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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

BEFORE THE ARBITRATOR

In the Matter of a Mediation-Arbitration between PLAT TEACHERS EDUCATION ASSOCIATION and JT. SCHOOL DISTRICT NO. 7, TOWNS OF RICHFIELD AND ERIN	Case III No. 30511 MED/ARB-1961 Decision No. 20292-A

Appearances:

John Weigelt, Executive UniServ Director, Cedar Lake United Educators appearing on behalf of the Plat Teachers Education Association.

Stephen L. Nass, Wisconsin Association of School Boards, appearing on behalf of Jt. School District No. 7, Towns of Richfield and Erin.

Arbitration Award

On March 30, 1983 The Wisconsin Employment Relations Commission, pursuant to 111.70(4)(cm)6b of the Municipal Employment Relations Act, appointed the undersigned as mediator-arbitrator in the matter of a dispute existing between the Jt. School District No. 7, towns of Richfield and Erin, hereafter referred to as the District, and the Plat Teachers Education Association, hereafter referred to as the Association. An effort to mediate the dispute on May 17, 1983 failed. On June 23, 1983 an arbitration hearing was held at which time both parties were present and afforded full opportunity to give oral and written evidence and argument. No transcript of the hearing was made and post hearing briefs were exchanged on August 3, 1983.

Background

The relationship of the parties has been bound by a collective bargaining agreement the terms of which expired on August 31, 1982. The parties exchanged their initial proposals for a successor agreement on August 19, 1982 and thereafter met on three additional occasions. Failing to reach an accord, the Association filled a petition on October 18, 1982 with the Wisconsin Employment Relations Commission to initiate mediation-arbitration. After duly investigating the dispute the WERC certified on January 31, 1983 that the parties were deadlocked and that an impasse existed.

Statutory Factors to be Considered

(a) The lawful authority of the municipal employer

(b) Stipulations of the parties

(c) The interests and welfare of the public and financial ability of the unit of government to meet the costs of any proposed settlement.

(d) Comparison of wages, hours and conditions of employment of the municipal employees involved in the proceedings with the wages, hours and conditions of employment of other employees generally in public employment in the same community and in private employment in the same community and in comparable communities.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

(f) The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holidays, and excused time, insurance and pension, medical and hospitalization benefits, the continuity and stability of employment, and all benefits received.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

(h) Such other factors not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, fact finding, arbitration or otherwise between the parties in the public service or in private employment.

Final Offers of the Parties

The issue before the undersigned is the salary schedule for 1982-83 collective bargaining agreement. The District proposes an increase of $1,000 in each cell of the 1981-82 schedule and a base of $13,525. The Association proposes a 1982-83 base of $13,486 while maintaining the increments and lane differentials of the previous contract.

The Issue of Comparables

The District contends that the appropriate set of benchmark school districts is that of the eight feeder schools for Hartford Union School. These consist of Erin #2 (Erin), Hartford #1 (Hartford Elementary), Herman #22 (Herman), Neosho Jt 3 (Neosho), Richfield #2 (Richfield), Richfield #11 (Friess Lake), and Rubicon Jt 6 (Saylesville). This set of comparables is justified in the District's opinion for several reasons. First, each district is a feeder school for Hartford High School. Second, each is geographically proximate to Richfield #7 (Plat), the party to the instant dispute. Third, with the exception of Hartford Elementary School, enrollments and other characteristics are similar. Finally, the District cites Arbitrator Imes in a prior case, Herman Consolidated District #22,WERC Decision

No. 18037-A,(5/81) as precedence for treating the feeder schools as a comparable group.

The Association for its part, offers three sets of comparables. The first or primary comparables are those basically offered by the District: the eight feeder schools for Hartford Union High School. To this grouping, however, the Association would also add the Hartford High School itself. In addition, a second tier of comparables would be comprised of Arrowhead Union High School and the nine school districts which feed students in to it. Finally, as a third tier of comparables, the Association argues that it is appropriate also to consider the districts of Menomonee Falls, Watertown, Germantown, Oconomowoc, Hamilton, and West Bend.

