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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

EDWARD B KRINSKY, ARBITRATOR
2021 CHAMBERLAIN AVENUE
MADISON, WISCONSIN 53705
(608) 257-1060 OR 231-1898

In the Matter of the Mediation/Arbitration
Between
Stevens Point Area Public School District
- and -
Stevens Point Area Education Association

Case XXXV
No. 31962
MED/ARB-2371
Decision No. 20952-A

Appearances:

Mulcahy & Wherry, by Gary M. Ruesch, for the District.

Central Wisconsin UniServ Council-South, by David W. Hanneman,
Executive Director, for the Association.

On September 19, 1983, the Wisconsin Employment Relations Commission appointed the undersigned as Mediator-Arbitrator in the above-captioned case pursuant to Section 111.70(4)(cm)6.b. of the Wisconsin Statutes. On December 9, 1983 a mediation meeting was held at Stevens Point, Wisconsin, which resulted in resolution of one of the outstanding issues, the dollars to be paid by the parties for health insurance.

On January 30, 1984, an arbitration hearing was held at Stevens Point. At the hearing the parties had the opportunity to present evidence, testimony and arguments. The District presented 87 exhibits and the Association presented 246 exhibits. The record was completed on March 8, 1984, with the exchange by the arbitrator of the parties' post-hearing briefs.

The final offers of each party are shown below. The insurance item should be ignored, since it was resolved in mediation.

Association Final Offer

"ARTICLE 13.C.1.

Compensation for department heads and unit leaders shall be ~~\$660~~ \$775 per year (~~\$725~~ \$825 in school year 1982-83 1984-85) if there are five or less

fewer teachers in the department or unit and ~~\$770~~
~~\$900~~ per year (~~\$850~~ ~~\$950~~ in school year ~~1982-83~~
~~1984-85~~) if there are six or more teachers in the
department or unit. Department heads shall be
relieved of homeroom duties.

ARTICLE 17.D.1.b.

...The Board shall provide the long term disability
and life benefits without cost to the employee and
will pay up to ~~\$122.00~~ \$172.00 (~~\$134.00~~ ~~in 1982-83~~
\$200.00 in 1984-85) per month for health and dental
benefits for full-time employees and a pro-rated
share for part-time employees.

APPENDIX "A"

1982-83

For placement of new teachers with no experience:

- | | | | |
|--------------------------------------|-----------------|-------------------------------|-----------------|
| 1. Bachelors degree base | 1983-84: | \$13,900 | \$14,650 |
| | <u>1984-85:</u> | | <u>\$15,500</u> |
| 2. Bachelors degree plus 6 credits: | | An additional 2% of the base | |
| 3. Bachelors degree plus 12 credits: | | An additional 4% of the base | |
| 4. Bachelors degree plus 18 credits: | | An additional 6% of the base | |
| 5. Bachelors degree plus 24 credits: | | An additional 8% of the base | |
| 6. Masters degree: | | An additional 10% of the base | |
| 7. Masters degree plus 6 credits: | | An additional 12% of the base | |
| 8. Masters degree plus 12 credits: | | An additional 14% of the base | |
| 9. Masters degree plus 18 credits: | | An additional 16% of the base | |
| 10. Masters degree plus 24 credits: | | An additional 18% of the base | |
| 11. Masters degree plus 30 credits: | | An additional 20% of the base | |

Experienced teachers new to the District will receive a salary
comparable to the salary received by a teacher with the same
experience and educational level presently employed in the
District. In the event that no employee exists with similar
training and experience the Association and the Board will
jointly determine the salary to be paid to the new employee.

12. Returning staff members for ~~1982-83~~ 1983-84: 6% of the ~~1981-82~~
1982-83 salary plus ~~\$900~~ \$400.

Returning staff members for 1984-85: 6% of the 1983-84 salary
plus \$500.

13. For each additional six credits earned up to and including
30 credits beyond a master degree: .0187 times the teacher's
current salary.

