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In the Matter of Mediation/Arbitration between

TIGERTON SCHOOL DISTRICT

and

TIGERTON EDUCATION ASSOCIATION

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Case 10 No. 35387
MED/ARB-3404
Decision No. 23001-A

Appearances:

Mr. William G. Bracken, Director of Employee Relations, Wisconsin Association of School Boards; Representing the District.

Mr. Thomas J. Coffey, Executive Director, Central Wisconsin UniServ Council-North; Representing the Association.

Before:

Mr. Neil M. Gundermann, Mediator/Arbitrator.

ARBITRATION AWARD

The Tigerton School District, hereinafter referred to as the District or Board, and the Tigerton Education Association, hereinafter referred to as the Association, were unable to agree on the terms to be incorporated in their 1985-86 collective bargaining agreement. The Association petitioned the Wisconsin Employment Relations Commission to initiate mediation/arbitration. The undersigned was selected by the parties as the mediator/arbitrator. A public hearing was held on February 25, 1986, followed by mediation. When the parties were unable to reach an agreement in mediation, an arbitration hearing was held on March 5, 1986, at which time the parties were afforded full opportunity to present such evidence as was pertinent to the dispute. The parties filed post-hearing briefs.

ISSUES:

Salary Schedule

Association's Position: BA Base Salary $16,000

Board's Position: BA Base Salary $15,700

Travel

Association's Position: Mileage payment will be paid for use of personal vehicle during teaching assignment at IRS approved rate.

Board's Position: No change.

ASSOCIATION'S POSITION:

The Association argues that the relevant comparability groupings include: (1) athletic conference schools that have settled for 1985-86, for schools having the traditional teacher salary structure; (2) similar size schools in the State that have settled for 1985-86, for schools having the traditional teacher salary structure; and (3) State-wide schools in all categories that have settled for 1985-86.

In the instant case, only seven of the seventeen schools in the athletic conference with traditional salary schedules are settled; therefore, the Association believes sufficient justification exists for the arbitrator to seek further guidance by expanding beyond the "traditional comparables." In support of its position that mediators/arbitrators expand beyond conference comparables, the Association quotes numerous arbitrators who have arrived at such decisions.

The Association argues that a broader sample of comparables for professionals doing similar work throughout the State builds more reliability into the statistical analysis. Additionally, the fact that the same formula is used for State funding of education throughout the State, and the same standards for teacher certification are used throughout the State, lends more credence to the relevance of State-wide comparable data.

The Association's State-wide comparables for similar size schools is consistent with the well accepted practice that size has traditionally been a key factor in determining the wage rates for teachers. The Association emphasizes that State-wide data show the rate of increases for the standard benchmark wage rates in the Association's final offer is consistent with all the State-wide data. The Association is not arguing catch-up or wage inequity when analyzing its State-wide data, but rather will be showing maintenance of position or less deterioration than found in the District's final offer.

The Association argues that arbitral practice supports the exclusion of Almond and Iola-Scandinavia for benchmark comparisons. The evidence establishes that neither Iola-Scandinavia or Almond have traditional salary schedules, as the other athletic conference schools do. A number of arbitrators have spoken to the issue of comparisons with the few schools without salary schedules. In Manitowoc School District (Voluntary Impasse Procedure - 6/24/84), Port Edwards School District Dec. No. 20915-A (2/29/84), and Two Rivers School District Dec. No. 18610-A (7/10/81), the mediator/arbitrators concluded that districts without a standard salary schedule cannot be compared with those districts which have the standard salary schedule.

The District did not provide historical background that establishes any systematic approach on how experience and training was treated by the Iola-Scandinavia and Almond districts. Without the historical explanation, the District seems to concede the Association's position that these districts' non-traditional pay systems cannot be compared meaningfully to the traditional salary grid.

