

NOV 19 1981

IN THE MATTER OF ARBITRATION)
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 between)
)
 Board of Education, Tomahawk)
 School District, Tomahawk,)
 Wisconsin)
)
 and)
)
 Tomahawk Education Association,)
 Tomahawk, Wisconsin)
))))))))

FINAL OFFER INTEREST ARBITRATION
 WISCONSIN EMPLOYMENT
 RELATIONS COMMISSION
)
)
 WERC Case XX No. 27843
 MED/ARB-IIII
 Decision No. 18817-A
)
)
 November 10, 1981

APPEARANCES

For Tomahawk School District

John L. O'Brien, Attorney, Drager, O'Brien, Anderson, Stroh & Burgy,
 Eagle River, Wisconsin
 E. Michael Bailey, Chairman, Negotiations Committee
 Ralph C. Johnson, Superintendent
 Edward Ziert, Negotiations Committee

For Tomahawk Education Association

Gene Degner, Director, WEAC UniServ Council No. 18, Rhinelander,
 Wisconsin
 Bob Meyer, Chairman, Negotiations Committee
 Bill Kolasa, Negotiations Committee
 Marcia Sattelberg, Negotiations Committee
 Alice Redmond, Negotiations Committee
 Barbara Cepaitis, Negotiations Committee

JURISDICTION OF MEDIATOR-ARBITRATOR

On January 27, 1981, the Parties exchanged their initial proposals on matters to be included in a new collective bargaining agreement to succeed the agreement. Thereafter the Parties met on four occasions in efforts to reach an accord on a new collective bargaining agreement; that on June 4, 1981, the Parties participated in mediation; that on April 17, 1981, the School District filed the instant petition requesting that the WERC initiate Mediation-Arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act; that on June 30, 1981, Dennis P. McGilligan, a member of the WERC's staff, conducted an investigation which reflected that the Parties were deadlocked in their negotiations, and, by June 30, 1981, the Parties submitted to said Investigator their final offers, as well as a stipulation on matters agreed upon, and thereupon the Investigator notified the Parties that the investigation was closed; and that said Investigator has advised the Commission that the Parties remain at impasse.

The WERC on July 7, 1981, issued an Order requiring that Mediation-Arbitration be initiated for the purpose of resolving the impasse arising in collective bargaining between the Parties; and on the same date the WERC having furnished the Parties a panel of Mediators-Arbitrators for the purpose of selecting a single Mediator-Arbitrator to resolve said impasse; and the WERC having, on August 13, 1981, been advised that the Parties had selected Richard John Miller, New Hope, Minnesota, as the Mediator-Arbitrator.

Pursuant to Section 111.70(4)(cm)6.b. of the Municipal Employment Relations Act, the Mediator-Arbitrator on Thursday, October 1, 1981, at 10:00 a.m., in the School District Business Office, Tomahawk, Wisconsin, attempted to mediate the following issues at impasse for the 1981-82 school year:

1. Number of Sick Leave Days
2. Dependent Health Insurance to Age 25
3. School Calendar
4. Grievance Arbitration Provision
5. Extra-Curricular Placement and Compensation
6. Salaries

During the mediation session, the School District agreed to increase sick leave accumulation to 100 days and to provide full health insurance coverage for dependents to age 25. The School District also agreed to the following changes in Girls' Basketball:

Head	\$1142
Assistant	754
Freshman	685

In addition, all extra-curricular activities shall be increased by 8%.

The Association agreed to maintain the current grievance procedure language. In addition, the school calendar language remains status quo with the Association accepting the School District's proposed calendar for the 1981-82 school year. Furthermore, the Association agreed that the School District has the right to name the insurance carrier and to change it periodically, provided that benefits are equal to or better than the present coverage.

At approximately 1:00 p.m. on the same day, the Parties proceeded to final offer arbitration regarding the only remaining issue at impasse, salaries. The Parties filed post hearing briefs and the School District filed a reply brief which was received on October 30, 1981, at which time the hearing was considered closed.

