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In the Matter of the Petition of	:	WISCONSIN EMPLOYMENT
	:	RELATIONS COMMISSION
NEILLSVILLE EDUCATION ASSOCIATION	:	
	:	
To Initiate Mediation-Arbitration	:	Case II
between said Petitioner and	:	No. 27902 MED/ARB 1135
	:	Decision No. 18998-A
SCHOOL DISTRICT OF NEILLSVILLE	:	
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APPEARANCES:

Mary Virginia Quarles, UniServ Director, Central Wisconsin UniServ Counsel-West, appearing on behalf of the Association

Frank R. Vazquez, Attorney at Law and Gerald D. Makie, Administrator, appearing on behalf of the District.

ARBITRATION AWARD

The Neillsville Education Association, hereinafter referred to as the Association, and the School District of Neillsville, hereinafter referred to as the District, were unable to voluntarily resolve all of the issues in dispute in their negotiations for the new 1981-1982 collective bargaining agreement to succeed their 1980-1981 collective bargaining agreement and the Association petitioned the Wisconsin Employment Relations Commission (WERC) for the purpose of initiating mediation-arbitration pursuant to the provisions of Section 111.70 (4)(cm)6 of the Wisconsin Statutes. The WERC investigated the dispute and, upon determination that there was an impasse which could not be resolved through mediation, certified the matter to mediation-arbitration. The parties selected the undersigned from a panel of mediator-arbitrators submitted to them by the WERC and the WERC issued an order, dated October 15, 1981, appointing the undersigned as mediator-arbitrator. The undersigned endeavored to mediate the dispute on November 17, 1981. The parties were still unable to voluntarily resolve the remaining issues in dispute and the matter was set for hearing by prior written notice of intent to arbitrate. An arbitration hearing was held at Neillsville, Wisconsin on December 9, 1981, at which time the parties presented their evidence. Post hearing briefs were filed and exchanged on January 20, 1981. Full consideration has been given to the evidence and arguments in rendering the award herein.

THE ISSUES IN DISPUTE:

There are five remaining issues "in dispute" between the parties. They are:

I. Salary Schedule

A. District's Offer. The District's proposed 1981-1982 salary schedule (attached hereto as Appendix B) would make several changes in the 1980-1981 salary schedule (attached hereto as Appendix A). First of all, it would increase the salary base in each of the 7 existing lanes (BA, BA+8, BA+16, BA+24, MA, MA+8 and MA+16). The increases in salary base are considerably larger at the first step (0 years of experience). Those first step base rates were "frozen" in the 1980-1981 agreement (i.e., not changed from the prior year). The increases are all \$1650 at Step 1 and range by \$20 decreases from \$1150 at BA, Step 2 to \$1030 at MA+16, Step 2. Secondly, it would change the dollar amount of the annual increments that are earned for each year of credited experience. In two of the BA lanes, it would increase by \$15 and \$5 respectively; in the BA+16 lane it would remain unchanged at \$400 and in the BA+24 and MA lanes it would decrease by \$5, \$10, \$20 and \$30 respectively. It would maintain the \$165 differential between each of the 7 lanes. Finally, it would add a 16th step (15 years of experience) in each lane.

B. Association's Offer. The Association's proposed 1981-1982 salary schedule (attached hereto as Appendix C) would likewise increase the salary base in each lane by more at Step 1 than at Step 2 and thereafter. The increases proposed by the Association for Step 1 range by \$20 increments from \$500 more at BA, Step 1 to \$620 at MA+16 lane. The Association's overall base increases, starting at Step 2 and thereafter, would have the opposite effect from those proposed by the District. Whereas the District's proposed base figures decline by \$20 per lane (from \$1150 to \$1030) the Association's proposal would, on average, increase approximately \$13 per lane from \$1128 to \$1241. The Association would also change the dollar amount of the annual increments that are earned for each year of credited service in each lane. It would increase those amounts in every lane by slightly more than 10%. Rather than maintaining the \$165 differential between each of the lanes the Association's proposal would increase that differential by 23.6% (or \$39) to \$204 in all cases except the differential between the BA+24 and MA lane (which would increase by \$38 to \$203). Unlike the District's proposal, the Association's proposal would add a new MA+24 lane. That lane is generally consistent with the balance of the Association's proposed schedule in that it is based on a \$204 lane differential and utilizes an annual increment that is \$17 greater than the increment it would use for the MA+16 lane.

II. Pay for Unused Sick Leave. The current agreement contains a provision, Section 9.1, which provides that upon termination of employment, compensation at the rate of \$5 per day shall be made for unused sick leave accumulated above 45 days on an unlimited basis. Part-time employees are not covered by this provision.

A. District's Offer. The District does not propose to change this provision in any way.

B. Association's Offer. The Association proposes to change the compensation rate for unused sick leave from "\$5 per day" to "\$15 per day."

III. Dental Insurance. The District provides a District approved dental insurance policy for its employees on a participating basis. Under the 1980-1981 agreement, the Board agreed to pay \$199.44 towards the cost of family coverage and \$61.92 towards the cost of single coverage. This amounted to the equivalent of 66 2/3% of the 1980-1981 premium which has been guaranteed for an additional year.

A. District's Offer. The District has proposed to pay \$224.37 and \$69.66 towards the 1981-1982 premium of the District approved policy. This would constitute the equivalent of 75% of the existing premiums.

