

MAR 26 1986

WISCONSIN EMPLOYMENT
RELATIONS COMMISSIONSTATE OF WISCONSIN
BEFORE THE MEDIATOR/ARBITRATOR

In the Matter of the Petition of:	Case 11 No. 35224
REEDSVILLE SCHOOL DISTRICT	MED/ARB-3351
	Decision No. 22935-A
To Initiate Mediation/Arbitration	Sherwood Malamud
Between Said Petitioner and	Mediator/Arbitrator
REEDSVILLE EDUCATION ASSOCIATION	

APPEARANCES

Kenneth Cole, Director, Employee Relations, Wisconsin Association of School Boards, Inc., 122 West Washington Avenue, Madison, Wisconsin 53703, appearing on behalf of the Municipal Employer.

Dennis Muehl, Director, Bayland Teachers United, 1540 Capitol Drive, Green Bay, Wisconsin 54303, appearing on behalf of the Association.

JURISDICTION OF MEDIATOR/ARBITRATOR

On October 21, 1985, the Wisconsin Employment Relations Commission appointed Sherwood Malamud to serve as the Mediator/Arbitrator to attempt to mediate issues in dispute between the Reedsville School District, hereinafter the District or the Board, and the Reedsville Education Association, hereinafter the Association. If mediation should prove unsuccessful, said appointment empowers the Mediator/Arbitrator to issue a final and binding award pursuant to Sec. 111.70(4)(cm)6.c of the Municipal Employment Relations Act. A mediation session was conducted on December 9, 1985. The mediation proved unsuccessful. Hearing in the matter was held subsequent to the mediation session on December 9, 1985. At the hearing, the parties presented documentary evidence and testimony. The parties submitted briefs which were exchanged through the Mediator/Arbitrator by January 24, 1986. Based upon a review of the evidence, testimony and arguments submitted, and upon the application of the criteria set forth in Sec. 111.70(4)(cm)7.a-h Wis. Stats., to the issues in dispute herein, the Mediator/Arbitrator renders the following Arbitration Award.

SUMMARY OF THE ISSUES IN DISPUTE

The sole issue to be determined by the Mediator/Arbitrator in this matter is the salary schedule and its structure. The District's salary schedule is built on an increase at the BA base of \$1,065 to \$15,720 in 1985-86. Length of service or experience increments are increased by \$25 to \$580 over the 1984-85 increment. The lane differential for educational achievement is maintained at \$300.

The Association's schedule is built on an increase in the BA base of \$960 to \$15,615. The length of service or experience increment is increased under the Association offer by \$90 over the 1984-85 increment to \$645. The Association also maintains the \$300 lane or educational achievement differential in its salary structure.

STATUTORY CRITERIA

The criteria to be used for resolving this dispute are contained in Sec. 111.70(4)(cm)7, as follows:

Factors considered. In making any decision under the arbitration procedures authorized by this subsection, the mediator/arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the 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 employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.
- 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 employes, including direct wage 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, fact-finding arbitration or otherwise between the parties, in the public service or in private employment.

BACKGROUND

The Reedsville School District is located, in the main, in Manitowoc County. A small segment of the District extends into Brown County. This is the third mediation/arbitration proceeding in which the parties have participated. Arbitrator Richard U. Miller, in (18024-A) 4/81 and Arbitrator Richard Pegnatter (19926-A) 6/83 used the same set of comparables as a basis for determining the issues in dispute between the Association and the District. The parties agree that the comparables identified by Arbitrators Miller and Pegnatter should be used in this case. The School Districts identified as comparables for the Reedsville School District are the following:

Brillion	Gibraltar	Savastopol
Chilton	Hilbert	Valders
Denmark	Kiel	Wrightstown
Freedom	Mishicot	

Nine of these eleven comparable districts have settled for the 1985-86 school year. Only Chilton, Wrightstown and, of course, Reedsville remain unsettled as of the date of the close of the record in this case.

POSITIONS OF THE PARTIES

The District Argument

The District notes that its offer represents a total package increase of 8.5%. On the other hand, the Association's offer represents an increase of 10.49%. The thrust of the District argument is that economic conditions both at the local and national levels are such that a double digit increase for teachers is not justified.