The Association seeks to support its choice of comparables in the following fashion. In the first place, if geographical criteria are to be employed in selecting comparables then "geographic proximity must extend in all directions. In the immediate case nine K-8 school districts which feed into Arrrowhead Union High School are within 15 miles of Plat School." Secondly, citing Arbitrators Byron Yaffe (Richmond Elementary School, Jt. District No. 2, Lisbon-Pewaukee, WERC Decision No. 18176-A, 5/31/81), David B. Johnson (Hartford Union High School District, WERC Decision No. 20109-A, 4/21/83, and Frank Zeidler, (Hartford Union High School, WERC Case XVI, No. 29717, MED/ARB 1652) the Association further argues that there is no reason for school teachers in any of the K-8 grades to receive lower salaries than those received by teachers in other grade levels based on the course or grade level being taught. As a consequence, the Association contends that the High School Districts into which the students are fed should be included in the comparables.

In support of its third tier of comparables, the Association notes that with the exception of Watertown all of the third set of benchmarks either border on or are geographically proximate to Plat School District. Arbitrators Johnson and Zeidler in their awards involving the Hartford Union High School District apparently accepted the comparability of Hartford UHS to the third tier districts and Arbitrator Yaffe in the previously cited Richmond Elementary School District #2 case accepted CESA #16 school districts while apparently declining to draw distinctions between K-8 or K-12 districts.

After considering the arguments and evidence from both sides the undersigned concludes that the most appropriate set of comparables should include the feeder school districts of Hartford Union High School and Arrowhead Union High School. These districts are within a radius of 20 miles of Plat School District, are, with the exception of Hartford Elementary School District, of reasonably the same size in enrollment, staff, and equalized valuation per pupil, and all share the same structure and administration of feeder districts. The High School Districts themselves have been excluded for lack of comparable size, among other characteristics. The arbitrator remains to be persuaded that in fact a high school with more than 1,600 students, a diversity of course offerings, and a complex administrative structure can have more than a superficial resemblance to an elementary school with 120 students. For this reason as well, the arbitrator's comparables also will exclude the Association's third tier of benchmark school districts.

Finally, it should also be noted that the Arbitrator has also excluded those feeder schools whose contracts were not settled during the pendency of these proceedings. Thus, omitted were Herman from the Hartford grouping and Bark River, Stone Bank, Merton, and Richmond from the Arrowhead Union High School feeder districts.

ARBITRATOR'S COMPARABLE SCHOOL DISTRICTS

School District	Students	FTE Teachers	E. V./Pupil
Saylesville	145	9.6	$188,948
Friess Lake	160	11.3	325,052
Erin	226	10.94	297,286
Richfield	438	28.00	193,663
Neosho	250	14.30	210,988
Lakeside	107	6.6	324,523
Swallow	231	14.6	339,804
Nashota	173	11.05	359,813
North Lake	248	16.62	274,025
Hartford El.	1,105	90.10	250,063
Hartland El.	866	55.6	159,028
Plat	120	9.58	261,616

The Cost of the Parties' Final Offers

The Parties are in disagreement over the manner in which the respective offers are to be calculated. On the one hand the District estimates the cost of the Association's salary offer at 11.37 % for 1982/83 over 1981/82 and the total package increase at 13.02%. For its own salary and package offers the District calculates these increases to be 9.58% and 11.31%. On the other hand, the Association by its method finds the District's salary and package offers to be 8.72% and 9.19% while its own amounts to an increases of 10.49% and 10.89% respectively.

Differences of this magnitude are significant and therefore must be resolved before the merits of the two final offers can be considered. In the first place, the crux of the disagreement over costing centers on the handling of $1,200 paid to the Plat Teachers Association as a part of the 1981/82 contract settlement. The District contends that it was never properly informed as to the disposition of this money and therefore it can not appropriately be included in the cost of the 1981/82 settlement. The Association holds that the $1,200 payment must be considered, that it was part of the previous salary settlement and that evidence of this is the fact that the 1981/81 collective bargaining agreement makes reference to the payment in Appendix "A".

The Arbitrator is sympathetic to the District's point that once the payment was made to the PTEA the Association should have informed the District of the disposition of this money. However, it is also clear that such payment was made and this is, as the Association argues explicitly noted in the contract as follows:

"Total payroll = $155,353.00
Average Salary = $16,250.30
Additional $1,200 paid at PTEA discretion = $156,553 (AVE = $16,376" (page 16, Appendix A)

