STATE OF WISCONSIN

BEFORE THE ARBITRATOR

In the Matter of the Petition of OAKFIELD EDUCATION ASSOCIATION To Initiate Mediation-Arbitration Between Said Petitioner and SCHOOL DISTRICT OF OAKFIELD	Case 7 No. 33293 MED/ARB-2730 Decision No. 22098-A

Appearances:

Mr. Gary L. Miller, UniServ Director, Winnebagoland UniServ Unit-South, appearing on behalf of the Association.
Mr. David R. Friedman, Attorney at Law, appearing on behalf of Employer.

ARBITRATION AWARD:

On November 26, 1984, the undersigned was appointed by the Wisconsin Employment Relations Commission as Mediator-Arbitrator, pursuant to 111.70 (4)(cm) 6. b. of the Municipal Employment Relations Act, in the matter of a dispute existing between Oakfield Education Association, referred to herein as the Association, and School District of Oakfield, referred to herein as the Employer, with respect to certain issues as specified below. Pursuant to the statutory responsibilities, the undersigned conducted mediation proceedings between the Association and the Employer on December 27, 1984, at Oakfield, Wisconsin, however, said mediation failed to resolve the matters in dispute between the parties. At the conclusion of the mediation proceedings, the Association and the Employer waived the statutory provisions of 111.70 (4)(cm) 6. c. which require the Mediator-Arbitrator to provide written notice of his intent to arbitrate and to establish a time frame within which either party may withdraw its final offer.

Arbitration proceedings were scheduled for March 4, 1985, however, the hearing was adjourned due to inclement weather, and subsequently held on May 6, 1985, at which time the parties were present and given full opportunity to present oral and written evidence and to make relevant argument. The proceedings were not transcribed, however, briefs and reply briefs were scheduled. Both parties filed initial briefs, and the Association filed a reply brief. The Employer, by letter dated June 26, 1985, advised the Mediator-Arbitrator that it did not intend to file a reply brief. Final briefs were exchanged by the Arbitrator on July 2, 1985.

THE ISSUES:

The issues joined by the final offers of the parties are as follows:

I. SALARY SCHEDULE:

Neither party proposes a change in the structure of the salary schedule which existed for the 1983-84 school year. Association here proposes a base of $14,750 and a top salary of $27,168. Employer proposes a base of $14,410 and a top salary of $26,542.

II. APPENDIX B SCHEDULES:

Association proposes that all Appendix B schedules be increased by 7% rounded to the nearest dollar, except hourly rates, which are rounded to the nearest 5¢. Employer proposes that Appendix B be increased by the same amount as the Association proposal.

III. CHAPERONE PAY:

Association proposes that Article V, B (1) be amended to provide remuneration for chaperones shall be $10.00 per hour, with a maximum of $40.00 per occasion. Employer proposes that remuneration for chaperones will be $5.35 per hour with a maximum of $21.40 per occasion.

IV. DENTAL INSURANCE:

Association proposes that Article IV, M be amended so that effective July 1, 1984, the Board will pay up to $8.05 per month for a single plan, and up to $32.51 per month for a family plan for dental insurance. Benefit coverage levels shall be maintained at least equal to the benefit levels in effect during the 1983-84 school year. Employer proposes that the terms of the predecessor Collective Bargaining Agreement remain in effect, which provide that the Board will pay up to $7.00 per month for single plan and up to $21.00 per month for a family plan dental insurance.

V. REOPENER LANGUAGE:

Association proposes that Appendix A (Salary Schedule), Appendix B, Article IV, I (Health Insurance), Article IV, J (Teachers' Retirement), Article IV, M (Dental Insurance), Article V, B (1) (Extra Duties) shall be retroactive to July 1, 1984. All other provisions of the Master Agreement shall be effective upon resolution of the Agreement. The following items shall be the subject of a reopener for negotiations for the 1985-86 school year:

Appendix A - Salary Schedule
Appendix B - Extra Pay for Extra Duty
Article IV, J - Teachers' Retirement
Article IV, M - Dental Insurance
Article V, B (1) - Extra Duties
One language item to be chosen by each party

The Employer proposes that Appendix A (Salary Schedule), Appendix B, Article V, Section B (1), Article IV, Section 1 (Health Insurance), Article IV, Section J (Teachers' Retirement), shall be retroactive to July 1, 1984. All other provisions of the Master Agreement shall be effective upon resolution of the Agreement. Either party may request to reopen negotiations for the 1985-86 school year to negotiate Appendix A, Salary Schedule, Appendix B (Extra Pay for extra duty), Article IV, I (Health Insurance), Article IV, J (Teachers' Retirement), Article IV, M (Dental Insurance), and Article V, B (1).