14. No scheduled salary shall exceed:		<u>1983-84</u>	<u>1984-85</u>
	B	\$21,159	\$22,829
	B+6	\$21,554	\$23,255
	B+12	\$21,942	\$23,690
	B+18	\$22,327	\$24,133
	B+24	\$22,714	\$24,576
	M	\$24,718	\$26,601
	M+6	\$25,180	\$27,099
	M+12	\$25,636	\$27,605
	M+18	\$26,052	\$28,121
	M+24	\$26,470	\$28,639
	M+30	\$26,886	\$29,150

15. The regular hourly rate as specified in this agreement is \$10.25 for 1983-84 and \$11.10 for 1984-85.

APPENDIX "B"

For 1983-84: increase all 1982-83 APPENDIX B salaries by 7.93%.

For 1984-85: increase all 1983-84 APPENDIX B salaries by 8.23%."

District Final Offer

"1. ARTICLE 10 - EMPLOYMENT STATUS, Paragraph "B" Staff Reduction, add the following new paragraph:

"In the event an administrator and/or teacher wishes to return to teaching as a result of personal preference or reduction in administrative force, he/she shall have the opportunity to return to the classroom for any position for which he/she is qualified and certified provided that:

- 1) An open teaching position exists in his/her area of certification, and
- 2) no qualified teacher is available for recall for that position.

Placement on the salary schedule will be at a level commensurate with the total teaching and administrative experience gained in the Stevens Point Area Public School District and teaching experience gained in other systems as well.

An employee returning to the bargaining unit after an absence from the bargaining unit shall receive full seniority for previous bargaining unit work. Bargaining unit work shall be defined to include such work that may have occurred prior to certification of the Association in the District.

All positions shall be filled in accordance with Article 12 A of this agreement.

This Article shall be used to adjust seniority of all current bargaining unit members.

- 2. ARTICLE 13 - COMPENSATION, Paragraph "C.1.", revise to read as follows:

"Compensation for Department Heads and Unit Leaders shall be \$750.00/year (\$775.00 in School Year 1984-85) if there are five or less teachers in the Department or unit and \$875.00/year (\$900.00 in School Year 1984-85) if there are six or more teachers in the Department or Unit. Department Heads shall be relieved of Home Room duties."

- 3. ARTICLE 17 - EMPLOYEE BENEFITS, Paragraph "D" Insurance "D" Insurance Subsection "b" to read as follows:

"Persons with dependents are eligible to enroll in this category. Persons who enroll will receive family health and dental benefits, long term disability benefits, and life benefits. The Board shall provide the long term disability and life benefits without cost to the employee and will pay up to \$172.00 (\$194.00 for School Year 1984-85) per month for health and dental benefits for full-time employees and a prorated share for part-time employees."

- 4. APPENDIX "A" SALARY SCHEDULE: See attached.

- 5. APPENDIX "B"

For 1983-84: increase all 1982-83 APPENDIX B salaries by 5%.
 For 1984-85: increase all 1983-84 APPENDIX B salaries by 5%.

Appendix A - Salary Schedule

1983 - 84

Item 1 Bachelors Degree Base

\$14,600

Item 12 Returning Staff Members - 1983-84

4.5% of the 1982-83 salary plus \$400

Item 14 No Scheduled Salary Shall Exceed:

BA	22,511
BA + 6	22,924
BA + 12	23,329
BA + 18	23,732
BA + 24	24,136
MA	26,230
MA + 6	26,713
MA + 12	27,190
MA + 18	27,624
MA + 24	28,061
MA + 30	28,496

Appendix A - Salary Schedule

1984 - 85

Item 1 Bachelors Degree Base

\$15,330

Item 12 Returning Staff Members - 1984-85

4.75% of the 1983-84 salary plus \$400

Item 14 No Scheduled Salary Shall Exceed:

BA	23,980
BA + 6	24,413
BA + 12	24,837
BA + 18	25,259
BA + 24	25,682

MA	27,876
MA + 6	28,382
MA + 12	28,882
MA + 18	29,336
MA + 24	29,794
MA + 30	30,250"

Comparability

One of the criteria in the statute which the arbitrator is called upon to use in making his decision is comparisons with wages, hours and conditions of employment with similar employes of other municipal employers. The parties disagree about which school districts are most appropriate for purposes of making comparisons with Stevens Point. The arbitrator wishes to dispose of this question at the outset.

The District argues in favor of the Wisconsin Valley Athletic Conference, which includes Stevens Point. The Association argues that a subset of those schools (Wausau, Wisconsin Rapids, and Stevens Point) is most appropriate, and that Rhinelander, because of its 89-mile distance from Stevens Point is not appropriate even though it is in the Athletic Conference.