For the year, September, 1984 through September, 1985, inflation ranged from 2.7 to 4% depending on which index is used for this particular period. Settlements in other units of government in Manitowoc County are approximately

4.5%, and in the village of Reedsville, 3.5%. Major employers in the area who employ the residents of this school district will not enjoy any increase in their wages inasmuch as the unemployment rate in the area is 9.1%. This high unemployment rate reflects itself in the increase in the growth in number of delinquencies associated with the payment of real estate taxes in Manitowoc County.

The District notes that the primary purpose of the increase in state aids it received is for property tax relief. The District anticipates the Association argument that the Reedsville School District is a low salary and fringe benefit cost district. The Employer asserts that in the years 1981-82 through 1984-85 such costs increased by 35% in Reedsville, and by only 28% during the same period of time among the identified comparable school districts. In fact, in 1983-84, the Reedsville offer was equal to or greater than many of the comparable school districts. The Association offer, the District argues, enhances the ranking of the School District of Reedsville at the salary schedule maximum over 1984-85. The District emphasizes that there is no compelling reason which would justify such a demonstrable increase in salary for employees who are at the maximum steps of the salary schedule. The District maintains:

In terms of dollar and percentage increases at the various benchmark levels, the Board would suggest that an examination of Board exhibits #33-38 reveals the following:

1. BA BASE-The Board offer is equivalent to all increases in comparable school districts except Valders (Board Exhibit #32).
2. BA 6th STEP-The Board offer is clearly more reasonable than the Union offer with the exception of Valders (Board Exhibit #33).
3. BA-MAX-If Denmark and Valders are excluded, the Board offer is not unreasonable (Board Exhibit #34).
4. MA-BASE-The conclusion is similar to the BA Base (Board Exhibit #35).
5. MA-10th-The Union offer contains the largest increase except for Denmark and Valders (Board Exhibit #36).
6. MA-MAX-Excluding Denmark and Valders, the Board offer is within the realm of reasonableness. (The Board Exhibit #38).
7. SCHEDULE MAX. Again, if the Districts of Valders and Denmark are excluded, the Board offer is more reasonable. (Board Exhibit #38).

The District argues that even when salary settlement costs as listed in Board Exhibit #42 are corrected, the average increase among the settled districts is 8.8%, not 10.5%. The Association may argue that it is entitled to catch up. However, the Employer asserts that the data it has presented demonstrates that there is no need for catch up. But, even if the Arbitrator should find that there is a need for catch up in this case, the District argues that the economic climate is such that it will not sustain or support an award which embraces the 10.5% demand proffered by the Association. The District concludes that with respect to the three criteria argued by the parties: the cost of living, the interest and welfare of the public and comparability, its offer is the more reasonable. Its offer is closer to the size of the wage increases granted in other Districts. The Board concludes that its offer should be selected for inclusion in a successor agreement.

The Association Argument

The Association argues that the benchmark analysis is a useful tool to measure and determine which final offer is to be included in a successor

agreement. The benchmark analysis provides a straight forward method for comparing salary schedules; it also demonstrates the competitive level of salaries being paid to teachers by other school districts. In this regard, the Association cites decisions of Arbitrators Yaffe, Grenig, Gundermann, and Fleischli, in which they describe the usefulness of and the great weight to be accorded to the result of a benchmark analysis.

The Association argues that the ranking of the comparable districts in Reedsville from 1981 through the 1985-86 school year demonstrates that the parties have adjusted the steps at the base end of the salary schedule to attract new teachers. The offers of the Association and the Employer diverge significantly in the manner in which experienced staff are treated. The Association notes that for example, at the BA Lane Maximum (a benchmark used by this Arbitrator) the dollar increase in 1985-86 over 1984-85 would be the third highest among the comparables if the Association's offer would be selected. The dollar increase would be the second lowest among the comparables, if the District's offer were selected. The Association charts its offer and that of the District relative to the median. In 1984-85, the District was 8.95% below the median, the lowest of the 10 settled comparables. In 1985-86, the Association's offer maintains the last place ranking of Reedsville at the BA Lane Maximum, but at 7.93% below the median or midpoint. The District's offer places it 10.72% below the median for 1985-86, at this benchmark. The Association maintains that the District's offer substantially impacts the maximums achievable under the salary schedule generated by the District's offer. The maximum rates are those which determine the amount of retirement a teacher may earn. At those benchmarks, the District offer is low. Its offer only serves to lower the relative position of Reedsville School District as compared to the median among the comparables. The Association offer retains the same position in 1985-86 relevant to the median position established through the settlement of the parties in 1984-85. The Association argues there is no justification in the record to leave the maximums last among the comparables.

