

JUN 17 1985

WISCONSIN EMPLOYMENT
RELATIONS COMMISSIONWISCONSIN EMPLOYMENT RELATIONS COMMISSION
BEFORE THE MEDIATOR/ARBITRATOR

In the Matter of the Petition of :
 ELK MOUND SCHOOL DISTRICT :
 To Initiate Mediation-Arbitration : AWARD AND OPINION
 Between Said Petitioner and :
 WEST CENTRAL EDUCATION :
 ASSOCIATION :

Case No. IV
 No. 33601 Med/Arb-2863
 Decision No. 22181-A

Appearances:

For the School District Mulcahy & Wherry, S.C.,
 Attorneys at Law, by
 MR. STEPHEN L. WELD

For the Union MR. R. F. GILLIGAN
 Executive Director

Mediator/Arbitrator MR. ROBERT J. MUELLER

Date of Award June 14, 1985

BACKGROUND

The Elk Mound Area School District, hereinafter referred to as the "District" and the West Central Education Association, hereinafter referred to as the "Union" reached an impasse in bargaining for a successor Collective Bargaining Agreement for the 1984-1985 school year. The District filed a petition with the Wisconsin Employment Relations Commission requesting initiation of mediation/arbitration. The matter was thereafter processed in accordance with the statutory procedures culminating in the selection of the undersigned to serve as mediator/arbitrator to resolve the impasse. A mediation meeting was held on February 28, 1985. A voluntary settlement was unable to be achieved through mediation efforts and the matter was heard in arbitration on the same date.

Both parties presented documentary evidence and oral testimony in support of their respective offers. Both parties filed post-hearing briefs.

The mediator/arbitrator has reviewed the record evidence, exhibits and briefs of the parties in relationship to the factors set forth in Section 111.70(4)(cm), Wis. Stats., and on the basis thereof issues the following decision and award.

FINAL OFFERS

Five issues upon which each party addressed a final offer proposal were presented for resolution. They are:

1. Salary Schedule

Union Offer - Increase all salary schedule rates by 6%.

District Offer - Increase the base by \$900.00 and add \$10.00 to each lane increment.

2. Insurance Premium

Both parties proposed to update Article VIII, paragraph A of the contract.

Union Offer - "The Board agrees to pay \$154.42 per month toward the family plan health insurance premium and \$60.82 per month toward the single plan health insurance premium."

District Offer - "The Board agrees to pay \$149.42 per month toward the family plan health insurance premium and \$60.82 per month toward the single plan health insurance premium."

3. Insurance - non duplication

Union Offer - The Union proposed no language revisions or additions.

District Offer - Create a new paragraph E to Article VIII as follows:

"If an employee has health or dental benefits provided under another policy, the Board will not pay premiums which would result in duplication of benefits. At the beginning of each school year, the District will issue a non-duplicating insurance coverage statement which each teacher must sign to verify that s/he is not presently covered under another health or dental policy and return to the District office before the applicable insurance will be renewed for that school year. The parties acknowledge the applicability of section 632.897, Wisconsin Statutes."

4. Leaves of Absence

Union Offer - Create a new paragraph B. 6. to Article X as follows:

"Teachers shall be granted one (1) day business, legal (not covered in #2 above), personal leave per year. In order to receive this one (1) day, twenty-four (24) hours notice is required. These days will be given on a first-come, first-served basis; however, no more than three (3) teachers shall be granted such leave on any given day. Personal leave days will not normally be granted before or after a scheduled vacation period; special consideration, however, may be given if a personal request is made of the superintendent. These leave days are non-cumulative."

District Offer - Maintain status quo.

5. School Calendar

Union Offer - Create a new school calendar article that would be as follows:

- "A. The school calendar shall consist of one hundred eighty (180) days of face-to-face instruction with students, and ten (10) other contract days consisting of the following:
1. Two inservice days to be held prior to the start of the school year.
 2. Labor Day.
 3. Two inservice days coinciding with the NWEA Convention.
 4. Thanksgiving Day.
 5. One inservice day in February.
 6. One inservice day in March.
 7. Memorial Day.
 8. One inservice day to be held on the final teacher workday of the current year.
- "B. The school calendar shall also consist of the following non-paid recess days during which teachers shall not be required to report for duty:
1. The Friday after Thanksgiving.
 2. December-January Holiday Recess consisting of ten consecutive workdays, Monday through Friday, encompassing three consecutive weekends.
 3. Mid-winter recess consisting of a Friday workday and the following Monday workday in late February or early March.
 4. Spring recess consisting of three consecutive workdays commencing on the Thursday before 'Good Friday.'
- "C. The School District shall establish a calendar adhering to the standards contained in A and B above. Unless modified by mutual consent of the parties to this Agreement, such calendar shall become part of the Collective Bargaining Agreement as contained in Appendix C."

District Offer - Maintain status quo - no language change.

DISCUSSION

The parties were not in total agreement as to the most appropriate comparables to be utilized.

The District contended the ten other districts in the Dunn-St. Croix Athletic Conference and the eight other districts of similar size in the immediate geographic proximity surrounding the Districts of Eau Claire and Chippewa Falls were the two most appropriate and relevant comparable groups.

The Union also proposes to use the athletic conference as the most appropriate comparable but would also include Somerset School District. The Union argues that the relationship of District teachers' salaries to the average statewide teacher salaries is also relevant. The Union also suggests that if one gives comparative consideration to the school districts contiguous to the Eau Claire and Chippewa Falls Districts, one should also compare the relationship of the Eau Claire and Chippewa Falls Districts historically and as to level of settlement to Elk Grove teachers.