The Association also suggests that comparisons with contiguous districts and with districts within a 30-mile radius of Stevens Point are appropriate. However, the Association acknowledges in its brief that these comparisons are not as appropriate as the 3-district comparison or the athletic conference comparison.

The parties have presented statistical data for 1982-1983 on five measures. For each, the arbitrator has compared Stevens Point to the athletic conference median (excluding Stevens Point in the calculation) and to the average of Wausau and Wisconsin Rapids. The ranking of Rhinelander is also noted. These comparisons are as follows:

(1) FTE Teachers

Stevens Point = 406.6
Conference Median = 242.7
Wausau-Wisconsin Rapids = 388.39
Rhinelander is 7th of 8 in the Conference

Conclusion: On this measure, the comparison with Wausau and Wisconsin Rapids is most appropriate.

(2) Fall Admissions

Stevens Point = 6,982
Conference Median = 4,210
Wausau-Wisconsin Rapids = 6,634
Rhinelanders ranks 6th of 8

Conclusion: On this measure the comparison with Wausau and Wisconsin Rapids is most appropriate.

(3) School Cost Per Pupil

Stevens Point = 2438.25
Conference Median = 2478.11
Wausau-Wisconsin Rapids = 2550.36
Rhinelanders ranks 3rd of 8

Conclusion: On this measure the comparison with the athletic conference is most appropriate.

(4) State Aid Per Pupil

Stevens Point = 1083.77
Conference Median = 1325.7
Wausau-Wisconsin Rapids = 1125.44
Rhinelanders ranks 5th of 8

Conclusion: On this measure the comparison with Wausau and Wisconsin Rapids is most appropriate.

(5) Levy Rate per \$1000

Stevens Point = 9.49
Conference Median = 9.58
Wausau-Wisconsin Rapids = 10.03
Rhinelanders ranks 3rd of 8

Conclusion: On this measure the comparison with the athletic conference is most appropriate.

The comparison basis most commonly used in bargaining throughout Wisconsin is the athletic conference, because districts are commonly grouped that way in accord with size and geographic proximity. They are not a perfect standard for bargaining comparisons, but they are widely used for that purpose.

In the present dispute there is greater similarity between Stevens Point and Wausau and Wisconsin Rapids on three of the five measures, but greater similarity between Stevens Point and the athletic conference on the other two. Two of the conference districts, D.C. Everest and Marshfield are as close to Stevens Point geographically as is Wausau, so based on geography, five of the eight conference schools are as appropriate

for comparisons as just the 3-district comparison would be. Although the Association is correct that Rhinelander is located far away from Stevens Point, its ranking on the statistical measures does not necessitate its exclusion from conference comparisons.

Given these facts it is the arbitrator's view that use of the entire athletic conference is an adequate measure of comparability. Although it is also reasonable to focus on the more limited comparisons with Wausau and Wisconsin Rapids.

Issue: Salary Caps

The parties do not have a typical salary schedule grid like those in use in most school districts. Salaries are individualized and each teacher gets the negotiated increase. Both parties' final offers contain salary caps which set a maximum to be paid to teachers at each level of educational achievement.

The Association contends that in negotiations in prior years it was not the parties' intent to penalize any teacher. That is, it was not the parties' intent that any teacher would receive less money as a result of the existence of caps than would be the case if there were no caps.

In 1982-83, some teachers took more educational credits than the parties' anticipated and thus received less money than they would have received had there been higher caps, or no caps at all, according to the Association. It contends that its offer for the new Agreement provides caps which are high enough to not penalize any teacher, and thus carry out what the parties intended to do.

The District contends that under its offer the five so-called "penalized" teachers each will still receive significant increases. The District notes that they would take pay reductions if they were to be employed by most of the comparison districts. The District argues that caps have not been calculated consistently in the past and there is no practice in that regard which should be construed as binding on the parties. It contends also that caps are meaningless if they don't in fact cap.

