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STATE OF WISCONSIN
BEFORE THE ARBITRATOR

MAY 31 1983

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

* * * * *

* In the Matter of the Petition of *

* MERCER EDUCATION ASSOCIATION *

* To Initiate Mediation-Arbitration *

* Between Said Petitioner and *

* SCHOOL DISTRICT OF MERCER *

* * * * *

Case XII
No. 30292
Med/Arb-1881
Decision No. 20018-A

I. APPEARANCES

Eugene Degner, Director, WEAC UniServ Council No. 18,
appearing on behalf of the Association.

Steven C. Garbowicz, Attorney at Law, Drager, O'Brien, Anderson,
Burgy and Garbowicz, appearing on behalf of the School District
of Mercer.

II. BACKGROUND

The School District of Mercer is a K-12 District maintaining offices at Mercer, Wisconsin. The Mercer Education Association is the duly recognized exclusive bargaining representative for all school District of Mercer professional staff. On May 6, 1982, the parties exchanged their initial proposals on matters to be included in a new collective bargaining agreement to succeed the 1981-82 collective bargaining agreement. Thereafter the parties met on four occasions in an effort to reach an agreement on a new collective bargaining agreement. However, they were unable to resolve all the outstanding issues.

On August 26, 1982, the Association filed a petition requesting that the Wisconsin Employment Relations Commission initiate mediation/arbitration pursuant to Section 111.70(4)(CM)6 of the Municipal Employment Relations Act. On October 13, 1982, a member of the Wisconsin Employment Relations Commission conducted an investigation which reflected that the parties were deadlocked in their negotiations and by October 13, 1982, the parties submitted to said investigator their final offers as well as stipulations on matters agreed to. The investigator notified the parties that the investigation was closed and the Commission directed the parties to select a mediator/arbitrator to assist them in resolving the dispute. The undersigned was so selected.

The Mediator/Arbitrator met with the parties on February 22, 1983, in an attempt to settle the dispute; however, mediation efforts were unsuccessful. Thereafter the Arbitrator conducted an arbitration hearing and accepted evidence. The parties were given an opportunity to submit briefs and the exchange of briefs was completed on April 3, 1983. Based on a review of the evidence, the arguments and the criteria set forth in Section 111.70, the Mediator/Arbitration rendered the following award.

III. FINAL OFFERS AND ISSUES

The only outstanding issue at the time of the arbitration hearing was salary schedule. The District's final offer in respect to salary schedule is attached as Appendix A, and the Association's final offer in respect to salary schedule is attached as Appendix B.

A review of the salary schedules reveals that the Board's offer proposes to increase the BA Base from its 1981-82 level of \$11,969 to \$12,567 for 1982-83. They proposed to increase the BA Maximum from \$17,565 to \$18,443. Under the Board's final offer the BA +15 Minimum would increase from its 1981-82 level of \$12,411 to \$13,031. The Maximum salary in the BA +15 Lane would increase to \$19,087 from \$18,179. The BA +30 Minimum would increase from \$13,130 to \$13,786 and the Schedule Maximum would increase from \$19,362 to \$20,330. The Association's offer, on the other hand, proposes to increase the 1981-82 BA Base to \$12,950, the BA Maximum to \$19,005, the BA +15 Minimum to \$13,429, the BA +15 Maximum to \$19,670, the BA +30 Minimum to \$14,207, and the Schedule Maximum to \$20,950.

In respect to costing, the Association's offer represents a 8.2 percent increase on each salary schedule cell whereas the Board's represents a 5 percent increase on each salary schedule cell. In terms of total package costing, the Association stipulated to the Board's costing on a total package basis which includes benefits and extra-curriculars. The offers can be costed as follows on a total package basis: Association - 9.1 percent, District - 6.48 percent.

