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OCT 21 1985

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of Mediation/Arbitration

between

WONEWOC-CENTER PUBLIC SCHOOLS

and

WONEWOC-CENTER EDUCATION ASSOCIATION

CASE II
NO. 33801
MED/ARB-2939
Decision No. 22193-A

Appearances

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

For the Association: Gerald Roethel, Executive Director
Coulee Region United Educators
2020 Caroline, P.O. Box 684
La Crosse, WI 54602-0684

BACKGROUND

The undersigned was notified by a January 14, 1985, letter from the Wisconsin Employment Relations Commission of his selection as Mediator/Arbitrator in an interest dispute between the Wonewoc-Center Education Association (hereinafter Association) and the Wonewoc-Center Public Schools (hereinafter Employer). The dispute concerns certain of the terms to be included in their 1984-1985 collective bargaining agreement covering all regular teaching personnel under contract, excluding substitute per diem teachers, office, maintenance, and clerical employees, the superintendent and the principal.

Pursuant to statutory responsibilities, mediation was conducted on April 4, 1985. A settlement did not result. An arbitration hearing was conducted on April 18, 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, when neither party had filed by the agreed upon date, the record was declared closed effective June 12, 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 two issues to be resolved: (1) salary schedule, and (2) extra-curricular pay schedule. Additionally, the parties do not agree on the appropriate group of comparables.

DISCUSSION

The comparability question must be resolved first, since it might have a significant impact on determination of the salary and extra-curricular pay schedules.

Comparability

Board Position. The Board maintains that the Scenic Bluff Athletic Conference contains the appropriate set of comparable school districts. Districts included in the Conference are listed below:

Bangor
Cashton
Elroy
Hillsboro
Necedah
New Lisbon
Norwalk
Wonewoc

The parties have arbitrated their contract three times prior to the instant dispute, and each time the arbitrator has used the existing athletic conference as the appropriate group of comparables. Settlement and final offer data from the Scenic Bluff Conference, combined with local economic data, collectively provide a sufficient basis for deciding the case. Besides, once the parties have become accustomed to a specific set of comparable school districts, relying on them at the negotiating table, changing them unfairly manipulates the bargaining and interest arbitration process.

And the Union's attempt to expand the comparables pool is merely an effort to select districts in the central part of the state where substantial settlements have occurred. The District chose not to play such a game.

Association Position. The Association felt it necessary to expand the comparables group beyond the Scenic Bluffs Athletic Conference because at the time of the arbitration hearing only two of the eight Conference districts had settled for 1984-1985. And, of the eleven districts contiguous to Wonewoc, only three had settled. Thus, the Association suggests expansion of the pool to include the voluntary settlements of eight additional districts following the concentric circle concept espoused by Arbitrator Robert Mueller in Mukwonago, Dec. No. 16363-A, 10/30/78:

In the considered judgment of this arbitrator, it would reasonably appear from a detailed analysis of the broad spectrum of school districts in and around the Milwaukee Metropolitan area that the City of Milwaukee exerts an influence into contiguous districts and that such influence further extends beyond such contiguous districts in a diminishing domino type effect that has relationship to distance.

Furthermore, the Association argues, since well over 80% of the teacher agreements for 1984-1985 are settled statewide, statewide averages should be considered as references.

The Association also argues that since Wonewoc is not a metropolitan area, its residents must shop for goods and services, along with residents of Mauston, Reedsburg, New Lisbon or Wisconsin Dells. The distance to each of these

districts from Wonewoc is less than that to Bangor, a Conference district.

Finally, the Association relies upon district size in support of its comparables group, noting that while some of them are larger than Wonewoc, Elroy-Kendall-Wilton (a Conference District) is over twice as large.