The arbitrator does not view the caps issue as separable from the general salary issue. That is, the maximum salaries that teachers receive must be considered in the same manner as salaries received by all other teachers in making salary comparisons. That is, if the result of this arbitration is a finding that the District's salary offer is more appropriate than the Association's, this determination will not be altered by the fact that a few teachers are adversely affected by the District's caps where they would not be by the Association's caps. The arbitrator would take a contrary position only if it were shown that the effect on these teachers was so severe or unfair that the inequity should outweigh the other considerations which determine the appropriateness of the salary offers. In the arbitrator's view the Association has

not demonstrated that an inequity of that magnitude is created by the District's final offer on salary caps.

Issue: Compensation for Extra Curricular Duties:

The Association proposes that extra duties be increased at rates of 7.93% in the first year and 8.23% in the second. The District proposes that the increases be 5% each year.

The Association contends that it is only fair that pay for these duties be increased at the same rate as the increase for salaries generally and that its proposal accomplishes that while the District's does not. The Association argues also that the District has made errors in some of its comparisons.

The District contends that the pay it offers for these positions is comparable to what is being paid in the comparison districts, and in any case the dollar differences between what it is proposing and what the Association is proposing are small and an insignificant percentage of the total salary costs. The District calculates these dollar differences as \$4313 in 1983-84 and \$9,660 in 1984-85, out of a wage package of over \$9 million.

It is the arbitrator's position that even if, for argument's sake only, the Association is correct that, (a) the District has incorrectly stated some of the extra pay figures for the comparison districts, and (b) it is most appropriate to increase extra curricular pay at the same rate as salaries are increased, it would still be the case that the arbitrator's judgment would be to consider this issue as part of and secondary to the overall salary issue. That is, if the arbitrator were to find the District's salary proposal to be most appropriate, he would weigh that conclusion much more heavily than a finding that the Association's position is more appropriate on extra curricular pay. This is because the salary issue is a significantly larger budget item, and the inequities in extra curricular pay which the Association contends result from the District's final offer are not so great as to outweigh the salary considerations.

Issue: Compensation for Department Heads and Unit Leaders:

The District proposes to pay Department Heads and Unit Leaders \$750 (\$875 in larger departments) in the first year and \$775 (\$900) in the second year. The Association proposes \$775 (\$900) and \$825 (\$950). The arbitrator is of the opinion that this item should be governed by the determination of the salary issue, for the same reasons described in the discussion of extracurricular pay.

Issue: Hourly Rates

There is no separate issue of hourly rates in the final offers. However, the Association has pointed out in its brief that in setting forth items in Appendix A of the salary schedule, the District apparently neglected to supply an hourly rate figure. This would result, the Association contends, in there being either no hourly rate, or a freeze in the hourly rate if the District's final offer were adopted. Either outcome would be inequitable, in the Association's view.

The arbitrator does not feel bound to determine here what the hourly rate would be if he were to rule in the District's favor. He is certain that the parties could come to Agreement on a figure. Even if the Association's worst fears about this item were to be realized, however, it would not be significant enough, in the arbitrator's opinion, to affect the outcome of this case.

Issue: Salary

There is an argument made by the Association which must be addressed prior to any analysis of the respective final salary offers. The Association has shown that when the parties decided to adopt a new salary arrangement and no longer have a traditional salary schedule, they did so in the 1980-81 Agreement by increasing each teacher's salary by six percent plus an additional dollar amount. In the subsequent (1981-83) Agreement, they again increased each salary by six percent plus additional dollars.

Given this bargaining history, the Association argues, the District is obligated in bargaining a new agreement to pay teachers six percent plus additional dollars unless there are compelling reasons not to do so.

Thus, in its brief the Association states at page 30:

Thus there is a promise that teachers received from the Board that should only be set aside for the most compelling of reasons.

The arbitrator does not accept this Association argument. Unless there is mutual agreement to the contrary, the economic terms of a new collective bargaining agreement are not determined by what the terms have been in the old agreement. No such mutual agreement occurred in this case.

The Association may be able to demonstrate reasons, both within the District and in comparison to other districts, that make its offer to once again increase salaries by six percent plus a dollar factor better or more equitable than the District's offer that does not do so. That judgment must be made based on consideration of the statutory factors for decision-making. The arbitrator does not share the Association's view, however, that the District has a burden of demonstrating compelling

reasons for not offering a six percent increase with or without additional dollars. The Association apparently assumed that a six percent offer would once again be forthcoming. However, there is no legal basis, or a compelling argument based on past practice, on which the arbitrator must conclude that a six percent offer must be made in the current round of bargaining.

