

AUG 26 1986

BEFORE THE MEDIATOR-ARBITRATOR

In the matter of the Mediation/ Arbitration between	WISCONSIN EMPLOYMENT RELATIONS COMMISSION
ROSHOLT EDUCATION ASSOCIATION	Case 12, No. 34939
and	MED/ARB-3257
ROSHOLT SCHOOL DISTRICT	Decision No. 23086-A
	Mediator/Arbitrator Stanley H. Michelstetter II

Appearances:

Mulcahy and Wherry, S.C. Attorneys at Law by Gary Ruesch, appearing on behalf of the Employer.

Thomas J. Coffey, Executive Director, appearing on behalf of the Association.

MEDIATION-ARBITRATION AWARD

Rosholt School District, herein referred to as the "Employer," having petitioned the Wisconsin Employment Relations Commission to initiate Mediation-Arbitration, pursuant to Section 111.70 (4)(cm), Wis. Stats.^{1/} between it and the Rosholt Education Association, herein referred to as the "Association," and the Commission having appointed the Undersigned as Mediator-Arbitrator on December 19, 1985; and the Undersigned having conducted Mediation, followed by hearing February 18, 1986, during the course of which the Employer and the Association agreed that the Employer could amend its final offer to adopt the Association's position to the extent of certain extra-curricular positions, said mediation and hearing having been conducted in Rosholt, Wisconsin, and the parties having both filed post-hearing briefs the last of which was received on April 15, 1985.

ISSUES

There are two issues in dispute

1. Wage increase. The Employer's proposed salary schedule is attached hereto and marked Appendix A. It provides for the same number of steps and lanes as that of the Association. It also provides BA Base 15,050, lane increment \$271, step increment \$572.

The Employer costs its wage increase at 7.1% (\$1,369 average per teacher) and total package at 8.12% (\$2,081, average per teacher.) It costed the Association's proposal (without objection by the Association) at 10.0% (\$1,924 average per teacher) wages, and 10.74% (\$2,754 average per teacher) total cost.

The Association's proposed salary schedule and longevity schedule are attached hereto and marked Appendix B. It provides BA Base \$14,435, lane increment \$277, step increment \$590.

2. The current longevity schedule is attached hereto and marked Appendix C.

In essence, the Association proposes the creation of the following positions high school student council, head cross country, head track, assistant wrestling, a general adjustment of about 5% and individual adjustments in some positions and expansion of the current longevity system. The Employer proposes a 5% general adjustment to the existing extra-curricular schedule. During mediation the parties agreed to permit the Employer to agree to the creation of certain additional positions.

POSITION OF THE PARTIES

The Employer takes the position that the interests and welfare of the public require the adoption of its position. It

^{1/} 111.70 (4)(cm), has since been amended; however, those amendments are not effective for this dispute.

