

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of Mediation/Arbitration

between

SCHOOL DISTRICT OF OOSTBURG

and

OOSTBURG EDUCATION ASSOCIATION

CASE VI
No. 33400
MED/ARB-2772
Decision No. 22048-A

Appearances

For the District: Kenneth Cole
Wisconsin Association of School Boards
122 West Washington Avenue
Madison, Wisconsin 53703

For the Union: Dennis G. Eisenberg
Executive Uniserv Director
Cedar Lake United Educators
431 Walnut Street
West Bend, Wisconsin 53905-3379

BACKGROUND

The undersigned was notified by a November 8, 1984, letter from the Wisconsin Employment Relations Commission of his selection as Mediator/Arbitrator in an interest dispute between the School District of Oostburg, Board of Education (hereinafter Board) and the Oostburg Education Association (hereinafter Association). The dispute concerns certain of the terms to be included in their 1984-1985 collective bargaining agreement covering all full-time and regular part-time teachers, including guidance personnel and librarians. Pursuant to statutory responsibilities, mediation was conducted on January 7, 1985. A settlement did not result. An arbitration hearing was conducted on January 14, 1985, at which time both parties had full opportunity to present evidence and argument in support of their respective positions. Post-hearing briefs were filed by both parties, and the record was declared closed on February 21, 1985. Based upon a detailed consideration of the record, and relying upon the criteria set forth in Section 111.70(4)(cm), Wisconsin Statutes, the Arbitrator has formulated this Award.

ISSUES

There are basically two issues facing the Arbitrator: (1) What is the appropriate group of comparables to be used in this matter, and (2) Which of the parties salary offers is the more reasonable when compared against the statutory criteria?

DISCUSSION

The comparability issue may have a significant impact upon determination of the salary issue. Accordingly, it will be considered first.

Comparability

Board Position. The Board feels the appropriate group of comparable school districts includes those in the Central Lakeshore Athletic Conference as well as two additional districts (Sheboygan Falls and Plymouth) which are almost entirely surrounded by Central Lakeshore Conference schools:

Cedar Grove
Elkhart Lake
Howards Grove
Kohler
Fredonia
Random Lake
Sheboygan Falls (non-conference)
Plymouth (non-conference)

The Board also notes that in mediation/arbitration awards in Kohler, Howards Grove and Elkhart Lake, the Central Lakeshore Athletic Conference was used as the primary set of comparables. Thus, the Board argues, the Conference has been defined consistently as the appropriate set of comparables for member districts.

Association Position. The Association argues that the appropriate pool of comparables should not be defined exclusively on the basis of athletic comparability. It cites as other relevant criteria such factors as the locus of unit member residences, geographic proximity, political districts, UniServ Unit affiliation, academic competition, Department of Natural Resources field districts, epicenters, satellite communities, equalized value, levy rate, and state aid per pupil. Using all of the above criteria, the Association asserts that there are two appropriate groups of comparables, one for primary comparison purposes and the other for secondary consideration. They are listed below, exactly as listed on Association Exhibit 2:

Primary Comparables

Sheboygan
Random Lake
Kewaskum
Hartford Elementary
Sheboygan Falls
Cedar Grove
Fredonia (Northern Ozaukee)
Slinger

Secondary Comparables

Arrowhead High
Cedar Grove
Germantown
Hartford Elementary
Hartford High
Hartland Elementary
Kewaskum
Northern Ozaukee
Pewaukee
Port Washington
Random Lake
Slinger
West Bend

All of the above schools are represented by Cedar Lake United Educators (CLUE), a UniServ Unit. The Association also points to 1984-1985 settlement patterns in the remainder of CLUE schools: Merton Elementary, North Lake Elementary, Richmond Elementary, Stone Bank Elementary, Herman Elementary, Neosho Elementary, Plat Elementary, Richfield Elementary, and Saylesville Elementary.

Analysis. The notion of comparability is set forth as a statutory criterion in Sec. 111.70(4)(cm)7d:

Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.

