

RECEIVED

JUL 28 1986

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In The Matter Of The Petition Of:

SCHOOL DISTRICT OF RIVER FALLS

To initiate Mediation/Arbitration
between said petitioner and

Decision No. 23206-A

WEST CENTRAL EDUCATION
ASSOCIATION - RIVER FALLS

Appearances: James H. Begalke, Executive Director, for the Association
Stephen L. Weld, Attorney at Law, for the Employer

On June 12, 1985 the school district of River Falls, hereinafter referred to as the Employer, filed a petition with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, alleging that an impasse existed between it and the West Central Education Association - River Falls, hereinafter referred to as the Association, in their collective bargaining. It requested the Commission to initiate mediation/arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act. A member of the Commission staff conducted an investigation in the matter.

At all times material herein the Association has been and is the exclusive collective bargaining representative of certain employees of the Employer in a collective bargaining unit consisting of all full time and regular part time professional employees, including guidance counselors, reading coordinator, school psychologist, teacher of hearing impaired, and school nurse but excluding administrators, supervisors, teacher aids, clerical and uncertified support staff. The Employer and the Association have been parties to a collective bargaining agreement covering wages, hours and working conditions that expired on August 14, 1985.

On May 21, 1985 the parties exchanged their initial proposals on matters to be included in the new collective bargaining agreement. Thereafter the parties met on one occasion in an effort to reach an accord. After the Employer filed a petition requesting mediation/arbitration the investigator from the Commission staff conducted an investigation that reflected that the parties were deadlocked in their negotiations and the parties submitted their final offers to the Commission on January 9, 1986. The Commission ordered that

mediation/arbitration be initiated and directed the parties to select a mediator/arbitrator from a panel submitted by it. Upon being advised by the parties that they had selected Zel S. Rice II of Sparta, Wisconsin as the mediator/arbitrator, the Commission appointed him and directed that he endeavor to mediate the issues in dispute pursuant to Section 111.70(4)(cm)6b of the Municipal Employment Relations Act. In the event that there was no resolution of the impasse between the parties, he was directed to issue a final and binding award to resolve the impasse by selecting either the total final offer of the Employer or the total final offer of the Association.

The final offer of the Association, attached hereto and marked Exhibit "A", proposed that the normal duty year for regularly contracted employees would be 187 duty days and the additional two duty days would be used for inservice or curriculum work. It proposed that the wages and salaries for the 1985-86 school year reflect an increase of 7.5% per cell over the preceding year. The Employer's final offer, attached hereto and marked Exhibit "B", proposed that the normal duty year for regularly contracted employees would be 187 duty days. It proposed a salary schedule for the 1985-86 school year reflect an increase of \$1,250.00 for each cell. Both of the proposals result in a school year of 187 duty days and the only issue between the parties is whether the salary schedule should be increased by 7.5% per cell or by a flat amount of \$1,250.00 per cell.

A mediation session was conducted at River Falls, Wisconsin on April 2, 1986. After several hours of mediation it became apparent to the mediator that neither party would make the moves necessary to reach agreement. Accordingly the mediation phase of the proceedings was declared at an end and the arbitration phase began. Both parties were given an opportunity to present evidence, briefs and reply briefs.

The Employer had a total of 149.4 full time equivalent teachers in the 1984-85 school year and 49% of those teachers were at the top of their lanes on the salary schedule. 40% of the teachers had MA degrees or 60 credits beyond their BA. The total payroll in the 1984-85 school year was \$3,274,720.00 and the average salary per teacher was \$21,919.10. During the 1985-86 school year 57% of the Employer's teachers are at the top of their salary lanes. The

Association's final offer proposes a total payroll of \$3,583,470.00 for the 1985-86 school year and an average salary of \$23,985.70. The Employers final offer proposes a total payroll of \$3,520,280.00 and an average salary of \$23,562.80. The Employer's final offer would result in increases ranging from a high of 8.5% at the BA zero step to a low of 4.4% at the 14th step of the MA plus 40 lane. Generally, the Employer's proposal provides a declining percentage increase to those employees with the most experience and the greatest amount of training, but it provides the same dollar increase to every teacher. The Association's proposal provides an increase of 7.5 percent for every step of the salary schedule and the dollar increase ranges from a low of \$1,101.00 for a teacher with a BA at the zero step to \$2,148.00 for a teacher at the 14th step of the MA plus 40 lane. The Association's proposal provides the same percentage increase for every step of the salary schedule but a larger dollar increase for those teachers with greater experience and training.

The Association proposes a comparable group, hereinafter referred to as Comparable Group A, that includes the school districts of Amery, New Richmond, Hudson, Roberts, Hammond, Baldwin-Woodville, Glenwood City, Menomonie, Chippewa Falls, Mondovi, Durand, Elmwood, Spring Valley, Ellsworth, Prescott, River Falls, and the Minnesota school districts of Stillwater and Hastings. It relies on another comparable group, hereinafter referred to as Comparable Group B, consisting of the school districts of Amery, New Richmond, Hudson, Baldwin-Woodville, River Falls, Ellsworth, Durand and Mondovi. Those school districts make up the Middle Border athletic conference. The Association also relies on a comparable group, hereinafter referred to as Comparable Group C, that was utilized by Arbitrator Neil Gunderman in an arbitration award dated March 12, 1986 involving the Menomonie area school district. The school districts in Comparable Group C include Rice Lake, New Richmond, Hudson, River Falls, Ellsworth, Menomonie, and Chippewa Falls. Gunderman found those districts to have similiar enrollment and to be reasonably comparable. The Employer's athletic schedule includes Chippewa Falls and Menomonie as well as those school districts in Comparable Group B. The Employer was included in the same semifinal sectional basketball tournament as Rice Lake, Hudson, Chippewa Falls, and Menomonie. Seven school districts that are contiguous to the

Employer or in the same county have reached agreement on salary schedules for the 1985-86 school year. They are Somerset, New Richmond, Glenwood City, St. Croix Central, Prescott, Spring Valley, and Elmwood. New Richmond is in the third year of a three year agreement and Somerset is in the second year of a two year agreement.

The Association primarily relies upon a comparable group consisting of 13 school districts, hereinafter referred to as Comparable Group D. Comparable Group D includes the Employer and the school districts of Chippewa Falls, Menomonie, New Richmond, Amery, Mondovi, Durand, Prescott, St. Croix Central, Glenwood City, Somerset, Spring Valley, and Elmwood. The enrollments in Comparable Group D range from a low of 459 at Elmwood to a high of 3,899 at Chippewa Falls. The Employer's enrollment of 2,223 is the third highest in the comparable group. During the 1981-82 school year the cost per pupil in Comparable Group D ranged from a low of \$2,186.00 at Mondovi to a high of \$2,606.00 at Glenwood City. The Employer's cost per pupil was \$2,453.00. The state aid per pupil in the comparable group that year ranged from a low of \$1,039.00 at Prescott to a high of \$1,567.00 at Glenwood City. The Employers state aid per pupil was \$1,104.00. The equalized valuation per pupil in Comparable Group D that year ranged from a low of \$100,056.00 at Glenwood City to a high of \$147,975.00 at Durand. The Employer's equalized valuation per pupil that year was \$140,839.00. The levy rate in the comparable group ranged from a low of \$8.48 at Mondovi to a high of \$12.21 at Somerset. The Employer's levy rate was \$9.58. By the 1983-84 school year the cost per pupil in Comparable Group D ranged from a low of \$2,478.00 at Mondovi to a high of \$3,176.00 at Elmwood. The Employer's cost per pupil was \$2,909.00 that year. The state aid in Comparable Group D during the 1983-84 school year ranged from a low of \$1,084.00 per pupil at Durand to a high of \$1,630.00 at Somerset. The Employer's state aid per pupil that year was \$1,163.00. The equalized valuation per pupil during the 1983-84 school year ranged from a low of \$109,548.00 at Glenwood City to a high of \$166,832.00 at Durand. The Employer's equalized valuation per pupil that year was \$162,683.00. The levy rate in Comparable Group D for the 1983-84 school year ranged from a low of \$9.13 at Mondovi to \$11.97 at Elmwood. The Employer's levy rate that year was \$10.73.

The Employer's enrollment increased from 2,237 in 1983 to 2,326 in 1984 and to 2,370 in 1985. The state aid and tax credits in Comparable Group D during the 1984-85 school year ranged from a low of \$660,907.00 at Elmwood to a high of \$5,867,866.00 at Chippewa Falls. The Employer's state aid and tax credits that year were \$2,520,950.00. In the 1985-86 school year the state aid and tax credits in Comparable Group D ranged from a low of \$818,015.00 at Elmwood to a high of \$6,422,827.00 at Chippewa Falls. The Employer's state aid and tax credits for that school year were \$3,176,352.00. Its dollar increase over the preceding year was \$655,402.00. That was the largest dollar increase of any school district in Comparable Group D and the percentage increase of 26% was the second highest in the comparable group. The Employer's 1986-87 estimated state aid and tax credits are \$3,578,271.00 which will be an increase of \$410,929.00 over the preceding year. That is almost a 13% increase. The equalization aid formula of the State of Wisconsin is designed to implement the concept that school districts that spend equal amounts per pupil will make equal tax efforts.

The Employer's budget for the 1985-86 school year is about 10% higher than last year. Because of increasing state aids and state tax credits the total net reduction in local taxes for school purposes will be \$84,817.00. That means a slight decrease in local property taxes. The Employer has no long term debt and its cost per student is \$200.00 below the state average. The Employer's enrollment is growing in the elementary grades because of young families moving into the area but working in the Twin Cities. In September of 1985 the Employer's electorate approved a \$4,000,000.00 building project. There were no contests on the 1986 April ballot for the Employer's school board. Even though three terms expired, only two names appeared on the ballot. The Employer's seven administrators each received a 6.5% increase for the 1985-86 school year and some of them received "catch up" increases. The superintendent received a \$3,600.00 salary increase for the 1985-86 school year.

The major part of the Employer's population is included in St. Croix County and it ranked sixth among the 72 Wisconsin counties in terms of median family income in 1983. The county median household income in 1983 was \$27,554.00 and the state figure was \$24,206.00. In 1984 the St. Croix County median family income was nearly \$29,700.00 and the state average was \$25,700.00. St. Croix

County's rate of income growth between 1982 and 1984 was 25% greater than the state average. It had more residents moving into the county than moving out of it during the period from 1980 to 1985. Between 1978 and 1982 St. Croix County lost 13,738 acres of crop land to other uses. 6,271 Twin Cities workers commuted daily from St. Croix County in 1980. The number of jobs within St. Croix County has grown.

Twelve of the school districts in Comparable Group D have reached agreement on 1985-86 teachers salaries. The BA minimum salaries agreed upon range from a low of \$14,870.00 at Glenwood City to a high of \$18,000.00 at Amery. The average BA minimum is \$15,887.00 which is \$1,098.00 over the 1984-85 BA minimum and represents an average increase of 7.4%. The BA seventh step salaries in those school districts for the 1985-86 school year range from a low of \$18,546.00 at Glenwood City to a high of \$22,560.00 at Amery. The average BA seventh step salary among those schools for the 1985-86 school year is \$19,742.00. That is an increase over the preceding year of \$1,395.00 or 7.6%. The BA maximum among the 12 school districts in Comparable Group D that reached agreement for 1985-86 ranged from a low of \$20,360.00 at Menomonie to a high of \$24,840.00 at Amery. The average BA maximum among those school districts is \$22,595.00 and that represents a group average increase of \$1,393.00 or 6.6%. The MA minimum salaries for 1985-86 in Comparable Group D range from a low of \$16,414.00 at Glenwood City to a high of \$21,000.00 at Amery. The average is \$17,498.00 and that represents an average increase over the preceding year of \$1,282.00 or 7.9%. The 1985-86 MA tenth step salary in those school districts in Comparable Group D that have reached agreement ranges from a low of \$23,167.00 at Mondovi to a high of \$29,280.00 at Amery. The average MA tenth step salary in those schools is \$24,285.00 and that represents an average increase over the preceding year of \$1,902.00 or 8.5%. The MA maximum salaries in Comparable Group D for the 1985-86 school year range from a low of \$26,317.00 at New Richmond to a high of \$30,660.00 at Amery. The average MA maximum among those schools is \$27,738.00. That represents an average increase over the preceding year of \$1,960.00 or 7.6%. The 1985-86 schedule maximum salary in Comparable Group D ranges from a low of \$27,473.00 at St. Croix Central to a high of \$34,040.00 at Amery. The average schedule maximum salary in Comparable

Group D for the 1985-86 school year is \$29,882.00. The group average increase over the 1984-85 school year is \$2,221.00 or 8%.