dents are on fixed incomes, farmers, or engaged in agri-business, all of which have suffered no increase and, in many cases substantial decrease in their incomes. Rosholt is located principally in Portage, somewhat in Marathon and very slightly in Waupaca Counties. It notes that unemployment in 1985 was better than the state of Wisconsin in Portage County by .2%, whereas it was worse than the Wisconsin average in Marathon by 1.3% and by .5% in Waupaca County. It further notes that economic projections suggest that this problem will not correct itself very shortly. Based upon per capita income from the 1980 census, it notes that the per capita income of Rosholt is the fourth lowest of all the school districts in its comparison groups (athletic conference plus contiguous school districts and Marathon County Handicapped Education Board.) It also notes that 11% of Rosholt families are below the poverty level making it the fifth poorest district among the 19 districts. Taken in this context, it believes that the national farm crisis has a much more severe impact in Rosholt than it does elsewhere. In its view, this is worsened by a statewide cut in state aid to schools and Gramm-Rudman reduction in federal aid. It also argues that its offer exceeds those increases granted to similar public employees in the area in Marathon County, Portage County and Waupaca County Governments. These increases tend to range from 3% to 5% with most in the 4% range. It also argues that its offer exceeds increases granted to private sector employees nationally. It notes that its offer exceeds twice the change in the cost of living and that, historically, its wage increases have regularly exceeded inflation as measured by consumer price indices. Finally, it takes the position that its increase is more comparable to units of similar employees of comparable districts. It uses as its base comparison group the combined group of the Central Wisconsin Athletic Conference (17 school districts) and 3 other contiguous districts.^{2/} From this it selects as its primary comparables those seven athletic conference schools which have settled their negotiations for 1985-86 which are (Almond, Bonduel, Iola-Scandinavia, Manawa, Marion, Tri-County, and Wild Rose). It selects these schools not only on the basis that they have recently settled, but because they are approximately the same size as Rosholt. It takes the position that Menominee, Shawano, Stevens Point and Mosinee are not comparable because all those other than Menominee are much larger urban districts. It notes that Shawano has 136 full-time equivalent employees with 3,234 students, whereas Rosholt has 36 teachers with 637 students. The Employer argues against the total exclusion of Almond and Iola-Scandinavia. It agrees Iola-Scandinavia and Almond do not have salary schedules and, therefore, can not be reasonably used for benchmark comparisons; however, it argues they can be compared in other ways using wage increase and total compensation increase data. It argues against the use of the Menominee Indian school district on the basis that that district receives "...a large amount of Federal funds which constitute a substantial portion of its budget." The Employer also denies that the use of CESA 5 for state wide comparisons is relevant because of the economic differences in this area. It views its offer is more comparable based on average dollar increase, average percentage increase among its comparables and even those comparables plus Menominee Indian and Shawano. It takes the position that these methods of comparison should be used to take into account Iola-Scandinavia and Almond, rather than benchmark analysis because those two school districts are comparable. It takes the position that even though the offer of the Employer reduces ranking among the settled districts with salary schedules, this is not an inappropriate adjustment in light of the pattern of historical increases in rank and represents normal collective bargaining fluctuation. It argues the Association has not demonstrated a need to create a longevity plan in the extra-curricular pay area since there is little comparability for such

^{2/} The Athletic Conference Districts are Almond-Bancroft, Bonduel, Bowler, Iola-Scandinavia, Manawa, Marion, Menominee Indian, Port Edwards, Rosholt, Shawano-Gresam, Shiocton, Tigerton, Tomorrow River (also know as Amherst), Tri-County, Weyauwega, Wild Rose, Wittenberg-Birnam Wood, and the additional contiguous schools of Marathon County HCET and Mosinee and Stevens Point.

longevity systems. It argues that its 5% extra pay increase is adequate and it has voluntarily agreed in the mediation phase to the creation of new co-curricular positions.

The Association takes the position that the principal issue in this case is adjustment to the salary schedules. It takes the position that its annual increase is more comparable by virtue of schedule comparisons in four comparability groups. The first is the athletic conference schools which have settled, except Almond and Iola-Scandinavia. It excludes these latter two school districts because they do not have salary schedules. Thus, the schools it is relying on are Bonduel, Manawa, Marion, Menominee Indian, Shawano, Tri-County, and Wild Rose. It offers comparison in this group to demonstrate that its proposal is more consistent with the level of schedule adjustments. It offers three other comparison groups to support the validity of the settlement trend established in the conference. These are similar size schools in the state and settled school districts in CESA 5 and state wide. It states that it offers these comparisons not for the argument that catch up is justified, but merely to demonstrate the validity of its general increase. It compares its dollar increase and percentage increase at each of the traditional bench marks (BA base, BA plus 7, BA max, MA base, MA plus 10, MA max, and schedule max) to conclude its offer is closer to the average in each of its comparison groups. It argues that its position is fully consistent with the public welfare. It denies that the district lacks the ability to pay or has difficulty in paying. Instead, it views the school district's argument merely that the increase would be burdensome. It argues this district's tax efforts and, its cost per pupil are low. In this context, the Association argues that the level of settlements is the best measure. It argues that 76.4% of the district's employment is nonfarm and that Rosholt is no worse off than other comparable districts. It also notes that there has been a large turn over in staff and, as a result, its proposal will have little lost impact. It urges its increase is necessary in the light of the national need to increase teachers' salaries. It denies the cost of living or private sector settlements should be given weight herein. It feels the extra curricular issue has little impact in this case.

DISCUSSION

WAGES

Comparability

The thrust of this case is the appropriate size of annual increase: Neither party alleges that the existing 1984-85 wage level is disproportionately high or low. In the 14 Central Wisconsin Athletic Conference schools which maintain salary schedules^{3/} Rosholt's salary schedule compares as follows: (rank and dollars above average and (below) average).