As reflected in the preceding paragraphs, municipal employers and unions use several guidelines to formulate their suggested comparable groups. And those guidelines seem to change on a case-by-case basis, depending upon whether they support the position of one party or the other. That is, selection of guidelines to be used in formulating the suggested comparables pool is generally used as a strategy in the interest arbitration process. Comparables selection by advocates is self-serving. Neutrals, however, use a different approach. They identify the most objective, measurable and logical guidelines and "let the chips fall where they may."

Among the standards most frequently used by neutrals in defining comparables pools are (1) similarity in the level of responsibility, services provided by, and training and/or education required of employees, (2) geographic proximity, and (3) similarity in employer size (MED/ARB-1851, Decision No. 19849-A, Yaffe, 1983). Thus, since athletic conferences are determined substantially upon the latter two guidelines, they are very frequently used as comparables pools.

In the instant case, there is not sufficient information on guideline No. 1 above. With respect to geographic proximity, the Arbitrator has concluded that Hartford, Slinger, West Bend, Germantown, Pewaukee, Hartland, and Kewaskum are not as useful as primary comparables as are districts in the Central Lakeshore Athletic Conference. The remaining districts are compared on the size criterion in the table below:

TABLE 1
SUGGESTED COMPARABLES BY SIZE

	Enrollment (1983-1984)	FTE Teachers (1983-1984)	Pupils/ Teacher
<u>Conference Districts</u>			
Cedar Grove	685	42.54	16.10
Elkhart Lake	815	48.50	16.80
Howards Grove	1000	65.85	15.19
Kohler	454	33.93	13.38
Oostburg	867	49.95	17.36
Fredonia	814	54.20	15.02
Random Lake	1222	64.05	19.08
<u>Non-Conference Districts</u>			
Sheboygan Falls	1633	88.00	18.56
Plymouth	2028	118.53	17.11
Port Washington	*	*	*

* = data not provided in record

As reflected in Table 1, both Sheboygan Falls and Plymouth are significantly larger than Oostburg. Accordingly, they are not included in the primary comparables pool. And there are not sufficient data in the record to evaluate the usefulness of Port Washington as a comparable district. Thus, the Central Lakeshore Conference will be used as the primary comparables pool.

Salary

Association Position. The Association's salary offer amounts to an average increase of \$1,886.25 (8.57%) per employee (see Appendix A, Association Final Offer). It also retains a 5% differential among the steps in all lanes, and eliminates the lowest step across all lanes.

The Association argues that its offer is consistent with the pattern of settlements in comparable districts. Furthermore, it asserts that settlement patterns are more realistic reflectors of the cost of living than are the so-called cost-of-living indices.

With respect to the "interest and welfare of the public" criterion in the statute, the Association notes that professional employees are an integral part of the Oostburg school system and, as such, should receive an appropriate professional wage. In support of this argument, the Association refers to the 38th Annual Northwestern University Endicott Report, which shows a range of starting salaries for 1984 bachelor's degree graduates of \$19,344 (liberal arts) to \$26,844 (engineering) and a range of \$24,480 (accounting) to \$30,960 (engineering) for 1984 master's degree graduates.

The Association also argues that much of the data provided by the Board in support of its salary position is erroneous and incomplete.

Furthermore, the Association asserts that the salary structure changes included in the Board's offer are entirely too severe. Since 1979-80, the Association notes, there has been a 5% experience increment between each step of the lanes. The Board's offer compresses that increment to 4.25%, the equivalent of a 15% decrease. The Association argues that since such compression changes the status quo, it should be avoided.

The Association also feels that the Board's offer under-compensates experienced teachers. For example, it argues, there are many employees clustered at the end of the BA and MA+0 lanes. Under the Board's offer they would enjoy smaller percentage increases than would teachers in the first two years of their teaching careers.

With respect to its desire to compress the number of steps from 15 to 14, the Association cites the districts of Cedar Grove, Fredonia and Random Lake, all of which made like adjustments to their salary schedules in 84-85 while maintaining 5% increments.

Board Position. The Board feels that salary comparisons and increases should be evaluated over several years. In that regard, the Board argues that Oostburg teachers have enjoyed higher overall increases than have any other teachers in the Central Lakeshore Athletic Conference. As a result, the Board notes, Oostburg's cumulative ranking has improved significantly since 1981-82.