The differences between the parties' positions on the most appropriate comparables are given exaggerated importance by the parties. In presenting comparative computations both parties have utilized data from the same districts for the most part. The use or non use of those districts that one or the other claims to be included or excluded from consideration are but a few districts of the larger available total. The overall averages are not significantly altered by either the inclusion or exclusion of those districts which each seeks to distinguish. The Union argues that Somerset should be included and Arkansaw should be excluded. The Employer argues the opposite. The difference exerted on the median averages under either inclusion of both or exclusion of both is minimal and will not serve to determine the ultimate decision based on comparability in either event.

The undersigned accepts the proposition that the athletic conference schools are appropriate comparatives, not simply because they are all in the same athletic conference, but because the documentary evidence shows the districts in the conference to be comparable as to size of teaching staff, pupil population, equalized tax base, level of school aid, tax rate and other similar factors. While athletic conferences are formulated based on some of those same considerations, they are done primarily on the basis of comparable size and proximity one to the other to minimize cost of travel. The determination of comparable school districts for purposes of establishing comparability in the mediation/arbitration process is based on a number of other factors in addition to those of size and proximity.

That brings one to the question of whether the primary set of comparables should include those districts of comparable size that are not in the athletic conference, but are located in close proximity to the Eau Claire-Chippewa Falls area. The undersigned is of the judgment that the geographic proximity of the metropolitan area of Eau Claire and Chippewa Falls to the Elk Mound District exerts an influence that one must consider. Such proximity creates a common competitive labor market. The metropolitan area serves as the market place for products both sold and purchased. The influence of a metropolitan area on its neighbors is greatest on those in the closest proximity. One must therefore recognize that influence and give consideration in choosing and assessing the amount of relevant weight to be assigned to the comparables. The undersigned finds that the school districts possessing comparable features located in the proximity of Eau Claire and Chippewa Falls who are not in the athletic conference are nevertheless of relevant and meaningful worth as comparables on basically the same level so as to constitute both groups as a single primary group of comparables.

In developing its line of argument in support of its economic proposal, the District used a broad brush argument compared to a more narrow brush argument employed by the Union. The Union devoted the majority of its statistics and argument at comparison of the wages (salaries) of teachers at various benchmarks within the comparable districts within the context of factor d of the statute. The District, with a broader brush approach, developed its case, evidence and arguments within the context of factor f of the statute that deals with overall compensation.

The Union developed some comparative statistics utilizing those districts that had settled and which made up both the athletic conference grouping and the districts in close proximity to the Eau Claire-Chippewa Falls area and set forth such comparison statistics in its brief and makes observation thereon as follows:

TABLE VIII
Combination of All Settled Schools
at the 1984-85 Benchmarks
(Combination of Employer & Association Comparables)¹
(with 16 of the 20 Schools Included)

BENCHMARK	1983-84 SALARY	1984-85 SALARY	DIFFERENCE	
			% INC.	\$ INC.
BA Min.	13,660	14,409	5.5	749
BA Max.	19,679	20,798	5.7	1,119
MA Min.	14,991	15,849	5.7	858
MA Max.	23,312	24,681	5.9	1,369
Sch. Max.	24,488	26,074	6.5	1,586
BA 7th	16,935	17,871	5.5	936
MA 10th	20,313	21,498	5.8	1,185

¹Altoona, Arkansaw, Bloomer, Boyceville, Cadott, Colfax, Cornell, Eleva-Strum, Elmwood, Glenwood City, Mondovi, Osseo, Prescott, Somerset, Spring Valley, St. Croix Central

SOURCE: Assoc. Ex. #55; Emp. Ex. #65 through #73 and #120 through #123

In comparing the above Table VIII to the parties' final offers, we find:

TABLE IX

WCEA FINAL OFFER				INC. +/- GROUP AVE.	
BENCHMARK	SALARY	\$ INC.	% INC.	%	\$
BA Min.	14,189	839	6	0.5	90
BA Max.	21,579	1221	6	0.3	102
MA Min.	16,265	921	6	0.3	63
MA Max.	24,666	1396	6	0.1	27
Sch. Max.	25,989	1471	6	(0.5)	(115)
BA 7th	18,199	1030	6	0.5	94
MA 10th	21,665	1226	6	0.2	41

BOARD FINAL OFFER

BENCHMARK	SALARY	\$ INC.	% INC.	INC. +/- %	GROUP AVE. \$
BA Min.	14,880	900	6.4	0.9	151
BA Max.	21,258	900	4.4	(1.3)	(219)
MA Min.	16,283	939	6.1	0.4	81
MA Max.	24,210	940	4.0	(1.9)	(429)
Sch. Max.	25,478	960	3.9	(2.6)	(626)
BA 7th	10,069	900	5.2	(0.3)	(36)
MA 10th	21,379	940	4.6	(1.2)	(245)

Source: Table VIII; Assoc. Ex. #51 & #52

Clearly the Association's final offer is more favorable than the Employer's. Therefore, the Association urges the arbitrator to rule in its favor in this instant arbitration.

In developing its broader brush argument, the District stated as follows in its brief and developed the following comparative data at pages 23-26 of its brief as follows:

B. The Increase in Salary and Health Insurance Benefits Of Elk Mound District Teachers Lends Support To The District Offer.

