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APR 21 1986

IN THE MATTER OF MEDIATION/ARBITRATION PROCEEDINGS
BETWEEN

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

EVANSVILLE COMMUNITY
SCHOOL DISTRICT

and

EVANSVILLE EDUCATION
ASSOCIATION

Case 20 No. 22930
MED/ARB 3373
Decision and Award
of Arbitrator

Decision No. 22930-A

I. BACKGROUND

This is a matter of final and binding interest arbitration under Section 111.70(4)(cm)6 of the Wisconsin Municipal Employment Relations Act. The Evansville Education Association (Association) is the exclusive collective bargaining representative of all regular full-time, regular part-time and guidance personnel, but excluding principals, non-certified personnel and superintendent employed by the Evansville Community School District (District or Board).

The Association and the Board have been parties to a collective bargaining agreement covering the wages, hours and working conditions of the employees in the bargaining unit which will expire on June 30, 1986. The agreement contains a reopener provision for the period from July 1, 1985, through June 30, 1986. On January 11, 1985, the parties exchanged their initial proposals on matters to be reopened. On July 3, 1985, the parties filed a joint petition, requesting that the Wisconsin Employment Relations Commission (WERC) initiate mediation-arbitration. Following an investigation by a member of the WERC staff, the parties submitted their final offers on September 19, 1985.

The WERC certified there was an impasse on September 30, 1985. Thereafter, the parties selected Jay E. Grenig as the Mediator/Arbitrator and the Wisconsin Employment Relations Commission (WERC) appointed Jay E. Grenig the mediator-arbitrator on October 23, 1985.

The Mediator/Arbitrator conducted a public hearing on December 10, 1985. The Mediator/Arbitrator also conducted mediation proceedings on December 10, 1985, and January 30, 1986, in an effort to obtain a voluntary settlement. The mediation having been unsuccessful, an arbitration hearing

was held on January 30, 1986. The Board was represented by Kenneth Cole, Assistant Executive Director, Wisconsin Association of School Boards. The Association was represented by Mallory K. Keener, Executive Director, Capital Area UniServ South. The parties were given full opportunity to present relevant evidence and arguments. Upon receipt of the parties' briefs, the hearing was declared closed on March 28, 1986.

II. FINAL OFFERS

The Association has proposed that the Board pay the full amount of the premium for long term disability insurance. The Board has proposed that it pay 50% of the premium.

With respect to making up snow days, the Association proposes to continue the existing contract language (the first three emergency days are not made up). The Board has proposed changing the language to provide that "all odd numbered days" be made up.

The Association has proposed a \$15,460 base salary for 1985-86 with no structural changes in the schedule. The maximum salary under the Association's proposal would be \$29,570. The Association's offer would result in a 9.48% total package increase.

The Board has proposed a base salary of \$15,100, with no structural change in the existing salary schedule. The maximum salary under the Board's proposal would be \$28,947. The Board's offer would result in a 7.01% total package increase.

The difference in cost between the two final offers is \$63,540.

A copy of the Association's final offer is attached to this decision as Exhibit A and a copy of the Board's final offer is attached as Exhibit B.

III. STATUTORY CRITERIA

In determining which offer to accept, the Arbitrator must give weight to the following statutory (Wis. Stats. sec. 111.70(4)(cm)7) criteria:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and financial ability of the unit of government to meet the costs of any proposed settlement.

- d. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.
- e. The average consumer prices for goods and services commonly known as the cost of living.
- f. The overall compensation presently received by the municipal employees, including direct wages, compensation, vacation, holidays, and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, factfinding, arbitration, or otherwise between the parties in the public service.

IV. POSITIONS OF THE PARTIES

A. THE ASSOCIATION

1. COMPARABLES

The Association contends that the appropriate comparable school districts in this proceeding are the districts of the Rock Valley Athletic Conference and settled districts within a 35-mile radius of the District. According to the Association, the parties historically have viewed the Rock Valley Athletic Conference school districts (excluding Beloit Catholic) to be the most comparable group. At the time of the hearing only Walworth Union High School had settled with its teachers.