The Association also argues that the traditional benchmark wage rate comparisons show the Association's offer to be the more reasonable of the final offers. The Association argues its objective evidence on benchmark analysis should carry primary weight in this case. This data is more reliable than the unverified total package and/or dollar increases that the District no doubt will be using as its principal argument. The validity of the benchmarks has been discussed by numerous arbitrators, including Arbitrator Flager in Prairie Farm School District Dec. No. 30297 (5/19/83). In that case Arbitrator Flager stated:

> "The benchmark comparisons are valid to the extent that they portray the differentials among salary schedules within any comparison sample. While this expression of salary structure does not state the actual wage bill of any given district, absent a companion position grid, the benchmark does show what the various districts are paying at fixed levels of training and experience.

> "Compensation specialists in the field of industrial relations customarily conduct wage and salary surveys in terms of benchmark jobs. These provide the most constant measure of wage relationships available. No compensation policy can be based solely on standardizing the average total salary among districts."
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> In Pepin School, Dec. No. 22119 (4/10/86) Arbitrator Yaffe stated:
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> "The undersigned has indicated above that in his opinion the salaries of teachers in comparable school districts will provide, in this instance, the fairest and most objective criterion to utilize in determining the relative reasonableness of the parties' final offers. In order to facilitate an analysis of comparable salary schedule settlements, the undersigned has constructed the following charts: . . ."

A review of arbitral authority clearly establishes that many mediator/arbitrators utilize benchmarks for purposes of drawing comparisons in determining the appropriate final offer.

The following four charts establish the reasonableness of the Association's final offer.

CHART I (Association Exhibits 29 - 31)
Dollar Increase to Average Increase on 7 Benchmarks of the Association's and the Board's Offers - Settled Schools in Athletic Conference.

	ASSOCIATION + / - Average	BOARD + / - Average
BA Minimum	+171	-129
BA 7	+193	-177
BA Maximum	+192	-248
MA Minimum	+ 89	-232
MA 10	+160	-273
MA Maximum	+112	-358
Scheduled Maximum	+ 79	-391

CHART II (Association Exhibits 32 - 34)
Percentage Increase to Average Increase on 7 Benchmarks of the Association's and Board's Offers - Settled Schools In Athletic Conference.

	ASSOCIATION + / - Average	BOARD + / - Average
BA Minimum	+ .9%	-1.2%
BA 7	+ .8%	-1.2%
BA Maximum	+ .7%	-1.3%
MA Minimum	+ .4%	-1.7%
MA 10	+ .4%	-1.6%
MA Maximum	+ .5%	-1.5%
Scheduled Maximum	+ .5%	-1.5%

CHART III (Association Exhibits 58-64)
Dollar Increase to Average Increase on 7 Benchmarks of the Association's and Board's Offers - Settled Schools (FTE 20-50)

	ASSOCIATION + / - Average	BOARD + / - Average
BA Minimum	+ 60	-240
BA 7	+100	-270
BA Maximum	+140	-300
MA Minimum	- 39	-360
MA 10	+ 18	-415
MA Maximum	- 43	-513
Scheduled Maximum	-147	-617

CHART IV (Association Exhibits 65-71)
Percentage Increase to Average Increase on 7 Benchmarks of the Association's and Board's Offers - Settled Schools (FTE 20-50)

	ASSOCIATION + / - Average	BOARD + / - Average
BA Minimum	+ .2%	-1.9%
BA 7	+ .3%	-1.7%
BA Maximum	+ .2%	-1.8%
MA Minimum	- .2%	-2.3%
MA 10	0	-2.0%
MA Maximum	- .1%	-2.1%
Scheduled Maximum	- .2%	-2.2%

According to the Association, 26 of the 28 measurements of either dollars or percentage increases support the Association's position.

The Association argues that evidence submitted by the District on unsettled locals in the athletic conference should not be given any weight by the arbitrator. In Wisconsin, mediator/arbitrators have consistently relied on data from settled schools from what the arbitrator felt were appropriate comparables. The Association can see no reason to change that standard in this case.