Comparison

Bench Mark	Rank	Difference
BA Base	8	(-\$20)
BA + 7	8	(-\$32)
BA Max	11	(-\$711)
MA Base	6	+\$113
MA + 10	10	(-\$224)
MA Max	10	(-\$724)
Sched Max	12	(-\$1,044)

Taking into account that the vast bulk of unit employees are in the areas of the schedule dominated by the BA columns, the fact that the parties maintain a modest longevity program which is among the best in the conference, I conclude that unit employees are generally comparably paid.

Both parties select as a comparability group, for the purpose of determining the appropriate annual increase, the schools in

^{3/} Port Edwards, Iola-Scandinavia and Almond have no traditional salary schedules.

the athletic conference which have settled. Each then excludes for different reasons some of the schools in that group. Taking into account the issue in this case, the parties basic approach in warranted. The schools which have settled in the athletic conference are Almond, Bonduel, Iola-Scandanavia, Manawa, Marion, Menominee Teachers, Shawano, Tri-County and Wild Rose. Iola is contiguous, Almond, Manawa and Marion are second tier while Bonduel, Menominee-Indian, Shawano-Greshan are third tier. The following is some comparative data with respect to these schools:

	84-85 FTE	84-85 Per Pupil Cost	84-85 State Aid	84-85 Equiv. Value
Almond	29.1	2,467.12	984.32	163,114
Bonduel	48.56	2,864.43	835.11	192,242
Iola-Scandanavia	43.00	3,064.33	1,050.46	168,514
Manawa	54.00	3,027.92	1,419.13	139,999
Marion	50.50	2,694.37	1,536.55	116,661
Menominee Teachers	67.00	2,999.38	2,388.25	54,483
Shawano	136.25	2,828.78	968.62	183,830
Tri-County	55.25	3,164.93	577.83	219,900
Wild Rose	45.07	2,582.54	507.15	218,128
Average	58.75	2,854.86	1,140.82	161,874
Rosholt	36.00	2,696.41	985.84	171,719

	84-85 Full Value tax rate	1979 Family Medium Income
Almond	9.09	17,202
Bonduel	10.56	17,664
Iola-Scandanavia	11.95	16,445
Manawa	11.49	17,515
Marion	9.92	15,692
Menominee Teachers	11.22	14,437
Shawano	10.12	16,428
Tri-County	11.76	17,034
Wild Rose	9.51	15,005
Average	10.62	16,385
Rosholt	9.96	16,143

The Employer has attempted to exclude the Menominee Indian unit as comparable on the basis of its statement in its brief that it receives "...a large amount of Federal funds which constitute a substantial portion of its budget."^{4/} Federal funding can have a material impact in situations where local concerns require other school boards to exhibit restraint. In addition Federal regulations attendant upon Federal financing can materially alter labor relations. The 1984-85 comparison data shows Menominee-Indian district as very comparable. The evidence is insufficient in this case to give that district less weight on the basis of its funding.

Shawano-Gresham is an urban district. The economic statistics submitted by the Employer suggest Shawano is less directly involved in agriculture and more heavily service oriented than Rosholt. While not a wealthy area, Shawano has fewer impoverished families. Given the high number of better comparables, Shawano is given somewhat less weight.

The Association relies upon an analysis of the dollar and percentage adjustments at the traditional bench marks among the settled school districts which have salary schedules, thereby excluding the settlements in Iola-Scandanavia and Almond and enhancing the impact of the Shawano and Wild Rose settlement.^{5/} The result of this analysis favors the Association as follows:

^{4/} brief, page 30

^{5/} The Wild Rose settlement is obviously a catch up settlement.

Bench Mark	Average	Over (Under) Employer	Average Association
BA Base	\$954/6.7%	(209) (1.5)	\$176/1.2
BA + 7	\$1,195/6.8%	(300) (1.7)	\$193/1.1
BA Max	\$1,459/6.9%	(439) (1.9)	\$144/1.0
MA Min	\$1,114/2.2%	(299) (2.0)	\$116/0.7
MA + 10	\$1,472/7.2%	(432) (2.1)	\$145/0.7
MA Max	\$1,663/7.1%	(523) (2.1)	\$126/0.8
Sched Max	\$1,696/7.1%	(542) (2.1)	\$113/0.8

However, if Shawano and Wild Rose were excluded^{5/} the results would slightly favor the Employer.

