

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

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In the Matter of the Petition of	:	
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SCHOOL DISTRICT OF SPOONER	:	
	:	Case XXI
To Initiate Mediation-Arbitration :	:	No. 29504 MED/ARB-1604
Between Said Petitioner and	:	Decision No. 19986-A
	:	
NORTHWEST UNITED EDUCATORS	:	
	:	
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APPEARANCES

Stephen L. Weld, Mulcahy & Wherry, S.C., on behalf
of the School District

Robert E. West, Executive Director, NUE, on behalf
of the Union

On October 19, 1982 the Wisconsin Employment Relations Commission (WERC) appointed the undersigned Mediator-Arbitrator pursuant to Section 111.70 (4)(cm) 6 b. of the Municipal Employment Relations Act (MERA) in the dispute existing between the School District of Spooner, hereafter the District, the Board, or the Employer, and Northwest United Educators, hereafter the Union. Pursuant to statutory responsibilities, the undersigned conducted mediation proceedings between the parties on December 15, 1982 which failed to result in voluntary resolution of the dispute. The matter was thereafter submitted to the undersigned for final and binding determination by the submission of exhibits and briefs, the exchange of which was completed by March 28, 1983. Based upon a review of the evidence and arguments and utilizing the criteria set forth in Section 111.70 (4)(cm), Wis. Stats., the undersigned renders the following award.

SUMMARY OF ISSUES

This dispute covers the agreement between the parties for the 1982-1983 school year. In dispute are issues related to the salary schedule, dental insurance, and co-curricular compensation. In addition, issues have arisen over comparability which have a significant impact on the other substantive issues in dispute.

Therefore, comparability will be initially addressed. Thereafter, the merits of the substantive issues in dispute will be addressed individually. Finally, the relative merit of the total final offers of both parties will be addressed.

COMPARABILITY

Union's Position

At the time of the hearing in the instant proceeding, Maple was the only settled district in the Heart O'North Athletic Conference.

Of the twelve comparables selected by Arbitrator Stern in a decision involving Rice Lake School District, which included all of the districts in the Heart O'North Athletic Conference plus four similar sized districts (Osceola, Amery, Unity, and St. Croix Falls) only two, Amery and Maple, had settled for 1982-83 at the time of the hearing in this matter.

Given the lack of settlements in the Athletic Conference and the decisions by previous arbitrators in disputes involving districts in the Athletic Conference to go beyond the Athletic Conference for comparables, NUE suggests settled districts within the immediate contiguous CESA agencies #1 and #5, excluding the three largest

districts, Superior, Chippewa Falls, and Eau Claire.

This population of comparables includes 24 districts, eighteen of which have one-year agreements for 1982-83. All are located within an approximate 80-mile radius of Spooner, which very nearly approximates the distance between Maple and Bloomer. In addition, the bulk of NUE's proposed comparable districts are smaller than Spooner; and thus, the settlements in these districts would not normally be biased in favor of the Union's proposals.

District Position

The Heart O'North Athletic Conference provides the most appropriate basis for comparison because of the similarities in high school size, student body, athletic competitiveness, and geographic proximity. In addition to Spooner, the Conference districts include: Barron, Bloomer, Chetek, Cumberland, Hayward, Ladysmith, Maple, and Rice Lake.

In support of the comparability of the Athletic Conference schools, the District notes that it is within 88 students of the average size of such districts based upon student enrollment. It is also within 3.2 teachers of the Conference average utilizing full-time equivalency staff as a measure. The average per pupil operating cost of the District is also within \$163.42 of the Conference average operating cost.

Districts in a broad geographic area have not normally been viewed as an appropriate group of comparables in proceedings such as this since such groupings ignore the established criterion of geographic proximity.

In support of this view is the fact that in other med/arb proceedings in the past NUE has not proposed that Spooner should be a comparable with many of the districts it has proposed as comparable herein.