Because of the sparse settlement pattern within the primary comparable group, the Association suggests it is appropriate to consider settlements within a 35-mile radius of the District. Within 35 miles of the District, there have been six voluntary settlements (Belleville, Beloit, Madison, McFarland, Middleton-Cross Plains, and Oregon). Acknowledging that there is a great variation in size within this group of districts, the Association contends a logical

comparison is not a direct benchmark comparison, but a comparison by dollar increases on the benchmark salaries.

According to the Association, its comparables are more reasonable, consistent and cogent than the comparables suggested by the Board.

2. LONG TERM DISABILITY

Contending that the Conference schools all provide long term disability insurance, the Association asserts that most of the comparables pay the full premium. The Association states that the cost of its final offer with respect to LTD insurance costs \$10,744 or .381% of the total package.

3. SNOW DAYS

The Association argues that the Board has not provided any compelling reasons for changing the present method of making up snow days. The Association points out that the number of teaching days in the District is in line with the other districts in the Conference and that District teachers have more scheduled inservice days. It is the Association's position that athletic conference language on snow day makeup has insufficient uniformity to substantiate the Board's proposal.

4. SALARY SCHEDULE

According to the Association, objective measures of comparison of the Association's final offer on salary show it to be preferable to the Board's. Examining the compensation paid teachers at selected benchmarks in Walworth, the Association contends that the comparison supports the Association's final offer. The Association states that its final offer is necessary to maintain the District's relative position among the districts in the athletic conference.

The Association argues that the Board has the ability to pay the costs of the Association's offer. The Association points out that the District received an additional \$291,929 in State aid for 1985-86.

The Association asserts that the evidence presented by District relative to the increase in the total compensation packages agreed to by the comparables is not consistent enough to serve as a reliable basis of comparison to the final offers here.

According to the Association, the District's arguments on the poor state of the farm economy, the general condition of the local economy, the rate of inflation as reflected in the Consumer Price Index, and the uncollected taxes in the District are not sufficient to outweigh comparability and

other statutory criteria.

The Association states that none of the evidence distinguishes the District from other Rock Valley Athletic Conference school districts or other districts in Wisconsin. Suggesting that many farmers are going to move to other occupations, the Association argues would be "absolutely counter-productive to respond to a failing farm economy with cutbacks in teacher wages and benefits (or for that matter to respond with any reduction in funding for public education).

The Association says no evidence has been presented that would lead to the conclusion that teacher wages and benefits traditionally rise or fall with the farm economy, trends in tax collection or the rate of inflation.

B. THE BOARD

1. COMPARABLES

The Board argues that the appropriate comparables are the school districts in the Rock Valley Athletic Conference. It points out that other arbitrators have found the Rock Valley schools are similar in size, geographically proximate, and reflect the focus of negotiations. It states that no other set of comparables has ever existed.

According to the Board, the lack of settlements in the conference does not necessitate an expansion of the list of comparable school districts. It says that the lack of settlement data merely alters the analysis of salary data and places a greater emphasis on the other criteria including economic data; to do otherwise would distort the bargaining process in subsequent years.

2. LONG TERM DISABILITY INSURANCE

No arguments were presented on this issue.

3. SNOW DAYS

It is the Board's position that the District calendar is the shortest in terms of teaching days. The Board says there is a substantial movement at the state level to require additional student time with teachers. Because of these demands, the Board argues it is essential that the District's proposal be accepted.

4. SALARY SCHEDULE

The Board believes its offer is justified on the basis of a variety of adverse economic conditions. The Board notes that the unemployment rate in Rock County (seven percent) is unusually high when compared to the 4.8% in

Green County. The Board points out that the District ranks fourth of sixth among comparable school districts in Median Household Income and third highest in percent of families and percentage of persons below the poverty level.

