

RECEIVED

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

APR 30 1984

----- x	:	WISCONSIN EMPLOYMENT
	:	RELATIONS COMMISSION
In the Matter of the Petition of	:	
	:	
NORTH CRAWFORD EDUCATION ASSOCIATION	:	Case IX
To Initiate Mediation-Arbitration	:	No. 31907 MED/ARB-2355
Between Said Petitioner and	:	Decision No. 21066-A
	:	
NORTH CRAWFORD SCHOOL DISTRICT	:	
	:	
----- x	:	

APPEARANCES

Kenneth Pfile, South West Teachers United, on behalf of the Association

Kenneth Cole, Wisconsin Association of School Boards, on behalf of the District

On November 7, 1983 the Wisconsin Employment Relations Commission (WERC) appointed the undersigned Mediator-Arbitrator pursuant to Section 111.70(4)(cm)6b. of the Municipal Employment Relations Act (MERA) in the dispute existing between the North Crawford School District, hereafter the District or Board, and the North Crawford Education Association, hereafter the Association. Pursuant to statutory responsibilities the undersigned conducted mediation proceedings between the parties on January 12, 1984 which failed to result in voluntary resolution of the dispute. The matter was thereafter presented to the undersigned in an arbitration hearing conducted on January 24, 1984 for final and binding determination. Post hearing exhibits and briefs were filed by both parties and exchanged by March 12, 1984. Based upon a review of the evidence and arguments and utilizing the criteria set forth in Section 111.70 (4)(cm), Wis. Stats., the undersigned renders the following arbitration award.

SUMMARY OF ISSUES

This dispute covers the agreement between the parties for the 1983-1984 school year and involves issues related to the salary schedule and health insurance. In addition, the parties are also in disagreement as to which school districts should be considered as the appropriate comparables in this proceeding. Because the disposition of the latter issue may have an impact on the resolution of the substantive issues which are in dispute, it will be addressed first. Thereafter, the relative merit of the parties' positions on each of the issues in dispute will be discussed, after which the relative merit of the total final offers will be addressed.

COMPARABILITY

Association Position

The Ridges and Valleys Athletic Conference, with three (3) voluntary settlements and four (4) sets of certified final offers, is the only comparability grouping that should be considered.

No information was provided by the Board regarding the size of its proposed comparable districts which are not part of the athletic conference, nor was there an adequate explanation for its failure to include other districts in the immediate geographical area.

District Position

The Association argues that comparisons should be made exclusively within the athletic conference. The Board agrees, if sufficient reliable data were available. However, in the instant dispute such data is not available, and therefore the dispute cannot be decided on this basis. Therefore, the comparables must be expanded slightly in order to obtain an accurate picture of current settlement patterns in southwest Wisconsin.

The 1983-84 settlements within the athletic conference do not provide a suitable basis for comparison given the extraordinary circumstances associated with each settlement.

As a result, a more appropriate settlement pattern can be identified by looking at neighboring school districts that are not in the athletic conference.

Discussion

Since both parties agree that under normal circumstances the districts in the athletic conference should be utilized as the District's primary set of comparables, it would seem to be reasonable to utilize the three districts in the athletic conference that have 1983-84 settlements as at least part of the comparable group of districts which should be utilized as comparables herein. This conclusion is supported by the fact that said districts are also in the same geographic area and are relatively similar in size to the District.

Although two of these district settlements may have been affected by catch-up requirements and a lengthened school year (the comparability of which has not been demonstrated), the undersigned does not believe that it would be appropriate to eliminate them from the group of comparable districts, particularly since actual salaries as well as increases are being compared, and also since the parties have suggested that the undersigned compare the value of the total package settlements as well. When all of these factors are considered, special circumstances explaining particular settlements generally can be taken into consideration.

Furthermore, since there are so few 1983-84 settlements in the athletic conference districts, the undersigned believes it appropriate and necessary to include in the comparables other districts in the area which are also of relatively similar size. Therefore, based upon the available record evidence, four additional districts will be included in the comparable grouping. They are Escobedo, Cashton, Riverdale, and Westby. The undersigned has not utilized as comparables Elroy-Kendall-Wilton or Viroqua, the former because it is somewhat further in distance from the District than the other proposed comparables, and the latter because it is appreciably larger in size than the District or any of the other comparable districts.

The use of these seven districts should provide a relatively reliable portrait of what the 1983-1994 settlement pattern in the area is, and in addition, their use will diminish the impact of special circumstances which might have affected particular district settlements.

Because ability to pay is not in issue in this proceeding, the relative ability of the comparable districts to fund their educational programs has not been utilized as a criterion in selecting said districts as comparables.