IV. ARGUMENTS OF THE PARTIES

A. District

The District first argues that the interest and welfare of the public would not be met by choosing the final offer of the Association. They submit exhibits which show in detail that the income level of most of the taxpayers in the school district is extremely low and, in fact, below the earning level of most teachers in the school district. They believe that the data they submit shows that the ability of the residents in the school district to pay for the cost of the settlement is limited. They note that the District has an average annual cost per pupil which is, for the most part, at least \$1,000 per member more than the average K-12 district. Likewise, the average K-12 district resident pays only 58.78 percent of the cost per member while the Mercer School District resident pays 94.54 percent of its cost per member. The difference being obviously that the average K-12 district receives substantial amounts of state aid whereas the Mercer School District only receives 2.84 percent of its budget in the form of state aid. Thus, the Mercer School District spends far more per member or pupil than the average school district while the residents have to bear the vast majority of the cost.

The only school whose annual cost per member approaches that of Mercer is Drummond and their cost per member is still approximately \$600 less per member than is Mercer's and, moreover, their local share is approximately 2 percent less than that of Mercer. The other schools in the Indianhead Athletic Conference receive far more state aid. For instance, Bayfield, Butternut, Glidden, Mellen, Solon Springs, and Washburn receive better than half their cost per member in the form of state aid. For instance, Mercer received only \$24,750 in state aid for the year of 1980-81, while Ondossagon, on the other hand, which pays its teachers considerably higher than Mercer, received over \$800,000 in state aid.

The District also points out that Mercer has the highest levy rate of any school in the Indianhead Athletic Conference and has the third highest equalized value. Because there is no state aid in Mercer, they have a levy rate which becomes extremely high, \$15.90 per \$1,000 of assessed valuation. When this is considered in conjunction with the fact that the household income for the year of 1979 was nearly one half of what it was in the remainder of the state of Wisconsin and that family income was approximately two-thirds of what it was for the

rest of the state, the Board submits that their offer is most consistent with the public welfare. They note further in this regard that 18.2 percent of the households in the town of Mercer earn less than \$5,000 compared to 11 percent of the households earning less than \$5,000 state wide. Approximately 87 percent of the households in Iron County had less than \$25,000 in income for the year of 1979, whereas state wide 71 percent of the households had income of less than \$25,000. In general, the District argues that they spent a great deal more than comparable districts, while at the same time, they have a group of taxpayers who make far less than state averages.

They also direct attention to data which shows the unemployment rate of both Iron County and surrounding counties which further substantiates the position of the District that the town of Mercer and Iron County in general are depressed economically speaking. The primary employer five years ago in the Mercer area was Tri-State Homes and in the past year they have filed a petition for Chapter 11 bankruptcy and laid off all its employees except for a few. Likewise Simpson Electric, another industrial employer in the town of Mercer, is operating with about half of its employees. Further, the employees that are working there earn the federal minimum wage.

The District also makes argument relative to Subparagraph D of the statute which is commonly referred to as "comparables." They argue that the comparable districts are the Indianhead Athletic Conference schools, not the districts of northern Wisconsin which have been identified by the Association as generally comparable. In respect to comparisons to these districts, the District puts forth an analysis of rank which they believe shows that their offer is most reasonable. For the year 1981-82, according to the school district data, the Mercer School District ranked as follows:

BA Base	-	3
BA Max	-	4
BA+15 or +16 Base	-	3
BA+15 or +16 Max	-	5
BA Max	-	2

The District, next, compares the 1981-82 rankings to the 1982-83 rankings in the Indianhead Athletic Conference. The Board's analysis indicates that Mercer would rank based on the final offers as follows:

BA Base Board Offer	-	5
Union Offer	-	3
BA Max No Credits Board Offer	-	5
Union Offer	-	3
BA+15 or +16 Base Board Offer	-	5
Union Offer	-	4
BA+15 or +16 Max Board Offer	-	5
Union Offer	-	3
BA Max Board Offer	-	5
Union Offer	-	3

The Board asserts that these comparisons in conjunction with the economic and financial data they discussed above, show that the residents of Mercer have a school district with the smallest number of pupils in the conference and the highest per pupil cost in the conference, but have maintained the teachers' salaries in the top half of the Indianhead Athletic Conference. This is despite the fact that other schools of the conference have higher equalized values and greater amounts of state aid.