The statute directs the Arbitrator to consider the overall compensation of Elk Mound teachers. The District asserts that since the two predominant economic issues are wages and health insurance both increases must be viewed in determining the relative comparable position of Elk Mound teachers. The appropriate level of compensation to be afforded in 1984-85 must take into account the rapid increases in the cost of health insurance which will be borne by the Employer. A measure of wage rates alone does not sufficiently define the financial well-being of a particular employee.^{4/} Due to the health insurance cost increases which were in excess of 30% for 1984-85, the Board was particularly

^{4/} It is a long held tenet of Wisconsin arbitration law that total compensation comparability will be heavily weighted in the decision making process. See School District of Athens, Dec. No. 20025-A (4/83), Manitowoc County (Highway Dept.) Dec. No. 19942 (5/83), City of Franklin, Dec. No. 14891 (3/77), City of LaCrosse, Dec. No. 15647 (10/77), City of Mequon, Dec. No. 15264 (7/77), City of Watertown, Dec. No. 14487 (8/76), Dane County, Dec. No. 14249 (9/76), City of Madison, Dec. No. 14176 (3/76), City of Port Washington, Dec. No. 14111 (3/76), Montello School District, Dec. No. 19955-A (6/83), Appleton Water Commission, Dec. No. 16125-A (6/78), Two Rivers (Police), Dec. No. 17722-A (9/80), Waukesha County (Highway), Dec. No. 16438-A (11/78), and Hustisford School District, Dec. No. 16612-A (4/79).

aware of dollars spent for insurance when salary dollars were allocated. An analysis of the annual increase in salary and family health insurance payments for each benchmark position both in Elk Mound and the average of the other comparable employers yields the following:

1984-85 INCREASES IN SALARY AND HEALTH INSURANCE COMBINED^{5/}

	Elk Mound		Ave. of Comparables	
	<u>Board</u>	<u>Assn.</u>	<u>Board Offers*</u>	<u>Assn. Offers**</u>
BA Minimum	1373 9.0%	1372 9.0%	876 5.6%	906 5.8%
BA St. 7	1373 7.4%	1563 8.5%	1056 5.6%	1106 5.9%
BA Maximum	1373 6.3%	1754 8.1%	1134 5.3%	1195 5.6%
MA Minimum	1413 8.5%	1455 8.7%	952 5.7%	938 5.6%
MA St. 10	1413 6.5%	1759 8.1%	1224 5.5%	1315 5.9%
MA Maximum	1413 5.8%	1929 7.8%	1436 5.7%	1542 6.2%
Sched. Max	1433 5.5%	2004 7.8%	1654 6.4%	1729 6.6%
Ave. Dollar Increase	1399	1691	1190	1247
Ave. % Increase	7.0%	8.3%	5.7%	5.9%

* Assumes Board offer awarded in Plum City, Pepin and Fall Creek

** Assumes Assn. offer awarded in Plum City, Pepin and Fall Creek

It is evident from this analysis that the Elk Mound Board offer significantly exceeds the increases in salary and health insurance from 1983-84 to 1984-85 among the comparable districts both as to dollar increase and percentage increase. An examination of the relationship of the Elk Mound offer to 1984-85 settlements/ final offers set forth above yields the following:

^{5/} Eleva-Strum deleted from analysis and averages since the contract is not settled.

**ELK MOUND OFFERS RELATIONSHIP TO AVERAGE
SALARY AND HEALTH INSURANCE INCREASES
1984-85**
(Rounded)

	Elk Mound Board Relationship to Settlements		Elk Mound Assn. Relationship to Settlements	
	<u>Board Offers*</u>	<u>Assn. Offers**</u>	<u>Board Offers*</u>	<u>Assn. Offers**</u>
BA Minimum	497 3.4%	467 3.2%	496 3.4%	466 3.2%
BA St. 7	317 1.8%	267 1.5%	507 2.9%	457 2.6%
BA Maximum	239 1.0%	178 .7%	620 2.8%	559 2.5%
MA Minimum	461 2.8%	475 2.9%	503 3.0%	517 3.1%
MA St. 10	189 1.0%	98 .6%	535 2.6%	444 2.2%
MA Maximum	(23) .1%	(129) (.4%)	493 2.1%	387 1.6%
Sched. Max.	(221) (.9%)	(296) (1.1%)	350 1.4%	275 1.2%
Ave. of 7 Benchmarks	<u>Board Offer</u>		<u>Assn. Offer</u>	
Relationship to Ave. Increase	\$208 to 151 over Ave. 1.3% to 1.1% over Ave.		\$501 to 444 over Ave. 2.6% to 2.3% over Ave.	

(Source ER 65-77, 120-123)

* Assumes Board offer awarded in Plum City, Pepin and Fall Creek

** Assumes Assn. offer awarded in Plum City, Pepin and Fall Creek

This chart demonstrates unequivocally that the Board offer is closer to the average increases in health and salaries than the Association offer at all of the pertinent benchmark positions both as to dollar increase and percentage increase. In addition, the Board offer exceeds the average increase of five at the seven benchmark positions.

The total compensation package including all elements of the wage package and insurances as offered by the Board far exceeds the average settlement of the comparable districts as follows.

**TOTAL COMPENSATION
1984-85 SETTLEMENTS**

	<u>Ave./Tchr.</u>	<u>%</u>
<u>Average of Comparables</u>		
Settlements/Board Offers Accepted	\$1893	7.34%
Settlements/Assn. Offers Accepted	1985	7.63%
Elk Mound Board Offer	1999	8.04%
Exceeds Settlements/Board Offers	106	.70%
Exceeds Settlements/Assn. Offers	14	.41%
Elk Mound Assn. Offer	2322	9.33%
Exceeds Settlements/Board Offers	429	1.99%
Exceeds Settlements/Assn. Offers	337	1.70%

(Source ER, 7, 8, 75, 128)

The Board's unrefuted settlement data illustrates that the Elk Mound Association offer at 9.33%, requires the highest wage and benefit increase among the eighteen comparable districts.

