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Mediation/Arbitration \*  
 of \*  
 ALMA CENTER SCHOOL DISTRICT \*  
 and \*  
 UNITED EDUCATION ASSOCIATION- \*  
 ALMA CENTER \*  
 re \*  
 WERC Case 8, No. 35054 \*  
 MED/ARB-3285 \*  
 \* \* \* \* \*

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

ARBITRATION AWARD

Decision No. 23018-A

INTRODUCTION

On February 25, 1985 the Alma Center School District, hereinafter called the Board, and the United Education Association-Alma Center, hereinafter called the Association, exchanged their initial proposals for a new agreement to succeed the agreement expiring August 31, 1985. After three negotiating efforts, the Association filed a petition on May 28, 1985 to initiate the mediation/arbitration process. A WERC staff member was unsuccessful in resolving the dispute and, finding that an impasse existed, received final offers on October 2, 1985. In an order dated October 30, 1985, the WERC initiated mediation/arbitration and furnished the parties with a panel of mediator/arbitrators. The parties selected the undersigned mediator/arbitrator who was then appointed by the WERC in an order dated November 11, 1985.

A timely request for a public hearing was not filed with the WERC and mediation was conducted on January 20, 1986. Through mediation the parties were able to resolve all but one of the numerous items still in dispute and filed a stipulation to that effect with the WERC. The parties further agreed to waive the arbitration hearing and to submit briefs to the mediator/arbitrator, said briefs being received by March 20, 1986.

ISSUE

The sole issues in dispute involved the intervals between lanes and the increments between steps. Both the Board and the Association final offers retained the existing salary structure (number of steps and lanes) and proposed further to raise the BA minimum from \$14,225 in 1984-1985 to \$15,250 in 1985-1986. The increments and intervals that existed in '84-'85 and the Board and Association proposals are:

	STEPS (Service Increments)				
	BA Lane	BA+12 Lane	BA+24 Lane	MA Lane	MA+15 Lane
1984-1985	\$405	420	435	455	475
Board Offer	350	400	450	500	550
Association Offer	500	525	550	575	600

	LANE INTERVALS			
	BA to BA+12	BA+12 to BA+24	BA+24 to MA	MA to MA+15
1984-1985	\$340	340	450	450
Board Offer	400	450	500	550
Association Offer	400	400	500	500

DISCUSSION

Although both parties submitted exhibits and made reference to all of the factors listed in Section 111.70(4)(cm)(7) of the Wisconsin statutes, they based their arguments primarily on comparability with other school districts in the athletic conference and secondarily on comparisons with other similar sized schools in the geographic area (Association) or similar sized schools in the geographic area with the same socioeconomic characteristics (Board). Also, both parties relied on "bench mark" comparisons rather than trying to compare their total packages with those of comparable districts.

Four of the 12 schools in the athletic conference had settled their '85-'86 contracts (Osseo-Fairchild, Alma, Cochrane-Fountain City and Gilmanton). Both parties used these four districts for the primary comparisons. In addition, the Board believed it proper to compare itself with Durand, Mondovi, Pepin and Pittsville while the Association chose for additional comparisons, the same districts except Pepin and added Auburn, Altoona and Fall Creek.

The arbitrator accepted as his first set of comparables the four athletic conference schools that had settled their '85-'86 contracts. The arbitrator also accepted the position of the parties to the effect that the athletic conference settlements were too few in number to resolve the matter and constructed a second group of comparables consisting of the three chosen by the Board and the Association, the additional three chosen by the Association and the one additional district chosen by the Board but rejected by the Association. All of the districts in the second group are similar in size to those in the athletic conference and are in the same region of Wisconsin.

The arbitrator then conducted three analyses to determine which offer seemed more equitable on the basis of the comparison with the two sets of comparables described above. In the first analysis the arbitrator examined the ranking of the district at the various bench marks under the Board and Association offers. In the second, he examined the relationship of the Alma Center '84-'85 salaries at the bench marks to the average salaries at the bench marks of the districts in the two comparability groups and compared the relationship in '85-'86 under the Association and Board offers. The second analysis also enables the reader to calculate the size of the increases under the Board and Association offers compared to the increases in comparable districts. In the third analysis the arbitrator compared the value of the steps of the comparables with those of Alma Center in '84-'85 and with those that would exist under the Board and Association offers.

As can be seen by inspection of Table 1, the "ranking" analysis does not yield definitive results. In comparison with the four settled districts in the athletic conference, Alma Center retains its fourth place standing under both offers at the MA 10th, MA Max and Schedule Max steps; it drops from third to fourth under both offers at the BA Base and MA Base; but does undergo changes in ranking at the BA 7th and BA Max steps. At the BA 7th step, Alma Center drops from 3rd to 5th under the Board offer but remains at the third ranking under the Association offer. And, at the BA Max step, it remains at the fifth ranking under the Board offer but is raised to the fourth ranking under the Association offer.