The District also believes that their offer is most consistent with the cost of living. For 1982, the cost of living increased on an average in the United States at a rate of 3.9 percent. Further, the cost of living increased in non-metro urban areas at the rate of 6.1 percent for the year of 1982. It is the position of the District that this is a significant factor when one is looking at the total cost

of the packages of the two parties. It is the District's position that the Mercer School District is not in a catchup position since it is already in the top half of the schools in this conference in terms of compensation to its teachers and therefore, there is no justification for an increase which is far beyond the cost of living. The offer of the teachers is 3 percent in excess of the cost of living and totally unjustified in the opinion of the District.

B. The Association

The Association notes that the District has not argued that there is an inability to pay in this case, nor has there been any other evidence that the electorate is unwilling to pay for the education of the students in the District. The Association suggests that the Board has taken it upon themselves to declare that the taxpayers should not have to pay any higher taxes. The Association notes that the cost per pupil is obviously going to be high in an extremely small district such as Mercer. With districts with larger numbers of students, the cost per student will obviously be smaller. However, they note that maintaining a small school district is a choice made by the electorate and that choice must be indicative that the district is willing to pay for the burden of maintaining a small district.

In respect to the economy, the Association notes that if a recovery occurs then Tri-State homes should be in a relatively good position because housing starts tend to increase during economic recoveries. Moreover, they note that the present recession has affected all areas in the state including the other Indianhead Athletic Conference schools. The other Indianhead Athletic Conference schools have been able to reach settlements which called for better than an 8 percent cell adjustment for their employees; therefore, it is reasonable to expect that the Mercer District, living in the same economic climate, can grant its employees an 8.2 percent rate increase.

In respect to which schools should serve as comparable schools, the Association argues that the Indianhead Athletic Conference should be considered the primary comparable group. They also argue that the districts contiguous to Mercer should be considered comparable in a secondary sense. The employees teaching in Mercer District must compete in the market place of contiguous school districts for most of their essential services. Therefore, a standard measurement of what their wages should be is what they can buy at the prevailing market price in the contiguous districts. They believe that the contiguous districts present a better economic barometer of what the salaries ought to be than does the Indianhead Athletic Conference schools which are spread throughout the northern geographic areas of Wisconsin. The Association also uses a set of comparables comprised of the 92 school districts found in the northern one-third of Wisconsin. They believe the economic climate of northern Wisconsin school districts is relatively the same as Mercer. Thus they draw comparisons between Mercer and this larger group of comparables.

The Association believes that their offer is most reasonable when compared to the salaries received in comparable districts, primarily the Indianhead Athletic Conference. They direct attention to data which indicates that in 1981-82 Mercer ranked second in terms of BA Minimum salary and that salary was 97.44 percent of the top school in the athletic conference at this benchmark. The data also shows that of the settled school districts the Association's final offer would drop Mercer to third with a 97.16 percent ratio against the top school whereas the Board's offer would drop Mercer even to fourth at a 94.29 percent ratio to the top school for the BA Minimum for the 1982-83 school year. At the BA Maximum for 1981-82, Mercer ranked third at 99.18 percent of the top school. At the same benchmark under the Association's offer they would maintain their rank but drop to 97.77 percent ratio against the best school and on the other hand, under the Board's offer would drop to fourth in terms of ranking and to 94.88 percent ratio against the top school. When comparing the BA +30 lanes and the BA +30 lanes in other athletic conference schools, the Association notes that Mercer was ranked number one in 1981-82. Under the Association's offer they would maintain their number one ranking whereas the Board's offer would drop them to fourth place and represent only 97 percent of the top salary at this benchmark. Again using the BA +30 lane, comparing the maximum in this lane to the maximum of the MA lane with no credits in other districts, the