The District also contends that the $1,200 was a one-time payment and since it was not to be repeated it should not be costed into the total package. The rationale according to the District is that the payment is akin to the one-time horizontal movement of staff which is not costed from one year to the next. Were the District's salary expense greater the $1,200 would in all likelihood have little impact and the differences between the parties on this point could safely be ignored. In the instant case, however, the amount is large enough given the District's relatively small salary budget that its omission alters significantly the percentage increase figures calculated by the parties for salary and total package. The undersigned concludes that given the language of the 1981/82 the parties intended the $1,200 as a salary payment to be disbursed " at PTEA discretion". Moreover, the Arbitrator is unpersuaded that this payment was in the realm of horizontal staff movements and therefore should be disregarded. The payment was made apparently as intended as part of the settlement just as the regular salary increases and changes in benefits were agreed to as well. The inescapable conclusion is that the amount of $1,200 should be considered as part of the 1981/82 package costs for purposes of calculating the increases which would be incurred as the result of the selection of one or the other of the parties's final offers.

The Issue of the Salary Schedule for 1982/83

Position of the District

The District costs its salary proposal at 9.58% and contends that this will result in fact in double digit increases for more than one-half of the Plat staff. In the light of the current depressed economic situation the Board believes that its offer is generous. Moreover, its offer is particularly appropriate argues the District if one examines the total package value of its final offer in relation to comparable school districts. Thus, The Board sees its package offer of 11.08% as falling "within the parameters established by the comparables and certainly equals what a reasonable person would expect."

Beyond the comparables, the District also points to several other factors which it feels support its position. First, if one examines the changes in the cost of living in the year preceding the new contract (August 1981 to August 1982) the CPI recorded a 5.85% increase. The District's offer for 1982-83 is nearly double the rate of inflation.

The District further contends its offer is the more reasonable of the two if one takes into consideration the current state of the economy. Unemployment is high, there has been a drastic increase in delinquent real estate taxes, state aid has been delayed, and the Board has had to rely on borrowed money to meet operating expenses. All of this has occurred in a situation in which the District already has high levy rates, high cost per pupil, low state aids, and only average property valuation per pupil. The District is not in a favorable financial position and the "Union proposal would only serve to add additional strain to an already difficult situation."

In admonishing the Arbitrator to give weight in his decision to the state of the economy, the District draws the undersigned's attention to Arbitrator Mueller's conclusions in two recent decisions: Madison Area Vocational, Technical and Adult Education District, WERC Decision No. 19793-A, (11/82); and School District Of South Milwaukee, WERC Decision No. 19668-A, (12/82). In both cases Arbitrator Mueller ruled against the union positions, finding that the state of the economy should

be given controlling weight beyond what might otherwise be accorded to the average level of settlements or other statutory criteria.

In sum the Board concludes that it has already provided salary increases that place the staff at Plat in a very favorable position vis a vis comparable school districts. It is now paying the full cost of all insurance premiums, and as judged by benchmark rankings, salary and package increases, and the state of the economy the Board's final offer "balances the needs of citizens, the Board and the teachers."

The Position of the Association

As its first point, the Association acknowledges the recent decline in the cost of living and the fact that its proposed salary settlement is in excess of these changes as measured by the Consumer Price Index(CPI). The Association argues, however, that the CPI was not applied to teacher increases when it was at its "apex" and it should not be applied when price increases are relatively lower. Rather, it is more appropriate to examine the pattern of settlements in comparable school districts for guidance. To buttress its argument, the Association cites a lengthy list of arbitral awards, all of which apparently agree with this line of reasoning.(Citations omitted). "At best," concludes the Association, "the CPI has only been used as a reference or by comparison ..."

In the Association's opinion, a better measure of both the cost of living and the fairness of its offer is the relative ranking of the Plat teachers in comparison with comparable districts across seven salary benchmark positions: BA minimum; BA 7; BA maximum; MA minimum; MA 10; MA maximum ;and Salary Schedule maximum. Using this approach, the Association finds that the District's salary offer causes a loss of rank in comparison to comparable districts at various benchmarks in the salary schedule and as well also causes an increase in the disparity between the maximum salary paid in the comparables grouping and that paid at Plat School District. A gap between Plat salaries and the next lowest ranking above the benchmark positions under examination also is alleged to have widened. Moreover, if the disputed $1,200 were added to the 1981-82 salary schedule the rankings for 1982-83 would drop even lower under the District's final offer and the disparities would widen further concludes the Association.

Second, the Association does not believe that it is appropriate to consider the cost of total package increases in any comparative sense. And although data was in fact submitted on the package cost of the final offfers of both parties the Union holds that in making comparisons it is much more relevant to deal with benchmark rankings and salary percent increases. The rationale for this position is that relative ages of staff persons, medical and dental histories of staff, level of benefits provided and " ... all of the other intangibles of fringe benefit payments to teachers preclude a package costing scenario from being very fair or accurate."