ISSUE REMAINING AT IMPASSE

The Association proposes the following 1981-82 salary schedule:

<u>STEP</u>	<u>BA</u>	<u>BA+6</u>	<u>BA+12</u>	<u>BA+18</u>	<u>BA+24</u>	<u>BA+30</u>
1	11,900	12,209	12,518	12,827	13,136	13,445
2	12,376	12,685	12,994	13,303	13,612	13,921
3	12,852	13,161	13,470	13,779	14,088	14,397
4	13,328	13,637	13,946	14,255	14,564	14,873
5	13,804	14,113	14,422	14,731	15,040	15,349
6	14,280	14,589	14,898	15,207	15,516	15,825
7	14,756	15,065	15,374	15,683	15,992	16,301
8	15,232	15,541	15,850	16,159	16,468	16,777
9	15,708	16,017	16,326	16,635	16,944	17,253
10	16,184	16,493	16,802	17,111	17,420	17,729
11	16,660	16,969	17,278	17,587	17,896	18,205
12	17,136	17,445	17,754	18,063	18,372	18,681
13	17,612	17,921	18,230	18,539	18,848	19,157
14	18,088	18,397	18,706	19,015	19,324	19,633

<u>STEP</u>	<u>MA</u>	<u>MA+6</u>	<u>MA+12</u>	<u>MA+18</u>	<u>MA+24</u>	<u>MA+30</u>
1	13,754.00	14,063.00	14,372.00	14,681.00	14,990.00	15,299.00
2	14,372.93	14,681.93	14,990.93	15,299.93	15,608.93	15,917.93
3	14,991.86	15,300.86	15,609.86	15,918.86	16,227.86	16,536.86
4	15,610.79	15,919.79	16,228.79	16,537.79	16,846.79	17,155.79
5	16,229.72	16,538.72	16,847.72	17,156.72	17,465.72	17,774.72
6	16,848.65	17,157.65	17,466.65	17,775.65	18,084.65	18,393.65
7	17,467.58	17,776.58	18,085.58	18,394.58	18,703.58	19,012.58
8	18,086.51	18,395.51	18,704.51	19,013.51	19,322.51	19,631.51
9	18,705.44	19,014.44	19,323.44	19,632.44	19,941.44	20,250.44
10	19,324.37	19,633.37	19,942.37	20,251.37	20,560.37	20,869.37
11	19,943.30	20,252.30	20,561.30	20,870.30	21,179.30	21,488.30
12	20,562.23	20,871.23	21,180.23	21,489.23	21,798.23	22,107.23
13	21,181.16	21,490.16	21,799.16	22,108.16	22,417.16	22,726.16
14	21,800.09	22,109.09	22,418.09	22,727.09	23,036.09	23,345.09

The School District submits the hereinafter salary schedule for the 1981-82 school year as its final offer:

<u>Step</u>	<u>BA</u>	<u>BA+6</u>	<u>BA+12</u>	<u>BA+18</u>	<u>BA+24</u>	<u>BA+30</u>
1	11,590.00	11,880.00	12,170.00	12,460.00	12,750.00	13,040.00
2	12,053.60	12,343.60	12,633.60	12,923.60	13,213.60	13,503.60
3	12,517.20	12,807.20	13,097.20	13,387.20	13,677.20	13,967.20
4	12,980.80	13,270.80	13,560.80	13,850.80	14,140.80	14,430.80
5	13,444.40	13,734.40	14,024.40	14,314.40	14,604.40	14,894.40
6	13,908.00	14,198.00	14,488.00	14,778.00	15,068.00	15,358.00
7	14,371.60	14,661.60	14,951.60	15,241.60	15,531.60	15,821.60
8	14,835.20	15,125.20	15,415.20	15,705.20	15,995.20	16,285.20
9	15,298.80	15,588.80	15,878.80	16,168.80	16,458.80	16,748.80
10	15,762.40	16,052.40	16,342.40	16,632.40	16,922.40	17,212.40
11	16,226.00	16,516.00	16,806.00	17,096.00	17,386.00	17,676.00
12	16,689.60	16,979.60	17,269.60	17,559.60	17,849.60	18,139.60
13	17,153.20	17,443.20	17,733.20	18,023.20	18,313.20	18,603.20
<u>Step</u>	<u>BA</u>	<u>BA+6</u>	<u>BA+12</u>	<u>BA+18</u>	<u>BA+24</u>	<u>BA+30</u>
1	13,330.00	13,620.00	13,910.00	14,200.00	14,490.00	14,780.00
2	13,929.85	14,219.85	14,509.85	14,799.85	15,089.85	15,379.85
3	14,529.70	14,819.70	15,109.70	15,399.70	15,689.70	15,979.70
4	15,129.55	15,419.55	15,709.55	15,999.55	16,289.55	16,579.55
5	15,729.40	16,019.40	16,309.40	16,599.40	16,889.40	17,179.40
6	16,329.25	16,619.25	16,909.25	17,199.25	17,489.25	17,779.25
7	16,929.10	17,219.10	17,509.10	17,799.10	18,089.10	18,379.10
8	17,528.95	17,818.95	18,108.95	18,398.95	18,688.95	18,978.95
9	18,128.80	18,418.80	18,708.80	18,998.80	19,288.80	19,578.80
10	18,728.65	19,018.65	19,308.65	19,598.65	19,888.65	20,178.65
11	19,328.50	19,618.50	19,908.50	20,198.50	20,488.50	20,778.50
12	19,928.35	20,218.35	20,508.35	20,798.35	21,088.35	21,378.35
13	20,528.20	20,818.20	21,108.20	21,398.20	21,688.20	21,978.20