Union indicated that Mercer ranked sixth with a ratio of 91.99 percent for the 1981-82 school year. The Association concedes that comparison for this benchmark is somewhat difficult because the 1981-82 leader in the conference is not settled for 1982-83. However the second place school in 1981-82 is settled and that is Port Wing. During the 1981-82 school year, Mercer was about three percentage points behind Port Wing. Under the Association's final offer, they would continue to be approximately 4 percent behind Port Wing, whereas under the Board's final offer they would fall 6 percent behind Port Wing for the 1982-83 school year. In respect to Schedule Maximum, Mercer ranked seventh in 1981-82, a ratio of 88.33 percent of the top school. The top school in 1981-82 has not settled for this year; thus, the Association again makes a comparison to the second place school. Mercer was 8 percent behind the second place school in 1981-82 and under the Association's offer they would remain approximately 8 percent behind this school for 1982-83 and under the Board's offer they would drop to 10 percent under this school district. They also make comparisons in terms of the BA-7 step indicating that in 1981-82 Mercer ranked fifth in 98.15 percent and one percent behind the second ranked school. For 1982-83, under the Association's offer, Mercer would fall approximately 2 percent behind the second-place school and the Board's offer would drop them close to 5 percent behind the second-place school. At the MA tenth step on the Mercer schedule they ranked third at 98.13 percent of the top school and were tied for second place with Mellen. Under the Board's offer they would drop considerably from their 1981-82 rank whereas under the Association's offer they would only drop two-tenths of a percent relative to the second ranked school in the 1982-83 school year. The Association also presents similar data relative to contiguous districts and districts in northern Wisconsin. When they analyzed this data, they believe it shows the Board's final offer causes the Mercer teachers to lose an average of \$556 at each of the seven benchmarks compared to an average loss of \$35 for the Association's offer at each of the seven benchmarks. Thus, they conclude that the Association's offer is more reasonable when compared to this larger set of comparables.

Not only does the Association believe their offer is more reasonable when considered in terms of benchmark analysis, but they believe it more reasonable when compared in terms of the average rate increase for the six of the ten schools in the athletic conference settled at the time of the arbitration hearing. Six of the ten schools in the athletic conference were settled at the time of the hearing for an average cell increase of approximately 8.5 percent. This compares with the 8.2 percent offer of the Association and the 5 percent rate adjustment by the Board of Education. Thus the Union asserts that their offer should be preferred on this basis because even when the Employers' offers in Ondossagon and Washburn are considered, the Association's offer is more reasonable. The Employers in these districts are offering a rate increase of at least 1.5 percent higher than the Board's offer in Mercer. Thus even if the Arbitrator should award the Employer the final offer in Washburn and Ondossagon the Union's final offer in Mercer is still much closer to the conference average than the Employer's final offer in Mercer.

In respect to the cost of living, the Association indicates that in order to get a complete picture of the cost of living, one must look at a historical view of the cost of living compared to the salary rate increases for more than just a single year. The Association argues that in times of high inflation it had not had rate increases or total salary increases commensurate with the cost of living and that during times of low inflation it ought to have rate increases and total package increases slightly above inflation in order to maintain their economic place in society. When viewed from this perspective, if the teachers were to keep up with the CPI for non-metro areas since 1978-79, they should have a 1982-83 BA Base rate of \$14,193 and should have a BA Maximum of \$20,535. Thus, under either offer the teachers will not achieve any parity other than the historical cost of living. Similar analysis is done by the Association in terms of BA Minimum, MA Maximum and Schedule Maximum. Again in each case the Mercer teachers fall farther behind the CPI adjusted salary in each year than in the previous year. The Union argues, therefore, that if the Arbitrator is going to give credence to the CPI data, he must look at it in terms of an historical perspective.

In respect to general economic data, the Union believes that there is no evidence in the record and no evidence that can be produced to show that the economic climate is any different than it is in the rest of the state. Certainly there are loss of jobs and unemployment in Iron County as well as loss of jobs and high unemployment in other parts of the state. The economic data is certainly not any different than it is in other counties in northern Wisconsin, thus the Association would suggest that the Mercer School District should be in a relatively similar position to grant teacher increases as other comparable schools.

V. DISCUSSION

The Parties have presented evidence and offered arguments in the following areas:

- A. What District Should Constitute Comparable Districts?
- B. Comparison of Wages to Other Employees Performing Similar Service. (i.e. teachers in comparable districts)
- C. Cost of Living.
- D. Interest and Welfare

Before discussing the evidence on the statutory criteria and the relevant weight to be granted those criteria, the Arbitrator would like to discuss which districts he will be using as a basis for his comparisons.