The Association then charts its offer and that of the District's relative to the average salary paid by the settled district for 1985-86 in 1984 and 1983 at each of the 8 benchmarks. The change relative to the average from 1984-85 school year to the 1985-86 school year under the District's offer are as follows:

District Offer

At the BA minimum \$9 below the average
At the BA+7th Step \$159 below the average
At the BA Maximum \$292 below the average
At the BA Lane maximum \$464 below the average
At the MA Base \$112 below the average
At the MA+10th Step \$351 below the average
At MA Maximum \$408 below the average
At the Schedule Maximum \$444 below the average

Association Offer

BA Minimum \$114 below the average
BA+7 \$126 above the average
BA Maximum \$318 above the average
BA Lane Maximum \$146 above the average
MA Base \$217 below the average
MA+10 \$129 above the average
MA Maximum \$462 above the average
Schedule Maximum \$426 above the average

The Association cites Arbitrator Yaffe in his decision in Norwalk-Ontario School District, (22354-A) 9/85 for the proposition that teachers in a given labor market are entitled to relatively similar improvements in the same relative benefit areas, all other factors being equal. The Association notes

that Arbitrator Yaffe would allow for higher percentage and dollar increases where the need for catch up can be demonstrated. Here, the Association's offer, it argues, provides for some catch up without causing any undue distortive impact on the relative position of the Reedsville District, relative to the average among the comparables.

The Association argues that its offer with a greater vertical increment does not permit the deterioration at the maximum in the schedule relative to the amount paid by comparable districts at the maximums in their schedules. The Association cites the decisions of Arbitrator Krinsky in Waunakee Community School District, (19698-A) 12/82 and Gundermann in Southern Door County School District, (18106-A) 2/81 in support of this argument. The salaries paid to experienced teachers should not be sacrificed to advance other parts of the schedule. The Association charts the relative position of the increments among the comparables. The increments included in the Association's offer for 1985-86 constitute 4.1% and 3.7% of the BA and MA bases respectively, which is last among the comparables. The District's offer at 3.7 and 3.3% at the BA and MA bases respectively only worsen the last place position of the Reedsville School District among the comparables, with regard to the amount of the vertical increment.

The Association argues that the career earnings and data which it presents in its exhibits supports its offer on the salary schedule. The career earnings data and the analytical framework developed by the Wisconsin Education Association Council demonstrates quite clearly that the Reedsville teacher would fare much better under the Association's offer rather than the District's.

Furthermore, the Association took the Reedsville scattergram and placed the Reedsville teachers on the salary schedules of the settled school districts in order to compare the dollars per returning teacher generated under the comparable schedules as compared to the dollars received by a Reedsville teacher under the Association's and the District's schedules. This analysis demonstrates that the District's offer yields a total package of 8.51%. The Association's offer yields a 10.51% increase. But when the Reedsville staff are placed on the salary schedules of the comparables, the average increase generated is 16.18%.

The Association further argues that its offer yields an average dollar increase of but \$100 above the average increase provided to a returning teacher among the comparables. The District's offer for 1985-86 is \$325 below the average. In 1984-85, the settlement yielded an increase in Reedsville which was \$116 below the average per returning teacher.

The Association maintains that its offer is not unreasonable. Reedsville ranks 369th in its expenditure per pupil or 75% of the state average (\$2,431 for Reedsville vs. \$3,448 at the state average). Furthermore, the Association argues that there is a higher pupil-teacher ratio in Reedsville as compared to the comparable districts. This creates more papers to correct, grades to average, children to discipline and a wider range of needs of students to meet. The Association views the net effect of these Board decisions to impact teachers in the following manner:

The Reedsville Board spends less and pays less, but expects more from its teaching staff than most of the Districts in the comparable group.

The Association argues that Reedsville taxpayers would not be affected by a decision in favor of the Association. The Board, in October, exercised its statutory authority to reduce the levy approved at the July meeting of electors. The Board reduced the levy by a total of \$7,192. The Association quotes from the District's report at its annual meeting as follows:

The biennial budget (85-87) recently passed by the state treats the Reedsville School District very well. During the first year of the

budget we will experience, due to state tax credit, a slight decrease in local property taxes, the second year should provide enough state monies to insure that any increase will be minimal. The bottom line is that property taxpayers will get a break in the amount of taxes they actually have to pay for school purposes. If the state continues applying this concept to the distribution of state aids and the economy provides sufficient funds from income, corporate and sales taxes, the local monies provided for schools will continue to decrease as a percentage and the state will increase to at least 45% to 47% of the total costs. Much credit must be given to local legislators as well as the state legislature for this change in school finance methods. (Association exhibit 14, page 11).