The Association also argues that its offer is consistent with the interest and welfare of the public as stated in Criteria C. The District submitted no evidence that it does not have the ability to pay the amount required by the Association's final offer. While the District has sought with many of its exhibits to raise the specter of "economic conditions" as justifying its offer, the Association argues that the best gauge regarding economic conditions is the level of wage rate increase in comparable districts. In Ladysmith, Dec. No. 19803-A (4/15/83), Arbitrator Krinsky dealt with similar exhibits and concluded:

> The record does not establish that the District is less able to pay than comparable districts or that the interests and welfare of the District's taxpayers require that a lower settlement be awarded to the District than elsewhere."

Other arbitrators have reached similar conclusions.

Relative to the "farm" argument, the District has provided no evidence that farmers in the Tigerton District have any more difficulties than farmers in comparable districts. The Association also notes that 76.4 percent of employment in the District is not in agriculture. The Association contends that if the District is going to argue localized economic conditions, the burden is upon the District to establish that such economic conditions are worse in the District than in other districts. In this regard the Association argues the District has failed to meet its burden of proof.

Support for the Association's position is found under the public interest criteria. This District far surpasses other area schools in its commitment to innovation and education. The Association should not be expected to lose its salary benchmark position and subsidize the District because the District has chosen to have broader-based programs than other small schools in the area. This is particularly true when one considers the high amount of State aid received by the District.

The Association also argues that the cost-of-living criteria should not be determinative in this case. Arbitrators have had mixed opinions in accepting or rejecting the standard arguments of unions or management. One comment stated by arbitrators on the cost-of-living criteria asserts that the voluntary settlement pattern is the best indicator of the proper cost of living. Arbitrator Kerkman stated in Merrill Area Education Association, Dec. No. 17955 (1/30/81):

> "Consequently, the undersigned concludes that the proper measure of the amount of protection against inflation to be afforded the employees should be determined by what other comparable employers and associations have settled for who experienced the same inflationary ravages as those experienced by the employees

> of the instant Employer. The voluntary settlements entered into in the opinion of the undersigned create a reasonable barometer as to the weight that cost of living increases should be given in determining the outcome of an interest arbitration. The employees as a party to interest arbitration are entitled to no greater or less protection against cost of living increases than are the employees who entered into voluntary settlements."

This standard surely should apply in periods of lower inflation as well as in periods of high inflation.

The Association argues that private sector wage increases are not relevant to the instant dispute. Arbitrator Haferbecker, in Crandon School District, Dec. No. 30742 (6/2/83) noted:

> "While I find the Employer offer more reasonable on its criterion, I also note that historically, private sector wage increases have not been given great weight in comparison to teacher wage increases. In the past, teacher wage increases often lagged behind private sector wages, but arbitrators and negotiators did not give this as much weight as they did comparisons with other teacher settlements."

While the Association recognizes that travel pay for travel during the workday is another issue in the instant dispute, the Association argues that this issue is really de minimis.

For all the above reasons the Association respectfully requests that the arbitrator award its final offer.

DISTRICT'S POSITION:

The District is proposing a BA Base of $15,700 on the existing salary structure, while the Association is proposing a BA Base of $16,000 on the existing salary structure. There is no fundamental difference between the two offers as to the structure of the salary schedule as it pertains to experience increments or educational lane increments. The Union also adds a mileage reimbursement provision in its final offer which the District does not believe to be significant to the outcome of this case.

The Association's final offer amounts to $1,951 increase on salary only for returning teachers. The District has proposed a realistic increase of $1,515 for returning teachers on salary only. The District's offer on salary only is 7.6 percent and on total package 7.8 percent. This is in contrast to a 9.7 percent total package increase sought by the Association.

The District argues that the comparables to be considered are the school districts in the Central Wisconsin Athletic Conference. While accepting the athletic conference as comparable, the Association seeks to include two other sets of comparables: settled school districts State-wide with 20 to 50 teachers, and State-wide average. The District submits that the athletic conference schools are far superior to other comparable groupings. In this regard the District notes that both parties have submitted evidence on athletic conference schools. Additionally, arbitral authority supports the District's position that the athletic conference comparables are the preferred comparables. In this regard, Arbitrator Kerkman stated:

> "The Arbitrator is of the opinion that where parties agree that there are other school districts which constitute comparables for the purposes of comparisons of wages and total compensation in these proceedings, those districts which the parties agree are comparables should be accorded great weight." Port Washington School District, Dec. No. 18726-A (2/82).