Four of the eight schools in Comparable Group B have reached agreement on 1985-86 salaries. The BA minimum averaged \$16,015.00 and that is an increase of 8.3% or \$1,223.00. The BA maximum averaged \$23,026.00 and that is an increase of \$1,249.00 or 5.7%. The MA minimum averaged \$17,804.00 and that is an increase of \$1,578.00 or 9.7%. The MA maximum salaries among those four districts in Comparable Group B that have reached agreement averaged \$28,375.00 and that is an increase over the preceding year of \$2,290.00 or 8.8%. The schedule maximum average is \$30,824.00 and that is an increase over the 1984-85 school year of \$2,654.00 or 9.4%. The BA seventh step salaries average \$20,085.00 and that is an increase of \$1,624.00 or 8.8% over the preceding year. The MA tenth step salaries average \$24,948.00 and that is an increase of \$2,572.00 or 11.5%. The BA minimum percentage increases in Comparable Group B for the 1985-86 school year among those school districts that have reached agreement range from 3% to 16.1% with an average of 8.3%. The Association proposes a 7.5% increase at the BA minimum while the Employer proposes an 8.5% increase. The MA minimum percentage increases in Comparable Group B for the 1985-86 school year ranged from a low of 3% at New Richmond to a high of 21.5% at Amery with an average of 9.7%. The Employer proposes an 8% increase at the MA minimum while the Association proposes a 7.5% increase. The BA maximum increases for 1985-86 range from a low of 3% at New Richmond to a high of 7% at Mondovi with an average of 5.7%. The Employer proposes a 6.1% increase for the BA maximum and the Association proposes a 7.5% increase. The percentage increase at the MA maximum step for the 1985-86 school year among those school districts in Comparable Group B that have reached agreement ranges from a low of 3% at New Richmond to a high of 18.6% at Amery with an average of 8.8%. The Association proposes an MA maximum increase of 7.5% and the Employer proposes a MA maximum increase of 4.8%. The schedule maximum increases in Comparable Group B for the 1985-86 school year range from 3% at New Richmond to 21.6% at Amery with an average of 9.4%. The Association proposes a 7.5% increase for the schedule maximum and the Employer proposes a 4.4% increase. The BA seventh step increase in Comparable Group B ranges from a low of 3% at New Richmond to a high

of 18.3% at Amery with an average of 8.8%. The Association proposes a 7.5% increase and the Employer proposes a 6.8% increase. The 1985-86 increase at the MA tenth step for Comparable Group B ranges from a low of 3% at New Richmond to a high of 29.3% at Amery with an average of 11.5%. The Association proposes an MA tenth step increase of 7.5% and the Employer proposes an increase of 5.6%. The dollar increase at the BA minimum step for 1985-86 in Comparable Group B ranges from a low of \$443.00 at New Richmond to a high of \$2,495.00 at Amery with an average of \$1,223.00. The Association proposes a BA minimum increase of \$1,101.00 and the Employer proposes a BA minimum increase of \$1,250.00. The dollar increase at the MA minimum for 1985-86 in Comparable Group B ranges from a low of \$494.00 at New Richmond to a high of \$3,713.00 at Amery with an average of \$1,579.00. The Employer proposes an MA minimum increase of \$1,250.00 and the Association proposes a MA minimum increase of \$1,176.00. The dollar increase at the BA maximum in Comparable Group B for the 1985-86 school year ranges from a low of \$607.00 at New Richmond to a high of \$1,518.00 at Mondovi with an average of \$1,250.00. The Association proposes a BA maximum increase of \$1,534.00 and the Employer proposes a \$1,250.00 increase. The dollar increase at the MA maximum step for 1985-86 in Comparable Group B ranges from a low of \$766.00 at New Richmond to a high of \$4,816.00 at Amery with an average of \$2,289.00. The Association proposes an increase in 1985-86 at the MA maximum step of \$1,959.00 and the Employer proposes a \$1,250.00 increase. The 1985-86 schedule maximum increase in Comparable Group B ranges from \$923.00 at New Richmond to \$6,048.00 at Amery with an average of \$2,654.00. The Association proposes a schedule maximum increase for the 1985-86 school year of \$2,148.00 and the Employer proposes a \$1,250.00 increase. The dollar increase at the BA seventh step in Comparable Group B ranges from a low of \$552.00 at New Richmond to a high of \$3,486.00 at Amery with an average of \$1,624.00. The Association proposes a BA seventh step increase of \$1,374.00 and the Employer proposes a \$1,250.00 increase. The dollar increase at the MA tenth step for the 1985-86 school year in Comparable Group B ranges from a low of \$698.00 at New Richmond to a high of \$6,640.00 at Amery with an average of \$2,572.00. The Association proposes an increase of \$1,675.00 while the Employer proposes a \$1,250.00 increase.

The BA minimum increases in Comparable Group D range from a low of 3% at

New Richmond to a high of 16.1% at Amery and the average increase is 7.4%. The Employer proposes an 8.5% increase for 1985-86 and the Association proposes a 7.5% increase. The BA maximum increases in Comparable Group D range from a low of 3% at New Richmond to a high of 7.5% at Chippewa Falls with an average of 6.6%. The Association proposes an increase of 7.5% and the Employer proposes a BA maximum increase of 6.1%. The 1985-86 MA minimum increase in Comparable Group D ranges from a low of 3% at New Richmond to a high of 21.5% at Amery with an average of 7.9%. The Employer proposes an 8% increase and the Association proposes a 7.5% increase. The 1985-86 MA maximum increase in Comparable Group D ranges from a low of 3% at New Richmond to a high of 18.6% at Amery with an average of 7.6%. The Association proposes a MA maximum increase of 7.5% while the Employer proposes a 4.8% increase. The 1985-86 schedule maximum percentage increases range from a low of 3% at New Richmond to a high of 21.6% at Amery with an average of 8%. The Association proposes a 1985-86 increase at the schedule maximum of 7.5% while the Employer proposes an increase of 4.4%. The BA seventh step percentage increase for 1985-86 in Comparable Group D ranges from a low of 3% at New Richmond to a high of 18.3% at Amery with an average of 7.6%. The Association proposes a BA seventh step increase of 7.5% while the Employer proposes a 8.8% increase. The MA tenth step percentage increase for 1985-86 in Comparable Group D ranges from a low of 3% to a high of 29.3% with an average of 8.5%. The Association proposes a 7.5% increase while the Employer proposes a 5.6% increase.

The BA minimum dollar increase in Comparable Group D for the 1985-86 ranges from a low of \$443.00 at New Richmond to a high of \$2,495.00 at Amery with an average of \$1,098.00. The Employer proposes a \$1,250.00 BA minimum increase while the Association proposes an increase of \$1,100.00 for the 1985-86 school year. The BA maximum increases in Comparable Group D for the 1985-86 school year range from a low of \$607.00 at New Richmond to a high of \$1,635.00 at Chippewa Falls with an average of \$1,393.00. The Association proposes a 1985-86 BA maximum increase of \$1,534.00 while the Employer proposes a \$1,250.00 increase. The 1985-86 MA minimum dollar increases in Comparable Group D range from a low of \$494.00 at New Richmond to a high of \$3,713.00 at Amery with an average of \$1,283.00. The Employer proposes a \$1,250.00 increase while the

Association proposes an \$1,176.00 increase. The 1985-86 MA maximum dollar increases in Comparable Group D range from a low of \$766.00 at New Richmond to a high of \$4,816.00 at Amery with an average of \$1,959.00. The Association proposes a \$1,959.00 increase for the MA maximum for 1985-86 while the Employer proposes a \$1,250.00 increase. The schedule maximum dollar increases in Comparable Group D for the 1985-86 school year range from a low of \$923.00 at New Richmond to a high of \$6,048.00 at Amery with an average of \$2,221.00. The Association proposes a 1985-86 dollar increase for the schedule maximum of \$2,148.00 while the Employer proposes an increase of \$1,250.00. The 1985-86 BA seventh step dollar increases in Comparable Group D range from a low of \$552.00 at New Richmond to a high of \$3,486.00 at Amery with an average of \$1,395.00. The Employer proposes a dollar increase for the BA seventh step of \$1,250.00 while the Association proposes an increase of \$1,374.00. The 1985-86 dollar increases in Comparable Group D at the MA tenth step range from a low of \$698.00 at New Richmond to a high of \$6,640.00 at Amery with an average of \$1,903.00. The Association proposes a 1985-86 MA tenth step increase of \$1,675.00 while the Employer proposes an increase of \$1,250.00.

The 1985-86 BA minimum salaries among those school districts in Comparable Group B that have reached agreement range from a low of \$15,213.00 at New Richmond to a high of \$18,000.00 at Amery. The BA maximum salaries range from a low of \$20,827.00 at New Richmond to a high of \$24,840.00 at Amery. The MA minimum salaries range from a low of \$16,484.00 at Mondovi to a high of \$21,000.00 at Amery. The MA maximum salaries for 1985-86 in Comparable Group B range from a low of \$26,317.00 at New Richmond to a high of \$30,660.00 at Amery. The schedule maximum salaries range from a low of \$27,838.00 at Mondovi to a high of \$34,040.00 at Amery. The BA seventh step salaries in the comparable group for the 1985-86 school year range from a low of \$18,955.00 at New Richmond to a high of \$22,560.00 at Amery. The MA tenth step salaries among those school districts in Comparable Group D that have reached agreement for the 1985-86 school year range from a low of \$23,167.00 at Mondovi to a high of \$29,280.00 at Amery. The 1984-85 BA minimums in Comparable Group B range from a low of \$14,344.00 at Mondovi to a high of \$16,377.00 at Baldwin-Woodville and the Employer ranked sixth with a BA minimum of \$14,682.00. The BA maximum in