DISCUSSION:

There are five items to be considered by the Arbitrator in this dispute. Appendix B of both parties' final offers, however, is identical and, consequently, no attention need be given to the individual final offer proposals with respect to Appendix B. What remains in dispute between the parties are the salary schedules, pay for chaperones, premium contribution for dental insurance, and the reopener language. Each of the foregoing issues will be considered serially in light of the statutory criteria found at Section 111.70 (4)(cm) 7, a through h of the Wisconsin Statutes.

SALARY SCHEDULE ISSUE

It should first be noted there is no dispute between the parties as to what constitutes comparable communities for the purposes of this mediation-arbitration proceeding. Both parties focus their evidence with respect to the comparables on the athletic conference. Thus, it is not necessary for the Arbitrator to make any determination as to what constitutes the comparables in this dispute.

Turning to a comparison of wages and salaries paid among comparable school districts to wages and salaries proposed in the final offers of the parties, Association Exhibits 11 through 16 set forth average salaries paid to teachers in the athletic conference, excluding Campbellsport, which has not settled, for the year 1984-85. Additionally, these same exhibits set forth the total salaries with

fringe benefits, the average dollar increase of salary from 1983-84 to 1984-85 for both salary only and package, and the percentages of increase in the comparable districts. The foregoing exhibits establish that the average salary paid to teachers in the conference, excluding Campbellsport, for the year 1984-85 range from $20,489 at Lomira to $23,606 at Horicon. The average salary of the six settled school districts within the conference, excluding Oakfield, for the year 1984-85 is $22,159. Here, the Employer proposal would result in an average salary of $21,147, and the Association proposal would result in an average salary of $21,646. From the foregoing, it is clear that both offers would result in an average salary for 1984-85 below the average of the comparables. Since the Association offer is closer to the average than that of the Employer, the Association offer is preferred for that reason.

Similarly, when considering salaries and fringe benefits among the six settled conference schools compared to the offers of the parties, the same exhibits establish that salaries and fringe benefits within school districts in the conference, excluding Campbellsport, range from a low of $26,920 at Lomira to a high of $30,981 at Horicon. The average salary of the six settled districts, exclusive of Oakfield, calculates to $28,928. Here, the Association final offer would result in a salary and benefit level average per teacher of $28,425, compared to the Board's final offer, which would result in a salary and benefit level average per teacher in Oakfield of $27,743. Thus, both parties' final offers would result in an average teacher salary and benefit level less than the average of the six settled districts in the conference. The Employer's offer would be approximately $1200 under the average, whereas, the Association offer would be approximately $500 under the average. Therefore, the undersigned concludes that when considering a comparison of salary and fringe benefits paid to teachers in Oakfield, compared to the six settled districts in the conference, the Association offer is preferred.

The same exhibits establish the average dollar increase per teacher from the 1983-84 school year to the 1984-85 school year. The average salary increase, by reason of the settlements and the awards in the six settled districts, range from a low of $1587 in Lomira to a high of $1872 in Horicon. From these exhibits the average is calculated to be $1799. Here, the Employer offer would result in an average teacher increase from 1983-84 to 1984-85 of $1226, while the Association offer would result in an average teacher increase of $1725. Thus, the Employer final offer for average salary increase to teachers ranks approximately $570 below the average of the conference, whereas, the Association final offer places them at approximately $75 below the average teacher increase in the district. From the foregoing, the Association offer is preferred.