The Association has failed to produce any objective evidence as to why Tigerton is properly compared to the other groups. Arbitrator Imes, in Lac Du Flambeau School District, Dec. No. 20102-A (6/83) outlined the general factors that comprise the "most appropriate comparables":

> "The most appropriate comparables should encompass school districts which are in the same geographic area, districts of similar size and staff, districts of similar equalized values and similar in other matters which affect the social, economic and political decisions which are made."

The District asserts that the criteria established by Arbitrator Imes are best met when a comparison is made with other schools in the same athletic conference.

The Union has the burden of proof by proposing to expand the scope of comparables beyond the norm, and in the instant case the Association has failed to meet its burden of proof. The District argues that it is only under unusual circumstances that arbitrators have looked to comparables outside of the athletic conference. Most recently, Arbitrator Stern, in Bowler School District, Dec. No. 23023-A (3/86), rejected the union's attempt to compare Bowler to settled schools of similar size throughout the State.

The District also argues that many of the districts contained in the Union's list of comparables have non-traditional salary schedules which makes salary comparisons to Tigerton impossible. Many non-traditional salary schedules that have been bargained in recent years have deleted steps, frozen staff placement, rolled staff backward on the salary schedule, added half steps, etc. It is difficult to ensure an "apples to apples" comparison with salary schedules that do not work the same way as traditional schedules work.

The District submits that a "benchmark approach" to analyzing final offers is no longer dependable. The District suggests the best measure of settlements today is the total package dollar and percent increase. Arbitrator Yaffe, a noted proponent of the benchmark analysis approach to resolving disputes, recently changed his mind because of the drawbacks associated with "apples to oranges" comparisons that occur when benchmark salary data compare teachers with different years of experience:

> ". . . in a case such as this, where available comparability data involves a large number of districts, often geographically dispersed, and where the parties have limited information about the settlements upon which they are relying, a traditional benchmark analysis is of increasing limited utility in view of the significant number of instances in which such benchmarks do not correlate with the experience levels of many of the teachers in such districts." New Holstein School District, Dec. No. 22898 (3/86).

According to the District, there are sufficient settlements in the athletic conference to make an informed decision, and therefore the arbitrator should not expand the comparables to include other districts as advocated by the Association. Of the sixteen schools in the athletic conference, eight have settled for 1985-86. Since the arbitration hearing, Bowler was added to the list with a selection of the board's final offer by Arbitrator Stern.

The District excludes from the comparables Shawano-Gresham, while including Almond-Bancroft, Iola-Scandinavia and Port Edwards. The District argues that Shawano has over 2,300 students and over 136 teachers, which is four times the number of teachers in the District. Size alone renders Tigerton incomparable to Shawano. Shawano-Gresham is really a Class A school and competes with other larger urban school districts in athletics. The District emphasized that Arbitrator Stern accepted the board's arguments and excluded Shawano-Gresham from the comparison in Bowler School District.

The Association's exhibits exclude three school districts: Almond-Bancroft, Iola-Scandinavia and Port Edwards; the District believes this is a mistake. While the District concedes that these three districts do not have traditional salary schedules, the District has submitted extensive documentation with exactly what salaries are being paid to each teacher in these three school districts. Two of the three schools have settled for 1985-86, and it is imperative that the arbitrator take into account the level of settlements that was achieved in these districts.

The District notes that there is an absence of any cost-out information being supplied by the Union. The District has submitted documents on every district's cost-out of their salary as well as their total package. The District argues this gives the arbitrator the best view of what the settlement rate is among comparable school districts.