The Board also argues that its proposed change in the salary structure is necessary. It believes that there are an inordinate number of teachers with many years of experience who have earned relatively few, if any, credits beyond the bachelors degree. To encourage these teachers to obtain additional credits, the Board wishes to limit salary increases for those teachers not seeking additional education.

Analysis. Table 2 reflects 1984-85 salary levels among the comparables at the commonly accepted benchmarks:

TABLE 2
CENTRAL LAKESHORE ATHLETIC CONFERENCE
1984-85 SALARIES

	BA Base	BA Max	MA Base	MA Max
Cedar Grove	15,562	22,565	17,507	28,401
Elkhart Lake	14,550	22,493	15,300	24,369
Howards Grove	14,900	20,000	16,100	23,240
Kohler	14,900	23,840	16,837	26,969
Fredonia	15,382	23,073	17,844	27,842
Random Lake	15,275	25,204	17,566	28,259
Oostburg				
Assn. Offer	15,100	23,405	17,365	27,180
Board Offer	15,300	23,103	17,595	26,699

Source: Board Exhibits 24,27,30 & 33

The Table above illustrates a significant difference in philosophy between the parties. The Board is apparently more concerned than is the Association with increasing base salaries at both the BA and MA levels. Either of the offers would allow the District to compete with Conference schools on these entry-level benchmarks, however. For example, at the BA base, the Association's offer would place Oostburg right at the middle of the Conference with three districts beneath it and three above it. And, according to Board member Glen Flipse, Oostburg has "traditionally stayed in the middle of the comparables." Moreover, Flipse testified that Oostburg has never had difficulty attracting candidates for entry-level positions. Thus, it does not appear from the record that there is a current market need for the District's offer at the BA and MA base levels. That is, its inclusion of greater amounts in those cells is not necessary to attract candidates under current market conditions.

With respect to long-service teachers who have not earned additional credits beyond their bachelor's or master's degrees (i.e., the BA max and MA max cells), the Board's offer changes the respective position they have held in the salary schedule since 1979-82. Essentially, the Board's offer is designed to create additional monetary disincentives for those who choose not to return to college for additional credits. In contrast, the Association's offer leaves the incremental adjustments at the same level (5%) they have been since 1979-80 when they were bargained into the Agreement.

The undersigned finds fault with the Board's position on this sub-issue for several reasons. First, the 5% increment was built into the Oostburg salary schedule by the parties themselves at the bargaining table; it was not forced upon the losing party in an interest arbitration proceeding. Second, the Association's offer does not change Oostburg's respective position among the comparables at either the MA Max or BA max levels. To illustrate, for 1983-84 Oostburg paid the third highest salary in the Conference at the BA max level; the Association's offer for 1984-85 also would render it third highest in the Conference. And at the MA max level, the Association's offer maintains Oostburg at the fourth highest salary in the Conference.

Moreover, the Arbitrator is not persuaded by the Board's argument that withholding salary dollars from such persons will cause them to return to college for additional credits. Certain people seem predisposed toward returning to the university setting periodically; others seem inclined toward avoiding such activity. The undersigned is just not convinced from the Board's arguments that under its offer teachers in the latter group would change their ways. Thus, even if the Board's offer were adopted, it may well be that its stated objective for redistributing the salary structure might not be met.

The schedule maximum also deserves attention. Under the Board's offer it would be \$30,218; under the Association's it would be \$30,653. On its face, the Association's offer would give Oostburg teachers the highest schedule maximum in the Conference. However, Oostburg teachers do not receive longevity payments beyond the schedule maximum. Longevity provisions are included in collective bargaining agreements at Elkhart Lake and Kohler.

With regard to the percentage cost of the parties' respective salary packages, the Arbitrator notes that the Board's offer (7.8%) is the lowest in the conference, whereas the Association's (8.6%) is the third highest. Both Cedar Grove (10%) and Elkhart Lake (9.84%) had higher overall salary increases for 1984-85, and there were three others (Fredonia, 8%; Random Lake, 8.3%; and Howards Grove, 8.15%) reasonably close to the Association's offer.