Next, the Association raises the issue of the salary structure itself, arguing that an index for the payment of incremental experience and educational increases has existed since at least 1979. By its proposal to increase the base salary to $13,525 and then add $1,000 to each cell of the structure the District would, in the words of the Association, " . . . destroy the integrity of the salary schedule ..." It is the intent of the Association to continue the index until it is modified by "mutual agreement".

Finally, it is the Association's position that the Employer's offer is worth even less than is evident at first

glance if one bears in mind the cost of the impact of the delayed settlement of the dispute. That is, the Association calculates that the District would have earned $837 in interest during the 13 months or so the dispute has continued if the unimplemented proposed settlements had been invested at an average rate of 9.5%. If one then subtracts the interest earned from the Association's proposal the result would be a salary increase that would be the lowest among all the Union's first and second tier comparables.

Discussion of the Parties' Positions

In examining the evidence and arguments adduced by the parties in support of their final offers the Arbitrator will hew as closely as possible to the statutory criteria of the law. The criteria which seem to be most applicable to the instant dispute are: "c", Interests and welfare of the public and financial ability of the unit of government to meet the costs of the proposed settlement; "d", the so-called comparables standard; "e", cost of living; and "f", overall compensation presently received.

Criterion C. The District has argued that the depressed state of the economy has exacerbated the already precarious financial position of the District. In support of the thesis that the Association's salary proposal is not consonant with the public interest and welfare the District has relied on Arbitrator Mueller in two recent and widely cited decisions. As we have already seen the Association disputes the District's position contending that the Employer has offered no evidence that a depressed general economy has relevance for the issues at hand.

The Arbitrator will consider this criterion from two standpoints. First, to what extent is there a direct, demonstrable, and significant impact of the economic conditions on the operation of the school district. And second, how would the proposed settlements at Plat School District compare to school districts within a relevant set of comparables who are faced with similar economic conditions and financial constraints. With regard to the first point, it is instructive to review the evidence on real estate tax delinquency rates offered by the District (Board Exhibit A-41) for the three counties in which the comparable school districts utilized by the arbitrator are to be found. We find for example that from 1979 to 1980 delinquency rates increased for Washington County (the location of Plat School District) 38.3%, Waukesha 43.5%, and Dodge 28.3%. For 1980-81 the respective increases were Washington 45.9%, Waukesha 59.1%, and Dodge 47.8%. The state average increases for the two periods were 28.7% and 41.3%. It would appear that while Washington County's rate of increase of delinquent taxes is slightly greater than the average for the state, in comparison to Dodge and Waukesha counties tax delinquencies have generally not increased as greatly in Washington County.

Similarly, the evidence adduced by the Employer (Board Exhibits A-34 through A-40) indicates that levels of unemployment experienced by Washington during 1982 were lower than the state average, 10.3% versus 10.4%, and approximately midway between the rates of Dodge County (10.7%) and Waukesha County (9.1%). Thus, it would appear that on the surface the extent of unemployment was not appreciably worse - or better - than that experienced by its neighbors.

If a case is to be made on this criterion then it must rest on a demonstration that the Association's proposed salary settlement would seriously impair the academic programs and services provided by Plat School District. The record is devoid, however of any such evidence. The Board makes reference to its difficult economic plight but offers no evidence to substantiate

this position. There are allegations of delayed state aids and forced borrowing but without explanation or supporting documents. The Arbitrator therefore remains unpersuaded that the Association's final offer is not consistent with the interests and welfare of the public.

The undersigned will leave for the moment two additional aspects of criterion "c" which can more appropriately be considered below. Those are the weight to be attached to the arbitral authority cited by the District, namely Arbitrator Mueller's two decisions in Madison V.T.A.E. and School District of South Milwaukee; and a comparison of the settlements in comparable school districts as these have been affected by similar sets of adverse economic factors.

Criterion D. In seeking to apply a set of comparisons as envisioned by the statute, the Arbitrator has fashioned his own set of comparables from those proposed by both parties. As indicated above, the Arbitrator's grouping consists of eleven school districts drawn from the feeder schools of Hartford and Arrowhead Union High Schools. The Arbitrator has also accepted as an appropriate methodological approach the use of salary benchmark positions when making comparisons across the comparable school districts. In so doing, we will attempt to make two levels of judgments: the prevalence and magnitude of changes in Plat's salary benchmark rankings since the last negotiated contract; and the change, if any, in the differential in salary levels between Plat and its comparison group. The first measure thus is concerned with the absolute position in a ranking while the second measure examines the value of that position, even if the ranking is unchanged.