The total package proposed by the District's final offer would amount to a 7.8 percent increase or $2,036 per teacher. Under the Union's final offer, the total package increase amounts to 9.7 percent or $2,546 per teacher. On the salary only increase, the District's final offer amounts to 7.6 percent increase or $1,515 per teacher, whereas the Association's offer of salary only amounts to 9.7 percent increase or $1,922 for a returning teacher. The parties are $16,320 apart, or $510 per teacher.

According to the District, the only appropriate way to cost the respective packages is to move all teachers forward one year. The District argues that any savings which may occur as a result of a reduction in staff should not result in increased salaries to the current staff.

The District notes that one statutory criterion is the interest and welfare of the public which are best reflected in the Board's final offer. The facts establish that the District's cost and taxes rank near the top of the sixteen conference schools and it is the smallest school district. Since the District is a rural school district, it is dependent upon farmers to support its operating budget. After analyzing all of the evidence the Board believes that only one conclusion may be drawn: Given the current disinflationary environment and the current economic turmoil faced by farmers, an arbitrator should not award a 9.7 percent total package increase as the Union has proposed.

Arbitrator Yaffe concluded that the dismal farm economy and the district's goal to restrain taxes are worthy factors in the interest and welfare of the public in New Holstein School District, Dec. No. 22898 (3/86), in which he stated:

> "The welfare and interest of the public is also a factor which the Statute indicates should be considered in proceedings such as this. . . . In this regard the undersigned believes that the District's position, which is not demonstrably unfair or unreasonable when cost of living and comparability factors are taken into consideration, will also contribute to the District's ability to control costs, thereby allowing it to attempt to restrain local tax levies, which are relatively high among the District's comparables. This objective cannot realistically be ignored in a predominantly rural district at a time when the citizens in the District who are dependent upon the farm economy are experiencing such difficult economic times."

According to the District, the arbitrator will find that the District's salaries compare quite favorably to other schools in the conference. Arbitrator Petrie in School District of Valders, MED/ARB-1724 (3/83) stated a sacred principle in labor relations when he stated that a voluntary negotiated settlement "carries with it the implication that parties have fully disposed of all wage determination considerations at that time." The question then becomes: What is a reasonable increase from the point where both parties voluntarily agreed to be last year?

The following table summarizes the District's ranking among the same eight settled schools for both 1984-85 and 1985-86.

	BA	BA-6	BA Max	MA	MA-9	MA Max
1984-85	1	1	3	2	2	4
1985-86 Board	1	1	3	2	2	4
Union	1	1	3	1	2	4

It can be seen that the District's offer preserves its envious rank at the benchmark at every point. The Union's offer does not change the historical ranking that the District has enjoyed in the past except at the MA Base. Even the Union's own evidence that includes Shawano-Gresham but excludes Almond-Bancroft and Iola-Scandinavia shows a similar pattern. The major conclusion that can be drawn from utilizing either party's evidence is that the District ranks very competitively at the benchmarks.

The District asserts that it compares favorably in absolute salary terms compared to the eight settled districts' average and median salary benchmarks. In fact, the District exceeds the average at every salary schedule benchmark. The District's final offer provides for salaries that are 3.2 to 5.3 percent higher than the average. The District contends its offer is closer to the existing relationship the District has enjoyed in 1984-85 than is the Association's final offer. Under these circumstances the Association cannot argue catch-up.

The evidence establishes that the District's final offer for 1985-86 best matches the dollar and percent increases on the benchmarks for 1985-86 of the settled districts. The Board's overall final offer must be judged more comparable in meeting the dollar increase pattern settlement established among the eight school districts. In percentage terms, the parties are tied at three benchmarks each. The District emphasized that it has a percentage salary schedule, thus a dollar increase on the BA benchmark amounts to $1.57 at the Schedule Maximum.

In the Board's view, the "per cell" increase approach is overly simplistic and misleading. In the event the arbitrator relies on this argument by the Union, Arbitrator Stern's comments in Bowler are particularly relevant since he found that the 5.6 percent cell increase proposed by the board would maintain the position of Bowler in its athletic conference more so than the 7.5 percent figure proposed by the union.