In two med/arb decisions involving the School District of Maple, the Heart O'North Athletic Conference districts were utilized as comparables, as was the case in a med/arb decision involving the School District of Barron.

Clearly, the Union's proposed comparable pool is not based upon traditional indices of comparability.

Discussion

Utilizing criteria which have been traditionally utilized in proceedings such as this in the selection of comparables, absent the existence of an ability to pay issue, namely, similar size school districts which are geographically proximate and which participate in the same athletic conference and CESA district, in the undersigned's opinion the most appropriate school districts to utilize herein as comparables are similar sized Athletic Conference districts plus similar sized districts which are located in the same CESA district as Spooner. This record however does not provide adequate data pertaining to the relative size of all of the districts in question. Therefore, based upon the conclusions of Arbitrator Stern in a 1978 Rice Lake School District mediation arbitration decision, the undersigned believes that the Athletic Conference Districts proposed by the District herein plus four similar sized CESA #4 districts--Amery, Osceola, St. Croix Falls and Unity--probably constitute as fair a sample of comparable districts in the area, based upon the information provided herein, as can be fashioned.

Of these twelve comparable districts, seven have settled 1982-1983 agreements which were achieved during the current round of negotiations, while five remain unsettled at the time of the preparation of the instant award. In the undersigned's opinion seven settlements out of a population of twelve comparable districts

should provide sufficiently reliable comparable data to allow for reliable comparability determinations to be made. Accordingly, this population of comparable school districts shall be so utilized.

SALARY SCHEDULE

The Board's offer increases the BA base salary to \$13,000 and the MA base salary to \$13,920, with the following experience increments:

BA	\$625
BA + 10	635
BA + 20	645
BA + 30	655
MA	665
MA + 10	675
MA + 20	685

The Board's offer represents a wages only increase of approximately 8.2%, utilizing annualized earnings in 1981-82 as the basis for costing the proposal.

The Union proposes to increase the BA base salary to \$13,506 and the MA base salary to \$14,485, plus an 8.75% increase on each step of the salary schedule, which represents a wages only increase of 12.5%. These computations are also based upon annualized 1981-82 earnings. The dollar difference between the parties' wage proposals is approximately \$73,500.

Union Position

In 1981-82 the parties agreed upon a 12.9% increase to each cell of the salary schedule effective 10/1/81. In addition, the parties agreed that no teachers would be eligible to move vertically on the salary schedule for the 1981-82 school year. The deferral of retroactivity cost the teachers 1.4% in terms of actual earnings.

It is improper for the District to utilize the deferred retroactivity from 1981-82 in costing the 1982-83 proposals. In effect, by costing the current proposals in the manner that it has the District is charging the teachers twice, once for the deferred retroactivity in 1981-82, and once this year.

If the District's costing method which includes the additional 1.4% which had been negotiated in 1981-82 were appropriate, then there would have been no rational reason for the parties to have negotiated deferred retroactivity as opposed to a reduced rate for an annualized contract.

Based upon the salary schedule in effect at the end of the 1981-82 school year, the Board is offering adjustments in the salary schedule ranging from a maximum of 4.9% to a minimum of 4.1% on the salary rates. The Union proposes an adjustment of 8.75% on each cell of the salary schedule.

The total package method of comparing settlements is both unreliable and inaccurate; on the other hand, salary benchmark comparisons provide a reliable method of making such comparisons.

A benchmark comparison of 17 districts in northwestern Wisconsin settled for 1982-83 indicates average increases ranging from 8.2% to 8.7%.

At all benchmarks, the Board's final offer would reduce the ranking of Spooner teachers to a ranking worse than the teachers have experienced in any year since 1978-79. The NUE offer would maintain the ranking the District achieved in 1981-82.

If the Union's final offer is not selected the Spooner School District will fall further behind in ranking which make it less

competitive for the purpose of maintaining a high quality educational staff.