The Union argued that the comparisons made under factor d of salaries constituted the most relevant comparison and the one to which the arbitrator should give the greatest weight as opposed to factor f constituting total compensation in its brief as follows:

"Furthermore, in the event the Employer claims that the increase in insurance should support its position for a total package argument, the Association submits that Arbitrator Vernon's rationale in D.C. Everest (Dec. No. 21027-A, 6/13/84), best answers such a claim; wherein he pointed out that because the percentage increase in health insurance premiums would skew the package percentage data, thereby diminishing the Employer's total package argument. In that decision Arbitrator Vernon relied on benchmarks and wage percentage increases in his determination. A review of Assoc. Ex's. #58, #59, and 60 clearly shows that the Elk Mound District in 1983-84 enjoyed the enviable position of paying 26.5% below the comparable average (Assoc. Ex. #58) in family health premiums. Moreover, even if the District were to pay the full health premium for 1984-85, it would still be below the comparable average. As Arbitrator Vernon (op.cit.) pointed out in a situation not at all dissimilar to the one here in Elk Mound:

"With respect to total package comparisons, the Arbitrator has given careful attention to the District's assertions. However, on this point the Arbitrator agrees with the Association that the weight to be given to the total package perspective should be diminished in this case. While it is true that the Association's total package offer would result in the highest total package increase in the Conference, a more detailed examination is necessary.

A closer examination of the facts reveal that the District has experienced greater relative increases in medical insurance costs for the 1983-84 school year than any other Athletic Conference School on the average. This would tend to make a comparable wage offer exceed the average total package settlement. The average percentage increase in combined medical and dental insurance premiums in the Conference was 13.7% for the family premium and 12.8% for the single premium. The D.C. Everest District experienced a 22% increase in premiums for family and single. In the settled schools, benefits increases (including insurance) accounted for .36% of the averaged total package. The average total package increase in the Athletic Conference was 7.614%, and the average wages only settlement was only 7.254%. Whereas under the District's offer, increases in benefits accounted for .98% of the total package (7.68% total package vs. 6.7% for wages only). The Association's offer cost out at 9.28% for total package vs. 8.4% for wages only. These figures show that just the increases in medical insurance result in a benefit only increase of more than 1/2% in D.C. Everest under either offer compared to the average settlement.

The District argues, and generally speaking this Arbitrator agrees, that benefit cost must be considered. However, under the unique circumstances of this case, the weight to be given to the total package perspective here is to be diminished for a variety of reasons. First of all, while the District received higher increases in combined medical and dental premiums, their actual dollar cost increase was not significantly higher than the average, and second, their contribution levels are still--even at a 22% increase in medical and dental premiums for 1983-84--the lowest for family premiums and next to lowest for single premiums. (Emphasis added)

"Because Elk Mound has enjoyed relatively low insurance premiums in the past while maintaining its relative ranking, the Association feels it would be inappropriate at this time to penalize the teachers for what is still one of the lowest premium costs in the comparable group (Assoc. Ex. #59-#60). Therefore the Union argues that in determining the proper wage rate increase the pattern of settlements benchmark standard is the most appropriate."

In Exhibit No. 58, the amount of family health premiums paid per month by the schools in the athletic conference, plus the School District of Somerset during the 1983-84 contract years is set forth. Such exhibit revealed that the average monthly premium for family health care was \$149.76 per month. The same exhibit reveals that the family health premium for employees of the Elk Mound District was \$115.00 per month with employees contributing \$5.00 per month toward the cost of such insurance. Union Exhibit No. 60 contained data of the cost of family health and dental insurance per month for the contract

year 1984-85 which revealed that the average cost of family health insurance for the Districts of Boyceville, Colfax, Elmwood, Glenwood City, Prescott, St. Croix Central, Summerset, and Spring Valley was in the sum of \$165.18. The cost of dental coverage per month was in the sum of \$30.60 per month. The corresponding cost of family health insurance at Elk Mound for the 1984-85 season is \$154.42 with employees paying \$5.00 per month under the Board proposal. The cost of dental insurance per month per employee is in the sum of \$34.66. The total average insurance costs of family health and dental of the districts named was \$195.78 per month compared to \$184.08 per month under the District proposal and \$189.08 under the Association proposal.

Employer's Exhibit 78 contained data on dental insurance for 17 districts comprising the comparable groups. The District addressed the subject of insurance benefits afforded employees as a part of the total compensation package in their brief as follows:

"The full panoply of insurance benefits afforded Elk Mound teachers establishes that negotiations of the parties over the years have, quite obviously, been directed toward enhancement of the fringe benefit package to the extent that Elk Mound teachers are afforded a level of insurance benefits not routinely enjoyed by teachers in other comparable districts.

"Among the 14 comparable districts that have dental insurance the average board payment is \$29.73 per month in 1984-85 while the Elk Mound District pays the full premium of \$34.66 per month, a premium level 16.6% in excess of the average paid. Three districts among the comparable pool, Boyceville, Osseo and Pepin, offer no dental insurance payment (ER 78).