PLAT SCHOOL DISTRICT RANKING ON SALARY BENCHMARKS
ARBITRATOR'S SET OF COMPARABLE SCHOOL DISTRICTS

Salary Benchmark	1981/82	1982/83	
		Board Offer	Assn Offer
BA Min.	6	4	4
BA 7	2	2	2
BA Max	9	10	9
MA Min	4	3	3
MA 10th	4	5	4
MA Max	4	5	4
Sked Max	5	5	5

The above table reveals that the final offers of the parties would change the ranking of Plat School on several of the salary benchmarks. On the one hand, the respective offers would raise Plat two positions at the BA Min level and one position at the MA Min level in 1982/83 over 1981/82. On the other hand, the Board's offer would drop the District's salary ranking one position on three of the remaining five benchmarks while the Association's proposed settlement would leave the ranking unchanged.

A second approach to judging the fairness of the Parties's proposed settlements is examine the salary differentials within the benchmark rankings between Plat and its comparable school districts. The Arbitrator, using his own set of comparison school districts has constructed the following table by which differentials as they existed at the last voluntary agreement can be compared with the changes in the differentials which would occur as a consequence of the acceptance of either of the final offers.

SALARY DIFFERENTIALS AT SELECTED SCHEDULE BENCHMARKS, ARBITRATOR'S SET OF COMPARABLE SCHOOL DISTRICTS

	1981/82			1982/83				
Salary Benchmark	Average All	Plat	Diff.	Average All	Board Offer	Diff.	Assn. Offer	Diff.
BA Min	$12,329	12,525	+196	13,268	13,525	+257	13,486	+218
BA 7	$15,564	16,283	+719	16,761	17,283	+522	17,532	+771
BA Max	$18,413	17,535	-878	19,849	18,535	-1,314	18,880	-969
MA Min	$13,680	14,090	+410	14,715	15090	+375	15,172	+457
MA 10	$18,991	19,726	+735	20,513	20,726	+213	21,240	+727
MA Max	$21,757	22,858	+1,101	23,494	23,858	+364	24,612	+1,118
Sch Max	$22,377	23,797	+1,420	24,156	24,797	+641	25,623	+1,467

The parties voluntarily agreed to their contract in 1981/82 and therefore we shall assume that it was accepted that the salary differentials as they existed at that time were considered as appropriate by the Board and the Association. By means of the above table the Arbitrator has attempted to measure the difference from the average salary of the comparable school districts as it existed in 1981/82 and as it might be changed by the parties' final offers. For example, in 1981/82 Plat School District enjoyed an advantage of $196 over the average of the comparables at the BA Minimum level, $719 at BA 7, was $878 behind the average at the BA Maximum, and so on. The largest salary differential, $1,420, occurred at the schedule maximum benchmark. For 1982/83 both parties' final offers would have an impact on the previously established differentials. However, the greatest adverse impact would occur as a consequence of the Board's offer. Thus, although the base salary offer of the Employer would improve Plat's differential over the average of the comparables by $61, in every other instance the relative position would worsen. For example, at the BA 7 level the dollar advantage would drop by $197, at the BA Max the existing gap of $878 would widen to $1,314, and so on. The greatest loss of relative position would occur at the schedule maximum where the salary differential of +$1,420 would drop to +$641.

The Association's final offer would improve the relative salary position on 5 of the seven benchmarks. However, it would do so on the average by $36 with the largest increase being $52 at the BA 7 level. The Association's offer would also widen the discrepancy between the comparables' average at the remaining two salary benchmarks, BA max in the amount of -$91 and MA 10 by -$8. Thus, by the loss or gain in relative position through the Parties' final offers one would have to conclude that, since the smallest deviation would occur from the salary benchmark relationships established in 1981/82 if the Association's offer

were to be selected, on this point the Teacher's offer is the more reasonable of the two.