B. Association's Offer. The Association has proposed that "dental insurance payments by the Board shall be 90% of family and single coverage on a school approved plan." Based on existing premiums, this would be the equivalent of a payment of approximately \$269.24 on behalf of those teachers who elect family coverage and a payment of approximately \$83.59 on behalf of those teachers who elect single coverage.

IV. Extra Curricular Pay. The parties have negotiated, as an appendix to the 1980-1981 collective bargaining agreement, a relatively elaborate "point system" and compensation schedule for extra curricular activities. Most activities are assigned a certain number of points for various factors such as length of season, number of events, number of students per teacher, level of responsibility, years of experience, practice on non-school days, scheduled events on non-school days and job pressure. The total number of points for each of the 45 rated activities ranges from a low of 40 points (for the Junior Class play) to a high of 146 points (for the Head Wrestling Coach). Compensation for 1980-1981 was based on \$6.75 for each point. In addition, there are 12 activities which do not have a point value assigned. Instead, they receive compensation expressed as simple dollar amounts ranging from a low of \$72.50 (for Homecoming) to \$493 (for the FFA advisors). Neither party has proposed to make any changes in the point system or the number of points assigned to those compensated activities which have points assigned. The dispute

is over the amount of increase in the compensation to be paid per point and for those various activities which do not have points assigned.

A. District's Offer. The District proposes to increase the amount of compensation per point by approximately 7.4%, from \$6.75 to \$7.25. It would also increase the compensation paid to the individuals performing the 12 activities which are not assigned a point value. In most cases, it would increase the compensation by approximately 7.4%. In a few cases, it proposes smaller or larger percentage increases (i.e., 4.3% in the case of Prom, 6.6% in the case of FFA and Pep Club and 18.0% in the case of WJDA).

B. Association's Offer. The Association proposes to increase the amount of compensation per point by approximately 18.5%, from \$6.75 to \$8.00. It would also increase the compensation paid for performing the 12 activities which are not assigned a point value by approximately the same percentage.

V. Deletion of Section 12.2. The 1980-1981 agreement contains a provision, Section 12.2, which states, "Teachers with professional training less than a Bachelor's degree must earn a minimum of 6 credits each year toward such degree unless waived by the Board because of age." This provision has no current applicability since it is undisputed that the District does not now employ any non-degreed teachers and the Wisconsin Department of Public Instruction no longer issues certifications to non-degreed teachers. In negotiations, no agreement was reached with regard to the deletion or continuation of this provision.

A. District's Offer. The District did not propose to delete this provision as part of its final offer. At the hearing, it indicated that it had no objection to deleting this provision and offered to modify the stipulation of the parties to reflect that this provision should be deleted. The Association did not agree to this proposed stipulation so the matter would therefore appear to still be "in dispute," based on the official final offers of the parties.

B. Association's Offer. The Association proposed, as part of its official final offer, that Section 12.2 be deleted from the agreement.

#### DISTRICT'S POSITION:

The District acknowledges that its method of costing the parties' packages differs from that used by the Association because in computing its percentage cost figures, the District only considered those identifiable cost items which were in disagreement (i.e, salary including STRS and Social Security, dental insurance and co-curricular pay). Using that method of computation it argues that its proposal costs 10.54% compared to 12.49% for the Association's proposal. It contends that the cost of living from October 1980 to October 1981 as measured by the CPI for All Urban Consumers (1967=100) only rose 9.0% and is falling. For this reason, and because the District lies within an area of "labor surplus" due to high unemployment, it contends that its proposal, overall, is fair and just both to the teachers represented by the Association and the electors and taxpayers of the District.

Secondly, the District points out that it has relied on a number of sets of comparables. According to the District it has done so in order to avoid skewing the comparables and to present a balanced picture based on natural geography and working relationships. It proposes as comparables:

1. Contiguous Districts because they have similar status of taxable property, local economy and working conditions
2. Clark County Districts for the same reason and because of the historic cooperation among those districts in various educational programs and because there is no major urban or suburban area such as Eau Claire, Mosinee and Nekoosa in Clark County

3. CESA #6 Districts because of the cooperative working relationships and similarity of educational programs in these districts

4. Cloverbelt Athletic Conference Districts because of their relevance to the dispute over pay for extra curricular activities. However the District contends that three districts included in that conference, Auburndale, Mosinee and Nekoosa, have limited contact with Neillsville, except for athletics and points out that Nekoosa has been granted permission to go to another conference in 1982-1983. While the District argues that these athletic conference schools should be considered, it disagrees that they (or the Class B schools within the conference) should be given controlling weight as argued by the Association.

#### I. Salary Schedule

The District contends that its salary schedule provides an average increase of 10.6% in salary alone for the average teacher, whose annual salary will increase from \$14,326.92 to \$15,844.48. By contrast, the salary increases sought by the Association amount to over 12%. It contends that its salary offer well exceeds the "cost of living" and that the Association's proposal is excessive in relation to the "cost of living."

The District objects to the Association's reference to a "phantom base" in its 1980-1981 salary schedule and points out that new teachers were in fact paid in accordance with that schedule and therefore new teachers who return will receive the substantial increases as shown on its schedule.

