

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

JAN 8 1985

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Petitions of

SCHOOL DISTRICT OF HORICON

and

HORICON EDUCATION ASSOCIATION

To Initiate Mediation-Arbitration Between
Said Parties

Case VII

No. 33303 MED/ARB-2737

Decision No. 21871-A

Gordon Haferbecker, Arbitrator

Appearances:

Armin F. Blaufuss, Executive Director, WinnebagoLand UniServ Unit-South, appearing on behalf of the Union.

David R. Friedman, Senior Staff Counsel, Wisconsin Association of School Boards, appearing on behalf of the District.

BACKGROUND

This matter concerns the proposed 1984-1985 contract between the parties. The parties exchanged initial contract proposals for 1984-85 on January 25 and February 15, 1984. Thereafter they met on seven occasions in efforts to reach an agreement. On May 16 and May 17, 1984, the Association and the District filed petitions with the Wisconsin Employment Relations Commission requesting that Mediation-Arbitration be initiated. On July 12, 1984, Jane B. Buffet of the Commission staff conducted an investigation which reflected that the parties were deadlocked in their negotiations. By July 12, 1984, the parties submitted to the Investigator their final offers, as well as stipulations on matters agreed upon. The Investigator then closed the investigation and advised the Commission of the continued impasse.

On July 24, 1984, the Commission initiated Mediation-Arbitration and submitted a list of mediator-arbitrators to the parties. The parties selected Gordon Haferbecker as the mediator-arbitrator and he was notified of his selection on August 21, 1984.

A mediation session was held at the Horicon Elementary School on October 11, 1984. Mediation did not succeed in resolving the deadlock and an arbitration hearing was held on November 1, 1984. Exhibits were presented and witnesses were heard. It was agreed that post-hearing briefs would be exchanged through the arbitrator on or before December 7. The briefs were received on December 8 and December 10. Reply briefs were received on December 19 and December 22, 1984.

THE ISSUES

The issues that remain at impasse between the parties involve the salary schedule, dental insurance provisions, early retirement provisions, and extra-curricular pay. Final offers of the parties are attached as Appendix "A" and "B".

STATUTORY STANDARDS

Pursuant to Section 111.70(cm)7, Wisconsin Statutes, the criteria to be utilized by the arbitrator are as follows:

- a. The lawful authority of the municipal employer.
- b. Stipulation of the parties.
- c. The interests and welfare of the public and the 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 arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities 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 wages compensation, vacation, holidays and excused time, insurance and

pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other 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.

The arguments of the parties focused on criteria 7.c, d, e, and g. There was no evidence introduced concerning criterion a--the lawful authority of the employer.

The Arbitrator will review the positions of the parties on each of the unresolved issues.

EXTRA-CURRICULAR SALARIES

Association Position. The Association contends that its proposal of a 5% increase in the extra-curricular pay schedule is a modest one, taking into account the fact that there was no increase in the schedule for 1983-84. Thus, this would be the first increase in two years.

Association Exhibit 64 shows the increases in extra-curricular pay in the economic-geographic area for districts that have settled contracts for 1984-85. The increases range from 3 to 10.7% with most school districts increasing compensation by 7% or more.

Board Position. In allocating limited resources, the Board felt that it would be better to put the money into the salary schedule instead of into the extra-curricular pay schedule. The record indicates nothing that shows that the Horicon teachers have fallen behind their colleagues in comparable school districts. The Association offer would cost \$1,111 while the Board is proposing no increase.

DENTAL INSURANCE

The current collective bargaining agreement states "The District will pay a maximum of \$24,660 for the total dental insurance premium for the school year 1984." The Board has proposed that the monetary limit be increased to \$25,500 for the 1985 school year. The Association has proposed insertion of the word "full" for the dollar premium paid. The current dental premium is \$23,220. The difference between the parties would have no economic impact for 1984-85.

Association Position. The Association position is that the dental insurance issues is a "non-issue." During negotiations for 1984-85, the Board's position was that it would pay the full amount of the dental insurance premium.

Association Exhibit 67 summarizes the dental insurance provisions in school districts in the economic-geographic area that are settled for the 1984-85 school year. Eleven of the sixteen districts express the District's dental insurance premium payment as full or 100%. Three of the districts express the dental insurance premium payment by the district as the full amount stated in terms of the monthly premium for single and family dental insurance. No contract within the settled comparable school districts expresses dental premium payments in terms of the district's total premium dollar obligation. Even the District evidence demonstrates that the Flyway Conference Districts do not express the district's obligation in such a manner.

Board Position. It is clear that the Association's goal is to remove from the bargaining table the issue of dental insurance premiums. The Association wants to make the District automatically pick up any increase in premium. Without some good strong reason the Arbitrator should not disturb the results of past bargaining on this issue.

VOLUNTARY EARLY RETIREMENT PROVISION

Association Position. There exists an extensive history of the voluntary early retirement provision in the collective bargaining history between the parties. Association witness Doty Adams testified that the first agreement to include voluntary early retirement in the contract occurred in 1974-75. Both parties recognizes the mutual advantages that such a provision would have. The District would generally realize a saving due to teacher turnover and the teachers would benefit from the provision as well. The 1982-84 agreement incorporated changes made in the retirement law which permitted voluntary early retirement at age 62.