Comparable Group B last year ranged from a low of \$20,220.00 at New Richmond to a high of \$23,388.00 at Amery and the Employer ranked next to the bottom among the eight schools in the comparable group with a BA maximum salary of \$20,449.00. The 1984-85 BA minimum in Comparable Group B ranged from a low of \$15,406.00 at Mondovi to a high of \$18,376.00 at Baldwin-Woodville and the Employer ranked next to the bottom with a MA minimum of \$15,680.00. The 1984-85 MA maximum salaries in Comparable Group B ranged from a low of \$25,551.00 at New Richmond to a high of \$27,360.00 at Durand and the Employer ranked fifth with a MA maximum of \$26,107.00. The schedule maximum salaries in Comparable Group B last year ranged from a low of \$26,017.00 at Mondovi to a high of \$30,767.00 at New Richmond and the Employer ranked third with a schedule maximum of \$28,653.00. The BA seventh step salaries ranged from a low of \$18,148.00 at Durand to a high of \$20,277.00 at Baldwin-Woodville and the Employer ranked fifth with a BA seventh step salary of \$18,310.00. The MA tenth step salaries during the 1984-85 school year in Comparable Group B ranged from a low of \$21,651.00 at Mondovi to a high of \$24,919.00 at Baldwin-Woodville and the Employer ranked sixth in the comparable group with a MA tenth step salary of \$22,316.00. The 1983-84 BA minimum salaries in Comparable Group B ranged from a low of \$13,500.00 at Mondovi to a high of \$14,224.00 at Baldwin-Woodville and the Employer ranked next to the bottom with a BA minimum of \$13,532.00. The BA maximum in Comparable Group B during the 1983-84 school year ranged from the Employers low of \$18,847.00 to a high of \$22,022.00 at Amery. The MA minimum in Comparable Group B during the 1983-84 school year ranged from the Employers low of \$14,452.00 to a high of \$15,964.00 at Baldwin-Woodville. The MA maximum salary in Comparable Group B that year ranged from the Employers low of \$24,062.00 to a high of \$25,811.00 at Durand. The schedule maximum salaries ranged from a low of \$24,486.00 at Mondovi to a high of \$29,163.00 at New Richmond and the Employer ranked third in the comparable group with a schedule maximum of \$26,408.00. The BA seventh step salaries in Comparable Group B during the 1983-84 school year ranged from the Employers low of \$16,876.00 to the high of \$17,901.00 at Baldwin Woodville. The MA tenth step salaries in Comparable Group B that year ranged from a low of \$20,377.00 at Mondovi to a high of \$22,141.00 at Baldwin Woodville and the Employer ranked seventh among the eight schools with a MA tenth step salary of \$20,568.00. The 1982-83 BA

minimum salaries in Comparable Group B ranged from a low of \$12,650.00 at Mondovi to a high of \$13,431.00 at Hudson and the Employer ranked sixth with a BA minimum of \$12,949.00. The BA maximum in Comparable Group B that year ranged from a low of \$18,016.00 at New Richmond to a high of \$20,731.00 at Amery and the Employer ranked seventh in the Comparable Group with a BA maximum of \$18,037.00. The 1982-83 MA minimum in Comparable Group B ranged from a low of \$13,630.00 at Mondovi to a high of \$14,868.00 at Amery and the Employer ranked seventh in the comparable group with an MA minimum of \$13,830.00. The 1982-83 MA maximum salaries in Comparable Group B ranged from a low of \$22,652.00 at Mondovi to a high of \$24,350.00 at Durand and the Employer ranked next to the bottom with an MA maximum of \$22,684.00. The 1982-83 schedule maximum salaries in the comparable group ranged from a low of \$23,051.00 at Mondovi to a high of \$27,414.00 at New Richmond and the Employer ranked third with a schedule maximum of \$24,905.00. The BA seventh step salaries in the comparable group that year ranged from a low of \$16,064.00 at Mondovi to a high of \$16,480.00 at Hudson and the Employer ranked sixth with a BA seventh step salary of \$16,151.00. The MA tenth step salaries ranged from a low of \$19,147.00 at Mondovi to a high of \$20,741.00 at New Richmond and the Employer ranked fifth in the comparable group with a MA tenth step salary of \$19,683.00. The 1981-82 BA minimum in Comparable Group B ranged from a low of \$11,775.00 at Durand to a high of \$12,325.00 at New Richmond and the Employer ranked fifth with a BA minimum of \$11,907.00. The BA maximum salaries that year ranged from the Employer's low of \$16,584.00 to Amery's high of \$18,935.00. The MA minimum salaries in Comparable Group B in the 1981-82 school year ranged from a low of \$12,700.00 at Mondovi to a high of \$13,738.00 at New Richmond. The Employer ranked next to the bottom with an a MA minimum of \$12,717.00. The 1981-82 MA maximum salaries in Comparable Group B ranged from the Employers low of \$20,859.00 to a high of \$22,659.00 at Durand. The schedule maximum salaries that year ranged from a low of \$20,670.00 at Amery to a high of \$25,674.00 at New Richmond and the Employer ranked fourth with a schedule maximum of \$22,901.00. The 1981-82 BA seventh step salaries in Comparable Group B range from a low of \$14,822.00 at Durand to a high of \$15,357.00 at New Richmond. The Employer ranked seventh in the comparable group with a BA seventh step salary of \$14,850.00. The 1981-82 MA tenth step salaries in the comparable group ranged from a low of \$17,848.00 at Mondovi to a high of

\$19,425.00 at New Richmond and the Employer ranked fifth with an MA tenth step salary of \$18,099.00. The 1980-81 BA minimum salaries in Comparable Group B ranged from a low of \$11,000.00 at Mondovi to a high of \$11,675.00 at New Richmond and the Employer ranked fifth with a BA minimum of \$11,085.00. The BA maximum salaries in the comparable group that year ranged from the Employers low of \$15,439.00 to a high of \$17,301.00 at Amery. The MA minimum in the 1980-81 school year ranged from a low of \$11,800.00 at Mondovi to a high of \$12,762.00 at New Richmond and the Employer ranked seventh in the comparable group with an MA minimum of \$11,839.00. The MA maximum that year ranged from a low of \$19,103.00 at Mondovi to a high of \$20,285.00 at Durand and the Employer ranked fifth with an MA maximum of \$19,353.00. The schedule maximum in the 1980-81 school year in Comparable Group B ranged from a low of \$19,420.00 at Mondovi to a high of \$23,430.00 at New Richmond and the Employer ranked second in the comparable group with a schedule maximum of \$21,261.00. The 1980-81 BA seventh step salaries in Comparable Group B ranged from a low of \$13,620.00 at Hudson to a high of \$14,547.00 at New Richmond and the Employer ranked sixth in the comparable group with a BA seventh step salary of \$13,825.00. The MA tenth step salaries in the comparable group that year ranged from a low of \$16,441.00 at Durand to a high of \$17,930.00 at New Richmond and the Employer ranked fifth in the comparable group with a salary of \$16,849.00. The 1979-80 BA minimum in Comparable Group B ranged from a low of \$10,200.00 at Durand to a high of \$10,750.00 at New Richmond and the Employer ranked fifth with a BA minimum of \$10,300.00. The BA maximum salaries in the comparable group that year ranged from the Employers low of \$14,346.00 to a high of \$15,732.00 at Amery. The 1979-80 MA minimum salaries in Comparable Group B ranged from the Employers low of \$11,000.00 to a high of \$11,650.00 at New Richmond. The 1979-80 MA maximum salaries in Comparable Group B ranged from a low of \$17,300.00 at Mondovi to a high of \$18,294.00 at Baldwin-Woodville and the Employer ranked sixth with an MA minimum salary of \$17,611.00. The schedule maximum salaries in Comparable Group B ranged from a low of \$17,608.00 at Mondovi to a high of \$21,247.00 at New Richmond and the Employer ranked second with a schedule maximum of \$19,291.00. The BA seventh step salaries in Comparable Group B ranged from a low of \$12,611.00 at Durand to a high of \$13,395.00 at New Richmond and the Employer ranked fifth with a BA seventh step salary of \$12,846.00. The MA tenth step

salaries in the 1979-80 school year in Comparable Group B ranged from a low of \$15,179.00 at Durand to a high of \$16,368.00 at New Richmond and the Employer ranked fifth with an MA tenth step salary of \$15,656.00.

The 1985-86 BA minimum salaries among those school districts in Comparable Group D that have reached agreement range from a low of \$14,870.00 at Glenwood City to a high of \$18,000.00 at Amery. The BA maximum salaries range from a low of \$20,360.00 at Menomonie to a high of \$24,840.00 at Amery. The 1985-86 Comparable Group D MA minimum salaries range from a low of \$16,414.00 at Glenwood City to a high of \$21,000.00 at Amery. The MA maximum salaries in Comparable Group D among those school districts that have reached agreement for the 1985-86 school year range from a low of \$26,317.00 at New Richmond to a high of \$30,660.00 at Amery. The schedule maximum salaries range from a low of \$27,473.00 at St. Croix Central to a high of \$34,040.00 at Amery. The BA seventh step salaries for those school districts in Comparable Group D that have reached agreement for the 1985-86 school year range from a low of \$18,546.00 at Glenwood City to a high of \$22,560.00 at Amery. The MA tenth step salaries range from a low of \$22,942.00 at Somerset to a high of \$29,280.00 at Amery. In the 1984-85 school year the BA minimum salary in Comparable Group D ranged from a low of \$13,897.00 at Glenwood City to a high of \$15,635.00 at Menomonie. The BA maximum salaries in the comparable group that year ranged from a low of \$19,027.00 at Menomonie to a high of \$23,388.00 at Amery. The MA minimum salaries in Comparable Group D during the 1984-85 school year ranged from a low of \$15,339.00 at Glenwood City to a high of \$17,287.00 at Amery. The MA maximum salaries ranged from a low of \$24,757.00 at Spring Valley to a high of \$27,360.00 at Durand. The 1984-85 schedule maximum salaries in Comparable Group D ranged from a low of \$25,541.00 at Glenwood City to a high of \$30,767.00 at New Richmond. The BA seventh step salaries in Comparable Group D that year ranged from a low of \$17,333.00 at Glenwood City to a high of \$19,172.00 at Chippewa Falls. The 1984-85 MA tenth step salaries in Comparable Group D ranged from a low of \$21,542.00 at Somerset to a high of \$23,564.00 at Menomonie.

In the 1985-86 school year all of the school districts in Comparable Group B, except the Employer, pay 100% of the health insurance and dental insurance premiums. The Employer pays 97.5% of those premiums. Six of the school

districts, including the Employer, pay 100% of the long-term disability insurance and one school district pays 50% and one school district pays none of it. Five school districts in Comparable Group B, including the Employer, will pay 100% of the life insurance premium while two school districts will pay 41% and another will pay 20%. New Richmond pays 100% of the vision insurance but none of the other school districts in Comparable Group B pay any of the vision insurance premiums. All of the school districts in Comparable Group A, except Chippewa Falls, Menomonie and the Employer, pay 100% of the health insurance. Chippewa Falls and Menomonie pay 90%. All of the schools in Comparable Group A pay 100% of the dental insurance except the Employer and Prescott. Prescott pays 95% of the dental insurance premium. All of the school districts in Comparable Group A, including the Employer, pay 100% of the long-term disability insurance premium except Durand and Amery. Amery pays 50% of the premium and Durand pays none of it. Half of the school districts in Comparable Group A, including the Employer, pay 100% of the life insurance premium and the rest of them pay amounts ranging from none of the premium to 50%. New Richmond is the only school district in Comparable Group A that pays any of the vision insurance and it pays 100%. All of the school districts in Comparable Group A and B, except Mondovi, pay the full amount of an employee's contribution to the Wisconsin State Retirement Fund, and Mondovi will pay 6% effective August 20, 1986. New Richmond is the only school in Comparable Group A or B that makes any contribution toward a tax sheltered annuity and it contributes \$600.00.

The Employer's students score well above the national norms on standardized tests. Wisconsin students generally rank high among college-bound seniors taking the American College Test and Scholastic Aptitude Test and the Employer's students did even better than the Wisconsin average. 40% of the Employer's teachers have Master's Degrees or higher. The format of the Employer's salary schedule has been in place since the 1969-70 school year. The percentage differential between the steps in each of the lanes has remained the same for 16 years and there has been no change in the basic concept of it.

The National Commission on Excellence in Education published a report called "A Nation at Risk" that found that not enough academically able students are being attracted to teaching and it recommended that salaries for the teaching

profession be increased and be professionally competitive, market sensitive and performance based. The Rand Corporation's report on "The Coming Crisis in Teaching" stated that until teaching becomes a more attractive career alternative, the problems of attracting and retaining talented teachers will undermine the success of other reforms intended to upgrade education programs and curricula. It reported that even when teaching salaries were adjusted to reflect a twelve-month salary equivalent, they fell far short of the levels of other liberal arts graduates and reached a ceiling sooner and at a much lower level than other college-educated workers. The report found that teacher's salaries have lost ground to other occupational salaries over the past ten years and the average salaries for teachers actually declined by nearly 15% in real dollar terms between 1971 and 1981. The National Commission on Excellence in Teacher Education recommended that teacher's salaries be increased to levels commensurate with other professions requiring comparable training and expertise. The Gallup Poll reveals that Americans give their neighborhood public schools grades of A or B. Wisconsin's Strategic Development Commission found that one of the state's great strengths is the secondary school system that can compete with that of any other state. Studies reveal that future jobs will require higher skills. Wisconsin's 1985-87 budget provided the largest single increase in state support to local school districts since 1973 and revised standards to increase the minimum amount of teacher-student contact days. Real estate sales in the two counties encompassing the Employer were up 130% in 1986 and St. Croix County has the lowest rate of unemployment in the state.