"The Board also provides fully paid long-term disability and life insurance in Elk Mound, a benefit enjoyed by only seven of the eighteen other comparable districts; Altoona, Arkansaw, Glenwood City, Osseo, Pepin, Plum City and Prescott. Two districts, Boyceville and Mondovi, offer no long-term disability coverage, while five districts offer no paid life insurance; Colfax, Elmwood, Fall Creek,, Spring Valley and St. Croix Centra. (ER 79-80)

"The foregoing analysis establishes that Elk Mound teachers enjoy salary insurance benefits which are equivalent to or above the average of the relevant comparable district teachers with whom the District must compete for teaching personnel."

There are a number of comparisons available to the parties and the arbitrator.

If one analyzes the respective offers from a wages only view, of dollars increase and percentage increase one would reach the conclusion that the District's offer is low compared to the majority of other comparables. The Union offer compared on the basis of both dollar increase and percentage increase to the comparables on wages only would move one to conclude that the Union offer is the most compatible with the comparables. Union Exhibits 52 and 56 set forth data from the wages only viewpoint and are as follows:

UNION EXHIBIT NO. 52

Comparison of WCEA and Elk Mound

Board of Education Final Offers

1984-85 Benchmark Increases

	WCEA		Board of Education	
	\$	%	\$	%
BA BASE	839	6	900	6.4
BA MAX	1,221	6	900	4.4
MA MIN	921	6	939	6.1
MA MAX	1,396	6	940	4.0
SCH MAX	1,471	6	960	3.9
BA 7TH	1,030	6	900	5.2
MA 10TH	1,226	6	940	4.6

SOURCE: Final Offers

UNION EXHIBIT NO. 56

BENCHMARK COMPARISON
DUNN-ST. CROIX, SOMERSET (W/O ARKANSAW)

WITH 8 OF THE 11 SCHOOLS INCLUDED

EMPLOYING CATEGORY	8.000 OF THE		11.000 TEACHERS (FTE)	
	1983-84	1984-85	% INCREASE	\$ INCREASE
BA-MIN	\$ 13,776	\$ 14,624	6.2 %	\$ 848
BA-MAX	\$ 19,603	\$ 20,809	6.2 %	\$ 1,206
MA-MIN	\$ 15,439	\$ 16,389	6.2 %	\$ 950
MA-MAX	\$ 23,972	\$ 25,447	6.2 %	\$ 1,475
SCHED MAX	\$ 25,015	\$ 26,702	6.7 %	\$ 1,687
BA 7TH	\$ 17,032	\$ 18,081	6.2 %	\$ 1,049
MA 10TH	\$ 20,923	\$ 22,210	6.2 %	\$ 1,287

SCHOOLS INCLUDED:

BOYCEVILLE	ELMWOOD	PLUM CITY	SPRING VALLEY
COLFAX	GLENWOOD CITY	PRESCOTT	ST. CROIX CENT.
ELK MOUND	PEPIN	SOMERSET	

SOURCE: Contracts on file at West Central Education Association Office

If one analyzes the respective offers from a total package perspective one comes to different conclusions. The arbitrator has compiled the following chart from various exhibits of both parties to enable one to analyze the offers from a total package dollar viewpoint, total package percentage increase and comparative ranking at various benchmark levels with other comparables.

Ranking - (Union Brief P. 52-58)

<u>District</u>	<u>Average Teacher</u> <u>\$ Increase</u>	<u>Total Package</u> <u>Increase in %</u>	<u>BA</u>	<u>BA</u> <u>7</u>	<u>BA</u> <u>Max</u>	<u>MA</u> <u>Min.</u>	<u>MA</u> <u>10</u>	<u>MAX</u>
St. Croix (C)	\$2149	8.5	7	2	6	4	4	4
Spring Valley (C)	2424	8.58	1	1	9	5	7	7
Prescott (C)	2014	8.25	2	6	3	6	5	5
Pepin (C)	1785	7.24 - Board Offer 8.70 - Assn. Offer						
Mondovi	2183	7.8						
Glenwood City (C)	2033	7.74	10	10	1	10	6	3
Elmwood (C)	2189	7.48	5	3	7	3	1	1
Colfax (C)	2093	7.97	4	4	8	1	3	9
Bloomer	2354	9.18						
Eau Claire	2448	7.65						
Elk Mound Bd.	1999	8.04	3	8	5	7	10	10
Elk Mound Assn.	2322	9.33	9	5	2	8	8	8

(C) Indicates Conference School

Looking at the average teacher dollar increase as set forth in the above schedule, one would conclude that the Board proposal is closer to the average of the conference schools and is closer to all conference schools with the exception of Spring Valley. The same conclusion would be reached in analyzing the total package increase in percentage. While the wages only comparison would indicate that the Union's proposal is to be favored on the basis of comparison to the comparables, the total package increase comparison would seem to favor the District's offer.

