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JUN 16 1986

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

STATE OF WISCONSIN  
BEFORE THE ARBITRATOR

In the Matter of the Petition of

BENTON TEACHERS ASSOCIATION

To Initiate Mediation-Arbitration  
Between Said Petitioner and

BENTON SCHOOL DISTRICT

Case 4  
No 35967  
MED/ARB-3622  
Decision No. 23227-A

APPEARANCES:

Ken Cole, Wisconsin Association of School Boards, Inc., on behalf of the  
District

Paul Bierbrauer, South West Teachers United, on behalf of the Association

On February 10, 1986 the Wisconsin Employment Relations Commission appointed the undersigned Mediator-Arbitrator pursuant to Section 111.70(4)(cm) 6b of the Municipal Employment Relations Act in the dispute existing between the above named parties. Pursuant to statutory responsibilities the undersigned conducted a mediation session with the parties on March 25, 1986 which did not result in resolution of the dispute. The matter was thereafter presented to the undersigned in an arbitration hearing conducted on April 2, 1986 for final and binding determination. Post hearing exhibits and briefs were filed by the parties which were exchanged by April 8, 1986. An additional post hearing exhibit was submitted by the Association thereafter, but the undersigned declined to allow said exhibit to be incorporated into the record. Based upon a review of the foregoing record, and utilizing the criteria set forth in Section 111.70(4)(cm) Wis. Stats., the undersigned renders the following arbitration award.

ISSUES:

The sole contractual issue in dispute in this proceeding is the 1985-86 salary schedule. The Association has proposed an increase in the base of \$1,000 to \$14,300. It has also proposed modifications of the horizontal and vertical increments on the schedule, including a \$100 increase in horizontal increments to \$500, and an increase from 3.25% to 3.5% on the vertical increments at steps 7 - 15.

**BOARD POSITION:**

School districts within the Blackhawk Athletic Conference and two additional districts, Southwestern and Blackhawk, comprise an appropriate set of comparable districts to utilize in this proceeding.

When salary schedules of comparable districts are analyzed historically over recent years, the District ranks quite well.

Furthermore, the Board's proposal more closely approximates voluntary settlements in the Athletic Conference than does the Association's proposal. In fact, the Board's proposal is closer to many of the Association's proposed comparable settlements than is the Association's proposal.

In addition, the District's total compensation exceeds most of the Athletic Conference schools in that the District offers cash payments amounting to \$600 per year to employees not taking insurance coverage, and no other Conference school offers this benefit. In addition, dental benefits which are offered by the District are only offered by one other Conference district.

It is also significant that the District already exceeds its neighbors at the maximum salary levels. In addition, since the District is already a leader in terms of the number of its teachers who hold Masters degrees, there does not appear to be a need to provide additional incentives to encourage teachers to obtain such advanced degrees.

Economic conditions in the area would suggest that the District's proposed increase is more reasonable than the Association's. In this regard it is significant that approximately 70% of the District's property value is in rural areas. The record also clearly demonstrates that the area of the State in which the District is located is experiencing economic conditions that are more serious than the State as a whole. Evidence of this plight can be found in relevant unemployment and tax delinquency statistics.

Furthermore, the pupil teacher ratio in the District has been significantly reduced, and such reductions should serve to moderate the Association's demands for more compensation for the District's teachers.

Even with the reduction in the number of students in the District, the District has the lowest tax base per pupil of any of the District's comparables. This translates into one of the highest levy rates among comparable districts.

In 1985-86 the District received approximately an 8% increase in state support, which matches the size of the Board's proposed increase to the teachers. On the other hand, the Association's proposed increase would utilize all of the increased state aid plus some, which would result in no property tax relief as contemplated by the Governor and Legislature when they provided school districts additional State support this last year.

**ASSOCIATION POSITION:**

The primary group of comparables should be the school districts in CESA #3 that have settled agreements for the 1985-86 school year. As a secondary group of comparables, districts in the Black Hawk Athletic Conference should be utilized; however, within the Athletic Conference, only four districts are settled for 1985-86. Thus, no true settlement pattern emerges without considering school district settlements in the entire geographic area. In this

regard it is not uncommon for comparable pools to expand beyond the athletic conference when there are an insufficient number of settlements in a conference to establish such a pattern. In the same regard, there are 16 settlements in the CESA #3 geographic area which is a sufficient number for comparison purposes. It is also relevant that all but one of these settlements are in districts similar in size to the District. Even Platteville, which is substantially larger than the District, has been placed in the same comparability group as the District on two other occasions. Furthermore, CESA #3 stands out sharply from other CESA regions in terms of BA base mean salary, and mean total compensation, all of which are substantially lower than statewide comparisons. It is a geographical region having its own rather unique teacher economic conditions, and thus it should be viewed as a comparable pool of districts in this proceeding.

