

MAY 13 1986

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

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In the Matter of the Petition of

WAUSAU EDUCATION ASSOCIATION

To Initiate Mediation-Arbitration
Between Said Petitioner and

WAUSAU SCHOOL DISTRICT

* * * * *

Case 24
No. 35591
Med/Arb-3470
Decision No.23231-A

APPEARANCES

On Behalf of the District: Ronald J. Rutlin, Attorney
at Law, Mulcahy & Wherry, S.C.

On Behalf of the Association: Tom Coffey, Executive
Director -- Central Wisconsin
UniServ Council

I. BACKGROUND

On April 20, 1985 the Parties exchanged their initial proposals on matters to be included in a new collective bargaining agreement. Thereafter, the Parties met on five occasions in efforts to reach an accord on a new collective bargaining agreement -- including a Mediation session conducted by a Mediator from the WERC on August 28, 1985. On September 3, 1985 the Association filed a petition requesting that the Commission initiate Mediation/Arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act. On October 8, 1985 a member of the Commission's staff conducted an investigation which reflected that the Parties were deadlocked in their negotiations and that the Parties agreed to postpone submission of final offers until after December 20, 1985. By January 13, 1986, the Parties submitted to the Investigator their final offers as well as a stipulation on matters agreed upon. Thereafter, on January 21, 1986 the Investigator notified the Parties that the investigation was closed.

On January 28, 1986 the Parties were ordered by the Wisconsin Employment Relations Commission to select a Mediator/ Arbitrator from a list. The undersigned was so selected and notified of his selection on February 12, 1986. The Parties contacted the Mediator/Arbitrator expressing a desire to have an expedited Mediation/Arbitration. On March 3, 1986, the Parties agreed to exchange their exhibits and briefs prior to the Mediation/Arbitration hearing which was scheduled for May 1, 1986. Exhibits were exchanged April 18 and briefs were filed April 25, 1986. This Award is based on the evidence, the arguments and the relevant statutes.

II. ISSUES

There are four items in dispute. The first is the appropriate salary schedule for 1985-86 and 1986-87. The second relates to long-term disability insurance. The third involves a modification to the fair share language; and the last concerns the appropriate payment for certain teachers' supervision.

A. Salary Schedule

The salary schedules proposed by the Parties have the same number of horizontal lanes and vertical increments. The following summarizes the differences in the 1985-86 and 1986-87 proposals of the Parties:

<u>Benchmark</u>	<u>1985-86</u> <u>Board Offer</u>	<u>Association</u> <u>Offer</u>
BA Minimum	16,450	16,562
BA Maximum	24,182	24,346
B + 8 Maximum	24,665	24,826
B + 16 Maximum	26,175	26,350
B + 24 Maximum	27,725	27,907
MA Minimum	18,095	18,218
MA Maximum	29,857	30,060
MA + 6 Maximum	30,207	30,435
MA + 12 Maximum	30,557	30,810
MA + 18 Maximum	30,907	31,185
MA + 24 Maximum	31,257	31,560
MA + 30 Maximum	31,607	31,935
Schedule Maximum	31,957	32,310

<u>Benchmark</u>	<u>1986-87</u> <u>Board Offer</u>	<u>Association</u> <u>Offer</u>
BA Minimum	17,450	17,688
BA Maximum	25,652	26,001
B + 8 Maximum	26,165	26,514
B + 16 Maximum	27,766	28,412
B + 24 Maximum	29,410	29,804
MA Minimum	19,195	19,457
MA Maximum	31,672	32,104
MA + 6 Maximum	32,022	32,505
MA + 12 Maximum	32,372	32,906
MA + 18 Maximum	32,722	33,307
MA + 24 Maximum	33,072	33,708
MA + 30 Maximum	33,422	34,109
Schedule Maximum	33,772	34,510

B. Disability Insurance

The District proposes the following:

"The Board agrees to pay the full cost of the long-term disability program. Effective 7/1/86 the monthly level of benefit shall be ninety percent (90%) for the first two years and seventy-five percent (75%) thereafter with a ninety (90) day waiting period. However, if the cost of the ninety percent (90%) plan exceeds the cost of the current plan, which is sixty-six and two-thirds percent (66-2/3%), the Board may revert to the current plan. The intent of the parties is that the ninety percent (90%) plan not cost the District anymore than a sixty-six and two thirds percent (66-2/3%) plan."