The record evidence shows that the cause of the difference rests primarily with the substantial increase in the cost of insurance for 1984-85 over 1983-84. According to Employer's Exhibit No. 7, which consisted of costing the Board final offer, the total annual increase was projected to be \$16,089.00. The converted average cost per employee for such increase in insurance premiums would be in the sum of \$324.39. The evidence shows that of the other conference schools, Spring Valley incurred an increase in insurance that was even greater than that of Elk Mound. The average annual increased cost of insurance for the other conference schools for which data is available of Colfax, Elmwood, Glenwood City, Prescott, St. Croix Falls, and Pepin, for the 1984-85 school year over the insurance costs for 1983-84 is approximately \$130.00 per employee utilizing the cost of family coverage as a base from which to make such computation. If one uses the cost of family coverage at Elk Mound and computes it on the same basis which increase was \$39.42 per month, the annual increase for family coverage at Elk Mound

would be \$473.04. If one would apply the same family versus single ratio at Elk Mound as contained in District's Exhibits No. 7 and 8 that was utilized in costing the proposals of the parties, one would assume that the family coverage ratio is approximately 70% of the total teacher work force. If one extends that assumption to the increases in insurance, one would then have a comparison whereby the average increase per employee for insurance to the other conference schools with the exception of Spring Valley, would be approximately \$90.00 per year per teacher. Such figure would then compare to the average cost per employee for the increase in insurance premiums at Elk Mound of \$324.00. Converted to percentages, such amount would be equivalent to approximately 1.3% of the total package increase.

One must ask at this point, what consideration or weight should one give to the impact of the insurance increase cost in this case. At page 39 of the Employer's brief, the Employer sets forth the combined family health and dental Board payments of the conference and contiguous group districts for 1984-85 and indicates that the average premium for both health and dental is \$187.83. The total premium for 1984-85 at Elk Mound is in the sum of \$189.08. Under the Board's proposal, the Board would pay \$184.08. What the above information also indicates is that in 1983-84, the other conference districts were paying approximately 1.3% more toward insurance for their employees than Elk Mound. If one assumes that the salary structures of the various conference schools maintained the same comparable relationship to Elk Mound during such prior years while they were paying more for insurance, that Elk Mound would be more favorably impacted than the other conference schools by virtue of the lower cost of its insurance contribution on behalf of its employees. In 1984-85 the cost of insurance for Elk Mound teachers will be comparable to the average cost of insurance for employees in the other comparable districts. It would appear that under the Board's proposal, the major part of the increase for insurance is sought to be placed on the employees by virtue of the offer on wages that is lower than the average of the other conference schools by approximately the same percentage amount and dollar amount as represented by the difference in the increase of insurance coverage over and above that amount by which the conference schools insurance costs increased on an average. It would appear to the undersigned that absent any other persuasive consideration to the contrary, no equitable argument can be made for passing the full increase of insurance on to the employees for 1984-85 by deducting a similar amount from the salary schedule increase in view of the historical fact that the District reaped the benefits of lower insurance costs in prior years when other comparable districts were paying higher insurance costs and at the same time instituting comparable salary schedule increases.

That brings one to the evaluation of the data contained in the above schedule involving the relative ranking of teachers under the Elk Mound Board offer and the Elk Mound Association offer in conjunction with the other conference schools for which such data was supplied.

It appears to the arbitrator that the relative ranking exercise yields no meaningful conclusions. It appears that the various conference schools vary significantly from one benchmark to another in comparison to each other. There does not appear to be any discernable pattern or relationship one to the other.

The Board entered into evidence a number of exhibits detailing and illustrating the status of the Elk Mound School District and its predominately rural agrarian tax base. They argued that the vast majority of property tax base utilized to support the Elk Mound District is derived from land devoted to agriculture. They further argued that the farm economy has been and is going through a severe economic period that has placed great stress on the ability of families deriving their income from agriculture to meet their debt obligations, support their family, and pay any significant increase in taxes. They contend that the local economic conditions strongly militate in favor of the Board's offer at this time of agrarian economic depression.

The Association argues that Elk Mound because of its proximity to the City of Eau Claire, should be regarded as more urban in nature and affected by such proximity than are many of the other districts in the same conference that are as much, if not more dependent on agriculture than is the Elk Mound District.

There is no dispute but that the farm economy has gone through and is still in a significantly down economic cycle. Such fact, while clearly relevant to a determination of the level of settlement, is not a condition that is limited to the Elk Mound District. The arbitrator cannot find significant evidence that would move one to conclude that Elk Mound District is the only one severely impacted by the economic conditions. There is no showing that the other conference districts were impacted any less severely. It would seem that the other comparable districts that were subject to comparable agrarian economic pressures, arrived at the levels of settlement on the basis of all factors including the agricultural economic situation being brought to bear and being considered in arriving at the final level of settlements. It seems to the arbitrator that the consistent and comparable levels of settlement that were reached by the other comparable districts, many of whom possess very comparable economic and tax basis features, leads one to the conclusion that absent persuasive evidence that would indicate Elk Mound should be distinguished because of some specific or unique circumstance applicable only to Elk Mound, the prevailing pattern as established by the comparables, should control.

The District's offer on the subject of insurance consisted of a proposal that employees contribute \$5.00 per month toward the payment of the premium on the family plan health insurance. The second aspect of the District's proposal on insurance consisted of a proposal that would avoid duplication of insurance coverage.

With respect to the employee contribution of \$5.00 per month toward family coverage, the Employer argued that such feature is important primarily from the standpoint of making employees aware of cost containment. Further, such contribution feature has been in the contract for some time.

The Union argued that Elk Mound District is in the clear minority along the comparable districts on such feature. Most other districts do not contain any provision calling for employee contributions toward insurance coverage. With respect to the non-duplication proposal of the District, the Union developed an analysis of the cost impact of the Employer double coverage insurance language and suggested that the total savings such non-duplication proposal would save for the Employer is in the sum of approximately \$29,000.00. They argue that the total package

cost difference in dollars between the District and Association final offers is \$17,000.00. They argue that the Employer's non-duplication proposal serves to significantly reduce the benefits realizable by covered employees plus it permits the Employer to save a considerable amount of money without providing a quid pro quo to employees or at a minimum by sharing a part of such savings. The Union argues that the savings generated by such proposal would constitute a windfall profit to the District in an amount that would significantly exceed the increased cost of insurance in the first instance for which the District additionally is proposing to be absorbed by employees by virtue of the low salary offer proposed by the District.