The most important evidence submitted by the District is that which summarizes the settlement pattern that has occurred among the eight settled school districts that are comparable to the District. Data are included for seven out of the eight schools, and all the administrators who supply the information have costed out their settlements on the same standard reporting forms. Contrary to what some arbitrators have stated, this cost-out information is crucial in determining the appropriate settlement pattern.

On a salary-only basis, the average teacher in the District under the Board's offer will receive $1,515. This is only $14 off of the average among the nine settled schools. On a percentage basis, the District's final offer is only .4 percent below the going settlement rate of 8 percent. In reviewing the Union's offer on salary only, it is $393 above the settlement average. This is 1.7 percent above the going 8 percent rate. Clearly on this basis alone, the Union's offer must fail.

When considering the District's offer on the basis of total package, the District's offer is only $94 below the settlement average or .5 percent below the established settlement rate of 8.3 percent. In contrast, the Association exceeds the total package increase per teacher by $418, and the Union's offer of 9.7 percent for a total package is nearly 1.5 percent above the going settlement rate. Significantly, the Association can cite no statistics that show other school districts reaching settlements of the magnitude that the Union has proposed. The only possible exception would be Wild Rose, which is clearly in a catch-up situation.

The comparability criterion encompasses more than just teacher to teacher comparisons, but also requires comparisons to other public and private sector employes. The District submits its offer best matches these comparisons to other public and private sector workers.

The District argues that simply listing salary schedule benchmarks from other school districts without knowing whether or not they fall within the traditional salary schedule makes these comparisons questionable. Arbitrator Yaffe has recognized the inherent limitations in viewing only salary benchmark data in the fashion the Association has submitted it in this case. Arbitrator Yaffe stated in Athens School District, 20025-B (4/83):

> "Furthermore, although the Association has presented substantial salary data pertaining to its proposed comparables, it has not presented evidence which indicates the total value of the 1982-83 settlement which occurred among its proposed comparables, and thus any conclusions regarding patterns of settlements in this proposed population of school districts would be based upon incomplete and potentially misleading information."

In this regard, the District notes that the Association's evidence has no supporting cost-out data showing how the salary-only dollars per returning teacher was arrived at. The evidence shows no total package increase, thus it cannot be known how the salary-only component fits into the overall or total package component. The statute directs the arbitrator to consider the overall increase as well as salary only. The Board submits the total package settlement trend is closer to 8 percent rather than the Association's 10 percent. The Board believes that the total package percentage increase is a more relevant and accurate statistic that best exemplifies the settlement trend.

The Union presented no evidence to justify departing from the prior year's settlement trend. The Board questions why, in a more difficult economic environment than last year, salaries should be increased by nearly 2 percent above last year's rate as would occur under the Union's final offer.

In concluding its argument regarding its salary schedule, the District notes that although the Board's offer is well above the CPI, the Union's final offer exceeds the CPI by 5.9 percent. Contrary to what several arbitrators have held in this State, the cost of living is not what other employers or employe groups voluntarily agreed to. The inflation rate, measured by the CPI, must stand alone as a criterion in the statute. It cannot be diluted by the comparability factor. The District argues that a historical analysis of the CPI and teachers salaries supports its final offer.

The District agrees with the Association that the issue involving travel pay for travel during working hours is de minimis.

For all of the above reasons the District respectfully requests that the arbitrator award its final offer.

DISCUSSION:

The parties have raised several pertinent issues in this dispute. The first of which involves the question of comparables. The Association argues that there are three sets of comparables which must be considered: the athletic conference, State-wide settlements of schools with 20 to 50 teachers that have a traditional salary schedule, and State-wide settlements for all schools that have a traditional salary schedule. The District argues that there is only one set of comparables that is significant, and that is the athletic conference.