The Employer's 1984-85 total wages were \$3,274,717.00. Pay for extracurricular activities and unit leaders raised the total to \$3,367,687.00. Health insurance premiums cost \$261,081.00, dental insurance premiums cost \$44,203.00, and health insurance and dental insurance buy-outs cost \$13,996.00. Life insurance premiums cost \$9,146.00, long-term disability insurance cost \$11,342.00, and the Employer's social security contribution was \$236,580.00 and its contribution to the Wisconsin Retirement System Fund was \$383,916.00. The Employer's total wage and fringe benefit cost for the 149 full-time equivalent teachers was \$4,327,951.00. The Employer's wage proposal for the 1985-86 school year would provide those same 149 teachers with wages totalling \$3,520,285.00.

That would be an increase in wages of \$245,568.00 or 7.5%, and the average increase per teacher would be \$1,644.00. The wages for extra-curricular activities would be \$93,807.00 and unit leaders would cost \$3,360.00, making a total wage cost under the Employer's offer \$3,617,722.00. Health insurance premiums would cost \$274,659.00, dental insurance premiums would cost \$44,203.00 and the health insurance and dental insurance buy-out would cost \$13,996.00. Life insurance premiums would cost \$9,832.00 and long-term disability insurance would cost \$12,193.00. The Employer's social security contribution would be \$256,858.00 and its contribution to the Wisconsin Retirement System for its teachers would be \$434,127.00. The total cost of wages and fringe benefits provided by the Employer's proposal would be \$4,663,590.00. This is an increase over the preceding year of \$335,639.00, or 7.76%, and the average increase in cost per teacher would be \$2,247.00.

The Association's proposal would result in 1985-86 wages for the 149 teachers who are employed in the preceding year of \$3,583,467.00. That is an increase of \$308,750.00, and the percentage increase would be 9.43%. The average dollar increase per teacher would be \$2,067.00. Extra-curricular and unit leader wage costs would be the same as the Employer's proposal and the total wages would be \$3,680,904.00. Health insurance, dental insurance and the health and dental insurance buy-outs would remain the same as the Employer's proposal and the same as they were in the 1984-85 school year. Life insurance premiums would cost \$10,008.00, long-term disability insurance would cost \$12,412.00, social security contributions would be \$261,344.00 and contributions to the Wisconsin Retirement System would be \$441,708.00. The total wage and fringe benefit cost of the Association's proposal would be \$4,739,234.00, and that would be an increase of \$411,283.00 or 9.5% over the previous year. The average increase in cost per teacher would be \$2,753.00.

The annual increase in the All-Urban Consumer's Consumer Price Index between August of 1984 and August of 1985 was 3.4%. The annual increase of the Urban Wage Earners and Clerical Workers Consumer Price Index between August of 1984 and August of 1985 was 3%. In the 1977-78 school year a beginning teacher with a Bachelor's Degree earned \$9,300.00. In the 1984-85 school year that same teacher earned \$18,997.00. The Employer's proposal would pay that teacher

\$20,960.00 during the 1985-86 school year and the Association's proposal would pay the teacher \$21,188.00. The Employer's proposal would result in total increases of 85.6% since the 1977-78 school year, while the Association's proposal would result in increases totalling 86.8%. In the 1977-78 school year the Employer paid a BS plus 11 teacher at the 7th step \$11,821.00. During the 1984-85 school year that same teacher received \$21,632.00. The Employer's proposal would pay that same teacher \$22,882.00 and the Association's proposal would pay the teacher \$23,251.00. Increases between the 1977-78 school year and the 1985-86 school year would total 69.2% if the Employer's proposal was used and 70.9% if the Association's proposal was used. In the 1977-78 school year the Employer paid a BS plus 22 teacher at the 6th step \$11,597.00. By the 1984-85 school year that same teacher received an annual salary of \$22,045.00. The Employer's proposal would result in that teacher receiving \$23,295.00 and the Association's proposal would result in a salary of \$23,699.00 during the 1985-86 school year. The total increases in salary from the 1977-78 school year to the 1985-86 school year would be 73.1% if the Employer's proposal is utilized and 74.9% if the Association's proposal is utilized. In the 1977-78 school year the Employer paid a teacher in the BA plus 33 step 5 \$11,361.00. By the 1984-85 school year that teacher was being paid \$23,341.00. If the Employer's proposal of \$24,591.00 is utilized, the total of the increases received by that teacher since the 1977-78 school year is 81.3%, and if the Association's proposal of \$25,089.00 is utilized, the increases total 83.4%. In the 1977-78 school year the Employer paid a teacher at step 8 with a Master's Degree \$13,160.00. By the 1984-85 school year that teacher was being paid \$26,107.00. If the Employer's final offer of \$27,357.00 is utilized that teacher would have received increases totalling 76.9% since the 1977-78 school year and if the Association's proposal of \$28,066.00 is utilized the increases would total 79.6%. During the 1977-78 school year the Employer paid a teacher with a Master's Degree plus 20 credits at step 8 of the salary schedule \$13,447.00. By the 1984-85 school year that same teacher received \$27,895.00. The Employer's 1985-86 proposal of \$29,145.00 would result in that teacher receiving increases totalling 81.5% since the 1977-78 school year and if the Association's proposal of \$29,986.00 is utilized the increases would total 84.5%. In the 1977-78 school year the Employer paid a teacher with a Master's Degree plus 40 credits at step 9 of the salary schedule

\$14,315.00. By the 1984-85 school year that teacher received \$28,653.00. If the Employer's 1985-86 proposal is included that teacher would receive \$29,903.00 and the increases since the 1977-78 school year would total 77.4%. If the Association's proposal of \$30,801.00 is included, the increases would total 80.5%. In July of 1977 the Urban Wage Earners and Clerical Workers Consumer Price Index was 182.6. By July of 1985 it had increased to 319.1 and the total of the increases was 58.3%.

The Wisconsin Economic Outlook published by the Department of Revenue reported in February of 1985 that wage pressures were subdued and projected that some modest change in productivity should translate into compensation gains of about 4.2% in 1985 and 4.8% in 1986 and 4.8% in 1987. It projected that non-farm employment would increase 1.6% in 1986 and 2.1% in 1987 and wages and salaries would grow 5% in 1986 and 5.9% in 1987. The Corporate Report published in January of 1986 projected that merit increases for salaried workers should range from 5.3% to 6% depending on the industry. Actual merit increases in 1986 range from 5.4% to 6.1%. It projected that Wisconsin's labor force will stop its three-year shrinkage in 1986, but the number of jobs will continue to fall and unemployment will increase by 1%. Inflation slowed to 3.8% in 1985.

Vollrath Refrigeration, Inc. is an employer in River Falls and it froze its employee's wages for 1986. The Smead Manufacturing Company in River Falls gave its employees a 3.4% increase in 1985 and a 5% increase in 1986. The City of River Falls gave its employees 3% increases in 1985, except the Department of Public Works employees received an increase of 1.75%. In 1986 the City employees received increases of 3%, the utility employees received increases of 3.5%, and the Department of Public Works employees received increases of 1.75%. The police are in arbitration and the City has offered 2.5% and the union has proposed 3.5%. St. Croix County gave its courthouse and social service employees 4% increases on January 1, 1985 and another 1% on July 1, 1985. The highway and law enforcement employees received 4%. In 1986 St. Croix County has reached agreement with its highway employees on a 4% increase but agreements have not been reached with the other employees. Pierce County gave its courthouse employees increases of 5¢ an hour plus a cost-of-living allowance in 1985 and in 1986 they received cost-of-living allowance only. Its social ser-

vice professional employees received increases of 3.5% in 1985 and they have not reached agreement for 1986. Its non-professional employees received cost-of-living allowances only in 1985 and no agreement has been reached for 1986. Pierce County gave its highway employees cost-of-living allowances in both 1985 and 1986. It reached agreement with its law enforcement employees on a 4% increase in 1985 and no agreement has been reached in 1986.

The school districts included in Comparable Group A are located in the counties of Buffalo, Dunn, Pepin, Pierce, Polk and St. Croix. Their total populations range from a low of 7,477 in Pepin to a high of 43,262 in St. Croix. Pepin has a rural population of 7,477 which is 100% rural and Polk County's population is 100% rural. Dunn County's rural population of 21,545 is 62.8% of its total population and is the smallest percentage of rural population among the six counties. Unemployment in the six county rural west central area rose a little more than normal in the last quarter of 1985 and averaged slightly higher than a year earlier. The Employer's school district encompasses seven towns and one city with 1984 populations ranging from a low of 338 in the Town of Pleasant Valley to a high of 9,356 at River Falls. The total population of the school district is 17,937. The full value of the property located within the school district is \$352,219,072.00 and the school district levy in 1984 was \$4,404,351.00.

Between January of 1981 and February of 1986 the price of milk declined from \$13.65 to \$12.10 per cwt. In the latter part of 1985 the price declined to \$11.52 per cwt. The Wisconsin-Minnesota average price for milk declined from \$12.66 per cwt in January of 1981 to \$11.12 in January of 1986. In August of 1985 the price of milk declined to \$11.08 per cwt. In January of 1984 corn sold for \$3.03 per bushel and by June of that year it had increased to \$3.39 per bushel. In February of 1986 the price of corn had dropped to \$2.25 per bushel and it had been as low as \$2.22 per bushel in October and November of 1985. The average price of a milk cow in January of 1984 was \$800.00. By July of that year it had increased to \$930.00 and by January of 1986 it had declined to \$730.00. Steers and hiefers brought \$57.20 per cwt in January of 1984 and the price increased to \$60.50 by March. In September of 1985 steers and heifers were selling for as low as \$44.20 per cwt and by February of 1986 the price was

\$53.40 per cwt. Slaughter cows sold for \$35.30 per cwt in January of 1984 and the price rose to \$42.80 by April of that year. In February of 1986 the price was \$36.30 per cwt but it had been as low as \$32.20 per cwt in December of 1985. Calves sold for \$91.50 per cwt in January of 1984 and the price increased to \$102.00 by June of that year. In 1986 the price was \$86.60 per cwt and it had been as low as \$66.70 in December of 1984 and \$79.50 in November of 1985.

The number of farms in the six counties that include the school districts in Comparable Group A declined steadily between 1974 and 1984 and the average size of the farms increased while the amount of land in agriculture declined. In March of 1985, a thousand farmers came to the State Capitol to protest high property taxes and in March of 1986 farmers were complaining about teachers receiving increases of 8% or 9% while their income was declining. Even though the consumption and sale of dairy products increased in 1985, milk prices in Wisconsin continued to drop. Farm prices fell by 2.4% in February on the heels of a 3.1% decline in January. Wisconsin dairy farmers pay an average of 40¢ for taxes and insurance for every hundred pounds of milk they produce. About 25% of Wisconsin's 83,000 farmers find it difficult to make loan payments. 25% of them had debt-to-asset ratios of 40% or more. The problems of rural Wisconsin farmers are affecting the banks with which they do business. Farm related bankruptcies in Wisconsin continue to rise for the fifth year in a row. 16% of the Wisconsin bankruptcies in 1985 were farm related and in earlier years they were about 5%.

The Employer relies on a comparable group, hereinafter referred to as Comparable Group E, that includes the eight school districts in the athletic conference that make up Comparable Group B plus the three contiguous school

enrollments ranged from a low of 692 at Spring Valley to a high of 2,740 at Hudson and the Employer had an enrollment of 2,321. The enrollment at all the school districts in Comparable Group E had declined except the Employer and St. Croix Central. They had increases.