The Board stresses that the evidence relating to the problems in the local economy, including wage reductions imposed by private employers in the area and substantial price decreases in agricultural commodities supports its offer.

With respect to the Consumer Price Index, the Board says that the increase in the CPI does not dictate wage increases greater than seven percent.

It is the Board's position that the District's compensation has been more than adequate over many years. It asserts that in 1984-85 the District had the highest average teaching salaries in the conference.

V. DISCUSSION

A. COMPARABILITY

Both geographic proximity and size should be considered in determining appropriate comparables. *City of Two Rivers*, Dec. No. 25740-B (Haferbecker 1980). Proximity is significant because employers, both public and private, normally compare their wages with other employers and employees in the geographic area. Employment conditions are more likely to be somewhat similar in public employers of relatively similar size.

The five public school districts in the Rock Valley Athletic Conference (Beloit-Turner, Brodhead, Clinton, Edgerton and Parkview) are the most appropriate comparables, being geographically proximate to the District and of relatively similar size. The parties have historically used these districts as comparables. Because Walworth is significantly dissimilar to the District in size and wealth, it should be excluded as a comparable.

While the school districts proposed by the Association are in the approximate geographic area of the District, they are either significantly larger districts or districts that are part of urban metropolitan areas. These districts are not readily comparable with this District, most of whose property valuation lies outside of a municipality. Statewide averages are of little value, since such averages include many districts that are significantly different in than the District.

While the lack of settlements in the Conference school districts creates some difficulties, this does not necessarily justify comparing wages, hours and conditions of

employment of District teachers with those of in other school districts where the other districts are not in the same community or comparable communities.

Accordingly, it is concluded the school districts in the Rock Valley Athletic Conference (excluding Walworth) are the appropriate comparable districts in this proceeding.

B. SALARY SCHEDULE

Because of the lack of settlements in the comparable districts, greater weight must be given to the other statutory factors.

Both offers provide for wage increases substantially in excess of the increase in the cost of living as measured by the Consumer Price Index. The Board's offer is closer to the increase in the CPI than the Association's.

In 1984-85 the District had the highest average teaching salary in the Conference. In 1984-85, District wage increases at BA Base, BA 6th, BA Max, MA Base, MA 9th, MA Max, and Schedule Max exceeded the Conference average at those benchmarks (even though the average District teacher had the next to the lowest number of years of experience). In 1984-85 the District ranked third at BA Base, first at BA Sixth Step, and fourth at BA Max. It ranked fifth at MA Base, second at MA Ninth Step, and first at MA Max.

The evidence shows that the District's tax levy increased by 10.81% from 1984-85 to 1985-86. During this same period the District's equalized valuation declined by .54%. State general aid increased by 1.67% (from \$1,301,300 to \$1,323,033) during the same period. Seventy percent of the equalized valuation in the District is considered to be in rural areas.

The District's 1984-85 cost per member (student) was the highest of the six districts and its State aid per member was second lowest. It had the second highest equalized valuation. At the same time the District's median household income ranked fourth out of six. The District has the third highest percentage of families below the poverty level.

C. SNOW DAYS

The total number of school days (including teaching, parent teacher conference days, inservice, convention days, and paid holidays) range from 187 (Parkview to 193 Beloit-Turner). The average number of days is 189.8 and the median number of days is 190 days. The Association's proposal would result in 190 days and the Board's would result in 191 days.

The number of teaching days ranges from 178 to 180. Evansville is the lowest with 178 and four the districts have 180 days. Evansville has the highest number of inservice days (five compared with two in each of the other districts.

In Beloit-Turner and Edgerton all odd days lost because of snow are made up. In Brodhead the first five days are not made up. In Clinton the first snow day is not made up. The first, second, third and fifth snow days are not made up in Parkview. The present contract language in the District provides that the first three snow days will not be made up.

D. LONG TERM DISABILITY INSURANCE

In Beloit-Turner, Brodhead, Edgerton and Parkview, the districts pay the entire long term disability insurance premiums of their teachers. In Clinton the district pays 95% of the premium. The Board in Evansville has offered to pay 50% of the premium and the Association's offer seeks 100% payment.