According to the District, it has sought to reward the teachers who have remained in the District for a long period of time. It acknowledges that it has also attempted to put the most dollars in the BA lane where "most" teachers are located (51 out of 86). It points out that its proposed schedule is actually higher at both the base and at the upper experience levels of that lane. In contrast, the Association would put a much larger percentage of the available dollars where it will benefit fewer teachers.

In particular the District first draws a number of comparisons with contiguous districts at the BA Base, BA Maximum, MA Base, MA Maximum and Top of the Schedule which it claims demonstrate that it has either maintained or improved the District's rank with its offer. In the case of its comparisons with settled Clark County districts, it contends that the comparisons show that its offer has either maintained or improved its ranking. It also contends that it provided the largest dollar and percentage increase for a "typical" teacher moving from the 6th to the 7th experience level (Step 7 to Step 8). (Such a teacher would be eligible for the maximum amount of credit for outside experience for recruiting purposes.) In the case of its comparisons with settled CESA #6 districts, the District argues that it has either maintained or improved its rank in "almost all cases," and that in those cases where it has lost rank it has done so by a "very close margin." In the case of its comparisons with settled Cloverbelt districts, the District argues that it has maintained or improved its rank.

In summary, the District maintains that its offer either maintains or improves, with few exceptions, its ranking with the other districts to which it has drawn comparisons.

#### II. Pay for Unused Sick Leave

The District contends that it is being reasonable by maintaining its present position on pay for unused sick leave. It points out that the Association seeks a 300% increase, which it contends is unreasonable. It points out that the Association's request is 50% higher than any other CESA #6 District and that only 5 districts (including Neillsville) out of 13 settled CESA #6 districts even pay for unused sick leave. For these reasons, the District argues that the present agreement provides adequate compensation for unused sick leave and should not be changed.

### III. Dental Insurance

The District points out that its proposal would increase the District's portion of the premium of dental insurance to the equivalent of 75%, even though the teachers would not experience an increase in premiums this year even if the District's contribution remained the same. Thus its proposal constitutes an increase in net take home pay for the teachers. It argues that the Association's request amounts to a 35% increase in the actual amount paid by the District which is unreasonable. Finally, it argues that its increase which amounts to a 23.6% increase in the actual amount paid should be found "laudable" in view of the fact that no increase would otherwise be experienced by the teachers this year.

### IV. Extra Curricular Pay

According to the District, its proposal for extra curricular pay maintains it in a rank of #2 among settled Cloverbelt districts. In computing extra curricular pay for ranking purposes the District simply added up the amounts shown on the various extra curricular schedules attached to the collective bargaining agreements in question, without regard to the number of individuals who might be performing the same extra curricular tasks. Similarly, the District computed the total amount paid by the District for extra curricular activities under its proposal and compared it with a number of schools. According to the District that comparison demonstrates that it pays considerably more than most settled Cloverbelt districts for extra curricular activities, and that its proposal increases its payments by a greater amount.

The District also acknowledges that its proposed increase of approximately 7.4 is slightly lower than the "cost of living." While it is therefore true that both proposals deviate from the "cost of living" the District contends that its proposal is much closer to the "cost of living" and reasonable.

### V. Deletion of Section 12.2

As noted above the District takes the position that the deletion of Section 12.2, which was proposed by the Association as part of its final offer, constitutes no real impediment to a voluntary agreement since it pertains to obsolete language that no longer is pertinent.

#### ASSOCIATION'S POSITION:

The Association contends that there are six "issues" presented by the arguments of the parties: the proper comparability group; the salary schedule; the extra curricular schedule; the dental insurance payment; the rate for unused sick leave; and the deletion of Section 12.2. On the question of comparability, the Association contends that the Cloverbelt Athletic Conference schools, and in particular, the Class B schools with that conference, constitute the appropriate comparability groupings. The Association argues that the Class B schools provide the most appropriate comparability grouping and points out that Neillsville ranks third out of seven schools in full-time equivalent (FTE) teachers and fourth in FTE students.

The Association finds fault with the comparability groupings offered by the District because:

- (1) there is no information in the record as to their faculty size or enrollment;
- (2) it failed to even identify the schools other than those which are settled;
- (3) it only used Cloverbelt districts for extra curricular comparisons and it only used CESA #6 districts for unused sick leave comparisons;
- (4) another arbitrator rejected contiguous districts because there was "sufficient uniformity of enrollment and staff size among districts in the athletic conference to warrant limitation of comparison to that grouping"; and

- (5) the parties have never considered contiguous districts, Clark County districts or CESA #6 districts for comparisons at the bargaining table but have used Class B Cloverbelt districts and Cloverbelt districts for such purpose.

### I. Salary Schedule

The Association contends that the structure of its proposed salary schedule is more reflective of comparable districts. First, among Cloverbelt B districts, Neillsville is the only district whose schedule stops at MA+16. Second, the addition of another lane to the salary schedule will not have any immediate cost impact but will make this opportunity available for the future. Third, the addition of an additional step to the schedule has the negative effect of prolonging a teacher's effort to reach maximum salary and is not reflective of the pattern in Cloverbelt B districts. Finally, the only reason why the District has offered to add another step is to make its "meager offer" look better at the BA Maximum comparison point.