There is no dispute between the parties over the fact that wage comparisons with other school districts are a relevant consideration. They agree also on the relevance of certain salary benchmarks, although not all of them, and as mentioned previously they disagree about which comparisons are most relevant.

Stevens Point ranked in comparison to other districts in the Athletic Conference as follows in 1982-83:

Rank in 1982-83	BA Min	BA Max	MA Min	MA Max	Schedule Max
	1	3	2	3	3

In dollar terms, Stevens Point was above the median of the seven other schools by the following amounts:

\$350	\$533	\$385	\$489	\$986
-------	-------	-------	-------	-------

For 1983-84, five of the other seven districts have reached settlements. The outcome in the two unsettled districts, D.C. Everest and Marshfield will not alter Stevens Point's relative ranking, regardless of which final offers are selected in those districts. Stevens Point's ranking for 1983-84 is as follows:

BA Min	BA Max	MA Min	MA Max	Schedule Max
1	3	2-if Ass'n offer 3-if Dist. offer	1-if Ass'n offer 3-if Dist. offer	1-if Ass'n offer 2-if Dist. offer

Thus, under both offers there is status quo, compared to 1982-83 in BA-Min rankings, BA-Max. At MA-Min the Association maintains the #2 ranking while the District's offer drops to #3. At MA-Max the District offer maintains the status quo, while the Association offer results in improvement. At Schedule-Max both offers improve the ranking, the District to #2, the Association to #1.

Because only five of the other districts have settled, the arbitrator has limited the 1983-84 dollar comparisons to those five districts, and has compared Stevens Point to the median of those districts. Stevens Point is above the median in all cases, and by the following amounts:

	<u>BA Min</u>	<u>BA Max</u>	<u>MA Min</u>	<u>MA Max</u>	<u>Schedule Max</u>
1982-83	\$375	\$533	\$590	\$253	\$918
1983-84					
District Offer	365	803	720	691	1028
Assn offer	415	1121	780	1062	1682

This, whether in terms of ranking or dollars in relation to the median of other districts in the conference, the data show that the District's final wage offer is closer than is the Association's to maintaining the relationships in 1983-84 that existed in 1982-83.

If the 1983-84 wage increases for the five settled districts are examined in percentage terms they range from 6.39% to 7.64% and the median is 7.29 or 7.41% depending on which cost figure is correct for Wausau. The Association's wage increase offer for 1983-84 is 7.93%, and the District's offer is 6.4%, according to the Association. The District calculates its wage offer as 6.62% and the Association's as 8.12%. Regardless of which median figure is used, the Association's percentage increase is closer to the median percentage increase than is the District's, using the Association's wage calculations. If the District's wage calculations are used, its offer is slightly closer than the Association's to the 7.29% median, and the Association's offer is slightly closer to the 7.41% median.

This is shown as follows:

<u>District Calculation</u>	<u>Difference from 7.41% Median of settled districts</u>	<u>Difference from 7.29% Median of settled districts</u>
District offer (6.62)	-.79	-.67
Association offer (8.12)	+.71	+.83
<u>Association Calculation</u>		
District offer (6.4)	-1.01	-.89
Association offer (7.93)	+.52	+.64

The result of these comparisons is not markedly different if the comparisons are made only with the Wausau and Wisconsin Rapids districts favored by the Association.

In terms of relative rankings, both final offers would retain Stevens Point's #1 ranking at BA-Min and BA-Max. At MA-Min the Association's offer would continue the #2 ranking, while the District's offer would result in a #3 ranking. At MA-Max the District's offer continues a #2 ranking while the Association's offer improves the ranking to #1..

At Schedule-Max both offers improve, from #3 ranking to #2 under the District's offer and to #1 under the Association's offer.

In terms of dollars, the rankings of each offer are shown in comparison to the Wisconsin Rapids-Wausau median.

(+ Wisconsin Rapids-Wausau Average)

	<u>BA-Min</u>	<u>BA-Max</u>	<u>MA-Min</u>	<u>MA-Max</u>	<u>Schedule Max</u>
1982-83					
Stevens Point	+\$58	+\$800	-\$28	-\$25	-\$154
1983-84					
District Offer	+\$84	+\$1534	-\$49	+\$211	+\$59
Association Offer	+\$134	+1852	+\$11	+\$582	+\$713

Both offers result in increases over the 2-district median, although the Association's increases are much higher than the District's. Only at MA-Min does the District's offer result in a decrease from the median.