The cash balance of the district will increase from 1984-85 to 1985-86 from \$395,937 to \$398,500. The District budgeted an increase in actual salary costs for teachers of 8.8%. The District's offer will cost 4.18% and the Association's will cost 6.01%.

The Association notes that the amount at issue, in this case, is \$20,938.27. This amount cannot have an adverse effect on the interest and welfare of the public. It quotes extensively from Arbitrator Richard U. Miller who noted in Ashwaubenon School District, (20227-A) 7/83 that in evaluating the criterion, the "interest and welfare of the public" in a Med/Arb proceeding, it must be determined the interest and welfare of which public is involved. Arbitrator Miller described the problem in the following quotation taken from the Association's brief.

Thus, there are many publics and there are many interests. Any one or more, may be worthy of consideration. The Employer appropriately points out the taxpayers of Ashwaubenon School District have an interest in a reasonable tax rate, the students of this District in a quality education, and the teachers in a fair and equitable set of working conditions.

The Association goes on to quote Arbitrator Miller's observation that the party invoking the "interest and welfare of the public" criterion must demonstrate how their offer impacts on these publics. Arbitrator Miller then goes on to say that:

Thus, there is no question whether nationally or locally, the economy has been in the throes of the worst recession since the 1930's. It is also generally understood that the state of Wisconsin manufacturing sector has been particularly hard hit.

To accept this fact, however, does not prove the point of the Employer's contention that given such generalized economic adversity, the Association's final offer is thereby contrary to the welfare and the public interest. The next step which must be taken is to establish a direct and significant connection of such conditions to the school district of Ashwaubenon. It is not sufficient to infer that this connection exists.

The Association notes that similar observations to those of Arbitrator Miller are made by Arbitrators' Yaffe in Norwalk-Ontario, supra and Kerkman in School District of Oakfield (220-98A) 10/85 and Imes in City of Franklin (19569-A) 11/82.

The Association urges the Arbitrator to reject the private sector data proffered by the District, in this case. The Association argues that such data is of little probative value in a Med/Arb dispute.

The Association maintains that it is in a catch up position here. Its offer is justified on that basis. It quotes extensively from the discussion

in the Award of Arbitrator Zeidler in School District of St. Francis (Voluntary Impasse Procedure, 12/85). Arbitrator Zeidler observed that:

A review again of the Board's reply brief with its calculations leads the arbitrator to the conclusion that while the Association's proposal tends to over shoot the mark in coming up to the averages derived from other districts, the Board in its proposal continues to stay far under the averages, and so the Association offer is the more reasonable for reaching a more comparable position for teacher's salaries. This then is the justification for the change in the salary schedule . . .

The argument that the quality of life in the community is enhanced by a good educational system must be accepted in a community which is otherwise not as prosperous as larger communities, and the argument has merit if the tax burden needs to be kept down, it should not be done by reducing teacher's salaries considerably below those in surrounding communities.

As for the actual tax burden facing the St. Francis community under either offer, the budget-to-budget figure is lower than the figure derived for moving a cohort of teachers forward from one year to the next as is the custom used in making comparisons of effort. . . . In sum then, the Arbitrator believes that the conditions now favor the Association's offer in a catch up situation where the interest and welfare of the public are concerned and as to the public's ability to pay. (Emphasis in Association Brief)

The Association concludes its argument by asserting that its offer is the more reasonable of the two offers presented. It should be included in a successor agreement between the District and the Association.

DISCUSSION

In this section, the Mediator/Arbitrator applies the statutory criteria addressed by the parties in their written arguments. First, the Arbitrator analyzes the offers of the parties and the salary schedules produced under their offers in light of the comparability criterion. The total package costs of the offers are then identified and discussed. The cost of living as well as the interests and welfare of the public criteria are then analyzed. The Award concludes with the analysis of the reasons for the selection of the final offer to be included in the successor 1985-86 Agreement between the parties.