When considering a comparison of the average total package dollar increase to teachers in the Oakfield district compared to the same average increase for the total package among the six settled conference schools, the picture is somewhat different. Among the six conference schools, the average total package increase from 1983-84 to 1984-85 ranges from a low of $2175 in North Fond du Lac to a high of $2390 in Rosendale-Brandon. The average calculated from the average dollar increase for salaries and benefits among conference schools is $2268. Here, the Employer offer calculates to $1853, and the Association offer calculates to $2535 when considering average teacher increase for salary and benefits from 1983-84 to 1984-85. Here, the Association offer is approximately $267 above the average of the settled districts in the conference, whereas, the Employer offer is $415 below the average. When considering these data, the Association clearly is above the average, and is $145 above the next highest settlement in the settled districts in the conference. An examination, therefore, is necessary of the reasons for the higher increased salary and fringe benefits to Oakfield teachers, contained in the Association final offer, compared to the actual average increase for salary and benefits among the settled districts in the conference. The evidence establishes from Employer Exhibit 21 that health insurance rates have increased by 22% in the Oakfield School District. The dollar increase is from $55,740 to $68,078, an increase in excess of $12,000. The same exhibit establishes that premiums for a family plan in health insurance increased from $138.22 to $168.54. As Employer argues in its brief, the foregoing increase calculates to approximately $288 per teacher in the District. Significantly, the amount of the health insurance premium increase per teacher calculates to approximately the same amount that the average package increase from 1983-84 to 1984-85 in the Association final

offer is over the average of the settled districts. Thus, it is concluded that the average salary and benefit increase per teacher from 1983-84 to 1984-85 is significantly inflated by reason of the health insurance premium increase experienced in this district. There is no question that the increased insurance costs are traditionally included in the costs of settlement when considering package costs. The question remains, however, as to whether the salary and benefit cost increase here of the teacher proposal should sway the decision when considering this comparison to the Employer's final offer. The undersigned concludes that it should not for two reasons. First, the Employer offer here would result in a salary and benefit increase of $1853 which is $415 below the average teacher increase of salary and benefits among the comparable districts. This alone weighs in favor of the Association proposal. Second, while the district has experienced a significant health insurance premium increase, which has inflated the average salary and benefit increase per teacher, Employer Exhibit 21 clearly establishes that for 1984-85 school year the actual premiums paid for family coverage in Oakfield are in line with the premiums which are paid in the remaining districts. The exhibit reflects that the family premium ranges from a low of $144.20 per month in Horicon to a high of $183.76 per month in Rosendale. Since the health insurance premiums paid on behalf of teachers in this district fall well within the range of premiums paid in comparable school districts, the fact that the increase from 1983-84 to 1984-85 is a significant number carries less impact. From all of the foregoing, then, the undersigned concludes that when considering the comparison of salary and benefit increases from 1983-84 to 1984-85 the Association offer is preferred.

The same exhibits (Association Exhibits 11 through 16) establish the patterns of settlements expressed as a percentage. The exhibits reflect that when considering percentage increase on salary only, the percentage increases among the six comparable settled districts range from a low of 8.4% in Lomira to a high of 9.66% in Rosendale-Brandon. Here, the Employer offer for salary increase only calculates to 6.6%, whereas, the Association offer calculates to 8.66%. It is clear from the foregoing, that when considering a percentage increase on salary schedule only, the Employer offer falls in excess of 2% below the patternsof settlement, whereas, the Association offer appears to be squarely on that pattern. When considering package settlement costs, the exhibits reflect that package settlement percentages range from a low of 8.04% in Markesan to a high of $9.49% in Rosendale-Brandon. Here, the Employer proposal package settlement is 7.16%, whereas, the Association proposal calculates to a package settlement of 9.79%. The package settlement percentage of the Association is clearly in excess of all other settled districts in the comparable athletic conference. The Employer offer, however, when considering package percentage settlements, falls almost 2% below the lowest percentage package settlements among the comparable districts in the athletic conference. Thus, even though the Association proposal is the highest among the comparables when considering percentage of package increase, it is closer to the pattern by far than the Employer offer. The Association offer is, therefore, still preferred. The foregoing is buttressed when considering the insurance premiums as they were discussed in the preceding paragraph.