The geographical area of the Association and District proposed comparables is nearly the same. The Association's proposed comparables are all in rural Southwestern Wisconsin and they are economically influenced by the same factors.

CESA #3, as an employer, is also a proper member of the comparability group. It is, as a political subdivision, tied to the school districts within its region by statutory provision, DPI policy, and by program and financial arrangements it has with said districts. It is a public employer which employs certified professional staff who work in each of the school districts in the region.

With respect to the salary issue, which constitutes almost the full economic value of the 1985-86 bargain, it is noteworthy that the District has not denied that it has the financial ability to fund the Association's proposal. Neither has it put forth evidence that establishes the fact that economic conditions in the District are relatively unique in the area. In fact, the seven counties in southwest Wisconsin constitute the most prosperous agricultural region in the State.

The Association is simply proposing salary improvements which maintain the District's relative position among comparable districts. In order to demonstrate that fact a benchmark comparison is appropriate, particularly since there has been no significant restructuring of salary schedules in the District's comparables.

A benchmark comparison indicates that the Association's proposal is more comparable than the District's since it maintains the District's relative ranking among comparables. Deterioration of the District's ranking would be worsened under the District's offer. The District's offer, in terms of the

The cost of a graduate degree for tuition alone is over \$2000. Such costs should be returned to the teacher in the BA-MA ratio in exchange for the improved knowledge and skill that teacher will bring to the classroom.

In addition, the career teacher should be compensated for his or her longevity and education. The Association's proposed salary schedule expansion is necessary and justified in order to maintain or improve those teachers' salary level since the greatest historical loss in the District has been at the top of the schedule. In this regard it is relevant that twelve of the District's 27 teachers have reached the top step of the schedule, and 12 teachers have a MA degree or better.

Lastly, the record indicates that the farm economy in the southwest region of Wisconsin is not as seriously depressed as the District would have the arbitrator believe, although it is clear that the teachers in the area are not as well off as their colleagues around the State. No persuasive reason has been presented to indicate why the District cannot at least keep up with comparable districts in the area in order not to further exacerbate this problem.

#### DISCUSSION:

On the comparability issue the undersigned has selected as appropriate comparables to be utilized in this proceeding nine districts which apparently are of relatively similar size located in Lafayette, Grant, and Iowa counties, in the same geographical area as the District's Athletic Conference, and which have 1985-1986 settlements. Based upon the geographic proximity of these districts and the fact that they are all located in rural southwestern Wisconsin communities, it seems fair to conclude that they are all confronted with very similar economic problems growing out of the troubled farm economy. The districts the undersigned has selected are as follows: Southwestern, Bloomington, Highland, Black Hawk, Iowa Grant, Darlington, West Grant, and Fennimore.

Utilizing the foregoing list of comparable districts and a salary benchmark analysis of their 1985-1986 settlements, which seems to be appropriate in view of the fact that the record indicates that none of said districts have restructured their salary schedules in a fashion which would affect the reliability and validity of such a comparison, the undersigned acquired the following facts:

BA Base	Comp. Ave.	Ave. \$ Increase	Ave. % Increase
	\$14447	\$991	7.4
Benton			
+/- Ave B.	-297	-141	-1.0
A	-147	+9	+ 1
Rank of 9	B. 8		
	A. 6/7		

BA 7th	Comp Ave	Ave. \$ Increase	Ave % Increase
	\$17710	\$1233	75

Benton			
+/- Ave	B. +154	-152	-1.1
	A. +343	+31	0

Rank of 9	B. 4
	A. 2

BA Max	Comp. Ave.	Ave. \$ Increase	Ave. % Increase
	\$19604	\$1356	7.5

Benton			
+/- Ave.	B. -360	-197	-1.1
	A. -48	+115	+6

Rank of 9	B. 7
	A. 5

MA Min	Comp. Ave	Ave \$ Increase	Ave % Increase
	\$15938	\$1197	8.1

Benton			
+/- Ave	B. -588	-348	-2.2
	A. -138	+103	+9

Rank of 9	B. 8
	A. 5

MA 10th	Comp. Ave.	Ave. \$ Increase	Ave. % Increase
	\$21037	\$1464	7.5

Benton			
+/- Ave.	B. -593	-305	-1.5
	A. +19	+307	+17

Rank of 9	B. 6
	A. 4

Sch Max	Comp Ave	Ave \$ Increase	Ave % Increase
	24250	\$1617	7.3
Benton			
+/- Ave.	B. -704	-318	-1.5
	A. +303	+699	+3.1