When Alma Center is ranked against the districts in the second set of comparables, its last place '84-'85 ranking is maintained at five of the seven bench marks. However, at the BA Base, Alma Center is raised from the eighth to the seventh ranking under both offers and, in a development that is somewhat unusual, Alma Center is raised from eighth to fifth at the MA Base under the Board offer but only from eighth to sixth under the Association offer.

TABLE 1  
1984-1985 AND 1985-1986 ALMA CENTER RANKING

(A) Compared to the four settled districts in the athletic conference

	<u>1984-1985</u>	<u>1985-1986</u>	
		<u>Board Offer</u>	<u>Association Offer</u>
BA Base	3	4	4
BA 7th Step	3	5	3
BA Max	5	5	4
MA Base	3	4	4
MA 10th Step	4	4	4
MA Max	4	4	4
Schedule Max	4	4	4

(B) Compared to the seven other districts in the 2nd group of comparables

BA Base	8	7	7
BA 7th Step	8	8	8
BA Max	8	8	8
MA Base	8	5	6
MA 10th Step	8	8	8
MA Max	8	8	8
Schedule Max	8	8	8

In so far as rankings are concerned, it is clear that Alma Center ranks rather low and that neither offer appreciably raises its rankings. Rankings can be deceptive, however, because there can be considerable upward or downward movement in Alma Center salaries relative to the comparables which does not disturb the rankings. Therefore, the arbitrator directed his attention next to the relationship of the Alma Center salaries at the bench marks in '84-'85 and under the Board and Association offers for '85-'86 with the averages of the two sets of comparables.

Table 2A (the comparison with the four settled athletic conference districts) shows that Alma Center paid less than average at each of the bench marks in '84-'85 and would continue to do so in '85-'86 under both offers. Table 2A also shows that the Association offer comes closer than the Board offer to maintaining the dollar relationship at the BA 7th and BA Max Steps while the reverse is true at the MA steps and Schedule Max step.

Table 2B (the comparison with the similar size settled districts in the Area) shows also that Alma Center paid less than average at each of the bench marks in '84-'85 and would continue to do so in '85-'86 under both offers. Table 2B also shows that the Association offer comes closer than the Board offer to maintaining the dollar relationship at the BA 7th, BA Max and MA Base steps while the reverse is true at the MA 10th, MA Max and Schedule Max steps.

TABLE 2  
ALMA CENTER '84-'85 AND '85-'86 SALARY AND  
RELATIONSHIP TO AVERAGE SALARY OF COMPARABLES

A: Compared to Average of 4 Settled Districts  
in the Athletic Conference

	Average of: (A) Four Settled Athletic Conference Districts and (B) Seven Settled Nearby Similar Sized Districts		Relationship of Alma Center to: (A) 4 Settled Athletic Conf. Districts and (B) 7 Settled Nearby Similar Sized Districts		
	'84-'85	'85-'86	'84-'85	Assn.Offer	Bd.Offer
BA Base	\$14,416	\$15,461	- \$191	-\$211	-\$211
BA 7th Step	17,289	18,665	- 634	- 415	-1315
BA Max.	19,275	20,820	- 595	- 70	-1720
MA Base	15,464	16,699	- 109	- 149	- 99
MA 10th Step	20,094	21,809	- 644	- 84	- 709
MA Max.	22,814	24,724	- 1999	-1274	-2124
Sched. Max.	23,570	24,787	- 2065	- 537	-1037

B: Compared to Average of 7 Settled  
Nearby Similar Sized Districts

BA Base	\$14,489	\$15,439	- \$264	-\$189	-\$189
BA 7th Step	18,172	19,367	- 1517	-1117	-2017
BA Max.	21,425	22,796	- 2745	-2046	-3876
MA Base	15,711	16,832	- 356	- 282	- 232
MA 10th Step	21,591	23,103	- 2141	-1378	-2003
MA Max.	24,498	26,164	- 3683	-2714	-3564
Sched.Max.	25,712	27,522	- 4207	-3272	-3772

While the ranking analysis tends to make the Board and Association offer seem similar, the comparisons of dollar differences with the averages at the bench marks show that both the distribution and the overall size of the salary increases are dramatically different. At the BA Max, for example, the Association offer would improve the standing of the Alma Center teachers by \$525 relative to the four settled districts in the athletic conference while the Board offer would worsen the Alma Center teachers' position by \$1,125. Similarly, when the comparison is made with the second set of comparables, the Association would improve the relative standing at the BA Max of the Alma Center teachers by \$699 while the Board offer would worsen it by \$1,131.