Association Exhibit 72 is a tentative agreement reached by the parties in May of 1984 that is identical to the Association's final offer. Association witness Adams testified that the parties spent significant amounts of time discussing modifications to the voluntary early retirement provision before reaching tentative agreement in May. Subsequently the District withdrew the tentative agreement and its final offer does not contain any modifications to the 1982-84 early retirement provision.

Chapter 96, Laws of 1981, merged the three separate public employee retirement systems into what is now the Wisconsin Retirement System. Prior to this point, teachers did not have available to them a preretirement leave which permitted them to secure an unpaid leave of absence for up to three years, with those three years counting as creditable service if the district paid the retirement contribution for each year. The Association and the District incorporated this provision into their tentative agreement in May of 1984.

More recently major changes in retirement law were enacted effective March 9, 1984. Heretofore, the normal retirement age had been age 65. The changes provided that the normal retirement age would be age 62 with 30 or more years of creditable service in the Wisconsin Retirement System. As a result of this change, the early retirement at age 62 that was enacted in 1978 would no longer apply to teachers with 30 or more years of service. The Association and the District negotiated a tentative agreement that modified the voluntary early retirement provision based on these changes in the law. This tentative agreement also included a formula by which the District would pay for health insurance premiums based on accumulated sick leave.

The hearing record contains no evidence that the Association offer is unreasonable or inappropriate. The District did not testify that it learned new facts which caused it to reject this tentative agreement.

Another provision included in the Association offer is compliance with the Wisconsin Statutes that the mandatory retirement age of 70 be removed from the collective bargaining agreement.

Board Position. The current collective bargaining agreement contains in Article IVM an early retirement plan. The Association wishes to make wholesale changes not only in the language itself but in the concept set forth in the current agreement.

The Association witness testified that since the Board had made changes in the language when the statutory concepts of early retirement changed the Board should now make the same change because the statute has changed. Such a position is the antithesis of bargaining. Obviously in the past when the Board thought changes were warranted, it sat down and reached agreement with the Association.

Even the comparables proposed by the Association do not support such extensive changes in the early retirement clause.

The law in Wisconsin has been changed so that a teacher who is 62 years of age with 30 years of creditable service can retire at age 62 without loss of benefits. If the teacher is neither age 62 nor has 30 years of creditable service when he or she retires, then the current collective bargaining language allows those people to retire at age 62 without reduction in benefits.

The Association proposes a preretirement leave at three years with the Board paying both the employer's and employee's share of retirement contributions. The Association also proposes a retirement age of 59. Further the Association proposes that instead of the employee paying for insurance, that the District pick up the insurance premium cost.

The Association has presented no cost-benefit analysis as to the potential costs or savings for the District with this program nor has there been any indication as to why changes in the current voluntary early retirement language should be made.

Concerning the tentative agreement on this issue, good sound public as well as labor law policy dictates that the parties should be able to accept or reject tentative agreements without having that acceptance or rejection used either for or against them in an arbitration hearing. The Board's reply brief quotes Arbitrator Kerkman's decision in Kenosha Unified School District No. 1 in which he expresses serious concerns about finding for either party's offer solely on the basis that a prior tentative agreement had been reached between the parties. Such action would reduce the possibility of entering into tentative agreements and would have a chilling effect upon the bargaining process.

THE SALARY SCHEDULE

This is the major issue between the parties, receiving the most attention in the briefs and exhibits. Board Exhibit 9 shows that the Board's total package offer is an increase of 5.11% while the Association's offer is an increase of 8.31%. The Board's salary comparables are based primarily on the Flyway Athletic Conference to which Horicon belongs. The Association rejects comparisons with the Flyway Athletic Conference and stresses comparisons with other districts particularly the former Wisconsin Little Ten Athletic Conference to which Horicon belonged fourteen years ago. The Association is also concerned with the small increases provided in the Board's proposal for certain teachers.

At the time of the hearing none of the Flyway Athletic Conference districts had settled contracts for 1984-85. The Arbitrator requested that where final offers had been submitted by Districts and Associations, such information be provided prior to the filing of briefs. This was done but during this interim period final settlements were reached in three conference schools: Lomira, Mayville, and North Fond du Lac. Data on these settlements was accepted by the Arbitrator and the parties commented on these in their reply briefs. A settlement was also reached in Markesan but the Association objected to its inclusion since the Association representative was not aware of the settlement and did not have the opportunity to respond in his reply brief. Therefore, only the post-hearing settlements in Mayville, Lomira, and North Fond du Lac will be considered by the Arbitrator.

Position of the Association. The Association uses the following arguments against the District's proposal to use the Flyway Athletic Conference as comparables: (1) The WIAA has not been given the statutory authority to determine the appropriate comparables pursuant to Section 111.70 of the Wisconsin Statutes. Horicon earlier had a historic relationship with the school districts in the former Wisconsin Little Ten Athletic Conference and competed with those schools for over 20 years prior to conference realignments in 1970. Athletic conference alignments are not fixed and during Horicon's involvement with the Flyway Athletic Conference there have been changes in school district membership and differing numbers of school districts within the conference. (2) The District and Association have indicated through their past selection of the Milwaukee Consumer Price Index a strong historical relationship with districts which are influenced by the Milwaukee metropolitan area. The comparable school districts selected by the Association are generally to the south and southeast of Horicon and reflect an economic and geographic proximity to the Milwaukee area. Horicon has been cited as a comparable in some of these municipalities in arbitration decisions. Association Exhibit 8 includes settled school districts in the economic-geographic area that are of similar size to Horicon. (3) Arbitrator Flaten in Dodge Land (Assoc. Exhibit 6), clearly found that the Dodge County school districts of Beaver Dam, Dodge Land, Horicon, Hustiford, and Mayville were appropriate comparables due to their homalgeous economic and social characteristics. Of these districts Beaver Dam and Mayville are settled for 1984-85. (4) Horicon has been set apart from the Flyway Athletic Conference by the Association and the District. The parties mutually selected the cost-of-living adjustment method of adjusting teacher salaries for a number of years. The result clearly established Horicon as a wage leader among the school districts that the District sets forth as comparables. The salaries of Horicon teachers have historically ranked favorably with the salaries paid to teachers in school districts to the east and southeast.