The Association argues that its proposed salary schedule provides equitable increases at all wage rates while the District's proposal is inequitable and regressive. Its schedule contains 10.2% increases at all points of the salary schedule except for those points which were frozen from 1979-1980 to 1980-1981, i.e., step 1 of BA, BA+8, BA+16, BA+24, MA, MA+8 and MA+16. On the other hand, the District's schedule is regressive because:

- (1) it reduces the increment in four lanes;
- (2) an index comparison analysis (based on the base figures that would have existed if the parties had not agreed to freeze the base) demonstrates that:
  - (a) there is a slight erosion at points in the index figures in the BA lane which keeps up at the BA Maximum only by the addition of a 16th step;
  - (b) the reduction of the experience increments and failure to increase the lane differential causes substantial and increasing index reductions in the MA lanes, culminating in a reduction of the schedule maximum index of 7% (from 1.64 to 1.565);
  - (c) the Association's offer maintains the index relationships that were "manifest" in the 1980-1981 agreement and alters the format only by the addition of the MA+24 lane.
- (3) except for the 15 teachers who are at the top of the BA lane, teachers who have remained with the District (and who have obtained advanced educational credit) receive smaller percentage increases.

According to the Association, the District's costing method is meaningless and misleading. To cost a proposal based on unsettled items produces meaningless figures and is contrary to the accepted overall costing method used by the Association. Because the cost of health insurance did not increase, the parties should use that opportunity to increase dental payments. Even if the District's costings were properly computed, the Association contends that its offer is the most comparable.

The Association contends that the unweighted average settlements in the Cloverbelt B districts is 13.03% and the weighted average is 12.7% and that all Cloverbelt districts have an average of 12.56% and 12.49% respectively. Thus, according to the Association, the cost of its offer, at 12.19%, is below all of these averages and much closer than the District's final offer which it costs at 10.27%.

The Association argues that its exhibits demonstrate that its proposed rates are more reflective of the wages paid to comparable groups. It bases this argument on an analysis of the changes in relative

ranking and average salary figures caused by the District's proposed schedule versus the Association's schedule. For the same reasons discussed above, this analysis purports to show that the District's offer would cause an erosion in relative ranking and average salary within the Cloverbelt groups, whereas the Association's proposal would not.

The Association contends that the District's use of an October to October CPI is inappropriate since the agreement is from July to July and at least one arbitrator has held that the appropriate figure to consider is the change in the index at the time that the agreement would have gone into effect. Further the Association argues that the figure quoted by the District is incorrect. According to the Association the correct figure for the percentage change in the CPI-U from October 1980 to October 1981 (1967=100) was 10.2%, the exact amount used by the Association in constructing its proposed salary schedule. According to the Association, the correct figure from July to July is 10.7%.

Finally, the Association points out that while the District has introduced evidence concerning high unemployment in Clark County, it has not made a claim or presented any evidence supporting an alleged inability to pay. Association exhibits on the other hand demonstrate that the average cost of voluntary settlements among Clark County Districts has been 11.8% which is far above the 10.3% proposed by the Board.

## II. Pay for Unused Sick Leave

According to the Association, the purposes of agreements to pay for unused sick leave are that it (1) serves to encourage employees to come to work rather than use sick days; and (2) saves the cost of a substitute. The Association argues that to accomplish these purposes "the rewards must be realistic and balanced." Since the District pays \$35 for a substitute, the Association argues that it should be willing to pay more than \$5 to someone who saves them that expense and that its proposal is a move to balance this differential.

The Association also argues that in light of the policy of the State of Wisconsin of allowing 100% of each unused sick day's salary to be applied toward medical insurance after retirement, its proposal is fair.

## III. Dental Insurance

In support of its proposal on dental insurance, the Association relies on the practice of other Cloverbelt B districts. Evidence introduced by the Association demonstrates that those other districts contribute from a low of \$20 to a high of \$39.64 toward the cost of family coverage for an average contribution of \$31.13, which is more than the \$22.44 that would result if the Association's offer is accepted. Similarly, those same districts contribute from a low of 83% to a high of 100% (3 schools) for an average percentage contribution of 94%, which is likewise more than the 90% contribution proposed by the Association. The Association argues that its proposal "will provide dental dollars still far below the average, but it will definitely narrow the gap of the percentage" paid by the District.

## IV. Extra Curricular Pay

The Association contends that its extra curricular pay proposal provides needed catch-up. As examples in support of this claim, it cites evidence that:

- (1) in 1980-1981, Neillsville was 13th out of 15 Cloverbelt districts and 6th out of 7 Cloverbelt B districts in ranking of pay for head football coaches;
- (2) its proposal would only raise its ranking for head football coaches to 12th out of 15 and 6th out of 7;

- (3) in 1980-1981 it ranked last among the Cloverbelt B districts and 4th from last in the Cloverbelt districts for assistant volleyball coaches;
- (4) while its proposal would not bring the assistant volleyball coaches' pay up from last place among the Cloverbelt B districts, it would, unlike the District's proposal, reduce the dollar differential;
- (5) the District does not pay the highest rate for other activities either, is never in the top 50 percentile, and occasionally would move to last place or stay in last place even with an 18.5% increase; and
- (6) even an 18.5% increase will "only begin the process of catch-up."

The Association argues that the District's method of cost comparison for co curricular activities is inexact and misleading because it assumes, without verification, that each assignment was filled and only one individual filled each assignment. Also the Association points out that some of the listed assignments are not filled by bargaining unit members in other districts. For these reasons, the Association argues the District's exhibits should be given no weight.