VI. CONCLUSION

A. LONG TERM DISABILITY INSURANCE

An examination of the percentage of the long term disability premiums paid by the employers in the comparable districts demonstrates that the Association's long term disability proposal is more reasonable than the Board's. None of the comparables pays less than 95% and only one pays less than 100%.

B. SNOW DAYS

With respect to making up snow days, it is a generally accepted principle that interest arbitration should not be used as a procedure for initiating changes in basic working conditions absent a compelling reason for changing the conditions. See *Village of West Milwaukee*, Dec. No. 12444-B (Krinsky 1974). Lacking both a uniform practice in the comparable districts, or a compelling reason to disturb the status quo, it is concluded that the Association's proposal to continue the existing contract language relating to snow days is more reasonable than the Board's.

C. SALARY SCHEDULE

Based upon the totality of the record, it appears that the Board's salary offer is more in accord with the statutory criteria than the Association's. While the Board may have the ability to pay the Association's offer, the interests and welfare of the public are an important factor here. It is difficult to support a total compensation increase in excess of nine percent in a rural school

district at a time when the equalized valuation in the District has declined and the prices received by farmers who pay a substantial portion of the District taxes have dropped. So long as a large portion of public school funding comes from local tax sources, these local economic conditions must be given considerable weight.

Additionally, the record shows that the District has not shirked its responsibility to fund public education. In 1984-85 the District's cost per member was the highest of the comparables and its State aid per member was the second lowest. In 1984-85 the District's salary schedule compared quite well with the salary schedules of the comparable districts.

The Board's offer does not result in a cutback in teacher wages and benefits. In fact an important new benefit would be added--long term disability insurance. Although the Board's offer would not provide as large an increase in compensation as the Association's, the Board's offer is considerably in excess of the increase in the cost of living and will improve teachers' real income. The Board's offer also provides a percentage increase greater than that received by a substantial number of employees in the private sector.

While not providing as large an increase as many teachers may wish and while costing more than many District taxpayers may like, the Board's offer strikes a reasonable and appropriate balance between the needs of the teachers and the public. Furthermore, the Board's offer meets the public interest in keeping the District in a reasonably competitive position to attract competent teachers, to retain valuable teachers now serving the District, and to give recognition to advanced degrees and training.

For these reasons, the Board's salary offer is determined to be the more reasonable of the two.

D. TOTAL PACKAGE

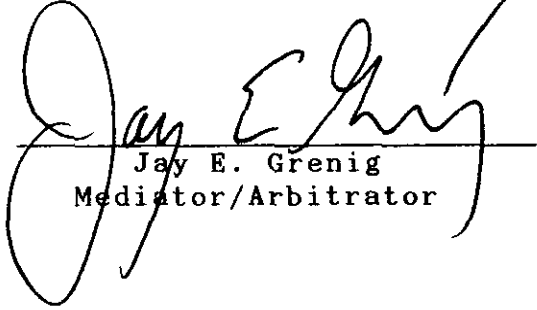
The Arbitrator has no power to pick and choose among the issues, but must select one or the other total offers based on the statutory criteria. Because the Board's salary is more responsive to the current economic situation in the District and the offers with respect to the other issues will have less of an impact on either party than the salary offers, the Board's total final offer is more reasonable than the Association's.

VII. AWARD

Based upon the criteria set forth in the Wisconsin Municipal Employment Relations Act and the arguments and relevant evidence submitted in this matter, it is concluded

that the Board's final offer is more reasonable than the Association's. The parties are directed to include the Board's final offer in their collective bargaining agreement.

Executed at Waukesha, Wisconsin, this 18th day of April 1986.

A handwritten signature in cursive script, appearing to read "Jay E. Grenig". The signature is written over a horizontal line that serves as a separator between the signature and the printed name below it.