The hearing record in this case does not indicate that the District would have any difficulty in funding the Association's final offer. The Arbitrator's decision on salary should be based on which of the offers more nearly represents the settlement pattern existing within comparable school districts and which of the offers maintains Horicon's relative position among those comparable school districts.

Chart A summarizes the data for various benchmark salary schedule positions for Mayville and Beaver Dam. It shows increases ranging from 8.2% to 10.8% at the various positions (Assoc. Brief, p. 14). Chart C shows similar data for 1984-85 for similar-sized school districts in the economic-geographic area. The benchmark positions show increases of 6.9% to 8.9% (Assoc. Brief, p. 15). Chart D shows the average dollar and percent increases for 1984-85 for former Wisconsin Little Ten Conference Districts and Flyway Conference Districts settled for 1984-85. The increases range from 6.8% to 7.3% at the various benchmark positions.

The District's final offer provides increases of -1.1% to 5.2% for the benchmark positions while the Association's increases range from 3.5% to 11.1%. Only one of the benchmark increases is 11.1%, the other highest one is 7.8%. Only the 11.1% increase exceeds the existing settlement pattern. It is the schedule maximum and at this position Horicon's schedule has been substandard when compared to the salary schedule maximum in comparable districts. Even with this increase, the Association's proposed maximum of \$28,813 would be below the Dodge County average of settled districts and also below the other sets of comparables used by the Association (Districts in Economic-Geographic area, Similar-sized Districts in the Economic-Geographic Area and Athletic Conference Districts) (Assoc. Brief, p. 16).

The same four groups of districts settled for 1984-85 show percent increases of 8.40% to 9.19% for salary only and 8.59% to 9.19% for total package. The Association proposal of 8.32% for salary only and 8.32% for total package is below any of the comparable averages. The District's offer of 5.13% on salary and 5.10% for the package is way below any of the comparable averages.

Association Exhibits 30, and 34 show that the District's offer would substantially reduce Horicon's historical ranking among settled districts of similar size and among former Little Ten Athletic Conference Districts. Even under the Association's offer, Horicon will rank lower on most of the benchmarks than its earlier historical position.

Association Exhibits 28, 32, and 36 show that the District offer drastically erodes Horicon's relative position at the salary schedule benchmarks. The Association's final offer also erodes Horicon's relative position but not as drastically.

	<u>B.A. Column Increment</u>	<u>M.A. Column Increment</u>
1982-83	\$598 - all steps	\$653 - all steps
1983-84	\$596 - all steps	\$685 - all steps
Association Offer	\$620 - all steps	\$739 - all steps
Board Offer	\$420 - steps 0-2	\$633 - steps 3-9
	\$551 - step 3	\$1,037 - step 10
		\$1,204 - step 11
		\$1,391 - step 12

The District added a step at the B.A. + 6 column and at the B.A. + 12 column. These manipulations were made necessary as a result of the District's substandard wage offer. The District Administrator testified that the intent of the District's wage offer was "to make sure that everyone got a raise."

The unfairness of the District's salary offer is shown on Association Exhibit 16. Five bargaining unit members will, in effect, receive a pay cut over the salaries that are presently being paid those bargaining unit members. One example is Ms. Sunderland's salary which was \$15,730 in 1983-84. Thus far in 1984-85 she was paid the increment of \$596 for a total of \$16,237. Under the Board offer her 1984-85 school year salary would be \$16,194.

Under its offer the District found it necessary to adjust the salary schedule placement of four bargaining unit members. One was granted six additional credit hours to assure an increase in vertical movement in the future. Another was granted three credits for summer work on a one-time basis. Another was given three credits for work experience. The District in developing its final offer ignored the rules (collective bargaining provisions and previously agreed-upon salary schedule practices) established by the parties.

Such restructuring of the salary schedule should be done voluntarily by the parties.

Cost-of-living criterion. The Association contends that the pattern of settlements in comparable school districts is the appropriate indicator of the statutory cost of living criteria. The Association notes Arbitrator Mueller's acceptance of this principle in Kewaskum, Dec. No. 17981-A and also Arbitrator Richard U. Miller in Marshfield, Dec. No. 18111-A. The Miller decision also quotes an earlier decision by Arbitrator Kerkman (Dec. No. 17955) to the same effect.

In this case the existing pattern of settlements in comparable districts in the economic-geographic area must be selected as the most appropriate measure of the cost of living.

The interest and welfare of the public are best served by the Association's final offer. Association Exhibit 39 quotes a Horicon newspaper article which comments on Horicon's quality school system and its high per capita income. Association Exhibit 48 shows the starting salaries for college graduates. Under the Association offer Horicon teachers do not approach these starting salaries during their first four years of employment. The Board offer would cause them to fare even worse. The Association quotes various state and national reports and studies recommending higher teacher salaries.