SALARIES

The Association has proposed a base salary of \$12,750, which is an increase of \$550 over the base salary for the 1982-83 contract year. In addition, the Association proposes that experience increments in the Bachelor's degree lanes be raised by \$60, and

that the Master's degree increments be raised by \$80 as follows:

	<u>BA</u>	<u>BA+12</u>	<u>BA+24</u>	<u>MA</u>	<u>MA+12</u>
1982-83	\$400	\$400	\$400	\$400	\$400
1983-84	460	460	460	480	480

The District proposes a base salary of \$12,800, an increase of \$600 over the 1982-83 base salary. The District also proposes that Bachelor's degree increments be increased by \$10, and that Master's degree increments be increased by \$25, as follows:

	<u>BA</u>	<u>BA+12</u>	<u>BA+24</u>	<u>MA</u>	<u>MA+12</u>
1982-83	\$400	\$400	\$400	\$400	\$400
1983-84	410	410	410	425	425

Both parties propose an increase of \$50 to lane differentials beyond the BA - BA+12, with the result that all lane differentials would be \$450.

District Proposed Salary Schedule

<u>Salary Schedule 1983-84</u>					
<u>Step</u>	<u>BA</u>	<u>BA+12</u>	<u>BA+24</u>	<u>MA</u>	<u>MA+12</u>
0	12,800	13,250	13,700	14,150	14,600
1	13,210	13,660	14,110	14,575	15,025
2	13,620	14,070	14,520	15,000	15,450
3	14,030	14,480	14,930	15,425	15,875
4	14,440	14,890	15,340	15,850	16,300
5	14,850	15,300	15,750	16,275	16,725
6	15,260	15,710	16,160	16,700	17,150
7	15,670	16,120	16,570	17,125	17,575
8	16,080	16,530	16,980	17,550	18,000
9	16,490	16,940	17,390	17,975	18,425
10	16,900	17,350	17,800	18,400	18,850
11	17,310	17,760	18,210	18,825	19,275
12	17,720	18,170	18,620	19,250	19,700
13			19,030	19,675	20,125

Association Proposed Salary Schedule

<u>Step</u>	<u>BA</u>	<u>BA+12</u>	<u>BA+24</u>	<u>MA</u>	<u>MA+12</u>
0	12,750	13,200	13,650	14,100	14,550
1	13,210	13,660	14,110	14,580	15,030
2	13,670	14,120	14,570	15,060	15,510
3	14,130	14,580	15,030	15,540	15,990
4	14,590	15,040	15,490	16,020	16,470
5	15,510	15,500	15,950	16,980	16,950
6	15,970	15,960	16,410	17,460	17,430
7	16,430	16,420	16,870	17,940	17,910
8	16,890	16,880	17,330	18,420	18,390
9	17,350	17,340	17,790	18,900	18,870
10	17,810	17,800	18,250	19,380	19,350
11	18,270	18,260	18,710	19,860	19,830
12		18,720	19,170	20,340	20,310
13			19,630		20,790

Association Position

The Association's salary proposal seeks to provide an overall wage structure that is reasonably competitive at entry levels, that provides incentive for experienced teachers to remain in the District, and that provides incentives for professional advancement.

The Board's proposal, on the other hand, places maximum emphasis at entry levels, while virtually ignoring, or even worsening its reward system for experienced and highly qualified teachers.

There has been a severe erosion of the District's salaries after the 1981-82 school year.

With the catch-up provided by the Association's salary offer, the District's salaries would only partially regain their previous relative position. The District would, at best, maintain a "middle of the pack" position.

There is a clear need for the District to provide catch-up at the maximums and in the internal structure of the salary schedule. Conversely, there is no demonstrated need to improve the District's ranking at the bachelor's or master's minimums.

The District's teachers are compensated at levels below the conference average at every benchmark except the BA and MA minimums as they move through the salary schedule. The Association proposal clearly addresses that problem more reasonably than does the Board's proposal. In this regard the Board's proposed increment increases will not bring the District's salaries into line with the rest of the districts in the athletic conference.

The District is one of the largest in the athletic conference. It also had an 11% increase in equalized valuation of property between 1981-82 and 1982-83, and a corresponding decrease in the levy rate. In addition, the District's state aid increased one percent at the same time. Throughout these years as well, the pupil-teacher ratio in the District was one of the highest in the conference, while the cost per member (pupil) was one of the lowest in the conference. The foregoing clearly indicates that local effort toward school funding in the District compares poorly with the conference as a whole.