Both Parties agree that the primary comparable group should be the Indianhead Athletic Conference. The only disagreement over which district should be used for comparison purposes is related to whether there should be a secondary comparable group consisting of contiguous districts and all districts in the northern one-third of the state of Wisconsin.

It is the opinion of the Arbitrator that there is no compelling need to go outside the primary comparable group and therefore, no weight shall be given to any schools other than those in the Indianhead Athletic Conference. In light of the fact that there were seven of the ten Indianhead Athletic Conference schools settled at the time the briefs in the instant case were due, the Arbitrator feels that there is no compelling reason to make comparisons to any other schools than these. Thus, for the purposes of comparison, the Arbitrator will utilize Mellen, Washburn, Drummond, Port Wing, Bayfield, Glidden, and Solon Springs.

Before engaging in further discussion, the Arbitrator at this point finds it appropriate to discuss and decide the relative weight to be granted the applicable criteria. There is argument on cost of living, settlements in comparable districts, and the public interest and welfare.

The Board urges that considerable if not controlling weight should be given to the arguments regarding the public interest and welfare. In this respect, they argue that the Mercer School District is in a unique position because of very high levy rates and very high per pupil cost and combined with the fact that they receive no state aid and have a lower-than-average income-earning taxpayer. They also detail the economic problems faced in the Mercer area in Iron County and moreover, the Arbitrator takes notice of the general economic difficulties on a state and national basis. Thus under this criteria, the Board's argument has two facets. They argue their offer is more reasonable in terms of public interest and welfare because, one, it is more consistent with the economic downturn and two, because of the unique position of the taxpaying public.

In considering how much weight should be given to the economic arguments, the Arbitrator takes notice that other Arbitrators, including the undersigned have given the public interest and welfare factor (as an expression of the economic state of affairs) considerable weight.

However in these cases considerable and sometimes controlling weight was usually given this factor in the absence of 1982-83 settlements. Thus there is a clear and critical distinction between the above-mentioned cases and the instant case. In this case, seven of the ten athletic conference schools which form the primary comparable group are settled for 1982-83. Moreover, all these settlements occurred in the current bargaining year and thus, there are no agreements for the 1982-83 school year which was the second year of two-year packages bargained in completely different economic climates. In view of the significant number of settled schools and the general basis of comparability which exists between them, it is the opinion of the Arbitrator that the settlements in these schools are a reasonable barometer of the proper impact of the economy on the reasonableness of the offers. There is no convincing proof in the record that the poor economic climate has impacted any more seriously in Mercer than it has in other conference school districts. Unemployment and business failures are widespread and not just limited to the Mercer area. The economic downturn can be thought to affect comparable communities in comparable ways and what has become acceptable in terms of teacher settlements in comparable communities in light of the economy is a good measure of what is reasonable in Mercer. Thus, due to the existence of the majority of the athletic conference schools being settled, more weight will be given to settlement data in comparable districts than economic arguments put forth by the District.

It is noted above that the District asserts that their offer is more reasonable because of the unique position of the taxpaying public and in turn they ask that significant weight be given to this factor. While there is no denying that Mercer is in an unique position, there is no evidence that their tax and cost structure is significantly different than it has been in the past. In the past, the district has been able to offer salaries that ranked above the average in the conference. Based on this, there is no reason to believe, absent proof of significant changes in the complexion of the tax and cost structure relative to other schools, that Mercer should not be able to grant wage increases consistent with those in comparable districts. Thus in this respect too, it is the opinion of the Arbitrator that, due to the existence of a significant number of comparable settlements, more weight must be given to the comparability factor.

There is also argument relative to cost of living. There is little doubt that the Employer's offer is most consistent with the current cost of living increases. However, this Arbitrator, among others, has been reluctant to give significant weight to raw cost of living data when there is a significant number of settled schools. This rationale is set forth quite clearly and succinctly in School District of Merrill by Arbitrator Kerkman. (Med/Arb-679 Decision No. 17955). Thus it is the conclusion of the Arbitrator that more weight should be given to comparable settlements.