The Association's suggested group of comparables is listed below:

Conference Districts

Bangor
Cashton
Elroy
Hillsboro
Necedah
New Lisbon
Norwalk
Wonewoc

Contiguous Districts

Mauston
Reedsburg
Weston

Selected Districts

Baraboo
Ithaca
La Farge
Richland Center
Sparta
Viroqua
Westfield
Wisconsin Dells

Analysis. The parties agree that districts in the Scenic Bluffs Athletic Conference should be considered as appropriate comparables. The Association argues that due to the paucity of settlements in the Conference, the comparables pool should be expanded. The Arbitrator agrees. It makes little sense to use a comparability base of two settlements. Accordingly, expansion of the comparables pool to include districts contiguous to Wonewoc (i.e., Mauston, Reedsburg & Weston, which had settled for 1984-1985 prior to the close of the record in the instant case) seems reasonable. Such districts are geographically proximate and undoubtedly compete for teachers in the same labor market as does Wonewoc. The Arbitrator notes, however, that Mauston (1,336 average daily membership in 1983-1984) is nearly three times the size of Wonewoc (479 average daily membership in 1983-1984) and that Reedsburg (1,999 average daily membership in 1983-1984) is over four times larger. Accordingly, Mauston and Reedsburg will be used as secondary comparables.

The undersigned is not willing to include the Association's "selected" districts as comparables. First, the criteria specified in the Association's selection are not sufficient to convince me that they are appropriate for comparison purposes. For example, the Association claimed to use a "concentric circle" approach generally, but failed to explain why some districts within the circle were omitted and some were "selected." Such patchwork explanation raises doubt in the Arbitrator's mind as to whether some hidden criterion might be operative. Also, the districts of Baraboo, Richland Center, Sparta, Viroqua, Westfield and

Wisconsin Dells are all at least twice as large (in terms of average daily membership and full time equivalency) as Wonewoc. Many of them are three and four times larger.

Second, the Association's reliance on a previous Award (Robert Mueller in Mukwonago, Dec. No. 16363-A) is ill-founded. In that case Mueller did indeed endorse the concentric circle concept, but apparently because he felt the City of Milwaukee exerts a very strong and widespread labor market influence on surrounding districts. In the instant case, the record does not support such a conclusion. It does not appear that Wonewoc or any other single district within the proposed geographic circle around Wonewoc exerts an inordinate influence on local labor market conditions. Thus, it seems inappropriate to expand the comparables pool beyond the athletic conference and the three contiguous districts which had settled prior to the date the record closed in this matter.

It is true that Bangor, a Conference school, is more distant from Wonewoc than some of the Association's "selected" schools. However, as a Conference school, Bangor has been used for comparison purposes for at least three years. And it is comparable to Wonewoc in terms of average daily membership and full time equivalency.

Finally, the Arbitrator is reluctant to employ statewide settlement averages as primary comparables. Doing so would create an oppressive amalgam of influence, essentially negating the role on local economic conditions in determining the outcome of the interest arbitration process. Since interest arbitration settlements in general should approximate the results of free collective bargaining, it would be inappropriate to reduce the influence of local conditions to such a miniscule level.

Table I confirms that the primary comparables ultimately selected are generally comparable on the size dimension. With the exception noted immediately above, they are geographically proximate as well.

TABLE 1
APPROPRIATE COMPARABLES POOL

Primary Comparables

District	Avg. Daily Mem.	F.T.E.
Bangor	522	37.43
Cashton	551	38.18
Elroy	1,008	75.85
Hillsboro	594	40.75
Necedah	487	35.00
New Lisbon	675	48.25
Norwalk	467	34.60
Weston*	398	30.00
Wonewoc	479	32.50

Secondary Comparables

District	Avg. Daily Mem.	F.T.E.
Mauston*	1,336	87.60
Reedsburg*	1,999	127.51

* = Non-conference district

Source: Assn. Exhibits 159 & 160

Salary

The salary schedule is by far the more significant of the two issues before the Arbitrator. Table 2 has been constructed to compare commonly accepted benchmark salaries of the final offers with those in comparable districts:

TABLE 2
1984-1985 SALARIES - COMPARABLE SCHOOL DISTRICTS

Primary Comparables

<u>District</u>	BA Base	BA Max	MA Base	MA Max	Sch Max
Bangor	*	*	*	*	*
Cashton	13,650	19,600	15,030	20,980	21,670
Elroy					
Assn. Offer	14,450	19,050	15,325	22,225	22,400
Board Offer	14,375	18,585	15,125	21,635	21,785
Hillsboro					
Assn. Offer	14,350	19,750	15,550	22,300	22,325
Board Offer	14,340	19,500	15,540	21,990	21,810
Necedah	14,135	20,435	15,415	21,715	22,035
New Lisbon					
Assn. Offer	14,750	21,125	15,650	22,475	22,965
Board Offer	14,742	20,667	15,582	21,882	22,332
Norwalk					
Assn. Offer	14,335	20,215	16,292	22,175	22,175
Board Offer	14,000	19,796	15,900	21,696	21,696
Weston					
Assn. Offer	13,900	20,572	15,100	22,348	23,236
Board Offer	13,700	20,580	15,140	22,743	24,997
Wonewoc					
Assn. Offer	14,075	20,375	15,400	21,700	22,230
Board Offer	13,855	19,875	15,055	21,075	21,555

Secondary Comparables

Mauston	14,200	20,200	15,250	23,875	25,575
Reedsburg					
Assn. Offer	14,250	18,750	16,000	24,900	26,000
Board Offer	*	*	*	*	*

* = Data not found in this record.

Sources: Association Exhibits 98, 128, 131, 133, 135, 138, A-2 (filed supplementally), B-2,5 (filed supplementally); Board Exhibits 10, 11, 12, 13, 14.

Board Position. The Board's salary offer is based upon a \$13,855 BA base with an experience increment of \$430 and \$240 between salary schedule columns. It believes that local economic conditions dictate selection of its final offer. Approximately 80% of the District's taxable property is rural, and the rural economy is suffering a prolonged recession, and rural taxpayers contribute the bulk of the tax dollars to the District.

Also, the Board argues, the Consumer Price Index increases have only been in the 2-4% range. The Association's offer constitutes an overall increase of approximately 10%--clearly in excess of increases in the cost of living.

Moreover, the Board notes that its relatively low ranking on salary benchmarks in the comparables group is a result of its fully paid dental insurance program. The District spends approximately \$300 annually per employee on this costly benefit. Adding this amount to the District's offer on the salary schedule would improve its overall ranking dramatically.

And the Board's health insurance contribution is the second highest in the Conference. Thus, the Board argues, Wonevoc teachers enjoy substantial tax-free benefits not received to the same extent by other Conference teachers.

Finally, the Board argues, its offer compares favorably with the two Conference settlements, Cashton and Necedah. On a percentage basis, its benchmark salaries fall between those settlements. And on a dollar basis, the Board's offer compares more favorably to the two settlements than does the Association's offer.

Association Position. The Association's salary offer is based upon a BA base of \$14,075 with experience increments of \$450 and \$265 between salary schedule columns. It feels its offer comparables favorably with benchmark salary data from Cashton, Necedah & Mauston settlements, since the Board's offer is below the average of the three on all but the BA base.

The Association also argues that its offer compares favorably with the eleven settlements in its concentric circle approach, and with statewide settlement averages. However, it will be recalled that the undersigned has rejected such approaches for determining primary comparables in this case.

Concerning longevity payments, the Association notes that while Wonevoc pays none, Bangor, Cashton, Elroy and Necedah pay anywhere from \$400 to \$3,480.

The Association also believes that the District's reliance on so-called depressed economic conditions in rural Wisconsin is inappropriate. Of significantly more importance, the Association argues, is the pattern of settlements in the comparables pool. If teachers in that pool are worth competitive rates, so are Wonevoc teachers.

The Association also notes that forecasts of teacher shortages are commonplace, and that its offer provides incentive for teachers to stay in Wonevoc.

Moreover, the Association holds that area settlements provide a more meaningful comparison than do cost of living figures. And, since 1979-80 Wonevoc teachers have lost real income viv-a-vis teachers in comparable districts.

With respect to overall compensation, the Association observes that there has been no increase in health insurance premiums for 1984-85, and a decrease in the cost of dental insurance. These conditions should make it less costly overall for the District to address the much needed catch-up in salary for Wonevoc teachers.

The Association acknowledges that Wonevoc is one of only two Conference Districts providing dental insurance, but adds that three of the other seven have group life policies

and three have group disability policies. And Wonewoc is the only Conference school having a \$100/\$300 deductible on all medical expenses.