Thus, in the arbitrator's opinion the District's offer for 1983-84 is closer to the 1982-83 relationship with Wausau and Wisconsin Rapids in terms of dollars at the benchmarks, while there is little difference between the offers in terms of relative rankings.

In terms of percentage increases for 1983-84 the increase of Wausau is 7.29 or 7.41 and Wisconsin Rapids is 7.25. Their median increase is thus 7.27 or 7.33, and the parties' offers compare to those median's as follows:

	Difference from Wisconsin Rapids-Wausau median	
	<u>(7.33)</u>	<u>(7.27)</u>
<u>District Calculation</u>		
District offer (6.62)	-.71	-.65
Association offer (8.12)	+79	+85
<u>Association Calculation</u>		
District Offer (6.4)	-.93	-.87
Association offer (7.93)	+60	+66

Thus using the District's calculations its final offer is slightly closer to the two-district median, while the Association calculations favor its offer in the comparison with the two-district median.

The Association urges that comparisons be made also with certain benchmarks in the middle of the salary schedule, i.e. BA + 7 and MA + 10. The District argues that such comparisons lack meaning because the

District, unlike others in the conference except Rhinelander, does not have a salary schedule, and thus there is no single figure to use in the District for teachers who would be at the benchmarks if there were a salary schedule in effect. Under the salary arrangement now in effect, for example, five teachers in the District with a BA and seven credits might have five different salaries.

The District makes this point in its brief (at page 24). "The exact placement of Stevens Point teachers, were they to be placed on any of the comparable schedules, is subject to so much speculation that a firm comparison and a reasoned conclusion therefrom is impossible." The District has illustrated this problem by showing that in 1982-83 it had nine teachers at MA + 12 and 18 years of experience, and their salaries ranged from \$23,294 to \$25,636.

The Association argues that its Exhibit # 10, which is a salary grid, provides a reasonable basis for making benchmark comparisons with other districts. There appears to be no dispute that the parties have prepared a grid like Exhibit # 10 each year for the purpose of determining what salaries would be paid to new teachers. However, the arbitrator is persuaded by District arguments that it does not accurately reflect the salaries of Stevens Point teachers in 1982-83 at each point of the grid, and makes comparisons with other districts difficult to make.

Based only on salary comparisons with the comparison schools, the District's offer for 1983-84 maintains rank at all but one of the benchmarks while increasing the dollar differences between the District's salaries and the median of comparison districts at these benchmarks. The District offer accomplishes this even though its percentage increase offered for 1983-84 is slightly less than the median percentage increase of the comparison districts. The Association's offer improves rank, results in still greater dollar differences at the benchmarks than does the District's offer, and increases salaries at a higher percentage than the median increase given by the others.

While there may be no objections to such an increase in relative standing and dollars, the parties have not demonstrated to the arbitrator compelling reasons for him to order an improvement in Stevens Point from 1982-83 to 1983-84 relative to comparison districts beyond what the District is offering. Nevertheless, were there no other economic factors to be considered the decision based on offers for 1983-84 might be almost a toss up. Both are reasonable offers considered in isolation. However, the other factors weigh heavily in the District's favor.

The analysis thus far has focused only on 1983-84. The parties' final offers are for 1984-85 as well. The District's salary offer is 6.56%, while the Association's is 8.23%.

There are no 1984-85 voluntary settlements in the comparison districts except that there is provision for a wage reopener in the Wausau contract. The exercise of the option to reopen is determined by what has happened

to the cost of living. According to District calculations that settlement for the total package will be in the 6.69% - 7.57% range. This calculation is based on the assumption, which appears likely, that the Union there will not be permitted to reopen because the cost of living has not risen in a great enough amount, and the Wausau district will not exercise its right to reopen. The variation in the percentage reflects uncertainty about insurance premiums.

The evidence presented by the parties concerning the condition of the local, regional and state economics is more supportive of the District's lower offer than of the Association's higher one in 1983-84, and in the arbitrator's opinion in 1984-85 as well.