Contrary to the District's claims at the hearing, the Association argues that the District does not pay for "more activities" than other districts. While Neillsville lists 57 positions, Mosinee lists 93 and some districts list extra curricular pay under other sections of the agreement. Further, it argues that the evidence discloses that other districts list pay for a number of duties which are not included in the District's list. The Association contends that even if the District paid for more duties that would not justify paying less money than would be justified based on comparable districts.

#### V. Deletion of Section 12.2

The Association argues that this provision should be deleted since the District does not employ any non-degreed teachers and the Department of Public Instruction no longer certifies such personnel. The Association notes that the District concurs with its contention that there is no longer any need to continue this language in the agreement.

#### DISCUSSION:

In selecting between the final offers of the parties, the undersigned is required to give consideration to all of the statutory criteria set out in Section 111.70(4)(cm)7. Therefore, before discussing the relative merits of the parties' respective final offers and the specific arguments made by the parties, the undersigned believes that it is appropriate to discuss each of the statutory criteria in relation to the issues in this case.

Neither the proposals of the District nor the proposals of the Association would appear to be in conflict with the lawful authority of the District. The stipulations of the parties indicate that they were able to agree to the continuation of most provisions of the 1980-1981 agreement which did not result in increased financial costs to the District. In addition, they agreed to make certain language changes, additions and deletions, and agreed to provisions dealing with paid professional leave, leave for jury duty and the hourly compensation for professional services beyond the contracted days. Questions concerning the interest and welfare of the public are raised by several of the arguments and proposals discussed below. While the District's ability to meet the costs of the Association's final offer is not disputed, the District will be required to make a substantially greater effort to do so than if its final offer is selected. Comparisons of the wages, hours and conditions of employment of these employees with groups other than those cited by the parties and discussed below would not appear to be particularly relevant on the facts in this case. The parties' arguments establish that the "cost of living" is a relevant but not a controlling consideration in this case. The record includes information and arguments



concerning overall compensation, which is also deemed to be a relevant but non-controlling consideration in this case. There is no evidence properly before the undersigned concerning any changes in the foregoing factors since the hearing in this case. Finally, the only "other factors" which are present in this case which might have a bearing on the proper outcome are discussed below.

While each of the proposals should be considered on its own merits, it is obvious that the relative merits of some proposals will have a greater bearing on the question of which final offer, in its totality, is more reasonable under the statutory criteria. For this reason and for convenience in presentation, the issues are discussed in the inverse order of their relative importance to the outcome.

#### V. Deletion of Section 12.2

The deletion of Section 12.2 is in dispute only in the most technical sense. While the provision does not now apply to anyone, it is a jointly negotiated provision that was obviously considered acceptable to both parties when it was placed in the agreement. The Association offers no reason for removing it other than the undisputed fact that it does not currently have application. Under these circumstances, the deletion or retention of this provision would not appear to have any significant bearing on the overall reasonableness of either party's offer, since it falls into the category of a housekeeping proposal.

#### II. Pay for Unused Sick Leave

The Association's proposal to increase the pay for unused sick leave has some economic impact. However, the reasons advanced by the Association in support of this proposal raise questions regarding the alleged purposes of such a provision that, in the opinion of the undersigned, are more significant than the actual cost of this item. Sick leave programs are really in the nature of insurance - those who don't collect help support the program for those who must. To the extent that such a provision is viewed as creating a financial incentive for a teacher who is ill to nevertheless report to work, it raises serious questions concerning the interests and welfare of the public. On the other hand, if it is viewed as creating a financial incentive for a teacher who is not really ill to report to work and not abuse the sick leave program, it represents a pragmatic way to encourage honesty with a carrot rather than a stick. However, the comparative cost of a substitute teacher would seem to have no legitimate relationship to the appropriate size of such a carrot. The Association's reliance on the policy of the State of Wisconsin is somewhat misplaced. That policy is obviously part of a comprehensive retirement and insurance program which encourages employees to remain in state service and provides additional insurance for those who have not drawn heavily on sick leave. The instant provision allows employees to receive a cash payment when they quit, provided they have accumulated the minimum number of days with no relationship to retirement or insurance principles. Nevertheless, by basing this retirement and insurance benefit on the employees' utilization of sick leave, it also functions as a carrot for those who seek a career in state service and are blessed with good health.

The Association has not supported this proposal with any persuasive comparisons. On the other hand, the District points out that many districts do not even have such a provision and that none of those cited by the District pay as much as \$15. Finally, there is no evidence that the District has a problem with the abuse of sick leave that would justify a 300% increase in this payout. Under these circumstances, the undersigned concludes that the Association's proposal to increase the existing payout is not supported by the evidence and arguments.

#### III. Dental Insurance

The Association's proposal with regard to increasing the District's contribution toward the dental insurance program would appear to be

supported by the comparables relied upon by the Association. The District offers no comparisons in support of its position and instead relies on two arguments: (1) It has offered to increase its contribution even though no increase in premium has occurred; and (2) the Association seeks too big of an improvement in one year.