In response to the Board's questioning of the Association's costing of the Ithaca settlement, said costing is attributable to the significantly greater health insurance cost increase in that District than is the case in other settled districts.

District Position

The Board's proposed salary schedule allows the District to retain its relative salary position vis a vis comparable school districts.

The 1983-84 settlements among athletic conference schools must be viewed in terms of the special characteristics associated with those settlements.

The Board concedes that the settlement in LaFarge is substantial, however, this is the result of the fact that the 1982-83 settlement in LaFarge was inordinately low. Thus, the 1983-84 settlement in that District was a catch-up adjustment, and it should be excluded from the comparisons utilized in this proceeding.

The Wauzeka settlement reflects the addition of another work day in the school calendar, which mitigates against an absolute reliance on a percentage as a measure of the size of the settlement. Because the Wauzeka District bought back a lost day, its settlement must be adjusted to reflect that fact. After such an adjustment is made, the Wauzeka settlement is comparable to the Board's offer.

The percentage value the Association attributes to the Ithaca settlement is inaccurate. At every level of the salary schedule the Board's offer is at least double the Ithaca settlement. Further, the increases in insurance premiums could not add more than 1% to Ithaca's total package. The Board believes instead that the Ithaca settlement is equivalent to its offer.

Finally, the DeSoto Board offer on salary is substantial, but this offer reflects an absolute decrease in insurance premiums. If this factor is considered, the Board's offer is comparable to the DeSoto Board offer.

While the Association argues that there has been erosion in the District's salary benchmark rankings, if such erosion occurred, it is the result of voluntary settlements, and as such it has been agreed to by the Union.

Lastly, the Board's offer is also more consistent with increases in the "cost of living".

Discussion

The undersigned has constructed the following charts to facilitate a comparative analysis of the salary schedule settlements that have been reached in comparable districts.

	<u>BA Minimum</u>		<u>% Increase</u>	<u>\$ Increase</u>
	<u>82-83</u> \$	<u>83-84</u> \$		
Ithaca	12,450	12,750	2.4	300
LaFarge	11,500	12,100	5.2	600
Wauzeka	12,000	12,600	5.0	600
Boscobel	12,150	12,625	3.9	475
Cashton	12,225	12,950	5.9	725
Riverdale	12,375	13,050	5.5	675
Westby	12,600	13,400	6.3	800
Average	12,186	12,782	4.9	596
North Crawford	12,200	B 12,800 A 12,750	B 4.9 A 4.5	B 600 A 550
+/- Average	18	B 18 A -32	B 0 A -.4	B 4 A - 46
Rank Among 8	5	B 4 A 4/5		

	<u>BA 7th Step</u>		<u>% Increase</u>	<u>\$ Increase</u>
	<u>82-83</u> \$	<u>83-84</u> \$		
Ithaca	15,438	15,810	2.4	372
LaFarge	13,400	14,380	7.3	980
Wauzeka	14,400	15,270	6	870
Boscobel	15,066	15,974	6	908
Cashton	14,625	15,410	5.4	785
Riverdale	15,840	16,704	5.5	864
Westby	15,699	16,683	6.3	984
Average	14,924	15,747	5.6	823
North Crawford	14,600	B 15,260 A 15,510	B 4.5 A 6.2	B 660 A 910
+/- Average	- 324	B - 487 A - 237	B -1.1 A .6	B - 163 A 87
Rank Among 8	6	B 7 A 5		

BA Maximum

	<u>82-83</u> \$	<u>83-84</u> \$	<u>% Increase</u>	<u>\$ Increase</u>
Ithaca	17,928	18,360	2.4	432
LaFarge	15,900	17,420	9.5	1,520
Wauzeka	16,000	17,050	6.6	1,050
Boscobel	16,524	17,969	8.7	1,445
Cashton	17,825	18,690	4.9	865
Riverdale	15,840	16,704	5.5	864
Westby	19,010	20,201	6.3	1,191
Average	17,004	18,056	6.3	1,052
North Crawford	17,000	B 17,720 A 18,270	B 4.2 A 7.5	B 720 A 1,270
+/- Average	- 4	B - 336 A 214	B -2.1 A 1.2	B - 332 A 218
Rank Among 8	4	B 6 A 4		