In the 1984-85 school year the full value tax rate in Comparable Group E ranged from a low of 9.13 at Mondovi to a high of 11.54 at Baldwin-Woodville. The Employer had a tax rate of 10.73. The equalized value per pupil in Comparable Group E in the 1984-85 school year ranged from a low of \$119,743.00 at St. Croix Central to a high of \$166,832.00 at Durand. The Employer had an equalized value per pupil of \$162,683.00. The school cost per pupil in the 1984-85 school year for Comparable Group E ranged from a low of \$2,583.17 at Prescott to a high of \$3,109.84 at Baldwin-Woodville. The Employer had a cost per pupil of \$2,908.99. The state aid per pupil in Comparable Group E in the 1984-85 school year ranged from a low of \$1,084.00 per pupil at Durand to a high of \$1,563.00 per pupil at New Richmond. The Employer's state aid per pupil was \$1,163.00. The ratio of students to staff among the school districts of Ellsworth, Hudson, Menomonie, New Richmond and River Falls, hereinafter referred to as Comparable Group F, range from a low of 12.6 at New Richmond to a high of 15.7 at Hudson. The Employer had the second best ratio in Comparable Group F with thirteen students for every staff member.

In his State of the State message to the Legislature on February 4, 1986, Governor Earl emphasized that he was convinced that school districts could do a better job of keeping costs down. He warned that if there is not significant improvement in containing the cost of school districts, cost controls would be a virtual certainty in the next budget. In his speech to the Wisconsin Association of School Boards in January of 1986, the Governor warned that state tax credits will not be as generous next year and it is the responsibility of school boards to come in with budget growths of less than double the rate of inflation or there would be levy limits and cost controls.

In the 1980-81 school year Comparable Group E had BA minimum salaries ranging from a low of \$11,000.00 at Mondovi to a high of \$11,675.00 at New Richmond. The overall average was \$11,205.00 and the Employer ranked 7th with a

BA minimum of \$11,085.00. The 1981-82 BA minimum salaries in Comparable Group E ranged from a low of \$11,775.00 at Durand to a high of \$12,325.00 at New Richmond and the average was \$12,064.00. The Employer paid a BA minimum salary that year of \$11,907.00 that ranked 7th in Comparable Group E. In the 1982-83 school year the BA minimum salaries in Comparable Group E ranged from a low of \$12,650.00 at Mondovi to a high of \$13,400.00 at Spring Valley and the average was \$13,091.00. The Employer paid a BA minimum that year of \$12,819.00 and it ranked 9th in the comparable group. In the 1983-84 school year BA minimum salaries in Comparable Group E ranged from a low of \$13,727.00 at Durand to a high of \$14,250.00 at Spring Valley and the average was \$13,970.00. The Employer paid a BA minimum of \$13,532.00 and it ranked next to the bottom in Comparable Group E. In the 1984-85 school year the BA minimum in Comparable Group E ranged from a low of \$14,344.00 at Mondovi to a high of \$16,377.00 at Baldwin-Woodville and the average was \$15,007.00. The Employer paid a BA minimum in the 1984-85 school year of \$14,682.00 and that ranked ninth in Comparable Group E. Seven school districts in Comparable Group E have reached agreement on wages for the 1985-86 school year and the BA minimums range from a low of \$15,213.00 at New Richmond to a high of \$18,000.00 at Amery. The Employer proposes to pay a BA minimum of \$15,932.00, while the Association proposes \$15,783.00.

In the 1980-81 school year the BA maximum salaries in Comparable Group E ranged from a low of \$15,170.00 at Spring Valley to a high of \$16,986.00 at Amery and the average was \$16,004.00. The Employer paid a BA maximum that year of \$15,439.00 that ranked ninth among the eleven schools in Comparable Group E. In the 1981-82 school year the BA maximum salaries in Comparable Group E ranged from a low of \$16,575.00 at Spring Valley to a high of \$18,425.00 at Amery and the average was \$17,510.00. The Employer paid a BA maximum salary in the 1981-82 school year of \$16,584.00 that ranked tenth among the eleven school districts in Comparable Group E. In the 1982-83 school year the BA maximum salaries in Comparable Group E ranged from the Employer's low of \$17,856.00 to a high of \$20,178.00 and the average was \$18,963.00. In the 1983-84 school year the BA maximum salaries ranged from the Employer's low of \$18,847.00 to a high of \$21,320.00 at Amery and the average was \$20,135.00. In the 1984-85 school

year the BA maximum in Comparable Group E ranged from a low of \$20,220.00 at New Richmond to a high of \$22,640.00 at Amery and the average was \$21,360.00. The Employer paid a BA maximum of \$20,449.00 and that ranked ninth among the eleven school districts. Seven school districts in Comparable Group E have reached agreement on 1985-86 salaries and the BA maximums agreed upon range from a low of \$20,663.00 at New Richmond to a high of \$24,840.00 at Amery. The Employer proposes to pay a BA maximum of \$21,699.00 in the 1985-86 school year and the Association proposes a salary of \$21,983.00. The 1980-81 MA minimum salaries in Comparable Group E ranged from a low of \$11,800.00 at Mondovi to a high of \$12,517.00 at Amery and the average was \$12,275.00. The Employer had an MA minimum salary of \$11,839.00 that ranked tenth among the eleven school districts in Comparable Group E. In the 1981-82 school year the MA minimum salaries in Comparable Group E ranged from a low of \$12,700.00 at Mondovi to a high of \$13,738.00 at New Richmond. The average was \$13,235.00 and the Employer paid a MA minimum that year of \$12,717.00 and ranked tenth among the eleven school districts in Comparable Group E. In the 1982-83 school year the MA minimum salaries in Comparable Group E ranged from a low of \$13,630.00 at Mondovi to a high of \$14,868.00 at Amery and the average was \$14,391.00. The Employer paid an MA minimum of \$13,692.00 that ranked 10th among the eleven school districts in Comparable Group E. In the 1983-84 school year the MA minimum salaries in Comparable Group E ranged from the Employer's low of \$14,452.00 to a high of \$15,964.00 at Baldwin-Woodville. In the 1984-85 school year the MA minimum salaries ranged from a low of \$15,749.00 at Durand to a high of \$18,376.00 at Baldwin-Woodville and the average was \$16,491.00. The Employer had an MA minimum salary that year of \$15,680.00 that ranked 10th in the Comparable Group. Seven school districts in Comparable Group E have reached agreement on 1985-86 salary schedules and the MA minimum salaries range from a low of \$16,484.00 at Mondovi to a high of \$21,000.00 at Amery. The Employer proposes an MA minimum of \$16,930.00 and the Association proposes an MA minimum of \$16,856.00. The MA maximum salaries in Comparable Group E during the 1980-81 school year ranged from a low of \$18,520.00 at Spring Valley to a high of \$19,847.00 at Ellsworth and the average was \$19,118.00. The Employer had an MA salary of \$18,953.00 that year that ranked 7th among the eleven schools in the comparable group. The 1981-82 MA maximum salaries in Comparable Group E ranged from a low of

\$20,230.00 at Spring Valley to a high of \$22,003.00 at Ellsworth and the average was \$21,020.00. The Employer's MA maximum that year was \$20,359.00 and it ranked 9th in the comparable group. During the 1982-83 school year the MA maximum in Comparable Group E ranged from a low of \$21,920.00 at Spring Valley to a high of \$24,350.00 at Durand and the average was \$22,764.00. The Employer had an MA maximum of \$22,395.00 that ranked seventh among the eleven school districts in the comparable group. During the 1983-84 school year the MA maximum salaries ranged from a low of \$23,350.00 at Spring Valley to a high of \$25,811.00 at Durand and the average was \$24,184.00. The Employer had an MA maximum that year of \$24,062.00 and it ranked sixth in the comparable group. During the 1984-85 school year the MA maximum salaries in Comparable Group E ranged from a low of \$24,757.00 in Spring Valley to a high of \$26,847.00 at Ellsworth and the average was \$25,653.00. The Employer had an MA maximum in the 1984-85 school year of \$26,107.00 and it ranked third in the comparable group. Among those school districts that have reached agreement on the 1985-86 salary schedule, the MA maximum salary ranges from a low of \$25,994.00 at New Richmond to a high of \$29,144.00 at Durand. The Employer proposes an MA maximum of \$27,357.00 while the Association proposes \$28,066.00 for the 1985-86 school year.

The 1980-81 schedule maximum salaries in Comparable Group E ranged from a low of \$18,960.00 at St. Croix Central to a high of \$23,430.00 at New Richmond with an overall average of \$20,225.00. The Employer had a schedule maximum that year of \$20,761.00 and it ranked second in the comparable group. During the 1981-82 school year the schedule maximum salary in Comparable Group E ranged from a low of \$20,570.00 at St. Croix Central to a high of \$25,674.00 at New Richmond and the average was \$22,255.00. The Employer had a schedule maximum that year of \$22,301.00 and it ranked fourth in the comparable group. During the 1982-83 school year the schedule maximum salaries in Comparable Group E ranged from a low of \$22,365.00 at St. Croix Central to a high of \$24,836.00 at Durand with an average of \$24,105.00. The Employer had a schedule maximum of \$24,581.00 and ranked fourth in the comparable group. During the 1983-84 school year the schedule maximum in Comparable Group E ranged from a low of \$24,046.00 at Mondovi to a high of \$29,163.00 at New Richmond and the average was \$25,764.00. The Employer had a schedule maximum that year of \$26,408.00 and it

ranked third in the comparable group. During the 1984-85 school year the schedule maximum salaries in Comparable Group E ranged from a low of \$25,549.00 at Mondovi to a high of \$30,767.00 at New Richmond and the average was \$27,390.00.

The Employer had a schedule maximum that year of \$28,653.00 and it ranked third in the comparable group. Among those school districts in Comparable Group E that have reached agreement on a 1985-86 salary schedule, the schedule maximum ranges from a low of \$27,337.00 at Mondovi to a high of \$34,040.00 at Amery. The Employer proposes a schedule maximum of \$29,903.00 and the Association proposes that it should be \$30,801.00. The 1985-86 settlements in Comparable Group E have average dollar increases per teacher ranging from a low of \$757.00 at New Richmond to a high of \$1,883.00 at Amery. The Employer's proposal would provide an average increase per teacher of \$1,644.00 and the Association's proposal would be \$2,067.00. The percentage increases in wages in Comparable Group E for the 1985-86 school year among those school districts that have reached agreement range from a low of 3.27% at New Richmond to a high of 8.7% at Mondovi. The Employer proposes that wages increase 7.5% and the Association proposes a 9.43% increase in the wage cost. The increase in total compensation costs per teacher in Comparable Group E among those school districts that have reached agreement for the 1985-86 school year range from a low of \$950.00 at New Richmond to a high of \$2,648.00 at Mondovi. The Employer's proposal would result in an increase in cost per teacher of \$2,247.00 and the Association's proposal would increase the cost per teacher by \$2,753.00. The percentage increase in cost per teacher among those school districts in Comparable Group E that have reached agreement ranges from a low of 3.05% at New Richmond to a high of 8.54% at Mondovi. The Employer's proposal would result in an increase cost per teacher of 7.76% and the Association's proposal would increase the cost per teacher by 9.5%.

During the 1982-83 school year the Consumer Price Index increased by 6.3%. The average increase in salary per teacher in Wisconsin that year was \$1,505.00 or 8.8%. The state-wide average increase in total cost per teacher that year was \$2,085.00 or 9.3%. In the 1982-83 school year the Employer gave its teachers an average increase of \$1,654.29 or 9.45% and its total cost per teacher increased by \$2,335.15 or 10.4%. In the 1983-84 school year the Consumer Price

Index increased by 2.2%. The state-wide average increase in salary per teacher was \$1,383.00 or 7.3% and the state-wide average increase in cost per teacher that year was \$2,052.00 or 8.1%. The Employer gave its teachers an average increase in salary of \$1,539.64 or 8.03% and its increase in cost per teacher that year was \$2,258.61 or 9%. In the 1984-85 school year the increase in the Consumer Price Index was 3.1%. The state-wide average increase in salary per teacher was \$1,586.00 or 7.9% and the increase in total cost per teacher was \$2,094.00 or 7.9%. The Employer had a 1984-85 average increase in salary per teacher of \$1,716.00 or 8.5% and the total increase in cost per teacher averaged \$2,428.00 or 9.08%.