The Union concedes that the settlement pattern within the geographic region is larger than that found in other areas of the State. Should this clear settlement pattern be ignored, teachers in Spooner, and potentially in CESA #4, would represent a pocket of low salaries compared to those in surrounding CESAs. This would clearly make the competition for teachers in recruitment difficult in the area.

The Union notes that the Maple School District, which the District alleges to be comparable because it is in the same Athletic Conference, is in fact located in another CESA (CESA #1). In addition, Maple teachers are paid far in excess of the Spooner teachers at nearly all benchmarks.

The Amery School District, another comparable used by Arbitrator Stern in his Rice Lake School District decision, is located in CESA #4 and participates in athletic events with school districts located in CESA #5 which are members of the Middle Border Athletic Conference. It voluntarily settled for 1982-83 at a pay rate adjustment comparable to that proposed by NUE in Spooner.

Thus, the settlements among comparable school districts clearly support the reasonableness of the Union's position herein.

On the other hand, the District's proposed non-teacher comparisons are very sketchy and are of very little value. Most refer to non-professional employees who are not comparable to teachers.

Furthermore, the teaching staff in the District has not kept pace with the District's administrative Staff in terms of salaries. Even though the percentage increases the District has proposed are similar to those it has granted its administrators, they will yield many more dollars for the administrators because their salaries are much higher than the teachers.

The Union's final offer is also closer to the June 1981 to June 1982 Consumer Price Index.

In this regard the Minneapolis-St. Paul CPI is relevant to the instant dispute because it most accurately reflects what is happening in the area. For the year preceding June 1982 it showed an increase of 10.1%.

In addition, from 1978 to 1981 the District's five basic salary benchmarks all lost to the cost of living.

Experience increments should not be included when comparing teacher salaries with cost of living increases since they reflect payment for increased efficiency and quality of performance gained by experience. In addition, the low starting wages for teachers are made tolerable by the long established contractual commitment to wage advances for a specific period of years. To count the experience increment as an inflationary offset is not fair because some teachers do not receive any increment, and, for those less experienced teachers who do, to count it as an inflationary offset tends to leave these teachers with the same real income as their very low, and increasingly intolerable, starting wage. Finally, if the parties had intended the experience increment as an inflationary offset, such increments could have been continued on forever as opposed to terminating after a maximum number of steps in each lane.

The Union also submits that the parties should continue to adjust each salary schedule rate by the same percentage. The District instead is proposing actual dollar increments. Such a change is totally unwarranted since no justification has been presented to change from the structure the parties have voluntarily agreed upon for years.

In response to the District's arguments pertaining to the current state of economy, the Union notes that there is no ability to pay issue in this proceeding. In addition, Spooner has a low mil rate and also received a substantial increase in state aids for 1982-83 which is more than enough to pay the difference in the parties' wage dispute and offset other District expenditure increases.

Further, the increases for 1982-83 will conceivably not be paid until the contract has expired. The District will have had the use of the money for such raises for the entire school year. This certainly mitigates against delinquent tax problems and other District economic difficulties.

In fact, the District has not proven that its extremely low final offer is justified based on the economy, particularly as it has affected the District.

In addition, the private sector economic prosperity which preceded this recession did not allow teachers to improve their lot compared to others. In fact, the disparity between teacher wages and the wages of many other employees for whom college degrees are required is increasing.

District Position

Because there was a split wage increase in 1981-82, the District has annualized the employees 1981-82 wages and benefits in determining the costs for this year's offers. This approach is consistent with both common sense in that it reflects actual employee earnings in 1981-82 and arbitral precedent.

In 1981-82 Spooner teachers received salaries that ranked above the area average salary at almost all of the salary benchmarks traditionally compared. When comparing the Board's offer with other Board's certified offers and the settlement in Maple, the Board's offer in the instant proceeding will continue to exceed the average salary at most of the benchmarks.

The Board's offer will enable the District to maintain a favorable comparative position vis a vis the districts in the Heart O'North Athletic Conference with respect to wages.