On balance then, the Association's salary offer seems to be the more reasonable. It does not advance Oostburg teachers beyond what has been their locus among the conference comparables and it more closely resembles the negotiated salary structure which has been a part of the parties' Agreement since 1979-80.

The Arbitrator has also evaluated the total salary and benefit package for Oostburg teachers. Overall, it is reasonably comparable with that offered in other Conference districts.

Finally, there is nothing in the record to persuade the undersigned that the Association's offer exceeds the lawful authority of the employer, is repugnant to the public interest, or is excessive or inappropriate under the circumstances when compared to the cost of living.

Accordingly, and based upon the record in its entirety, the Arbitrator has concluded that the Association's offer is the more reasonable when evaluated against the criteria specified in Sec. 111.70 (4)(cm), Wisconsin Statutes.

AWARD

The Association's final offer shall be incorporated into the parties' 1984-1985 Collective Bargaining Agreement, along with all of the provisions of the 1983-1984 Agreement which are to remain unchanged and along with the stipulated changes agreed to by the parties.

Signed by me at Shorewood, Wisconsin, this 8th day of June, 1985.

Steven Briggs

Steven Briggs

ASSOCIATION
FINAL OFFER

APPENDIX A
1984-85 SALARY SCHEDULE

STICRS 1984-85 FINAL OFFER #1 <DELETE 1 STEP & RENUMBER> SALARY SCHEDULE --

EP	MA+30	MA+24	MA+16	MA+8	MA	BA+24	BA+16	BA+8	B.A.
.0	30653	29672	28766	27935	27180	---	---	---	---
.0	29898	28917	28011	27180	26425	25746	25142	---	---
.0	29143	28162	27256	26425	25670	24991	24387	23858	23405
.0	28388	27407	26501	25670	24915	24236	23632	23103	22650
.0	27633	26652	25746	24915	24160	23481	22877	22348	21895
.0	26878	25897	24991	24160	23405	22726	22122	21593	21140
.0	26123	25142	24236	23405	22650	21971	21367	20838	20385
.0	25368	24387	23481	22650	21895	21216	20612	20083	19630
.0	24613	23632	22726	21895	21140	20461	19857	19328	18875
.0	23858	22877	21971	21140	20385	19706	19102	18573	18120
.0	23103	22122	21216	20385	19630	18951	18347	17818	17365
.0	22348	21367	20461	19630	18875	18196	17592	17063	16610
.0	21593	20612	19706	18875	18120	17441	16837	16308	15855
.0	20838	19857	18951	18120	17365	16686	16082	15553	15100
0	20838	19857	18951	18120	17365	16686	16082	15553	15100

 NUMBER OF EMPLOYEES (FTE) = 50.00
 TOTAL PAYROLL = \$1,194,520.00
 AVERAGE SALARY = \$23,890.40
 AVERAGE INCREASE/EMPLOYEE = \$1,886.25 (8.57 %) 08/13/84 11:21:07

COOSTBURG 84-85 SALARY SCHEDULE (INDEX) BASE = \$15,100

STEP	MA+30	MA+24	MA+16	MA+8	M.A.	BA+24	BA+16	BA+8	B.A.
14.0	2.030	1.965	1.905	1.850	1.800	---	---	---	---
13.0	1.980	1.915	1.855	1.800	1.750	1.705	1.665	---	---
12.0	1.930	1.865	1.805	1.750	1.700	1.655	1.615	1.580	1.550
11.0	1.880	1.815	1.755	1.700	1.650	1.605	1.565	1.530	1.500
10.0	1.830	1.765	1.705	1.650	1.600	1.555	1.515	1.480	1.450
9.0	1.780	1.715	1.655	1.600	1.550	1.505	1.465	1.430	1.400
8.0	1.730	1.665	1.605	1.550	1.500	1.455	1.415	1.380	1.350
7.0	1.680	1.615	1.555	1.500	1.450	1.405	1.365	1.330	1.300
6.0	1.630	1.565	1.505	1.450	1.400	1.355	1.315	1.280	1.250
5.0	1.580	1.515	1.455	1.400	1.350	1.305	1.265	1.230	1.200
4.0	1.530	1.465	1.405	1.350	1.300	1.255	1.215	1.180	1.150
3.0	1.480	1.415	1.355	1.300	1.250	1.205	1.165	1.130	1.100
2.0	1.430	1.365	1.305	1.250	1.200	1.155	1.115	1.080	1.050
1.0	1.380	1.315	1.255	1.200	1.150	1.105	1.065	1.030	1.000
0.0	1.380	1.315	1.255	1.200	1.150	1.105	1.065	1.030	1.000