The arbitrator is not fully persuaded that the non-duplication provision would generate the type of savings suggested by the Union. It would seem that some savings would undoubtedly be generated. The matter of projecting costs, change in usage, and other cost features that are subject to variation, makes the matter of projecting accurately any fiscal results extremely difficult.

One must recognize that because of the rapidly escalating costs of health insurance that has occurred during the past few years, there exists a much greater emphasis of seeking out ways and methods of cost containment of the rapidly escalating insurance costs. Cost sharing of the premium payment between employee and employer has been recognized as a cost containment measure of arguable value. It would seem to the arbitrator that a non-duplication provision would clearly be a cost containment feature that would generate immediate savings in the amount of premiums paid. It would seem to the arbitrator that where a group of employees such as the Elk Mound group are group rated with other small Employer groups, that a group where duplication of benefits is allowed, would not be given full dollar credit for the actual experience of the group in an accurate ratio to the usage. In such case, all other groups that are group rated would share in the benefits to the extent that the group who is allowed duplication would be paying in more premium dollars and extracting less in benefits paid than would those who are under non-duplication coverage. In the arbitrator's judgment, the non-duplication clause is a clear and valid cost containment feature whereby the benefits attributable to all members would outweigh the extra benefits that may accrue to a few who would otherwise qualify and have available the opportunity for double coverage.

In addressing the request for a personal leave day to be added to the contract for which a teacher need give no reason for taking such day off, the Union argues that according to their survey, ten of twelve schools in the Association's comparables grant personal days. They contend it is an industry practice to grant at least one day of personal leave to employees without requiring reasons being given for taking the day off. They argue that teachers, like all other human beings, have needs and problems that require them to take time off that do not always neatly fit within the specified reasons for which time off can be taken under the current contract language. The Union further argues that such proposal would not cost the District anything. They point out that the Union proposal would include such matter under Item B. of Article X whereby such day off would be deducted from the teacher's sick leave account. The District therefore cannot claim that such proposal would cost additional money because the School Board should budget

moneys to cover accrued sick leave in any event.

The District argued that in 1979-80, the contract between the parties contained language permitting teachers to take up to five days each year as emergency leave. In practice, employees utilize such five days for numerous reasons other than bona fide emergencies. As a result such leave provision was revised in negotiations in 1980-81 wherein the five day provision was deleted and ten days were negotiated to be utilized each school year for certain specified reasons that were set forth in the contract. In 1982-83 the parties increased the ten days to twelve days. The District argues that by virtue of such negotiations, the teachers traded five days for which no reason need be given for the much greater ten, and later twelve days, for which reasons were required. They contend that such trade off should not now be modified by again instituting days for which no reason need be given which was given up by the teachers in exchange for a much greater number of days benefit which far exceeds the number of days afforded teachers at any of the other districts. The District further contends that 50% of the 18 districts surveyed do not allow personal or emergency leave with no reasons specified. They contend the comparables do not support the Association's demand for another day of paid leave as the Association claims. The District contends that most comparable districts contain provisions allowing the use of from two to seven paid days for specified reasons. None provide for twelve days such as is presently contained in the Elk Mound contract.

The last issue comprising the total package of each party to this dispute concerns that of the calendar. The Union explained its proposal at pages 87-88 of its brief as follows:

"In assessing the parties offer relative to the calendar (Assoc. Ex. #5, #6, #100, #101, #102, #103, #104, #105), the instant arbitrator will find when comparing Assoc. Ex. #5, p. 2, No. 6, and Assoc. Ex. #6, No. 2, that the parties are in agreement on calendar for the 1984-85 school year. The reason for this agreement is that the issue the Union wished to negotiate this year was made inoperative because of the Employer's unilateral implementation of its calendar. However, when reviewing Assoc. Ex. #5, p. 2, No. 3, the instant arbitrator will see that the Union has proposed what it chooses to call a 'generic' calendar. This proposal is not all that different from what has been agreed to for 1984-85 except that it attempts to maintain the 'status quo' as outlined in Assoc. Ex. #100, #101, #102, #103, and #104 of a December-January recess consisting of ten consecutive workdays, Monday through Friday, and three weekends. The Union's proposal does not remove its duty bargain calendar, it does not tie the Employer's hands on the issue. The entire matter is open for negotiations every year the parties negotiate. Moreover, a review of Assoc. Ex. #2, No. 3, C., states that the parties may agree to modify this 'generic' calendar. All the proposal is attempting to accomplish is the maintenance of the 'status quo' as regards the December-January recess."

The Union argues that the matter of school calendar is a mandatory subject of bargaining and yet during negotiations

on this contract, the District failed to enter into meaningful negotiations with the Union concerning the calendar. Instead, when it was moved to impasse, the Employer unilaterally implemented its version of the calendar. They argue that the status quo that existed involved a longer Christmas break than was scheduled by the Employer. The District's action therefore constituted a change in the status quo without having bargained such mandatory subject with the Association. They argue that the insertion of a "generic" calendar, which reflects the calendar which the parties heretofore have found agreeable, would then prevail absent agreement through subsequent negotiations between the parties to change such calendar. They argue that such provision would create a more definite and certain calendar by which parents, students and teachers alike could be guided and could rely upon but that it would not serve to tie the District's hands in its right to negotiate deviations from such "generic" calendar.