The Association proposes the following:

"The District will pay the full cost of a disability program which includes at least the following coverage: Ninety percent of the employee's gross salary after a sixty calendar day waiting period to age 65. If the cost of the plan with ninety percent of the employee's gross

salary after a sixty calendar day waiting period exceeds forty-five cents per thousand, the District may revert to a less expensive plan at the sixty-seven percent level of the employee's gross salary and a ninety calendar day waiting period. This clause shall be effective thirty (30) days after the award of the mediator/arbitrator or as soon as practicable thereafter."

Thus, the difference relates to the waiting period, the payout after two years and the measurement of the cost ceiling.

C. Fair Share

The District proposes to maintain the status quo with respect to fair share. The present contract reads:

"Effective August 15, 1978, and unless otherwise terminated, the Employer shall deduct from each paycheck (beginning the first pay period after October 1) of all regular full-time employees specified herein an amount equal to such employees proportionate share of the cost of the collective bargaining process and contract administration as measured by the amount of dues uniformly required of all members, as certified by the Wausau Education Association, and shall pay such amount to the Treasurer of the bargaining representative of such employee on or before the end of the month following the month in which such deduction was made.

1. Present Employees: As to persons employed on the effective date of this agreement, such deduction shall be made and forwarded to the Treasurer of the bargaining representative only from the earnings of the employee organization of the effective date of this Agreement.
2. New Employees: Such deductions shall be made and forwarded to the Treasurer of the bargaining representative from the earnings of new employees in the first pay period following their initial date of employment."

The Association proposes to delete B.1 and B.2 from the present language. Their proposal is as follows:

"Employees Covered: The Employer shall deduct from each paycheck (beginning the first pay period after October 1) of all employees represented by the Association as determined by Article 1 of this agreement an amount equal to such employee's proportionate share (sic) of the cost of the collective bargaining process and contract administration. The amount is measured by the amount of dues uniformly required of all members, as certified by the Wausau Education Association, and shall be paid to the Treasurer of the bargaining representative of such employee on or before the end of the month following the month in which such deduction was made.

(Delete #1 and #2 and re-number 3, 4 and 5 appropriately).

This revision of the Fair Share Clause shall be effective thirty (30) days after the award of the mediator/arbitrator or as soon as practicable thereafter."

D. Extra Duty Pay

The previous contract provided a rate of \$ 8.00 per supervision assignment. The Board proposes the following:

"Teacher's supervision of school dances, duty at athletic contests and chaperoning of school event -- at all schools -- \$12.00 per assignment. (An assignment include both JV and Varsity athletic contests)."

The Association provides:

"Teachers' supervision of school dances, duty at athletic contests and chaperoning of school events -- \$15.00 per assignment."

III. ARGUMENTS OF THE PARTIES

A. Comparable Districts

1. The Association. The Association recognizes that in 95 percent of the cases, the athletic conference schools form an appropriate group of comparables because of the various schools geographic proximity and similar size.

In this case, they submit that Wausau is simply too much larger than the other schools in the athletic conference to apply this as the comparable group. They note that it is twice as large as five of the athletic conference schools, and that only two of the eight even approach Wausau's size.

Instead they believe a grouping of comparable schools outside the immediate geographic area is necessary. They note that Arbitrators have not hesitated to look beyond the athletic conference to geographically distant schools when there is a lack of similarly sized schools. They cite School District of LaCrosse, Arbitrator Yaffe.

Additionally, they note (1) that the Parties in the Eau Claire and Madison districts voluntarily agreed to a group of schools including Wausau; (2) that Arbitrators in other athletic conference schools have distinguished Wausau in their comparable groupings; and (3) that the labor market for teachers in Wausau tends to be statewide.

Thus, they rely on the 20 largest districts in Wisconsin¹ -- excluding Milwaukee. They submit that even though the instant Parties have never agreed on a set of comparables or gone to Mediation/Arbitration, the Association has historically utilized these schools in bargaining. In fact, they claim that the District has utilized a grouping of larger schools in other matters. They cite the Hay Associates Study of administrative salaries in Wausau in 1980 which identified a list of larger schools as comparable to Wausau. Many of these schools are on their list of 20. They also cite the fact that as one of their comparability groupings, a selection of larger schools from throughout the State in a previous Mediation/Arbitration case on the sole issue of department chairman pay.