APPENDIX B
BOARD FINAL OFFER

4.25% x (3-6.5%)

	MA + 30	MA + 24	MA + 16	MA + 8	MA	BA + 24	BA + 16	BA + 8	BA		
14 15	1 30,218 1.975	1 29,223 1.91	1 28,305 1.85	3 27,464 1.795	5 26,699 1.745					1.595	19.845
13 14	29,567 1.9325	18,573 1.8675	27,655 1.8075	26,813 1.7525	1 26,048 1.7025	1 25,360 1.6575	2 24,748 1.6175			1.5525	6.595
12 13	28,917 1.89	27,923 1.825	27,005 1.765	26,163 1.71	25,398 1.66	1 24,710 1.615	24,098 1.575	6 23,562 1.54	8 23,103 1.51		22.935
11 12	28,267 1.8475	27,272 1.7825	26,354 1.7225	25,513 1.6675	24,748 1.6175	1 24,059 1.5725	23,447 1.5325	22,912 1.4975	2.6 22,453 1.4675		5.388
10 11	27,617 1.805	26,622 1.74	25,704 1.68	24,863 1.625	24,098 1.575	23,409 1.53	22,797 1.49	22,262 1.455	1 21,803 1.425		1.425
9 10	26,966 1.7625	25,972 1.6975	25,054 1.6375	24,212 1.5825	2 23,447 1.5325	1 22,759 1.4875	2 22,147 1.4475	1 21,611 1.4125	21,152 1.3825		8.86
8 9	26,316 1.72	25,322 1.655	24,404 1.595	23,562 1.54	22,797 1.49	2.4 22,109 1.445	21,497 1.405	1 20,961 1.37	20,502 1.34		4.838
7 8	25,666 1.6775	24,671 1.6125	23,753 1.5525	22,912 1.4975	22,147 1.4475	21,458 1.4025	20,846 1.3625	20,311 1.3275	1 19,852 1.2975		1.295
6 7	25,016 1.635	24,021 1.57	23,103 1.51	22,262 1.455	21,497 1.405	20,808 1.36	1 20,196 1.32	19,661 1.285	1 19,202 1.255		2.575
5 6	24,365 1.5925	23,371 1.5275	22,453 1.4675	21,611 1.4125	1 20,846 1.3625	20,158 1.3175	19,546 1.2775	10,010 1.2425	1 18,551 1.2125		2.575
4 5	23,715 1.55	22,721 1.485	21,803 1.425	20,961 1.37	20,196 1.32	19,508 1.275	18,896 1.235	18,360 1.2	17,901 1.17		
3 4	23,065 1.5075	22,070 1.4425	21,152 1.3825	20,311 1.3275	19,546 1.2775	18,857 1.2325	18,245 1.1925	1 17,710 1.1575	17,251 1.1275		1.1575
2 3	22,415 1.465	21,420 1.4	20,502 1.34	19,661 1.285	18,896 1.235	18,207 1.19	17,595 1.15	17,060 1.115	16,601 1.085		
1 2	21,764 1.4255	20,770 1.3575	19,852 1.2975	19,010 1.2425	18,245 1.1925	17,557 1.1475	16,945 1.1075	16,409 1.0725	15,950 1.0425		
NEW 1	21,114 1.38	10,120 1.315	19,202 1.255	18,360 1.2	17,595 1.15	16,907 1.105	16,295 1.065	15,759 1.03	15,300 1.000		
	6.5	6	5.5	5	4.5	4	3.5	3%		77.491	

15,300 x 77.491 = \$1,185,612 = 7.83% salary only
1,099,528
 \$ 86,084/50 = \$1,722 teacher increase