The District contends the Association's proposal is objectionable on at least two bases. They identify them at pages 47-49 as follows:

"...First, the proposal requires the school to begin Labor Day and end after Memorial Day. Considerable informed discussion has arisen in the State to require school to begin after Labor Day. Companion Bills are presently pending in the State Legislature which would mandate that no public school may commence its term prior to Labor Day in order to allow families time for vacations and other activities while the weather is still advantageous, as well as to provide workers for the State's tourism industry which utilizes high school students (AB 67 and SB 23 are attached as Appendixes A and B, respectively).

"Second, the absolute requirement that two full work weeks and three consecutive weekends be allocated for the Christmas break causes a number of difficulties for the District. An examination of the calendars in recent years reveals the following:

<u>School Year</u>	<u>First Contract Day</u>	<u>Last Contract Day</u>	<u>Length of Christmas Recess</u>
1979-80	August 20	May 26	7 school days (11 calendar days)
1980-81	August 18	June 1	10 school days (16 calendar days)
1980-82	N/A	N/A	10 school days (16 calendar days)
1982-83	August 23	June 4	10 school days (16 calendar days)
1983-84	August 22	June 4	10 school days (16 calendar days)
1984-85	August 20	May 31	9 school days (12 calendar days)

[ER 88, UN 104]

"The Association's proposal specifically requires that the December/January holiday recess 'consist of ten consecutive work days Monday through Friday encompassing three consecutive weekends.' The District has, in the past attempted to accommodate this type of schedule with very negative results. District Administrator William Vincent and Board Member Kathy Scharlau, a member of the Personnel Committee, stated that they, along with the high school principal, Mr. Silvernail,^{8/} had received numerous complaints about the length of the winter recess from residents in the District. The required break causes school to begin inordinantly early in August or to continue later into June. Since other in-service and convention days are practically or legally necessary, the Christmas break provides the only real 'flex' in the calendar to control the beginning and ending dates of the school year.

"Another significant problem which the students, parents and administrators have encountered is the fact that the extracurricular events frequently are scheduled shortly after New Year's, which conflict with the Association's demand for an extended Christmas break. The District Administrator cited problems with obtaining teachers as chaperones for the games and for student buses when they are 'away games', as well as having the team members and cheerleaders available and prepared to play.

"^{8/} Mr. Silvernail was unable to attend and testify due to his required presence at another school function."

On review of the total record evidence presented herein, which was voluminous to say the least, and after giving due consideration to the statutory factors which the arbitrator is charged with applying to the record evidence, the undersigned concludes that:

1. The preponderance of the evidence relating to the school calendar issue is found by the arbitrator to favor the District's offer on such issue. While the Association's proposal on such issue is provocative and one that clearly contains merit under certain circumstances, the record evidence submitted herein has not established to the satisfaction of the arbitrator, the existence of those adverse circumstances sufficient to justify the Association's proposal. What the Association's proposal does is reverse the status quo. The disadvantages and problems the District described that would result from the Association proposal are found to outweigh the considerations for which the proposal was made.

2. The arbitrator finds, on the basis of the total record evidence and consideration of the comparability data and argument addressed to such issue by each that the Board's proposal is the more supportable and the one to be preferred on such issue. Had the Association sought to trade one or more of the 12 existing days off against the proposition that one or more be allowed off without reason, one would have a different type matter for consideration. As the Association's proposal is constituted, however, it does reinstitute what was bargained away and the reasons advanced by the Association are predicated upon obstructionist and unfeeling responses by the District as the basic premises justifying such proposal. Such premise is not supported by any substantive evidence.

3. Finally, the matter of salary, insurance contribution and proposal concerning duplication of benefits constitutes the three remaining issues which are difficult to consider as separate issues. The three are so interrelated that their consideration must be as one. There is no doubt but that the final offer of each contains persuasive and meritorious argument supporting each as reasonable. The arbitrator is unable to conclude that the positions of either party are unreasonable in any respect as to the salary and insurance issues. It is simply a question of attempting to assess and attribute the proper weights to the various factors as applied to the matters at issue. In the judgment of the arbitrator, the District's monetary offer is slightly lower than it reasonably should be. While the District is faced with a larger than usual increase in insurance costs for this year, it enjoyed the benefits of paying less than the comparable districts during prior years. Placing the total burden of such increase upon employees is not supported by any justifiable evidence.

The Association's offer on the salary increase is more compatible with the level of increase granted by the other comparable districts involved. It seems to the arbitrator, however, that the Association is over-reaching at this particular time in view of the economic times when it seeks to change both the small contribution by employees to the insurance premium that existed in the previous contract and additionally objected to the District's attempt to implement some cost containment measures to the insurance costs by proposing a non-duplication provision.

In the mind of the arbitrator, the pluses and minuses attributable to each of the final offers on the salary and insurance issues results in a virtual standoff. Each offer has its strong points and each has its weaknesses. Each seems to offset the other to an equal degree. The arbitrator is therefore left with the final evaluation of the total package which moves the balance in favor of the District final offer by virtue of the conclusions reached with regard to the school calendar and personal leave day.

It therefore follows on the basis of the above facts and discussion thereon, that the undersigned renders the following decision and

AWARD

That the final offer submitted by the District herein shall be incorporated into the parties' 1984-85 Collective Bargaining Agreement.



Robert J. Mueller
Mediator/Arbitrator

Dated at Madison, Wisconsin
this 14th day of June, 1985.