Comparability

In comparing the final offers of the Association and the District to the settlements achieved in comparable districts, it is useful to make such comparisons from several perspectives. In Chart 1, the Mediator/Arbitrator compares the Reedsville salary schedule for the 1984-85 school year as compared to the comparable districts for 1984-85. Particular attention is paid to those districts of the comparables which have also settled their agreements for the 1985-86 school year. In addition, Chart 2 contains a comparison of the Reedsville Association salary schedule and the District salary schedules at the benchmarks for 1985-86. The purpose behind the charting of the salary schedules of the comparables and of the Association and the District for 1984-85 and 1985-86 school years is to establish the amount of the change--the increase relative to the average at each of the benchmarks generated by the Association and the District salary schedules at issue herein. Chart 3 reflects the magnitude of the change generated by the

Association and the District at the 8 benchmarks used by the Mediator/Arbitrator.1

Chart 3 demonstrates that at 4 of the benchmarks, the BA base, the BA maximum, the MA base and the MA maximum, the District's offer is closer to the average increase among the comparables at those benchmarks than the offer of the Association. On the other hand, the Association offer is closer to the average increase among the comparables at the BA 7th Step, BA Lane Maximum, MA 10th Step and Schedule Maximum. These charts demonstrate that the offers of both the Association and the District are either significantly below or above the average. It further demonstrates that to the extent that the Association's offer is above the average, so is the District's offer below the average. The offers of both equally miss the mark.

As noted in the Summary of the Issue at the very beginning of this Award, the Mediator/Arbitrator noted that the District proposes to increase the length or experience increment from \$555 to \$580 throughout the schedule. The Association proposes a \$90 increase in the increment. It is this increment increase by the District and the Association which generates increases at the benchmarks which diverge so significantly from the average increases charted above.

The benchmark analysis of the salary schedules fails to identify which offer should be included in a successor Agreement. In this case, the District has provided data which permits a comparison of the total salary and fringe benefits paid to teachers. The District's data provides total payroll costs as computed by the movement of the previous year's staff forward on the salary schedule for 1985-86. In addition, the data contains the dollar increases for such items as extracurricular activities, summer pay where applicable, mileage where applicable, as well as the costs of fringe benefits such as health, life and disability insurances. Roll up costs such as social security and pension are listed, as well. These total costs, salary and fringe benefits are totaled and divided by the full time equivalencies to yield a cost per teacher for salary and fringe benefits. This cost per teacher for total salary and fringe benefits provides a useful tool for comparison.

The Mediator/Arbitrator has not used the cost per returning teacher suggested by the Association. That figure is based on salary only. It contains no roll up costs, no fringe benefits, in certain circumstances extracurricular activities and add ons to salary negotiated in one district are not included in the total compensation figures used by the Association.

1. This Arbitrator employs an eighth benchmark at the BA Lane Maximum in his benchmark analysis. This Arbitrator finds that an analysis of a matrix salary schedule limited to the BA Lane at its base, at the seventh step and at the Maximum provides little insight into the kinds of increases received by teachers moving through the schedule. Accordingly, the Mediator/Arbitrator insisted that the parties provide sufficient data and argument relative to the lane immediately preceding the MA Lane in which a teacher with a BA+ whatever number of credits are identified (but without a Master's Degree) may achieve at the maximum step of that lane. For example, under the Reedsville schedule, that is the BA+30 credits lane. In this manner, it is possible to obtain some picture as to the progress of a teacher through the BA+6 credit, +12 credit, +18 credit, +24 credit and +30 credit lane of the salary schedule. Often, the parties either increase the experience increment or educational increment at the master's lanes. The BA lane maximum benchmark provides, at least, some picture of what has occurred in the various BA lanes of the schedule. Furthermore, the BA lane maximum benchmark provides balance to the analysis. For in the MA portion of the analysis is the benchmark schedule maximum. The BA lane maximum is the counterpart to that benchmark in the BA portion of the salary schedule.

As a result, this cost per returning teacher used by the Association may indicate what a teacher receives. But it certainly fails to indicate what the District pays. In fact, the cost per returning teacher proposed by the Association is devoid of so many costs and focuses solely on what a teacher may receive, that it is only slightly more useful than using a payroll figure per teacher which is netted after taxes and payroll deductions.