By the 1985-86 school year the Consumer Price Index had increased 3.8% over the previous year. 196 school districts had reached agreement on salaries for the 1985-86 school year as of February 1, 1986 and the state-wide average increase in salary per teacher was \$1,842.00 or 8.2% and the state-wide average in cost per teacher was \$2,413.00 or 8.1%. Those figures should be compared with the Employer's proposal of an average increase in salary per teacher of \$1,643.69 or 7.49% and a total increase in cost per teacher averaging \$2,246.96 or 7.75%. They should also be compared with the Association's proposal of an average increase in salary per teacher of \$2,067.15 or 9.43% and an average increase in cost per teacher of \$2,753.89 or 9.5%.

ASSOCIATIONS POSITION

The Association points out that four of the eight schools in the Middle Border Athletic Conference have reached agreement for the 1985-86 year and one of them is in the third year of a three year contract and another has completely restructured its salary schedule. It argues that since only two schools in the conference have reached one year agreements for 1985-86 without any salary schedule restructuring, a broader comparable group must be utilized. Therefore, it contends that Menominee and Chippewa Falls as well as the conference schools of Durand and Mondovi should be included in a comparable group. The Association takes the position that secondary comparables should include the 1985-86 settlements of Prescott, St. Croix Central, Spring Valley, Elmwood and Glenwood City and should be considered by the Arbitrator.

Its primary argument is that the existing salary schedule index of a 3.75 percent to 4.2 percent vertical step increment based on the present or previous step should be maintained because it was voluntarily bargained into the 1969-70 agreement and has been maintained over the years without any change. It points out that the Employer's final offer eliminates the percentage vertical step increment structure and freezes the increment dollar amounts at the rates existing in the 1984-85 schedule and destroys the vertical index system that had been agreed upon by the parties in prior years. The Association contends that there is no evidence that the total cost or financial impact of the vertical increment is greater than at other schools. It argues that the evidence does not indicate that the Employer's maximum salaries are out of line when compared with comparable schools.

The Association asserts that elimination of the existing vertical increment structure would result in having the salaries at the maximum salary positions decline in comparison to other schools. The Association contends that all other districts in the primary or secondary comparables have agreed to 1985-86 salary schedules that offer the same percentage increase at the minimum and maximum salaries and continue the existing relationships between beginning employees and those at the schedule maximums. It asserts that changing an established salary index that has been agreed upon through collective bargaining must be achieved voluntarily and not by an Arbitrator. The Association argues that its proposal is within the established settlement pattern with respect to bench mark dollar and percentage increases at comparable schools and the Employer's proposal is inadequate at the maximum salaries. It argues that no comparable school district has treated its experienced teachers at the maximum salary level differently on a percentage basis than those teachers just entering the school system. They have continued the existing relationships between beginning employees and those at the schedule maximums. Conceding that its proposal is on the high side of the range of settlements among the comparable schools, the Association points out that its offer provides for two additional duty days during the school year. It contends that the Employer's final offer provides for the two additional duty days, but gives no financial recognition for the added time.

The Association asserts that the Employer's proposal will result in the

dollar deterioration of the relationship between the Employer's salaries at the maximum levels and those of comparable school districts at those same levels. It points out that in six of the seven comparisons of dollar increases and in six of the seven comparisons of percentage increases at the bench mark positions, the Association's final offer is closer to the average of the comparables than the Employer's. The Association argues that a definite settlement pattern has developed for the 1985-86 school year in the primary and secondary comparables and there is no evidence that would justify the Employer's departure from that pattern.

The Association contends that its final offer maintains the current salary schedule structure and its relationship to the comparables school districts and represents approximately the same dollar and percentage bench mark increases.

The Association points out that the Employer did not make an ability to pay argument and its budget position is more favorable than most comparables. It asserts that in the absence of an ability to pay argument, a salary schedule structure that was agreed to voluntarily should not be removed in arbitration and the maximum salaries should remain competitive with comparable schools. The Association argues that the current salary structure is not unique when one examines the average increment dollar amount and it contends that the maximum salaries are competitive but not out of line with comparable schools.

The Association asserts that the Employer presented no evidence at the hearing that it had problems hiring teachers due to a lack of a competitive base salary and that argument should not be considered by the arbitrator. It contends that the appropriate primary comparables are the 1985-86 settlements of the Comparable Group D which consists of the Middle Border Athletic Conference schools with the addition of Menominee and Chippewa Falls. It contends that the best indicator of the 1985-86 settlement pattern is a comparison of the bench mark salaries in terms of dollar and percentage increases. It takes the position that total package costs should not have more significance than bench mark comparisons. The primary objection of the Association to the Employers final offer is the fact that it results in an increase at the schedule maximum that is 4.1 percent less than given to beginning teachers and 2.6 percent less than the

average of comparable settlements and ignores the two additional duty days to be worked in the 1985-86 school year. It points out that the Employer's vertical increments do increase with experience, but the average increment size is competitive with other districts. It asserts that the Employer's final offer provides increments far below the average for comparable schools. The Association asserts that the increased dollar difference between the minimum and maximum salaries under the Association final offer is the same as with all schools that have reached 1985-86 agreements. It points out that no comparable has agreed to a 1985-86 salary schedule that uses a dollar per cell approach as proposed by the Employer. It contends that in all of the comparables the dollar difference between the minimum and maximum salaries has increased. The Association points out that the existing ratio between minimum and maximum has been maintained since the 1969-70 school year and its offer would maintain that ratio. It argues that the Employer seeks to completely destroy the index structure that was voluntarily agreed to in the 1969-70 negotiations and would disrupt the current salary schedule index by treating experienced teachers in a different manner than was the case in all of the comparable settlements. The Association argues that it is in the public interest to be able to not only attract but retain teachers. It contends that voluntary settlements should be considered valid guidelines in comparing final offers.

THE EMPLOYERS POSITION:

The Employer argues that its proposal maintains the 1984-85 dollar value of the lane and step increments and generates a wage cost of \$3,520,285.00 that represents an increase of 7 1/2 percent or \$1,644.00 per teacher. It points out that the total cost of its offer is \$4,663,590.00 and that is a 7.76 increase above the 1984-85 total cost and results in an increase in cost of \$2,247.00 per teacher. The primary objection of the Employer to the Association's proposal is that it results in the continuation of a salary grid structure that has a rolling index and results in ever increasing increments as a teacher gains experience. It points out that the wage cost of the Association's final offer equals \$3,583,467.00 and calls for wages that are \$63,182.00 greater than the Employer's final offer. It generates a 9.43 percent increase in wage costs that is 2 percent greater than the Employer's final offer. The Employer points out

that the total cost of the Association's final offer is \$4,739,234.00 and is a 9.5 percent increase over the preceding year and will result in an increase of \$2,753.00 in the average teacher cost. The total cost of the Association's final offer exceeds the Employer's final offer by \$75,644.00 or 1.74 percent.

The Employer argues that the current salary index has a unique grid that has created a situation in which its base rates are relatively low in comparison to the comparables while it plays a leadership role at the MA and schedule maximums. It contends that its teachers have historically outstripped increases in the consumer price index and would continue to do so under its proposal. The Employer points out that its wage and total package offer significantly exceeds the inflation rate as well as private and public sector settlements within its immediate area. It argues that its proposal of a 7.5 percent is equal to or slightly higher than the average increase in teacher wage costs in the comparable districts for the 1985-86 school year and its total package increase of 7.76 percent exceeds the average teacher settlement by nearly one-half percent. The Employer asserts that the Association's proposal exceeds the cost of the average teacher settlement by over 2 percent.

The Employer contends that it is comparable to the conference schools and the three contiguous schools that make up Comparable Group E. It contends that the school districts of Menominee, Chippewa Falls, Rice Lake, Glenwood City, Somerset and Elmwood do not meet all of the traditional factors of geographic proximity, size, economic resources available, support programs, operating costs and athletic conference.

The Employer argues that the increases provided by its final offer are near the area average both in dollar increases and percent increases at the BA base, the MA base, the MA maximum and the schedule maximum. It points out that its teachers have received wage and benefit increases that have outstripped the state wide average teacher settlements in the period from the 1982-83 school year through the 1985-86 school year.

The Employer asserts out that the average teacher wage increase in Comparable Group E equals \$1,609.00 per teacher or 7.4 percent. It points out that its final offer provides an increase of \$1,644.00 per teacher or 7.5 per-

cent and exceeds the average wage increase in Comparable Group E. The average total compensation increase per teacher in Comparable Group E was \$2,048.00 or 7.32 percent and the Employer's proposal would result in a total compensation increase per teacher of \$2,247.00 or 7.6 percent. The Employer argues that not one of the comparable school districts utilized by it reached agreement on wages that resulted in a total package increase of 9 percent or more. Only Menomonie has an increase of 9 percent and that included the cost of the lateral movement across the grid which is not included in the Employer's costing or that of any of the comparable districts. The Employer points out that the Association's proposal of the 9.43 percent increase exceeds the area average of 7.4 percent by 2 percent and its total package increase exceeds the area average of 7.3 percent by 2.2 percent. It argues that bench mark comparisons provide only a limited view of the comparative positions of the Employer and school districts increasingly have relied on restructuring their salary schedules to address specific needs.

The Employer argues that its salary schedule has been weak at the BA base and the MA base and its final offer provides a large increase at the weak bench mark without further increasing the relatively strong bench marks. It proposes to increase the BA base by 8.5 percent and the MA base by 8 percent. The average increase in Comparable Group E was 7.7 percent at the BA base and 8.5 percent at the MA base. The Employer argues that the Association's final offer gives to the "haves" and disregards the "have nots" and exacerbates a serious structural problem within its salary schedule.

The Employer points out that its current salary schedule increases the experience increment as a teacher moves through the grid because the increment is based on a percentage of the previous step. The Employer contends that its proposal to increase each step of the salary schedule by \$1,250.00 retains the increment differential from the 1984-85 contract year while the Association would add a percentage to each step and increase the dollar difference between the base and the maximum of each of the lanes. It points out that its offer maintains the existing dollar relationship between the various steps of the salary schedule and the Association's final offer changes the relationship by amounts ranging from \$433.00 to \$1,047.00.

The Employer argues that with the exception of the BA column, the ratios between the minimum and the maximum provided by its proposal are significantly greater than the ratios of the comparables and the Association's proposal creates too great a disparity. It contends that its proposal provides generous increases to individuals moving through the salary schedule and those teachers will receive wage increases ranging from a minimum of \$1,800.00 to a maximum of \$2,224.00. Those increases range from 9.4 percent to 12.3 percent. The Association's proposal would provide increases ranging from \$1,692.00 to \$2,828.00. The percentage range would be between 11.5 percent and 11.9 percent.

The Employer argues that the Arbitrator must compare the wage levels received by county employees in St. Croix and Pierce County and the City of River Falls and private sector employees in River Falls. It contends that the Association's wage proposal exceeds the average St. Croix County settlement by 5.2 percent and the city settlement by 6.7 percent. The Employer points out that its final offer of 7.5 percent is 3.25 percent greater than the average St. Croix County increase and 4.75 percent greater than the increase received by City of River Falls employees in 1986. It asserts that private sector settlements in the area were very modest if the employees received any increase at all and there has been a downward trend in salary increases in Wisconsin.

The Employer argues that its final offer balances the general public interest and employee interest by providing a reasonable increase without having a significant impact on the taxpayer. It asserts that the Association's offer of a 9.5 percent increase is totally insensitive to the economic problems faced by some of the Employer's tax payers.

The basic thrust of the Employer's argument is that the salary schedule must be changed because the uniqueness of its current grid structure has led to relative wage rank distortions and hiring difficulties. It asserts that the Association's demand of a total package increase of 9.5 percent is unreasonable when compared to the Employer's 7.76 percent proposal. The Employer points out that the Association is asking the Arbitrator to keep in place a grid that is not consistent with the area pattern and is creating a relative wage rank distortion. It contends that its proposal of a one time only, dollar across the

board, wage increase will address the current relative rank imbalance and put money into the poorly ranked bench marks and still provide those relatively well situated maximum bench marks with a real wage increase. The Employer asserts that its proposal maintains its practice of increasing experience increments as one gains seniority in a lane.