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|-------------|------------|---------------|
| 1. Appleton | Kenosha | Stevens Point |
| Beloit | La Crosse | Waukesha |
| Eau Claire | Madison | Wausau |
| Elmbrook | New Berlin | Wauwatosa |
| Fond du Lac | Oshkosh | West Allis |
| Green Bay | Racine | West Bend |
| Janesville | Sheboygan | |

2. The District. The District relies on the athletic conference namely, Antigo, Rhinelander, Merrill, D.C. Everest (Rothschild-Schofield), Marshfield, Wisconsin Rapids and Stevens Point. They believe that all of these districts are comparable by virtue of their geographic proximity to Wausau and the historical relationship developed in the athletic conference. In this regard, they cite a series of Mediation/Arbitration decisions in the athletic conference schools. These decisions have always grouped Wausau with other athletic conference schools, and in some cases specifically rejected the use of larger schools statewide. Thus, they believe, based on extensive case citation, that absent extra-ordinary circumstances, the districts within the athletic conference shall be determined to be a valid comparable pool for purposes of measuring wages, hours and conditions of employment. They also believe no such circumstances exist in this case and that there is sufficient comparability in the athletic conference.

Next, the District notes that while in the past Wausau has been larger than other athletic conference schools, the conference schools recently have been closing the gap. In addition, differences are narrowing in terms of other factors such as school cost per pupil, state aid per members, equalized value per pupil and income statistics.

In terms of the Association's comparable group, they argue that this grouping is too broad to provide a reasonable basis of comparison as to wages and benefits since this grouping covers an area which transverses the State of Wisconsin. Relevant as well is the labor market, which for beginning teachers is broad and is narrow for more seniority teachers. For instance, they submit that the Association has failed to demonstrate any wholesale exodus of teachers from the Wausau District to any of the larger urban areas cited herein by the Association as comparable -- thereby creating the larger "labor market." Furthermore, they maintain a host of decisions within the 20 school districts cited as comparable by the Association have not required a statewide grouping of comparables similar to that proffered by the Association. They cite Appleton Area School District, Dec. No. 17202-A, School District of Beloit, Dec. No. 19168, School District of Beloit, Dec. No. 21918, Elmbrook School District, Dec. No. 16617-A, Fond du Lac School District, Dec. No. 16345-A, Fond du Lac School District, Dec. No. 21869-A, Kenosha Unified School District No. 1, Dec. No. 17368-A, School District of Janesville, Dec. No. 17169-A, Sheboygan Area School District, Dec. No. 18508-A, Sheboygan Area School District, Dec. No. 20975-A, School District of Waukesha, Dec. No. 18391, Joint City School District No. 1, West Allis, West Milwaukee, et. al., Dec. No. 17580-A, West Bend Joint School District No. 1, Dec. No. 19443-A, West Bend Joint School District No. 1, Voluntary Impasse Procedure.

In addition, they argue that the only other Arbitration decisions which utilize statewide comparables can be easily distinguished. For instance: (1) there is no agreement between the Parties to use statewide comparables; (2) there is an appropriate comparable group available; (3) unlike Madison, Wausau is not so large as to preclude its comparability with other athletic conference districts; (4) Wausau is much smaller than the 20 schools in the Association's comparable group. They present detailed analysis in this regard.

B. Salary Schedule

1. The Association. The Association's first argument on the salary schedule is to state that settlements in a different time frame should be given little, if any, weight in determining the appropriate final offer. This applies to some of the schools in their comparable grouping -- New Berlin, Sheboygan, Waukesha, and Wisconsin Rapids who settled in 1984 in a differ-

ent bargaining cycle, and some in the District's grouping (Antigo and Wisconsin Rapids). In support of their position that current year settlements, which in this case are higher than those that were part of multi-year contracts settled earlier, they cite Arbitrator Gundermann in the School District of Cudahy and Arbitrator Yaffe in the New Holstein School District.

In analyzing the offers, the Association first utilizes a "traditional" benchmark analysis. In support of this approach they note that the appropriate increase in dollars and percentage at the seven benchmarks have been used extensively by Arbitrators in Wisconsin in determining the reasonableness of a particular final offer.

However, before doing so they discuss what happened to Wausau wage rates at the seven commonly used benchmarks during the term of the 1982-1985 agreement within its three identified comparability groupings. At the seven benchmarks, they submit that there was deterioration at all the benchmarks to the average, ranging from -\$190 (1.3 percent) at the BA Min, to -\$567 (1.7 percent) at the Schedule Max. This is on top of the fact that they were already below the average in 1981-82. They also do a similar analysis to the Hay & Associates grouping and the Eau Claire grouping. The Association argues that this relevant evidence should be given significant weight in the decision making process by the Arbitrator. They base this argument particularly on factor "H" in the Mediation/Arbitration criteria which requires looking at other factors traditionally taken into consideration by Parties in collective bargaining. After a long-term contract, Parties in collective bargaining traditionally make corrections in wage rate relationships that occurred during the term. Thus, they believe their offer addresses the need for "catch-up" against this deterioration.