The total compensation, salary schedule and fringe benefits paid by the nine settled districts for 1985-86 averaged in salary and fringe benefits per teacher, to \$2,522. If that data is adjusted by the figures provided by the Association for Valders and Hilbert (which data the Mediator/Arbitrator had to further refine in order to add on the roll up costs of social security and pension and long term disability which the Mediator/Arbitrator estimated would roll up by at least 20%) the average salary and fringe benefits paid per teacher by the nine settled comparables for 1985-86 is \$2,642. Using the same method described above, the District calculates the cost per teacher for total salary and fringe benefits under the Association's Final Offer to be \$2,666. The cost per teacher provided under the District's offer is \$2,160. Using the District's data, the Association's offer is \$144 above the average; the District's is \$362 below the average. Clearly, the increase provided under the Association offer in total salary and fringe benefits more closely approximates the total salary and fringe benefits paid by the comparable school districts for the 1985-86 school year. Accordingly, the Mediator/Arbitrator finds that on the comparability factor, the Association offer is to be preferred.

Cost of Living

The cost of living increase in the index for non metro urban areas for the north central states for all urban consumers from October, 1984 through October, 1985 (the month published), is 2.4%. The national cost of living during that period increased 3.2%. The District total package offer of 8.5% is a multiple of approximately 2 1/2 times the cost of living. The Association's offer of 10.49% is a multiple in excess 3 times the cost of living. Certainly, the District's offer is generous under this cost of living data.

On the basis of this criterion, the District's offer is to be preferred.

Interest and Welfare of the Public

The District submitted newspaper articles that indicated that employers in the Reedsville area are suffering in this economy. In addition, articles were introduced with regard to the severe economic hardship suffered by the farmers whose land is taxed by the school district. Further, the District introduced evidence demonstrating the increase in tax delinquencies experienced by Manitowoc County, the county in which this school district is located.

For its part, the Association produced newspaper articles demonstrating that certain companies and certain segments of the economic base of Manitowoc County and the Reedsville area are prospering. The Association also provided data with regard to the school aids provided to the District under the revised formulas passed by the legislature.

In fact, the increase demanded by the Association approximates the increase in state credits allocated to taxpayers of the Reedsville School District. Both the offer of the District and the Association are premised on these increases in state aids. It is the increase in state aids which will pay for the increase in salaries generated under the District's or the Association's offers. Clearly, the District has the financial ability to meet either final offer.

Since the District has reduced the levy initially imposed in July, it is apparent that this Award will have little impact on the public for the 1985-86

school year. The Mediator/Arbitrator concludes that this criterion does not provide a basis for distinguishing between or selecting the final offer of either party.

SELECTION OF THE FINAL OFFER

From the discussion above, it is apparent that the Association offer enjoys some preference over that of the District on the comparability factor. The final offer of the District is preferred under the cost of living criterion. The criterion, "the interest and welfare of the public" provides no basis for distinguishing between the offers of the parties. There is no data in the record which permits the use of any other factors not argued by the parties to distinguish between the offers of the Association and the District. The factors not argued are: the lawful authority of the Employer; the stipulations of the parties; overall compensation; such other factors normally and traditionally considered in the determination of wages, hours and conditions of employment; and changes during the pendency of the arbitration proceeding.

The Association argues that its higher than average offer is supported by the need for catch up in this district.

Furthermore, the Mediator/Arbitrator sees no basis for catch up here. The salary schedule, under the District's offer places Reedsville at the BA Base and MA Base at or above the average. The increase in the base reflects itself throughout the schedule. Furthermore, at the BA Maximum, the District's offer does not generate the lowest salary at that benchmark.

The Mediator/Arbitrator finds catch up inappropriate here because at three of the eight benchmarks, the District's final offer on the salary schedule falls within the range of settlements. The range of settlements is the range which is produced by charting all the settlements at a particular benchmark from high to low. Once the median or midpoint is established, the range from the midpoint to the highest settlement and the range from the midpoint to the low settlement thereby establishes the range of settlement. If the offer of the District, consistently fell outside this range, then a catch up argument would be sustained.

The Association prepared charts for the 1984-85 schedule relative to the median. In Association Exhibit #21, the Reedsville salary schedule for 1984-85 appears to rank 9th among 10 comparables at the BA Maximum, but it is only 6.22% below the median at that benchmark where the third highest district is 7.21% above the median. Similarly, at the schedule maximum, Reedsville ranks 10th at this benchmark, but it is only 2.05% below the median. The second highest district is 4.70 above the median. It can be seen from this data that in 1984-85, even at the schedule maximum, although Reedsville was the lowest at that benchmark, it was not below the median by a factor which exceeded the range of offers above the median. Accordingly, catch up would not be appropriate at this benchmark if one were to look solely at the schedule maximum in the 1984-85 schedule.