If one were to take as the standard, the number of bench-mark comparisons which favor the Board and the number which favor the Association, the Board would be the winner by a slight margin. If one takes into account, however, the number of teachers in the BA and MA lanes, the opposite would be true. Association Exhibit 8, the '84-'85 staff matrix cast forward, shows that there are twice as many teachers in the BA lane than in the MA lane. The arbitrator concludes therefore that, in so far as maintaining the relative dollar position of Alma Center teachers with the comparables, the Association offer does so for more teachers than the Board offer.

The third analysis conducted by the arbitrator focussed on the question of the size of the steps in comparable districts compared to those proposed by the Association and the Board. Table 3 shows the steps at each of the schools in the athletic conference in '84-'85 along with the steps in '85-'86 of the settled schools in the athletic conference. In addition, the same information is shown for the second set of comparables.

TABLE 3  
STEP (Service Increment) in BA and MA Lanes  
in '84-'85 and '85-'86

	'84-'85		'85-'86	
	BA	MA	BA	MA
Alma	\$480	\$515	\$570	\$600
Alma Center	405	455	B=350 v. A=500	B=500 v. A=575
Augusta	575	644	---	---
Blair	487/597 <sup>a</sup>	487/597 <sup>a</sup>	---	---
Cochrane-Fountain City	425	500	470/495/520 <sup>j</sup>	530/555/580 <sup>j</sup>
Eleva-Strum	522	612	---	---
Gilmanton	410	410	455	455
Independence	556-7/612 <sup>b</sup>	556-7/667-8 <sup>b</sup>	---	---
Melrose-Mindoro	470/523 <sup>c</sup>	491/543 <sup>c</sup>	---	---
Osseo-Fairchild	602	633	632	672
Taylor	411	411	---	---
Whitehall	560	607	---	---
Altoona	621-2 <sup>d</sup>	672-4 <sup>d</sup>	659-61 <sup>d</sup>	714-7 <sup>d</sup>
Auburndale	651/579 <sup>e</sup>	651/579 <sup>e</sup>	678/603 <sup>e</sup>	678/603 <sup>e</sup>
Durand	546/789 <sup>f</sup>	592/989 <sup>f</sup>	581/840 <sup>f</sup>	629/1054 <sup>f</sup>
Fall Creek	586 <sup>g</sup>	633 <sup>g</sup>	633 <sup>g</sup>	683 <sup>g</sup>
Mondovi	646 <sup>i</sup>	694 <sup>i</sup>	691-2 <sup>k</sup>	741-3 <sup>k</sup>
Pepin	---	---	536/756 <sup>k</sup>	577/872 <sup>k</sup>
Pittsville	555 <sup>h</sup>	555 <sup>h</sup>	600	600

<sup>a</sup>The lower figure applies to Steps 1-7; the higher to Steps 8-15.

<sup>b</sup>The lower figure applies to Steps 1-6 in the BA lane and to Steps 1-4 in the MA lane; the higher to Steps 7-9 in the BA lane and to Steps 5-12 in the MA lane.

<sup>c</sup>Increases by varying amounts in each lane. Figures shown are mins. and maxs.

<sup>d</sup>Steps vary slightly within the range shown. Range does not include double step from 0-1.

<sup>e</sup>Higher figure applies to Steps 0-5; the lower to Steps 6-11.

<sup>f</sup>Increments are 3.75% compounded.

<sup>g</sup>Increments are 4.0% of 1st Step in lane.

<sup>h</sup>Applies only to Steps 1-12.

<sup>i</sup>Not included in Board Exhibits.

<sup>j</sup>The lower figure applies to Steps 1-5, the middle figure to Steps 6-10 and the higher figure to the remaining steps.

<sup>k</sup>The increment is 3.5% of the top of the lane.

In none of the schools in either set of comparables is there a reduction in the size of the increment in any lane. Under the Board offer, however, the step would be reduced by \$55 in the BA lane and by \$20 in the BA+12 lane. So far the arbitrator is concerned, this aspect of the Board's proposal is quite unusual. It is truly a rarity and, as such, requires strong justification. One possible justification would be that the current steps are excessive compared to the steps in comparable districts. Table 3 shows that this is not the case.

Compared to the other schools in the athletic conference in '84-'85, the steps at Alma Center were relatively small. In '84-'85 in the BA lane, Alma Center ranked 12th of the twelve schools and in the MA lane ranked 10th of the twelve schools. In comparison with the schools in the second comparability group in '84-'85, Alma Center ranked below all seven schools in the group in both the BA and MA lanes. Given its low ranking in '84-'85 there does not seem to be a case for reducing the size of the step.