Bench Mark	Average	Over (Under) Employer	Average Association
BA Base	\$994	(249)	+136
BA + 7	\$1,136	(241)	252
BA Max	\$1,313	(439)	290
MA Min	\$1,081	(266)	149
MA + 10	\$1,297	(257)	320
MA Max	\$1,438	(298)	351
Sched Max	\$1,476	(322)	333

This data also shows that the proposed schedules are both appropriate.

The Employer in an effort to use the Iola and Almond settlements, has relied upon package and wage increase comparisons. These figures slightly favor it and are as follows:

ALL SETTLED COMPARABLES FROM THE ATHLETIC CONFERENCE

School District	Wages Only		Total Compensation	
	\$	%	\$	%
Almond	1213	7.10	1669	7.20
Bonduel	1586	7.13	2212	7.30
Iola-Scandinavia	1613	8.27	2247	8.75
Manawa	1579	8.21	2219	8.55
Menominee	1922	9.70	--	--
Marion	1348	6.70	2041	7.47
Shawano	1927	8.66	2405	8.10
Tri-County	1633	8.53	2165	8.58
Wild Rose	1849	10.63	2665	11.58
Average	\$1630	8.33%	\$2203	8.44%

AVERAGE WAGES ONLY COMPARED TO FINAL OFFERS

	\$	\$ ABOVE/BELOW AVERAGE	%	% ABOVE/BELOW AVERAGE
Average	1630		8.33	
Board	1369	(-261)	7.10	(-1.23)
Association	1924	(+294)	10.00	(+1.56)

AVERAGE TOTAL COMPENSATION COMPARED TO FINAL OFFERS

	\$	\$ ABOVE/BELOW AVERAGE	%	% ABOVE/BELOW AVERAGE
Average	2203		8.44	
Board	2081	(-122)	8.12	(-.32)
Association	2754	(+551)	10.74	(+2.3)

(Source: ER 7 and brief pp 33-34)

The choice of primary method of comparison in this case is very important. The choice is also one of form over substance.

^{5/} This is not to suggest that they should be excluded or given no weight.

I have relied upon the wage increase comparison over bench mark analysis, primarily because the Iola and Almond districts are very closely comparable to Rosholt and ought to be give their fair weight. It is not likely that in this case that the data supplied by the Employer is substantially in error. I have not used total package comparisons because the Employer appears to have included the creation of new extra-curricular positions in its cost increase. Ordinarily, the creation of new positions do not constitute wage increases. The data demonstrates that the offer of the Association is one of the highest in the area, whereas the Employer's is one of the lowest. The Employer's offer is slightly closer to local settlements.

The Association has demonstrated that its offer, while high in its statewide, CESA 5 and comparably sized employer groups is far closer to the patterns in those groups. Competing inferences are available from the difference; however, I place weight on the local area settlements because the local school districts share the same economic and social circumstances as Rosholt. It is unnecessary to exhaustively compare the three local county settlements in dissimilar units. The vast bulk are in the 4% range. These tend to favor the Employer's position.

Cost of Living

The relevant consumer price index has changed 3.6% from July 1984 to July, 1985. This rate of inflation is relatively constant. The offer of the Association (total package) is 8.12% and the offer of the employ (total package) is 7.4% (without the new positions). This factor favors the employer position.

Interests and Welfare of the Public

Rosholt is a school district with a mixed economic make up. Large portions of its population are engaged in agriculture (23.6%), manufacturing (22.8%), wholesale and retail trade (14.9%) and services (13.9%). Many of the settled athletic conference schools share a similar makeup; Almond, Bonduel, Manawa, Marion, and Tri-County. Iola is somewhat similar, but has less farm employment. In 1980, Rosholt had the fourth lowest median family income (\$16,134) of the settled group (average \$16,385), followed by Marion (\$15,692), Wild Rose (\$15,055) and Menominee Indian (\$14,437). Although Almond (\$17,202) had a greater proportion of its population impoverished.