Similarly, the Association in its Exhibit #25 charted the District's offer for 1985-86 to demonstrate to what extent that offer was at, above or below the median among the nine settled comparable districts. Again, the Association exhibit demonstrates that at the BA Maximum, the Reedsville offer at this Benchmark places it 8.33% below the average. However, the second highest salary is 10.35% above the average. Here, the Reedsville offer falls in the range of settlement. At the MA 10th Step, the District offer is 1.96% below the median. The fifth highest offer, the one just above the median, is 3.6% above the median. Here again, the Reedsville offer would fall within the range of settlement. At the MA Maximum, the District's offer would place Reedsville in 10th place out of a total of 10 districts. But, its offer would be 1.38% below the median. At this benchmark, the fourth highest offer is 5.16% above the median and the fifth highest offer is .68% above the median.

The same holds true at the schedule maximum benchmark. Again, the District's offer places it in last place. But, in that ranking, it is 3.67% below the median. The third highest offer is 3.96% above the median. The fourth highest offer is 3.07% above the median. At this benchmark, the District's offer falls within the range of settlement. Accordingly, if one looks to either 1984-85 salary schedule or the one generated by the District's offer for 1985-86, it is clear that catch up is not appropriate, in this case.

Since catch up is not justified in this case, the Association offer can only be viewed as one which is quite high. Yet, the District's offer falls substantially short of the total compensation generated by the comparable school districts for 1985-86 and paid by those districts to their teachers. The nine settled school districts of the eleven comparable districts have agreed to provide in salary and fringe benefits to their teachers (using the District's data) \$2,522 per teacher. The District's offer generates only \$2,160 per teacher.

There is no evidence in this record to indicate any difference in the economic base, the troubled economy, the farm problem or increased tax delinquency in the Reedsville district as compared to any of the comparable settled school districts. Using the District's data, the average salary and fringe benefit increase per teacher in each of the settled comparable districts is as follows:

Brillion	\$2,335	Kiel	\$2,283
Denmark	\$2,770	Mishicot	\$2,710
Freedom	\$2,692	Savastopol	\$2,695
Gibraltar	\$2,753	Valders	\$2,431 (District's data)
Hilbert	\$2,029 (District's data)	Association data	\$2,897
Association data	\$2,641		

The average total compensation provided by the nine settled school districts in this area is substantially greater than the total compensation generated by the District's offer. The Association's offer more closely approximates the total compensation paid by the comparables. The Mediator/Arbitrator gives substantially greater weight to this comparability data, because it is based on the decisions of nine other comparable employers and their bargaining representatives. The District's offer in this regard is out of line with this pattern of settlement. On the basis of the above analysis, the Mediator/Arbitrator finds that the Association's offer should be included in the successor agreement.

On the basis of the above discussion, the Mediator/Arbitrator issues the following:

AWARD

Based on statutory criteria found in Sec. 111.70(4)(cm)7a-h of the Municipal Employment Relations Act, the evidence and arguments of the parties and for the reasons discussed above, the Mediator/Arbitrator selects the final offer of the Reedsville Education Association, its salary schedule which is attached hereto, together with the stipulations of the parties, shall be included in a successor agreement for the 1985-86 school year between the Reedsville School District and the Reedsville Education Association.

Dated, at Madison, Wisconsin this 25th day of March, 1986.