ANALYSIS OF THE EVIDENCE

The Arbitrator evaluated the final salary offer of each Party based on the criteria enumerated in Wisconsin Statutes 111.70(4)(cm)7. The criteria includes:

- 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 condition 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.

Section (7)(a) of the Statute is not at issue in this matter. The lawful authority of the School District permits the retention of rights and responsibilities to operate and manage the school system and its programs, facilities, properties and activities of its employees consistent with applicable law and Article 2, Management Rights Clause of the current agreement.

The stipulations of the Parties, pursuant to Section (7)(b), reveals that the School District made some concessions to the Association. In addition to agreement as to the school calendar, the School District agreed to new language in the contract on voluntary layoff and modification in language regarding personal leave. In addition, during the mediation session immediately prior to the arbitration hearing, the School District agreed to increase sick leave accumulation to 100 days and to provide health insurance coverage for dependents to age 25. The School District also made concessions in dollar remuneration for extra-curricular activities both in individual positions and by agreeing to a flat increase of 8%. The Association, on the other hand, agreed to drop numerous language changes and benefits, including calendar and grievance procedure language, and that the School District has the right to name the insurance carrier and to change it periodically, provided benefits are equal to or better than present coverage. It is clear that the Parties made mutual concessions that resulted in only one issue remaining at impasse.

School District Exhibits #1-3 show that Tomahawk is located in Lincoln County which is substantially behind the State of Wisconsin, and the nation, in terms of salaries paid to employees. It is also behind the state and nation in the number of young, working age people, and is above the state and national averages in the number of older, or retired persons. This evidence, however, fails to prove that the School District is incapable of meeting the costs of the proposed Association settlement. Therefore, the criteria set forth in Section (7)(c) is not a consideration in the resolution of the dispute.

A major consideration in this matter is under Section (7)(d), where the wages, hours and conditions of employment of the teachers in the School District are compared with the wages, hours, and conditions of employment of other teachers performing similar services in other communities.

The amended salary offer of the Association equals 11.88% and the total package final offer is 13.02% (Amended Association Exhibit #3). The amended salary offer of the School District is 7.65% and the total package final offer equals 9.18% (Amended Association Exhibit #5).

A review of the record establishes that the most appropriate comparability groups are certain schools in the Lumberjack Athletic Conference and all schools in the CESA District II. The only comparable school districts in the Lumberjack Conference are the athletic conference competition schools of Ashland, Medford, Northland Pines, Park Falls, Phillips, Lakeland Union High School and Tomahawk. Of those schools only Ashland, Park Falls and Lakeland Union High School are settled for the 1981-82 school year.

The average percentage increase at the BA for these schools is 8.43% which is .07% lower than the Association's offer (8.5%) and 2.73% higher than the School District's offer (5.7%). At the BA Maximum, the average percentage increase is 8.46% which is 1.82% lower than the Association's offer (10.28%) and 2.7% higher than the School District's offer (5.7%). The same results occur at the MA and Overall Maximum, where the Association's final offer is above the average percentage increase for these schools but is closer to the average than the School District's final offer. The only exception is at the MA Maximum. (Association Exhibit #10)

Association Exhibits #11-15 show that at the BA Base, BA Maximum, MA Base, MA Maximum and Overall Scheduled Maximum, Tomahawk lost from 1.02% at BA Base to 2.69% at the Overall Scheduled Maximum in two years (1978-79 to 1980-81) when compared to Lumberjack Athletic Competition Schools. The loss of 2.69% is extremely significant because it gives credence to the Association's demand for an additional step (14th step) at each lane.