While the Board's offer would generate increases slightly below the increases received by teachers in Maple, it is much nearer the Maple settlement than is the Union's offer.

Furthermore, in a similar regard, the Board's economic offer is more reasonable when compared to the increases provided to other Spooner School District employees and other public sector employees in the area.

The Board's wage offer is over twice the increase received by the District's administrators. It also exceeds the 7% increase received by the District's non-instructional staff.

It also approximates the improved benefits received by Washburn County employees.

The Board's offer also guarantees that the District's teachers will receive pay and benefit increases that exceed increases in the cost of living based upon the total package costs of the parties' offers.

Furthermore the Union's proposal, which exceeds the rate of inflation by about three times, simply is not reasonable.

There is no merit in employing the Minneapolis CPI to analyze the reasonableness of the proposals in the instant proceeding since the District serves a rural farm populace, not an urban population like that reflected in the Minneapolis CPI figures.

Historical comparisons with cost of living increases also demonstrate that the District's teachers wages and benefits have consistently exceeded the rate of inflation. In this regard numerous arbitrators have included the costs of experience increments in analyzing teacher losses and/or gains against the CPI. ^{1/}

In response to NUE's assertion that the Board's final offer represents a restructuring of the salary schedule, the District contends that it has been its practice to include specific dollar increments on the salary schedule. There has been absolutely no reference to a salary schedule index.

Further, the salary schedules for the 1979-80 and 1980-81 school years generated an index which was completely different than the alleged index generated by the 1981-82 salary schedule.

The Board's offer increases the value of the increments in each educational lane and is consistent with the structure of the District's salary schedules from previous years.

Lastly, and most importantly, it must be remembered that this nation is in the middle of a prolonged and severe recession, which has affected all sectors of the economy.

The District services a predominately rural, farm populace which have not escaped the impact of the recession.

In addition unemployment in the area has been at record high rates. In fact, it has exceeded state and national unemployment levels.

The private sector and farm sector in Spooner which are experiencing the adverse effects of the recession also shoulder the tax burden which, in part, funds the District. The Board cannot ignore the economic difficulties facing the taxpaying public. The Board has thus struck a reasonable balance between the needs of the District's teachers and the interests of the taxpaying public.

The general public interest and the employee interest in the instant proceeding are diametrically opposed. The Board's offer more reasonably addresses both of these competing interests than does the Union's. In fact, the Union fails to address the economic conditions faced by most Americans.

Taxpayers in the District have one of the lowest income levels in the area. This factor, together with the state of the economy has resulted in slower tax payments and tax delinquency problems directly affecting the District.

Sixty-one teachers or 62.6% of the bargaining unit were located on the steps within the salary schedules during the 1981-82 school year. Under the Board's offer these teachers will receive wage increases ranging from 9.3% to 11.1%. In contrast, under the Union's proposal, these teachers would receive unreasonably excessive increases, particularly in these difficult economic times. The range of increases for these teachers under the Union's proposal would be from 13.8% to 15.4%.

Quite simply, this is not the year for double-digit settlements and new fringe benefits. The Union's proposed package is clearly excessive and is not supported by the public interest, internal comparisons, and comparisons with other private and public sector employees. Finally, the NUE demand is inconsistent with arbitral awards for the 1982-83 school year.

Discussion

Several of the salary related issues raised herein were also litigated recently before the undersigned in a mediation-arbitration proceeding involving the School District of Rice Lake, which involved the same Union and which the District has made reference to during the course of this proceeding.

^{1/}Citations omitted.

As the undersigned has indicated in the award in that case, ^{2/} and for the same reasons set forth therein, the District's costing of the parties' proposals is deemed to be appropriate since it utilized actual annualized earnings and since no specific agreement existed between the parties in 1981-82 to utilize any other basis for costing improved benefits in the parties' successor agreement.