Because the Association's proposal, both in dollar amount and percentage terms, is in line with the available comparisons, the most serious question presented by the Association's proposal is whether it is out of line when taken together as part of its total economic package. (That question is addressed below.) Viewed as part of the Association's total economic package, its proposal would not appear to be unreasonable merely because there will no increase in premium this year. That fact combined with the relatively small cost of this item make it relatively easy for the District to "catch up" on this item this year. For this reason and because the District would have difficulty justifying its position in future years, even though dollars may then be more scarce, increasing the District's contribution as proposed by the Association would appear to be money well spent, provided the Association's overall package is not found to be excessive.

#### IV. Extra Curricular Pay

The District's evidence and arguments in support of its proposal on extra curricular pay are flawed in several respects. The ranking of comparisons by the total dollar amounts reflected in the extra curricular pay schedules has limited value. It does help establish the relative financial effort expended by the District for purposes of maintaining extra curricular activities. However, the figures presented are somewhat inaccurate even for this purpose because no effort was made to establish the number of persons in the various positions involved, nor was there an effort to establish what other activities, other than those listed in the schedules are compensated. Perhaps a better approach would have been to use budget documents for this purpose. The evidence presented does indicate that the District, whatever its relative rank, currently provides compensation for a fairly wide array of extra curricular activities. One of the Association's exhibits establishes however, that its list is not exhaustive of all possibilities.

More importantly the attempted ranking of districts by total dollars spent for extra curricular activities has little to do with the relative fairness of the compensation for the individuals performing such activities. The best source of information in this regard would be a position by position comparison, taking into account any actual differences in the positions and the amount of time and skill involved.

The District offers no evidence or argument that would justify that aspect of its proposal on extra curricular pay which would result in significantly varying percentage increases in the 12 activities which do not have point values assigned. Because this aspect of its proposal would change the relative relationship of the compensation for these activities, it logically bears the burden of establishing such justification and it failed to do so.

The strongest argument advanced by the District is that related to the size of the percentage increase sought by the Association which, on its face, would appear to be out of line unless justified by some other factor such as a prior freeze or falling behind in extra curricular pay. The Association contends that such "catch up" is required and bases its entire case on comparisons within the Cloverbelt Conference. Before addressing that question however, reference should first be made to the parties' differences as to the appropriate "cost of living" figures to be used for purposes of balancing these two arguments.

The Association would appear to be correct that it is inappropriate to use the October to October changes in the Consumer Price Index for the purpose of attempting to establish the change in the "cost of living." The most recent agreement of the parties was for the period from July 1, 1980 to June 30, 1981. Therefore the appropriate

figures should be those that are based on the increase in such index from July 1980 to July 1981. The CPI-U for that period increased 26.6 basis points or 10.7%.

The District apparently does not seriously dispute the relevance of comparisons to other Cloverbelt districts for purposes of extra curricular pay. Its own exhibits were based on Cloverbelt settlements. To the extent that coaches' salaries are a significant component of the extra curricular schedule comparisons to Cloverbelt districts and Class B districts would appear to be the most relevant comparison. However comparisons for other extra curricular activities would not appear to be nearly so compelling. It may be that the Neillsville District may wish to place much more emphasis on certain extra curricular activities, e.g., having to do with certain agricultural science pursuits, than do other districts. Again, a position by position comparison taking into account the relative time and skill involved would provide the ideal comparisons for this purpose. This lack of comparative data has been alleviated to a great extent in this case by the existence of the jointly negotiated point system in the case of all but 12 of the listed activities.

Based on the available comparisons the Association would appear to have justified the rather sizable increase it has sought in the extra curricular salary schedule. While it clearly exceeds the "cost of living," whether measured by the CPI-U or some other index, it would not appear to be excessive in comparison to what other comparable districts pay their employees for such activities. Like the dental insurance issue, the only serious question remaining in relation to this issue is whether the cost of the Association's final offer is out of line when the cost of this proposal and the Association's other proposals are included.

#### I. Salary Schedule

In addressing this issue, which is central to the overall evaluation of the parties' respective positions, it should first be noted that the parties are in disagreement as to the appropriate comparisons. While the District concedes that the Cloverbelt districts are an appropriate group for comparison purposes, it questions the particular appropriateness of three of those districts for comparison purposes and argues that other groupings, ie, contiguous, Clark County and CESA #6, are also relevant.

The Association introduced evidence concerning the history of the parties' bargaining relationship in the form of testimony of a teacher who had been chief negotiator for the Association for three years and a member of its bargaining team for ten years. That testimony indicates that while both parties had from time to time cited the practices in many of the districts relied upon by the District in connection with their discussion on specific issues, the Association had generally contended that the Cloverbelt Conference was the most appropriate group of districts to look at in discussing its salary proposals. The District had never agreed to that position and did not rely on any particular grouping in support of its salary proposals.

The statute requires the undersigned to give consideration to comparisons in both public and private employment in "comparable communities." The criteria for establishing what are "comparable communities" is not spelled out in the statute. Frequently the parties themselves are in agreement as to the comparable communities. Unfortunately they have been unable to agree in this case.

The reference to comparisons contained in the statute, like most of the other criteria contained therein is obviously intended to be an aid or guidepost in the balancing of the respective interests of the parties. In this sense it is a guide in the search for what is most "equitable."