Analysis. Table 3 has been constructed to assist in juxtapose the parties' offers against average benchmark settlements and offers in comparable districts.

TABLE 3
1984-1985 BENCHMARK AVERAGES
COMPARABLE SCHOOL DISTRICTS

<u>Settlements</u>	BA Base	BA Max	MA Base	MA Max	Sch Max
*	13,995	20,078	15,232	22,190	23,093
<u>Pending</u>					
Assn. Offers**	14,357	20,142	15,583	22,305	22,620
Board Offers**	14,231	19,826	15,457	21,989	22,524
<u>Wonewoc</u>					
Assn. Offer	14,075	20,375	15,400	21,700	22,230
+/- Sett. Avg.*	+80	+297	+168	-490	-863
+/- Bd. Avg.**	-156	+549	-57	-289	-294
+/- Assn. Avg.**	-282	+233	+183	-605	-390
Board Offer	13,855	19,875	15,055	21,075	21,555
+/- Sett. Avg.*	-140	-203	-177	-1115	-1538
+/- Bd. Avg.**	-376	+49	-402	-914	-969
+/- Assn. Avg.**	-502	-267	-528	-1230	-1065

* = Cashton, Necedah, Mauston

** = Elroy, Hillsboro, New Lisbon, Norwalk, Weston.
Reedsburg excluded from computation since Board offer not part of record.

From Table 3 it is clear that the Board's salary offer on the benchmarks is significantly below average benchmark settlements in comparable districts. It is also below the average board offer in comparable districts (i.e., those not yet settled) on every benchmark except the BA Max. Also from the Table, it appears that the Association's salary offer on the benchmarks is significantly above three of the five average benchmark settlements (BA Base, \$80; BA Max, \$297; MA Base, \$168), and significantly below the other two (MA Max, -\$490; Sch. Max, \$863).

So as not to be misled by the benchmarks, however, it is important to look more deeply into the data. First, consider Wonewoc's historical ranking in the Scenic Bluffs Conference. With regard to the BA Base, it has been 8th out of 8 districts since 1981-1982. The Board's offer would raise the Wonewoc BA Base to at least 7th, since Cashton has already settled at \$13,650 (see Table 2). The Association's offer would raise it to at least 7th (above Cashton) as well.

On the BA Max Wonewoc has been in 4th or 5th place since 1981-1982. While the Board's offer on this benchmark is well below the average settlement, it is slightly higher than the average board offer in the comparables group (i.e., of those districts not yet settled). Thus, it cannot be concluded from the data that Wonewoc teachers at the BA Max level would suffer from the Board's offer. The

Association's offer on this benchmark would put Wonevoc teachers in that cell ahead of similarly situated teachers in Cashton, Elroy, Hillsboro and Norwalk, thus elevating them to at least 3rd in the Conference.

For the MA Base Wonevoc has been 6th or 7th in the Conference since 1981-1982. It would still be at least 7th under the Board's offer. The Association's offer would not significantly advance teachers in this cell to a higher ranking in the Conference. However, it is important to note that only one teacher at Wonevoc has earned a Master's degree (Board Exhibit 27).

With regard to the MA Max cell, Wonevoc has been at the bottom of the conference since 1981-1982. It is important to note, however, that there are no teachers in this cell, nor are there any in the MA lane, for that matter. Thus, neither of the parties' offers at this benchmark will affect current teachers. Both the Association and Board offers would elevate any teacher in this cell to at least 7th place in the Conference, ahead of Cashton.

At the Schedule Maximum Wonevoc since 1981-1982 has been in 7th place in the conference, just above Hillsboro. Under the Board's offer, it would fall to eighth; under the Association's, it would improve to at least 6th place (above Cashton, Necedah, and Norwalk).

While salary is the most visible element of a compensation package, benefits must be considered as well. Table 4 has been constructed to compare significant employee benefits across districts in the comparables pool.