The foregoing data indicates that at the BA base the Association's proposal is clearly the more reasonable of the two, in terms of actual salary dollars, as well as the \$ and % value of the increase. At the BA 7th step, the Association's proposed increases are more in line with the comparables than the District's, and the District's proposed salary is somewhat more comparable with the comparable average. Thus it would appear that at this benchmark, neither party's position is clearly more reasonable than the other's. At the BA Maximum and MA Minimum, the Association's proposal is more comparable than the District's in all regards. At the MA 10th step, while the increases proposed by both parties are relatively equidistant from the comparable average, the Association's proposed salary is substantially more comparable than the Board's, and therefore, at this benchmark, the Association's proposal must be deemed the more comparable of the two. At the MA and Schedule Maximums, while the District's proposed salaries are relatively low in the context of comparable settlements, they are not out of line with the comparables, and in addition, the District's proposed increases, though again somewhat low in light of comparable settlements, are more in line with the settlement pattern than are the Association's proposals.

Based upon the foregoing analysis it would appear that although the Association's proposal appears to be somewhat excessive at the top end of the salary schedule in light of the settlement pattern, its proposal does appear to be somewhat more comparable than the District's as it affects the remainder of the schedule. Thus it would appear that based upon a benchmark analysis, the Association's proposal is somewhat more reasonable than the District's based upon the comparability criterion.

However, other data in the record, though somewhat less reliable than a benchmark analysis, indicates that when one compares the parties' proposed average increases, when viewed in the context of their impact on the entire bargaining unit, with comparable averages, one discerns that the value of the Board's overall proposal is closer, both in \$ and % value, to the comparable average than is the Association's proposal. In this regard the record indicates that among seven comparable districts for which data is available, the average 1985-86 \$ increase was \$1672, and the average % value of the increase was 9.1%.

When all of the above data is considered, it would appear that based upon comparability, the Association's proposal is excessive and unjustified, particularly at the top end of the schedule, while the District's proposal is relatively inadequate, particularly as it affects the remainder of the schedule.

Though cost of living and the interest and welfare of the public considerations might be used to tip the scale in this case in favor of the District, since the comparables utilized herein have also had to deal with similar considerations in reaching their settlements, the undersigned does not believe, where, as here, a settlement pattern has been established in the area, that such considerations should be determinative of the outcome of disputes such as this.

What must instead be determined is which of the two proposals is the more unreasonable of the two based upon the above discussed findings. In the undersigned's opinion, if error must be made, it should be made in favor of the District under the circumstances proesent herein. This conclusion is based upon several considerations, the main being that in the public sector in periods of difficult economic times, as is the case in rural Wisconsin today, double digit settlements cannot be justified absent a clear settlement pattern supporting the comparability of such a settlement, and/or a clearly demonstrated need for catch up based upon comparability considerations. In this instance neither of these factors are present. Though the average increase proposed by the District is below the comparable average, it exceeds the average increases granted in three of seven comparable districts in dollars and it matches or exceeds four settlements in percentage terms. On the other hand, the Association's proposal would result in the second highest settlement in both \$ and % terms, exceeding the comparable averages by \$354 and 1.9% per teacher, and a settlement of that magntude is simply not justified under the circumstances present herein. In this regard, though the record indicates that some of the District's salary rankings among comparables are relatively low, none are out of line based upon comparability considerations justifying very large increases, comparatively speaking, at this time.

While the record indicates that it would have been preferable for the parties to have agreed upon increases which would have been more in accord with comparable averages in order to maintian the District's relative comparability, even under the District's proposal, at all of the salary benchmarks analyzed, the District will remain generally competitive with its comparables. When consideration is given to the fact that the District also has a unique \$600 fringe benefit in lieu of insurance, the undersigned believes that it is reasonable to conclude that at the minimum, the District's total compensation package will remain in line with the District's comparables even though at some points on the salary schedule future improvement in the District's position among its comparables would appear to be justified. In light of these consclusions, a persuasive case simply has not been made supporting the Association's proposed 11% increase, which would be one of the largest increases among comparable districts, at this time.

Based upon all of the foregoing, the undersigned hereby renders the following:

#### ARBITRATION AWARD

The Board's final offer shall be incorporated into the parties' 1985-1986 collective bargaining agreement.

Dated this 13<sup>th</sup> day of June, 1986 at Madison, Wisconsin.

  
Byron Yaffe  
Arbitrator