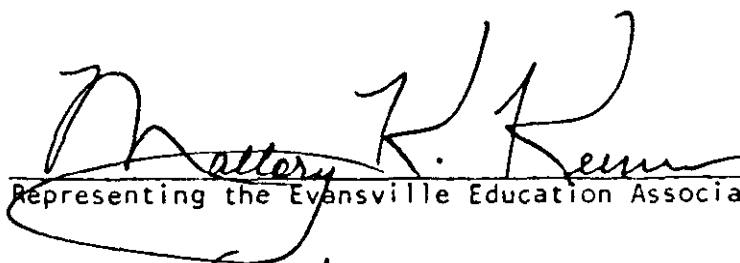
Jay E. Grenig
Mediator/Arbitrator

EVANSVILLE COMMUNITY SCHOOL DISTRICT

CASE 20 No. 35294 MED/ARB-3373

FINAL OFFER OF EVANSVILLE EDUCATION ASSOCIATION

Pursuant to 111.70 (4)(cm), Wis. Stats., the attached represent the proposals for contract language and economic provisions submitted to the Investigating Officer of the Wisconsin Employment Relations Commission as the final offer of the Evansville Education Association. The stipulations of the parties, the proposals of the final offer and the unchanged portion of the 1984-85 Collective Bargaining Agreement will constitute the 1985-86 Collective Bargaining Agreement between the Evansville Education Association and the Board of Education, Evansville Community School District. Dates in the 1984-85 Collective Bargaining Agreement are to be changed wherever appropriate to reflect the new term of agreement. In addition, all terms and conditions covered by the successor Agreement shall be fully retroactive.


Representing the Evansville Education Association
September 19, 1985
Date

EEA FINAL OFFER

DATE: _____

9/19/85

PART II

ARTICLE III: SALARY SCHEDULE PROVISIONS

New Section H. as follows:

- H. The School District shall pay the premium for a group long-term disability insurance plan. The plan shall provide a benefit of 90% of gross income after a waiting period of sixty (60) calendar days.

(Note: Remaining sections of ARTICLE III are relabelled so that old H. becomes I., I. becomes J., etc.)

A handwritten signature in black ink, appearing to be the initials 'MK' followed by a horizontal line.

9/19/85

YEARS EXP.	EEA PROPOSAL					1985-86		9-18-85	
	BA	BA+6	BA+12	BA+18	BA+24	MA+6	MA+12	MA+18	
	4.25	4.25	4.50	4.50	4.50	4.50	4.50	4.50	
0	15460	15700	15940	16180	16420	16685	16950	17215	
1	16117	16367	16657	16908	17159	17436	17713	17990	
2	16774	17034	17374	17636	17898	18187	18476	18765	
3	17431	17701	18091	18364	18637	18938	19239	19540	
4	18088	18368	18808	19092	19376	19689	20002	20315	
	5.00	5.00	5.25	5.25	5.25	5.25	5.25	5.25	
5	18861	19153	19645	19941	20238	20565	20892	21219	
6	19634	19938	20482	20790	21100	21441	21782	22123	
7	20407	20723	21319	21639	21962	22317	22672	23027	
8	21180	21508	22156	22488	22824	23193	23562	23931	
9		22293	22993	23337	23686	24069	24452	24835	
		5.25	5.50	5.50	5.50	5.50	5.50	5.50	
10		23117	23870	24227	24589	24987	25384	25782	
11				25117	25492	25905	26316	26729	
12				26007	26395	26823	27248	27676	
13					27298	27741	28180	28623	
14					28201	28659	29112	29570	

ML

Base of Extra Duties Schedule is \$ 15,460.