Employer has argued that benchmark comparisons which have traditionally been argued in arbitration matters of these types should be given little or no weight because of the changes of structures of salary schedules among comparables. Assuming for these purposes that the Employer argument is accurate in this respect, the undersigned,nevertheless, concludes that certain benchmark comparisons are reliable and accurate. The undersigned has studied the scattergram provided among the exhibits in these proceedings, and finds that 28 and a fraction teachers are at the top of their respective lanes in the salary schedule out of a total fulltime equivalency of 42 and a fraction teachers. Thus, approximately 66% of the teachers in this district are at the top of their respective lanes. From the foregoing, the undersigned concludes that the comparisons at the maximums have significance. The undersigned will, therefore, consider the effect of the parties' offers when comparing the results of the final offers to the average paid among comparable school districts in the athletic conference at the BA maximum, the MA maximum and the schedule maximum. The foregoing data is found at Association Exhibit 25. In 1983-84 the schedule at BA maximum was 13.46% below the average of the comparables. The evidence establishes that if the Employer final offer is adopted, the BA max will become 15.51% below the average of the comparable districts, whereas, the Association final offer would result in almost a status quo at 13.51% below the

the average of the comparables. At MA max, the exhibit shows that for 1983-84 the salary schedule in Oakfield was 5.59% above the average of the comparables at the MA max. If the Employer final offer is adopted here the MA max will become 2.79% above the average of the comparables, whereas, if the Association offer is adopted the status quo will be almost preserved at 5.22%. When considering schedule max, the exhibit shows that for 1983-84 the Oakfield salary schedule places the schedule max at 3.47% above the average of the comparable schools. The same exhibit shows that if the Employer final offer is adopted the schedule max will drop to 1.36% below the 1984 average among comparable schools at schedule max, whereas, if the Association offer is accepted the schedule max salary will be .96% above the schedule max. Thus, it is clear, when considering a comparison at the schedule maximums, the Association offer will deteriorate the standings by approximately 2.5%, whereas, the Employer offer would deteriorate the standings by almost 5%. From all of the foregoing comparisons, then, the Association offer is clearly preferred.

Employer has argued that the Association should be precluded from arguing catchup, because these parties had full opportunity in the preceding year to establish any catchup to which the Association felt they were entitled when they settled their agreement for 1983-84. Employer cites School District of Cashton, Decision No. 19791-A (2/83), Gunderman, and School District of Princeton, Dec. No. 22015 (4/85) Imes, in support of its position. Without determining the validity of Arbitrators Gunderman and Imes holdings, the undersigned concludes that the Employer argument in this respect is misplaced. It is the opinion of the undersigned that catchup is not an issue when considering the salary schedules which are disputed here. The evidence establishes, to the satisfaction of the undersigned, that this is not a catchup matter, but rather, the evidence leads to the inescapable conclusion that the Association here is proposing a salary schedule which is commensurate with the settlements which were made among comparable school districts for the school year 1984-85. Therefore, these arbitrators' opinions with respect to catcup are not on point.

The Employer has further argued that arbitrated settlements among the comparables should not be given the same weight as voluntary settlements, and further argues that voluntary settlements obtained, which were mediated by mediator-arbitrators should be treated the same as arbitrated awards. In support of its position with respect to the impact which prior arbitration awards among the comparables should carry, the Employer cites Oak Creek-Franklin Jt. City School District No. 1, Dec. No. 18222-A (7/81-Arbitrator Rice); and Dodgeland School District, Dec. No. 21983-B (4/85-Arbitrator Grenig). With respect to arbitrated awards, the evidence establishes that only Horicon was decided by an arbitrator, and all other districts among the comparables were settled short of arbitration. The undersigned has reviewed the settlement data of all of the comparables, and concludes from the foregoing that the inclusion of the Horicon settlement does not skew the data in such a manner as to make it unreliable even if the Horicon arbitrated settlement were not to be considered. Therefore, the undersigned concludes that the comparable data from all of the six settled districts are persuasive.

Similarly, the Employer has argued that the settlement in Rosendale-Brandon should not be considered by the undersigned by reason of the affidavits supplied in this record from William Bracken attesting to the fact that Rosendale-Brandon settled higher than the comparables by reason of their feeling for a need of catcup in that district. The undersigned, again, has examined all of the data, and makes the same conclusions with respect to the inclusion of Rosendale-Brandon data as he has made with respect to the inclusion of data from the arbitration award in Horicon. The inclusion of Rosendale-Brandon, in the opinion of the undersigned, simply does not skew the data sufficiently so as to make it unreliable, even if it might be excluded for the reasons advanced by the Employer. Consequently, the undersigned rejects the Employer argument for the foregoing reasons.