When reviewing the 1985-86 and 1986-87 settlements in their comparable group, the Association presents exhibits showing the average benchmark settlement in each year, and the increase in dollars and percent from the previous year. They believe the evidence shows that the Association is not even making a modest correction of wage rates after the three year contract. They also note that even the District, using the Wisconsin Valley comparability rather than the Association's groupings, concedes there was loss of ground during the contract during 1984-85. In this regard, they direct attention to a newspaper article attributing comments to this effect to representatives of the District.

Also in analyzing the benchmark data they believe that the BA Max, MA Max and Schedule Max should be given special emphasis in view of the distribution of teachers in Wausau. They note that in 1985-86, 320.3 FTE's in Wausau are at the top of their salary lanes -- 71 percent of the teaching staff. In 1986-1987, 353.1 FTE's will be at the top of their salary lanes -- 78.6 percent of the teaching staff. Furthermore, Wausau has 65 percent of its teaching staff with Masters Degree or beyond in comparison to the statewide average of 34 percent.

Traditionally, they believe that this distribution makes comparisons with schools like Wisconsin Rapids, La Crosse and Stevens Point, who went to a condensed 10-Step schedule, particularly valuable. They expect the District to argue that benchmark evidence deserves little weight when salary schedules have been compressed and internal placement on the salary schedule does not always meet the experience level of the teachers. However, to summarize the Association's response, they believe a maximum is a maximum regardless of how many steps are on the schedule.

They believe their offer is most appropriate at these benchmarks. This is especially true since the District's offer is particularly weak at the Schedule Max where 1/2 percent less raise in 1985-1986 is offered to the most educated staff. This inequity is particularly significant because it affects 58.5 FTE's in 1985-1986 and 62.5 FTE's in 1986-1987.

While the Association believes benchmark analysis is the most important tool in evaluating the offers, they maintain that if the Arbitrator finds it necessary to look beyond the benchmark evidence, the measures of salary percentage increase and total package increase give decisive evidence in support of the Association's position. When New Berlin and Sheboygan are excluded, the average salary percentage increase in 1985-86 is 8.1 percent (with -- then it is 7.98). This compares to the Association's offer of 8.36 percent and the Board's offer at 7.46 percent for 1985-86. For 1986-87, the average is 8.24 percent. The Association's offer is 7.8 percent and the Board's is 7 percent. They believe, based on their costing or even the Board's (with which they disagree), the Association is closer to the average.

With respect to the salary percentage increases, the Association last contends that assuming, arguendo, that the Arbitrator gives some weight to the District's comparables, these costing measurements still support the Association's offer. For example, Employer Exhibit 25 shows the Wausau District to have a below average settlement in two of the three years of its multi-year contract. Overall, Wausau lost at least 0.36 percent average on the wage increase, and 0.46 percent average on total costings. With this background, the Wausau District offer provides another below average multi-year agreement, even using the athletic conference. Also using Employer Exhibit 26 and the Association's costings, they assert the five schools of D.C. Everest, Marshfield, Merrill, Rhineland, and Stevens Point that settled during this bargaining round, have an average wage only settlement of 8.4 percent -- unequivocally supporting the Association's offer. Additionally, the total package average of 8.3 percent also supports the Association's offer based on the costing used throughout the bargaining process.

The Association next asserts that their offer is consistent with the interests and welfare of the public as stated in criterion "C". In this regard they argue there is no credible evidence, contrary to exhibits, presented by the Employer that the economic conditions in the Wausau District are any different than anywhere else. Thus, a lower settlement than found elsewhere is not justified. In fact, they contend that the public would best be served by substantial increases. They direct attention in this respect to Beyond the Commission Report by the Rand corporation, High School by Ernest Boyer and the Endicott study which states that teachers' salaries lag miserably behind the salaries of other college graduates.

The Association also argues against the Employer's use of private sector wages and the cost of living data. First, they note the Parties, nor many Arbitrators, have ever given weight to private sector settlements. Also, they maintain that the cost of living factor is best dictated by the pattern of settlements.

Also offered in support of the Association's offer is argument relating to criteria "H". In this respect, they submit that one factor that has traditionally been considered in determining the appropriate wage increases is the productivity of the work force. The productivity, in their view, of teachers in Wausau is high based on the various accomplishments of students and programs.

Last, with respect to salary, the Association argues that the lower costs of Wausau health and dental insurance supports the reasonableness of the Association's offer as measured by the overall compensation criterion. The contribution for 1985-86 is \$137.12 monthly, which is \$38.96 below the monthly average and \$467.52 below the yearly average. The contribution for singles is \$22.07 below the monthly average and \$264.84 below the yearly average. The dental rates are also slightly below average. Thus, they suggest that the District apparently gave no consideration to this factor when framing its final offer, and accordingly, its below average offer is even more inappropriate when one considers the costs of its insurance program.