In the private sector negotiations, comparisons to the practices of other employers with regard to wages, hours, and conditions of employment, while reflective of a search for equity, are generally determined by two principal considerations: (1) the competitive labor market, which usually has some geographic limitations; and (2) the

competitive product market, which reflects economic reality and the efforts of labor organizations to "take wages out of competition."

While labor market considerations would appear to be equally appropriate in the drawing of comparisons in the public sector, product market considerations are generally inappropriate since the services provided by public employers are not sustained by profits. Instead they are sustained by the will (and taxes) of the electorate. Further, there is generally no competition among public employers who normally enjoy monopoly standing in the provision of particular public services. Therefore, in determining what districts are "comparable" consideration should be given to those which compete most directly in the same labor market and to those which, by reason of their size, wealth and proximity and the attitudes of the electorate are deemed to be the most "similar," or comparable.

The undersigned believes that the Association's proposed reliance on the Cloverbelt schools, and the Class B schools therein, is supported by the record. Those districts may very well compete in the same labor market, since the labor market for professionally trained teachers is obviously much broader than a labor market for unskilled or semi-skilled laborers. Also, to the extent that they are of comparable size and wealth and located within fairly close proximity to Neillville, they may be said to be "comparable" to Neillville. However, as the District points out there are many other districts that could be drawn upon and at least three of the Class B districts relied upon by the Association are located within closer proximity to larger population centers.

On the other hand, the large number of comparables suggested by the District are generally based on geographic proximity with no regard for the labor market or the size or wealth of the districts. They are based on the assumption that proximity alone is enough to make all of these comparisons relevant and persuasive. For these reasons, the undersigned cannot accept the conclusion that the District's numerous and non-selective comparisons should be given the same weight to those proposed by the Association.

In summary then, based on the record presented, the undersigned believes greater (but not exclusive) weight should be given to the comparisons within the Cloverbelt Conference, particularly the Class B schools therein. Such a conclusion, which is based on the record here, does not foreclose the parties from agreeing in the future as to which are the "most comparable" districts for negotiation purposes, and they should endeavor to do so.

Overall, the District's proposed schedule tends to compare favorably in the Bachelor's lanes, particularly in the BA lane. However, as the Association points out this comparison is affected by the addition of yet another step to the 15 steps already present in those lanes. Further, the District's proposal is "regressive" in the sense that it would reduce the dollar increments in the BA+24 and MA lanes and would also have the effect of reducing the percentage differential between lanes. The consequence of these changes in the structure of the schedule is to make it compare less favorably on the MA lanes, particularly at the higher steps. Exhibits introduced by the Association demonstrate that these changes likewise reduce the "index" relationship between cells within the schedule and result in significantly lower percentage increases for teachers who have progressed beyond the BA lanes.

Regardless of these comparisons, the District's proposal raises a serious question concerning the interests and welfare of the public insofar as the purposes of the salary schedule itself are concerned. As the Association points out, the District's schedule would reward those teachers who have remained at the top of the BA schedule with some of the largest percentage increases at the sacrifice of those teachers who have sought the advanced training the schedule is presumably designed to encourage. <sup>1/</sup>

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<sup>1/</sup>In fairness to the District, it should be noted that it made a proposal in mediation which tended to reverse this effect, but that schedule was not accepted by the Association and is not properly before the undersigned.

The District argues that the "average teacher" will receive a 10.6% increase. However this figure includes increments and is somewhat distorted by the effect of the elimination of the frozen base. It also does not take into account the fact that the teachers with the greatest seniority and training will receive considerably less under its proposal. Its proposal would add an additional step which would appear to be questionable in light of the large number of teachers who have continued to remain at the top step of the BA lane. On the other hand, the Association's proposed addition of an MA+24 lane is clearly supported by the comparables and might help to overcome this problem.

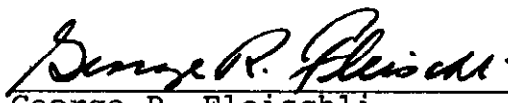
Finally on an overall cost basis, the Association's proposal, while possibly a little higher than would seem justified by all of the possible comparisons (if they are not limited to the Class B districts), is more in line with the cost of other settlements than the District's proposal. Regardless of whether the District's proposal is costed at 10.54% under its procedure or at 10.27% under the Association's procedure, <sup>2/</sup> it would appear to fall well below the comparables. Undoubtedly this is in part explained by the fact that the District experienced no increase in its health insurance premiums this year. However, it may well experience such an increase next year. The undersigned is satisfied that the Association's overall package would appear to more closely approximate the terms of the voluntary settlement that the parties might otherwise have been expected to reach this year (under the existing statutory impasse procedures) than does the District's.

For these reasons, the undersigned concludes that, based on all of the statutory criteria and the above analysis, the Association's final offer is the more appropriate offer for inclusion in the parties' 1981-1982 collective bargaining agreement and enters the following

AWARD

The Association's final offer shall be included in the parties' 1981-1982 collective bargaining agreement along with all of the provisions of the 1980-1981 collective bargaining agreement which are to remain unchanged and the stipulations of the parties.

Dated at Madison, Wisconsin this 12<sup>th</sup> day of February, 1982.

  
George R. Fleischli  
Mediator/Arbitrator

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<sup>2/</sup> The Association's costing procedure is more consistent with conventional costing procedures which are intended to reflect the percentage increase in total labor costs, including all fringes and "rollups."