The Association rightly points to the upturn in the economy which has been occurring during the past year or so. However, the Association's evidence does not persuade the arbitrator that its offer is more reasonable than the District's at this time. The Association argues that the District's offer is inferior to what was paid to Wausau and Wisconsin Rapids in 1983-84 as second year increases as part of two year contracts, and it notes that those agreements were negotiated in very depressed economic times. The Association contends, therefore, that in recognition of the current improved economy, it should be anticipated that more generous agreements will be negotiated for 1983-84 and 1984-85. While the Association may be correct about what is likely to happen, there is not evidence at the present time to persuade the arbitrator that there is greater justification for the Association's offer than for the District's.

The arbitrator believes that the District's offer of 6.5% salary and 7.2% total cost will be competitive in terms of comparison districts in 1984-85 and much more in keeping with the cost of living and other public and private wage settlements in 1984-85 than the Association's 8.23% salary and 8.85% total offer.

Cost of Living

The statute directs the arbitrator to consider the changes in the cost of living. The Consumer Price Index figures for the period July, 1982 to July, 1983, indicate an increase of 2.2%. Both final offers are well in excess of this figure. The District's offer which is lower than the Association's is thus more reflective of the change in cost of living during the year preceding the effective date of this contract. There is no justification for a higher increase based on what the experience with the cost of living has been recently, and no showing that additional increases are warranted based on cost of living changes during the term of the prior Agreement.

Other Municipal Wage Settlements

The statute directs the arbitrator to look at wage comparisons with other municipal employees. The following figures were put into evidence.

1984 - City of Stevens Point, Public Works
5% (part of 1983-84 contract)

1984 - Portage County settlements in four units ranging
from 1.5% to 3%.

1985 - Portage County settlements in four units ranging
from 3% to 4%.

These settlements are much lower than either of the parties' final offers, and thus the District's offer is more in line with them for 1984 and 1985. It should be noted that in both the City and the County there are three units for which no 1984 or 1985 settlements have yet been achieved.

Thus, based on what has been negotiated thus far, there is support for the District's offer.

Private Sector Settlements

The statute directs the arbitrator to consider comparable private sector settlements. The Association contends that its offer is justified in terms of private sector comparisons. The evidence presented is in the form of newspaper articles showing sharp increases in farm income and employment and farm land prices. There is also evidence presented showing that in Wisconsin the starting salaries of teachers have not kept pace with the salaries of many occupations in the private sector held by people with bachelors degrees. The Association further supports its position with the Final Report of the State Superintendent's Task Force on Teaching and Teacher Education, which recommends that Wisconsin teachers receive a minimum salary of \$20,000 per year. As the report states, "This recommendation clearly contemplates a major change in the way teacher salaries are determined."

The arbitrator understands society's needs to attract and retain competent people as teachers. However, he does not view it as his role to base his decision in Stevens Point on the need to make such a market place correction. The executive and legislative branches of government whose responsibility it is to fund education in the state will have to make the necessary resources available if major changes are to be made in the relative economic standing of teachers.

The statutory criterion dealing with private sector comparisons addresses comparison of the teachers wages, hours and conditions of employment in the unit under consideration with "other employes...in private employment in the same community and in comparable communities." The data presented by the parties in this case are not focused sufficiently on private employment in Stevens Point or in comparable communities to enable the arbitrator to determine which of the parties' final offer is more appropriate.

Overall Compensation

The statute also directs the arbitrator to consider the overall compensation of the employes. In the present case the District emphasizes the importance of looking at total costs because of the difficulty of comparing Stevens Point's non-traditional salary schedule with those traditional ones used in comparison districts. The District presents data for 1983-84 showing the following percentage increases in total compensation:

Antigo	8.08%
Merrill	7.91%
Rhineland	6.90%
Wausau	7.65%
Wisconsin Rapids	7.53%
Stevens Point	
Board	7.53%
Association	9.04%

The median total cost of these five other districts is 7.65% which is much closer to the District's final offer than to the Association's.

The Association argues correctly that it is difficult to make meaningful total cost comparisons without detailed data about costs and details of certain benefits. It argues also that wages are the more meaningful comparison because they constitute by far the largest portion of the total costs. Nevertheless, what data there are on total costs appear to favor the District's final offer.

Conclusion on Salary Issue: Based on the above facts and discussion relative to salary, the arbitrator is of the opinion that there is much clearer justification for the District's offer than the Association's.