The Employer argues that the cost of living criteria of the statute favors its position. The Employer points to the record evidence which establishes that from July, 1983 through July, 1984, the Consumer Price Index using the national all urban consumer index increased by 4.14%. From the foregoing, the Employer argues that the Association offer is over double the increase of the Consumer Price Index, and based on this criteria the Employer offer should be favored. There has been a consistent line of reasoning adopted by Mediator-Arbitrators in these

type proceedings which has held that the proper protection against the cost of living increases is determined by the voluntary settlements that have been entered into between employers and associations in comparable districts. The undersigned subscribes to the foregoing and, therefore, for this reason, the cost of living index in this dispute carries little weight in the outcome of this dispute.

Finally, the Employer argues that the interest and welfare of the public dictates that the Employer offer in this matter should be adopted. In support of its argument, the Employer points to its Exhibits 6, 8 and 9, which establish that Oakfield has the highest levy rate among all of the comparable school districts in the athletic conference; and that the pupil-teacher ratio in Oakfield is the lowest pupil-teacher ratio among the comparable districts. Employer further argues that Exhibit 33, which is made up of 65 pages of various reports and news articles with respect to the status of farm economy, supports the Employer offer in this matter.

Considering first the state of the rural economy, the undersigned finds the Employer argument unpersuasive. The undersigned has read and considered Employer Exhibit 33 which accurately describes that farmers are experiencing severe economic distress. The exhibits, however, speak to the state of the farm economy generally on a state-wide basis, and fail to establish any specific evidence with respect to farmers located within the Oakfield School District. Furthermore, the record fails to distinguish that the character of the Oakfield School District, with respect to its being based on rural economy, is significantly different in makeup from a number of other school districts within the comparables. Employer Exhibit 10 establishes the percentage of value of taxable property in villages and cities. It is concluded that once the percentage of value of properties within villages and cities is established, the remaining percentages are rural in character. The exhibit establishes that within the Oakfield School District 17.97% of its taxable property lies within villages and cities, resulting in approximately 82% lying in rural areas. The same exhibit, however, establishes that among the settled conference schools, Rosendale has 15.49% of its taxable property within villages and cities; Markesan has 20.54% of its taxable property within villages and cities; and Lomira has 29.58% of its taxable property within villages and cities. From the foregoing, it is concluded that at least these three comparable districts are essentially the same in rural character as is the instant school district. From the foregoing analysis of comparisons of settlements and wages and salaries paid, the undersigned concludes that since the three foregoing districts of Markesan, Lomira and Rosendale are essentially of the same rural character as that of the School District of Oakfield; and since the patterns of settlement and wage comparisons dictate that these same three districts, with the same rural makeup, were in a position to come to settlements significantly above the Employer offer; it would follow that the Employer here has failed to establish its burden of proof in showing that the instant school district is significantly different from the rural character of these comparable school districts. For this reason, the Employer's argument must be rejected.

The undersigned has considered the record evidence at Employer Exhibits 6, 8 and 9. Employer Exhibit 6 establishes that the levy rate in Oakfield is the highest levy rate among the comparable school districts. The levy rate in Oakfield is 11.69. The next highest levy rate is at Rosendale at 10.08. The levy rates at Horicon, Lomira, Markesan and Mayville range from 9.05 to 9.53. North Fond du Lac's levy rate is 8.36 and Campbellsport's is 7.92. The same exhibit establishes that the cost per member in the Oakfield School District is $2,987 compared to a range of $2,130 cost per member at Campbellsport to $2,636 cost per member at Rosendale. Thus, it is clearly established that the cost per member in the instant Employer's district is significantly higher than the cost per member among any of the other comparables. While the foregoing data clearly establishes that the Employer costs and levy rates are higher than any of the comparable school districts in the conference, that fact alone is not significant enough so as to outweigh the clear preference for the Association offer based on the comparables. Had the Employer here made an ability to pay case (and it did not), the foregoing data would carry significantly more weight. The same analysis applies when considering Exhibits 8 and 9, which establish that the pupil-teacher ratio is the lowest among the comparables. Oakfield has a pupil-teacher ratio of 15.57 compared to a range of 16.46 at Mayfille to a high of