Both parties have quoted from decisions in support of their respective positions. A review of arbitral authority indicates that as a general rule arbitrators favor the athletic conference as the preferred set of comparables. The selection of the athletic conference as the most pertinent set of comparables is due at least in part to the fact that the parties themselves frequently rely on athletic conference schools as being comparable. There are also certain assumptions made regarding the athletic conference, which may not always be true. It is assumed that schools in the same athletic conference are approximately the same size in terms of students and staff, are generally in the same geographic area, and generally reflect the same type of constituency, i.e., urban, suburban or rural. If these assumptions are supported by the evidence, the athletic conference is the preferred set of comparables to be considered.

There are circumstances where, out of necessity, other sets of comparables must be considered. This is especially true where other athletic conference schools have not settled, thus no comparison of settlements can be made within the conference. This is not the situation in this case, as approximately half of the schools in the athletic conference have settled.

It is argued by the Association that State-wide settlements should be considered, as there is a State-wide formula for school aid and State-wide criteria for teacher certification. While this is true, there are significant differences between districts based on both geography and the nature of their constituency. Thus, to assure comparability, comparing schools within an athletic conference appears to most nearly achieve a comparable universe even if it may be flawed statistically compared to a larger universe. In this case, the appropriate set of comparables is the athletic conference.

The second issue raised by the parties is the means by which their respective final offers should be compared to the comparables. The Association asserts the most meaningful comparisons can be made through a comparison of benchmarks. While the Association concedes this may result in the exclusion of some districts that have non-traditional salary schedules, the Association contends this is the most meaningful way that direct comparison can be made. The District argues that the most meaningful way to determine comparability is by comparing either dollar costs or percentage increases, as these reflect the actual costs of settlements; and the District includes comparable districts that have non-traditional salary schedules.

There is no single means by which comparability can be determined. A benchmark analysis is a simple and expeditious means of comparing salary schedules on those steps selected as the benchmarks. Unfortunately, such an analysis gives no weight to the placement of teachers on the salary schedule, excludes from comparison districts with non-traditional schedules, and does not reflect what individual districts and associations have done to address issues unique to the individual districts, i.e., the addition of lanes or steps, freezing of teachers at steps, across-the-board salary increases, etc. Despite these obvious limitations, it is one method for making comparisons.

The use of percentages also presents problems which are readily apparent. The same percentage increase may generate substantially different dollar amounts based on the figure the percentage is applied to. The constant application of percentages widens the differential between the high and the low. Dollar increases are a valid measure of comparability to the extent they reflect the actual cost of a settlement, but they do not reflect the distribution of the monies.

In making a comparison of settlements, a benchmark analysis, consideration of percentages, and consideration of dollar amounts all contribute to some degree to the determination of comparability. Thus, no single factor can be determinative.

It is argued by the Association that those schools within the athletic conference which do not have traditional salary schedules should be excluded from consideration because there is insufficient evidence to make a valid comparison, and there is no historical evidence to indicate how such schedules were arrived at. While an argument can be made for such exclusion, an equally compelling argument can be made for the inclusion of such districts based on the fact that they are comparable districts and they have reached settlements. Districts with non-traditional salary schedules cannot be included in a meaningful way in a benchmark analysis, but can be included in other analyses.

The Board argues that Shawano-Gresham should be excluded based on the size of the district, despite the fact Gresham is in the athletic conference. Based on the size of Shawano-Gresham, it must be concluded that it is not really a comparable district.

An analysis of the Association's data of the six settled districts which have traditional salary schedules, Tri-County, Menominee Teachers, Bonduel, Marion, Wild Rose and Manawa, at the benchmarks clearly establishes that the District is competitive under either final offer. Of the settled districts, excluding Almond, Iola-Scandinavia, and Shawano, the District would be 1st at the BA Base and at the BA+7 under either final offer. The District would be 3rd at the BA Maximum under either final offer. At the MA Minimum, the District would be 1st under the Association's final offer and 3rd under the Board's final offer. At the MA+10, the District would be 2nd under the Association's final offer, and 3rd under the Board's final offer. At the MA Maximum the District would be 4th under either final offer.