MA Minimum

	<u>82-83</u> \$	<u>83-84</u> \$	<u>% Increase</u>	<u>\$ Increase</u>
Ithaca	13,450	13,775	2.4	325
LaFarge	12,500	13,300	6.4	800
Wauzeka	13,200	13,975	5.9	775
Boscobel	13,250	13,725	3.6	475
Cashton	13,465	14,310	6.3	845
Riverdale	13,859	14,616	5.5	757
Westby	13,360	14,150	5.9	790
Average	13,298	13,979	5.1	681
North Crawford	13,450	B 14,150 A 14,100	B 5.2 A 4.8	B 700 A 650
+/- Average	152	B 171 A 121	B .1 A - .3	B 19 A - 31
Rank Among 8	3/4	B 3/4 A 4		

MA 10th Step

	<u>82-83</u> \$	<u>83-84</u> \$	<u>% Increase</u>	<u>\$ Increase</u>
Ithaca	18,292	18,734	2.4	442
LaFarge	15,350	16,720	8.9	1,370
Wauzeka	16,800	17,980	7.	1,180
Boscobel	18,020	19,535	8.4	1,515
Cashton	17,065	18,000	5.5	935
Riverdale	18,845	19,878	5.5	1,033
Westby	18,337	19,421	5.9	1,084
Average	17,530	18,610	6.2	1,080
North Crawford	17,050	B 17,975 A 18,420	B 5.4 A 8.	B 925 A 1,370
+/- Average	- 480	B - 635 A - 190	B - .8 A 1.8	B - 155 A 290
Rank Among 8	6	B 7 A 5		

MA Maximum

	<u>82-83</u> \$		<u>83-84</u> \$		<u>% Increase</u>		<u>\$ Increase</u>
Ithaca	20,444		20,938		2.4		494
LaFarge	16,900		18,620		10.2		1,720
Wauzeka	18,400		19,76-		7.4		1,360
Boscobel	19,610		21,974		12.		2,364
Cashton	19,065		20,050		5.2		985
Riverdale	19,953		21,047		5.5		1,094
Westby	20,741		21,968		5.9		1,227
Average	19,302		20,622		6.9		1,321
North Crawford	18,650	B	19,675	B	5.5	B	1,025
		A	20,340	A	9.1	A	1,690
+/- Average	- 652	B	- 947	B	-1.4	B	- 296
		A	- 282	A	2.2	A	369
Rank Among 8	6	B	7				
		A	5				

Schedule Maximum

	<u>82-83</u> \$		<u>83-84</u> \$		<u>% Increase</u>		<u>\$ Increase</u>
Ithaca	20,444		20,938		2.4		494
LaFarge	16,900		18,620		10.2		1,720
Wauzeka	19,200		20,710		7.9		1,510
Boscobel	19,610		21,974		12.		2,364
Cashton	19,685		20,730		5.3		1,045
Riverdale	20,489		21,612		5.5		1,123
Westby	20,935		22,356		6.8		1,421
Average	19,609		20,991		7.2		1,382
North Crawford	19,050	B	20,125	B	5.6	B	1,075
		A	20,790	A	9.1	A	1,740
+/- Average	- 559	B	- 866	B	-1.8	B	- 308
		A	- 201	A	1.9	A	371
Rank Among 8	7	B	7				
		A	5				

At the BA minimum benchmark, though both proposals are relatively comparable, the Board's offer is slightly more so, particularly when a comparison of dollar increases is made.

At the BA 7th step and BA maximum benchmarks, the Association proposal is the more comparable of the two in all respects.

At the MA minimum benchmark, again both proposals are relatively comparable, however, the increases proposed by the District are slightly more comparable than those proposed by the Association.

At the MA 10th step benchmark, the Association's proposed actual salary is the more comparable of the two, while the District's proposed increases are more comparable than the Association's. In the undersigned's opinion, the District's salaries at this benchmark are not sufficiently out of line when viewed in the context of the comparables to justify a catch-up increase, and thus the District's proposal is deemed to be the more reasonable of the two at this benchmark. While a larger increase than that proposed by the District might be justified at this benchmark, it is noteworthy that three other comparable districts have agreed upon salaries at this benchmark which are either less than or approximately the same as that proposed by the District. Thus,

no persuasive case has been made by the Association justifying an increase which is significantly less comparable than that proposed by the District.

At the MA maximum benchmark, again the Association has proposed a more comparable salary, while the District has proposed more comparable increases. However, at this benchmark, the District's proposed salary is somewhat less competitive than was the case at the MA 10th step benchmark, and in addition, the increase proposed by the District is also less comparable than is the case at the MA 10th step benchmark. Based upon these circumstances, it is the undersigned's opinion that neither of the parties' proposals at this benchmark merit selection herein since the District's proposal does not address the legitimate need for the District to become somewhat more competitive, while the Association's proposal appears to be somewhat excessive, particularly in view of the fact that two comparable districts have agreed upon salaries at this benchmark which are less than, or approximate the salary proposed by the District.