While municipal employees in Horicon have received smaller increases than both parties are proposing here, the District did not show the relevance of such developments to the salary issue before the Arbitrator. The parties have not agreed in the past to pattern their wage settlements upon municipal employee salaries or after private wage sector trends.

The local effort to pay for education in Horicon, 58.83% (Assoc. Exhibit 38) is well within the range of the local effort in school districts in the economic-geographic area. The Horicon School's levy rate ranks very favorably (low) when compared to the school levy rate in these districts.

Board Position. The Board points out that the reliance on athletic conference schools for school district comparisons is based upon the fact that schools in an athletic conference tend to have the same number of students, the same number of teachers, and to be geographically proximate to each other. This is true concerning the Flyway Athletic Conference schools.

The Board rejects the former Wisconsin Little Ten Athletic Conference as an appropriate comparable. Student enrollments in those districts are significantly larger than Horicon (Board Exhibit No. 2). The Association's selection of comparables is also deficient in that its selections are skewed to the east of Horicon. The Board entered into evidence the fact that there are settlements other than east of Horicon.

The Board quotes a series of arbitration decisions--Watertown, Lomira, Campbellsport, Hartford and Kewaskum which show that Horicon has not been considered comparable to the school districts proposed by the Association. The Board believes that the lack of mention of Horicon as a comparable school district by other arbitrators supports the Board's position that the current athletic conference schools are the most comparable for Horicon.

Board Exhibits 10 through 10E and Board Exhibit 11 clearly indicate that if the teachers were placed on other athletic conference schools' schedules, that the teachers in Horicon would fare extremely well (1983-84 schedules). There is no reason to believe that teachers in Horicon will not continue to fare well under the Board's offer.

Salary schedule. It must be remembered that the parties were coming off of salaries that were determined by a cost-of-living formula. No salary schedule as we commonly know it existed. In order to assure that everyone was given a raise, within the Board's salary guidelines, adjustments were made for certain individuals in either credits, salary schedule placement, or hours. The Board's brief shows that each of the five personal pay inequities cited by the Association did receive some increase for 1984-85 over their actual 1983-84 salary (Board Brief, p. 11). In this period of transition to a "traditional salary schedule" some people benefited more than others. For those people who did not receive as great a benefit in this round of bargaining, the Association is free to propose changes in the next round of bargaining that will provide those people a greater benefit.

Cost of Living. From 1976 to 1982 the parties here relied on the Consumer Price Index to determine the salaries to be paid. The parties in the 1982-84 contract relinquished using the CPI as the prime factor in determining salaries. Nothing in the record indicates that the parties have abandoned looking at the CPI for guidance in determining future salary increases.

Reliance on CPI changes is especially appropriate when there is a lack of settlements in comparable schools.

The Consumer Price Index for Milwaukee increased 5.11% from July of 1983 to July of 1984. The Board's total offer is an increase of 5.11% while the Association offer is 8.31%. On this criterion alone the Board's offer should prevail.

Other public employment increases. The unionized police force and the unionized department of public works employees in Horicon both received 3% wage increases this year. This supports the reasonableness of the Board's offer.

Post-hearing Settlements. Concerning the recent athletic conference settlements, the Board in its reply brief makes some comments. The North Fond du Lac settlement included a restructuring of the contract. The Lomira contract suspends longevity and also moves the staff back one step in their placement. It also changes the maximum number of steps from 15 to 14. The Mayville superintendent informed the Horicon Board representative that everyone in Mayville was frozen and that the employees gave up their longevity. The Mayville superintendent costed the 1984-85 settlement at 8.01% rather than the 8.24% cited by the Horicon Association representative. These various discrepancies in the evidence could probably only be settled by an evidentiary hearing.

It does appear, however, that Horicon still remains a wage leader in the conference.

The Board states in its reply brief, "In any event the Board has not relied on athletic conference comparisons in making its case." It has relied on other factors mentioned in the initial brief including the historical approach of using COLA to determine which offer should prevail (Reply Brief, p. 2).

DISCUSSION

Salary comparables. The parties are in major disagreement as to comparables. The District thinks the appropriate comparables are the districts in the Flyway Athletic Conference while the Association stresses comparisons with the former Little Ten Conference and with other districts to the south and east of Horicon. It is understandable that there is disagreement in this case because until a few years ago Horicon salaries were based on changes in the Milwaukee Consumer Price Index and salary comparisons with other districts were less pertinent.

In many arbitration cases where the parties disagree as to appropriate comparables, the Arbitrator has constructed his own list of comparables that appear to be reasonable. I do not plan to do so in this case but I will comment on this issue hoping that it may help the parties in future collective bargaining.

I think that it is appropriate to use the Flyway Athletic Conference as one set of appropriate comparables because it does include schools that are similar in size and that are in some geographic proximity to Horicon. I think that the school districts in Dodge County where Horicon is located would be an appropriate second set of comparables as Arbitrator Flaten has suggested. Perhaps the parties could agree on a third set of comparables from some of the districts in Association Exhibit 8 but perhaps some districts could be added so that the list is not skewed to the south and east of Horicon. The former Little Ten Athletic Conference as shown in Association Exhibit 9 does not seem to be an appropriate comparable because of the much larger size of the districts. It may be that population changes since 1970 are part of the reason for these schools being less appropriate than was the case twenty-five years ago. As indicated earlier, Beaver Dam is one that is still appropriate as a part of Dodge County comparables.