TABLE 4
1983-1984 MEDICAL AND DENTAL INSURANCE
COMPARABLE SCHOOL DISTRICTS

	<u>Medical</u>		<u>Dental</u>	
	Mo. Prem.	Dist. Cont.	Mo. Prem.	Dist. Cont.
Bangor				
Single	56.08	Full	3.63	Full
Family	139.91	Full	17.43	Full
Cashton				
Single	49.04	Full	None	
Family	127.26	Full	None	
Elroy				
Single	52.12	Full	None	
Family	125.96	Full	None	
Hillsboro				
Single	68.48	Full	None	
Family	177.54	Full	None	
Necedah				
Single	63.96	55.00	None	
Family	151.24	120.00	None	
New Lisbon				
Single	52.64	Full	None	
Family	155.20	Full	None	
Norwalk				
Single	*	Full	None	
Family	*	110.00	None	

TABLE 4 (Continued)
1983-1984 MEDICAL AND DENTAL INSURANCE
COMPARABLE SCHOOL DISTRICTS

Weston				
Single	*	Full	*	*
Family	*	Full	*	*
Wonewoc				
Single	59.76	Full	12.76	Full
Family	158.96	Full	37.10	Full

Source: District Exhibit 29; Association Exhibit 114.

From Table 4, it is clear that Wonewoc teachers enjoy health and dental coverage in excess of that received by teachers generally in the comparables pool. And even considering the \$100/300 deductible included in the health insurance plan covering Wonewoc teachers, the premiums paid by the Board are far from the lowest of comparable districts. Moreover, the fact that Wonewoc teachers receive fully-paid dental insurance also leads to the conclusion that the health/dental insurance received by Wonewoc teachers is more than competitive.

The undersigned realizes that some districts in the comparable pool pay for life and disability insurance, but the premium amounts are small indeed compared to the price of health and dental insurance.

On balance, then, it appears to the undersigned that the Board's salary offer is reasonable, especially considering the overall compensation package. Moreover, a significant number of Wonewoc teachers are clustered at or near the BA Max cell, and the Board's offer is closer to the average of the Conference settlements than is the Association's (See Table 3). In that cell the Board's offer is also above the average board offer in comparable districts which have not yet reached settlements.

In reaching the above conclusion, the Arbitrator was also influenced by the Association's offer at the BA Max level. It appears inordinately high, being significantly above the average settlement (+\$297), as well as being well above the average association offer (+\$233) in other comparable districts not yet settled.

And in terms of the overall percentage increase the Board's final offer seems preferable to that of the Association. The Board's offer equates to approximately 7%, while the Association's is approximately 9%. Given average increases across the comparable districts, in percentage terms, Wonewoc teachers would not lose ground under the District's offer.

Also, nothing in the record indicates that Wonewoc in the past has experienced high teacher turnover or difficulty recruiting qualified applicants. Thus, there is no compelling reason to advance Wonewoc teachers beyond their historic competitive salary position in the Conference.

Finally, while the Arbitrator understands that some rural taxpayers supporting Wonewoc-Center Public Schools are suffering financially, the record does not demonstrate that such difficulties are more severe than those faced by taxpayers supporting comparable districts. Thus, the salary pattern across the comparables was given more weight.

Extracurriculars

Both parties acknowledge that the difference between their final offers on extracurriculars is minimal. Moreover, it is clear from the record that the salary issue is of far greater significance in dollar volume. Accordingly, it makes little sense to perform an in-depth analysis of the extra-curricular issue.

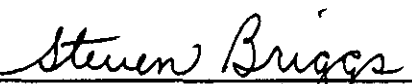
Summary

After careful consideration of appropriate statutory criteria the Arbitrator has concluded that the Board's salary offer is more reasonable than the Association's. Moreover, since salary is by far the more significant of the two substantive issues for resolution, the undersigned has determined that the Board's final offer in its entirety is more reasonable than that of the Association.

AWARD

The Board's final offer attached hereto and marked Exhibit A shall be incorporated into the parties' 1984-1985 collective bargaining agreement, along with all of the provisions of the previous agreement which remain unchanged and along with the stipulated changes agreed to by the parties.

Signed by me at Shorewood, Wisconsin, this 14th day of October, 1985.