Lastly, at the Schedule maximum benchmark the Association's proposed salary is again the more comparable of the two, while both parties' proposed increases deviate from the comparable average about equally, although the District's proposal is slightly more in accord with the average in that regard than is the Association's. In this case, because the proposed increases are relatively equally meritorious, based upon salary comparability, the Association's proposal is deemed the more comparable of the two.

Based upon all of the foregoing considerations, it would appear that the District's proposed salary schedule is slightly more comparable at two benchmarks, and that it is substantially more comparable at another benchmark. On the other hand, the Association's proposal is clearly the more comparable of the two at three benchmarks. As indicated above, neither of the party's proposals merits selection at the remaining benchmark. Thus, based upon these considerations, it is the undersigned's opinion that the Association's salary proposal is slightly more comparable than the District's when viewed in its entirety.

In view of the foregoing conclusion, and absent evidence that the District will have a problem funding a comparable salary schedule, it is the undersigned's opinion that the Association's proposed salary schedule is slightly more reasonable than the Association's, even though in some regards, the increases proposed by the Association are somewhat excessive under the circumstances.

While relevant cost of living data may support the reasonableness of the District's proposal, it is the undersigned's opinion that the fairest and most objective measure of what constitutes a reasonable settlement at any given point in time is the voluntary settlement pattern which exists among comparable employer-employee relationships, and in this case, that pattern slightly supports the Association's position herein.

HEALTH INSURANCE

The dispute over health insurance is the difference between an annual contribution of \$1,435.00 for family coverage as proposed by the Board and \$1,481.44 contribution for family coverage as proposed by the Association. The total premium for family coverage is \$1,646.00

The premium for single coverage is paid in full by the Board.

The Board's offer maintains the existing level of Board contribution toward the family plan at 87%, whereas the Union wishes to increase that contribution to 90%.

District Position

The Board has never contributed an amount in excess of 87% of the premium costs of family hospital medical insurance. Maintaining the status quo with respect to this benefit is reasonable unless there is substantial reason demonstrated necessitating a change. The Association has not demonstrated such a reason, and therefore, the Board's position should prevail.

With respect to health insurance contributions, historically employees have contributed to their health insurance premium costs, and the offer of the Board is consistent with that pattern.

Association Position

The percentage of family health insurance premium cost paid by the districts in the Ridges and Valleys Conference averages 93.6%. Only one district, LaFarge, currently pays less than the District for family health insurance, and it provides a significant portion of the cost of dental and vision insurance, coverage not offered in the District. Under these circumstances, the modest 3% increase proposed by the Association is clearly more reasonable than the status quo.

Discussion

While health insurance benefits offered by school districts vary substantially, making comparisons difficult and often unreliable, the limited evidence in this record indicates that the cost of the health insurance benefit proposed by the Association is substantially less than the district cost of similar benefits in comparable districts, particularly in terms of actual dollars, but also, to a lesser extent, in terms of its percentage value. Based upon consideration of such limited evidence, it is the undersigned's opinion that the Association's proposal in this regard is the more comparable and also the more reasonable of the two.

TOTAL FINAL OFFERS

For the reasons discussed above the undersigned has concluded that the Association's salary and health insurance proposals are more reasonable than the District's, when considered on the basis of their individual merits. Because of the notorious unreliability of the valuation of settlements by the parties in collective bargaining relationships, such data contained in this record, particularly where it is disputed between the parties, must be given considerably less weight by the undersigned than the evidence which has been discussed heretofore. Nevertheless, while it would appear that the Association's proposed 9%+ total package increase is relatively high, when viewed in the context of comparable settlements, it has not been demonstrated that it is unreasonably out of line in that it approximates in percentage value at least one comparable settlement, while it is almost 2% below another, although the latter apparently constituted a catch-up settlement.

Absent evidence that the Association's proposal is unreasonably out of line with the comparables, and in view of the undersigned's conclusion that the Association's position on each of the issues in dispute is more reasonable than the District's, it is the undersigned's opinion that the Association's total final offer is the more reasonable of the two submitted herein.

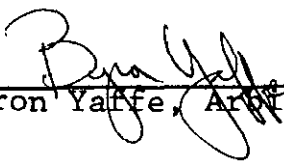
Based upon this conclusion the undersigned hereby renders the following

ARBITRATION AWARD

The final offer submitted by the Association herein shall be incorporated into the parties' 1983-1984 collective bargaining

agreement.

Dated this 30th day of April, 1984 at Madison, Wisconsin.


Byron Yaffe, Arbitrator