2. The District. The District first analyzes the offers in terms of the historical pattern of settlements (percent and average dollar increases). They look at the cumulative increases from 1980-81 through 1986-87, and note that cumulatively under the Board's offer, Wausau teacher salaries from 1980-81 through 1986-87 would exceed settlements in comparable districts by 7.7 percent. The Association's offer would result in salary increases which would exceed the average by 11.9 percent. Similarly, the Board's offer results in total compensation increases which are 2.7 percent above the average, while the Association's offer would require total compensation increases of 4.3 percent above the average. In support of this analysis, they direct attention to two decisions which commented on the reliability of looking at dollar increases as opposed to percentages -- Waukesha County Technical Institute, Decision No. 18804-A, Arbitrator Gundermann and School District of Sturgeon Bay, Decision No. 20263-A, Arbitrator Grenig.

Further in this regard, they argue that the percentages of increases are much less relevant since Wausau teachers do not need a high percentage increase to catch up since the average teacher salary under the Board's offer will significantly exceed the average teacher salaries in other districts. Thus, they conclude it is clear that acceptance of the Association's offer would cause a substantial increase in the District's lead over comparable districts without justification.

In terms of benchmark comparisons, the District contends that due to restructuring in the salary schedules in comparable districts, the traditional benchmark increases are, in effect, phantom indicators. For instance, several schools condensed their schedules to ten steps and artificially placed employees thereon. Thus, employee placement on these comparable salary schedules is not consistent with their experience within the District. Citing Arbitrator Yaffe in School District of Shell Lake, Decision No. 23069-A, they argue that as a result of this restructuring, the artificial benchmark analysis should be avoided. They also contend that further difficulty with traditional benchmark comparisons lies in the fact that a substantial number of Wausau teachers are at the maximum of the schedule --and in particular at the maximums of the Master's Degree lanes.

As an illustration as to why the benchmark comparisons for 1985-86 and 1986-87 are really statistically invalid, they direct attention to the scattergrams submitted for the Stevens Point School District which reveal that at no point during 1985-86 or 1986-87 will there be employees placed on the maximum step in the salary schedule. Therefore, the fact that their maximum salary may increase by \$5,059 in the third year of their contract is immaterial, since obviously, they are not capable of paying that maximum salary. Notably, this increase is partly the result of an added lane on the salary schedule.

Next, they assert that when compared to CPI increases, the Board's offer is undeniably more reasonable. They present detailed analysis here based on the current year and the past ten years and conclude none of the available evidence supports the Association's offer.

The Board's last argument on salary is its most extensive. They contend that when benchmark increases are no longer relevant and where, as in the instant case, the teachers in the bargaining unit are paid so far above those in comparable districts, the question then becomes what other criteria should properly be considered in the determination of the dispute. Thus, they direct attention to Section 111.70 (4)(cm)7 which requires the Arbitrator to give weight to the interests and welfare of the public in evaluating the reasonableness of either Party's final offer. They believe this criteria deserves greater weight since the benchmark analysis is not relevant. Basically, they believe the Arbitrator must, as a result, weigh the communities interest against the employee's interest.

In their opinion, the difference between the employees' interests and the public interest is easily recognized when one considers the plight of the farmer in rural Wisconsin. They contend that of the District's equalized value to support District programs, 33 percent falls outside incorporated cities and villages. Further in this regard, they detail the various price drops in various farm products, increased cash flow and debt problems, rising interest rates, declining incomes and increasing taxes.

They also mention the state of the economy in the non-farm sector, noting that the private sector in Wausau has also evidenced a slow and erratic recovery from the recession of the early 1980's. In support of this idea, they direct attention to the fact that Marathon County has consistently maintained an unemployment rate higher than the State of Wisconsin and higher than two of the more industrialized counties to the south -- Portage County and Wood County. The February 1986 unemployment rate in Wausau was still in the double digits.

In response to this they note that the private industrial, service and retail sectors, municipal employers in Wausau have moderated settlements considerably. In fact, the City of Wausau and Marathon County settlements were generally in the range of four to five percent for 1985 and 1986. These settlements demonstrate a high degree of sensitivity to the taxpayers. The private sector levels of increases in the range of one to five percent for 1986 also reflect an air of fiscal conservatism. Moreover, they believe that recent Arbitration awards reflect the fact that local economic conditions are an important factor in determining appropriate wages.