When one extends the analysis to the '85-'86 settlements, the case for reducing the steps in the BA lane at Alma Center becomes even weaker. Each of the four schools in the athletic conference that have settled its '85-'86 contract increased the size of its steps thereby increasing the gap between what the Board proposes and the size of the steps in comparable schools.

The \$500 step in the BA lane proposed by the Association would still leave the size of the Alma Center step below all the schools in the second comparability group in '85-'86. The Association proposal would improve the standing of Alma Center relative to the four settled districts in the athletic conference by raising the size of its step above one of the schools and above the second of the four schools in some of the steps of the BA lane. Even so, the Association proposal generates a step that more closely resembles the steps in the other districts than does the Board proposal.

Before concluding this analysis of the final offers of the parties, there are two other aspects of the dispute that should be covered. First of all, the arbitrator has not discussed the difference between the parties in so far as the educational lane intervals are concerned. The difference in lane-interval proposals is much less significant than the difference in the size of the steps and as such is not determinative in this dispute. Therefore, the arbitrator does not think that it would serve a useful purpose for him to discuss this aspect of the dispute.

The second matter to be mentioned is the difference in the size of the salary increases generated by the Board and Association offers. On a cast-forward basis, the Board offer raises salaries by a little under 8.3% while the Association offer raises salaries by a little over 13%. In the arbitrator's opinion, the Board offer is preferable to the Association offer in so far as the size of the salary increase is concerned. Absent other factors, a 13% increase seems excessive, particularly given the modest increase in the CPI and the hard times being experienced by many citizens in rural areas such as the one involved in this dispute.

The arbitrator believes, however, that the advantage of the Board offer in proper overall size is not sufficient to offset the totally inappropriate proposal to reduce the steps in the BA lanes. As has already been pointed out, the Alma Center steps are smaller than the steps in most of the comparables and that none of the comparables has reduced the size of its steps as is proposed in the BA lanes by the Board.

Furthermore, the distributive effect of the Board proposal seems inequitable. Under the Board proposal, the cumulative effect of reducing the size of the step in the BA lane by \$55 means, for example, that those teachers in the ninth step of the BA lane in '85-'86 suffer a loss of \$495 compared to the situation that would have prevailed if the size of the step had not been changed. Instead of receiving \$1,430, the amount by which the base had been increased (\$1,025) plus the old step (\$405) they would receive only \$935 under the Board offer, including the step increase.

The Board attempts to justify the reduction in the size of the steps in the BA lanes by stating that:

in order to strongly encourage the groups of teachers who are bunched at certain steps of the salary schedule in the BA column . . . the Board is giving the groups . . . two (2) to three (3) years advance notice of their eventual plight if they do not receive more education and advance horizontally (as well as vertically with more experience) into salary lanes requiring more education to attain. (Board Brief, page 18)

The arbitrator rejects this defense of the Board's position without in any way disagreeing with the principle that more education should be encouraged and rewarded. The arbitrator rejects the mechanism adopted by the Board because it does not give teachers two or three years' advance notice but goes into effect immediately and has an immediate drastic impact on the salary increases of teachers in the BA lanes relative to teachers in the MA lanes. And, as has already been pointed out, the size of the steps in

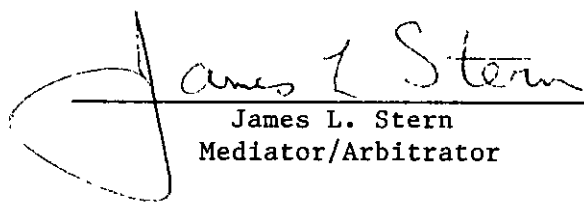
the BA lane is less than that which prevails in comparable districts. If the Board is serious in this effort to encourage and reward further educational efforts by teachers it should continue to expand lane intervals but should not try to recoup the cost of this effort by reducing the size of the steps.

The arbitrator concludes that when all the arguments are taken into account, the Association offer meets the criteria in the statute more closely than does the Board offer. The primary defect in the Board offer that caused the arbitrator to reach this conclusion is the attempt by the Board to reduce the size of the steps in the BA lanes. This is sufficiently out-of-line to overcome the primary deficiency in the Association proposal-- its high cost.

AWARD

After carefully analysis of the evidence and arguments presented by the Board and the Association, and with full consideration of the factors listed in Section 111.70(4)(cm)(7) of the Wisconsin statutes, the mediator/ arbitrator selects the final offer of the Association for the reasons stated above, and hereby orders that said offer be implemented along with the stipulations agreed to previously by the Board and the Association.

4/1/86  
April 1, 1986

  
James L. Stern  
Mediator/Arbitrator