Pattern of 1984-85 Settlements. The Association salary offer is in line with the prevailing pattern of settlements as shown by both the District and Association comparables. The Association exhibits as reviewed earlier in this paper clearly show settlements that are generally much closer to the Association offer than to the Board offer. None seem to be as low as the Board's 5.11% offer. The three Flyway conference settlements are all above 8% even when the Board's revision of Mayville to 8.1% is considered.

The Board provided Exhibits 4, 5, and 6 showing settlements in CESA districts. I have computed the average package increases from the data in the Board exhibits. According to my calculations, the average increases were 7.55% for CESA 2, 8.3% for CESA 5, and 8.46 for CESA 6. These increases are much closer to the Association offer of 8.31% than to the Board offer of 5.11%. In none of the 52 districts cited was there a total package increase as low as the Board's proposal of 5.11%. One of the 52 districts, Palmyra, provided a total package of 5.62%. The next lowest was 6.3%.

The Board has not shown any substantial justification for its very low wage increase offer. It has not claimed inability to pay nor has it shown that the Horicon School District faces a financial crisis justifying the low wage offer.

It is apparent that under the Board's offer the Horicon teachers would lose ground in their salary level in comparison with any of the comparable teacher groups that have been cited by either the Association or the Board. The Arbitrator finds that on the basis of comparisons of 1984-85 increases, the Association's offer is clearly more reasonable.

The Salary Schedule. As the Board acknowledges it had to make numerous changes in the application of the salary schedule and salary rules in order to achieve its goals of staying within its salary guidelines and giving every teacher some salary increase. The Arbitrator agrees with the Association that this approach makes for a less rational schedule and creates problems for future contracts. The data presented in the Association Brief, page 25, and cited earlier in this paper clearly illustrates this. If the Board feels that such changes are needed they should be negotiated. The Board's purpose in making numerous schedule changes in view of its goals is understandable. However, it could have achieved its goal of an increase for all teachers by providing more dollars. This would have then not required so many changes in the schedule. Even with the Board's attempt to raise all salaries, four of the teachers got raises of only 1.86% to 3.64% (Board Brief, p. 11).

On the basis of the above, the Arbitrator finds the Association salary schedule structure more reasonable than that of the Board.

Cost of living. The Board points out that its wage offer is equivalent to the 5.11 increase in the Milwaukee Consumer Price Index in the year immediately preceding this 1984-85 contract. The Association does not dispute this but argues that many arbitrators have held that the pattern of settlements among comparable districts is the appropriate indicator of the cost of living. The settlements indicate the amount of consideration that other districts have given to that factor. Other employers and associations have faced similar inflationary conditions but have responded with increases that exceed the C.P.I. This Arbitrator accepts this rationale as stated by Arbitrator Kerkman and others and finds for the Association on this issue. The Board Brief states (p. 12) "When there is a lack of settlements in comparable schools, it makes good sense to rely on the Consumer Price Index to determine which offer should prevail." In this case, the Arbitrator finds that there were enough settlements in comparable schools to justify giving greater weight to such settlements than to the C.P.I.

Other Non-teacher Settlements. While the Police and Department of Public Works unions in Horicon settled for a 3% increase in 1984, such settlements have usually not carried much weight in teacher arbitration cases. Historically teachers' salaries have usually not been compared to non-teaching employees of municipalities or to employees in the private sector. They have been compared primarily to teachers' salaries in the economic-geographic area.

On the basis of all of the above the Arbitrator finds that the salary increase and the salary schedule proposed by the Association is more reasonable than that proposed by the Board.

The Arbitrator also finds that the Association position better supports the interest and welfare of the public. This is based on the evidence provided in the Association Brief, pages 32-36, arguing the need for adequate pay to maintain a high quality staff, the state and national concern for higher teacher salaries, the economic situation in Horicon, and Horicon's ability to pay. The Horicon community in the past has supported salary levels for teachers which have placed them in a leadership position among the Flyway Athletic Conference districts.

Extra-Curricular Pay. The parties agree that this is not a major issue. The Arbitrator finds that a 5% increase, the first in two years, as proposed by the Association is more reasonable than the Board's no increase proposal. The Association proposal is supported by increases in other districts.

Dental Insurance and Early Retirement. This is the strongest part of the District's case. As the Board Brief states, "The Association is now attempting through the change in the dental insurance payment and the voluntary early retirement language to obtain in arbitration what they could not obtain voluntarily" (p. 14). The Board contends that putting the word "full" in the dental insurance premium clause or making the massive changes in the voluntary retirement language do not address any particular existing problem.

The Arbitrator does not agree with the Association that the dental insurance clause is a "non-issue." While it has no economic impact in 1984-85, it does establish the principle of full payment which the Board has not heretofore accepted as a future commitment.

As the Board points out, the Association has not provided much cost-benefit analysis concerning the early retirement proposal. It is a significant policy change best resolved through collective bargaining. The Union has not cited any comparables on the early retirement issue.

The Arbitrator prefers the Board position on these two issues.

Thus the Arbitrator prefers the Association position on salary increase, salary schedule, and extra-curricular pay and the Board position on early retirement and dental insurance. But the Arbitrator must choose the total final offer of either the Board or the Association.