The local conditions have also caused the District to put a 7.8 percent cap on the tax levy with an increase in the pupil-teacher ratio in the high school to 24 to 1. This entails an estimated cut of 10.9 positions, and a reduction of \$286,200 in salaries alone. Moreover, the Wausau Board has passed a motion to eliminate behind-the-wheel Driver's Ed, and it is generally conceded that class sizes will increase across the board in the next school year. Since the property tax credits were reduced by ten percent in the last "budget repair" session in the State Legislature, it is likely that state aids will have no real favorable impact in 1986-87. In fact, the District is projecting a decrease of nearly \$152,000 in general equalization aid from the State.

B. Fair Share

1. The Association. The Association notes that the present fair share clauses frequently enter the contract with grandfather clauses that are removed in subsequent bargains. In addition, the Association believes the facts justify the elimination of the grandfather clause at this time. At this time only 20.5 FTE's are grandfathered, only 4.6 percent of the bargaining unit. When the clause was placed in the contract in 1978-79, 51 FTE's were grandfathered.

The substantial reduction of the non-members since 1978-79 supports the appropriateness of removing the grandfather clause at this time and its minor importance in the total contractual relationship. Secondly, the comparables support the Association's position on the issue with the majority of comparables have the full share provision. Arbitral opinion lends support to the position on this issue. They submit that a fair share provision with a grandfather clause was first negotiated in the 1978 collective bargaining agreement.

2. The District. It is the District's position that the Association has the burden of showing a need to change the fair share language. There is no need, in their opinion, to change it.

First, they note the current Wausau provision is consistent with the other grandfather provisions existent in Wisconsin Valley Conference districts. The D.C. Everest, Merrill, and Stevens Point districts all have some type of grandfathering provision which allows employees who, as of the date specified were not voluntarily members of the Association, to be exempt from paying fair share contributions. In addition, they draw attention to the recent Supreme Court decision in Chicago Teachers Union, Local #1, et al., v. Hudson, et al., Slip Op. No. 84-1503, March 4, 1986. Based on their analysis of the decision and the cloud it casts on the validity of the debate procedures for non-union employees, they submit it is imprudent to alter the fair share provision in Wausau.

C. Extra Pay

1. The Association. The history of this pay rate shows no increase since 1980. The increase in 1980 was from \$7.50 to \$8.00 per event. The \$7.50 rate was in effect since 1974. Thus, the Association suggests that both Parties have recognized the need for catch up. The comparables show that the \$15 rate is more in line with the comparables.

In addition, the Association points out a number of district pay by the hour rather than the event. The average event in Wausau requires two to two and one-half hours, making its offer right on the comparability target.

2. The District. Employer Exhibit 95 reveals that there is a wide divergence of pay practices for athletic events. Three districts have a rate which is similar to that offered by the Board herein: Antigo, Merrill and Wisconsin Rapids. D. C. Everest affords \$12 per event for athletic conference activities, but an additional sum for chaperoning. Marshfield affords \$10 per event for supervisory activities and \$20 per event for chaperone activities. The Rhinelander agreement reflects no monetary remuneration for these activities.

Therefore, it can reasonably be concluded that there is no significant comparable support of the Association's offer on this issue. The Board's offer of \$12 per event is an increase of 50 percent over the prior contract rate. The Association's offer of \$15 per event is an 88 percent increase. As a consequence, the Board's offer emerges as fair and reasonable.

D. Long Term Disability

1. The Association. The Association believes both the District and the Association have recognized the need to revise an outdated long term disability policy. Both offers provide a safety valve for the District if the plan becomes too expensive. While comparability on this issue tends to support the District's offer, the trend is towards a 90 percent disability

plan because of changes in the tax laws. This statewide trend has not reached the large districts at this time. The Association argues its plan is more equitable and that its ceiling on costs makes the plan the more reasonable in this specific incident.

2. The District. It is the position of the Board that the total compensation of Wausau teachers supports the long term disability plan offered by the Board. Turning to disability coverage among comparable districts, they note that two districts afford 67 percent coverage of salary during periods of disability. Rhinelander affords this benefit after 60 waiting days and Wisconsin Rapids affords the benefit after 90 waiting days. Four of the districts afford the 90 percent plan but one of those districts -- D.C. Everest -- requires a 90 day waiting period. The Association offer requires the 90 percent plan benefit after 60 days. The Board offer affords 90 percent coverage for a full two years and then pays 75 percent of salary thereafter, after an initial waiting period of 90 days. The comparables are, at best, mixed on the disability issue. Even the Association's comparables evidence little, if any, support for their offer. In addition, Employer Exhibits 90 and 91 also demonstrate unequivocally the paid health, dental and life insurance benefits afforded Wausau teachers. In addition, the full employee share of Wisconsin Retirement has been assumed by the Board. The present level of paid benefits is competitive and also provides a high level of security to Wausau teachers.