As a final point, it is necessary to consider also here the average percentage increases in salary at the benchmark positions from 1981/82 to 1982/83 for the final offers of the Parties in comparison with our comparable school districts. The Board has argued as we have seen that the Association's offer is inconsistent with the interest and welfare of the public, i.e. statutory criterion "c". It is the undersigned's belief that one method to assess this contention is to examine the voluntary settlements of those school districts subject to similar sets of such economic conditions as high unemployment, tax delinquencies, inflation, and so forth. Given their location, size, administrative characteristics, and related factors, the Arbitrator proposes that the school districts of the comparables set constructed here is a useful tool for such analysis.

COMPARISON OF SALARY INCREASES AT SELECTED SALARY BENCHMARKS, ARBITRATOR'S SET OF COMPARABLES

	Comparable School Districts			Plat School District				
Benchmark Position	1981/82 Salary	1982/83 Salary	% Inc	1981/82 Salary	1982/83 Bd Offer	% Inc	1982/83 Assn Offer	% Inc
BA Min	$12,329	$13,268	7.6%	$12,525	$13,525	7.98%	$13,486	7.67%
BA 7	15,564	16,761	7.7	16,283	17,283	6.14	17,532	7.67
BA Max	18,413	19,489	7.8	17,535	18,535	5.17	18,880	7.67
MA Min	13,680	14,715	7.56	14,090	15,090	7.10	15,172	7.67
MA 10	18,991	20,513	8.01	19,726	20,726	5.07	21,240	7.67
MA Max	21,757	23,494	7.98	22,858	23,858	4.37	24,612	7.67
Sch Max	22,377	24,156	7.95	23,797	24,797	4.20	25,623	7.67

The table reveals that, at least as measured by percent increases taken at the benchmark salary positions, the Board's final offer would be lower than that for the average of the comparables with the exception of the BA minimum. The Association's offer, however seems to be at or slightly lower than the comparison set of districts. Again, the Arbitrator is hard pressed to find support for the Board's position that the PTEA offer when placed in the context of the current adverse economic climate is inconsistent with the public interest or welfare. If that contention were true then one would have to judge that voluntary settlements of 11 comparable districts also are inconsistent with the public interest.

Criterion e - Cost of Living. The Board has argued in the instant case that its offer should be considered more reasonable by virtue of the fact that its offer is considerable in excess of recent changes in the cost of living as measured by the CPI. The Association does not dispute the facts but does argue that arbitrators have consistently not given much weight to precise levels in the CPI as they may change from one period to the next. Rather, voluntary settlements among comparable groups of organizations have become the norm by which arbitrators have judged what weight to give to cost of living factors in fashioning their awards.

The undersigned has looked closely at the arbitral opinions cited at great length by the Association and concludes that the trend in these awards is quite clear and consistent. Arbitrator Kerkman in Merrill Area Education Association, WERC Decision No. 17955-A (1/81) has stated the general principle which seems to be widely accepted as follows:

> "Consequently, the undersigned concludes that the proper measure of the amount of protection against inflation to be afforded the employees should be determined by what other comparable employers and associations have settled for who have experienced the same inflationary ravages as those experienced by the employees of the instant Employer. The voluntary settlements entered into in the opinion of the undersigned create a reasonable barometer as to the weight that cost of living increases should be given in determining the outcome of an interest arbitration. The employees as a party to interest arbitration are entitled to no greater or less protection against cost of living increases than are the employees who entered into voluntary settlements. Thus, the patterns of settlements among comparable employees experiencing the same cost of living increases should and will be the determining factor in resolving this dispute."

The undersigned finds little in Arbitrator Kerkman's statement with which to quarrel or that is not applicable to the instant case. The burden therefore rests with the Employer, as it has previously with employees, to demonstrate why it is inappropriate in the instant case to follow Kerkman's rule. This Arbitrator, having found neither evidence nor argument in the record of the instant case by which the cost of living criterion should be determinative will resolve this dispute on other grounds.

Criterion f - The Over all Compensation Presently Received. The Board has called the Arbitrator's attention to this criterion contending that both from the stand point of the level of salary and benefits currently provided and the improvements that will arise from acceptance of the Employer's final offer its proposed settlement is the more reasonable of the two. The Association rejects this point on several grounds. First, it sees little in the current or proposed package that sets Plat teachers apart from their counterparts in comparable school districts. Second, the Union rejects the basic idea that the offers should be judged on the value of the total package particularly as this would be done as a percentage change.