Because there is such a major difference between the parties on the salary increase and schedule and because I consider the salary question the major issue in this arbitration, I select the Association offer. There are some mitigating factors involved in the other two issues. The Association's dental insurance proposal is supported by the Association's

comparables and by what the Board has done on health insurance. The Association's early retirement proposal is not one which came from the Association late in the negotiations but is one which has been extensively discussed by the parties and which has had some support by the Board's negotiating committee as evidenced by the earlier tentative agreement on this issue. I do not know to what extent the Board negotiators were able to modify the Association's early retirement proposal but there was certainly that opportunity during negotiation.

AWARD

Based upon a careful consideration of all of the evidence and argument, and pursuant to the various arbitral criteria provided in Section 111.70(4)(cm)(7) of the Wisconsin Statutes, it is the decision of the Arbitrator that:

- (1) The final offer of the Association is the more appropriate of the two final offers;
- (2) Accordingly, the Association's final offer, along with previously agreed-to stipulations, is to be incorporated into the 1984-85 contract between the parties.

January 5, 1985

Gordon Haferbecker
Gordon Haferbecker, Arbitrator

Horizon Board of Education
Final Offer
7/12/84
Appendix A

1. All Tentative agreements attached. See attached.
2. All provisions of the 1982-84 not modified by Tentative agreements or board proposal will continue unchanged in the successor collective bargaining agreement.

~~3. For the term of the agreement, the salary schedule shall be as follows:~~

3. Salary. See attached schedule.

4. 5. Duration

A-File XV par. 1 ~~now read~~ change to read

The economic provisions of this Agreement shall be effective July 1, 1984. All other provisions of the Agreement will be effective upon resolution of the Agreement. The Agreement will remain in full force and effect through June 30, 1985.

5. 6. Dental Insurance P. 4 Section # 26

Change "\$24,600" to "\$25,500." and change "1984" to "1985".

David D. Lieberman
Horizon Public Schools

Association Cons.

	Year	BA	BA+6	BA+12	BA+18	BA+24	BA+30	MASTERS	MA+12
2.8% OF BASE	0	$\frac{429}{15,336}$	$\frac{440}{15,719}$	$\frac{451}{16,103}$	$\frac{462}{16,486}$	$\frac{472}{16,870}$	$\frac{483}{17,253}$	$\frac{494}{17,636}$	$\frac{505}{18,020}$
	1	15,765	16,159	16,554	16,948	17,342	17,736	18,130	18,525
	2	16,194	16,599	17,005	17,410	17,814	18,219	18,624	19,030
3.4% of NEW BASE	3	$\frac{551}{16,745}$	$\frac{564}{17,163}$	$\frac{578}{17,583}$	$\frac{592}{18,002}$	$\frac{606}{18,420}$	$\frac{619}{18,838}$	$\frac{633}{19,257}$	$\frac{647}{19,677}$
	4		17,727	18,161	18,594	19,026	19,457	19,890	20,324
	5		18,291	18,739	19,186	19,632	20,076	20,523	20,971
	6		18,855	19,317	19,778	20,238	20,695	21,156	21,618
	7	ADD STEP	19,419	19,895	20,370	20,844	21,314	21,789	22,265
	8			20,473	20,962	21,450	21,933	22,422	22,912
	9			21,051	21,554	22,056	22,552	23,055	23,559
4% OF STEP 9	10		ADD STEP	$\frac{947}{21,998}$	$\frac{969}{22,523}$	$\frac{992}{23,048}$	$\frac{1014}{23,566}$	$\frac{1037}{24,092}$	$\frac{1060}{24,619}$
5% OF STEP 10	11				$\frac{1126}{23,649}$	$\frac{1152}{24,200}$	$\frac{1178}{24,744}$	$\frac{1204}{25,296}$	$\frac{1230}{25,849}$
5% OF STEP 11	12				$\frac{1300}{24,949}$	$\frac{1331}{25,531}$	$\frac{1366}{26,110}$	$\frac{1391}{26,687}$	$\frac{1421}{27,270}$

FINAL OFFER OF THE
HORIZON EDUCATION ASSOCIATION
JULY 12, 1984

Appendix B

All provisions of the 1982-84 Collective Bargaining Agreement between the Horizon Education Association and Horizon School District shall remain unchanged except as amended by this final offer and by the stipulated agreements between the parties.

1. ARTICLE IV F. 2. Dental Insurance

b. Revise to read: The District will pay the full premium for the dental insurance plan.

2. ARTICLE IV M. Retirement

Delete first paragraph (relating to Age 70 as mandatory retirement age)

Delete third paragraph and replace with:

M. Retirement, Paragraph 3; Replace with the following:

Any bargaining unit member, age 59 or more, who has taught in the school system for 15 or more years and who does not wish to terminate and draw immediate retirement benefits, may apply for, and be granted, pre-retirement leave without pay for a period of up to three (3) years as defined in Chapter 40.02 (40) Public Employee Trust Fund. The District shall be notified of such leave no later than April 15 prior to the school year in which the leave will commence. (Exceptions to the April notification may be made by mutual agreement of the parties.) During the leave, the District shall make employer and full employee deposits to the Wisconsin Retirement System based on the employee's rate of pay (i.e., earnings the last working year prior to the leave and pursuant to the requirements under the administrative rules of the WRS (Chapter 40.05)). A person on pre-retirement leave shall forfeit all seniority rights. Said person may request and be granted a return to active teaching status only if a position is available and there is no employee on layoff who would otherwise be recalled.