Up to this point, the Arbitrator has determined that due the large number of settlements in the athletic conference, greater weight must be given these settlements rather than to the other criteria, i.e. the interest and welfare of the public and cost of living. Moreover, more weight should be given under the circumstances to comparable settlements than a combination of the other two criteria. Therefore, under the circumstances controlling and determinative weight will be given the evidence on comparables which will be analyzed below.

The following table is a summation of the average settlements at the benchmarks in the Indianhead Athletic Conference as compared to the 1981-82 benchmarks in the same schools. **

Table 1

	<u>1981-82</u>	<u>1982-83</u>	<u>\$ Diff.</u>	<u>% Diff.</u>
BA Minimum	\$11,788	\$12,784	\$ 966	8.4%
BA Maximum	17,235	18,717	1,482	8.6
BA +15 Minimum	12,208	13,240	1,032	8.4
BA +15 Maximum	17,934	19,470	1,536	8.5
BA +30 Minimum	12,763	13,842	1,079	8.5
Schedule Maximum	19,834	21,541	1,707	8.6

** The 1981-82 and 1982-83 averages include only the following schools: Mellen, Washburn, Drummond, Port Wing, Bayfield, Glidden, Solon Springs and Mercer. Also a problem in benchmark comparison exists because Mercer has only three lanes (BA/BA+15/BA+30), therefore the lane closest in other schools to the three Mercer lanes, in the opinion of the Arbitrator, was used. Under the BA+15 comparison, the following lanes were used for the following schools: Washburn - +15, Drummond - BA+16, Port Wing - +16, Bayfield - BA+16, Glidden - BA+15, Solon Springs - +16, and Mellen - +15. Under the BA+30 comparison, the following lanes were used for the following schools: Mellen - MA, Washburn - MA, Drummond - MA, Port Wing - BA+32, Bayfield - BA+30, Glidden - MA, and Solon Springs - MA.

The following table represents the 1981-82 settlement in Mercer compared to the 1982-83 final offers.

Table 2

	<u>1981-82</u>	<u>1982-83</u>		<u>\$ Diff.</u>	<u>% Diff.</u>
BA Minimum	\$11,969	\$12,950	Assoc.	\$ 981	8.2%
		12,567	Dist.	598	5.0
BA Maximum	\$17,565	\$19,005	Assoc.	\$1,440	8.2%
		18,443	Dist.	878	5.0
BA+15 Minimum	\$12,411	\$13,429	Assoc.	\$1,018	8.2%
		13,031	Dist.	620	5.0
BA+15 Maximum	\$18,179	\$19,670	Assoc.	\$1,491	8.2%
		19,087	Dist.	908	5.0
BA+30 Minimum	\$13,130	\$14,207	Assoc.	\$1,077	8.2%
		13,786	Dist.	656	5.0

In analyzing the two tables above, it is the conclusion of the Arbitrator that the offer of the Association is more reasonable than the Board's. At each benchmark the Association's offer is quite consistent with, in fact slightly below, the average settlements at each benchmark. On the other hand, the Board's offer would result in substantial slippage in their position relative to the 1981-82 settlements in the athletic conference schools. For instance, at the BA Minimum, the average dollar increase in 1982 is \$996 or an 8.4 percent increase over 1981-82. Under the Association's final offer, there would be a \$981 increase, which is relatively equal; whereas, under the Board's offer they would only receive their \$598 increase or \$398 less than the average increase. Moreover, they would fall slightly below the average salary figure. Similar results can be found at the other benchmarks. At the BA Maximum the average increase was \$1,482 or an 8.6 percent increase. Under the Association's offer at the BA Maximum, there would be a \$1,440 increase compared to the District's offer which would yield an \$887 increase, significantly below the average dollar increase. At the BA+15 credit minimum salary bench-

mark, there was an average settlement of \$1,032 or an 8.4 percent increase. The District's offer only would yield a five percent increase at this benchmark of a \$624 raise which is nearly \$400 less than the average increase at this benchmark. At the BA+15 Maximum, the average increase was \$1,536 or an 8.5 percent increase. Under the Association's offer at the BA+15 Maximum, teachers would receive a \$1,491 increase slightly below that of the average whereas under the District's offer they would receive \$908, again significantly below the average settlement. At the BA+30 Minimum, the average increase was \$1,079 or a 8.5 percent increase. The Association's 8.2 percent increase would result in an \$1,077 increase; whereas, the Board's 5 percent offer at this benchmark would result in substantially less than the average or \$656. At the Schedule Maximum, the average increase was \$1,707. Under the Association's offer teachers in Mercer would receive \$1,588 which is notably below that of the average. In comparison, the Board's offer would yield a \$968 increase significantly below the average increase.