The Arbitrator, having examined the total compensation received by the staff at Plat agrees that benefits and working conditions among the comparables are sufficiently similar that there is no basis to give this dimension of the criterion over riding weight. However, the undersigned is not persuaded that the changes in total compensation costs as these would occur through the implementation of one or the other of the final offers are irrelevant to the resolution of the dispute. In the first place, the statute under which this dispute arose clearly requires that consideration be given to total compensation. Second, the Association in its negotiations has not limited itself solely to salary issues. The Master Agreement is concrete testimony to this fact.

The central point in its argument against the use of total package costs is the Union's claim that comparisons cannot be made validly. It is asserted that staffs differ in age, medical and dental history, level of benefits, and so forth. This point is obviously true but it also applies equally as well to salary comparisons. School district staffs also differ with regard to degrees and credits possessed, salary structures vary by numbers of lanes and steps as well as size of increments,and some structures are indexed and others not, among other differences. In sum, the undersigned can find little to commend the theory that salary comparisons are "valid and predictable" while those made for total compensation are not. Under certain circumstances either one or both may be invalid. In the instant case, the Association has supplied no convincing evidence to abandon the use of total compensation as a factor in this dispute. Therefore, we shall examine below the final offers of the Parties from the standpoint of their impact on total cost of compensation.

INCREASE IN SALARY AND TOTAL PACKAGE COST
PLAT SCHOOL DISTRICT AND ARBITRATOR'S COMPARABLES
1981/82 to 1982/83

(Percent Increase)

School District	Total Package Cost
Erin	14.39%
Hartford El.	10.06
Neosho	10.45
Richfield #2	10.66
Friess Lake	n/a
Saylesville	11.64
Lakeside	9.76
North Lake	10.31
Nashota	9.63
Swallow	9.65
Hartland El.	8.87
Average All Comparables	10.54
Plat	
Board Offer	9.19
Assn Offer	10.89

It should be kept in mind in examining the figures in the above table that the Arbitrator has previously accepted the Association's position on the inclusion of the disputed $1,200 in the 1981/82 contract. Thus, the total package costs for Plat School District contain that additional amount.

The table reveals that when considered from a total package cost standpoint the percentage increase for the District is the second lowest of the ten comparable school districts investigated here and at 9.19% is some 1.35 percentage points below the average for the comparables group. In contrast, the Association's package coast increase at 10.89% is slightly above the average increase of 10.54%. As judged, then, by statutory criterion f, the undersigned finds the Association's offer to be preferable.

Other Considerations

The Parties have several other points that need to be disposed of before a final conclusion can be drawn. First, the Association has argued that because the Med-Arb settlement process has been drawn out over approximately 13 months the District has had the use for investment purposes of the money which otherwise would have been paid out for the settlement. The PTEA estimates that at current interest rates this would have amounted to $837, a sum by which the District then could lower the real costs of whichever offer is awarded. This contention has been raised before the Arbitrator under other circumstances but not in the detail presented in the instant case.

It is reasonable that the delays inherent in this form of interest arbitration should not redound to the benefit of one or the other of the parties. The system also should not provide an incentive for the parties to obstruct a timely settlement in the belief that the longer the process takes the lower the cost of settlement. Given the relatively high interest rates of the last few years the motivation and the opportunity to frustrate the process at any one of various points in its operation arguably is readily available to those who would want to do so.

In the instant case, however, the undersigned finds no indication that either party did not act in good faith in its efforts to obtain the settlement it felt just and equitable. The Association has presented a theory of behavior by which the District might have acted if it had so chosen. There is no evidence in the record that the District in fact acted on this premise or that, even had it chosen to do so that this would have been possible. Moreover the Arbitrator believes that if there is a generalized problem of the kind raised herein by the Union it is not a matter for which individual arbitrators can or should fashion remedies. Rather it is an issue of public policy for the State of Wisconsin to be investigated, debated, and acted upon under the traditional procedures of legislative change and action.

Second, the Association also argues that the salary structure for the District contains an indexing system by which teachers are paid additional compensation as they acquire more years of service and advanced academic credits and degrees. The Board disputes this contention claiming that it has not agreed to such a system and its absence from the Parties' Master Agreement is proof thereof. Beyond the fact that there is no explicit reference to a salary index in the contract the Parties' intentions in previous negotiations with regard to the District salary structure is unclear. The Arbitrator does not believe, however, that the resolution of the instant impasse should turn on the disposition of the indexing issue. The central question is the salary level to be paid by the District and therefore only that issue will be directly considered here.