Boards. ~~initial~~^{final} offer

15,100 B.A base on present salary schedule
L.D.T. at 50% funded by the district
snow days: make up all odd numbered
days

John Fenwick
9/19/85

EVN BOARD PROPOSAL

1985-86

9-19-85

YEARS EXP.	BA+24							
	BA	BA+6	BA+12	BA+18	MA	MA+6	MA+12	MA+18
	4.25	4.25	4.50	4.50	4.50	4.50	4.50	4.50
0	15100	15340	15580	15820	16060	16325	16590	16855
1	15742	15992	16281	16532	16783	17060	17337	17613
2	16384	16644	16962	17244	17506	17795	18084	18371
3	17026	17296	17683	17956	18229	18530	18831	19129
4	17668	17948	18384	18668	18952	19265	19578	19887
	5.00	5.00	5.25	5.25	5.25	5.25	5.25	5.25
5	18423	18715	19202	19499	19795	20122	20449	20772
6	19178	19482	20020	20330	20638	20979	21320	21657
7	19933	20249	20838	21161	21481	21836	22191	22542
8	20688	21016	21656	21992	22324	22693	23062	23427
9		21783	22474	22823	23167	23550	23933	24312
		5.25	5.50	5.50	5.50	5.50	5.50	5.50
10		22588	23331	23693	24050	24448	24845	25239
11				24563	24933	25346	25757	26166
12				25433	25816	26244	26669	27093
13					26699	27142	27581	28020
14					27582	28040	28493	28947

SCATTERGRAM

YEARS EXP.	BA+24							
	BA	BA+6	BA+12	BA+18	MA	MA+6	MA+12	MA+18
0	0	0	0	0	0	0	0	0
1	5	0	0	0	0	0	0	0
2	1	1	1	0	0	0	0	0
3	1	0	0	0	0	0	0	0
4	2.42857	0	1	0	1	0	0	1
5	1	1	0	0	0	0	0	0
6	1	1	0	0	0	0	0	0
7	1.57142	1	2	0	0	0	0	0
8	8	0	.57142	1	1	0	0	1
9		0	1	0	0	1	0	0
10		1	7.71428	2	1	0	0	0
11				0	0	0	0	0
12				3	0	0	0	2
13					1	0	0	0
14				18.8571	1	4	9.71428	
TOTALS	21.0000	5	13.2857	6	22.8571	2	4	13.7143
					TOTAL STAFF =		87.86	

* YEARS	EXP.	IMPACTION			1985-86						9-19-85		
		BA	BA+6	BA+12	BA+18	MA	MA+6	MA+12	MA+18	MA	MA+6	MA+12	MA+18
0		0	0	0	0	0	0	0	0	0	0	0	0
1		78710	0	0	0	0	0	0	0	0	0	0	0
2		16384	16644	16982	0	0	0	0	0	0	0	0	0
3		17026	0	0	0	0	0	0	0	0	0	0	0
4		42908	0	18384	0	18952	0	0	0	0	0	19887	0
5		18423	18715	0	0	0	0	0	0	0	0	0	0
6		19178	19482	0	0	0	0	0	0	0	0	0	0
7		31323	20249	41676	0	0	0	0	0	0	0	0	0
8		165504	0	12375	21992	22324	0	0	0	0	0	23427	0
9		0	0	22474	0	0	23550	0	0	0	0	0	0
10		0	22588	179982	47386	24050	0	0	0	0	0	0	0
11		0	0	0	0	0	0	0	0	0	0	0	0
12		0	0	0	76299	0	0	0	0	0	0	54186	0
13		0	0	0	0	26699	0	0	0	0	0	0	0
14		0	0	0	0	520117	28040	113972	0	0	0	281199	0
TOTALS		389456	97678	291873	145677	612142	51590	113972	0	0	0	378699	0

GRAND TOTAL 2081086

	84-85 ACTUAL	SCHEDULE	CHANGE		
SALARY	1952323	2081086	128763	6.60	1466
EX. CUR.	58523	63043	4520		
* HEALTH	132574	132574	0		
* DENTAL	34184	34184	0		
LIFE	3298	4288	990		
LTD	0	5253	5253		
RETIRE	231247	260940	29693		
EARLY	15000	15000	0		
SOC. SE	141765	152662	10897		
TOTAL	2568914	2749031	180117	7.01	2050