DISCUSSION

In justifying its proposal, the Association has utilized four different comparable groups and the Employer has relied on two. There is some validity in each of the comparable groups. Each of them contains some of the criteria that are normally considered. However, all of them are not equally acceptable. The general practice is to use the athletic conference as a comparable group. There are limitations on the validity of that practice, but ordinarily it gives consideration to the factors of enrollment and geographic proximity. There is some agreement between the parties to use the Middle Border athletic conference as the comparable and it constitutes Comparable Group B. The Association points out that only four of the eight schools in Comparable Group B have reached salary agreements for the 1985-86 school year and one of them is in the third year of a three year contract and another has a new salary schedule that has been completely restructured. It contends that comparisons with those two schools are not valid and a limited number of Middle Border conference agreements necessitates the inclusion of other school districts. Comparable Group D that the Association favors includes the Middle Border athletic conference plus three other schools in the area that the Employer includes in its Comparable Group E. However, the Association reaches beyond its immediate area to include the school districts of Menomonie and Chippewa Falls in Comparable Group D. By including or excluding schools in the immediate area and adding schools from far away, one can tailor a comparable group to support just about any position. It seems that the Association has reached quite a distance when it includes Chippewa Falls in a comparable group. The inclusion of Menomonie is more easily justified but it is questionable.

The comparable group primarily relied upon by the Employer is Comparable Group E. It includes all of the school districts in the Middle Border conference plus the three contiguous school districts of Prescott, St. Croix

Central and Spring Valley. Comparable Group E is more compact and has more geographical proximity than Comparable Group D. For that reason, Comparable Group E is preferable to Comparable Group D.

Chapter 111.70 requires the Arbitrator to give weight to a series of criteria in determining the reasonableness of the parties final offers. Each of the criteria must be considered.

Compared to the cost of living increases, the Employer's final offer is more reasonable than that of the Association. Currently and historically, the Employer's teacher salary increases have far outstripped increases in the consumer price index since the 1977-78 school year. The Employer's proposal increases its wage cost by 7.5 percent and its total compensation package increases by 7.76 percent. Those percentage increases far exceed the increase in the cost of living during the preceding year. Its wage and benefit offer exceeds the current rate of inflation by almost 4 percent.

Private sector and public sector settlements in the area give some indication of the local cost of living. The Employer's final offer substantially exceeds the settlements reached by other municipal employers in the immediate area as well as private sector employers. The level of teacher settlements in the comparable districts is a measure of the cost of living. The average teacher wage increase in the comparable districts for the 1985-86 school year equals 7.4 percent. The Employer's proposal of an increase in wage cost of 7.5 percent is slightly higher than the average teacher wage increase in the area. The Employer's total package increase of 7.76 percent exceeds the average teacher settlement of the comparable districts by nearly one-half percent. The Association has demanded an increase that exceeds the average teacher settlement by more than 2 percent.

The Employer's teachers have received wage and benefit increases that have outstripped statewide average teacher settlements in each of the preceding three years and the 1985-86 proposal of the Employer will fall into that same pattern. The average teacher wages only increase in Comparable Group E for those school districts that have reached agreement is \$1,609.00 per teacher or 7.4 percent. The Employer's final offer provides an average teacher increase of \$1,644.00 or

7.5 percent. The average total compensation increase in Comparable Group E was \$2,048.00 or 7.32 percent and the Employer's total package increase proposal has a cost per teacher of \$2,247.00 and results in a 7.76 percent increase. Not one of the comparable districts in Comparable Group E that reached agreement on a 1985-86 collective bargaining agreement provided a wage or total package increase that resulted in an increase of 9 percent or more. In the Association's favored Comparable Group D, only Menomonie teachers received an increase with a total cost of more than 9 percent and that was the result of an arbitration in which the arbitrator had the choice of selecting a proposal with an average increase per teacher of 8.05 percent or \$1,847.72 per teacher or one of 5.04 percent or \$1,156.20 per teacher.

The Employer points out that many of the recent settlements in the area have restructured their salary schedules to address specific concerns based on the district's needs. Amery restructured its entire salary schedule as a result of an agreement between the parties. Prescott froze the increment and there was no movement through the salary grid during the 1985-86 school year. Spring Valley and Glenwood City delayed implementation of the wage increase agreed upon and Mondovi and St. Croix Central agreed to a 7 percent increase when their teachers delayed the school districts' absorption of the increased retirement contribution. The Employer's salary schedule has been traditionally weak at the BA base and MA base when compared to other school districts in Comparable Group E. Its final offer was designed to provide a large increase at the relatively weak bench marks of the BA base and MA base without substantially increasing the relatively strong bench marks that are well above the average in Comparable Group E. The final offer increases the BA base by 8.5 percent and the MA base by 8 percent. Those were the two weakest bench marks on its salary schedule. The average increase in Comparable Group E was 7.7 percent at the BA base and 8.5 percent at the MA base. The Employer's final offer is an attempt to catch up at those bench marks and reduce the disparity between its pay at those bench marks and the average of the comparable districts. One weakness of the Association's final offer is that it calls for substantially more money and a better than average increase at the very bench marks where the Employer has been traditionally strong. Its final offer generates a \$1,959.00 increase at the MA

maximum and the average comparable increase in Comparable Group E at that benchmark was \$1,686.00. The Association's final offer exceeded the average by \$273.00. Its offer would increase the schedule maximum by \$2,148.00 and the average increase at the schedule maximum in Comparable Group E was \$1,775.00. The Association's offer exceeds the average by \$373.00.

The Employer's proposal provides teachers moving through the salary schedule with increases ranging from a low of \$1,800.00 at the BS step two slot on the salary schedule to \$2,224.00 at the MA plus 20 step 12 slot. The percentage increases range from a low of 9.4 percent at the MA plus 20 step 12 slot to 12.3 percent at the BS step 2 slot. The Association's offer would provide dollar increases ranging from a low of \$1,692.00 at the BS step 2 slot to \$2,828.00 at the MA plus 20 step 12 slot. The percentage increases would range from 11.5 percent at the BS step 2 slot to 11.9 percent at the MA plus 20 step 12 slot.

The statutory criteria that the Arbitrator must follow in reaching a decision requires consideration of wage levels received by other municipal employees and private sector employees in the area. The Association's proposed increase exceeds the average St. Croix County settlement by 5.2 percent and the City of River Falls settlement by 6.7 percent. The Employer's final wage offer of 7.5 percent is 3.25 percent greater than the average St. Croix County increase and 4.75 percent greater than the increase received by River Falls employees in 1986. The private sector salary increases in the area were very modest if the employees received any increases at all. A survey indicates that the 125 major Wisconsin employers gave 1985 increases that range from 5.3 percent to 6 percent. The Employer's proposal of a 7.5 percent increase in its salary cost is well above the maximum increase given by the major employers.

The major problem with the Association's proposal is the fact that it generates an increase in the Employer's wages only cost of 9.43 percent and an average increase in salary per employee of \$2,067.00. The wages only increase among school districts in Comparable Group E that have reached agreement for the 1985-86 school year range from a low of \$757.00 per teacher or 3.27 percent at New Richmond to a high of \$1,999.00 or 8.7 percent at Mondovi. The Employer's proposal increases its wage cost by 7.5 percent and provides an

average increase per teacher of \$1,644.00. That is close to the average increase in Comparable Group E in terms of percentage and dollars. The Association's proposal increases the Employer's wage cost by 9.43 percent or \$2,067.00 per teacher. The increase in total compensation in Comparable Group E ranges from a low of \$950.00 or 3.05 percent at New Richmond to a high of \$2,648.00 or 8.5 percent at Mondovi. The Employer's proposal increases its total compensation costs by \$2,247.00 per teacher or 7.76 percent and both figures are fairly close to the average in Comparable Group E. The Association's proposal increases the Employer's total compensation cost by \$2,753.00 per teacher or 9.5 percent. It is well above the average of Comparable Group E and higher than any single school in the area including Menomonie. There is no reason why the Employer's wage cost should increase by 2 percent more than any other school district in Comparable Group E.

The Association presents itself in a favorable position when it points out that it is asking for an increase in wages of 7.5 percent per cell. On its face, that is not an outlandish request and seems to imply an increase in wage costs of 7.5 percent. The fact is that the rolling index causes a 7.5 percent per cell increase for each teacher. It increases the Employer's wage cost by 9.43 percent and increases its total compensation cost by 9.5 percent. Obviously something is wrong. The Employer's salary schedule is constructed in a unique fashion. Unlike the majority of the school districts in the comparable group, it increases the dollar amount of the increment as an employee moves through the salary grid because the increment is based on a percentage of the previous step. Most comparable districts have equal increments in each lane, but no step increment in the Employer's salary schedule is the same. This structure results in significantly larger increases in the step increments as more experience is gained. The Employer's proposal to increase each step of the salary schedule by \$1,250.00 retains the increment differentials from the 1984-85 salary schedule. The Association's proposal adds a percentage to each step and substantially increases the dollar difference between the base and the maximum of the lanes. The Employer's offer maintains the existing dollar relationships between the various steps and the Association's final offer changes that relationship by amounts ranging from a minimum of \$433.00 to a maximum of \$1,047.00.

The major problem with the Association's proposal is that even though it only increases each step of the salary schedule by 7.5 percent, it results in an overall increase in the Employer's compensation cost of 9.5 percent. None of the criteria set forth in the statute would justify an increase in the Employer's salary cost of 9.5 percent when the average increase in comparable groups is 7.5 percent. The Association could only point to one school district in Western Wisconsin that had an overall increase in compensation costs of more than 9 percent and it was the result of an arbitrator's award and not free collective bargaining.

The Association argues that the existing salary schedule with the rolling index should be maintained because it was voluntarily bargained into the 1969-70 agreement and has been maintained over the years without change. It contends that the Employer's final offer eliminates the percentage vertical step increment structure and freezes the increment dollar amounts at the levels existing in the 1984-85 salary schedule and destroys the vertical index system that had been agreed upon by the parties in prior years. If the Association had proposed continuing the existing salary schedule with the rolling index so that it increased the Employer's compensation cost by a percentage similar to the other school districts in the area, the Arbitrator would be inclined to go along with its proposal. However, its offer exceeds the settlement pattern by nearly 2 percent. There is no justification for a 9.5 percent total package increase under the circumstances. The Employer's final offer provides teachers in its district with a wage increase that has a cost increase to it comparable to the cost increase incurred by other school districts in the area. It addresses what it perceives to be some problem areas in its salary schedule. It maintains the existing dollar relationship between the various steps on the salary schedule that the Association found to be acceptable for the 1984-85 school year. The Association's proposal calls for an increase in the Employer's compensation cost well above the pattern established in the area. Governor Earl has stated that school districts must do a better job of keeping costs down and he has suggested that cost controls are a virtual certainty for the next budget if school boards do not do a better job of holding costs down. In the face of those facts, it cannot be said that it is in the public interest for the Employer to increase

its compensation cost by 9.5 percent in order to maintain the index as the Association proposes.

The Association contends that the Employer's proposal will completely destroy the index structure that was voluntarily agreed to in the 1969-70 negotiations and will disrupt the current salary schedule index by treating experienced teachers in a different manner than was the case in all of the comparable settlements. The Employer's proposal maintains the existing dollar relationships that existed in the 1984-85 school year. The dollar differentials between each of the steps would remain the same. The Association's proposal destroys the dollar relationships created by the 1984-85 agreement and creates new ones that increase the differentials.

The Association points out that no comparable school district has agreed to a 1985-86 salary schedule that uses a dollar per cell approach as proposed by the Employer and it contends that in all the comparables the dollar difference between the minimum and maximum salaries has increased. The Association's position is absolutely correct. The Employer's proposal would raise the starting salaries of teachers hired for the 1985-86 school year by a higher percentage than the percentage increases of all other teachers in the bargaining unit, but the dollar increases would be the same for all steps of the salary schedule. This Arbitrator stated in his Award involving the Cumberland School District dated April 21, 1986 that in the absence of a substantial inequity at either end of the salary schedule it does not make sense to disrupt the relationships that have been established by bargaining over a period of years. The Arbitrator went on to point out that the school district proposal would raise its hiring rates disproportionately and offer its most experienced staff increases that would disrupt the relationship between its own teachers as well as other teachers in other school districts in the comparable group that were established through bargaining. That is not the case here. The Employer's proposal does not disrupt the dollar relationships between its teachers but continues the same dollar differential that existed in the 1984-85 school year. It may affect the dollar relationships between the salaries of its teachers and those of teachers and

other school districts.