In addition, the undersigned also agrees with the District, for the reasons set forth in the undersigned's recently issued Rice Lake School District award, that it is not appropriate to utilize the Minneapolis-St. Paul CPI in the instant proceeding, and that instead the Small Metro or All Cities CPIs would appear to be more relevant measures of the impact of inflation on a community such as Spooner. Applying these indices, it would appear that during the year preceding the contract year in dispute herein, the teachers in Spooner lost between eight and nine percent of their real income to inflation.

In this same regard, for reasons also discussed in the Rice Lake decision, the undersigned agrees with the District that it is fair and appropriate to consider the value of automatic experience increments and improved fringe benefits in assessing how well teachers in the District have fared in light of cost of living increases. In this regard it does not appear that a majority of the District's teachers have lost real income to inflation in the past several years.

One significant factual difference has occurred since the decision in Rice Lake School District was issued which is relevant to the disposition of the instant dispute, and that is that there are now a sufficient number of settled 1982-83 agreements among the District's primary comparables to allow for comparisons to be made with said comparables without having to rely upon the broad settlement pattern in northwest Wisconsin which was more relevant in the Rice Lake proceeding because of the lack of a sufficient number of such settlements among Rice Lake's primary group of comparables.

Although salary benchmark comparisons are normally the most reliable and useful type of comparisons to make in circumstances like those present herein, such comparisons are of a much more limited value in this proceeding since in at least two districts (Rice Lake and Spooner) teachers did not receive their vertical experience increments in 1981-82, and in one other District, Amery, the parties negotiated a salary schedule, and then, as a result of a salary reopener which was tied to cost of living increases, the parties agreed to specified deductions from the teachers' gross wages even though the previously negotiated salary schedule remained intact.

Thus, in at least three out of the seven comparable settlements which currently exist, salary benchmark comparisons cannot reliably be utilized.

Since there is no contention by the Union that the District's 1981-82 salaries were inferior, compared to its comparables, and that salary catch-up was necessary, the undersigned believes that it would be more appropriate to examine the comparable settlements in terms of the value of the salary improvements actually received in order to assess the reasonableness of the parties' proposals herein.

In this regard the following would appear to be relevant:

In Bloomer, the value of the total package settlement appears to be about 8.7%. At the BA and MA minimums, the increases are \$750 and \$850 respectively, which amount to 6.3% and 6.6% increases. At the BA and MA maximums, the increases range from \$1,190 to \$1,550, which amount to approximately 6.9% and 7.8% increases. This settlement clearly supports the reasonableness of the District's offer in terms of its total value and in terms of the size of

^{2/} Decision No. 1997-A, 5/9/83.

increases actually received by similarly situated teachers.

In this regard, for the purpose of this and future comparisons, the undersigned believes the value of the District's total offer to be worth about 8.3% while the Union's is worth about 12.9%.

Based upon annualized earnings, the District's offer amounts to about \$740 or 6% at the BA minimum, \$770 or 5.9% at the MA minimum, \$1,140 or 6.9% at the BA maximum, and \$1,190 or 5.7% at the MA maximum.

The Union's proposal on the other hand amounts to about \$1,245 at the BA minimum or 10.75%; \$1,335 or 10.15% at the MA minimum; \$1,840 or 10.15% at the BA maximum; and \$2,100 or 10.14% at the MA maximum.

The Chetek settlement includes an 8% per cell increase which amounts to a \$960 at the BA base, \$1,024 at the MA base, \$1,411 at the BA maximum, and \$1,587 at the MA maximum. Based upon the foregoing, it would appear that the Chetek settlement falls relatively equi-distant between the two proposals submitted herein, and thus it cannot be said that it provides meaningful support for either.

The Cumberland settlement amounts to a total package of 7.95%, with increases at the BA base of \$1,063 or 8.9%, at the MA base of \$1,091 or 8.26%, at the BA max of \$1,066 or 5.72% and at the MA max of \$1,093 or 5.2%. This settlement, when viewed in its entirety, also supports the reasonableness of the District's proposal.