Any bargaining unit member who has taught in the school system for ten or more years and who has reached the age of 59 or beyond may apply for, and be granted, voluntary early retirement by notifying the District of intent to do so by April 15 prior to the school year in which he or she expects to retire. (Exceptions to the April notification may be made by mutual agreement of the parties.) For the retiree who terminates at age 62 or over, the District shall make contributions to the WRS pursuant to the requirements under SB 568 and the administrative rules of the WRS.

On behalf of persons retiring (age 59-65) ^{or an individual on pre-retirement leave} and for a period not to exceed three years, the District shall make the same health, medical, and surgical contributions that are made on behalf of all other unit employees as provided in this agreement. This benefit will not continue beyond the end of the school year in which the person reaches age 65.

Upon termination of the benefits in the preceding paragraph and also on behalf of the person retiring at age 65 or over, the District shall apply accumulated sick leave toward health insurance premiums at the rate of one (1) month's premium paid by the District for each four (4) days of unused, accumulated sick leave. When the accumulated sick pay compensation is exhausted, ^{health, medical, and surgical insurance as provided in} participation in the group ~~plan~~ may be continued so long as the District ^{then} is reimbursed for the cost of the coverage. ^{agreement}

If any aspect of this provision is found to be in violation of any state of federal legislation, that specific portion of the article shall be immediately reopened to bargain a successor clause to replace the voided language.

3. Appendix 1 -- SALARY SCHEDULE

Refer to attachment

4. Appendix 2 :- Retitle to "Extracurricular
Schedule."

Increase all amounts by 5%
rounded to the nearest whole
dollar

HORICON \$15,500 BASE

SALARY SCHEDULE 7/11/84

STEP	BA	BA+6	BA+12	BA+18	BA+24	BA+30	MA	MA+6	MA+12	MA+18
1.0	15500	15996	16492	16988	17483	17980	18476	18972	19468	20460
2.0	16120	16635	17152	17667	18183	18700	19215	19731	20247	21278
3.0	16740	17276	17811	18346	18882	19419	19955	20490	21025	22096
4.0	17360	17915	18471	19026	19581	20139	20694	21249	21804	22915
5.0	---	18555	19130	19706	20281	20857	21433	22008	22583	23733
6.0	---	19195	19790	20385	20981	21576	22172	22767	23361	24552
7.0	---	19835	20449	21065	21679	22296	22911	23525	24140	25370
8.0	---	---	21110	21744	22379	23015	23649	24284	24920	26189
9.0	---	---	21769	22424	23078	23734	24388	25043	25698	27007
10.0	---	---	22429	23103	23777	24454	25127	25802	26477	27825
11.0	---	---	---	23782	24477	25172	25867	26561	27255	28643
12.0	---	---	---	24462	25176	25892	26606	27320	28034	29462
13.0	---	---	---	25142	25876	26611	27345	28079	28813	30281

off schedule salaries: M. Behnke \$23,345
 Bemus \$22,640
 Witt \$20,190
 Zwieg \$21,749

ABOVE SCHEDULE VALUED

STEP	BA	BA+6	BA+12	BA+18	BA+24	BA+30	MA	MA+6	MA+12	MA+18	TOTAL
1.0	0	0	0	0	0	0	0	0	0	0	0
2.0	0	0	0	0	0	0	0	0	0	0	0
3.0	16740	0	0	0	0	0	0	0	0	0	16740
4.0	28210	0	18471	0	0	0	0	0	0	0	46681
5.0	---	18555	0	0	0	0	0	0	0	0	18555
6.0	---	0	0	20385	0	0	0	0	0	0	20385
7.0	---	89258	30674	0	21679	0	22911	0	0	0	164521
8.0	---	---	10555	0	0	0	14781	0	0	0	25336
9.0	---	---	0	0	0	0	0	0	0	0	0
10.0	---	---	173040	0	0	24454	50254	0	0	0	247748
11.0	---	---	---	47564	0	0	0	0	0	0	47564
12.0	---	---	---	0	0	0	0	27320	0	0	27320
13.0	---	---	---	175994	129380	133053	95708	56158	28813	0	619108
						157666	68363				618374
TOTAL	44950	107813	232739	243943	151059	157509	103653	83478	28813	0	1233960
						184120	156309				123322

YEAR # EMPLOYEES TOTAL PAYROLL AVERAGE SALARY
 THIS 51.965 1,233,224 \$23,731.82
 1,233,960 \$23,745.90

OFF SCHEDULE 4 87904
 GRAND TOTAL 55.965 1,321,128 23,606.33

HORICON

- 1984-85 TEACHER DISTRIBUTION

7/11/84

STEP	BA	BA+6	BA+12	BA+18	BA+24	BA+30	MA	MA+6	MA+12	MA+18	TOTAL
1.0	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2.0	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3.0	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000
4.0	1.625	0.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.625
5.0	---	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000
6.0	---	0.000	0.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000
7.0	---	4.500	1.500	0.000	1.000	0.000	1.000	0.000	0.000	0.000	8.000
8.0	---	---	0.500	0.000	0.000	0.000	0.625	0.000	0.000	0.000	1.125
9.0	---	---	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
10.0	---	---	7.715	0.000	0.000	1.000	2.000	0.000	0.000	0.000	10.715
11.0	---	---	---	2.000	0.000	0.000	0.000	0.000	0.000	0.000	2.000
12.0	---	---	---	0.000	0.000	0.000	0.000	1.000	0.000	0.000	1.000
13.0	---	---	---	7.000	5.000	6.000	2.500	2.000	1.000	0.000	23.500
TOTAL	2.625	5.500	10.715	10.000	6.000	7.000	6.125	3.000	1.000	0.000	51.960