Steven Briggs

EXHIBIT A-1
BOARD FINAL OFFER

Wonewoc-Center Public Schools
WONEWOC, WISCONSIN 53968
PHONE 464-3962

November 2, 1984

Mr. Jim Engmann
14 West Mifflin Street
Suite 200
Madison, Wisconsin 53707-7870

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Dear Mr. Engmann:

This is our final offer:

\$950 increase in base salary to \$13,855

\$10 increase in step to \$430

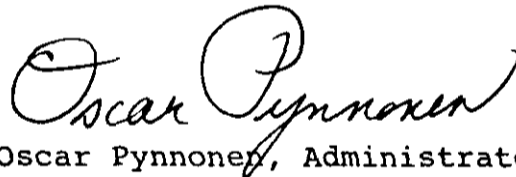
Extra-curricular:

All head coaches increase by \$50

All other positions increase by \$25

This letter is being mailed to the CRUE office in LaCrosse by registered mail today, November 2, 1984.

Sincerely yours,



Oscar Pynnonen, Administrator

OP:jb

cc: Ken Cole, WASB

EXHIBIT A-2

BOARD OF EDUCATION PROPOSED SALARY SCHEDULE 1984-85

YEARS	LANES							
	BA	BA +6	BA +12	BA +18	BA +24	MA	MA+6	MA +12
0	13855	14095	14335	14575	14815	15055	15295	15535
1	14285	14525	14765	15005	15245	15485	15725	15965
2	14715	14955	15195	15435	15675	15915	16155	16395
3	15145	15385	15625	15865	16105	16345	16585	16825
4	15575	15815	16055	16295	16535	16775	17015	17255
5	16005	16245	16485	16725	16965	17205	17445	17685
6	16435	16675	16915	17155	17395	17635	17875	18115
7	16865	17105	17345	17585	17825	18065	18305	18545
8	17295	17535	17775	18015	18255	18495	18735	18975
9	17725	17965	18205	18445	18685	18925	19165	19405
10	18155	18395	18635	18875	19115	19355	19595	19835
11	18585	18825	19065	19305	19545	19785	20025	20265
12	19015	19255	19495	19735	19975	20215	20455	20695
13	19445	19685	19925	20165	20405	20645	20885	21125
14	19875	20115	20355	20595	20835	21075	21315	21555

EXHIBIT B-1
ASSN. FINAL OFFER

ARTICLE XIII. GENERAL STATEMENTS

Section 4. Additional payment schedule for coaching will be as follows:

Head Coach, Football	\$1,100
Assistant Coach, Football	850
J.V. Coach, Football	750
J.V. Assistant Coach, Football	650
Head Basketball Coach - boys and girls	1,100
Assistant Basketball Coach	800
Freshman Basketball	550
Junior High Basketball	400
7th Grade Basketball	400
Track Coach - boys and girls	900
Baseball Coach	900
Girls' Softball Coach	900
Head Volleyball Coach	1,050
J.V. Volleyball	750
Athletic Director	375
Freshman Advisor	140
Sophomore Advisor	140
Junior Advisor	225
Senior Advisor	225
Class Play Director	350
Forensics	225
Annual Advisor	450
Pep Band Director	400
Student Council and National Honor Society	225
FHA Advisor	350
Cheerleader Advisor	225

EXHIBIT B-2
ASSN. FINAL OFFER

ceps	BA	BA+6	BA+12	BA+18	BA+24	MA	MA+6	MA+12
0	14075	14340	14605	14870	15135	15400	15665	15930
1	14525	14790	15055	15320	15585	15850	16115	16380
2	14975	15240	15505	15770	16035	16300	16565	16830
3	15425	15690	15955	16220	16485	16750	17015	17280
4	15875	16140	16405	16670	16935	17200	17465	17730
5	16325	16590	16855	17120	17385	17650	17915	18180
6	16775	17040	17305	17570	17835	18100	18365	18630
7	17225	17490	17755	18020	18285	18550	18815	19080
8	17675	17940	18205	18470	18735	19000	19265	19530
9	18125	18390	18655	18920	19185	19450	19715	19980
10	18575	18840	19105	19370	19635	19900	20165	20430
11	19025	19290	19555	19820	20085	20350	20615	20880
12	19475	19740	20005	20270	20535	20800	21065	21330
13	19925	20190	20455	20720	20985	21250	21515	21780
14	20375	20640	20905	21170	21435	21700	21965	22230