The Ladysmith settlement included salary cell increases ranging from 8.2% to 8.9% at the salary benchmarks, with dollar increases more in line with the Union's proposal than the District's. Though the Ladysmith settlement falls between the two proposals submitted herein, when viewed in its entirety, it is more supportive of the Union's position herein than the District's.

The Maple settlement includes cell increases ranging from 6% to 6.6% with dollar increases significantly more in line with the District's proposal herein than the Union's. Accordingly, it also supports the reasonableness of the District's proposal.

The Rice Lake settlement strongly supports the reasonableness of the Union's proposal in terms of its overall value, which is about 12%, as well as in terms of the value of the dollar and percentage increases actually received by teachers in that District.

Lastly, the Amery settlement, which amounts to about a 9% increase on each salary cell, is more in accord with the Union's position herein than the District's, and accordingly, it also supports the reasonableness of that position.

Based upon all of the foregoing, it would appear that reference to comparables results in a finding that three settlements support the District, three support the Union, and one supports neither. Thus, strict reliance on comparable settlements provides little useful guidance as to what constitutes the most reasonable salary proposal in this dispute.

Thus, other factors must be considered in determining which of the proposals is most reasonable under the statutory criteria.

One such factor is the value of settlements among other public sector employees in the area, and in that regard, again both parties have presented some evidence to support their respective positions. The District particularly notes settlements with other county employees and settlements with other groups of employees in the District. On the other hand, the Union has presented evidence of teacher settlements in other school districts in the region which contain salary cell increases generally in excess of 8%, which, at the minimum, fall equi-distant between the proposals of the parties

herein, and which also exceed the value of settlements among other public sector employees in the area as well as other teacher settlements throughout the State.

Thus, even when these secondary comparables are considered, an inconsistent pattern of settlements continues to exist which fails to strongly support the reasonableness of either party's position.

Another factor worth perhaps some consideration is the fact that among the District's primary comparables, two of the settlements supporting the District were voluntary, while only one of the settlements supporting the Union was voluntary. Assuming that voluntary settlements more accurately reflect what constitutes a reasonable response by the parties to current economic conditions, the settlements supporting the District's proposal merit perhaps slightly greater consideration than do the settlements which support the Union, two of which were the result of arbitration awards.

Still another factor which must be considered is the current state of the economy in the District. In this regard the record demonstrates that unemployment in Washburn County has been exceedingly high, that delinquent taxes have increased dramatically, and that the majority of teachers will not lose real income under either party's proposal because of the reduction of cost of living increases which occurred during the year preceding the contract in question.

These factors generally support the reasonableness of the District's position in that they reflect an economic fact of life which has affected the citizenry who must support the school district, which in turn, cannot be ignored by the District, the teachers the their Union, and by the undersigned. Perhaps it should be noted that in this regard the instant record is distinguishable from the record which has developed in the Rice Lake case in that the economic conditions in Washburn County, at least as evidenced by unemployment and delinquent taxes, seems to be appreciably worse than was the case in Barron County where the Rice Lake District is located.

While the undersigned is most uncomfortable concluding that the District's salary proposal is the more reasonable of the two submitted herein so shortly after having concluded that the Union's proposal was the more reasonable of the two in Rice Lake, particularly since both sets of proposals are almost identical, based upon this record, such appears to be the case. What distinguishes this record from Rice Lake is that as the majority of settlements have come in, it would appear that no consistent pattern is developing among the District's primary comparables and that support can be found for party's positions based upon such comparables, that voluntary agreements appear to slightly support the District's position, and that the state of the economy in Washburn County is not as healthy as the economy in Barron County, which in turn, supports the reasonableness of the District's 8.3% total offer.