	83-84		84-85
Behnke	12BA+12 F	21,497.	12BA+12 F
Bemus	11BA+ 9 F	20,847.	9BA+12*
Crown	12BA+18 F	23,741.	13BA+18 F
Del Ponte	9BA+12 F	20,811.	10BA+12 F
Dochstuhl	9BA+12 F	20,844.	10BA+12 F
Gallick	12MA	24,813.	13MA F
Gibbs	12BA+40 F	24,587.	13BA+40 F
Kuhn	12BA+30 F	24,785.	13BA+30 F
McConaghy	12BA+19 F	23,067.	13BA+19 F
Repa	6BA+ 6 F	18,629.	7BA+ 6 F
Meyer, M.	9BA+21	21,480.	10BA+21
Schmidt	5BA+12	18,505.	6BA+12
Snyder	9BA+12 F	21,278.	10BA+12 F
Sunderland	1BA	15,730.	2BA
Weber	12BA+21 F	23,741.	13BA+21 F
Witt	7BA+ 9 F	18,573.	7BA+ 9 F
Van Hulst	12MA F	12,609.	13MA F
Zwieg	10BA+12 F	20,027.	10BA+12 F

375,564.

REGULAR STAFF

Fritzel	12BA+30 F	23,946.	13BA+30 F
Kurzynski	8BA+30	21,435.	9BA+30
Michael	5MA	20,303.	6MA
Murphy	8BA+12	21,314.	10BA+12**
Pellerin	9BA+20	21,249.	10BA+20
Schaumburg	8MA	21,815.	9MA

West	5BA+24	19,275.	6BA+24
Adams	12BA+30 F	24,762.	13BA+30 F
Anthoine	12BA+28 F	12,127.	13BA+28 F
Behnke, E.	12BA+21 F	23,741.	13BA+21 F
Bjork	9BA+14 F	21,460.	10BA+14 F
Cain	11BA+30	23,678.	12BA+30
Colassacco	2BA	16,121.	3BA
Hillery	12MA+ 7	24,813.	13MA+ 7
Johnston	12BA+24 F	23,940.	13BA+24 F
Kessenich	12BA+19 F	23,741.	13BA+19 F
Krahn	9BA+12 F	21,234.	10BA+12 F
McDonald	10MA+ 6	23,416.	11MA+ 6
Piper	12BA+24 F	24,163.	13BA+24 F
Ritter	12BA+24 F	24,254.	13BA+24 F
Tjader	6BA+11 F	19,254.	7BA+11 F
Tennie	4BA+19	18,392.	5BA+19
Witte	5BA+ 6	17,924.	6BA+ 6

517,142.

VOCATIONAL STAFF

Dummann	62½ 3BA F	10,517.	3BA+ 6***
Elgersma	71½ 9BA+12 F	14,970.	10BA+12 F
Herold	12BA+24 F	24,165.	13BA+24 F
Hesprich	12BA+23 F	23,172.	13BA+23 F
Kaul	12BA+22 F	23,510.	13BA+22 F
Kind	5½ BA+13	18,818.	6½ BA+13
Phillips	8BA+12	20,329.	9BA+12
Porubcan	62½ 6MA	15,257.	7MA****

150,738.

NAME	PLACE 83-84	AMOUNT	PLACE 84-85
Buhr	5BA+ 6	18,137.	6BA+ 6
Kane 50%	6BA+ 6 F	9,377.	7BA+ 6 F
Anthoine	12BA+28 F	12,127.	13BA+28 F
Marohl	3BA+ 6	17,311.	4BA+ 6
Meyer	12MA+12 F	25,827.	13MA+12 F
		82,779.	

PUPIL SERVICES STAFF

Jenswold	12MA F	25,296.	13MA F
Keuler	8MA	22,632.	9MA
		47,928.	

INSTRUCTIONAL STAFF

Bohn	2BA+12	16,964.	3BA+12
Sullivan	12MA+ 7 F	25,230.	13MA+ 7 F
		42,194.	

COMPUTATION

1983-
1984

Undifferentiated Staff	375,564.
Regular	517,142.
Vocational Staff	150,738.
Physical	82,779.
Pupil Services Staff	47,928.
Instructional Staff	42,194.
	1,216,345.

Salaries	1,216,345.	1,269,192.
Retirement	60,813.	63,460.
Insurance	119,666.	129,504.
Extra Curr.	37,110.	37,852.
	1,433,934	1,500,008.

- ** Moved one additional step for past experience & to insure increase
- *** Grant six additional hours to insure increase & vertical movement in future
- **** Recommend additional time to insure greater salary than previous year

ASSOCIATION POSITION ON

- * Teacher Bemus
1984-85 Placement at 11 BA+9
- ** Teacher Murphy
1984-85 Placement at 9 BA+12
- *** Teacher DUMMANN
1984-85 Placement at 3BA
- **** Teacher Perubean
1984-85 calculation at $62\frac{1}{2}\%$ - 1983-84
Salary schedule placement moved forward