Therefore, on the basis of comparability and a rational consideration of the Wausau paid insurance packages as a whole, the District's offer is preferable.

IV. OPINION AND DISCUSSION

A. Comparables

Under the facts and circumstances of this case, the Arbitrator finds it inappropriate to limit the comparables to the athletic conference schools. Four of the schools (Marshfield, Merrill, Antigo and Rhinelander) are less than half the size of Wausau, and D.C. Everest is only about 60 percent of the size of Wausau. Only Stevens Point and Wisconsin Rapids are within an acceptable range. Even then, Wausau is substantially larger than Wisconsin Rapids and somewhat larger than Stevens Point. While Wausau has been included by Arbitrators in the appropriate comparable groups in the five smallest schools in the athletic conference, this situation is clearly distinguished. It is one thing to include one large school in a broader group of smaller schools. One school is not likely to significantly distort comparisons. It is quite another thing to limit the comparison of the same large school to the same group of smaller schools. The potential for distortion in the latter case is much greater.

Accordingly, the remaining schools are deemed, for the purposes of this Arbitration, as comparable:

Eau Claire*	Fond du Lac
Sheboygan	Stevens Point*
La Crosse*	Wisconsin Rapids*
Oshkosh	Beloit*

* Settled for both years. All others settled for one year.²

Additionally, it is the Arbitrator's opinion that because of their proximity Stevens Point and Wisconsin Rapids, when possible, will be given greater weight than the other schools.

B. Wages

The Parties are also at odds over what primary methodology to utilize in analyzing the offers. The Employer maintains that only per teacher increase comparisons are valid since the radical alteration of the schedules in schools such as Stevens Point, Wisconsin Rapids, La Crosse and Sheboygan make benchmark comparisons invalid. Specifically, where a ten step schedule is put in place, teachers are artificially placed on the schedule without regard to their actual experience. A teacher with 15 years experience may not be placed at the tenth and maximum step and actual earnings are not reflected by the schedule. The Association, on the other hand, believes benchmark comparisons are valid.

It is the Arbitrator's opinion that any comparisons for the purposes of determining the appropriate wage increase which involves the benchmarks of schools with the radically altered salary structures are of limited usefulness. The fact that teachers are artificially placed on the schedule without regard to their actual years of experience makes the maximums more of a reflection, not what the Parties believe to be the appropriate wage increase for the current contract period, but a reflection of a significantly altered wage level appropriate sometime in the future.

Certainly, there are schools which retained normal schedules and benchmark analysis can be utilized for these schools. However, there are only two schools fit into this category that are also settled for both years. They are Eau Claire and Beloit. This certainly does not give much of a basis for comparison. Accordingly, it is also appropriate to look at average teacher increases in the other schools to gain a better perspective. In fact, this latter method of comparison in this case is probably better because it not only enables a broader based comparison, but it also allows Stevens Point and Wisconsin Rapids special weight.

2. Janesville and Appleton are not utilized because they have not settled for either of the two years in dispute.

The following chart indicates the Arbitrator's calculation of the per returning teacher increases in the comparable schools:

Chart 1

	<u>1985-86</u>	<u>1986-87</u>	<u>Two Year Total</u>
Eau Claire	2,008	2,225	4,233
Sheboygan	1,987	N/S	
La Crosse	2,055	2,209	4,264
Oshkosh	2,037	N/S	
Beloit	1,990	1,982	3,972
Fond du Lac	2,289	N/S	
Stevens Point	2,019	2,354	4,373
Wisconsin Rapids	<u>1,553</u>	<u>1,831</u>	3,384
Average	1,992	2,120	4,112
Association (Difference)	2,204 + 212	2,226 + 106	4,430 + 318
Board (Difference)	1,965 - 27	1,959 - 161	3,924 - 188

This data shows that the Board is closer to the mark in the first year, where the Association is closer in the second year. However, in the final analysis, the Board's offer is slightly favored because it is, based on this measurement, closer to the increases in the comparables over the total average increase in both years.

A benchmark analysis of the settlements in Beloit and Eau Claire over the two year contract period also shows that ultimately the Board's offer is slightly favored.