The percentage increments proposed by the Association would change the dollar differentials between the Employer's teachers and those teachers in other school districts with similar experience and training whose increments are based on a fixed number of dollars.

In the Cumberland case this Arbitrator stated that in the absence of a substantial inequity at either end of the salary schedule, it does not make sense to disrupt the relationships that have been established by bargaining over the years. The fact is that an inequity has resulted from the index that has been in place since the 1969-70 school year. It has resulted in increasing the amounts of the increment at the high experience steps of the salary schedule and the lower experience steps have not kept pace. Even in those circumstances the Arbitrator is reluctant to disturb an existing index that has been established through collective bargaining. However, he has no reluctance to impose a change when the continuation of a practice would result in an increase of the Employer's cost that is 2 percent higher than the established percentage increase pattern in the comparable group. The substantially higher increase in total compensation cost resulting from the Association's proposal is significant enough to overcome the Arbitrator's reluctance to tamper with a salary index that has been in place since the 1969-70 school year and has resulted in skewing the increments in favor of the high experience steps on the salary schedule and allows the lower experience steps to lag behind. The Employer proposes to address the current relative rank imbalance with a one time only dollar across the board wage increase. It puts money into the poorly ranked bench marks while still providing the maximum bench marks with a real wage increase. It retains the existing experience increments.

Not all the statutory criteria spelled out in Section 111.70(4)(cm)7 of the Municipal Employment Relations Act are pertinent to the issue. The lawful authority of the Employer will permit implementation of either proposal. The stipulations of the parties have little impact on the issue of wages except that both parties have agreed to include two additional days in the school calendar. The Employer does not make an ability to pay argument and it appears that it can meet the cost of either proposal. The proposals of the Employer as well as the

Association both exceed the cost of living factor by a substantial amount and the Employer's proposal more closely meets that criterion. Arbitrators regularly determine the proper protection against cost of living increases is established by the voluntary settlements that have been reached in the comparable districts and the Employer's proposal fits that pattern better than the Association's proposal. The overall compensation factor is not particularly significant except as it relates to wages. The fact that the Association's proposal would increase compensation costs by more than 2 percent above the average increase in the Comparable Group E favors the Employer's proposal.

The Association argues that the Employer is seeking to make major changes in the basic salary schedule, but that is not the case. The Employer seeks to maintain the existing dollar differences between the various steps of the schedule and that is the pattern that has been followed by almost all of the school districts in the comparable groups. The Association's proposal seeks to increase the dollar differentials between the various steps on the salary schedule by larger amounts at the high experience steps and smaller amounts at the lower experience steps. The Employer's proposal departs from the settlement pattern that has been established by agreements reached in the comparable groups because it gives the same dollar increase to all the teachers at every step on the salary schedule. It has the purpose of giving a larger percentage increase to the teachers at the lower experience steps of the salary schedule and a smaller percentage increase to teachers at the higher experience steps. The Employer's proposal keeps the increase in its compensation cost in line with the pattern established by settlements in the comparable groups.

The Employer is asking the Arbitrator to restructure its salary schedule with flat dollar increases that depart from the pattern of increase established through negotiations in the comparable groups but has an increase in total compensation cost to the Employer that is very close to the pattern. The Association's proposal continues the index that has provided large increases to the high experience teachers and small increases to teachers with less experience. It disrupts the dollar relationship between the Employer's teachers and teachers in other school districts with equal training and experience. When one considers that the total cost of the Association's proposal is excessive,

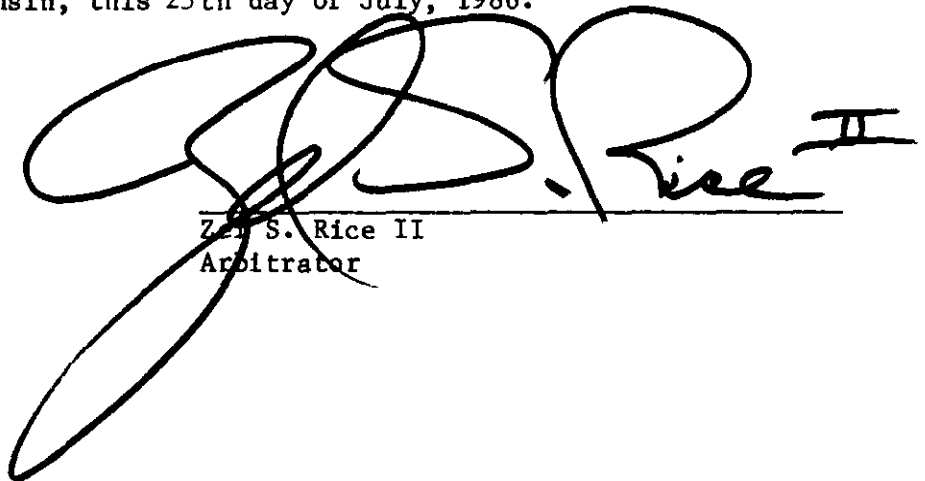
the idea of a one time only, dollar across the board wage increase appears to more closely meet the statutory criteria than that of the Association. Arbitrators seldom select final offers that have a wage cost that is excessive.

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

AWARD

After full consideration of the criteria listed in the statutes and after careful and extensive examination of the exhibits and briefs of the parties, the Arbitrator finds that the Employer's final offer more closely adheres to the statutory criteria than that of the Association and directs that the Employer's proposal contained in Exhibit B be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin, this 25th day of July, 1986.



Z. S. Rice II
Arbitrator

EXHIBIT "A"

RECEIVED

NOV 07 1985

WCEA-RIVER FALLS FINAL OFFER

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

1. The Association proposes the provisions of the 1984-85 Professional Agreement, between the WCEA-River Falls and the School District of River Falls, become the terms of the 1985-86 Professional Agreement except as modified by the stipulation of tentative agreements between the parties and the amendments, attached hereto and as determined by the mediator-arbitrator, to be incorporated into the successor contract.

2. ARTICLE VI - DUTY YEAR AND CALENDAR

Section A. Basic Year: The normal duty year for regularly contracted employees, upon which the employee's annual salary is based, shall be 187 duty days.

The additional two duty days will be used for inservice or curriculum work.

3. ARTICLE VII - BASIC COMPENSATION

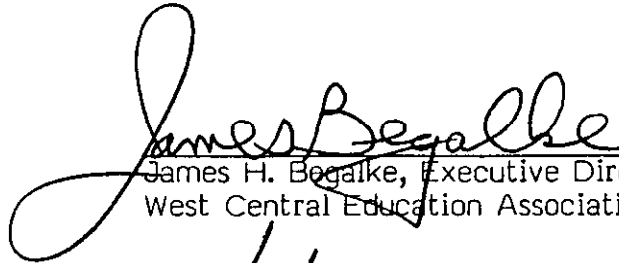
Section A. Rates of Pay:

Subd. 1. 1985-86 School Year: The wages and salaries reflected in Appendix/Schedule A, attached hereto, shall apply to full-time employees and shall be a part of the Agreement effective August 15, 1985.

APPENDIX SCHEDULE A - 1985-86 Salary Schedule is attached.

4. ARTICLE VII - BASIC COMPENSATION

Revise Section H to reflect 187 day duty year.


James H. Begalke, Executive Director
West Central Education Association
11/6/85
Date

APPENDIX SCHEDULE A
1985-86 Academic Year

<u>Steps On Schedule</u>	<u>Experience</u>	<u>BS</u>	<u>BS+11* Grad. Hrs.</u>	<u>BS+22* Grad. Hrs.</u>	<u>BS+33* Grad Hrs.</u>	<u>MAor60* Grad. Hrs.</u>	<u>MA+20* Grad Hrs.</u>	<u>MA+40* Grad. Hrs.</u>
1	0	15783 (3.75%)	16013 (3.80%)	16243 (3.85%)	16471 (3.90%)	16856 (4.00%)	17085 (4.10%)	17315 (4.20%)
2	1	16374	16622	16868	17113	17530	17785	18042
3	2	16988	17253	17518	17781	18231	18515	18800
4	3	17625	17909	18192	18474	18961	19274	19590
5	4	18287	18589	18893	19195	19719	20064	20412
6	5	18973	19296	19620	19943	20508	20887	21270
7	6	19684	20029	20375	20721	21328	21743	22163
8	7	20422	20790	21160	21529	22181	22634	23094
9	8	21188	21580	21974	22369	23069	23562	24064
10	9	21983	22400	22820	23241	23991	24529	25074
11	10	-----	23251	23699	24148	24951	25534	26128
12	11	-----	-----	-----	25089	25949	26581	27225
13	12	-----	-----	-----	-----	26987	27671	28368
14	13	-----	-----	-----	-----	28066	28805	29560
15	14	-----	-----	-----	-----	-----	29986	30801

*Based on Quarter Credits. A quarter credit is equivalent to two-thirds of a semester credit.

EXHIBIT "B"

RECEIVED

SCHOOL DISTRICT OF RIVER FALLS

DEC 27 1985

FINAL OFFER

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

The District proposes that the provisions of the 1984-85 agreement between the parties become the terms of the 1985-86 agreement except as modified by the Stipulation of Tentative Agreements (Attachment A) and the following modifications:

1. Article VI, Section A. Basic Year:

The normal duty year for regularly contracted employees, upon which the employee's annual salary is based, shall be 187 duty days.

2. Article VII, Basic Compensation. Revise paragraph H to read as follows:

H. Pay Deductions: In the event that an employee employed for the regular 187-day year is absent without leave and a pay deduction is to be made for such absence, the amount of the deduction shall be 1/187 of the employee's basic contract salary. In the event that an employee's duty year is different than the 187-day year, the divisor shall be adjusted accordingly.

3. Revise Article VII, Section A, subsection 1, to read as follows:

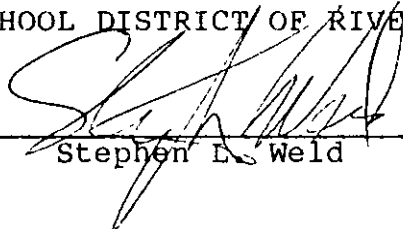
1. 1985-86 School Year: The wages and salaries reflected in Appendix/Schedule A, attached hereto, shall apply to full-time employees and shall be a part of the agreement effective August 15, 1985.

4. Revise Appendix/Schedule A to read as Attachment B attached hereto.

Respectfully submitted

SCHOOL DISTRICT OF RIVER Falls

By


Stephen L. Weld

(SW)
12/20/85

APPENDIX SCHEDULE A
1985-86 Academic Year

<u>Steps On Schedule</u>	<u>Experience</u>	<u>BS</u>	<u>BS+11* Grad. Hrs.</u>	<u>BS+22* Grad. Hrs.</u>	<u>BS+33* Grad. Hrs.</u>	<u>MA or 60* Grad. Hrs.</u>	<u>MA+20* Grad. Hrs.</u>	<u>MA+40* Grad. Hrs.</u>
1	0	15932	16146	16360	16572	16930	17143	17357
2	1	16482	16712	16941	17170	17558	17795	18033
3	2	17053	17300	17546	17791	18210	18473	18738
4	3	17645	17910	18173	18436	18888	19180	19473
5	4	18261	18544	18824	19107	19593	19915	20238
6	5	18899	19201	19501	19804	20326	20680	21035
7	6	19560	19884	20204	20527	21089	21477	21866
8	7	20247	20592	20934	21279	21882	22306	22732
9	8	20960	21327	21691	22060	22708	23169	23635
10	9	21699	22090	22478	22872	23566	24068	24575
11	10		22382	23295	23715	24459	25003	25555
12	11				24591	25388	25977	26576
13	12					26354	26991	27639
14	15					27357	28046	28748
15	16						29145	29903

SW
12/26/85

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

DEC 27 1985

RECEIVED