attachment hereto, constitutes our final offer for the purposes of mediation-arbitration pursuant to Section 111.70(4)(cm)6. of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

7-22-81

(Date)

David Brie

(Representative)

On Behalf of:

Stanley-Bryd Board of Education

Board 11:10

STANLEY-BOYD BOARD OF EDUCATION

The Board proposes that the provisions of the 1979-80 Professional Agreement between the Stanley-Boyd Education Association and the School District of Stanley-Boyd Board of Education remain unchanged for the 1980-81 and 1981-82 Professional Agreement except as modified by the Stipulation of Tentative Agreements between the parties and the attached amendments proposed by the Board to be incorporated into the successor agreement.

Salary 1980-1981

BA Base 11,000

Increments 380

Lanes 150

Longevity 300

## Long Term Disability

The Board shall provide, without cost to the employee, a long term disability plan. ~~to provide~~ The long term disability plan provided, after a sixty (60) calendar day qualifying period, sixty-seven percent (67%) of covered salary to age sixty-five (65), per accident or illness up to a two thousand dollar (\$2,000) maximum benefit with a Social Security Freeze, Primary Only Social Security Offset, and twenty-five percent (25%) Minimum Benefit.

## Health Insurance

The entire cost paid by the employer for 1980-81 shall not exceed \$125 per month for an employee.

The entire cost paid by the employer for 1981-82 shall not exceed \$135 per month for an employee.

Delete lines 21 and 22 from present contract.

Q Duration

2 year Contract

Reopeners : Salary Schedule and Extra Curriculars

Contract Effective Dates from July 1, 1980 to  
June 30, 1982.