Further justification for inclusion of an additional step is established in Association Exhibits #16-19, where 14 steps or more is the norm rather than the exception in comparison to the number of steps on the 1980-81 BA lanes, BA+16 or BA+18 lanes, BA+24 or BA+30 lanes and MA lanes of the Lumberjack Athletic Conference Competition Schools. The only exception is at the BA lane, where the average number of steps is 13.29.

Association Exhibit #20 shows that the comparison of horizontal lane increase for the Tomahawk salary schedule for the last five years in the dollar amount change over the previous year favors the Association's request of \$24.00 rather than the \$5.00 proposed by the School District.

Association Exhibits #21-38 establishes that the ratio and rank on various locations on the salary schedule (i.e., BA Minimum and Schedule Maximum, BA Base, BA Maximum, MA Base, MA Maximum, and Overall Maximum) among Lumberjack Athletic Conference Competition Schools produces gains from the Association's final offer that are less than the losses that would be suffered if the School District's final offer was selected. The only exception was at the BA Minimum and Scheduled Maximum.

Amended Association Exhibit #47 denotes the Lumberjack Conference Schools salary settlements and increased cost of health insurance for 1981-82. Of the settled school districts the average percentage increase in only salary schedule monies is 10.33% which is 1.55% below the Association's final salary offer (11.88%) and 2.68% above the School District's final salary offer (7.65%).

Amended Association Exhibit #48 reveals that the average salary of schools in CESA District II for 1981-82 averaged 10.49% (minus Lac du Flambeau Elementary, North Lakeland Elementary and MHLT Elementary which are in the Lumberjack Conference but are not considered Athletic Competition Schools). This is 1.39% below the Association's final salary offer and 2.84% above the School District's final salary offer. It is clear from this evidence that the Association's final salary offer is the best because it is closer to the average than the School District's final salary offer.

School District Exhibit #5 denotes the negotiated total package settlement in 1981-82 for the Lumberjack Athletic Conference Competition Schools and partial settlements for CESA District II School Districts. The average total package percentage increase for the three Lumberjack Schools is 12.00% (Lakeland Union High School - 12.03%, Park Falls - 11.72%, and Ashland - 12.25% - see Amended Association Exhibit #47). This is 2.82% above the School District's total package final offer and 1.02% below the Association's total package final offer. The average total package percentage increase for the CESA District II Schools is 11.17% which is 1.31% below the Association's total package final offer and 2.53% above the School District's total package final offer. This evidence further supports the Association's final offer because it is again closer to the average than the School District's final offer.

School District Exhibits #6-15 show the relative ranking of Tomahawk to Lumberjack Conference Schools and CESA District II School Districts for the 1980-81 school year at the BA Base, Maximum BA Base, MA Base, Maximum MA and Scheduled Maximum. These documents all prove that in most instances the Association's final offer deviates less from the average than the School District's final position in those school districts that already have settled contracts for 1981-82.

Another criteria to be considered by the arbitrator is cost of living which is in Section (7)(e). The Association's amended Exhibit #39 shows the Consumer Price Index (C.P.I.) at 10.7% and compares that with the School District's final salary offer of 7.65%. The Association also compares its salary schedule offer of 11.88%, as shown in Amended Exhibit No. 39 with the C.P.I. at 10.7%.

The fallacy of these Association's exhibits is that they negate the criteria in Section 7(f) which states that salary is not an isolated factor. The only method that offers can be validly compared to the C.P.I. is by utilizing the total package value of the final offer. The total package offer of the School District is 9.18% and the Association's total value of the offer is 13.02%. Specifically, the School District's offer is 1.52% below the C.P.I. and the Association's offer is 2.32% above the C.P.I. Clearly, the School District's final offer is more closely aligned with the C.P.I.

This conclusion is further exemplified if a comparison is made with the Implicit Price Deflators for Personal Consumption Expenditures. School District Exhibit #4 denotes that the increase for all of 1980 was 10.115%, and for the first quarter of 1981 was 9.05%. Utilizing this index, the School District's total package offer of 9.18% is considerably closer to this index than the Association's total package offer.

Section (7)(g) is a criteria to be considered in this case because changes in costing the total package final offers were submitted to the Arbitrator in amended form by both Parties and has already been mentioned in the heretofore paragraphs.

Section 7(h) was not given great weight because such other factors normally or traditionally taken into consideration in the determination of salary were already considered in Section (7)(a-g).

AWARD

Based on the foregoing statutory considerations, especially Section (7)(d), the Association's final salary schedule shall be incorporated in the 1981-82 contract.

Richard John Miller

Dated this 10th day of November 1981
Minneapolis, Minnesota