In all candor, the fairest settlement under the present circumstances would appear to be one in which cell increases, based upon annualized earnings, approximately 8%, not unlike the settlement in Chetek. However, since the undersigned does not have the statutory authority to make such an award, a selection must be made between two relatively extreme proposals, and in that regard, it is the undersigned's opinion that under the circumstances present herein the District's salary proposal is somewhat less unreasonable than the Union's.

Because both of the parties' salary proposals would appear to be moderately unreasonable the undersigned believes it is appropriate to consider the District's salary proposal to be only slightly more reasonable than the Union's, and to give greater relative weight, in considering the relative merit of the parties' total final offers, to the disposition of the other outstanding issues in dispute than would normally be the case.

CO-CURRICULAR COMPENSATION

District Proposal:

An 8.75% increase across the board.

Union Proposal:

A 13% increase across the board.

The difference between the parties on this issue is less than \$2,000.

Union Position

NUE is attempting to equalize the wages of co-curricular duties with other areas where professional work is required. There is a great need for increases in addition to the salary schedule amounts for co-curricular duties to make these assignments more attractive to teachers, which would enable the District to recruit volunteers easier.

Duties performed after the regular workday should be accompanied by premium pay as opposed to pay which is substandard to the teachers' regular daily rate.

A review of the comparables also demonstrate the justification for the NUE request since, in many of the comparables submitted by the Employer, Spooner trails a significant number of school districts.

District Position

A review of the extra-curricular rates received in the comparable districts in the Heart O'North Athletic Conference indicates that there is no justification for a 13% increase in the extra-curricular pay rates. The Board's offer more nearly matches the 1982-83 increases received in comparable districts. In fact, it exceeds the area average increase for most extra-curricular positions.

Discussion

An examination of agreed upon 1982-83 extra-curricular schedules among the District's primary comparables indicates that although some specific extra-curricular positions in the District would appear to be significantly out of line, warranting an increase of the magnitude proposed by the Union, by and large, the District's extra-curricular compensation proposal would result in competitive extra-curricular salaries for the District's teachers. Absent evidence of widespread discrepancies between the District's extra-curricular salaries and those which exist in comparable districts, the undersigned believes the District's proposal of an 8.75% across the board increase is fair and reasonable, particularly in the current economic climate. Accordingly, on said issue, the District's proposal is deemed to be the more reasonable of the two.

DENTAL INSURANCE

Union Proposal:

Full Board coverage of the Blue Cross/Blue Shield Plan QQ I which would cost \$26.35/month for a family plan and \$7.81/month for a single plan to become effective 30 days after the receipt of the arbitration award.

District Proposal:

No dental insurance.

Union Position

Dental insurance is not an issue of economic impact for 1982-83.

In addition, there is strong comparable support for the NUE dental insurance proposal.

The worst comparability exists within the Athletic Conference with dental insurance being a strong issue in arbitrations currently pending. Excluding Spooner, four of the eight Athletic Conference schools do have dental insurance. The NUE proposed plan and its rates are consistent with these comparables.

In addition, an overwhelming number of districts in CESA #4 have dental insurance.

Of the 17 northwestern Wisconsin districts settled for 1982-83, an overwhelming majority also have dental insurance.

Thus, the overall compensation paid to teachers in the Spooner School District would be low in comparison to other school districts without dental insurance.

District Position

In 1981-82 five out of eight comparable districts - six including Spooner - did not provide a dental insurance benefit. In 1982-83, three of these districts are not providing this benefit. Thus, at this time the Board's position on dental insurance remains comparable.

In further support of the Board's position on this issue is the fact that it pays 100% of a long-term disability insurance plan, which is provided by only two other districts in the Athletic Conference and it pays more for single and family health premiums than do most comparable districts.

Furthermore, 1983 is simply not the year to be adding new fringe benefits. The Union's proposal in this regard represents a complete disregard for the current state of the economy.

In addition, the Union's proposal requires the Board to contribute 100% of the premiums for all bargaining unit members, which is inconsistent with responsible fiscal management and which would in effect remove the issue of the level of dental insurance contributions from the bargaining process.