19.37 at Markesan. The pupil-teacher ratio is unpersuasive when considering a comparison between Lomira and Oakfield, where, with 854 in 1983-84 enrollment the pupil-teacher ratio at Lomira is 19.04, compared to an enrollment for 1983-84 in Oakfield of 673, with a 15.57 pupil-teacher ratio. By reason of the closeness of the enrollment data, the undersigned concludes that the pupil-teacher ratio is not necessarily a function of the low enrollment of the instant school district.

From all of the foregoing, then, the undersigned concludes that when considering the salary schedule issue, the Association offer should be adopted.

DENTAL INSURANCE ISSUE

Employer argues with respect to dental insurance that its offer maintains the status quo in that the insurance premiums for dental coverage remain the same for both 1983-84 and 1984-85 school year, and that the Employer proposal perpetuates the terms of the predecessor Agreement for its premium contribution to dental insurance. The Board argues that the party proposing a modification of the terms of an agreement has the burden of proof to show that its proposal should be adopted. The undersigned agrees that the burden resides with the party making a proposal for modification. Here, the Association has proposed that Employer contributions to dental insurance premiums be increased from $7.00 per month single and $21.00 per month family to $8.05 per month single and $32.51 per month family. The foregoing proposal represents the equivalent of 100% of premium payment. A review of the evidence found at Association Exhibit 34 establishes that among comparable school districts employers are paying approximately 100% of dental insurance premiums. Significantly, in the opinion of the undersigned, the Employer has already agreed to the equivalent of 100% contribution of health insurance premiums. The undersigned is unable to find any reason that dental insurance should be treated differently than health insurance with respect to Employer's contributions. It is the opinion of the undersigned that the evidence clearly establishes that 100% payment of dental insurance is the rule within the comparables, and from that fact the undersigned further concludes that the Association has carried its burden of proof in establishing that the dental insurance premium it proposes should be awarded.

CHAPERONE PAY

The Employer here has proposed an increase of chaperone pay from $5.00 per hour with a maximum of $20.00 per event to $5.35 per hour and $21.40 per event. The Association has proposed $10.00 per hour and $40.00 per event. Here, the Association proposes to double the pay to chaperones which existed in the predecessor Agreement. A review of all of the evidence and testimony with respect to chaperone pay causes the undersigned to conclude that the Association has failed to support its position and, therefore, the Employer offer on this issue is preferred and would be awarded if the Arbitrator had authority to separate issues rather than to adopt the total final offer of either party.

REOPENER LANGUAGE

The undersigned has considered the distinctions between the reopener language of both parties. After considering all of the arguments of the parties, the undersigned has no clear preference for either party's offer with respect thereto.

SUMMARY AND CONCLUSIONS

The Mediator-Arbitrator has determined that the salary schedule proposal of the Association is preferred and that the dental insurance proposal of the Association is preferred. He has further determined that the chaperone pay proposal of the Employer is preferred, and that the proposals of the parties with respect to the reopener language establishes no clearcut preference for either party's offer. After consideration of all of the issues contained within the final offers of the parties, the undersigned concludes that the salary schedule issue is the prime issue in dispute between the parties. The Mediator-Arbitrator is reluctant to make the award of the chaperone pay because he believes it to be excessive. Nevertheless, the undersigned concludes that the Association final offer should be adopted in its entirety.

Therefore, based on the record in its entirety, after considering the arguments of the parties, and the statutory criteria, the undersigned makes the following:

AWARD

The final offer of the Association, along with the stipulation of the parties, as well as the terms of the predecessor Collective Bargaining Agreement which remain unchanged through the bargaining process, are to be incorporated into the written Collective Bargaining Agreement of the parties.

Dated at Fond du Lac, Wisconsin, this 22nd day of October, 1985.

Jos. B. Kerkman,
Mediator-Arbitrator

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