APPENDIX "A"  
 SALARY SCHEDULE 1980-81  
 SCHOOL DISTRICT OF NEILLSVILLE

STEP	EXP	BA (375)	B+8 (390)	B+16 (400)	B+24 (410)	MA (420)	MA+8 (435)	MA+16 (450)
1	0	\$10,500.	\$10,665.	\$10,830.	\$10,995.	\$11,160.	\$11,325.	\$
2	1	11,375.	11,575.	11,770.	11,965.	12,160.	12,360.	12,560.
3	2	11,750.	11,965.	12,170.	12,375.	12,580.	12,795.	13,010.
4	3	12,125.	12,355.	12,570.	12,785.	13,000.	13,230.	13,460.
5	4	12,500.	12,745.	12,970.	13,195.	13,420.	13,665.	13,910.
6	5	12,875.	13,135.	13,370.	13,605.	13,840.	14,100.	14,360.
7	6	13,250.	13,525.	13,770.	14,015.	14,260.	14,535.	14,810.
8	7	13,625.	13,915.	14,170.	14,425.	14,680.	14,970.	15,260.
9	8	14,000.	14,305.	14,570.	14,835.	15,100.	15,405.	15,710.
10	9	14,375.	14,695.	14,970.	15,245.	15,520.	15,840.	16,160.
11	10	14,750.	15,085.	15,370.	15,655.	15,940.	16,275.	16,610.
12	11	15,125.	15,475.	15,770.	16,065.	16,360.	16,710.	17,060.
13	12	15,500.	15,865.	16,170.	16,475.	16,780.	17,145.	17,510.
14	13	15,875.	16,255.	16,570.	16,885.	17,200.	17,580.	17,960.
15	14	16,250.	16,645.	16,970.	17,295.	17,620.	18,015.	18,410.

An amount of \$300.00 shall be added for the 1980-81 contract only, to all teachers at step 15 and receiving no step increase for the 1980-81 school year.

PROPOSED SALARY SCHEDULE 1981-82

APPENDIX A

ST	EX	BA 390	B+8 395	B+16 400	B+24 405	MA 410	MA+8 415	MA+16 420
1	0	\$12,150	\$12,315	\$12,480	\$12,645	\$12,810	\$12,975	\$13,140
2	1	12,540	12,710	12,880	13,050	13,220	13,390	13,560
3	2	12,930	13,105	13,280	13,455	13,630	13,805	13,980
4	3	13,320	13,500	13,680	13,860	14,040	14,220	14,400
5	4	13,710	13,895	14,080	14,265	14,450	14,635	14,820
6	5	14,100	14,290	14,480	14,670	14,860	15,070	15,240
7	5	14,490	14,685	14,880	15,075	15,270	15,485	15,660
8	7	14,880	15,080	15,280	15,480	15,680	15,900	16,080
9	8	15,270	15,475	15,680	15,885	16,090	16,215	16,500
10	9	15,660	15,870	16,080	16,290	16,500	16,730	16,920
11	10	16,050	16,265	16,480	16,695	16,910	17,145	17,340
12	11	16,440	16,660	16,880	17,100	17,320	17,560	17,760
13	12	16,830	17,055	17,280	17,505	17,730	17,975	18,180
14	13	17,220	17,450	17,680	17,910	18,140	18,390	18,600
15	14	17,610	17,845	18,080	18,315	18,550	18,805	19,020
16	15	18,000	18,240	18,480	18,720	18,960	19,220	19,440

APPENDIX B

APPENDIX "A"

SALARY SCHEDULE 1981-82

SCHOOL DISTRICT OF NEILLSVILLE

<u>STEP</u>	<u>EXP</u>	<u>BA</u> (413)	<u>B+8</u> (430)	<u>B+16</u> (441)	<u>B+24</u> (452)	<u>MA</u> (463)	<u>M+8</u> (481)	<u>M+16</u> (496)	<u>M+24</u> (513)
1	0	12,128	12,332	12,536	12,740	12,943	13,147	13,351	13,555
2	1	12,541	12,762	12,977	13,192	13,406	13,628	13,847	14,068
3	2	12,954	13,192	13,418	13,644	13,869	14,109	14,343	14,581
4	3	13,367	13,622	13,859	14,096	14,332	14,590	14,839	15,094
5	4	13,780	14,052	14,300	14,548	14,795	15,071	15,335	15,607
6	5	14,193	14,482	14,741	15,000	15,258	15,552	15,831	16,120
7	6	14,606	14,912	15,182	15,452	15,721	16,033	16,327	16,633
8	7	15,019	15,342	15,623	15,904	16,184	16,514	16,823	17,146
9	8	15,432	15,772	16,064	16,356	16,647	16,995	17,319	17,659
10	9	15,845	16,202	16,505	16,808	17,110	17,476	17,815	18,172
11	10	16,258	16,632	16,946	17,260	17,573	17,957	18,311	18,685
12	11	16,671	17,062	17,387	17,712	18,036	18,438	18,807	19,198
13	12	17,084	17,492	17,828	18,164	18,499	18,919	19,303	19,711
14	13	17,497	17,922	18,269	18,616	18,962	19,400	19,799	20,224
15	14	17,910	18,352	18,710	19,068	19,425	19,881	20,295	20,737

MUQ  
8/24/81

APPENDIX C