Finally, the Board does not provide dental insurance to any other employees within the District. If it is implemented, other employee groups within the District will see it as an incentive not to arrive at settlements until all other units have concluded bargaining.

Discussion

A review of the evidence pertaining to the District's twelve primary comparables indicates that eight have commitments, either in agreements or stipulations in pending mediation/arbitration proceedings, which provide teachers with dental insurance benefits which are comparable in cost to those requested by the Union herein. While it must be conceded that in several of these districts such plans may not have been in effect for much of the 1982-83 school year, the districts have committed themselves to such plans which will surely be in effect during the 1983-84 school year.

Based upon this clearly developing pattern among comparable school districts, the undersigned believes the Union's dental insurance proposal is clearly justified, although in the undersigned's opinion, the costs of implementing such a plan for the first time in 1983-84 should be considered new costs by the parties in their costing of proposals for a successor collective bargaining agreement. While it must be conceded that the comparables support the reasonableness of such a plan and that the commitment to put it into effect should be part of the parties' 1982-83 agreement, in view of the fact that the Union's overall proposal is extremely rich for these difficult economic times and in view of the fact that the costs of

the dental insurance benefit will not actually be incurred until the succeeding school year, it is not, in the undersigned's opinion, unreasonable to consider it a new benefit at that time. Based upon the foregoing the undersigned deems the Union's dental insurance proposal to be the more reasonable of the two positions submitted herein on said issue.

TOTAL FINAL OFFER

The undersigned has found the District's position on the salary schedule to be slightly less unreasonable than the Union's, the District's position on extra-curricular compensation to be more reasonable than the Union's, and the Union's position on dental insurance to be more reasonable than the District's.

The total difference between the parties' offers amounts to approximately \$94,000. The value of the District's total final offer is about 8.3%, while the value of the Union's is about 12.9%. In effect dental insurance is not a cost item for this year and the co-curricular compensation dispute amounts to about a \$2,000 difference between the parties.

Normally in cases like this the undersigned's conclusions regarding the salary dispute would be dispositive of the entire matter. However, in this case, because the undersigned has determined that neither party's position on the salary schedule is particularly supportable under the circumstances herein, the other issues in dispute have become relatively more significant.

In this regard it is the undersigned's belief that dental insurance is the second most important issue in dispute even though it has no cost consequences this year. Relatedly, the undersigned has serious reservations about selecting the District's final offer, which contains no provision for such a benefit, since such a selection will more than likely result in the teachers having to wait at least the better part of another year before such a benefit could be implemented in the District.

However, in spite of the above reservations, the undersigned does not believe that it would be fair or reasonable to select the Union's offer since on the remaining issue in dispute, namely, co-curricular compensation, the District's proposal is clearly the more reasonable of the two.

In effect, the District will prevail in this proceeding because it submitted a salary offer which, through unreasonably low, is less unreasonable than the Union's position on this issue, and because it submitted a more reasonable proposal on co-curricular compensation than did the Union, even though its position on dental insurance is not justifiable under the circumstances present herein.

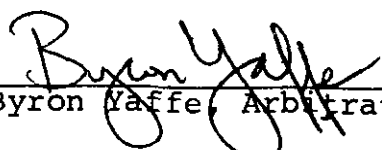
Had the Union prevailed on the co-curricular compensation issue as well as the dental insurance issue, it probably would have prevailed even though it did not prevail on the salary issue, since on that issue, which is clearly the most significant issue to both parties, the merits of both of the parties' positions are relatively weak.

Based upon all of the foregoing considerations the undersigned hereby renders the following

ARBITRATION AWARD

The final offer submitted by the District herein shall be incorporated into the parties' 1982-1983 collective bargaining agreement.

Dated this 31st day of May, 1983 at Madison, Wisconsin.


Byron Yaffe, Arbitrator