Rosholt probably has slightly more unemployment than other settled districts, but less than the state. 70% of its population is in Portage County, 12% in Waupaca County and 12% is in Waupaca County. As of October, 1985 unemployment in the area was:

Marathon	7.0
Waupaca	6.0
Portage	5.9
Shawano	5.5
Waushara	7.2
Outagamie	5.1
Wood	5.9
state wide	6.3

Rosholt clearly shares in the national farm problem, although many of the settled districts have more farms. While it is likely that Rosholt is still a lower income area, it is not possible to say whether Rosholt is more or less affected by these problems.

Rosholt is concerned about possible reductions in federal and state aid. If these occur, Rosholt is likely to share the same effects as many of the settled districts.

The impact given to economic difficulty must be weighed individually in every case. The value of quality professional teaching services does not necessarily go down merely in proportion to or because of hardship. Thus, the Association has presented ample data that teaching salaries are tending to be less attractive in obtaining and retaining the best and brightest teachers. On the other hand, professionals cannot expect that they will be

totally insulated from the problems of the people who pay their salaries.

In this case, the proposal of the Association will not result in a harmful reduction of services, an undue tax rate by comparison to similar districts, or harmful long term borrowing. Its tax rate is 9.96 compared with an average of \$10.62. In this case, over \$18,000 of the total cost of the parties' proposals [Employer \$79,703 and Association \$105,488] will come from teacher turnover savings. Finally, the offer of the Employer is one of the lowest in the area while the offer of the Association is one of the highest. I believe the public interest is best served by giving weight to comparable settlements, particularly, those which occur in the area over those occurring elsewhere in the state.

Overall, I conclude the weight of the evidence favors the Employer's wage offer.


EXTRA-CURRICULAR

The Association essentially seeks to expand the current longevity system in extra-curricular. The amount involved in this issue does not give it any independent weight in this case.

AWARD

That the offer of the Employer be, and the same hereby is, adopted.

Dated at Milwaukee, Wisconsin, this 22^d day of August, 1986.


Stanley H. Michelstetter II,
Mediator-Arbitrator

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Appendix A

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ROSHOLT SCHOOL DISTRICT
ROSHOLT SCHOOL DISTRICT PROPOSAL TO ROSHOLT EDUCATION ASSOCIATION

BASE= 15050

LANE= 271

STEP= 572
RELATIONSHIP COM. 1985

LONGVITY= 500

	BS	BS+6	BS+12	BS+18	BS+24	MS	MS+6
STEP 0	15050	15321	15592	15863	16134	16405	16676
STEP 1	15622	15893	16164	16435	16706	16977	17248
STEP 2	16194	16465	16736	17007	17278	17549	17820
STEP 3	16766	17037	17308	17579	17850	18121	18392
STEP 4	17338	17609	17880	18151	18422	18693	18964
STEP 5	17910	18181	18452	18723	18994	19265	19536
STEP 6	18482	18753	19024	19295	19566	19837	20108
STEP 7	19054	19325	19596	19867	20138	20409	20680
STEP 8	19626	19897	20168	20439	20710	20981	21252
STEP 9	20198	20469	20740	21011	21282	21553	21824
STEP 10	20770	21041	21312	21583	21854	22125	22396
STEP 11	21342	21613	21884	22155	22426	22697	22968
STEP 12			22456	22727	22998	23269	23540
STEP 13					23570	23841	24112

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OCT 29 1985

ROSHOLT SCHOOL DISTRICT
SALARY SCHEDULE FOR 1985-86
BASE = 15435
LONGEVITY = 500

Appendix B

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION
STEP = 590

	BS	BS+6	BS+12	BS+18	BS+24	MS	MS+6
STEP 0	15435	15712	15989	16266	16543	16820	17097
STEP 1	16025	16302	16579	16856	17133	17410	17687
STEP 2	16615	16892	17169	17446	17723	18000	18277
STEP 3	17205	17482	17759	18036	18313	18590	18867
STEP 4	17795	18072	18349	18626	18903	19180	19457
STEP 5	18385	18662	18939	19216	19493	19770	20047
STEP 6	18975	19252	19529	19806	20083	20360	20637
STEP 7	19565	19842	20119	20396	20673	20950	21227
STEP 8	20155	20432	20709	20986	21263	21540	21817
STEP 9	20745	21022	21299	21576	21853	22130	22407
STEP 10	21335	21612	21889	22166	22443	22720	22997
STEP 11	21925	22202	22479	22756	23033	23310	23587
STEP 12			23069	23346	23623	23900	24177
STEP 13					24213	24490	24767