It should also be noted that the Association's offer more closely maintains the historical rank within the seven settled schools for 1982-83. Mercer ranked as follows in 1981-82 among the seven schools settled this year. The table also indicates where Mercer would rank among these seven schools if the respective offers were chosen.

Table 3

	Mercer In <u>1981-82</u>	1982-83 Rank	
		<u>Board's</u>	<u>Assc.</u>
BA Minimum	2	6	3
BA Maximum	3	6	3
BA+15 Minimum	2	6	5
BA+15 Maximum	3	6	3
BA+30 Minimum	1	6	1
BA+30 Maximum	6	7	6

Under both offers the rank of Mercer relative to the seven schools would fall at all but two benchmarks. At the BA+30 Maximum and at the Schedule Maximum the rank would be maintained under the Association's offer. This erosion in rank, in the opinion of the Arbitrator, supports the Association's offer as well.

The data on settlements clearly favors the Association's position. Their offer is quite consistent with the settlements in other districts. In fact, their offer is slightly shy of the average and results in some adjustment of the 1980-81 rank and wage differentials. There is little doubt that Mercer is in a unique position in terms of tax and cost considerations. However, as previously mentioned, it is the opinion of the Arbitrator, that the position of the taxpayer and the District is not so unique nor has it changed so much from 1981-82 to justify the difference in the Board's offer when compared to the settlement pattern. Moreover, the position of the District has not changed from 1981-82 to such a material degree as to justify the substantial slippage in rank and wage differentials which would occur if the Board's offer were adopted. Even assuming some downward adjustment would be necessary due to the unique position, it is noted that the Board's offer simply would result in too much slippage; whereas there is some slippage under the Association's offer, however slight. Therefore because the Arbitrator has determined that comparable settlements deserve the most criterial weight and because the evidence on this basis favors the Association, the Association's offer is most reasonable and should be adopted.

VI. AWARD

The 1982-83 Agreement between the Mercer Education Association and The School District of Mercer shall include the final offer of the Mercer Education Association and the stipulations of agreement as submitted to the Wisconsin Employment Relations Commission.

Dated this 27th day of May, 1983, at Eau Claire, Wisconsin.



Gil Vernon, Mediator/Arbitrator

Name of Case: MERCER SCHOOL DISTRICT

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

10-13-82
(Date)

Steven C Paulowicz
(Representative)

On Behalf of: MERCER SCHOOL DISTRICT

FINAL OFFER

1982-83

APPENDIX A
Page 2

STEP	<u>SA</u>	<u>BA+15</u>	<u>BA+30</u>
0	12567	13031	13,786
1	13057	13536	14,331
2	13547	14040	14,876
3	14036	14545	15,422
4	14526	15050	15,967
5	15016	15554	16,512
6	15505	16059	17,058
7	15995	16564	17,603
8	16485	17069	18,148
9	16974	17573	18,694
10	17463	18078	19,239
11	17953	18583	19,784
12	18443	19087	20,330

NOTE: \$20 INCREMENT FOR EACH
ADDITIONAL YEAR OF EXPERIENCE
AFTER STEP 12.

Name of Case: XII 30292 M-J/arb 1881

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10/13/82

(Date)

Dene Regue

(Representative)

On Behalf of:

Merced Educators Association

Mercer Final Offer for a Contract
for the 1982-83 School Year.

- ① Increase each cell of the 1981-82
Salary Schedule by 8.2% to
determine the 1982-83 Salary Schedule,
Note included at the 50 rate.

GD 10/13/82