Chart 2

TOTAL AVERAGE BENCHMARK INCREASES
84/85 TO 85/86 AND 85/86 TO 86/87
BELOIT/EAU CLAIRE VS. FINAL OFFERS

	<u>BA Min</u>	<u>BA Max</u>	<u>MA Min</u>	<u>MA Max</u>	<u>Sched. Max</u>
Two Year Average	2,076	2,867	2,271	3,767	3,967
Association (Difference)	2,238 + 162	3,289 + 422	2,462 + 191	4,062 + 295	4,368 + 401
Board (Difference)	2,000 - 76	2,940 + 73	2,200 - 71	3,630 - 137	3,630 - 337

Chart 3

ACTUAL WAGE RATES AT THE BENCHMARK
FOR 1986-87
BELOIT/EAU CLAIRE VS. FINAL OFFERS

	<u>BA Min</u>	<u>BA Max*</u>	<u>MA Min</u>	<u>MA Max</u>	<u>Sched. Max</u>
Average	17,486	26,766	19,128	31,715	33,379
Association (Difference)	17,688 + 202	26,001 - 765	19,457 + 329	32,104 + 389	34,510 +1,131
Board (Difference)	17,450 - 36	25,652 -1,114	19,195 + 67	31,672 - 43	33,772 + 393

* Only Eau Claire used here. Beloit's BA Max is so low it is difficult to give it weight.

The data in Chart 2 shows that the Association is asking for benchmark increases over the two years which exceed the settlement average in Beloit and Eau Claire by a margin greater than the Board's offer falls short of the mark. The only justification based on this data for an excessive increase is at the BA Max where Wausau is far behind. At the other benchmarks the slight shortfall under the Employer's offer is mitigated by the fact, as demonstrated by Chart 3, that at the MA Min and Schedule Max benchmarks, the Wausau schedule, under the Board's offer would still outpace Beloit and Eau Claire and by the fact that Wausau would be within \$50 per year at the BA Min and MA Max.

Thus far to the extent reasonable comparisons can be made, it has been observed that the increases under the Association's offer exceeds those in the comparables by a greater degree than the District falls short. Relevant here is the Association's claim that catch up is needed because of erosion which they allege occurred during their three year contract preceeding the instant contract. Thus, in their view a larger increase is needed to make up for the erosion.

Relevant here are the historical per teacher increases in Stevens Point and Wisconsin Rapids. As the most comparable of the comparables, they deserve some special attention. The following chart tracks a five year period including Wausau's three year predecessor contract.

Chart 4

	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>	<u>1983/84</u>	<u>1984/85</u>	<u>Cum.</u>
Stevens Point	1,645	1,786	2,018	1,374	1,452	8,275
Wisconsin Rapids	<u>1,495</u>	<u>1,852</u>	<u>1,811</u>	<u>1,605</u>	<u>1,566</u>	<u>8,329</u>
Average	1,570	1,819	1,914	1,489	1,509	8,302
Wausau	1,925	2,000	1,869	1,661	1,720	9,175
Difference	+ 355	+ 181	- 149	+ 172	+ 211	+ 873

This data on dollar increases fails to show, contrary to the belief of the Association, that Wausau has suffered erosion, in terms of average increases during the last three years.

The possibility of erosion can also be tracked by a historical perspective of the benchmarks in the two schools with both regular schedules and settlements in 1985/86 and 1986/87 (Beloit and Eau Claire). The following compares the increase at the benchmarks 1981/82 to 1984/85 in Wausau, Eau Claire and Beloit:

Chart 5

TOTAL DOLLAR INCREASES ON BENCHMARKS
1981/82 TO 1984/85

	<u>BA Min</u>	<u>BA Max</u>	<u>MA Min</u>	<u>MA Max</u>	<u>Sched Max.</u>
Average	2,596	3,639	2,812	4,764	4,966
Wausau	<u>2,550</u>	<u>3,749</u>	<u>2,805</u>	<u>4,628</u>	<u>4,928</u>
Difference	- 46	+ 110	- 7	- 136	- 38

This shows that the dollar increases at the benchmarks in Eau Claire and Beloit over the three year period were very close to those in Wausau. They failed to keep pace least at

the MA Max. Teachers in Wausau at this benchmark received \$136 less in increases over three years than teachers in Eau Claire and Beloit. This is insignificant. That is less than \$45 per year and \$3.77 per month.

In summary on the salary issue, it is apparent that based on the more appropriate measures, the Board is closer to the salary increase over the two year period than is the Association's. Nor is there any evidence of meaningful erosion which would justify the Association's offer which exceeds increases obtained in comparable districts.

C. Fair Share, Disability and Extra Duty Pay

A detailed analysis of the offers here is unnecessary. Even if the Association's offer is preferred on each of these issues, this preference could not outweigh the preference for the District's offer on the salary question.

AWARD

The 1985-86 and 1986-87 contract between the Parties, in addition to those items stipulated to, will include the Final Offer of the District.



Gil Vernon, Mediator/Arbitrator

Dated this 12th day of May, 1986 at Eau Claire, Wisconsin.