10/28/85
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Appendix B

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OCT 29 1985

EXTRA CURRICULAR SCHEDULE 1985-86

Position	1-3 yrs.	4-6 yrs.	WISCONSIN EMPLOYMENT
			RELATIONS COMMISSION 7 or more yr
Head Football	1338	1578	1878
Head Basketball	1338	1578	1878
Head Wrestling	1338	1578	1878
High Sch. Stu. Co.	1000	1180	1404
Head Volleyball	909	1073	1277
Head Cross-Country	909	1073	1277
Head Softball	909	1073	1277
Head Baseball	909	1073	1277
Head Track	909	1073	1277
Asst. Wrestling	909	1073	1277
Asst. Basketball	909	1073	1277
Asst. Football	909	1073	1277
J.V. Football	909	1073	1277
Asst. Volleyball	744	878	1045
Ath. Director	465	549	653
Asst. to HS Prin.	554	654	778
Head Forensics	361	426	507
Head Dramatics	433	511	609
HS Cheerleading	299	353	420
FHA Advisor	299	353	420
FFA Advisor	299	353	420
Instr. Music	421	497	591
Voc. Music	361	426	507
MS Student Council	245	289	344
Asst. Forensics	245	289	344
Asst. Dramatics	245	289	344
Elem. Intramurals	186	219	261
Yearbook Adv.	122	144	171
Elem. Program (3)	74 ea.	90 ea.	103 ea.
Elem. Wrestling	99	116	139
HS Honor Society	85	100	119
MS Play (3)	1@123 2@ 85	1@145 2@100	1@172 2@119
MS Basketball	550	649	772
Elem. Curriculum Coordinator (1985-86 only)		\$2500	
Bus Chaperone (0-30 miles)		\$11.40	
		(over 30 miles) \$13.38	
Home Duty Event		\$12.80	
Driver's Educ.		\$9.78	
Detention Duty		\$13.95	

10/28/85
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Appendix C

ROSHOLT SCHOOL DISTRICT

EXTRA CURRICULAR SCHEDULE 1984-85

I	1-3 YEARS	4-6 YEARS	7 YEARS OR MORE
HEAD FOOTBALL	1274	1507	1795
HEAD BASKETBALL	1274	1507	1795
HEAD WRESTLING	1274	1507	1795
GROUP II			
HEAD VOLLEYBALL	866	982	1130
BASEBALL COACH	866	982	1130
SOFTBALL COACH	866	982	1130
ASST WRESTLING	866	982	1130
ASST BASKETBALL	866	982	1130
ASST FOOTBALL	866	982	1130
JV FOOTBALL	866	982	1130
ASST VOLLEYBALL	709	825	970
ATHLETIC DIRECTOR	443	665	886
GROUP III			
HEAD FORENSICS	344	399	436
HEAD DRAMATICS	413	482	546
CHEF LEADING (HS)	285	344	380
FHA ADVISOR	285	344	380
FFA ADVISOR	285	344	380
INSTRUMENTAL MUSIC	401	460	494
VOCAL MUSIC	344	401	436
MS STUDENT COUNCIL	233	268	308
GROUP IV NO LONGEVITY STEPS			
ASST FORENSICS	233		
ASST DRAMATICS	233		
ELEMENTARY INTRAMURALS	177		
HS YEARBOOK	116		
ASST TO PRINCIPAL	528		
GROUP V NO LONGEVITY STEPS			
WINTER PROGRAM (ELEM)	70 (THREE)		
ELEMENTARY WRESTLING	94		
HIGH SCHOOL HONOR SOC	81		
SNOW PLAY	279 (1@117; 2@81)		
SNOW CHAPERONE			
	(0-30 M)	10.86	
	(OVER 30 M)	12.74	
SNOW DUTY EVENT		12.19	
RIVER'S EDGE		9.31 (PER HOUR)	
SNOW REMOVAL		13.29 (PER HOUR)	