FINAL OFFERS COMPARED TO
AVERAGE INCREASE AT BENCHMARKS FOR
SIX SETTLED DISTRICTS 1985-86

Bench-marks	$ Increase Settlements	% Increase Settlements	Assoc. $	Assoc. %	Board $	Board %
BA Min.	928	6.6	1,125	7.6	825	5.5
BA+7	1,161	6.8	1,388	7.6	1,018	5.6
BA Max.	1,425	6.8	1,651	7.6	1,211	5.6
MA Min.	1,100	7.1	1,203	7.6	882	5.5
MA+10	1,446	7.1	1,632	7.6	1,199	5.6
MA Max	1,628	7.0	1,775	7.6	1,305	5.6

FINAL OFFERS COMPARED TO
AVERAGE SALARY AT BENCHMARKS FOR
SIX SETTLED DISTRICTS 1985-86

	Average	Assoc.	Board
BA Base	15,078	16,000	15,700
BA+7	18,377	19,725	19,355
BA Max.	22,345	23,450	23,010
MA Min.	16,456	17,104	16,783
MA+10	21,763	23,077	22,644
MA Max.	24,858	25,068	24,598

A review of the above tables indicates that the District's final offer at the benchmarks is somewhat below the six settlements, while the Association's final offer is somewhat above those settlements. The evidence establishes that the District is above the average salary of the settled districts at all but one of the benchmarks, the MA Maximum.

If the Association's final offer were to be awarded, the District would not only remain above the average but would increase its relative position compared to the average. Where a district is already above the average and will retain its position under either final offer, there is no basis for awarding a final offer which is in excess of the average settlements in terms of both dollars and percentages at the benchmarks. While the District's final offer is somewhat less than the increases granted by the other districts, the District continues to exceed the averages at most benchmarks under the District's final offer.

The Association has not provided a costing of its final offer, either in terms of a percentage or dollar amount. The only data regarding costing has been provided by the District. The District provided the following costing of both final offers in Board Exhibit 2.

		BOARD'S FINAL OFFER			ASSOC. FINAL OFFER		
	1984-85	1985-86	$	%	1985-86	$	%
Average Salary	20,168	21,702	1,534	7.6	22,119	1,951	9.7
Average Benefits	5,971	6,473	502	8.4	6,566	595	10.0
Total	26,139	28,175	2,036	7.8	28,685	2,546	9.7

There is insufficient evidence in the record to support an increase of 9.7%. It cannot be argued catch-up is a consideration in view of the District's position at the benchmarks. Indeed, the fact that other districts gave increases in excess of the District's final offer may reflect an attempt by those districts to catch up to this District.

A number of mediator/arbitrators have concluded that the cost of living is best reflected by voluntary settlements. In more precise terms, voluntary settlements tend to reflect the weight given to the cost of living by the parties, and do not necessarily reflect the actual cost of living. The cost of living is generally determined by the Consumer Price Index or such similar measurement. In this case the District's final offer exceeds the CPI by approximately 3 percent, and the Association's final offer exceeds the CPI by approximately 6 percent. The CPI cannot be used to justify an increase of 9.7 percent under the circumstances.

Both parties indicated that the second issue was de minimis and not determinative of the case; as a consequence neither party introduced evidence in support of its position. The undersigned concurs in their conclusion that the issue is de minimis, and therefore has not dealt with the merits of the parties' respective positions on that issue.

The Association's final offer cannot be characterized as unreasonable in this case, considering the increases given by the settled districts. However, considering the salaries paid by the District and its total package, both in terms of dollars and percentages, the undersigned is persuaded, based on a review of the statutory criteria, that the District's final offer is the more reasonable of the final offers.

It therefore follows from the above facts and discussion thereon that the undersigned renders the following

AWARD

That the District's final offer be incorporated into the 1985-86 Agreement.

Neil M. Gundermann, Arbitrator

Dated this 12th day
of June, 1986 at
Madison, Wisconsin.