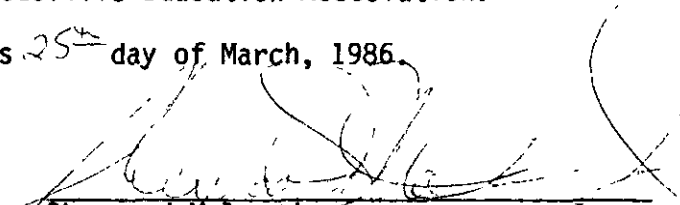

 Sherwood Malamud
 Mediator/Arbitrator

CHART 1

1984-85

Name	BA	BA+7	BA Max	BA Lane Max	MA	MA+10	MA Max	MA School Max
Gibraltar	14,800	19,471	24,920	26,143	15,910	22,916	26,365	26,809
Sevastopol	14,650	19,045	24,905	25,985	16,000	22,593	26,255	26,525
Freedom	14,550	19,206	23,717	27,645	17,169	23,571	28,664	30,846
Kiel	14,375	18,256	22,138	23,288	15,813	21,634	25,516	25,803
Valders	14,275	17,845	22,010	23,210	16,075	21,430	24,405	25,605
Denmark	14,250	18,525	23,735	25,648	15,450	22,403	26,142	26,638
Brillion	14,175	17,577	22,113	23,771	15,451	21,013	24,721	25,401
Mishicot	14,100	17,907	22,349	24,252	15,792	21,503	24,675	25,521
Hilbert	14,050	17,230	18,820	24,400	15,400	20,935	24,625	25,300
Reedsville	14,655	17,985	20,760	22,260	16,455	21,450	24,780	25,080
Average	14.358	18.340	22.745	24.927	15.896	22.000	25.718	26.494

CHART 2

1985-86

Name	BA	BA+7	BA Max	BA Lane Max	MA	MA+10	MA Max	MA School Max
Gibraltar	15,800	20,786	26,604	27,909	16,985	24,465	28,146	28,620
Sevastopol	15,675	20,378	26,648	27,800	17,115	24,169	28,088	28,376
Freedom	15,475	20,427	25,224	29,403	18,260	25,070	30,486	32,807
Kiel	15,150	19,241	23,331	24,543	16,665	22,801	26,891	27,194
Valders	16,200	20,220	24,240	25,440	18,000	24,030	26,710	27,910
Denmark	15,200	19,760	25,354	27,790	16,700	24,215	28,285	28,780
Brillion	15,150	18,786	23,634	25,400	16,514	22,463	26,429	27,153
Mishicot	15,210	19,317	24,108	26,161	17,035	23,195	26,618	27,530
Hilbert	15,030	18,510	20,250	26,130	16,380	22,365	26,355	27,030
Reedsville								
Board	15,720	19,200	22,100	23,600	17,520	22,740	26,220	26,520
Reedsville								
Assn.	15,615	19,485	22,710	24,210	17,415	23,220	27,090	27,390
Average	15,432	19,714	24,377	26,731	17,073	23,641	27,556	28,378

CHART 3

Change Relative to Average
1984-'85 to 1985-'86

	BA	BA +7	BA Max	BA Lane Max	MA	MA +10	MA Max	MA Schedule Max
Average	1,076	1,374	1,632	1,804	1,177	1,641	1,838	1,884

Increase among nine
settled comparable districts

Increase at
the Benchmark 1,065 1,215 1,340 1,340 1,065 1,290 1,440 1,440
District Offer

Difference from Average
based on District offer -11 -159 -292 -464 -112 -351 -398 -444

Increase at the Benchmark
Association offer 960 1,860 1,950 1,950 960 1,770 2,310 2,310

CHART 3
(Another View)

	<u>District Offer</u>		<u>Association Offer</u>
BA Minimum	-11	District closer	-115
BA 7th Step	-159	Association closer	+126
BA Maximum	-292	District closer	+318
BA Lane Maximum	-464	Association closer	+146
MA Base	-112	District closer	-217
MA 10th Step	-351	Association closer	+129
MA Maximum	-398	District closer	+472
Schedule Maximum	-444	Association closer	+426

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SALARY SCHEDULE 1985-86

STEP	BA	BA06	BA12	BA18	BA24	BA30	MA	MA07
1	15615	15915	16215	16515	16815	17115	17415	17715
2	16260	16560	16860	17160	17460	17760	18060	18360
3	16905	17205	17505	17805	18105	18405	18705	19005
4	17550	17850	18150	18450	18750	19050	19350	19650
5	18195	18495	18795	19095	19395	19695	19995	20295
6	18840	19140	19440	19740	20040	20340	20640	20940
7	19485	19785	20085	20385	20685	20985	21285	21585
8	20130	20430	20730	21030	21330	21630	21930	22230
9	20775	21075	21375	21675	21975	22275	22575	22875
10	21420	21720	22020	22320	22620	22920	23220	23520
11	22065	22365	22665	22965	23265	23565	23865	24165
12	22710	23010	23310	23610	23910	24210	24510	24810
13							25155	25455
14							25800	26100
15							26445	26745
16							27090	27390