For its part, as it made its argument on the applicability of the the public interest criterion, the Board relied in part on

the authority of Arbitrator Mueller's decisions in two recent awards. Although the undersigned has already addressed the extent to which the Association's final offer is consistent with the public interest the importance of the arbitral authority cited and the need to determine its relevancy remains to be considered. The first award to be examined is School District of South Milwaukee, WERC Decision No. 19668-A (12/82). In this case at issue was a proposed two year contract in which the respective final offers of the parties involved wages only increases of 11.6% and 10.8% by the Association and 9.0% and 8.1% by the District. The Union had argued among other positions that its offer was supported by comparables to which both sides had agreed. The District, however, asserted that the timing of the settlements was crucial. Economic conditions such as rates of inflation and levels of unemployment had changed radically between the time when the settlements in the comparable districts had been reached and when the District and its Association were negotiating. In ruling against the Association Arbitrator Mueller agreed with the District concluding, "First, the undersigned is of the judgment that the timing of any settlement is highly relevant in all situations when determining the appropriate weight that should be afforded a particular settlement at some other specific point in time. Secondly, it simply cannot be reasonably argued that the economic climate and condition at a particular time in negotiations does not have a substantial affect on the results of any such negotiations." He then goes on to note that the economy had changed adversely and placing overriding weight on the economic climate as it then existed concluded: "The Association's contention that the average level of settlement by a majority of comparables should be entitled to controlling weight, would be very persuasive, were the economy relatively comparable to what it was at the time of the settlement of the comparables."

In the instant dispute the District has raised no challenge to the timing of the comparables' settlements and in fact uses some of the same school districts to support its own case. There is likewise no claim that economic conditions have changed significantly during the negotiating period. Under the circumstances, the undersigned finds Arbitrator Mueller's award and opinion in School District of South Milwaukee to be of limited relevance to the resolution of the instant impasse.

The Arbitrator, after reviewing closely the second case put forward by the District, Madison Area Vocational, Technical and Adult Education District, WERC Decision No. 19793-A, (11/82), also concludes that this case as well can be distinguished from the instant dispute. As the District indicates in citing this award, Arbitrator Mueller ruled in favor of the Employer and in so doing, weighted heavily the state of the economy in his decision. However, a careful reading of the decision reveals that just as the timing of the settlements of comparable districts was an influential factor in the South Milwaukee case in Madison VTAE the controlling factor was the relative balance between the Parties' positions:

> " The Subject case is all the more difficult for resolution by the undersigned for the simple reason that the final offers as submitted by both parties, are reasonably supportable by application of the various factors so that on balance, both offers must be regarded as being reasonable. Stated conversely, one cannot conclude that either offer is unreasonable."

Arbitrator Mueller took note of the fact that the level of compensation received by the employees of Madison VTAE was among the highest of the comparables considered and concluded that under the District's offer the employees' relative position

would be maintained. At that point Arbitrator Mueller then turned to criteria c and h laying stress on the state of the economy as the deciding factor.

Thus, the facts of Madison VTAE do not seem to fit the express circumstances of the instant dispute. There is no evidence or argument to the effect that compensation at Plat is among the highest of the comparables considered here. Moreover, our analysis suggests that by implementing the District's final offer the members of the Association would indeed suffer a relative deterioration in their position in the comparables' salary rankings. Finally, the central premise of the Madison VTAE ruling, that all other criteria were equal and the Parties' final offers evenly balanced also can not be imposed herein.

On balance, the undersigned finds more relevant to the dispute at hand the ruling of Arbitrator Byron Yaffe in School District of Rice Lake,WERC Decision No. 19977-A, (5/83). In finding for the Union in that case Arbitrator Yaffe stated,

> "While it must be conceded that the public may find it difficult to understand why a settlement worth 11.8% is necessary in these economic times, when so many others in both public and private sectors are receiving much more modest increases, if any at all, the undersigned believes that in these specific circumstances several objective criteria support the relative reasonableness of the Union's salary proposal. The most important criterion, which has been discussed above, is comparability."

Summary

In light of the above discussion and after careful consideration of the statutory criteria enumerated in Section 111.70(4)(cm)7 Wis Stat the undersigned concludes that the Association's final offer is to be preferred and on the basis of such finding renders the following:

AWARD

The final offer of the Association together with prior stipulations shall be incorporated into the Collective Bargaining Agreement for the period beginning September 1, 1982 and through August 31, 1983.

Dated at Madison, Wisconsin this 11th day of October, 1983.

Richard Ulric Miller, Arbitrator