Issue: Employment Status

The District proposes that administrators and former teachers who return to the bargaining unit be placed on the salary schedule "at a level commensurate with the total teaching and administrative experience gained in the Stevens Point Area Public School District and teaching experience

gained in other systems as well...(with)...full seniority for previous bargaining unit work." There are conditions for such a return to the unit, i.e., that the person is qualified for the position and "1) An open teaching position exists in his/her area of certification, and 2) no qualified teacher is available for recall for that position..."

The District supports its position in part based on the fact that at one point of the negotiations the Association offered an overall settlement which included the language proposed by the District and here made a part of the District's final offer. No agreement was reached, however, and the language was not included in the Association's final offer.

The arbitrator does not consider it appropriate to base his decision in any way on offers of settlement made in negotiations. A party should not be penalized or rewarded in negotiations for the fact that it made an offer in negotiations which was found unacceptable by the other party. Considerations of such matters by arbitrators would be apt to have an adverse affect on the collective bargaining process and would impede voluntary settlement because it would affect the nature of offers that the parties would be willing to make.

The District feels that its proposal provides security for administrators and teachers by allowing them to return to the bargaining unit with their previously earned seniority in tact. The District argues also that without such assurances there is a chilling effect on the willingness of teachers to take administrative positions. The District presents data showing that five of the seven comparison districts have similar language.

The Association contends that the District has not demonstrated the need for such a language change. The arbitrator agrees with the Association on this point. The District has not shown any instances, much less a general problem, in which teachers who have been urged to accept administrative positions have not done so because of the loss of their seniority status should they return.

The District's proposal does not allow an administrator or returning teacher to displace a current teacher. The proposal deals only with open positions and where no qualified teacher is available to recall to the position.

The proposal does affect the job security of present unit members after an administrator or returning teacher has been allowed to fill an open position. In any subsequent layoffs the order of layoff would be affected since there would then be higher seniority teachers employed than there would be without the District's proposed language. While many teachers might view this as a desirable change, alterations in basic seniority rights should be agreed upon by the bargaining representative of the teachers as part of an overall settlement. In the present case the Association opposes the District's language because it has not been given an acceptable incentive for making the change.

Absent a compelling reason for changing basic contract language, and no such reason has been demonstrated here, the arbitrator believes that language changes should be reached through voluntary collective bargaining and not by an arbitrator's decision.

The arbitrator notes that a majority of comparison districts have similar language, but this does not alter his conclusion that such changes ought to be made voluntarily in bargaining.

For this reason the arbitrator favors the Association's position on this issue.

Conclusion

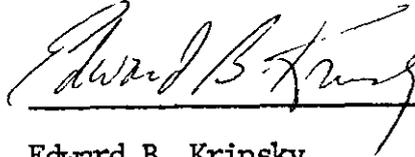
Under the mediation-arbitration statute the arbitrator must select the final offer of one party or the other in its entirety. The arbitrator is faced with the necessity of giving greater weight to the economic issues which favor the District's offer, or the seniority issue which favors the Association's offer. The cost difference between the parties' offers is not inconsequential. It is approximately \$165,000 in 1983-84 and \$375,000 in 1984-85. It is the second year figure that the arbitrator is most concerned with, not only because of its magnitude, but because there does not appear to be a sound basis for awarding it.

The arbitrator has concluded that the economic issues in the present case outweigh the seniority issue. The seniority language when implemented may at sometime in the future adversely affect the job security of some junior teachers, but a ruling in favor of the Association would have an immediate adverse affect on each taxpayer of the District who would be called upon to support teachers' salaries at a higher level than is justified by current statutory consideration. This should not be interpreted as a conclusion by the arbitrator that teachers are overpaid in Stevens Point or that they would be overpaid as a result of an award in the Association's favor. More pay, not less, is the recommendation of the task force report cited earlier. Rather, it is a conclusion that under the statutory decision-making criteria as applied to this case there is greater justification for an award in favor of the District's final offer.

Based on the above facts and discussion, the arbitrator hereby makes the following AWARD

The District's final offer is selected.

Dated this 8th day of May, 1984, at Madison, Wisconsin.

A handwritten signature in cursive script, reading "Edward B. Krinsky", written over a horizontal line.

Edward B. Krinsky
Arbitrator